



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 TWO FUEL CHEM<sup>®</sup> ORDERS**

***- Represents Initial TIFI<sup>™</sup> Applications in the Republic of Korea-***

**WARRENVILLE, Ill., July 20, 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 that it has received contracts related to the initiation of commercial FUEL CHEM<sup>®</sup> programs on two small oil-fired units at an industrial power plant in the Republic of Korea. Chemical injection for each program is scheduled to commence later this quarter.

John F. Norris Jr., President and Chief Executive Officer, commented, “We are pleased to be expanding our presence in the Asia-Pacific market with the signing of our first two FUEL CHEM contracts in the Republic of Korea. In this instance, the use of high-sulfur, heavy fuel oil has resulted in severe corrosion issues and we believe the use of TIFI<sup>™</sup> Targeted In-Furnace Injection<sup>™</sup> technology will help resolve this problem as well as reduce the units’ oil consumption.”

Mr. Norris concluded, “While the market in China is, by far, the dominant area of interest in the Asia-Pacific region, we hope to make further inroads in the Republic of Korea and other regional markets as appropriate applications for our unique technology are identified.”

**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 advanced combustion modification techniques - such as low NO<sub>x</sub> burners and overfire air systems - and post-combustion NO<sub>x</sub> control approaches, including NO<sub>x</sub>OUT<sup>®</sup> and HERT<sup>™</sup> SNCR systems as well as systems that incorporate NO<sub>x</sub>OUT CASCADE<sup>®</sup>, 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 NO<sub>x</sub> 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<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 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](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.*

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