

## Midwest Energy Emissions Corp. Provides Operations Update

WORTHINGTON, OH -- (Marketwire) -- 01/22/13 -- <u>Midwest Energy Emissions Corp.</u> (OTCQB: MEEC) today announces an update on its current operations and offers a market discussion by its President.

As background, in April of 2012, the <u>U.S. EPA's Mercury and Air Toxics Standards (MATS)</u> rule was finalized giving US coal and oil-fired units over 25 megawatts in size three years to reduce mercury emissions by about 90% (the exact amount depending on the mercury content in the fuel burned). The EPA believes that this rule affects 1100 coal and 300 oil-fired units and estimates the annual cost of compliance to be \$9 billion. Currently, several states have established their own limits on mercury emissions providing for a near-term market opportunity for MEEC while the major market will be realized in two years. It is at this time, around the second quarter of 2015, when all power plants affected by the MATS rule will be required to be compliant. This new mercury emissions capture services market will create a large and on-going, annual revenue stream for the very best suppliers of such services.

Alan Kelley, President and Chief Operating Officer, said, "We announced in August of last year that we had signed an agreement with a major US power producer to perform a demonstration of our mercury removal technology on one of its units. We are pleased to report that the demonstration went very well and that it achieved the results that we expected. We are in discussions with this utility about demonstrations on more of their units, and about potential long-term contracts for MEEC systems on all of these units. Likewise, in September of 2012, we announced a contract for a consulting agreement with a major Canadian utility which we hoped would lead to a demonstration of our technology. We are pleased to report that we did perform a demonstration on one of their units and achieved very positive results. Our report on the results of the demonstration and how the plant can optimize its mercury emission reduction has been submitted to the appropriate ministry of their provincial government for a decision on a path forward."

"For a typical 1000 megawatt coal-fired power plant, the cost of achieving a 90% reduction in mercury emissions is over \$10 million per year when using a Brominated Activated Carbon (BAC) injection system, the most common technology used today. MEEC's patented two-step process for mercury reduction can typically achieve higher levels of reduction than BAC systems and with typical savings of greater than 30%. Another benefit of using MEEC technology is that it will also have less of an operational impact on other power plant systems."

"We anticipate more demonstrations over the next one and one-half years leading to long-term contracts for MEEC as utilities decide on the technology that they will employ to meet the new MATS limits. With our patented technology, which has consistently achieved superior results at costs lower than our competitors, we hope to achieve a significant share of this soon-to-be multi-billion dollar per year market."

Mr. Kelley continued, "In addition to the US market, the other two countries with current mercury reduction requirements are Canada and China. MEEC's patents for its technology in those countries are broad and strong. Of note, MEEC has been in discussions with Chinese companies that have expressed an interest in our patent rights for the upcoming mercury removal market in China. In addition, last week in Geneva, Switzerland, culminating a four-year effort, more than 140 nations adopted the first legally-binding international treaty aimed at reducing world-wide mercury emissions. We expect to see many more nations respond with power-plant mercury regulations of their own. Thus, we expect that our new European patent (entitled "Sorbents for the Oxidation and Removal of Mercury") which was issued in 2012, will serve us well as the market is expanded world-wide. "

Mr. Kelley concluded, "As we look to the effective date for MATS compliance in 2015, we expect to see substantial growth in customer contracting for technologies such as ours. We believe that MEEC's high-performance technology delivers an effective solution at a much lower cost, limiting the burden on utilities and their customers and making for a cleaner environment."

## About Midwest Energy Emissions Corp. (ME2C)

We deliver cost effective mercury capture technologies to power plant and other large industrial coal-burning units in the United States and Canada. Our proprietary technology allows customers to meet even the new, highly restrictive standards the <u>U.S. EPA</u> has set for mercury emissions, in an effective and economical manner with the least disruption to the current equipment and on-going operations. For more information, see our website at <a href="https://www.midwestemissions.com">www.midwestemissions.com</a>.

## Forward-Looking Statements

Statements in this release that are not historical facts are forward-looking statements, which involve risks and uncertainties that could cause actual events or results to differ materially from those expressed or implied in this release. Matters that may cause actual results to differ materially from those in the forward-looking statements include, among other factors, the gain or loss of a major customer, change in environmental regulations, disruption in supply of materials, a significant change in general economic conditions in any of the regions where our customer utilities might experience significant changes in electric demand, a significant disruption in the supply of coal to our customer units, the loss of key management personnel, failure to obtain adequate working capital to execute the business plan and any major litigation regarding the Company. In addition, this release contains timesensitive information that reflects management's best analysis only as of the date of this release. The Company does not undertake any obligation to publicly update or revise any forward-looking statements to reflect future events, information or circumstances that arise after the date of this release. Further information concerning issues that could materially affect financial performance related to forward-looking statements contained in this release can be found in the Company's periodic filings with the Securities and Exchange Commission.

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