

FOR IMMEDIATE RELEASE

STERLING CONSTRUCTION COMPANY, INC. AWARDED \$21.5 MILLION COLORADO DEPARTMENT OF TRANSPORTATION PROJECT

THE WOODLANDS, TX – August 15, 2016 – Sterling Construction Company, Inc. (NasdaqGS: STRL) ("Sterling" or "the Company") today announced that its subsidiary, Ralph L. Wadsworth Construction Company, LLC ("RLW") was selected by the Colorado Department of Transportation ("CDOT") to reconstruct the Crossroads Bridge on I-25 in Larimer County, CO. Sterling's contract is worth approximately \$21.5 million. Construction is scheduled to begin September 2016 and be completed by the end of 2017.

Sterling will be responsible for the reconstruction of the I-25 interchange at Crossroads Boulevard and the associated roadway. The work includes the removal of two existing three-span bridges, and their replacement with two wider single-span bridges. In addition, approximately 1.5 miles of the I-25 roadway will be reconstructed. Traffic on I-25 will be maintained through the use of a temporary paved crossover and a temporary bridge structure.

Paul J. Varello, Sterling's CEO commented, "We are proud to be selected by the Colorado Department of Transportation to replace the Crossroads Bridge on I-25, which will help to alleviate a traffic flow squeeze under the I-25 bridges across Crossroads Boulevard. The two lane road under the bridges is often congested, especially during rush hour and periodic special events in the area. Replacing the I-25 bridges with wider-span bridges and a wider road beneath will certainly reduce the inconvenience drivers experienced in the past. This is one of several projects that we have underway in Colorado, which is on the leading edge of the transportation infrastructure upgrades so urgently needed throughout the United States."

Sterling is a leading heavy civil construction company that specializes in the building and reconstruction of transportation and water infrastructure projects in Texas, Utah, Nevada, Colorado, Arizona, California, Hawaii, and other states in which there are construction opportunities. Its transportation infrastructure projects include highways, roads, bridges, airfields, ports and light rail. Its water infrastructure projects include water, wastewater and storm drainage systems.

This press release includes certain statements that fall within the definition of "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. Any such statements are subject to risks and uncertainties, including overall economic and market conditions, federal, state and local government funding, competitors' and customers' actions, and weather conditions, which could cause actual results to differ materially from those anticipated, including those risks identified in the Company's filings with the Securities and Exchange Commission. Accordingly, such statements should be considered in light of these risks. Any prediction by the Company is only a statement of management's belief at the time the prediction is made. There can be no assurance that any prediction once made will continue thereafter to reflect management's belief, and the Company does not undertake to update publicly its predictions or to make voluntary additional disclosures of nonpublic information, whether as a result of new information, future events or otherwise.

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