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FOR IMMEDIATE RELEASE

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**FUEL TECH AWARDED \$12.7 MILLION
AIR POLLUTION CONTROL CONTRACT**

WARRENVILLE, Ill., Oct. 29, 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 it was awarded the largest air pollution control contract in its history. The \$12.7 million order, placed by a major Midwestern utility, includes turnkey installation of multiple low NOx burners and an over-fire air system for a single coal-fired unit. Equipment deliveries are scheduled to commence during the third quarter of 2010, with project completion occurring during the fourth quarter of 2010.

“We are thrilled to be announcing an order of this magnitude,” commented John F. Norris Jr., President and Chief Executive Officer. “In this instance, our client is replacing an existing combustion system with a large number of new low NOx burners and a new over-fire air system in response to the Environmental Protection Agency’s Regional Haze Rule. This rule requires state and federal agencies to establish long-term strategies and goals for improving visibility in national parks and wilderness areas.”

Mr. Norris concluded, “The awarding of this record contract was made possible, in large part, by our acquisition earlier this year of substantially all of the assets of Advanced Combustion Technology, Inc. With our industry-leading suite of air pollution control products and services, particularly in the NOx control market, and strong financial position, we believe we are ideally suited to compete for other equipment replacement business that is currently under quotation.”

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 over-fire 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[®], 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 90 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.