



CONTACT: David S. Collins
Chief Financial Officer
(630) 845-4500

FOR IMMEDIATE RELEASE

Tracy H. Krumme
Vice President, Investor Relations
(203) 425-9830

**FUEL TECH AWARDED AIR POLLUTION CONTROL
ORDERS TOTALING \$10.5M**

WARRENVILLE, Ill., Dec. 23, 2011 – Fuel Tech, Inc. (NASDAQ: FTEK), a world leader in advanced engineering solutions for combustion and emissions control systems for utility and industrial applications, today announced receipt of multiple air pollution control orders totaling \$10.5 million.

In the U.S., orders were received for three [Selective Non-Catalytic Reduction \(SNCR\)](#) systems. One award, placed by a new utility customer in the Southeast, was for two SNCR systems on large coal-fired units. The second award, placed by a new utility customer in the South Central region, was for an SNCR system on a medium coal-fired unit. Fuel Tech's SNCR process is a post-combustion NOx reduction method which reduces NOx through the controlled injection of reagent into the post-combustion flue gas path. Equipment deliveries for the three projects are currently scheduled for the second quarter of 2012.

Douglas G. Bailey, Chairman, President and Chief Executive Officer, commented, "The SNCR orders were placed to meet the requirements of the Cross-State Air Pollution Rule (CSAPR), which calls for greater reductions in domestic NOx emissions beginning January 1, 2012. As the CSAPR regulatory landscape continues to evolve, it is our goal to work with our customers to understand their emission control needs and deliver a range of product solutions that serve those needs in a timely and cost-effective manner. Given the current timeline for CSAPR compliance and the start of NOx allowance trading programs, we anticipate additional APC orders over the next several quarters."

About Fuel Tech

Fuel Tech is a leading technology company engaged in the worldwide development, commercialization and application of state-of-the-art proprietary technologies for air pollution control, process optimization, and advanced engineering services. These technologies enable customers to produce both energy and processed materials in a cost-effective and environmentally sustainable manner.

The Company's nitrogen oxide (NOx) reduction technologies include advanced combustion modification techniques - such as [Low NOx Burners](#) and [Over-Fire Air systems](#) - and post-combustion NOx control approaches, including [NOxOUT[®]](#) and [HERT[™] SNCR](#) systems as well as systems that incorporate [ASCR[™]](#) (Advanced Selective Catalytic Reduction), [CASCADE[™]](#), [ULTRA[™]](#) and [NOxOUT-SCR[®]](#) processes. These technologies have established Fuel Tech as a leader in NOx reduction, with installations on over 680 units worldwide, where coal, fuel oil, natural gas, municipal waste, biomass and other fuels are utilized.

The Company's [FUEL CHEM[®]](#) technology revolves around the unique application of chemicals to improve the efficiency, reliability, fuel flexibility and environmental status of combustion units by controlling slagging, fouling, corrosion, opacity and operational issues associated with sulfur trioxide, ammonium bisulfate, particulate matter (PM_{2.5}), carbon dioxide and NOx. The Company has experience with this technology, in the form of a customizable FUEL CHEM program, on over 110 combustion units burning a wide variety of fuels including coal, heavy oil, biomass, and municipal waste.

Fuel Tech also provides a range of combustion optimization services, including airflow testing, coal flow testing and boiler tuning, as well as services to help optimize selective catalytic reduction system performance, including catalyst management services and ammonia injection grid tuning. In addition, flow corrective devices and physical and computational modeling services are available to optimize flue gas distribution and mixing in both power plant and industrial applications.

Many of Fuel Tech's products and services rely heavily on the Company's exceptional Computational Fluid Dynamics modeling capabilities, which are enhanced by internally developed, high-end visualization software. These capabilities, coupled with the Company's innovative technologies and multi-disciplined team approach, enable Fuel Tech to provide practical solutions to some of our customers' most challenging problems. For more information, visit Fuel Tech's web site at www.ftek.com.

This press release may contain statements of a forward-looking nature regarding future events. These statements are only predictions and actual events may differ materially. Please refer to documents that Fuel Tech files from time to time with the Securities and Exchange Commission for a discussion of certain factors that could cause actual results to differ materially from those contained in the forward-looking statements.