

Energy Recovery Commissions New Production Facility

SAN LEANDRO, CA / ACCESSWIRE / July 28, 2020 / [Energy Recovery, Inc.](https://www.energyrecovery.com)

(NASDAQ:ERII) today announced that manufacturing of PX® Pressure Exchangers® ("PX") has begun in its newest production facility in Tracy, California. The opening of the 54,000 square foot facility marks the completion of a comprehensive manufacturing capacity increase plan that, combined with process optimization and additional equipment procurement, has more than doubled the Company's output of PX ceramic components in just under two years.

"We expect revenue growth of up to 25% this year in our Water segment, and the opening of our Tracy facility gives us confidence in fulfilling our strong backlog of orders while creating critical redundancy of our manufactured components," said Robert Mao, Energy Recovery Chairman of the Board and President and Chief Executive Officer. "We were able to progress quickly, ensuring this facility was capable of operations while taking the necessary safety precautions against the spread of COVID-19."

The city of Tracy is located 47 miles east of Energy Recovery's headquarters in San Leandro, California. The close proximity of the two facilities allows for better integration and collaboration within the manufacturing process, helping to ensure consistent product quality across all production locations. Tracy was selected as a location due to its diverse pool of skilled labor, location in a low-risk seismic zone, independent power grid and access to key transportation access points.

"Thanks to our strong relationships and market insight, we were able to accurately forecast the rapid growth of desalination we are seeing today and implement strategic capacity expansions. The Tracy facility has flexibility for further capacity additions in the future as required and positions us continuing reliably serving our customers' growing businesses," said Emily Smith, Energy Recovery's Senior Vice President of Corporate Development and Operations.

About Energy Recovery

For more than 20 years, Energy Recovery, Inc. (NASDAQ:ERII) has created technologies that solve complex challenges in industrial fluid-flow markets. We design and manufacture solutions that reduce waste, improve operational efficiencies, and lower the production costs of clean water and oil and gas. What began as a game-changing invention for water desalination has grown into a global business delivering solutions that enable more affordable access to these critical resources. Headquartered in the San Francisco Bay Area, Energy Recovery has manufacturing, research, and development facilities across California and Texas. Our worldwide sales and technical service organization provides on-site support for our line of water solutions. For more information, please visit www.energyrecovery.com.

Forward-Looking Statements

Certain matters discussed in this press release are "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, including expectations regarding the timing of shipments of the orders, our belief that the SWRO process is economically advantageous as compared to thermal desalination and that the trend from thermal desalination to SWRO will continue, our belief that our technology will help achieve efficiency records and record low energy consumption, our belief that SWRO desalination rivals traditional water management costs and our expectation that customers will continue to turn to the PX. These forward-looking statements are based on information currently available to us and on management's beliefs, assumptions, estimates, or projections and are not guarantees of future events or results. Because such forward-looking statements involve risks and uncertainties, our actual results may differ materially from the predictions in these forward-looking statements. All forward-looking statements are made as of today, and we assume no obligation to update such statements, whether as a result of new information, future events, or otherwise.

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