

July 18, 2016



Energy Recovery Confirms Purchase Order for Middle East Gas Processing Project For Up to \$11 Million

SAN LEANDRO, Calif., July 18, 2016 /PRNewswire/ -- [Energy Recovery](#), Inc. (NASDAQ:ERII), the leader in pressure energy technology for industrial fluid flows, announced today the finalization of a purchase order associated with the previously announced letter of award totaling up to \$11 million to provide its IsoBoost™ technology for integration into a major gas processing plant to be constructed in the Middle East. The contract is for approximately \$7 million worth of equipment and services, with an option for an additional \$4 million to be determined at a later date. The optional supply may not be confirmed by the client until the latter portion of 2017. Partial recognition of revenue from this project is expected towards the end of 2016.



Energy Recovery will supply and install multiple IsoBoost systems for the new-build plant, each designed with a flow capacity of approximately 6,000 gallons per minute. A shipment could occur as early as the second quarter of 2017.

Energy Recovery estimates its IsoBoost technology will reduce the facility's ongoing power consumption by 6.5 MW, saving over 57 GWh of energy per year, all while reducing CO₂ emissions by 39,000 tons per year. When installed, the IsoBoost units will enable the processing of 2,500 MMSCFD of non-associated gas from two fields into clean-burning natural gas.

Energy Recovery's President and CEO Joel Gay stated, "Today, our Company has executed a deal that marks significant progress in our gas processing segment, making good on our commitment to ensure 2016 is a year of execution and delivery. A project of this size validates the IsoBoost value proposition of arbitraging wasted pressure energy, increasing plant availability and reducing the carbon footprint of what is projected to be one of the world's largest gas processing plants. The continued development of this business segment also demonstrates real progress in applying our technologies to new industries and applications, strengthening the omni-cyclical nature of our business and ultimately delivering value to all of our stakeholders."

About Energy Recovery

Energy Recovery (NASDAQ:ERII) recycles and converts wasted pressure energy into a usable asset and preserves pumps that are subject to hostile processing environments. With award winning technology, Energy Recovery simplifies complex industrial systems while improving productivity, profitability, and efficiency within the oil & gas, chemical

processing, and water industries. Energy Recovery products save clients more than \$1.7 billion (USD) annually. Headquartered in the Bay Area, Energy Recovery has offices in Ireland, Shanghai, and Dubai. For more information about the Company, please visit our website at www.energyrecovery.com.

Forward-Looking Statements

This press release contains forward-looking statements that reflect management's current expectations, assumptions and estimates of future performance and economic conditions, including without limitation expectations regarding the amount and timing of the revenues associated with the referenced purchase order and the shipment of the IsoBoost technology, reductions in power consumption and carbon dioxide emissions from the IsoBoost technology, and Energy Recovery's ability to deliver products containing its technologies, including the IsoBoost and VorTeq technologies. Such statements are made in reliance upon the safe harbor provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. The company cautions investors that any forward-looking statements are subject to risks and uncertainties that may cause actual results and future trends to differ materially from those matters expressed in or implied by such forward-looking statements. Examples of these risks and uncertainties include the risks and uncertainties identified under "Risk Factors" in our Form 10-K for the year ended December 31, 2015 and in our other securities filings. These forward-looking statements represent Energy Recovery's judgment as of the date of this release. Energy Recovery disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

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