



Thermal Energy Provides Update on Product Development Project Targeting Petrochemical Industry

OTTAWA, ONTARIO – May 5, 2014 – Thermal Energy International Inc. (“Thermal Energy” or the “Company”) (TSXV: [TMG](#)), a global provider of energy efficiency and emission reduction solutions, announced today that it has obtained a licence to conduct in situ beta testing of a proprietary corrosion resistant coating. This in situ testing is an extension of the long-term product development project first announced in February 2012, whereby the Company is working on developing cost-effective waste heat recovery systems for use in petrochemical re-heating furnaces, which often generate corrosive exhaust gases due to the nature of the fuel source.

“The petrochemical industry remains a key strategic target for Thermal Energy,” said William Crossland, President and CEO of Thermal Energy. “However, the corrosive environment is a key challenge we need to address as part of our ongoing product development project for petrochemical applications. As such, we have acquired the license to test a new corrosion-resistant coating, which we will be testing on our heat recovery equipment over the next two years to see how well the coating protects our equipment while at the same time allowing effective heat transfer. If the testing of the coating proves successful we believe it will increase the effectiveness of our proprietary energy efficiency solutions for this significant energy consuming industry and other corrosive environments worldwide.”

If the product development project is successful, Thermal Energy’s technology could help refineries achieve greater energy efficiency, reducing a refinery’s fuel consumption, saving millions of dollars in fuel costs. From an environmental perspective, the technology has the potential to significantly reduce emissions and recover up to 90 percent of the water vapour in the emissions. Although initially focusing on the Chinese petrochemical market, this technology could open up significant new markets for Thermal Energy’s products in the petrochemical and other industries worldwide.

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, U.K., United States, Italy and China.

For more information, visit our website at www.thermalenergy.com and follow us on Twitter at <http://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. The effects that a successful beta test of proprietary coating may have on the Company's products and their effectiveness, the anticipated results that might be experienced by customers using the Company's products with such coating and the ability of products with the coating to support the Company's entry into new markets are all examples of 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. Many factors, some of which are outside of the Company's control, could materially affect the outcome of the beta testing, the effects of the use of the coating in any specific deployment, the Company's ability to capitalize on any new product offering incorporating the coating and market acceptance of the Company's products. The Company disclaims any obligation to publicly update or revise any such statements except as required by law.

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