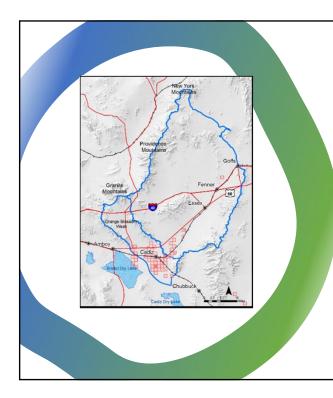
Cadiz Valley Water Conservation, Recovery and Storage Project

July 2022



• Largest private landowner is eastern San Bernardino County: • 45,000 acres located in Mojave Desert = 70 sq. miles of land with water rights • Active farming for 25 years. • 9,600 acres Cadiz Ranch w/3,000 acres in production today: Lemons, Seasonal Vegetables, Hemp, Alfalfa. • San Bernardino County oversight, sustainable operation. • Fully permitted water rights to pump 2.5 Million AF over 50 years (50K AF / year). • Multiple EIRs over 3 decades authorize and confirm sustainable

groundwater use.



The Cadiz-Fenner Watershed

- 1,300 square-mile, topographically-diverse watershed in Mojave Desert.
- Watershed terminates at dry lake playas where groundwater becomes highly saline and evaporates.
- Groundwater aquifer system contains estimated 17-34 million AF of water in storage.
- Precipitation that fell over hundreds of years in upper elevations (7,500 ft) naturally recharges system.
- Evaporation and recharge have been measured at at a rate of approximately 35,000 AF/year. (Approximately 9 Billion gallons annually).
- Water quality at Cadiz meets all drinking water standards, low TDS <330 ppb.
- Cadiz is largest private landowner, no other development in the watershed.

Water Discharged by Evaporation

Dry Lake playas sit at terminus of watershed.

Fresh water from Cadiz flows here, becomes hyper-saline, and evaporates.

Billions of gallons evaporate every year from Dry Lakes, acc. to measurements (Desert Research Institute.)







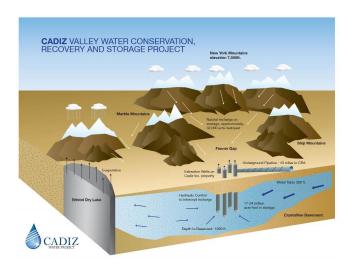
Dry Lake Crust

Beneath Dry Lake Surface

Calcium Chloride and Lithium Mining

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About the Project



Conservation

- Conserve 32K AF / year before water is lost to salinity § evaporation.

Supply

- County groundwater management plan to oversee pumping of 50K AF for 50 years - annual supply for approx. 400,000 people. Less than % of 1% in the basin.

Storage

• Import and store 1 Million AF surplus water during wet years.

Conveyance

 Pipelines connect Cadiz Storage Project to State Water Project, LA Aqueduct and Colorado River Aqueduct. Project can also convey water between communities intersected by pipeline route.

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- County approved and enforced groundwater management plan to monitor and protect Mojave Desert, springs, and aquifer.
- 40 monitoring features, action criteria, and corrective actions.
 - Water Quality
 - Springs
 - Vegetation
 - Subsidence
 - Saline Water Migration
 - Air Quality (for dust)
- Limits change in groundwater levels in Wellfield with green, yellow, red-light operating system.
- 25-year agricultural management data already, with no adverse impacts. Stable water levels.

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- July 2012: CEQA EIR completed & approved.
- October 2012: SB County management plan approved.
- 2014 2016: Review + approval upheld & validated by California Courts (Trial and Appellate) in 6 separate cases.
- July 2019: CEQA EIR Addendum to assess spring studies.
- August 2019: SB 307/Water Code Section 1815, adopted.
- <u>2018 2020</u>: Federal evaluation supporting southern pipeline alignment in RR ROW.
- 2015-2020: Acquisition of repurposed gas pipeline acquired from EPNG (220 miles) for water conveyance. USBLM assigned permits (pending litigation).

Next Steps:

☐ Contracts and conveyance arrangements with public agencies

LETTER OF INTENT RE PROVISION OF NON-TRIBUTARY WATER TO TORRES MARTINEZ DESERT CAHUILLA INDIANS AND THE SALTON SEA AUTHORITY THROUGH A PUBLIC PRIVATE PARTNERHSIP

Water

Cadiz shall provide 5,000 acre-feet per year of water to benefit Torres-Martinez Desert Cahuilla Indians, Salton Sea Authority and underserved communities in Eastern Coachella Valley.

- 1,500 acre-feet of water will be dedicated to serve Torres-Martinez Reservation and provided at no cost to Tribe.
 - Up to 500 AFY of this obligation may be provided by installing technology that causes water quality standards at Torres
 Martinez groundwater wells to meet all California Drinking Water Standards for domestic use, at no cost to the Tribe.
- 3.500 acre-feet of water will be dedicated to the Salton Sea Authority for environmental restoration and mitigation programs that benefit the Tribe and improve the health, safety and economy of underserved communities in the vicinity of the Salton Sea.
- Water for the Tribe and the SSA shall be provided in cooperation with the Coachella Valley Water District and delivered via exchanges
 of State Water Project and Colorado River for water from the Cadiz Water Conservation, Recovery and Storage Project.

Water Infrastructure

Cadiz shall provide up to \$5 million to pay for construction costs associated with extension of Coachella Valley Water District conveyance facilities to the Torres-Martinez Reservation.

Why?

Severe, persistent drought caused by climate change now threatens the health, safety and economic security of communities dependent upon the distressed Colorado River and San Francisco-San Joaquin Bay Delta.

The Cadiz Project represents the only new source of water in the entire Colorado River Basin.

Cadiz recently completed the acquisition of 220 miles of pipeline previously used to transport oil and gas and is in the process of converting the pipeline to carry water enabling exchanges. It crosses the SWP.

Cadiz could provide access to clean, affordable water in underserved communities that are often overlooked in California's water crisis and will be a model for the nation.

Subject to Cadiz completing necessary permitting and studies.

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