



**FOR IMMEDIATE RELEASE**

**ADA-ES PROVIDES UPDATE ON CYCLEAN SYSTEMS**

**Two Systems Placed-In-Service;  
Deadline Met for Section 45 Refined Coal Tax Credits**

Littleton, CO – December 21, 2009 - ADA-ES, Inc. (NASDAQ: ADES) announced that Clean Coal Solutions, LLC (“CCS”), its joint venture with NexGen Refined Coal, LLC (“NexGen”), an affiliate of NexGen Resources Corporation, has successfully installed and commenced operations of two CyClean facilities that produce Refined Coal thus meeting the year-end placed-in-service requirement for the Section 45 tax credits. The two systems were installed at power plants with cyclone boilers burning Powder River Basin (“PRB”) coal from Wyoming.

ADA-ES’ patented technology is designed to improve combustion of PRB coal in slagging boilers resulting in improved efficiency and reduced emissions. While burning CCS’s Refined Coal, tests were conducted using protocols provided in the interim guidance notice issued by the IRS on December 7, 2009. These tests demonstrated that the Refined Coal that was produced meets the requirements for the tax credits by reducing emissions of nitrogen oxide (NOx) by greater than 20 percent and reducing mercury emissions by greater than 40 percent. Based upon these results, the Company believes that CCS’s Refined Coal will qualify for the approximately \$6.20 per ton tax credit, which is available for the next ten years.

Each CyClean system will produce Refined Coal for two different power generating boilers located at each host site. ADA-ES expects that the two facilities together will produce sufficient coal to support roughly 1,700 MW of base load power. CCS plans to convert the majority of the \$6.20 per ton tax credits to revenues through a third party monetizer. These installations trigger up to \$4 million in payments by NexGen to ADA-ES for NexGen to maintain its 50% ownership of CCS, likely to be paid out of CCS’s cash distributions. The power plants that purchase the Refined Coal are expected to receive economic benefits resulting from the use of the technology in addition to increased fuel flexibility, decreased operating costs, and decreased emissions of NOx and mercury.

Now that the systems have been successfully installed, CCS is working to finalize contracts with the host utility and with the monetizer. These negotiations are ongoing, but do not have to be completed by year-end to qualify for the Section 45 tax credits.

Mike Durham, President and CEO, stated, “We are very excited to get these systems up and running this year. They are expected to produce significant cash flows for the

Company beginning early in 2010 and lasting for up to ten years. Due to the lateness of the published IRS guidance, we are also working with Congressional delegations to obtain an extension of the placed-in-service deadline for another year so that we can grow this business further in 2010.”

### **About ADA-ES**

ADA-ES is a leader in clean coal technology and the associated specialty chemicals. The Company develops and implements proprietary environmental technology and specialty chemicals that enable coal-fueled power plants to enhance existing air pollution control equipment, maximize capacity and improve operating efficiencies. Through its largest segment, Mercury Emission Control, ADA-ES supplies activated carbon (“AC”) injection systems, mercury measurement instrumentation, and related services. To meet the needs of the power industry for mercury control, a joint venture of the Company, ADA Carbon Solutions (“ADA-CS”), is developing state-of-the-art facilities to produce AC with the first plant projected to come on-line in 2010. In addition, the Company, through CCS, provides its patented refined coal technology, CyClean, to utilities to enhance combustion of and reduce emissions from PRB coals in cyclone boilers. The Company is also developing technologies for power plants to address issues related to the emissions of carbon dioxide.

*This press release contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, which provides a "safe harbor" for such statements in certain circumstances. The forward-looking statements included in this release include statements regarding the qualification of CCS's Refined Coal for the Section 45 tax credit and period of availability, production and sales of Refined Coal, future payments from NexGen and timing of operations of ADA-CS's first AC plant. These statements are based on current expectations, estimates, projections, beliefs and assumptions of our management. Such statements involve significant risks and uncertainties. Actual events or results could differ materially from those discussed in the forward-looking statements as a result of various factors, including but not limited to CCS's ability to negotiate acceptable contracts with the host utilities for sale of the Refined Coal and with a third party monetizer to monetize the tax credits; changes in laws and regulations, prices, economic conditions and market demand; operational difficulties; impact of competition and litigation; availability of skilled personnel; and risks related to ADA-CS such as changes in the costs and timing of construction of the AC plant, failure to raise additional financing or satisfy conditions in existing agreements and actions of our joint venture partner. You are cautioned not to place undue reliance on our forward-looking statements. Our forward-looking statements are presented as of the date made, and we disclaim any duty to update such statements unless required by law to do so.*

### **Contact:**

ADA-ES, Inc.  
Michael D. Durham, Ph.D., CEO & President  
Mark H. McKinnies, Senior VP & CFO  
(303) 734-1727  
[www.adaes.com](http://www.adaes.com)

-or-

Investor Relations Counsel  
The Equity Group Inc.  
[www.theequitygroup.com](http://www.theequitygroup.com)  
Melissa Dixon, (212) 836 9613  
[MDixon@equityny.com](mailto:MDixon@equityny.com)  
Linda Latman, (212) 836-9609  
[LLatman@equityny.com](mailto:LLatman@equityny.com)