



Thermal Energy International Announces Grant of Stock Options

OTTAWA, ONTARIO – May 28, 2013 – Thermal Energy International Inc. (“Thermal Energy” or the “Company”) (TSXV: TMG), a global provider of energy efficiency and emission reduction solutions, today announced that it has granted 1,516,360 options to purchase common shares of the Company to officers of the Company. These grants were made as part of an overall remuneration and incentive program at the Company.

The stock options were granted pursuant to the terms of the Company’s stock option plan, are exercisable at \$0.105 per share and have a five year term. One third of the options will vest with the optionee on each of the first three anniversaries of the date of grant. Stock option grants are subject to necessary regulatory approvals.

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.

Follow Thermal Energy International on Twitter at <http://twitter.com/GoThermalEnergy>.

For more information, visit our website at www.thermalenergy.com.

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

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