

Pure Cycle Corporation Announces Fiscal Year Ended 2014 Financial Results

Denver, Colorado – November 14, 2014 – Pure Cycle Corporation (NASDAQ Capital Market: PCYO) today reported financial results for its fiscal year ended August 31, 2014. Basic and diluted loss per share decreased 94% from a loss of \$.17 per share in 2013 to a loss of \$.01 per share in 2014.

“We are pleased to report our results for Fiscal 2014. We continued to deliver record revenue and decreased losses as we continued to develop our water supplies and delivery system,” commented Mark Harding, President of Pure Cycle Corporation. “We have made substantial investments in our water systems during fiscal 2014 increasing our supplies as well as storage capacities to greatly expand our service capabilities. Another significant milestone in 2014 was the update to our long standing agreement with the Colorado State Land Board with the parties being able to revise outdated and inapplicable provisions of our agreement and resolve outstanding disputes between the parties.” continued Mr. Harding.

We will host a conference call on Monday November 17, 2014 at 4PM Eastern (2PM Mountain) to discuss these results. Call details are below. Additionally, we have posted a detailed slide presentation which overviews the Company and presents summary financial results on our website which can be accessed at www.purecyclewater.com.

The following table summarizes results of operations for the fiscal years ended August 31, 2014 and 2013:

	Fiscal Years Ended August 31,		\$ Change	% Change
	2014	2013		
Revenues	\$ 3,091,200	\$ 1,857,500	\$ 1,233,700	66%
Cost of revenues	(863,300)	(393,300)	(470,000)	120%
Gross margin	2,227,900	1,464,200	763,700	52%
Operating expenses:				
General and administrative	(3,356,900)	(2,333,200)	(1,023,700)	44%
Impairment of land and water rights held for sale	(402,700)	-	(402,700)	100%
Other	(46,800)	(220,800)	174,000	-79%
Loss from operations	(1,578,500)	(1,089,800)	(488,700)	45%
Other (expense) income:				
Interest on TPF and Convertible Debt	(1,445,500)	(3,275,400)	1,829,900	-56%
Other income	712,400	460,200	252,200	55%
Gain on sale of land and water assets	1,407,300	-	1,407,300	100%
Gain on extinguishment of contingent obligations and debt	832,100	-	832,100	100%
Other expenses	(239,200)	(245,500)	239,200	-97%
Net loss	\$ (311,400)	\$ (4,150,500)	\$ 4,072,000	-98%
Loss per share	\$ (0.01)	\$ (0.17)	\$ 0.16	94%

Revenues increased approximately 66% during our fiscal 2014 attributable to increased water sales due to delivery of frack water to the area.

Our summarized financial position as of August 31, 2014 and 2013 is as follows:

	August 31,		\$ Change
	2014	2013	
Assets			
Cash, cash equivalents and marketable securities	\$ 1,749,600	\$ 2,448,400	\$ (698,800)
Other current assets	2,713,700	7,451,600	(4,737,900)
Total current assets	4,463,300	9,900,000	(5,436,700)
Investments in water and water systems, net	90,823,900	88,512,200	2,311,700
Land - Sky Ranch	3,662,800	3,768,000	(105,200)
Other long-term assets	9,223,800	6,438,100	2,785,700
Total assets	\$ 108,173,800	\$ 108,618,300	\$ (444,500)
Liabilities and Shareholders' Equity			
Current liabilities	\$ 2,348,400	\$ 733,400	\$ 1,615,000
Current portion of mortgages payable	926,000	4,668,900	(3,742,900)
Tap participation fee payable to HP A&M	7,935,300	59,807,300	(51,872,000)
Other long-term liabilities	5,933,600	5,636,200	297,400
Total liabilities	17,143,300	70,845,800	(53,702,500)
Total shareholders' equity	91,030,500	37,772,500	53,258,000
Total liabilities and shareholders' equity	\$ 108,173,800	\$ 108,618,300	\$ (444,500)

CALL DETAILS

When: 4PM Eastern on Tuesday November 17, 2014
Call in number: 1-855-241-1929 (no pass codes required)
International Call in number: 1-443-295-9247
Replay available until: November 24, 2014
Replay call in number: 1-855-859-2056

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and other applicable securities laws. Forward-looking statements are all statements, other than statements of historical facts, including in this press release that address activities, events or developments that we expect or anticipate will or may occur in the future. 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 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 14,900 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.