

Thermal Energy Builds on Continued Success with Global Nutrition Company

OTTAWA, ONTARIO – October 6, 2020 – Thermal Energy International Inc. (“[Thermal Energy](#)” or the “Company”) (TSXV: [TMG](#)), an innovative cleantech company and global provider of energy efficiency and emissions reduction solutions, has once again been commissioned by a multinational food products corporation to install a second turn-key, energy-saving heat recovery system.

Building on the effective results from the first heat recovery unit installed last year on the manufacturer’s boilers, this second [FLU-ACE®](#) heat recovery system, valued at approximately \$840 thousand, is designed to increase the efficiency of the site’s dryer. Recovering and repurposing energy currently lost through the dryer exhaust, the solution will provide heat for the makeup air to the dryer, as well as contribute to building heating.

Delivering its estimated annual energy savings of over \$310 thousand, the new dryer efficiency solution will provide the customer with a simple payback on investment of just under 3 years. Carbon emissions are also expected to be reduced by up to 1,304 tonnes by the site’s second [FLU-ACE®](#), resulting in a reduction of end-of-pipe particulate matter emissions by between 50% and 90%.

“With this third project since 2017, Thermal Energy continues to play a role in the client’s company-wide commitment to improving energy efficiency and minimizing emissions, with the installation expected to deliver both pollution prevention and pollution control.” Said William Crossland, CEO of Thermal Energy.

“They are fast becoming one of our biggest and most important multinational customers, and with both [FLU-ACE®](#) heat recovery and [GEM™](#) steam traps we have made massive strides in support of this group. We are pleased to continue supporting their energy efficiency objectives with our world-class proprietary energy efficiency technologies, and look forward to challenging our talented engineering team to identify further opportunities for optimizing the systems of one of the largest global food products companies.”

“Working with repeat customers such as this, with multiple successful applications of multiple products provides us the unique opportunity to continue to refine our offering to meet their unique challenges by combining Thermal Energy’s full range of solutions including [FLU-ACE®](#), [GEM™](#), [HEATSPONGE](#) and [DRY-REX™](#). Relationships like these are helping us to become meaningful solutions providers to our customers, as they work to enhance their efficiency, reduce emissions, and achieve their sustainability objectives.”

The scope of this order covers all design, construction, installation, commissioning, and training for the system. The project is expected to be completed and revenue earned within 9 months.

ENDS

For media enquiries contact:
Devin Crockett or Liz Fisher
Marketing Manager
Thermal Energy International Inc.
Canada: 613-723-6776
UK: +44 (0)117 917 2179
Marketing@thermalenergy.com

For investor enquiries:
William Crossland
President and CEO
Thermal Energy International Inc.
613-723-6776
Bill.crossland@thermalenergy.com

Notes to editors

About Thermal Energy International Inc.

Thermal Energy International Inc., ranked as one of [Canada's Top Growing Companies](#) in 2019 and 2020, 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, Thermal Energy is 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.

###

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, the timing of revenues to be received by the Company, the anticipated effects of COVID-19 on the business, backlog and revenue, the expectation that orders in backlog will become revenue and the anticipated benefits of the Company's current efforts at training and business improvement efforts. 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 and whether orders in the Company's backlog as described above will turn into revenue 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. Readers are referred to the risk factors associated with the Company's business as described in the Company's most recent Management's Discussion and Analysis available at www.SEDAR.com.

EBITDAS and backlog are non-IFRS financial measures, do not have a standardized meaning prescribed by International Financial Reporting Standards and therefore may not be comparable to similar measures presented by other companies. Please refer to the Company's most recent Management's Discussion and Analysis available at www.SEDAR.com for more details about these non-IFRS financial measures.

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.