



Thermal Energy Developing Water and Heat Recovery Solution for Major Petrochemical Company

OTTAWA, ONTARIO – October 24, 2018 – Thermal Energy International Inc. ("[Thermal Energy](#)", or the "Company") (TSX-V: [TMG](#)), a global provider of proprietary industrial, commercial and institutional energy efficiency solutions, is expanding its' presence in the petrochemicals industry having been selected to develop a water and heat recovery option for three proposed Canadian oil sand developments.

Thermal Energy has been appointed to engineer and design an innovative water recovery solution for a world-leading petrochemical company, including costs and benefits analysis. The system would recover water from the boiler plant and cogeneration operations to provide required process water and to reduce capital costs.

Although water recovery has been a significant part of many of the Company's projects in the past, this represents Thermal Energy's first paid contract to engineer and design a system with a focus on water recovery ahead of heat recovery. Preliminary project analysis demonstrated a viable case to include the Company's [FLU-ACE](#)[®] Heat Recovery System solution in the design of three Canadian oil sands sites currently under development. As a result, Thermal Energy has been engaged for a more detailed engineering phase.

"Oil sands operators are committed to continuously improving sustainability. Technologies which support this vision by delivering a reduction in emissions and minimizing water usage, while also providing a solid return on investment are of great interest to the sector." comments William Crossland, CEO of Thermal Energy.

"We've developed our [FLU-ACE](#)[®] Heat Recovery System to condense water and recover waste heat from a variety of sources including boiler, gas turbine, oven and dryer exhausts. To date, our focus has primarily been on the recovery of heat, driven by rising fuel costs and the need to improve site efficiency and lower carbon emissions. However, the same technology can be applied to reduce or eliminate the use of fresh city water or groundwater. This provides a cost-effective and sustainable solution for organizations looking to reduce their water usage. Such a solution makes it a viable option for not only the petrochemical sector, but also other industries with high water costs around the world."

The currently approved development stage is expected to be completed over the next few months. If engineering results meet the client's criteria and the Thermal Energy solution is incorporated in the upcoming projects these water recovery systems are expected to be implemented over the next three to five years.

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Notes to editors:**About Thermal Energy International Inc.**

Thermal Energy International Inc. 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 a large number of Fortune 500 and other leading multinational companies across a wide range of industry sectors.

Thermal Energy is also 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 is able to 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, Heat-Sponge SIDEKICK and RAINMAKER – Indirect contact condensing heat recovery systems, and [Dry-Rex®](#) - Low temperature biomass drying systems.

Thermal Energy has offices in Ottawa, Canada, Pittsburgh, USA, as well as Bristol, U.K., 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 <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, estimates and projections, the anticipated effectiveness of the Company's products and services and the timing of revenues to be received by the Company. 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 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.

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