



Thermal Energy Receives Initial Purchase Order from World-Leading, Diversified Healthcare Company

GEM® Steam Traps to Deliver Improved Performance over Existing Steam Traps on Site

OTTAWA, ONTARIO – February 18, 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 \$161 thousand for its GEM® Steam Traps to be installed at a global diversified healthcare company with annual revenues in excess of \$50 billion. The order is expected to be fulfilled and revenue earned over the next six months.

“We continue to add to our extensive list of multinational customers,” said William Crossland, CEO of Thermal Energy. “Our energy efficiency products are proven across a multitude of industries, including healthcare, where we have generated successful repeat business from a number of customers. This is an initial order from a world-leading biotech company owned by a much larger, diversified healthcare company with operations across the globe.”

Mr. Crossland added: “Importantly, this order is demonstrative of the differences between our GEM® steam trap systems and steam traps produced by other manufacturers. Our GEM® traps will be replacing steam traps from another manufacturer, with the replacement expected to reduce this customer’s operating costs by approximately \$160 thousand and lower greenhouse gas emissions by approximately 526 tonnes annually. This is yet another example of how Thermal Energy helps healthcare companies save energy and lower their operating costs.”

With this order Thermal Energy’s order backlog currently stands at approximately \$7.4 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>.

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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.

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