



FOR IMMEDIATE RELEASE

ADA-ES REPORTS STRONG FIRST QUARTER RESULTS

LITTLETON, CO – May 11, 2005 – ADA-ES, Inc. (NASDAQ:ADES) today announced financial results for the first quarter ended March 31, 2005. See attached tables.

First Quarter Financial Highlights – versus fiscal 2004 first quarter

- Total revenues increased 41% to \$2.2 million.
- Operating income was \$55,000 versus an operating loss of \$14,000.
- Net income was \$95,000 as compared to a net loss of \$24,000. Net earnings per diluted share were \$0.02, calculated on 36% more shares outstanding due to the successful completion of a one million-share private equity placement in August 2004, compared to net loss of \$0.01 per share in the first quarter of last year.

Dr. Michael Durham, President of ADA-ES, stated, “We are pleased to start the year off with a strong quarter, during which we saw continued strength in our mercury emission control segment, where sales rose 57% during the period. The key driver of the revenue increase was the demand for engineering services to evaluate mercury control options for utility clients, which represents the first stage of commercial sales. We anticipate that this portion of the mercury segment will produce approximately \$2 million in revenues this year.”

Dr. Durham continued, “The new State mercury regulations, recent Federal emission limits for industrial coal-fired boilers, and construction of new power plants continue to create a market for our commercial control technology over the next four to six years. Our long-term growth will be defined by the market created by a Federal regulation on utility boilers, such as the Clean Air Mercury Rule (“CAMR”) issued by EPA in March. Although CAMR is facing legal challenges from State officials and environmental groups because it does not require greater reductions in mercury emissions, we still expect it to create business opportunities for ADA-ES. In response to the lack of stringency of CAMR, several State legislatures have initiated legislative and administrative processes for new regulations that would further limit mercury emissions, thus further increasing the market for ADA-ES products.”

Dr. Durham concluded, “We continue to expect healthy revenue growth for 2005, and remain extremely enthusiastic about the Company’s near and long-term business prospects.”

Conference Call

Management will conduct a conference call on Wednesday, May 11, 2005 at 11:00 a.m. ET to discuss the financial results and recent developments. Interested parties may participate in the call by dialing 706-679-3200 – please call in 10 minutes before the call is scheduled to begin, and ask for the ADES call. The conference call will also be broadcast live over the Internet via the Investor Information section of ADA-ES’ website at www.adaes.com. To listen to the live call please go to the website at least 15 minutes early to register, download and install any necessary audio software. If you are unable to listen live, the conference call will be archived on the Company’s web site.

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About ADA-ES

Headquartered in Littleton, Colorado, ADA-ES, Inc. develops and implements proprietary environmental technology and specialty chemicals that mitigate the environmental impact from electric power and industrial companies while reducing operating costs.

This press release may contain forward-looking information within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. The United States Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for such forward-looking statements in this document that are based on information the Company believes reasonable, but such projections and statements involve significant uncertainties. Actual events or results – including predicted revenues and achievement of positive cash flow – could differ materially from those discussed in the forward-looking statements as a result of various factors including but not limited to changing market demand for ADA-ES chemicals and systems and changes in technology, laws or regulations, demand for the company's securities, and other factors discussed in the company's filings with the U.S. Securities and Exchange Commission.

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ADA-ES, Inc. and Subsidiary
Condensed Consolidated Statements of Operations
(unaudited)
(amounts in thousands, except shares and per share amounts)

	First Quarter Ended	
	March 31,	
	2005	2004
REVENUES:		
Mercury emission control	\$ 1,607	\$ 1,021
Flue gas conditioning	507	421
Combustion aids and other	58	98
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Total revenues	2,172	1,540
Costs of Services	1,265	846
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Gross Margin	907	694
OTHER COSTS AND EXPENSES:		
General and administrative	552	456
Research and development	258	216
Depreciation and amortization	42	36
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Total other costs and expenses	852	708
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OPERATING INCOME (LOSS)	55	(14)
OTHER INCOME (EXPENSE):		
Interest expense	(1)	(14)
Other, net	70	4
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Total other income (expense)	69	(10)
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INCOME (LOSS) BEFORE TAX	124	(24)
PROVISION FOR TAX EXPENSE	(29)	-
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NET INCOME (LOSS)	95	(24)
UNREALIZED LOSSES ON CERTAIN INVESTMENTS IN SECURITIES, net of tax	(18)	-
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COMPREHENSIVE INCOME (LOSS)	\$ 77	\$ (24)
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NET INCOME (LOSS) PER COMMON SHARE - (Basic and Diluted)	\$.02	\$ (.01)
	=====	=====
WEIGHTED AVERAGE BASIC COMMON SHARES OUTSTANDING:	4,811	3,687
	=====	=====
WEIGHTED AVERAGE DILUTED COMMON SHARES OUTSTANDING:	5,029	3,702
	=====	=====

See notes accompanying ADA-ES' consolidated financial statements in its Form 10-QSB for March 31, 2005.

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ADA-ES, Inc. and Subsidiary
Condensed Consolidated Balance Sheets
 (unaudited)
 (amounts in thousands)

ASSETS

	March 31, 2005	December 31, 2004
Current Assets:		
Cash & cash equivalents	\$ 1,990	\$ 2,108
Accounts receivable, net of allowance for doubtful accounts	1,576	1,198
Investment in securities	1,999	713
Prepaid expenses, inventory and other	224	248
Total current assets	5,789	4,267
Property and Equipment, at cost		
Property and Equipment, at cost	1,366	1,345
Less accumulated depreciation and amortization	(936)	(896)
Net property and equipment	430	449
Goodwill, net of amortization	2,024	2,024
Intangible Assets, net of amortization	151	146
Investment in Securities	4,506	5,812
Deferred Tax Benefit and other assets	627	382
Total Assets	\$ 13,527	\$ 13,080

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities:		
Accounts payable	311	433
Accrued expenses	350	403
Deferred revenues	238	202
Total current liabilities	899	1,038
Long-Term Liabilities:		
Deferred compensation and other liabilities	25	32
Total long-term liabilities	25	32
Stockholders' Equity:		
Common stock, no par value	13,650	13,134
Accumulated other comprehensive income	16	34
Accumulated deficit	(1,063)	(1,158)
Total stockholders' equity	12,603	12,010
Total Liabilities and Stockholders' Equity	\$ 13,527	\$ 13,080

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