

## Thermal Energy International Acquires Sofame Technologies

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### *Significantly Expanding Energy Efficiency and Carbon Reduction Product Lines and Client Base*

OTTAWA, ONTARIO – July 13, 2021 – Thermal Energy International Inc. (“[Thermal Energy](#)” or the “Company”) (TSX-V: [TMG](#), OTCQB: [TMGEF](#)), an innovative cleantech company and global provider of energy efficiency and carbon emission reduction solutions, has acquired all the material assets of [Sofame Technologies](#) (“Sofame”) based in Montréal, QC.

The acquisition includes all rights and title to Sofame’s five unique proprietary thermal energy efficiency and sustainability product lines, as well as all: licenses, patents, trademarks, trade names, logos, corporate and product names, slogans, copyrights, trade secrets, drawings, specifications, designs, plans, books, records, distributor and vendor relationships and customer lists.

Sofame Technologies, established in 1984, has gained worldwide recognition for its innovative proprietary products, having received numerous industry awards including several from ASHRAE (American Society of Heating, Refrigerating and Air Conditioning Engineers).

The acquisition of Sofame will provide Thermal Energy with an expanded portfolio of complementary energy efficiency and carbon emission reduction solutions, as well as a significant project installation base – with hundreds of individual Sofame units installed across Canada, US and Europe.

Thermal Energy’s expanded energy efficiency and carbon reduction product offering will now also include Sofame’s five unique, proven proprietary technologies:

- **PercoMax**<sup>®</sup>: up to 99% efficient direct fired water heaters.
- **Percotherm**<sup>®</sup>: quick install, direct contact heat recovery.
- **Hybrid Percotherm**<sup>®</sup>: high efficiency single unit water heating combining both direct fire water heating and direct contact heat recovery.
- **Sofame Steam Pump**<sup>®</sup>: emission reduction, NOx reducing heat recovery technology designed to also increase boiler efficiency to over 90%.
- **LaunRec RBT**<sup>®</sup>: skid-mounted waste water to water heat recovery.

“The purchase of Sofame forms a key part of our strategic plan to grow organically and through accretive acquisitions.” said [William Crossland](#), CEO of Thermal Energy.

“The technology Sofame has developed over the last 30 years strongly aligns with our own proprietary products and growth plans.

“A major factor in our success to date is the direct relationships we have with some of the biggest names across the Food & Beverage, Pharmaceutical, Healthcare and Chemical industries. As we look to further leverage this network of existing multinational customers, doubling the size of our portfolio of complementary products allows us to support these companies in new ways. The acquisition also presents the opportunity to sell Thermal Energy’s complementary products and solutions to Sofame’s extensive existing customer list, and to provide replacement, maintenance, and upkeep of that existing install base.

“Sofame has a strong installation base in both North America and Europe that we will be looking to expand on in line with our objective to grow our global presence in these key geographical markets.

“Adding Sofame products to our product suite has been a strategic goal that we have been working towards for some time. As recent [order intake](#) figures show, our previous acquisition of Boilerroom Equipment Inc in 2018 has greatly benefitted the Company. With this latest purchase, we continue this strategic objective and further position Thermal Energy as an industry leader in thermal energy efficiency and emission reduction solutions.”

The announcement follows Thermal Energy’s appointment of Luc Mandeville, to Senior Project Engineer, [announced October 2017](#). Luc Mandeville is a leading global expert in heat recovery and energy efficiency applications and the former Chief Technology Officer and Co-Founder of Sofame Technologies.

“With Sofame technology embedded within their existing portfolio of proprietary products, Thermal Energy is perfectly placed to bring to the solutions I have developed and established with Sofame over the past 30 years to market.” commented Luc Mandeville.

“The nature of some of the individual products will expand Thermal Energy’s application expertise in a number of new or less represented sectors such as laundries, textiles, and institutional facilities like universities. Several of the solutions are ideally suited to industries where Thermal Energy has strong existing relationships including food & beverage production, pharmaceutical and chemical as well as facilities looking to improve efficiency and decentralizing their water heating.

“I am excited that through Thermal Energy’s extensive reach and existing customer base, the technology, designs and solutions I am so proud of will be able to help an increasing number of organisations operate more efficiently and sustainably.”

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## Notes to editors:

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### 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 can 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](#) and the OTCQB® Venture Market ("OTCQB") in the United States operated by the OTC Markets Group Inc., under the symbol [TMGEF](#).

For more information, visit our website at [www.thermalenergy.com](http://www.thermalenergy.com) and follow us on Twitter at [twitter.com/GoThermalEnergy](https://twitter.com/GoThermalEnergy).

### **About Sofame Technologies Inc.**

Sofame was founded in 1984 by Luc Mandeville and Michel Dallaire. Its first product was the [Launrec RBT®](#), a wastewater heat recovery system, designed for laundries and dyers.

In 1994, the Company obtained its patent for the [Hybrid Percomtherm®](#) and stood out as the world's first manufacturer of a technology producing energy by direct contact in addition to recovering thermal effluents.

Sofame further developed markets for industrial process water heating and heating of institutional and multiple-unit rental buildings. The year 1997 marked a turning point for Sofame as it was listed on a public stock exchange in Canada. In 1997, Sofame also obtained a patent for its Ultra-High Efficiency water heater, of which it is still the world's only authorized manufacturer. In 1999, Sofame achieved a breakthrough in the European market. Its first major contract was the installation of a Percotherm on the site of the Gaz de France Montoire de Bretagne LNG terminal. During that year, it also received one of its numerous awards (20 over the years), from the prestigious ASHRAE (American Society of Heating, Refrigerating and Air Conditioning Engineers).

In 2004, and again in 2011 ASHRAE recognized SOFAME's outstanding technology with a second and third award for technology innovation. In the last 20 years, 500 SOFAME units have been installed. Some of the current installations include the pulp and paper industry, the dyeing and textiles industry, food processing facilities, hospitals, universities, and district heating.

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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. For example, information as to the expected benefits to Thermal Energy International and its customers from the new facility 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

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