

Cannabis Order Book Grows Higher

Massachusetts Grower to Acquire 400 tons of Chilling Capacity

WALTHAM, MA -- (Marketwired) -- 09/20/17 -- 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 two 200-ton Tecochill STx Series chillers to an indoor cannabis grow facility located in the greater Boston area. The buyer will recover the pure CO2 emissions stream, which will be scrubbed of harmful NOX and CO by the company's patented Ultera emissions technology, for use in the facility to aid in plant growth. The sale is Tecogen's seventh into North America's nascent indoor cannabis industry. To-date this year, the company has now won orders for twenty Tecochill units, which includes non-grower buyers and is almost double the full-year 2016 total.

Commenting on the sale, Stephen Lafaille, Product Manager for Tecogen, said, "Both our Tecochill line of water-cooled chillers and the Ilios line of high efficiency heat pump water heaters have seen tremendous growth in the last two years. Since the launch of each product line, we have sold over 500 chillers and 40 water heaters."

Mr. Lafaille continued, "Customers and utilities are seeing the benefits of what we refer to as 'mechanical CHP' (CHP: combined heat and power). These products provide cold and hot water at the same time and use a fraction of the electrical power of competing products. The benefits are three-fold: avoided electrical consumption for cooling, lower operating costs than competing products, and free hot water for dehumidification, domestic hot water or process loads. Particularly as it pertains to the indoor growing industry, electric utilities look with increasing favor upon Tecogen's products and are providing rebates accordingly, as our equipment avoids expensive distribution system upgrades to an already saturated electrical grid."

Benjamin Locke, Tecogen's Co-CEO, stated, "Our penetration into the indoor grow market continues apace. The ability to deliver 'mechanical CHP,' as Stephen mentioned, greatly expands our addressable market beyond our core CHP base. We believe that with our sales so far to indoor growing, we've just begun to scratch the surface of the market potential of our chillers and heaters both generally speaking and specifically with respect to indoor farming."

About Tecogen

<u>Tecogen® Inc.</u> designs, manufactures, sells, installs, and maintains high efficiency, ultraclean, 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 forward-looking 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.

Tecogen Media & Investor Relations Contact Information:

John N. Hatsopoulos P: (781) 622-1120

E: John.Hatsopoulos@Tecogen.com

Jeb Armstrong P: (781) 466-6413

E: Jeb.Armstrong@Tecogen.com

Source: Tecogen, Inc.