



AUDIT AND RISK COMMITTEE CHARTER

(AMENDED AND RESTATED MARCH 24, 2021)

Composition of the Audit and Risk Committee:

The Audit and Risk Committee of Cadiz Inc., a Delaware corporation (the "Company") shall be comprised of at least three directors, each of whom the Board has determined has no material relationship with the Company and each of whom is otherwise "independent" under the rules of the NASDAQ Global Market (formerly, the NASDAQ National Market) and the Sarbanes-Oxley Act of 2002 (the "2002 Act"). The Board shall also determine that each member is "financially literate", and that one member of the Audit and Risk Committee has "accounting or related financial management expertise," as such qualifications are interpreted by the Board of Directors in its business judgment, and whether any members of the Audit and Risk Committee are "financial experts" as defined by the Securities and Exchange Commission (the "SEC") for purposes of the 2002 Act.

No director may serve as a member of the Audit and Risk Committee if such director serves on the audit committees of more than two other public companies unless the Board of Directors determines that such simultaneous service would not impair the ability of such director to effectively serve on the Audit and Risk Committee, and discloses this determination in the Company's annual proxy statement. No member of the Audit and Risk Committee may receive any consulting, advisory or other compensatory fee from the Company other than (i) director's fees, which may be received in cash, stock options or other in-kind consideration ordinarily available to directors; (ii) a pension or other deferred compensation for prior service that is not contingent on future service; and (iii) any other regular benefits that other directors receive.

Members shall be appointed by the Board based on nominations recommended by the Company's Nominating and Corporate Governance Committee and shall serve at the pleasure of the Board and for such term or terms as the Board may determine.

The Board shall designate one member of the Audit Committee as its chairperson. In the event of a tie vote on any issue, the chairperson's vote shall decide the issue.

Purposes of the Audit and Risk Committee:

The purposes of the Audit and Risk Committee are to:

- assist Board oversight of (i) the integrity of the Company's financial statements, (ii) the Company's compliance with legal, security and regulatory requirements, (iii) the independent auditors' qualifications and independence, and (iv) the performance of the independent auditors;

- oversee the accounting and financial reporting processes of the Company and the audits of the financial statements of the Company; and
- prepare the report required to be prepared by the Audit Committee pursuant to the rules of the SEC for inclusion in the Company's annual proxy statement.

The function of the Audit and Risk Committee is oversight. The independent auditors for the Company are accountable to the Board and the Audit and Risk Committee, as representatives of the stockholders. The Audit and Risk Committee is directly and solely responsible for the appointment, compensation and oversight of the work of the independent auditors (including resolving disagreements between management and the auditors regarding financial reporting). The Audit and Risk Committee has the authority and responsibility to appoint, retain and terminate the Company's independent auditors (subject, if applicable, to stockholder ratification). The independent auditors shall report directly to the Audit and Risk Committee.

The independent auditors shall submit to the Audit and Risk Committee annually a formal written statement (the "Auditors' Statement") describing: the auditors' internal quality-control procedures; any material issues raised by the most recent internal quality-control review or peer review of the auditors, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the auditors, and any steps taken to deal with any such issues; and (to assess the auditors' independence) all relationships between the independent auditors and the Company, including each non-audit service provided to the Company and the matters set forth in Independence Standards Board No. 1.

The independent auditors shall submit to the Audit and Risk Committee annually a formal written statement of the fees billed for each of the following categories of services rendered by the independent auditors: (i) the audit of the Company's annual financial statements for the most recent fiscal year and the reviews of the financial statements included in the Company's Quarterly Reports on Form 10-Q for that fiscal year; (ii) information technology consulting services for the most recent fiscal year, in the aggregate and by each service (and separately identifying fees for such services relating to financial information systems design and implementation); and (iii) all other services rendered by the independent auditors for the most recent fiscal year, in the aggregate and by each service.

Meetings of the Audit and Risk Committee:

The Audit and Risk Committee shall meet at least four times a year, or more frequently if circumstances dictate, to discuss with management the annual audited financial statements and quarterly financial statements, as applicable. The Audit and Risk Committee should meet separately periodically with management, and the independent auditors to discuss any matters that the Audit and Risk Committee or any of these persons or firms believe should be discussed privately. The Audit and Risk Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditors to attend a meeting of the Audit and Risk Committee or to meet with any members of, or consultants to, the Audit and Risk Committee. Members of the Audit and Risk Committee may participate in a meeting of the Audit and Risk Committee by means of conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other.

Duties and Powers of the Audit and Risk Committee:

To carry out its purposes, the Audit and Risk Committee shall have the following duties and powers:

1. review and approve all related-party transactions between the Company and directors, officers, employees, consultants, and any of their family members.

2. with respect to the independent auditors,
 - (i) to appoint, retain and terminate the independent auditors (subject, if applicable, to stockholder ratification), including sole authority to approve all audit engagement fees and terms;
 - (ii) to pre-approve all audit and non-audit services to be provided by the independent auditors, and to consider whether the outside auditors' provision of non-audit services to the Company is compatible with maintaining the independence of the outside auditors;
 - (iii) to ensure that the independent auditors prepare and deliver annually an Auditors' Statement (it being understood that the independent auditors are responsible for the accuracy and completeness of this Statement), and to discuss with the independent auditors any relationships or services disclosed in this Statement that may impact the quality of audit services or the objectivity and independence of the Company's independent auditors;
 - (iv) to obtain from the independent auditors in connection with any audit a timely report relating to the Company's annual audited financial statements describing all critical accounting policies and practices used, all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditors, and any material written communications between the independent auditors and management, such as any "management" letter or schedule of unadjusted differences;
 - (v) to review and evaluate the qualifications, performance and independence of the lead partner of the independent auditors;
 - (vi) to discuss with management the timing and process for implementing the rotation of the lead audit partner and reviewing partner (which rotation must occur not less than once every five years for the lead and concurring partner, and not less than once in every seven years for other audit partners), consider whether there should be a regular rotation of the audit firm itself;
 - (vii) to take into account the opinions of management and the Company's internal auditors in assessing the independent auditors' qualifications, performance and independence; and
 - (viii) to instruct the independent auditors that the independent auditors are ultimately accountable to the Board and the Audit and Risk Committee, as representatives of the stockholders;
3. with respect to financial reporting principles and policies and internal audit controls and procedures,
 - (i) to advise management and the independent auditors that they are expected to provide to the Audit and Risk Committee a timely analysis of significant financial reporting issues and practices;
 - (ii) to consider any reports or communications (and management's responses thereto) submitted to the Audit and Risk Committee by the independent auditors required by or referred to in SAS 61 (as codified by AU Section 380),

as it may be modified or supplemented, including reports and communications related to:

- deficiencies noted in the audit in the design or operation of internal controls;
- consideration of fraud in a financial statement audit;
- detection of illegal acts;
- the independent auditors' responsibility under generally accepted auditing standards;
- any restriction on audit scope;
- significant accounting policies;
- significant issues discussed with the national office respecting auditing or accounting issues presented by the engagement;
- management judgments and accounting estimates;
- any accounting adjustments arising from the audit that were noted or proposed by the auditors but were passed (as immaterial or otherwise);
- the responsibility of the independent auditors for other information in documents containing audited financial statements;
- disagreements with management;
- consultation by management with other accountants;
- major issues discussed with management prior to retention of the independent auditors;
- difficulties encountered with management in performing the audit;
- the independent auditors' judgments about the quality of the entity's accounting principles;
- reviews of interim financial information conducted by the independent auditors; and
- the responsibilities, budget and staffing of the Company's internal audit function;

(iii) to meet with management and the independent auditors:

- to discuss the scope of the annual audit;
- to discuss the annual audited financial statements and quarterly financial statements, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations";

- to discuss any significant matters arising from any audit, including any audit problems or difficulties, whether raised by management or the independent auditors, relating to the Company's financial statements;
 - to discuss any difficulties the independent auditors encountered in the course of the audit, including any restrictions on their activities or access to requested information and any significant disagreements with management;
 - to discuss any "management" or "internal control" letter issued, or proposed to be issued, by the independent auditors to the Company;
 - to review the form of opinion the independent auditors propose to render to the Board of Directors and stockholders; and
 - to discuss, as appropriate: (a) any major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, and major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies; (b) analyses prepared by management and/or the independent auditors setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements; and (c) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company;
- (iv) to inquire of the Company's chief executive officer and chief financial officer as to the existence of any significant deficiencies in the design or operation of internal controls that could adversely affect the Company's ability to record, process, summarize and report financial data, any material weaknesses in internal controls, and any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls;
- (v) to discuss guidelines and policies governing the process by which senior management of the Company and the relevant departments of the Company assess and manage the Company's exposure to risk, and to discuss the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures;
- (vi) to regularly review and discuss with management, no less than annually, the Company's enterprise risk assessment and key enterprise risks, including major litigation and financial risks as well as information security and technology risks (including cybersecurity), and to periodically review the steps management has taken to monitor and control such risk exposures, including all risk assessment and risk management policies and procedures;
- (vii) to obtain from the independent auditors assurance that the audit was conducted in a manner consistent with Section 10A of the Securities Exchange Act of 1934, as amended, which sets forth certain procedures to be followed in any audit of financial statements required under the Securities Exchange Act of 1934;

- (viii) to discuss with the Company's Counsel any significant legal, compliance or regulatory matters that may have a material effect on the financial statements or the Company's business, financial statements or compliance policies, including material notices to or inquiries received from governmental agencies;
 - (ix) to discuss earnings press releases;
 - (x) to discuss the types of financial information and earnings guidance provided, and the types of presentations made, to analysts and rating agencies, if any;
 - (xi) to establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and for the confidential, anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters; and
 - (xii) to establish hiring policies for employees or former employees of the independent auditors. These policies shall provide that no former employee of the independent auditors may become the chief executive officer, controller, chief financial officer or chief accounting officer (or serve in a similar capacity) if such person participated in any capacity in the Company's audit within the one-year period preceding the date of initiation of the audit;
4. with respect to reporting and recommendations,
- (i) to prepare any report or other disclosures, including any recommendation of the Audit and Risk Committee, required by the rules of the SEC to be included in the Company's annual proxy statement;
 - (ii) to review this Charter at least annually and recommend any changes to the full Board of Directors;
 - (iii) to report its activities to the full Board of Directors on a regular basis and to make such recommendations with respect to the above and other matters as the Audit and Risk Committee may deem necessary or appropriate; and
 - (iv) to prepare and review with the Board an annual performance evaluation of the Audit and Risk Committee, which evaluation must compare the performance of the Audit and Risk Committee with the requirements of this charter. The performance evaluation by the Audit and Risk Committee shall be conducted in such manner as the Audit and Risk Committee deems appropriate. The report to the Board may take the form of an oral report by the chairperson of the Audit and Risk Committee or any other member of the Audit and Risk Committee designated by the Audit and Risk Committee to make this report.

Delegation to Subcommittee:

The Audit and Risk Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee of the Audit and Risk Committee. The Audit and Risk Committee may, in its discretion, delegate to one or more of its members the authority to pre-approve any audit or non-audit services to be performed by the independent auditors, provided that any such approvals are presented to the Audit and Risk Committee at its next scheduled meeting.

Resources and Authority of the Audit Committee:

The Audit and Risk Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms of special or independent counsel, accountants or other experts and advisors, as it deems necessary or appropriate, without seeking approval of the Board or management