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FOR IMMEDIATE RELEASE

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**FUEL TECH ANNOUNCES THIRD FUEL CHEM®
DEMONSTRATION IN CHINA**

WARRENVILLE, Ill., May 6, 2009 – Fuel Tech, Inc. (NASDAQ: FTEK), a world leader in advanced engineering solutions for the optimization of combustion systems and emissions control in utility and industrial applications, today announced the award of a third FUEL CHEM® demonstration program in China. Under the terms of a teaming agreement, Fuel Tech and ITOCHU Hong Kong Ltd., a subsidiary of ITOCHU Corporation, will share in the financial outcome of this initiative.

The demonstration, scheduled to commence during the second half of 2009, will be conducted on a medium sized, coal-fired power generating boiler in central China. The customized FUEL CHEM program, utilizing TIFI™ Targeted In-Furnace Injection™ technology, will be designed to show a number of operating and financial benefits, including: heat rate and coal consumption rate improvements, made possible by maintaining cleaner heat transfer surfaces; and enhanced fuel flexibility, which will reduce overall fuel costs by enabling the plant to burn a broader spectrum of lower cost and more available coals. Furthermore, these benefits are expected to be accompanied by a lessening of the boiler's atmospheric environmental impact, made possible by lower emissions of sulfur oxides (SO₂ and SO₃) and nitrogen oxides (NO_x) and a reduction in the rate of carbon dioxide (CO₂) production.

John F. Norris Jr., President and Chief Executive Officer, commented, "We are very pleased to be announcing our first FUEL CHEM demonstration this year in China and our third overall in this target-rich market for energy efficiency enhancing technologies. In this instance, our client has encountered a particularly difficult slagging issue, the type we have successfully treated on other

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coal-fired boilers using our proprietary TIFI technology. Accordingly, we are optimistic about our ability to improve the operating and financial performance of this unit during the demonstration period.”

Mr. Norris concluded, “With this initiative, we have now been awarded demonstrations on both large and medium-sized power generation boilers in China as well as a small cogeneration unit, thereby spanning the physical size spectrum of typical coal-fired units. Moreover, with recent customer feedback of a successful TIFI demonstration on the large coal-fired boiler, we believe Fuel Tech is now in a superb market development position to expand its FUEL CHEM customer base in China. To that end, discussions with a number of other prospective clients are ongoing.”

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_x) reduction technologies include advanced combustion modification techniques - such as low NO_x burners and overfire air systems - and post-combustion NO_x control approaches, including NO_xOUT[®] and HERT[™] SNCR systems as well as systems that incorporate NO_xOUT CASCADE[®], NO_xOUT ULTRA[®], Rich Reagent Injection (RRI) and NO_xOUT-SCR[®] processes. These technologies have established Fuel Tech as a leader in NO_x reduction, with installations on over 550 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 acid plume, as well as the formation of sulfur trioxide, ammonium bisulfate, particulate matter (PM_{2.5}), carbon dioxide and NO_x. This technology, in the form of a customizable FUEL CHEM program, is being applied to over 85 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.

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.

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