



CONTACT: John P. Graham  
Chief Financial Officer  
(630) 845-4500

**FOR IMMEDIATE RELEASE**

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

**FUEL TECH ANNOUNCES FUEL CHEM<sup>®</sup> DEMONSTRATION**

**BATAVIA, Ill., June 13, 2008** – Fuel Tech, Inc. (Nasdaq: FTEK), a world leader in advanced engineering solutions for the optimization of combustion systems in utility and industrial applications, today announced a FUEL CHEM<sup>®</sup> demonstration order from an existing Canadian electric utility customer. The demonstration will be performed on a medium-sized boiler currently burning a blend of imported coals and petroleum coke, the latter a by-product of the oil refining process. Chemical injection is scheduled to commence during the third quarter.

John F. Norris Jr., President and Chief Executive Officer, commented, “This announcement represents the first TIFI<sup>™</sup> Targeted In-Furnace Injection<sup>™</sup> application on a Canadian coal-fired electric utility unit. The objective of this demonstration is twofold. First, we plan to alleviate fouling problems currently arising from the presence of sulfur and vanadium in the petroleum coke feedstock, thereby increasing uninterrupted megawatt generation. Second, we intend to enhance our client’s fuel flexibility and economics by enabling the introduction of lower cost, lower quality indigenous coals into the fuel mix.”

Mr. Norris continued, “As a by-product of this initiative, in which boiler cleanliness is improved and boiler efficiency is enhanced, we would expect the unit to achieve a modest reduction in the rate of CO<sub>2</sub> emissions, thereby helping to satisfy a goal of increasing importance in Canada.”

Mr. Norris concluded, “With this contract announcement, Fuel Tech has added 10 FUEL CHEM customer units thus far this year, including eight coal-fired units.”

## **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 (NO<sub>x</sub>) reduction technologies include the NO<sub>x</sub>OUT<sup>®</sup>, NO<sub>x</sub>OUT CASCADE<sup>®</sup>, NO<sub>x</sub>OUT ULTRA<sup>®</sup>, Rich Reagent Injection (RRI) and NO<sub>x</sub>OUT-SCR<sup>®</sup> processes. These technologies have established Fuel Tech as a leader in post-combustion NO<sub>x</sub> control systems, with installations on over 450 units worldwide, where coal, municipal waste, biomass, and other fuels are utilized.

The Company's FUEL CHEM<sup>®</sup> 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 acid plume, as well as the formation of sulfur trioxide, ammonium bisulfate, particulate matter (PM<sub>2.5</sub>), carbon dioxide and NO<sub>x</sub>. This technology, in the form of a customizable FUEL CHEM program, is being applied to over 95 combustion units burning a wide variety of fuels including coal, heavy oil, biomass, and municipal waste. A breakdown of the nature of these customer units is posted on the Company's website.

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](http://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.*

###