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Desalitech seawater desalination pilot succeeds

The start-up technology can cut the energy required by reverse osmosis desalination by 20-40%.

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<u>AguAgro Fund LP</u> portfolio company <u>Desalitech Ltd.</u> has successfully completed the commercial pilot of its reverse osmosis seawater desalination technology, which uses 20-40% less energy than current methods. The pilot, at a seawater desalination plant in Israel, produced 250 cubic meters of water a day.

Desalitech also announced that its technology has been installed for commercial use at three brackish water reverse osmosis facilities. The facilities both produce fresh water and improve the water quality of wells. The company says that its technology cut water production costs by over 25% through energy savings, as well as in set-up and maintenance costs of the facilities.

Reverse osmosis is an advanced desalination technology, but it consumes a lot of energy. Many entrepreneurs are addressing this problem, which prompted Desalitech to make its announcement about the pilot's results.

Desalitech was founded by CTO Prof. Avi Efraty, whose son, Nadav Efraty, serves as CEO. <u>B. Gaon Holdings Ltd.</u> (TASE: <u>GAON</u>) venture capital arm Aquagro has committed \$4 million to the company, of which \$3 million has been transferred in milestone payments.

In 2009, as the company was installing its first facilities, it announced a collaborative venture with General Electric Company (NYSE: GE), funded by <u>Israel-United States Binational Industrial Research and Development Foundation</u> (BIRD-F), to develop an integrated low-cost reverse osmosis seawater desalination system.

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