

July 6, 2015



Pure Cycle Corporation Announces Fourth Amendment to Purchase and Sale Agreement and Expiration of Initial Due Diligence Period

DENVER, CO -- (Marketwired) -- 07/06/15 -- Pure Cycle Corporation (NASDAQ: PCYO) (the "Company") announces that it has further amended the Purchase and Sale Agreement with Arkansas River Farms, LLC ("Arkansas River Farms"), an affiliate of C&A Companies, Inc. and Resource Land Holdings, LLC, to sell its approximate 14,600 acres of farm land, and the initial due diligence period in connection with the transaction has expired.

Arkansas River Farms has been conducting due diligence on the farms and has agreed with the Company to amend the Purchase and Sale Agreement so that both sides can reach a comfort level with the proposed transaction. The principal terms of the Fourth Amendment to Purchase and Sale Agreement are outlined below:

- The Company will retain 100% of the oil and gas minerals attributable to the farms (previously, the Company was to retain 75% of the oil and gas minerals);
- The Company will receive all rents and be responsible for all taxes and other expenses for the farm operations through 2015 (previously, the rents, taxes and other expenses for the farm operations in 2015 were to be prorated between the parties based on the timing of the closing);
- Within two business days of the Company's delivery of certain closing documents to the title company and approval by Arkansas River Farms of such documents, Arkansas River Farms will distribute to the Company the remaining \$975,000 of the earnest money deposit, which will be non-refundable, subject to certain limited circumstances; and
- The Company will reduce the purchase price to approximately \$45.8 million.

Pursuant to the Agreement, closing of the transaction is scheduled for August 18, 2015. "We would like to thank the hard work of both the Company's counsel and buyer's team for their skillful and professional work during this diligence period," commented the Company's President and CEO Mark Harding. "Management and the Board of Directors believe the transaction is in the best interest of the Company and its shareholders, and we look forward to expanding our opportunities to develop our Sky Ranch property and our Denver water assets," continued Mr. Harding.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act, as amended. Forward-looking statements are all statements, other than statements of historical facts, included in this press

release that address activities, events or developments that we expect or anticipate will or may occur in the future, such as the anticipated timing of the closing of the proposed transaction and opportunities for the Company to develop its Sky Ranch property and Denver water assets. The words "anticipate," "likely," "may," "should," "could," "will," "believe," "estimate," "expect," "plan," "intend," and similar expressions are intended to identify forward-looking statements. Investors are cautioned that forward-looking statements are inherently uncertain and involve risks and uncertainties that could cause actual results to differ materially from such forward-looking statements. Factors that could cause actual results to differ from projected results include the following, without limitation: the parties to the Purchase and Sale Agreement may be unable to satisfy the conditions to closing the proposed transaction; the proposed transaction may involve unexpected costs; the risk factors discussed in Part I, Item 1A of our most recent Annual Report on Form 10-K; and those factors discussed from time to time in our press releases, public statements and documents filed or furnished with the U.S. Securities and Exchange Commission. Although we have attempted to identify important factors that could cause actual results to differ materially from those described in forward-looking statements, there may be other factors that cause results not to be as anticipated or intended. Except as required by law, we disclaim any obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Company Information

Pure Cycle owns water assets in several river basins in the State of Colorado as well as certain aquifers in the Denver, Colorado metropolitan area. Pure Cycle provides water and wastewater services to customers located in the Denver metropolitan area, including the design, construction, operation and maintenance of water and wastewater systems. Pure Cycle also owns approximately 14,600 acres in Southeastern Colorado that are leased to area farmers.

Additional information including our recent press releases and Annual Reports are available at www.purecyclewater.com, or you may contact our President, Mark W. Harding, at 303-292-3456 or at info@purecyclewater.com.

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Source: Pure Cycle Corporation