

Midwest Energy Emissions Corp. Reports Third Quarter 2020 Financial Results and Continues Patent Portfolio Monetization

Secured Long-Term Supply & License Agreement Valued at Over \$7.5M with a Tier-1 Power Plant

CORSICANA, TX, Nov. 24, 2020 (GLOBE NEWSWIRE) -- Midwest Energy Emissions Corp. (OTCQB: MEEC) ("ME₂C" or the "Company"), a leading environmental technologies firm, has reported financial results for the third quarter ended September 30, 2020.

Recent Highlights

- Received recognition of the Company's patent position for mercury emissions capture from coal-fired power plants by one of the nation's largest power producers through the signing of strategic agreements, which the Company believes will lead to a 'domino effect' with other defendants in 2021. The agreements with this customer have a minimum expected value of \$7.5 million over a four-year term.
- Engaged investor relations specialists MZ Group to lead a comprehensive strategic investor relations and financial communications program across all key markets.
- Entered into agreement with another large domestic power producer which grants such party and its affiliated entities a non-exclusive license to certain Company patents for use in connection with their coal-fired power plants

Corporate Update

"With the recent new business agreements currently underway this year, we are confident in our ability to grow our business with utilities across the U.S. fleet further monetizing of our patented technologies," said Richard MacPherson, Chief Executive Officer. "As we move forward, we expect that utilities using these effective technologies will acknowledge our intellectual property position and become business partners. We are in active discussions with several large power producers offering business supply agreements and other commercial options. We will continue to announce the results of these negotiations as we move forward.

"Operationally, we are ready for significant growth with a fully paid for new mixing facility to meet the expected increase in demand. Ultimately, we are better positioned than ever to create sustainable value for our shareholders as we monetize our technology's vast adoption across the fleet.

"We expect to see a significant turnaround in the near-term due to our patent protection tailwinds and 2021 promises to be an exciting and successful year for the Company, its customers, and our shareholders," concluded MacPherson.

Third Quarter 2020 Financial Results

Total revenue in the third quarter of 2020 was approximately \$2.8 million compared to approximately \$3.6 million in the year-ago quarter. The decrease from the prior-year period is primarily due to decreased generation in the coal fired power sector principally due to renewables and low natural gas prices.

Total costs and expenses were approximately \$3.9 million during the three months ended September 30, 2020, compared to approximately \$4.4 million in the same prior year quarter. The decrease in costs and expenses for the three months ended September 30, 2020 is primarily attributable to the decrease in cost of sales principally due to the decrease in sales, as well as a decrease in the loss on change in fair value of profit share. This was partially offset by increases in selling, general and administrative expense and interest expense.

Net loss in the third quarter of 2020 was approximately \$1.1 million, or \$(0.01) per diluted share, compared to a net loss of approximately \$0.8 million, or \$(0.01) per diluted share, in the third quarter of 2019.

Adjusted EBITDA in the third quarter of 2020 was approximately \$24,000 compared to \$49,000 in the same year-ago period.

About Midwest Energy Emissions Corp. (ME₂C[®])

Midwest Energy Emissions Corp. (OTCQB: MEEC) delivers patented and proprietary solutions to the global coal-power industry to remove power plant emissions, providing performance guarantees and leading-edge emissions services. ME₂C has developed patented technology and proprietary products that have been shown to achieve emissions removal at a significantly lower cost and with less operational impact than currently used methods, while maintaining and/or increasing unit output and preserving the marketability of fly-ash for beneficial use. For more information, please visit www.midwestemissions.com.

Use of Non-GAAP Financial Measures

To provide investors with additional information regarding our financial results, this press release includes references to Adjusted EBITDA, a Non-GAAP financial measure. We view Adjusted EBITDA as an operating performance measure and, as such, we believe that the GAAP financial measure most directly comparable to it is net income (loss). We define Adjusted EBITDA as net income adjusted for interest and financing fees, income taxes, depreciation, amortization, stock-based compensation, and other non-cash income and expenses. We believe that Adjusted EBITDA provides us an important measure of operating performance. Our use of Adjusted EBITDA has limitations as an analytical tool, and this measure should not be considered in isolation or as a substitute for an analysis of our results as reported under GAAP, as the excluded items may have significant effects on our operating results and financial condition. Additionally, our measure of Adjusted EBITDA may differ from other companies' measure of Adjusted EBITDA. When evaluating our performance, Adjusted EBITDA should be considered with other financial performance measures, including various cash flow metrics, net income and other GAAP results. In the future, we may disclose different non-GAAP financial measures to help our investors and others more meaningfully evaluate and compare our future results of operations to our previously reported results of operations.

Safe Harbor Statement

With the exception of historical information contained in this press release, content herein may contain "forward-looking statements" that are made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are generally identified by using words such as "anticipate," "believe," "plan," "expect," "intend," "will," and similar expressions, but these words are not the exclusive means of identifying forward-looking statements. These statements are based on management's current expectations and are subject to uncertainty and changes in circumstances. Investors are cautioned that forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from the statements made. 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, capacity factor fluctuations of power plant operations and power demands, 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, availability of capital and any major litigation regarding the Company. In addition, this release contains time-sensitive 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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Source: Midwest Energy Emissions Corp.