

Thermal Energy International Secures Emission Reduction and Improved Efficiency Project with Leading European Hospital Group

OTTAWA, ONTARIO – October 27, 2020 – Thermal Energy International Inc. (“[Thermal Energy](#)” or the “Company”) (TSX-V: [TMG](#)) an innovative cleantech company and global provider of energy efficiency and emissions reduction solutions, has been commissioned by a leading hospital group to supply two heat recovery projects designed to reduce fuel use and carbon emissions, in line with the hospital group’s sustainability targets.

The projects, collectively valued at \$1,530,000, will be installed at two of the facilities that the healthcare provider manages. These are the latest in several projects Thermal Energy has delivered for this customer. These most recent projects include a newly designed turnkey heat recovery system for one hospital and an extension of an existing heat recovery system previously installed by Thermal Energy at a second hospital. Both systems will feature the Company’s proprietary [FLU-ACE](#)® direct contact heat recovery technology. Units will draw flue gases from boiler exhausts and then use the recaptured energy to heat domestic and boiler feed makeup water as well as replace the steam currently used as part of the sites’ respective hydronic heating systems.

Once commissioned, the systems are expected to deliver an annual fuel saving of \$410,600 and reduce carbon emissions by over 2,300 tonnes per year. This will help the hospital group achieve its internal carbon reduction goals as well as targets set by Government.

“These orders are representative of the extensive experience Thermal Energy has with hospitals and healthcare systems across Europe and North America,” said [William Crossland](#), CEO of Thermal Energy.

“We’ve supported this customer for a number of years with its ongoing mission for greater efficiency. To date, we have installed our high efficiency, low maintenance [GEM](#)™ steam traps at three of the customer’s sites and now our heat recovery units will be in use at four of the five locations the organization manages.

“Our expertise and range of products are particularly suited to the Hospital and Healthcare sector; and it continues to offer an opportunity for growth. Now more than ever, providers are coming under increasing pressure to reduce fuel usage and maintenance costs. They also have a public health responsibility to minimize pollution and emissions, which is often underwritten by Government legislation.

“A major hurdle is that these facilities are required to run 24 hours a day, with systems and internal structures that are often decades – even centuries – old. This can make installing the most up to date energy efficiency technologies challenging.

“This project demonstrates how we work with organizations to identify the best solution for each individual site. Here, our engineering team had to be mindful of the underlying plant room design, which dated back to the late 1800s, as well as how to future proof the system; ensuring any site extensions or full relocations would still benefit from the installations. In total, these two projects will improve boiler efficiency by up to 18.5%, while maintaining the lowest possible impact on day-to-day hospital operations, thereby delivering the biggest benefit to the organization.”

The project is expected to be completed and revenue earned within nine months.

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Notes to editors:

About Thermal Energy International Inc.

Thermal Energy International Inc., ranked as one of [Canada's Top Growing Companies](#) in 2020 and 2019, is an established global supplier of proprietary, proven energy efficiency and emissions reduction solutions to the industrial and institutional sectors. We save our customers money and improve their bottom line by reducing their fuel use and cutting their carbon emissions. Our customers include many Fortune 500 and other leading multinational companies across a wide range of industry sectors.

Thermal Energy is a fully accredited professional engineering firm, and by providing a unique mix of proprietary products together with process, energy, and environmental engineering expertise, we are able to deliver unique turnkey projects with significant financial and environmental benefits for our customers.

Thermal Energy's proprietary products include: [GEM™](#) - Steam Traps, [FLU-ACE®](#) - Direct contact condensing heat recovery, [HEATSPONGE](#) – Indirect contact condensing heat recovery systems, and [DRY-REX™](#) - Low temperature biomass drying systems.

Thermal Energy has engineering offices in Ottawa, Canada, Pittsburgh, USA, as well as Bristol, UK, with sales offices in Canada, UK, USA, Germany, Poland, Italy and China. TEI's common shares are traded on the TSX Venture Exchange (TSX-V) under the symbol TMG.

For more information, visit our website at www.thermalenergy.com and follow us on Twitter at 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. Information as to the amount of heat recovered, energy savings and payback period associated with Thermal Energy International's products are based on the Company's own testing and average customer results to date. 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 ability to cross-sell its products and sell to more sites 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. Any customer's willingness to purchase additional products from the Company is dependent on many factors, some of which are outside of the Company's control, including but not limited to the customer's perceived needs 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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