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Three Tecochill Water Chillers sold to Massachusetts Cannabis Cultivation Facility

Deal marks third sale into the State's growing cannabis industry

WALTHAM, MA -- (Marketwired) -- 07/20/17 -- Tecogen® Inc. (NASDAQ: TGEN) a clean energy company providing ultra-efficient, clean, natural gas powered on-site power, heating and cooling equipment, is pleased to announce the sale of three Tecochill model STx water chillers to an indoor cannabis cultivation facility in central Massachusetts. This order is independent of and separate from another order for two model DTx chillers announced in June and marks the third sale that the company has closed into the nascent cannabis industry of Massachusetts. It is Tecogen's fifth sale to the cannabis industry overall. The three units will be able to provide the new 30,000 Sq. ft. growing facility with 450 refrigeration tons of year-round cooling.

In addition to reducing energy usage and operating costs, Tecochill typically offers an additional advantage in that it consumes virtually no electricity. This can help customers avoid expensive and generally time consuming electric service upgrades from their utility. Older buildings that are being retrofitted for use as indoor growing facilities frequently do not have the electrical infrastructure needed to support the immense electrical needs required by both the lighting as well as the HVAC system needed to remove the heat generated by the lighting.

Steve Lafaille, Product Manager for Tecogen commented, "This is yet another example of the benefit our product brings to indoor farming. Utility costs are the single biggest operating cost for these facilities, and given the expected growth of the industry, it is going to get competitive for growers very quickly. Once the price per pound starts to decline as more growers enter the market, only those who truly have a handle on their energy cost and usage will be successful."

"Indoor farming, specifically of cannabis, holds enormous potential for Tecogen," said Tecogen's Co-CEO Ben Locke. "We are starting to turn that potential into reality. To-date, some 240 applications to grow and sell marijuana have been submitted in Massachusetts. Although only a dozen have made it all the way through to final approval, many more are closing in on the finish line. The Tecochill product line is ideally suited to meet the needs of indoor growers. Not only does it leverage relatively low cost natural gas to power the cooling process, instead of expensive electricity, all of the free engine waste heat can be recovered and used to offset boiler gas that would have been needed to meet the dehumidification requirements. As an added benefit, the units can provide a virtually pollution-free stream of CO2 to aid in plant growth thanks to Tecogen's patented Ultera emissions technology."

About Tecogen

Tecogen® Inc. designs, manufactures, sells, installs, and maintains high efficiency, ultra-clean, cogeneration products including natural gas engine-driven combined heat and power, air conditioning systems, and high-efficiency water heaters for residential, commercial, recreational and industrial use. The company is known for cost efficient, environmentally friendly and reliable products for energy production that, through patented technology, nearly eliminate criteria pollutants and significantly reduce a customer's carbon footprint.

In business for over 30 years, Tecogen has shipped more than 2,500 units, supported by an established network of engineering, sales, and service personnel across the United States. For more information, please visit www.tecogen.com or contact us for a free Site Assessment.

Tecogen, InVerde, Ilios, Tecochill, Ultera, and e$^+$, are registered trademarks or trademark pending registration of Tecogen Inc.

Forward Looking Statements

This press release contains "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on our present intent, beliefs or expectations, and are not guaranteed to occur and may not occur. Therefore, you should not rely on any of these forward-looking statements. Actual results may differ materially from those contained in or implied by our forwardlooking statements as a result of various factors such as economic conditions, significant product and service competition and other factors described in Item 1A "Risk Factors" in our most recent Form 10-K. Forward-looking statements can be identified by words such as: "anticipate," "will," "believe," "plan," "should," "continue," and similar references to future periods. Examples of forward-looking statements include, among others, statements we make regarding expected operation results such as revenue growth and earnings, strategies for business development and customer base growth.

Any forward-looking statement made in this press release is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

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