

ClearSign Announces Agreement With Leading Waste And Energy Services Company

Multi-phase agreement targets ClearSign improved energy efficiency and emissions performance for commercial facilities in US and internationally.

SEATTLE, July 16, 2013 /PRNewswire/ -- ClearSign Combustion Corporation (NASDAQ: CLIR), an emerging leader in combustion and emissions control technology for industrial, commercial and utility markets announced today that it has executed a letter of intent to enter into a multi-phase commercial development agreement with one of the world's leading waste and energy services companies, with facilities in the US and internationally.

Phase one of the anticipated three-phase agreement is expected to begin this month, with testing in ClearSign's Seattle combustion test facility, with an early on-site beta to follow at an international facility. Subsequent phases would include full-scale testing and evaluation at a larger US-based facility. Additional contract details will be disclosed upon execution of the definitive agreement.

ClearSign CEO Rick Rutkowski said, "We are pleased to be able to share news of this important development today. This agreement represents a major milestone for ClearSign and, we believe, offers strong validation both of our technology and our progress towards commercialization. We are gratified to be working with a highly innovative global market leader in the waste and energy services category."

The waste to energy market is large and growing rapidly. According to QDM Associates, the global waste to energy market almost doubled from \$4.8 billion in 2006 to over \$8.5 billion today. They project that this growth will continue to accelerate, expanding to over \$27 billion by 2021. Currently, the world generates more than 2.1 billion tons of waste each year (representing 24.5 quadrillion Btu of energy) of which just over 10%, or 225 million tons is used to produce energy today.

Rutkowski continued, "The clean and efficient combustion of solid fuels has far reaching implications that relate not only to waste-burning systems, but also to the operation of many other systems, including coal-fired power plants. What is especially promising about our work with solid fuels is that the dominant model for emissions control for solid fuel combustion is the use of post-combustion or after treatment systems that try to trap, filter or scrub the waste out of the exhaust gases. Our goal is to prevent or inhibit the formation of pollutants by better controlling the combustion process itself. If we're successful, we can reduce or avoid significant capital, operating and maintenance costs typically associated with after-treatment systems.

"We believe that ClearSign's ECC™ technology may enable a powerful and cost-effective set of solutions to address a broad range of fundamental challenges associated with solid fuel combustion," Rutkowski said.

According to Rutkowski, the timing of this announcement is particularly good. "President Obama recently announced major new environmental regulations aimed at further reducing pollution from both new and existing coal-fired power plants. With the President's announcement, it is clear that environmental regulations in the United States will continue to become more stringent in the future, making new approaches and technologies more important than ever to industry."

According to ClearSign CTO, Joe Colannino, combustion of solid fuels is especially complex, owing to a high degree of variability. These variations include differences in chemical and physical composition, moisture content, and other characteristics of the fuel and in many cases, non-uniformity in the size and distribution of solid fuel.

"All of this variation means that it's more difficult to get uniform mixing or uniform heat distribution," explained Colannino, "and that's why you tend to see multiple kinds of emissions from solid fuel.

"However, our early testing has shown that in the presence of a pulsed electrostatic field we can achieve dramatic reductions in particulate matter, carbon monoxide (CO), and total hydrocarbons and that we can distribute temperature more uniformly, improve flame patterns and reduce hot spots."

About ClearSign Combustion Corporation

ClearSign Combustion Corporation designs and develops technologies that aim to improve key performance characteristics of combustion systems including energy efficiency, emissions control, fuel flexibility and overall cost effectiveness. Our Electrodynamic Combustion Control™ (ECC™) platform technology improves control of flame shape and heat transfer and optimizes the complex chemical reactions that occur during combustion in order to minimize harmful emissions. For more information about the Company, please visit www.clearsign.com

Cautionary note on forward-looking statements

This press release includes forward-looking information and statements within the meaning of the Private Securities Litigation Reform Act of 1995 and the provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Except for historical information contained in this release, statements in this release may constitute forward-looking statements regarding our assumptions, projections, expectations, targets, intentions or beliefs about future events that are based on management's belief, as well as assumptions made by, and information currently available to, management. While we believe that our expectations are based upon reasonable assumptions, there can be no assurances that our goals and strategy will be realized. Numerous factors, including risks and uncertainties, may affect our actual results and may cause results to differ materially from those expressed in forward-looking statements made by us or on our behalf. Some of these factors include the acceptance of existing and future products, the impact of competitive products and pricing, general business and economic conditions, and other factors detailed in our Quarterly Report on Form 10-Q and other periodic reports filed with the SEC. We specifically disclaim any obligation to update or revise any forward-looking statement whether as a result of new information, future developments or otherwise.

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