



FOR IMMEDIATE RELEASE

**ADA-ES REPORTS THAT SECTION 45 EXTENSION IN TAX BILL PROVIDES GROWTH
OPPORTUNITY FOR REFINED COAL**

Reports on Progress on Other Emission Control Products

**Announces Presentation at the Pritchard Capital Partners
“8th Annual Energize Conference” on January 5, 2011**

Littleton, CO – December 20, 2010 – ADA-ES, Inc. (NASDAQ:ADES) (“ADA” or the “Company”) today announced that the Tax Relief and Job Creation Act of 2010 extended the “placed-in-service” date for the Section 45 tax credits by two years to January 1, 2012. This extension gives Clean Coal Solutions, LLC (CCS), ADA’s 50:50 joint venture with NexGen Refined Coal, LLC (“NexGen”), an affiliate of NexGen Resources Corporation, another year to sell and install additional facilities that produce CCS’ patented Refined Coal product, CyClean, and qualify for the ten-year tax credits of approximately \$6.20 per ton.

CCS put the first two Refined Coal facilities into service by the previous deadline of December 2009 and commenced routine operations at the end of the second quarter of this year. The systems are leased to a subsidiary of a large financial institution to monetize the tax credits and produce revenues for CCS. In the third quarter, ADA recognized \$4.5 million in revenues from the first full quarter of operation of the two facilities. The two facilities are producing coal for four electric generating units at a rate of approximately 6 million tons per year from which ADA expects to generate more than \$15.0 million per year in revenues. After deduction of NexGen’s 50% share, ADA expects to generate over \$7.0 million annually in pre-tax cash flow and operating income, or nearly \$1.00 per share, through 2019.

The CyClean technology is designed to improve combustion of coal from the Powder River Basin (PRB) when burned in cyclone boilers reducing emissions of nitrogen oxides and mercury. As a result of this extension, CCS expects to begin building equipment and marketing these facilities to power companies that had expressed interest in the past. In the top ten prospects, there is the potential for over 30 million tons of Refined Coal. CCS does not expect to require additional funding to capitalize on this opportunity as the facilities, like the first two, should generate significant cash flows as soon as they begin operation. For example, the first two systems facilities generated an upfront payment of \$9.0 million in prepaid rent to CCS.

In addition to the growth opportunity with Refined Coal, the Company also expects growth in 2011 and beyond from the sale of its enhanced coal product produced and sold through a licensing agreement with Arch Coal. This agreement included an upfront payment of \$2.0 million and a continuing royalty of \$1.00 per ton of Arch’s PRB coal treated with the ADA proprietary process, which results in reduced emissions of metals including mercury. Arch mines over 100 million tons per year of coal from its mines in the Powder

River Basin. The Company recently completed two full-scale tests related to this technology and achieved encouraging results.

In other news, the Company earlier this month signed a new contract to supply an activated carbon injection system for a coal-fired power plant. This sale was driven by the need to reduce mercury emissions to meet a state regulation.

Dr. Michael Durham, President and CEO of ADA, stated, "We are encouraged by these events, which provide substantial growth opportunities and also coincide with the development of Federal regulations to limit mercury emissions. EPA has announced that it expects to release a draft of a Maximum Achievable Control Technology (MACT) regulation for coal-fired electricity generating units in March 2011 that will require reductions of hazardous air pollutants including mercury. We expect the release of the MACT framework to drive additional sales of our mercury control products."

Additional details on these topics and others will be provided by Michael D. Durham and Mark H. McKinnies, Senior Vice President and CFO, at their presentation at the Pritchard Capital Partners 8th Annual Energize Conference on Wednesday, January 5, 2011 at 8:30 am PT at The Westin San Francisco Market Street.

The slide presentation for this conference will be posted, as will a link to the audio portion of management's presentation, on the Investor Information section of the Company's website at www.adaes.com where it will be archived. Additionally, the presentation slides will be filed as a Current Report on Form 8-K with the U.S. Securities and Exchange Commission on January 5, 2011.

About ADA-ES

ADA-ES is a leader in clean coal technology and the associated specialty chemicals, serving the coal-fueled power plant industry. Our proprietary environmental technologies and specialty chemicals enable power plants to enhance existing air pollution control equipment, minimize mercury, CO₂ and other emissions, maximize capacity, and improve operating efficiencies, to meet the challenges of existing and pending emission control regulations.

With respect to mercury emissions:

- We supply activated carbon ("AC") injection systems, mercury measurement instrumentation, and related services.
- We are also a joint venture participant in ADA Carbon Solutions ("ADA-CS"), which has commenced operations at its state-of-the-art AC production facility.
- Under an exclusive development and licensing agreement with Arch Coal, we are developing and commercializing an enhanced Powder River Basin ("PRB") coal with reduced emissions of mercury and other metals.
- Through our consolidated subsidiary, Clean Coal Solutions, LLC ("CCS"), we provide our patented refined coal technology, CyClean, to enhance combustion of and reduce emissions from burning PRB coals in cyclone boilers.

In addition, we are developing CO₂ emissions technologies under projects funded by the U.S. Department of Energy ("DOE") and industry participants.

This press release contains and the presentation referenced in this press release will include 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 include, but will not necessarily be limited to, statements or expectations regarding future contracts, projects, technologies, project funding, ownership of ADA-CS, tax credits, need to raise capital revenues, expenses, operating income, cash flows and other financial measures; timelines for our projects and anticipated regulations and legislation and expected impact on our markets; ability to build equipment and market to facilities to meet demand; ADA-CS' new AC plant; ADA-CS' ability to supply AC and fund its operations and obligations; results of testing; production levels at our RC facilities; future supply and demand; existing legal proceedings; and related matters. 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, changes in laws and regulations, government funding, prices, economic conditions and market demand; timing of new and pending regulations and any legal challenges to them; negative outcomes in our legal proceedings; impact of competition; lack of working capital; availability, cost of and demand for alternative energy sources and other technologies; technical, start-up and operational difficulties; inability to commercialize our technologies on favorable terms; additional risks related to ADA-CS including lack of continued funding and failure to raise additional financing, demand of payment on existing loans and other obligations, inability to obtain necessary permits, our lack of control of ADA-CS and further dilution of our interest, changes in the costs and timing of commercial operations at the AC plant, and inability to sign or close acceptable coal supply and off-take agreements in timely manner; additional risks related to CCS including failure of its leased facilities to continue to produce coal which qualifies for IRS Section 45 tax credits, termination of the leases for such facilities, decreases in the production of RC by the lessee, seasonality and failure to build and lease new facilities to meet the recently extended placed-in-service date for IRS Section 45 tax credits; our inability to come to terms with industry partners in our DOE CO₂ capture technology project; availability of raw materials and equipment for our businesses; loss of key personnel; failure of Calgon Carbon Corp. to pay the judgment recently awarded to us and its appeal of such judgment; and other factors discussed in greater detail in our filings with the Securities and Exchange Commission (SEC). You are cautioned not to place undue reliance on our forward-looking statements and to consult filings we make with the SEC for additional risks and uncertainties that may apply to our business and the ownership of our securities. 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.

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