



Thermal Energy Receives Third Purchase Order this Year from Major Food Producer based in the UK

Ottawa, ON – May 10, 2012 – Thermal Energy International Inc. (TSXV: TMG) (“Thermal Energy” or the “Company”), a leading provider of custom energy and emission reduction technologies for energy intensive industries worldwide, today announced that it has received a purchase order valued at approximately £296 thousand (approximately CDN \$467 thousand) from a major food producer based in the UK. This brings the total orders received in calendar 2012 from this customer to approximately £823 thousand (approximately CDN\$1.3 million). The first two such orders, which totalled approximately £527 thousand (approximately CDN \$832 thousand), were previously disclosed by Thermal Energy in a press release dated January 30, 2012 in which the Company reported on its financial results for the fiscal quarter and six months ended November 30, 2011.

Pursuant to these three purchase orders, the Company will supply, install and commission three heat recovery systems for use at three of the food producer’s manufacturing sites. All heat recovery systems are expected to be installed and revenue earned over the next two fiscal quarters.

“Thermal Energy has worked closely with this major food producer to develop a number of opportunities to reduce energy use and emissions utilizing both our heat recovery and steam trap technologies,” said Thermal Energy President and CEO William Crossland. “With these orders Thermal Energy has again successfully demonstrated the financial and environmental benefits it provides through its innovative solutions for the reduction of energy use and emission levels.”

The heat recovery systems are being provided to reduce energy use as part of the customer’s commitment to reducing fossil fuel consumption and carbon emissions. The three Thermal Energy heat recovery systems are expected to deliver to the customer approximately 20 million kW of recovered energy annually and reduce carbon emission



by approximately 4,000 tonnes per annum. These orders follow a number of orders over the last 12 months from the same customer for Thermal Energy's GEM® steam traps.

About Thermal Energy

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 our 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>.

About the Customer

The customer, a major producer of food products based in the UK, manufactures a full range of branded and private label products, from chilled and frozen products through to savoury, cakes and baked products.

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.

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NOTE: This press release contains forward-looking statements relating to, and amongst other things, based on management's expectations, estimates and projections with respect to timing of installation and implementation, the anticipated effectiveness of the Company's products and services and the revenues to be received by the Company from the project described. 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. The Company disclaims any obligation to publicly update or revise any such statements.