



Thermal Energy International Receives \$480,000 GEM[®] Order from Major Multinational Food & Beverage Company

OTTAWA, ONTARIO – July 3, 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 that it has received a new GEM[®] steam trap order totalling approximately \$480,000 from a major multinational food and beverage company. The order is to replace the entire steam trap system at one of the company’s manufacturing facilities and is expected to be installed and revenue earned over the next six months.

“This order is Thermal Energy’s largest individual GEM system order to date and demonstrates the significant benefits that the GEM[®] steam trap system brings to the industrial markets in terms of increased steam efficiencies,” said William Crossland, President and CEO of Thermal Energy. “By targeting large multinational manufacturers, we are able to leverage our initial sales and trial activities across multiple customer locations with the goal of shortening the sales cycle and increasing order volume.”

This major multinational food and beverage company customer produces more than \$25 billion in revenue with approximately 100,000 employees in more than 150 countries. The order was preceded by a successful metered trial at the customer’s site that demonstrated energy savings in excess of 10% with the GEM[®] steam trap system compared to the customer’s traditional mechanical type steam traps, comfortably exceeding the customer’s corporate return on investment requirements.

The GEM[®] steam traps to be installed at this site are calculated by Thermal Energy to reduce the site’s annual fuel consumption by more than 10% and reduce the facility’s green house gas emissions by approximately 415 tonnes annually.

With this order Thermal Energy’s order backlog currently stands at approximately \$8 million of which approximately \$0.5 million is related to long term contracts and is not expected to be reflected in revenue within the next 12 months. Thermal Energy includes in “order backlog” all purchase orders received for product or services that have not yet been reflected as revenue in the Company’s published quarterly financial statements.

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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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. 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.

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