

THERMAL ENERGY INTERNATIONAL INC.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TO THE SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual general and special meeting (the “Meeting”) of the holders of common shares (“Common Shares”) of Thermal Energy International Inc. (the “Corporation”) will be held on Thursday, November 12, 2015 at 10:00 a.m. (Ottawa, Ontario time) at the Hilton Garden Inn Ottawa Airport - 2400 Alert Road, Ottawa, Ontario for the following purposes:

1. to receive the audited financial statements of the Corporation for the year ended May 31, 2015 and the report of the auditors of the Corporation thereon;
2. to elect the directors of the Corporation as more fully described in the section of the Corporation’s management information circular for the Meeting (the “Circular”) entitled “Election of Directors”;
3. to appoint auditors of the Corporation and to authorize the directors of the Corporation to fix the auditors’ remuneration as more fully described in the section of the Circular entitled “Appointment of Auditors”;
4. to consider, and if thought advisable, to approve a resolution authorizing, ratifying and confirming the Corporation’s Shareholder Rights Plan as more fully described in the section of the Circular entitled “Special Business – Approval of the Shareholder Rights Plan”; and
5. to transact such other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

The Corporation is sending proxy-related materials to non-registered shareholders using Notice and Access. Notice and Access is a set of rules that reduces the volume of materials that must be physically mailed to shareholders by posting the information circular and additional materials online.

The Circular, this Notice, a form of proxy, the audited annual financial statements of the Corporation for the year ended May 31, 2015 and the MD&A relating to such financial statements are available on SEDAR at www.sedar.com and at www.thermalenergy.com. Shareholders are reminded to review these online materials when voting. Non-registered shareholders may choose to receive paper copies of such materials or obtain further information about Notice and Access by contacting the Corporation, at the toll free number 1-888-433-6443 within North America and Outside North America 1-416-682-3860 or by emailing fulfilment@canstockta.com. In order for non-registered shareholders to receive paper copies of such materials in advance of any deadline for the submission of voting instructions and the date of the Meeting it is recommended to contact the Corporation, at the number above as soon as possible but not later than October 27, 2015.

Registered shareholders of the Corporation will receive paper copies of the meeting materials. If you are a registered shareholder a form of proxy is enclosed. A copy of the proxy is also available on SEDAR at www.sedar.com and at www.thermalenergy.com.

If you are a non-registered shareholder a voting instruction form is enclosed.

Shareholders are requested to complete, sign and return such form of proxy or voting instruction form, as applicable.

In order for a registered shareholder to be represented by proxy at the Meeting, the shareholder must complete and submit the enclosed form of proxy or other appropriate form of proxy. Completed forms of proxy must be received by CST Trust Company at Proxy Department, PO Box 721, Agincourt, ON M1S 0A1, not later than 10:00 a.m. (Eastern time) on November 10, 2015 or may be accepted by the Chairman of the

Meeting prior to the commencement of the Meeting. The form of Proxy also provides details on how you may submit your proxy by telephone or internet.

Non-registered shareholders should use the enclosed voting instruction form to provide voting instructions. The voting instruction form contains instructions on how to complete the form, where to return it to and the deadline for returning it. It is important to read and follow the instructions on the voting instruction form in order to have your vote count.

Dated at the City of Ottawa, in the Province of Ontario, this 2nd day of October, 2015.

BY ORDER OF THE BOARD OF DIRECTORS

A handwritten signature in blue ink, appearing to read 'w m c e l', positioned below the printed name.

William Crossland
President and Chief Executive Officer