

THERMOENERGY

CORPORATE PROFILE October 2010

ThermoEnergy Corp. (Symbol: TMEN)

Sector: Clean Technology
Industry: Water Treatment & Power Generation

ThermoEnergy Corp. (TMEN)
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SELECT FINANCIALS

Fiscal Year End:	Dec. 31
Current Price (8/5/10):	\$0.35
52-Week Trading Range:	\$0.20 - \$0.60
Shares Outstanding:	53.7 million
Market Cap:	\$18.8 million

ThermoEnergy Corporation (TMEN), was founded in 1988. ThermoEnergy is a diversified technologies company engaged in the worldwide commercialization of patented and/or proprietary municipal and industrial wastewater treatment and power generation technologies. Additional information on the Company and its technologies can be found on its website at www.thermoenergy.com,

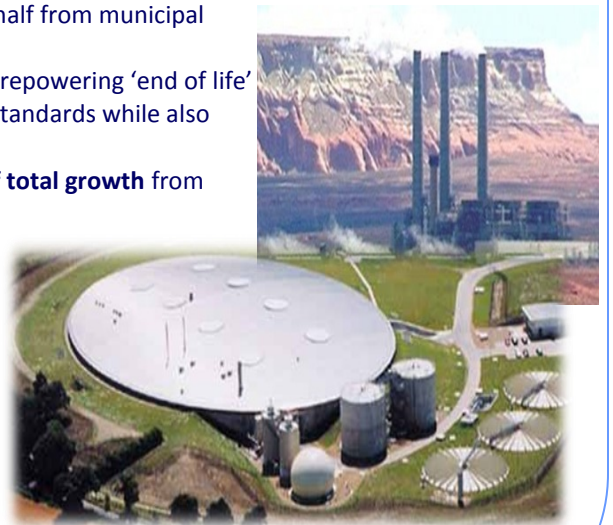
Investment Highlights

- ◆ Signed **\$27.1 million** contract with City of New York to deploy a state-of-the-art ammonia recovery system at the City's 26th Ward Wastewater Treatment Plant situated on Jamaica Bay.
- ◆ New York City will implement ThermoEnergy's recovery process to reduce nitrogen discharges that depletes oxygen levels in the bay
- ◆ Once treatment plant is in full operation, the company's Ammonia Recovery Process (ARP) will prevent approximately **2.4 million pounds** of ammonia from entering Jamaica Bay each year.
- ◆ The ARP facility will treat **1.2 million gallons** of water per day.
- ◆ Huge market opportunity of **\$16 Billion in wastewater treatment**
- ◆ ZEBS (Zero Emission Boiler System) is a **\$65B to \$100B clean coal market opportunity**
- ◆ 50/50 Joint Venture with **Babcock Power** Inc. to develop & commercialize new advanced power plant design or to retrofit to current operating coal plants
- ◆ Leading edge carbon capture technology—Collects **liquid CO2** and captures other noxious elements (mercury, sulfur, etc.) for disposal
- ◆ **2 US patents & 8 foreign patents** issued with an additional 2 foreign patents pending



Growth Strategy

- ◆ Signed NYC contract in June for a **total value of \$27.1M**—Contract will raise awareness for success of ThermoEnergy waste water treatment
 - ◆ Currently working to convert several other projects from pipeline including Chesapeake Bay opportunities.
- ◆ Water treatment business has a **growing pipeline in excess of \$40 million**
- ◆ Concentrate on building sales and marketing capabilities with a strategic plan to hire additional senior sales personnel and a marketing executive during the third quarter
- ◆ Water treatment sales have potential to ramp up to **\$100M in five years** with half from industrial and agricultural markets and half from municipal markets
- ◆ ZEBS is a developmental technology for repowering 'end of life' coal plants to meet new EPA emission standards while also capturing CO2
- ◆ Non-OECD countries account for **94% of total growth** from 2006-2030
 - ◆ 73% increase from 2006-2030
 - ◆ 73% of world coal consumption expected in Non-OECD countries, an increase from 63% in 2006
- ◆ OECD coal consumption expected to increase by 8% from 2006-2030
- ◆ TMEN expects to achieve overall **profitability in 2012**



Currently Over 65 Water Treatment Systems in Operation

ThermoEnergy (TMEN) - Commercializing Water and Energy Technologies

Water Treatment Division

- ◆ Deploying Controlled Atmosphere Separation Technology (CAST)
- ◆ Platform technology used to recover valuable renewable resources from wastewater
- ◆ Disposition or recycle of solids recovered
- ◆ Reuse of the water rather than discharge it (Zero discharge use)
- ◆ Other water based technology patents
- ◆ As platform technology can be combined with other OTS technologies to create new intellectual property (IP)
- ◆ Applicable to many industrial chemical extraction problems
- ◆ Low operating costs—Payback in less than two years in most applications

Water Treatment Partnership—AECOM (NYSE: ACM)

- ◆ Engineering, Technical & Management Leader In All Key Markets That It Serve (www.aecom.com)
- ◆ **\$6.2 Billion in 2009 Revenues**
- ◆ Operating in 100 Countries, Providing Such Services As:
 - ◆ Wastewater Treatment, Sustainable Economic Development, Power Generation, Municipal Infrastructure, Remediation and Waste Management
- ◆ #3 Out of Top 500 Design Firms
- ◆ #3 Out of Top 25 Wastewater Treatment
- ◆ #4 Out of Top 25 Sewerage & Solid Waste



Power Generation Division—Babcock-Thermo Carbon Capture LLC

- ◆ 50/50 Joint Venture with Babcock Power Inc.



BabcockPower

- ◆ Develop & Commercialize New Advanced Power Plant Design - ZEBS

ZEBS: Evolutionary in Design – Revolutionary in Performance

- ◆ ZEBS = Zero Emission Boiler System
- ◆ Combusts Coal / Oil / Natural Gas With Zero Air Emissions
- ◆ Captures CO₂ In Pressurized Liquid Form
- ◆ Based on pressurized oxy-combustion chemistry
- ◆ 99% of Process Components Are Off-The-Shelf Equipment
- ◆ Installed Cost Estimated To Approximate Conventional Pulverized Coal Plant

Phase 1: Established Underlying Science & Thermodynamics & complete subsystem design and costing for 600MW Power Plant

- ◆ Completed

Phase 2: Design, Build & Operate Small-Scale Pilot Plant

Phase 3: Design, Build & Operate Demonstration-Scale Plant

Phase 4: Design and Build a Commercial-Scale Plant



Senior Management

Cary Bullock, President and Chief Executive Officer

- Very experienced developing energy and infrastructure technology
- GreenFuel Technologies, Excelergy, KENETECH, Xenergy, FPL Energy Services, NSP Power Services
- AB, Amherst College, BS, MS, Massachusetts Institute of Technology

Ted Klowan, Jr., Executive Vice President and Chief Financial Officer

- Extensive public company and technology company experience
- Certified Public Accountant, MBA (International Finance)
- Ernst & Young, Waters Corporation, Helix Technology

David Delasanta, Executive Vice President of Business Development

- Shaw Group, AECOM, Kaiser Engineering
- Over 35 years of environmental management, startup, and M&A
- BS Physics, MS Environmental Engineering, and MBA

Steve Brown, Chief Engineer

- Over 15 years of experience with the company and predecessor company (Cellini Purification)
- 25+ years in water engineering
- Umass Amherst, WPI, MIT Industrial Liaison Program

Mark Simon, PhD abd, VP Process Engineering

- Over 8 years of experience with the company
- Prior experience includes KWI North America, Con-Test Environmental, Briggs Associates

Recent Events

8/16/10 - ThermoEnergy Reports Second Quarter 2010 Financial Results

6/30/2010 - ThermoEnergy Signs Contract with City of New York to Help Improve Overall Ecology of Jamaica Bay

6/8/2010 - CASTion Selected by The Artemis Project as a Top 50 Water Company