

Thermal Energy International Closes out the Fiscal Year with Record Order Intake for both GEM™ and HeatSponge Product Categories

OTTAWA, ONTARIO – June 7, 2021 – 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 announced record order intake across both its GEM™ and HeatSponge product categories, for the financial year ended May 31, 2021. All figures are in Canadian dollars.

Order intake for the Company’s proprietary [GEM™ steam trap technology](#) this year was the highest in the Company’s history and more than 25% greater than each of the last two years. Meanwhile, order value for HeatSponge products was also a record, 28% ahead of last year and 47% greater than the year before.

Orders for these products span several industries and sectors including essential, continuous production, facilities such as food and beverage manufacture and processing, as well as pharmaceutical, chemical and healthcare. A selection of recent orders includes:

1. Orders amounting to over \$479,000 for the installation of low maintenance, high efficiency GEM™ steam traps and the associated service contracts at a number of hospitals to help sites meet their carbon emissions reduction targets and deliver significant financial savings.
2. Two orders from a global brewing company to provide GEM™ steam traps to two additional sites in North America. It follows a Heat Recovery order from the existing customer at its facility in Russia, [announced April 2021](#).
3. Eight GEM™ orders from an American food conglomerate for sites across the US and Canada totalling approximately \$1 million.
4. An order for the supply of five HEATSPONGE COLOSSUS model large-industrial economizers to the Walter Reed National Military Medical Center in the US.
5. Five HEATSPONGE economizers consisting of three condensing MAGNUM models and two conventional BOSS models for an Italian owned food processing facility in the US.
6. A total of 18 GEM™ steam trap orders totalling \$640,000 from a multinational tire and rubber company to help reduce site maintenance requirement and improve process control across sites in Germany and the US.

“I am delighted to be able to announce record order intake level across the GEM™ and HeatSponge product categories for this year, particularly since this was a universally challenging and unpredictable year for businesses.” said [William Crossland](#), CEO of Thermal Energy.

“For us, these order figures clearly demonstrate our adaptability as a company and the robust nature of both our offering and route to market. It also highlights the ongoing success of our strategic growth strategy.

“By leveraging our existing multinational customer base, we continue to grow organically. Our acquisition of Boilerroom Equipment Inc. (“BEI”), the innovators behind the HeatSponge brand of boiler economizers, in 2018 has contributed to our diverse range of complementary and proprietary energy efficiency solutions.

“While the pipeline of Turnkey Heat Recovery projects that we are developing continues to track ahead of previous years, temporary COVID-19 travel restrictions and mitigation measures have

impacted our ability to execute these projects over the last 12 months. This is due to customer preference for onsite engineering, design, and installation. However, our GEM™ and HeatSponge orders have continued to grow as they require less site access, allowing us to consistently support our customers' efficiency and sustainability goals through minimal contact.

“As the build-back-better approach continues to have a positive impact on the growing global demand for carbon emission reduction solutions, we enter the next financial year with a record order intake level for two pivotal product categories and a strong pipeline of Turnkey Heat Recovery Projects under development.”

For more information on the products and services available from Thermal Energy International or to request an investor pack visit: www.thermalenergy.com/investors.

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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, Thermal Energy 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](#).

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, 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.

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