



Attention: business, energy and environment editors

FOR IMMEDIATE RELEASE

Thermal Energy Opens DRY-REX™ Test Facility

Chilliwack B.C. lab to conduct funded studies for drying different types of biomass

OTTAWA, ON – March 6, 2008 – Thermal Energy is pleased to announce that it has established a DRY-REX™ test facility to handle funded research projects on drying different sources of biomass for use as biofuels.

The laboratory in Chilliwack, B.C. is under the supervision of the Thermal Energy's Chief Scientist Dr. Raymond Belanger. It has already received its first contract from an Italian firm to conduct drying tests on grape pressings and orange pressings. This is one of several requests from potential customers in Europe's bioenergy sector seeking to determine the viability of the DRY-REX™ low temperature biomass dryer at their sites.

“With all fossil fuels increasing in price at the same time as demand grows for eco-friendly alternatives, more and more manufacturers and producers are realizing their waste has the potential to become valuable biofuels,” said Thermal Energy President and CEO Tim Angus. “Our new lab provides a cost-effective way for them to determine the viability of converting their biomass for this use or for as a secondary commercial product.

“The lab also acts as a catalyst for selling DRY-REX™ technology to help customers achieve their goals,” said Mr. Angus. The low operating temperatures of DRY-REX™ minimize the amount of volatile organic compounds (VOCs) generated from biomass and the risk of fires and explosions which can occur with high temperature systems. Where high temperature systems require burning of fossil fuels, DRY-REX™ can safely and easily utilize the waste heat generated from a variety of industrial and commercial processes.

Thermal Energy has received a number of inquiries from across North America and Europe for a variety of drying needs. These include drying waste streams such as wood fuel, industrial and municipal sewage sludge, food and beverage waste, and other materials for use as biofuels.

Thermal Energy has also received inquiries from ethanol producers looking to dry their distillers grain. Distillers grain is often used as feed for livestock. On average, for every bushel of corn used for Ethanol, producers get 11 litres of ethanol and 7 kilograms of distillers grains.

The lab is equipped with a gravimetric moisture analyzer to determine the concentration of moisture and solids before and after testing. It will also be equipped with a calorimetric

“bomb” – a device for measuring the calorific or heating values of dried waste products to determine their financial value as a fuel source.

About Thermal Energy

Thermal Energy International Inc. is an innovative technology company providing custom energy and emission reduction, and bioenergy solutions. Headquartered in Ottawa, Canada, TEI is a designer, design build developer, fabricator, owner, operator and supplier of proprietary and patented energy conservation, renewable energy and environmental technology solutions. Thermal Energy is a fully accredited professional engineering firm, and offers advanced process and applications engineering services. The Company is a proud member of the Chicago Climate Exchange (CCX). FLU-ACE®, Dry-Rex™, THERMALONOX™ and THERMALOZOMAX™, THERMAL AUD™ are trademarks of Thermal Energy International. GEM® is a trademark used under exclusive license from Gardner Energy Management Ltd.

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