



Thermal Energy International Completes \$1.4 Million Sale of Heat Recovery and GEM Systems

OTTAWA, ONTARIO – April 15, 2013 – Thermal Energy International Inc. (TSXV: TMG) (“Thermal Energy” or the “Company”), a leading provider of custom energy efficiency and emission reduction technologies to energy intensive industries and institutions worldwide, today announced it has completed the sale of a heat recovery system and GEM[®] steam trap system installed at a major publicly owned hospital for approximately \$1.4 million.

As previously announced, in April 2012 the Company received an order from a publicly owned hospital for the supply, installation and maintenance of a heat recovery system in exchange for quarterly payments from the hospital totalling approximately \$1.5 million over seven years. Then in August 2012, the Company received an additional order from the same hospital for the supply, installation and maintenance of a GEM[®] steam trap system for approximately \$548,000 over seven years. With the installation of these two systems now complete, Thermal Energy has sold the heat recovery and GEM[®] steam trap systems to an independent financing company for approximately \$1.4 million. Thermal Energy retained approximately \$550,000 of the quarterly payments over seven years for the service and maintenance of the two systems. These two systems are the first Thermal Energy has completed under a new service, maintenance and financing program the Company is developing for its customers.

“As evidenced by these first two successful projects, the new service, maintenance, and financing program that we are developing provides enhanced value to our customers while at the same time growing our current and recurring revenue and profit. Going forward, we intend to offer this program to all of our public sector and select private sector clients,” said William Crossland, President and CEO of Thermal Energy. “We continue to increase our sales and distribution capabilities in our key markets and we are confident that this new service, maintenance and financing program will further enhance our growth strategy.”

The \$1.4 million for the sale of the heat recovery and GEM[®] steam trap systems will be recorded as revenue in the Company’s financial quarter ending February 28, 2013 as this is when the installation was completed and revenue earned. The \$550,000 for service and maintenance will be recorded as revenue over the next seven years as the service and maintenance is performed.

The heat recovery and GEM[®] steam trap systems installed at the hospital are calculated by Thermal Energy to reduce carbon emissions by approximately 3,520 tonnes annually and reduce the hospital’s energy consumption by approximately \$750,000 annually.

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, UK, United States, Italy and China. To find out more about Thermal Energy International Inc. (TSX-V: TMG), visit our website at <http://www.thermalenergy.com>.

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