



FOR IMMEDIATE RELEASE

ADA-ES SIGNS TERM SHEET FOR EXCLUSIVE LICENSE OF M45 REFINED COAL TECHNOLOGY TO CLEAN COAL SOLUTIONS

LITTLETON, CO – November 7, 2011 – ADA-ES, Inc. (NASDAQ:ADES) (“ADA”) today announced that it has signed a non-binding term sheet for an exclusive license of its new M45 Refined Coal technology to Clean Coal Solutions, LLC (“Clean Coal”), its joint venture with an affiliate of NexGen Resources Corporation and an affiliate of The Goldman Sachs Group, Inc. With this license, Clean Coal can now provide customers with both the patent-pending M45 technology and ADA’s patented CyClean technology to produce Refined Coal (“RC”), which reduces emissions of NOx and mercury, and qualifies for the IRS Section 45 tax credits of over \$6.33 per ton of RC.

The expected license, which is subject to due diligence and negotiation and closing of definitive agreements, would provide ADA with a royalty based on a percent of operating income from future production of RC produced with the M45 technology and prepaid royalties that include an initial refundable payment of \$2 million paid to ADA upon signing of the term sheet with additional refundable payments of up to \$8 million upon meeting certain milestones. In addition, ADA would also receive its 42.5% of distributions from M45 paid to the equity owners of Clean Coal. The prepaid royalty payments would be refundable via a withholding from 50% of future distributions or payments to ADA from Clean Coal if certain conditions are not satisfied, including the completion of satisfactory due diligence by Clean Coal. ADA expects Clean Coal to finance the fabrication and installation of up to six M45 facilities with a goal of getting these “placed-in-service” by the 2011 year-end deadline. These systems would then be available for full-time operation in 2012 and qualify for the tax credit for a ten-year period. These facilities would have the potential of producing a total of as much as \$20 million in net operating income annually for ADA from the M45 activities for the period of the tax credits.

In addition, Clean Coal has installed and operated 10 CyClean systems at utility sites and is working to install and operate up to an additional ten RC systems by year-end, for a total of 20 systems installed in 2011. After initial operation, it takes an average of approximately six months to obtain permits for full-time operation and to complete all necessary contracts. If all planned 20 CyClean systems become fully operational, they could generate pre-tax income of approximately \$30 million annually for ADA after payments to minority partners for the 10-year life of the tax credits.

Clean Coal is financing the construction and installation of the new RC facilities with a \$15 million line of credit with a commercial bank, internal cash flows, and \$8 million received to date in deposits to secure participation in the facilities.

Dr. Michael Durham, President and CEO, stated, "We believe that licensing this technology to Clean Coal will enable us to optimize the opportunity to fabricate, install and place-in-service as many systems as possible by year-end. We have established an aggressive installation schedule and this license will allow us to benefit from the talents of the team that Clean Coal has established over the past two years."

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.
- 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 includes 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 expectations regarding CCS's use of the M45 technology and the CyClean technology to produce RC, CCS's expected financing of the fabrication and installation of RC facilities using the M45 technology, the amount and timing of revenues, earnings, operating income, cash flows and other financial measures; timelines for our RC projects; the number of RC facilities we expect to be able to fabricate, install and demonstrate operational status for by the "placed in service" deadlines to qualify the RC produced by them for Section 45 tax credits; 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, prices, economic conditions and market demand, timing and impact of new and pending laws and regulations and any legal challenges to them, the impact of competition, availability, cost of and demand for alternative energy sources and other technologies, technical, start-up and operational difficulties, issues with CCS's due diligence review of the M45 technology and our inability to address those concerns or negotiate, execute and close on definitive agreements, our inability to ramp up our operations to effectively address expected growth in our target markets, our ability to satisfactorily resolve

outstanding indemnity obligations relating to the recently settled Norit arbitration, availability of working capital, failure of the RC 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 refined coal by the lessee, plant outages, seasonality, inability to obtain permits and the possible failure to secure locations for, build and monetize expected new RC and M45 facilities to meet the Section 45 tax credit placed-in-service deadline; availability of raw materials and equipment; loss of key personnel; and other factors we discuss in greater detail in our filings with the Securities and Exchange Commission (SEC). You are cautioned not to place undue reliance on such statements and to consult our SEC filings 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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