



Thermal Energy to Help Major Hospital Save Approximately \$225,000 in Annual Fuel & Maintenance Costs

GEM® Steam Traps Expected to Significantly Reduce Hospital's CO₂ Emissions

OTTAWA, ONTARIO – January 14, 2014 – Thermal Energy International Inc. (“Thermal Energy” or the “Company”) (TSXV: TMG), a global provider of energy efficiency and emission reduction solutions, announced today that it has received a purchase order valued at approximately \$250,000 from a major hospital for the supply of GEM® steam traps. The order is expected to be fulfilled and revenue earned over the next 6 months.

“Hospitals looking for greater fuel savings continue to choose Thermal Energy’s proven solutions,” said William Crossland, CEO of Thermal Energy. “This is the fourth major hospital to place a significant order for one or more of our energy efficiency solutions so far in fiscal 2014. This order is demonstrative of the increased steam efficiencies that hospitals and industrial operations the world over can realize from our proprietary GEM® trap systems.”

The GEM® steam traps installed with this order are expected to reduce the hospital's greenhouse gas emissions by approximately 650 tonnes annually and reduce the hospital's fuel and maintenance costs by approximately \$225,000 annually.

With this order Thermal Energy's order backlog currently stands at approximately \$10.9 million of which approximately \$0.5 million is related to long term contracts and is not expected to be reflected in revenue within the next 12 months. Thermal Energy includes in “order backlog” all purchase orders received for product or services that have not yet been reflected as revenue in the Company's published quarterly financial statements.

About Thermal Energy International Inc.

Thermal Energy International Inc. is an innovative cleantech company providing a variety of proprietary and proven energy efficiency, emission reduction, water efficiency, and bioenergy products and solutions to the industrial, commercial and institutional markets worldwide. Thermal Energy is also a fully accredited professional engineering firm, and can offer advanced process and applications engineering services. By providing a unique mix of proprietary products together with process, energy, environmental, and financial expertise Thermal Energy is able to deliver significant financial and environmental benefits to its customers.

Thermal Energy's products include; **GEM®** - Steam traps and condensate return systems, **FLU-ACE®** - Direct contact condensing heat recovery, and **Dry Rex™** - Low temperature biomass drying systems. These award winning products are effective in a wide variety of industries and application and have an excellent track record of longevity, proven reliability and performance providing significant energy savings, reduced GHG emissions, improved water efficiency, lower maintenance costs, improved product quality and increased production efficiency. Thermal Energy International Inc. has offices in Ottawa, Canada as well as Bristol, U.K., United States, Italy and China.

For more information, visit our website at www.thermalenergy.com and follow us on Twitter at <http://twitter.com/GoThermalEnergy>.

William Crossland
President and CEO
Thermal Energy International Inc.
613-723-6776
bill.crossland@thermalenergy.com

Trevor Heisler
Investor Relations
Heisler Communications
416-500-8061
trevor@heislercommunications.com

###

This press release contains forward-looking statements relating to, and amongst other things, based on management's expectations, estimates and projections, the anticipated effectiveness of the Company's products and services and the timing of revenues to be received by the Company. Statements relating to the expected installation and revenue recognition for projects, statements about the anticipated effectiveness and lifespan of the Company's products, statements about the expected environmental effects and cost savings associated with the Company's products and statements about the Company's backlog are forward looking statements. These statements are not guarantees of future performance and involve a number of risks, uncertainties and assumptions. Many factors, some of which are outside of the Company's control, could cause events and results to differ materially from those stated. Fulfilment of orders, installation of product and activation of product could all be delayed for a number of reasons, some of which are outside of the Company's control, which would result in anticipated revenues from such projects being delayed or in the most serious cases eliminated. Actions taken by the Company's customers and factors inherent in the customer's facilities but not anticipated by the Company can have a negative impact on the expected effectiveness and lifespan of the Company's products and on the expected environmental effects and cost savings expected from the Company's products. Orders in the Company's backlog as described above may not turn into revenue due to many factors, some of which are outside of the Company's control, including but not limited to the Company's ability to deliver products on time and in accordance with specifications and the continuing financial viability of the customer. The Company disclaims any obligation to publicly update or revise any such statements except as required by law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.