

Pure Cycle Corporation Announces Start of Construction for Water Transmission Line

Denver, Colorado – December 12, 2016 – Pure Cycle Corporation (NASDAQ Capital Market: PCYO) (“Pure Cycle” or the “Company”) announced today that it has started construction of its Sky Ranch water transmission line.

The Company has started construction of about 8 miles of water transmission line interconnecting its Lowry Range water system to its development at Sky Ranch. Construction bids came in slightly below estimates at approximately \$4.5 million and the project is expected to be completed by April 2017.



“Construction of this transmission line will bring water to our Sky Ranch development as well as increase our operational capabilities to supply water to our frack water customers,” commented Mark Harding, President of Pure Cycle. “We are marketing lots to home builders to secure commitments for Sky Ranch and also have recently recommenced frack water deliveries to the region” continued Mr. Harding.

Company Information

Pure Cycle owns water assets 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.

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.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, 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 statements about expected pipeline completion date and increase in operational capabilities. 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. Factors that could cause actual results to differ from projected results include, without limitation: factors such as weather, soil conditions, and labor, material supply, easement and

permitting issues that may increase costs or delay construction; 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 statement and documents filed or furnished with the U.S. Securities and Exchange Commission. Except as required by law, we disclaim any obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.