Clean Coal Technologies Inc.
Form 10-K
March 29, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

x ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the year ended: December 31, 2011

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 000-53557

CLEAN COAL TECHNOLOGIES, INC.
(Exact name of small business issuer as specified in its charter)

NEVADA	26-1079442
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
295 Madison Avenue (12th Floor), New York, NY	10017
(Address of principal executive offices)	(Zip Code)

(646) 710-3549
(Issuer's telephone number)

Securities registered pursuant to Section 12(b) of the Exchange Act:

Title of each class	Name of each exchange on which registered
None	N/A

Securities registered pursuant to Section 12(g) of the Exchange Act:

Title of class
Common Stock

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Indicate by check mark if the Registrant is a well known seasoned issuer, as defined in Rule 405 of the Securities Act. YES o NO x

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. YES o NO x

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES x NO o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES x NO o

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. x

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer o	Accelerated filer o	Non-accelerated filer o	Smaller reporting company x

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES o NO x

On March 27, 2012, there were 593,784,000 shares of common stock of the Registrant outstanding, and the market value of common stock held by non-affiliates was $50,750,019 (based upon the closing price of $0.09 per share of common stock as quoted on the Pink Sheets of the National Quotation Bureau).

Documents Incorporated by Reference

None.

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2011 ANNUAL REPORT ON FORM 10-K

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PART I

ITEM 1. BUSINESS

Forward-Looking and Cautionary Statements

Except for statements of historical fact, certain information in this document contains “forward-looking statements” that involve substantial risks and uncertainties. You can identify these statements by forward-looking words such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “should,” “would,” or similar words. The statements these or similar words should be read carefully because these statements discuss our future expectations, contain projections of our future results of operations, or of our financial position, or state other “forward-looking” information. Clean Coal believes that it is important to communicate our future expectations to our investors. However, there may be events in the future that we are not able to accurately predict or control. Further, we urge you to be cautious of the forward-looking statements that are contained in this Annual Report because they involve risks, uncertainties and other factors affecting our technology, planned operations, market growth, products and licenses. These factors may cause our actual results and achievements, whether expressed or implied, to differ materially from the expectations we describe in our forward-looking statements. The occurrence of any of these events could have a material adverse effect on our business, results of operations and financial position.

Overview

Clean Coal Technologies, Inc. (“We,” “Company” or “Clean Coal”) owns a patented technology that we believe will provide cleaner energy at low cost through the use of the world’s most abundant fossil fuel, coal. Our technology is designed to utilize controlled heat to extract and capture pollutants and moisture from low-rank coal, transforming it into a cleaner-burning, more energy-efficient fuel prior to combustion. Our proprietary coal cleaning process is designed to ensure that the carbon in coal maintains its structural integrity during the heating process while the volatile matter (polluting material) within the coal turns into a gaseous state and is removed from the coal. We have trade-marked the name “PRISTINE™” as a means of differentiating our processed product from the negative connotations generally associated with coal, and its traditional use. PRISTINE™ is applicable for a variety of applications, including coal-fired power stations, chemical byproduct extraction, and as a source fuel for coal-to-gas and coal-to-liquid technologies.

In September 2011, we filed a provisional application for a patent on a new technology known as Pristine M. The new technology is a moisture substitution technology that, owing to the superior quality of the product and attractive economics, is expected to be highly successful in the moisture removal business globally. The attractiveness of the Prisytine-M technology has culminated in our success attracting strategic partnerships, including with the Archean Group and Jindal Steel & Power, discussed below.

Current or Pending Projects. We have dedicated maximum effort to develop a global commercial platform around a series of strategic partnerships. At this filing date, Jindal Steel and Power, Ltd. (“Jindal”) and the Company have agreed to execute a Technology License Agreement (“TLA”) in lieu of the formerly announced Joint Venture Agreement contemplated under a Memorandum of Understanding signed with us on January 27, 2012. The decision to enter into the TLA was a arrived at jointly and is beneficial for both companies as it allows Jindal to focus on its core business model in Indonesia of supplying dry, high-quality coal to their steel and power businesses in India while allowing us to focus on the development and marketing of our technology to third parties.

For our ASEAN region joint venture initiative, we have instead agreed to binding terms for a joint venture with the Archean Group (“AGPL”) to develop deploy and market our Pristine M technology throughout the ASEAN region (including Indonesia, the Philippines, Cambodia, Vietnam, Malaysia, Brunei, Thailand, Laos and Myanmar). The joint venture company (“JV”) will be 55% AGPL and 45% Clean Coal. For its 55% holding, AGPL has committed to

contribute US $4,000,000 to the JV. Of this, US $2,000,000 will be used to fund the construction of a 1:10-scale pilot plant in Oklahoma. The remaining US $2,000,000 represents a one-time license fee to be paid to Clean Coal upon successful commissioning of the pilot plant.

Construction of the pilot plant in Oklahoma will commence immediately upon execution of an EPC contract and a down payment to SAIC Energy Environment & Infrastructure ("SAIC") by the JV. It is expected that the EPC contract will be formalized this in early April and construction of the plant will begin immediately after the contract is signed. Under the binding terms of the agreement, AGPL will pay a US $1.00 (one dollar) per ton ongoing royalty fee for all coal processed from AGPL majority-owned mines, with a waiver for the first two million tons of coal produced.

For our 45% interest in the joint venture, we will contribute a 25-year exclusive license to develop, market and deploy Pristine M Technology, covering the ASEAN countries including Indonesia, the Philippines, Cambodia, Vietnam, Malaysia, Brunei, Thailand, Laos and Myanmar. We have also committed to cover pilot plant construction costs, if any, above US $2,000,000.

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As part of the agreement, AGPL has made an investment of two million US Dollars ($2,000,000) in Clean Coal. For this investment, we have has issued AGPL a convertible debenture which will represent, upon conversion and subject to the availability of authorized capital and the terms of the debenture, 6.7 % of the outstanding shares of the Company as of the effective date of the binding terms agreement. AGPL will also nominate a board member to be appointed to our board of directors. We have also agreed to issue an option to AGPL to purchase an additional equity stake, to increase AGPL's equity stake up to a total of 20% of the Company's outstanding stock, at a discount to the market price at the date of exercise of the option. Both the conversion of the debenture and the exercise of the option are conditioned on Clean Coal having available authorized capital to issue the requisite shares. In order to do so, we intend to schedule a shareholders' meeting and seek to obtain shareholder approval as soon as possible.

China. Pending resolution of legalities surrounding the change in ownership of the Interests of the Chinese partner in the Inner Mongolia joint venture company in which we held a 25% stake, we expect to transition the Company's involvement from full joint venture partner to merely a Licensor. The project has all permits fully approved and is expected to break ground in 2012.

Huamin Senior Fund Holding Group. The current Exclusive Technology License Agreement was cancelled on October 12, 2011 at a meeting in New York with the Huamin Group with the understanding that it would be replaced with a new Non Exclusive Technology License Agreement within the next 90 days. A t the end of January, no Agreement had been reached with Huamin. Huamin has yet to present a viable project to us.

The China market holds huge potential for our technology and we will, at this stage, only consider individual Technology Licensing Agreements for specific projects. The Huamin Group has not yet presented a project to CCTI.

Outside of the project in Inner Mongolia, and any potential projects with Huamin, we will be focused on business opportunities in other countries.

Philippines. We continue to advance in our discussions with a large Philippine group that has indicated its desire to move forward once the Company has successfully commissioned a 1/10-scale pilot plant, scheduled for September or October 2012.

Consultant Activities.

MMB has been in direct contact with two world-class coal mining groups in Indonesia and has been a major contributor in assisting us to finalize the agreements with AGPL and Jindal discussed above. In India, MMB has been in preliminary discussions for the potential deployment of the technology in two coal operating divisions of a large power company. MMB continues to look for commercial opportunities in India, China, Indonesia and Mongolia.

MBA, Inc., a Tennessee-based consulting group has contracted with SAIC Energy, Environment & Infrastructure, LLC (SEE&I) to assist in arranging engineering, procurement, construction and maintenance services with a large Tennessee utility. Other initiatives currently underway in Texas include MBA's discussions with several South West utility companies that have expressed interest in deploying our technology, and looking to expand their relationship with us. With the building of the pilot plant at a coal fired utility in Oklahoma it is anticipated that MBA's negotiations will produce successful results in 2012.

History

The Company was originally chartered in the state of Delaware on September 17, 1986 under the name Video Delivery Inc. In September 2007, we changed our domicile to Nevada and changed our name to Clean Coal Technologies, Inc. On November 19, 2007 we completed a share exchange agreement with Clean Coal Systems, Inc, a

Florida corporation ("CCSI") whereby we exchanged 294,784,480 (as adjusted after stock splits) common shares for all of the outstanding stock of CCSI. The combined companies now operate under the name Clean Coal Technologies, Inc. CCSI was incorporated in Florida on May 7, 2007. Prior to the merger with the Company, CCSI merged with Saudi American Minerals, Inc. ("SAMI") on September 7, 2007. CCSI did not have any operations prior to the merger with SAMI. SAMI was originally incorporated as Golden Triangle Corporation ("Golden") on October 20, 1997 in the State of Nevada. In June 1998, Golden merged with Consolidated Energy International, Inc., and in October 1999 changed its name to Saudi American Minerals, Inc.

Technology

Our coal treating process extracts the volatile matter (solidified gases or pollutant material) from standard low-rank coal by heating coal as it transitions through several disparate heat chambers, causing the volatile matter to turn to gas and escape the coal, leaving behind a clean-burning fuel source. Historically, the primary technological challenge of extracting this volatile matter has been maintaining the structural and chemical integrity of the carbon, while achieving enough heat to turn the volatile matter into a gaseous state. Heating coal to temperatures well in excess of 700° Fahrenheit is necessary to quickly turn volatile matter gaseous. However, heating coal to these temperatures has generally caused the carbon in the coal to disintegrate into an unusable fine powder (coal dusting). Our patented flow process transitions the coal through several atmospherically independent heat chambers controlled at increasingly higher temperatures. These heat chambers are infused with inert gases, primarily carbon dioxide (CO2), preventing the carbon from combusting. We have identified the optimum combination of atmospheres, levels of inert gases, transport speed, and temperatures necessary to quickly extract and capture volatile matter, while maintaining the structural and chemical integrity of the coal. Using our technology, we are able to capture the volatile gases that escape the coal, and to utilize some of these gases to fuel the process, while others are captured in the form of usable byproducts, to potentially provide an ancillary revenue stream. Depending on the characteristics of the coal being cleaned, the flow processing time is expected to be in the range of 12 to 18 minutes.

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As part of the process to commercialize our technology, on August 21, 2008, we entered into an Umbrella Agreement with our engineering consultant, SAIC Energy, Environment & Infrastructure, LLC, "SEE&I", (formerly Benham), a division of Science Applications International Corporation ("SAIC"). The contract, last revised on February 14, 2012, designates SEE&I as exclusive or lead EPC contractor for CCTI projects and sets out terms for the engineering design, procurement and construction of CCTI plants anywhere in the world.

SEE&I has produced designs for both the Pristine and the Pristine-M processes. The Pristine design provides for the deployment of standard operational modules, each with annual capacity of 166,000 metric tons, providing the flexibility to be configured in accordance with customers' individual production capacity requirements. SEE&I's is confident that our coal cleaning process will typically be energy self-sufficient, relying upon captured methane and other byproducts to fuel the coal cleaning process.

Similarly, the Pristine-M process, sharing some of the scientific principles and engineering components that underpin the Pristine process, is a modular design that includes a section where the coal is partially de-volatized and then coupled to as many drying and stabilization modules as may be required to achieve a client's desired level of production. Each of the modules is designed to handle 30-tons/hr and, similar to the Pristine process, relies on components that are available off-the-shelf and have already stood the test of time as to their reliability and durability.

Our technology has been tested and proven under laboratory and pilot scale conditions in Pittsburg, PA, and the results studied by SEE&I, SAIC and as well as certain potential strategic partners as part of their due diligence on CCTI and the CCTI technology. To date, testing of about 40 coal types from all over the world has been completed. We have also benchmarked our technology against the Carnegie Mellon simulation model with excellent results. Testing has shown no evidence of coal dusting, self-combustion, moisture re-absorption, or other technical concerns that might hinder commercialization. The building of the 1:10 scale plant in Oklahoma will be followed by construction of the first commercial plant of 1,000,000 tons a year to be built in Indonesia during 2013.

The Pristine technology has three distinct primary applications: the cleaning of coal for direct use as fuel for power stations and other industrial and commercial applications; the extraction of potentially valuable chemical by-products for commercial sale; and the use of processed coal as a feed stock for gasification and liquefaction (CTG & CTL) projects.

While we believe that our Pristine technology offers vast potential for commercialization, our market entry strategy right now is focused on the Pristine M technology which we believe offers an immediate opportunity to monetize our intellectual property. The clean coal industry at the moment is focused almost entirely on the need to produce a dry and stable coal to meet the growing need of coal-fired power plants in Asia. Indonesia is currently the largest supplier of thermal coal to India and China, but Indonesian coal suffers from its high moisture content and low calorific content. Both are problems that we believe will be effectively addressed by the Pristine-M technology.

Our process derivatives are broadly characterized by the following three elements which vary according to the characteristics of the feed coal:

A first stream is predominantly water that is extracted from the coal. Although expected to be 100% pure (water removed from coal is condensed from its vapor state), it may contain some contaminants.

A second stream, produced in the de-volatizing stage of the process, is the condensed light hydrocarbons gases that we call "coal-derived liquids, or CDLs. These could prove to be the most valuable component of the process. It is anticipated that the CDLs will resemble a crude oil (probably sweet crude if the sulfur content of the feed coal is low) resulting in a readily-marketable product. In the Pristine-M process, de-volatization is controlled and optimized to meet the needs of drying and stabilizing the coal, minimizing the production of gas or liquid byproducts.

The third stream is the heavy tar-like liquid potentially marketable to the asphalt and coal tar industry. This stream is entirely absent in the Pristine-M process which is focused only on the task of drying and stabilizing.

Business Activities and Strategy

The principal element of our original business strategy was to partner with local utilities, power producers or mine owners to build, own and operate the initial facility utilizing our technology. We have subsequently revised our business model whereby we will license our technology to third parties and exact a license fee, as well as a royalty fee, based on plant production. CCTI's technology, especially the Pristine M, has immediate and important application in the Indian and ASEAN Region, the company is focused on the deployment of the technology throughout this region whilst further validating it through the building of a 1:10 scale plant in Oklahoma which will not only support our overseas initiatives but will also provide a strong basis for deployment into the US domestic market.

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We also intend to co-locate our facilities with both new and existing coal-burning power plants. The proposed footprint of the facilities is expected to be 15 to 20 acres for small capacity plants, including land for the storage of clean coal. We believe that the majority of the plant components are commercially available, and the only significant custom components are related to our proprietary thermal chambers and control software. This strategy greatly reduces the risks that would be associated with the incorporation of new technologies, or unproven components. The building of the 1:10 scale pilot plant at a domestic coal fired utility will add significant impetus to these initiatives

Competitive Strengths

We believe our technology and designs represent the only process that can effectively separate and capture pollution-causing chemicals prior to carbon combustion in a commercially viable manner. Our process differs from competing processes through its ability to maintain the structural integrity of coal during the heating process. This is achieved through a unique design that inserts inert gas into the heating chambers, and maintains the inert atmosphere in each chamber. By inserting an inert gas into the chambers, the process allows for rapid heating of the coal and prevents coal combustion and significant coal dusting. Competing technologies have used differing methods of preventing coal combustion and dusting, albeit with limited success. Some of the particular strengths of our process include:

Pollution reduction: By heating coal prior to combustion, we are able to extract volatile matter (pollutants in the form of solidified gases) from the coal in a controlled environment, transforming coal with high levels of impurities, contaminants and other polluting elements into a more efficient , cleaner source of high energy, lower polluting fuel. Testing has demonstrated that our process removes a substantial percentage of harmful pollutants, including mercury.

Lower cost of operation: We believe that our process will be a relatively low-cost solution to the reduction of pollution at coal-fired power facilities. SEE&I (formerly Benham), our engineering consulting firm, believes that our coal cleaning process will typically not require any external energy and can be fully fueled by the methane and other byproducts that the process captures from raw coal. This effective use of byproducts contrasts markedly with emissions scrubbers that generally use a portion of the generated power and have high initial capital and maintenance costs. In addition, our process may have certain advantages in terms of the pollutants removed that can be utilized in a complementary manner with other processes including scrubbers.

Increased flexibility in feedstock: Our process eliminates both the moisture and volatile matter in raw coal, increasing the heat capacity of standard sub-bituminous low-rank raw coal from approximately 8,000 BTUs to an average of 12,500 BTUs. We believe the process can increase heat capacity of lignite raw coal ranging from 4,000-7,000 BTUs to a range of 9,000-10,000 BTUs. As the worldwide supply of high-BTU bituminous coal dwindles, our technology may enable coal-fired plants to effectively utilize the abundance of low-rank coal.

Favorable price arbitrage: Low-rank coal with a heat content of 7,000 – 9,000 BTUs currently sells for approximately $30 per ton in the world market, compared to high-BTU bituminous coal with a heat capacity of 10,000+ BTUs, which sells for well over $100 per ton, as can be observed in various international price indices, among them, the Baltic Dry Bulk Index. Our process essentially transforms low-grade coal into bituminous coal at a direct cost of an estimated $7 - $8 per ton, capturing the value of higher-grade coal prices.

Potential tax benefits: We believe clean coal production tax credits may potentially be available for coal processed in facilities utilizing our technology. While these credits expired on January 1, 2009, Congress may consider legislation extending the credits.

Competition

The competitors to our Pristine M Technology have suffered a number of setbacks in 2011 primarily caused by their inability to scale up from pilot plant stage. CCTI's Pristine M technology faces a much smaller challenges as it is a modular system built around well-known and proven components. Scalability issues are mitigated by the modular nature of the industrial design which, once the basic module is operational, will scale up by simply adding identical modules. We consider it a major competitive advantage that our clients who build large capacity plants will not be building a single processor based on what are likely to be new and innovative components.

From a plant reliability and maintenance perspective, our modular design is a competitive advantage. In a downside scenario in which an unforeseen circumstance caused a shutdown, CCTI's modular design would allow the plant operator to shut down the affected module, rather than the entire plant.

From a planning perspective, mine operators would be able to expand their capacity piecemeal rather than in step-wise fashion by large-scale increments. This mitigates much of the financial risk normally attendant on large-scale plant expansions and, over time, our modular design may prove to be one of the most significant competitive advantages of our process.

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Their significant competitive advantages include that the CCTI's processes do not require crushing of the coal, thereby minimizing if not entirely eliminating the need for costly briquetting. CCTI's plant economics are compelling as they derive much of the process heat from the feed coal itself, rendering the processes largely energy neutral. The processes require a modest amount of electric power and a small number of operatives. Consequently, our operating costs are very competitive.

The Pristine process not only removes the moisture, but also removes the harmful volatiles and pollutants which we capture as a chemical "soup" that may be further refined by us, or sold directly to chemical manufacturers, or refineries as a complementary revenue source. Additionally, we believe our process is typically self-sufficient in that its energy needs will be provided by the process itself, and requires no external energy provisions. The Pristine process addresses a very different market need than the Pristine M Technology and therefore enables CCTI to offer a more diverse product slate to our potential customers than most, if not all, our existing competitor base.

We consider our most direct competition in the reduction of coal emissions comes from companies offering pre-combustion cleaning designed to remove impurities. However, post-combustion filtering or "scrubbers" designed to filter released gases are a clear alternative for coal-fired power producers. We are not in competition with suppliers of emissions scrubbers, except to the extent that that burning a cleaner fuel is more economical than post-combustion solutions.

The best known competitors in the pre-combustion area include Evergreen Energy, Inc. ("Evergreen"), CoalTek, Inc. ("CoalTek"), GTL Energy ("GTL") and White Energy ("White Energy"), both the latter of which are Australian companies. Evergreen, based in Denver, Colorado, developed a technology primarily focused on reducing the moisture in raw coal to increase its heating capacity. The Evergreen process requires external energy sources and removes less moisture than that of CCTI. CoalTek, based in Tucker, Georgia, claims its patent-pending process uses electromagnetic energy to reduce contaminants and moisture in coal prior to combustion. While public information is limited, we believe the amount of energy necessary to run the electromagnetic process may offset any economic benefits of the upgraded coal. The Australian processes use a combination of heat and compaction to remove moisture from coal. White Energy claims that compaction generates close bonding between the dried coal particles to form a high density, higher energy content briquette. Energy requirements for heating coal an operating a pelletizer are typically large but no basis or explanation is provided for the favorable cost numbers published by White Energy. CoalTek, GTL and White Energy technologies are focused solely on the removal of moisture and do not address the removal of harmful chemicals associated with the burning of coal.

Post-combustion players include companies such as Babcock & Wilcox Company (Lynchburg, Virginia) and Foster-Wheeler (Clinton, New Jersey), as well as various smaller companies that produce various kinds of scrubbers. Scrubbers remove particulates and gases from exhaust streams after coal has combusted. These devices are generally expensive to manufacture and install initially, as well as expensive to operate due to power requirements that consume a significant percentage of power output. They may also require frequent and costly maintain due to the corrosive nature of some of the combustion products, and they can generate large amounts of waste. There are several companies that are developing technologies to capture CO2, but at this stage, these technologies do not address all pollutants, nor are they energy neutral.

Indirect competition comes from alternative low-pollution energy sources, including: wind, bio-fuels and solar; all of which need additional technological advancements, cost reduction and universal acceptance to be able to produce power at the scale of coal-fueled plants, which today produce 43% of world's electricity according to U.S. Department of Energy figures published in May 2008.

Patents

Our technology is the subject of U.S. patent #6,447,559, “Treatment of Coal” which was issued in 2002 and expires in 2019. We filed a PCT continuous patent application with this U.S. patent on February 1, 2006, and, in accordance with this, patents have been applied for in China and other targeted market countries. China, like many other countries, maintains a “first-to-file” rule that should provide us with IP protection in advance of the actual patent grant. On February 2, 2011 CCTI was awarded a continuation patent #7,879,117.

On October 14, 2010, the Company filed PCT International Patent applications based on our revised design in India, China, Indonesia, Australia, South Africa, Colombia, Brazil, Chile, and the Republic of Mongolia. These were filed by our patent attorneys Nixon & Vanderhye P.C. at a cost of $33,000. On October 15, 2010, the Company filed the PCT national phase application for its revised design as contained in PCT/US2008/060364.

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In conjunction with SEE&I's commercialization design of the original patent, we filed for an additional patent on March 31, 2008. We filed a PCT application with this as well, affording it the same protection as noted above. The March 31, 2008 application details the process of using byproducts to power the process, and details a simpler, vertical factory design with proprietary seals that help preserve the atmosphere of each chamber, compared to a horizontal design in the original filing. This application goes into great detail regarding the byproducts of the coal and their capture.

Our patent details a process wherein coal is heated to different temperatures in various chambers with controlled low-oxygen atmospheres. There are seals between these chambers, serving to maintain the heat and gas content in each chamber. The invention notes the controlled de-volitization and removal of moisture and organic volatiles, while maintaining the structural integrity of the coal and reducing the level of disintegration into powder form. The invention also notes the significantly decreased time in treating coal as compared to alternative approaches, most of which focus on moisture removal as a means of increasing calorific or BTU value.

In September, 2011, the Company filed a provisional patent application that seeks to protect a new invention for the reduction of moisture inherent in coal, and stabilization of the final product. Testing to date indicates that our stabilized product will be resistant to moisture re-absorption and safe to handle, even over long distances. The new invention draws from the scientific knowledge embedded in our existing patent, but it is an entirely new concept that is easily differentiated from the offerings of our competitors. The most novel aspect relates to the stabilization of the end product and to the ability to enhance the heat content of the coal beyond what would be normally achieved by moisture removal alone. The product is banded Pritine–M.

From a commercial perspective, Pristine-M is proving to be attractive to clients not only because of its characteristics, but because the industrial design is simple, elegant and inexpensive. We estimate that operating costs will fall between $7 and $8 per ton, including $2.00 per ton on-going maintenance. The cost of the commercial plant is estimated to be in the order of 60% to 70% of competitive offerings

We expect to file for additional patents as we continue the commercialization of our technology and factory design. We intend to continue to seek worldwide protection for all our technology. The following table provides a summary of our technology to date.

Description of Patent	U.S. or Foreign Patent Application/Serial No.	Issue Date or Date Filed	Brief Description/Purpose
Process for treating coal to enhance its rank.	Issued US 6,447,559	09/10/2002	The process reduces the time, capitalization, and production costs required to produce coal of enhanced rank, thus substantially increasing the cost effectiveness and production rate over prior processes.
Continuation patent application directed to process for treating coal to enhance its rank.	Pending US Application11/344,179 issued as Patent 7,879,117B2	02/01/2011	Continuation of parent USP 6,447,559 – seeking broader protection
	Pending in China 818174.8	11/02/2000	Counterpart to '559 US patent
	Granted in Canada 2,389,970	11/02/2000	Counterpart to '559 US patent
	Pending in EPO 992027.3	11/02/2000	Counterpart to '559 US patent
		11/02/2000	Counterpart to '559 US patent

	Pending in Indonesia W-00200201274		
	Pending in Hong Kong 3107833.3	10/30/2003	Counterpart to ‘559 US patent
Coal Enhancement Process	Pending PCT/US2008 International application designating all countries	4/15/2008	Improved process for increasing rank of biomass which reduces the time, capitalization, and production costs required to produce coal of enhanced rank, thus substantially increasing the cost effectiveness and production rate over prior processes.
	Pending: Australia, Brazil, Chile, China, Colombia, India, Indonesia, South Africa, Republic of Mongolia.	10/14/2010	Additional PCT international Patent applications filed.
Moisture Reduction/Substitution	U.S. provisional application Serial No. 61/531,791	9/14/2011	Low-cost process for removal of moisture from coal, involving partial de-volatization and unique stabilization of product.

Governmental Regulations

Environmental Regulation Affecting our Potential Market

We believe that existing and proposed legislation and regulations could impact fossil fuel-fired, and specifically coal-fired, power generating facilities nationally and internationally. According to the U.S. Environmental Protection Agency, or EPA, power generation emits substantial levels of sulfur dioxide, nitrogen oxides, mercury and carbon dioxide into the environment. Regulation of these emissions can affect the potential market for coal processed using our technology by imposing limits and caps on fossil fuel emissions. The most significant, existing national legislation and regulations affecting our potential market include the Clean Air Act, the Clean Air Interstate Rule and the Clean Air Mercury Rule, which are described further below.

State and regional policies may also impact our market. The Regional Greenhouse Gas Initiative requires reduction in carbon dioxide emissions from electric generating units, beginning in January 2009 in 10 northeastern states. The state of California has adopted a stringent greenhouse gas policy that will affect coal-fired electricity generated in and imported into the state. And the Western Climate Initiative, a coalition of 7 western states, is working on a regional, economy-wide greenhouse gas reduction program. Additionally, states are implementing emission reduction policies more stringent than national policy, such as, requiring more stringent mercury reduction than the EPA's Clean Air Mercury Rule and Renewable Portfolio Standards requiring robust renewable electricity generation.

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The following briefly describes the most significant existing national laws and regulations affecting the potential market for coal processed using our technology.

The Clean Air Act and Acid Rain Program. The Clean Air Act of 1970, as amended, is currently the primary mechanism for regulating emissions of sulfur dioxide and nitrogen oxide from coal-fired power generating facilities. A key component of the act regulates sulfur dioxide and nitrogen oxide emissions. Specifically, title IV set a goal of reducing sulfur dioxide emissions by 10 million tons below 1980 levels and imposed a two-phased tightening of restrictions on fossil fuel-fired power plants. Phase I began in 1995 and focused primarily on coal-burning electric utility plants in the East and Midwest. In 2000, Phase II began and this phase tightened the annual emissions' limits on larger higher emitting plants and set restrictions on smaller, cleaner plants fired by coal, oil, and gas. The Acid Rain Program calls for a 2 million ton reduction in nitrogen oxide emission and focuses on one set of sources that emit nitrogen oxide: coal-fired electric utility boilers. Beginning in January 2000, nitrogen oxide emissions are to be reduced 900,000 tons per year beyond the 1.2 million per year reduction set by the EPA in 1995.

Clean Air Interstate Rule. The Clean Air Interstate Rule was finalized by the EPA in March 2005. Once fully implemented, this rule will reduce sulfur dioxide emissions in 28 states and the District of Columbia by more than 70% and nitrogen oxide emissions by more than 60% from the 2003 levels. Through the use of a cap-and-trade approach, the rule promises to achieve substantial reduction of sulfur dioxide and nitrogen oxide emissions. Reductions of nitrogen oxide emissions begin in January 2009, followed by reductions of sulfur dioxide emissions in January 2010. The program will be fully implemented by January 2015.

Clean Air Mercury Rule. The U.S. Environmental Protection Agency, or EPA, finalized the Clean Air Mercury Rule, or CAMR, on March 15, 2005 to reduce mercury emissions from coal-fired power plants. Phase 1 of CAMR was set to go into effect on January 1, 2010. However, on February 8, 2008, the U.S. Circuit Court of Appeals for the District of Columbia vacated the rule, requiring EPA to draft a new regulation. As a result of this ruling, it is likely that individual coal-fired boilers and power plants will be held to stringent levels of mercury emission reductions instead of averaging mercury emissions across multiple plants and across the country.

Environmental Regulation Affecting the Construction and Operation of Plants Using our Technology

In the United States, future production plants using our technology will require numerous permits, approvals and certificates from appropriate federal, state and local governmental agencies before construction of each facility can begin and will be required to comply with applicable environmental laws and regulations (including obtaining operating permits) once facilities begin production. The most significant types of permits that are typically required for commercial production facilities include an operating and construction permit under the Clean Air Act, a wastewater discharge permit under the Clean Water Act, and a treatment, storage and disposal permit under the Resource Conservation and Recovery Act. Some federal programs have delegated regulatory authority to the states and, as a result, facilities may be required to secure state permits. Finally, the construction of new facilities may require review under the National Environmental Policy Act, or a state equivalent, which requires analysis of environmental impacts and, potentially, the implementation of measures to avoid or minimize these environmental impacts.

Any international plants will also be subject to various permitting and operational regulations specific to each country. International initiatives, such as the Kyoto Protocol/Copenhagen Accord, are expected to create increasing pressures on the electric power generation industry on a world-wide basis to reduce emissions of various pollutants, which management expects will create additional demand for our technology.

Research and Development

CCTI in association with SAIC is continually looking to upgrade our technology and to study and define the next generation of Clean Coal Technology. Whilst our budget does not currently allow us to allocate a specific funding for R and D, CCTI and SAIC are continuing to work on developing new technology and upgrades to our existing technology. During 2011 we invented the new Pristine M technology that is already putting CCTI at the forefront of the Global Moisture Removal Technologies. This was developed on a limited budget.

In the future, CCTI intends to allocate up to $500,000 for R and D purposes and will continue to evaluate our progress in new and existing technologies and will seek to fund additional needs as they arise.

Employees

As of December 31, 2011, we had two full-time executives, and one full-time administrative employee. President and CEO Robin Eves, and Chief Operations Officer, Ignacio Ponce de Leon have written employment agreements. Effective August, 2010, the Board of Directors appointed Dr. Mitch Shapiro to serve as the Company's Secretary for which he will receive no additional compensation, other than that paid as a Director. Our administrative employee is at-will. Messrs. Eves and Ponce de Leon received no compensation for their participation on the Board of Directors.

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We have an oral consulting agreement with C.J. Douglas, a shareholder who provides services that support our administrative and accounting functions on a month-to-month basis, at $20,000 per month. Prior to the appointment of Cooper Global Communications as our investor relations firm, Mr. Douglas had also provided this function to the Company.

The terms of the agreements described above were negotiated by and between the individuals and our Board of Directors based on the qualifications and requirements of each individual and the needs of the company; however, the negotiations may not be deemed to have been at arm's length.

In 2011 CCTI employed hired Mr. Al Knapp as senior advisor to the board of directors. Mr. Knapp brings many years of industry experience to the board and will be a valuable resource as we seek to introduce and deploy the Pristine and Pristine M technology into the domestic market.

In September of 2011 CCTI hired Mr. SK Grover as a senior consultant for our Indian, Indonesian and Asian interests. Mr. Grover brings nearly 50 years of experience in the coal and coal technology industry to CCTI. He held senior positions in Coal India and Videocon and is known as an expert on the Indian coal industry throughout the region. He is proving an invaluable resource from both the marketing and technical side and is very instrumental in raising the CCTO profile throughout the region.

ITEM 1A. RISK FACTORS

We have no operating revenues yet and we have made no provision for any contingency, unexpected expenses or increases in costs that may arise.

We are a development stage company and have no revenues from operations, neither has the Company generated any funding through any form of private or public offering to use for operating expenses or research and development. Since inception, we have been able to cover our operating losses from debt and equity financing. These sources of funds may not be available to cover future operating losses. If we are not able to obtain adequate sources of funds to operate our business we may not be able to continue as a going concern.

Our business strategy and plans could be adversely affected in the event we need additional financing and are unable to obtain such funding when needed. It is possible that our available funds may not be sufficient to meet our operating expenses, development plans, and capital expenditures for the next twelve months. Insufficient funds may prevent us from implementing our business strategy or may require us to delay, scale back or eliminate certain opportunities for the commercialization of our technology. If we cannot obtain necessary funding, then we may be forced to cease operations.

We may experience delays in resolving unexpected technical issues arising in completing development of new technology that will increase development costs and postpone anticipated sales and revenues.

As we develop, refine and implement our technology, we may have to solve technical, manufacturing and/or equipment-related issues. Some of these issues are ones that we cannot anticipate because the technology we are developing is new. If we must revise existing manufacturing processes or order specialized equipment to address a particular issue, we may not meet our projected timetable for bringing commercial operations on line. Such delays may interfere with our projected operating schedules, delay our receipt of licensing and royalty revenues from operations and decrease royalties from operations.

The market in which we are attempting to sell our technology is highly competitive.

The market for our technology is highly competitive on a global basis, with a number of competitors having significantly greater resources and more established market penetration than us. Because of greater resources and more widely accepted brand names, many of our competitors may be able to adapt more quickly to changes in the markets we have targeted or devote greater resources to the development and sale of new technology products. Our ability to compete is dependent on our emerging technology which may take some time to develop market acceptance. To improve our competitive position, we may need to make significant ongoing investments in service and support, marketing, sales, research and development and intellectual property protection. We may not have sufficient resources to continue to make such investments or to secure a competitive position within the market we target.

Our business depends on the protection of our patents and other intellectual property and may suffer if we are unable to adequately protect such intellectual property.

Our success and ability to compete are substantially dependent upon our intellectual property. We rely on patent laws, trade secret protection and confidentiality or license agreements with our employees, consultants, strategic partners and others to protect our intellectual property rights. However, the steps we take to protect our intellectual property rights may be inadequate. There are events that are outside of our control that pose a threat to our intellectual property rights as well as to our products and services. For example, effective intellectual property protection may not be available in every country in which we license our technology. Also, the efforts we have taken to protect our proprietary rights may not be sufficient or effective. Any impairment of our intellectual property rights could harm our business and our ability to compete. Also, protecting our intellectual property rights is costly and time consuming. Any increase in the unauthorized use of our intellectual property could make it more expensive to do business and harm our operating results. In addition, other parties may independently develop similar or competing technologies designed around any patents that may be issued to us.

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We have been granted one U.S. patent and have several U.S. patent applications pending relating to certain aspects of our technology and we may seek additional patents on future innovations. Our ability to license our technology is substantially dependent on the validity and enforcement of these patents and patents pending. We cannot assure you that our patents will not be invalidated, circumvented or challenged, that patents will be issued for our patents pending, that the rights granted under the patents will provide us competitive advantages or that our current and future patent applications will be granted.

Third parties may invalidate our patents.

Third parties may seek to challenge, invalidate, circumvent or render unenforceable any patents or proprietary rights owned by or licensed to us based on, among other things:

- subsequently discovered prior art;
- lack of entitlement to the priority of an earlier, related application; or
- failure to comply with the written description, best mode, enablement or other applicable requirements.

United States patent law requires that a patent must disclose the "best mode" of creating and using the invention covered by a patent. If the inventor of a patent knows of a better way, or "best mode," to create the invention and fails to disclose it, that failure could result in the loss of patent rights. Our decision to protect certain elements of our proprietary technologies as trade secrets and to not disclose such technologies in patent applications, may serve as a basis for third parties to challenge and ultimately invalidate certain of our related patents based on a failure to disclose the best mode of creating and using the invention claimed in the applicable patent. If a third party is successful in challenging the validity of our patents, our inability to enforce our intellectual property rights could seriously harm our business.

We may be liable for infringing the intellectual property rights of others.

Our technology may be the subject of claims of intellectual property infringement in the future. Our technology may not be able to withstand any third-party claims or rights against their use. Any intellectual property claims, with or without merit, could be time-consuming, expensive to litigate or settle, could divert resources and attention and could require us to obtain a license to use the intellectual property of third parties. We may be unable to obtain licenses from these third parties on favorable terms, if at all. Even if a license is available, we may have to pay substantial royalties to obtain it. If we cannot defend such claims or obtain necessary licenses on reasonable terms, we may be precluded from offering most or all of technology and our business and results of operations will be adversely affected.

Our ability to execute our business plan would be harmed if we are unable to retain or attract key personnel.

Our technology is being marketed by a small number of the members of our management. Our technology is being developed and refined by a small number of technical consultants. Our future success depends, to a significant extent, upon our ability to retain and attract the services of these and other key personnel. The loss of the services of one or more members of our management team or our technical consultants could hinder our ability to effectively manage our business and implement our growth strategies. Finding suitable replacements could be difficult, and competition for such personnel of similar experience is intense. We do not carry key person insurance for our officers.

Overseas development of our business is subject to international risks, which could adversely affect our ability to license profitable overseas plants.

We believe a significant portion of the growth opportunity for our business lies outside the United States. Doing business in foreign countries may expose us to many risks that are not present domestically. We lack significant experience in dealing with such risks, including political, military, privatization, technology piracy, currency exchange and repatriation risks, and higher credit risks associated with customers. In addition, it may be more difficult for us to enforce legal obligations in foreign countries, and we may be at a disadvantage in any legal proceeding within the local jurisdiction. Local laws may also limit our ability to hold a majority interest in the projects that we develop. The Company has yet to establish any representation offices outside the United States.

We do not know if coal processed using our technology is commercially viable.

We do not yet know whether coal processed using our technology can be produced and sold on a commercial basis in a cost effective manner after taking into account the cost of the feedstock, processing costs, license and royalty fees and the costs of transportation. Because we have not experienced any full scale commercial operations, we have not yet developed a guaranteed efficient cost structure. We are currently using the estimates for anticipated pricing and costs, as well as the qualities of the coal processed in the laboratory setting to make such estimates. We may experience technical problems that could make the processed coal more expensive than anticipated. Failure to address both known and unforeseen technical challenges may materially and adversely affect our business, results of operations and financial condition.

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We have experienced large net losses, have little liquidity and need to obtain funds for operations or we may not be able to continue.

We have incurred net losses of $199.600.076 since inception. The net losses to date include large non-cash expenses recorded for share-based compensation for consultants and officer compensation. However, in addition to the non-cash expenses, we had other operating expenses, all funded through loans from existing shareholders. In order to meet our current operating budget and anticipated contractual obligations, we estimate that we will need an additional $3,500,000 for 2012, based on our current contractual obligations. At December 31, 2011, we had total liabilities of $3,065,099 and cash of only $8,342. If we cannot obtain adequate financing from new funding sources, we will be unable to continue operations or meet our contractual obligations.

Our use of equity as an alternative to cash compensation may cause excessive dilution for our current shareholders.

Due to shortage of operating funds and low liquidity, we have issued shares and warrants as compensation for services, including board and officer compensation as well as compensation for outside consultants and other services. This form of compensation has enabled us to obtain services that would not otherwise have been available to us but it has resulted in dilution to our shareholders. Unless we are able to obtain adequate financing in the immediate future, we may be forced to continue to obtain services through the issuance of shares and warrants, resulting in additional dilution to shareholders and potentially adversely affecting any return on investment. The issuance of shares for services has consumed the majority of our previously un-issued shares, and may require us to ask our shareholders to approve an increase of our authorized shares in the near future.

Any negative results from the continuing evaluation of our technology or processed coal produced at future facility sites could have a material adverse effect on the marketability of our technology and future prospects.

We are continuing to evaluate the attributes of coal processed using our technology on a laboratory scale. We do not know if these evaluations will result in positive findings concerning the moisture content, heat value, emission-levels, burn qualities or other aspects of our processed coal. Furthermore, even if current evaluations indicate that our processed coal performs to design specifications, we do not know if later tests or larger scale processing will confirm these current results or that the processed coal will be readily accepted by the market. The process of introducing our technology into the market may be further delayed if these test results are negative or if potential licensees conduct their own tests of the processed coal to determine whether it meets their individual requirements and the results are not acceptable. We have conducted numerous tests of our technology using a variety of feed stocks in our laboratories. The ability to use feed stocks from other locations in the United States or overseas will depend on the results of future tests on different types of coal. If these tests limit the range of viable low-grade coal feed stocks for use in our process, site locations for future plants may be limited and the commercial appeal of the process may be less than anticipated. If this continuing process of evaluation and market introduction results in negative findings concerning our process, it could have a material adverse effect on the marketability of our technology and on our financial condition, results of operations and future prospects.

Due to the uncertain commercial acceptance of coal processed using our technology we may not be able to realize significant licensing revenues.

While we believe that a commercial market is developing both domestically and internationally for cleaner coal products such as coal processed using our technology, we may face the following risks due to the developing market for cleaner coal technology:

- limited pricing information;
- changes in the price differential between low- and high-BTU coal;

- unknown costs and methods of transportation to bring processed coal to market;
- alternative fuel supplies available at a lower price;
- the cost and availability of emissions-reducing equipment or competing technologies; failure of governments to implement and enforce new environmental standards; and
- a decline in energy prices which could make processed coal less price competitive.

If we are unable to develop markets for our processed coal, our ability to generate revenues and profits will be negatively impacted.

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If we are unable to successfully construct and commercialize production plants, our ability to generate profits from our technology will be impaired.

Our future success depends on our ability to secure partners to locate, develop and construct future commercial production plants and operate them at a profit. A number of different variables, risks and uncertainties affect such commercialization including:

- the complex, lengthy and costly regulatory permit and approval process;
- local opposition to development of projects, which can increase cost and delay timelines;
- increases in construction costs such as for contractors, workers and raw materials; - transportation costs and availability of transportation;
- the inability to acquire adequate amounts of low rank feedstock coal at forecasted prices to meet projected goals;
- availability of suitable consumers of chemical by-product produced by our process;
- engineering, operational and technical difficulties; and - possible price fluctuations of low-Btu coal which could impact profitability.

If we are unable to successfully address these risks, our results from operations, financial condition and cash flows may be adversely affected.

Future changes in the law may adversely affect our ability to sell our products and services.

A significant factor in expanding the potential U.S. market for coal processed using our technology is the numerous federal, state and local environmental regulations, which provide various air emission requirements for power generating facilities and industrial coal users. We believe that the use of clean-burning fuel technologies such as ours will help utility companies comply with the air emission regulations and limitations. However, we are unable to predict future regulatory changes and their impact on the demand for our technology. While more stringent laws and regulations, including mercury emission standards, limits on sulfur dioxide emissions and nitrogen oxide emissions, may increase demand for our technology, such regulations may result in reduced coal use and increased reliance on alternative fuel sources. Similarly, amendments to the numerous federal and state environmental regulations that relax emission limitations would have a material adverse effect on our prospects.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

We have leased executive office space at 295 Madison Avenue, New York, NY 10017and, as of this filing; have permanently closed the leased space of our operations office at 12518 W. Atlantic Blvd, Coral Springs, Florida 33071. The New York lease is on a six month basis with an automatic extension option. As a result of our successful contracts in Indonesia and the building of the plant in Oklahoma it is anticipated that we will need larger office space in the North East. We will be adding additional staff during 2012 and will upgrade our office needs accordingly.

ITEM 3. LEGAL PROCEEDINGS

Clean Coal Technologies, Inc., and our former Senior Managing Director, Douglas Hague, in addition to shareholder Larry Hunt and consultant CJ Douglas, were named as co-defendants in a lawsuit filed by a shareholder in the 15th Judicial Circuit Court in and for West Palm Beach County, Florida, Case No. 50 2010CA 028706XXXX MB on or about November 24, 2010. Plaintiff has not made a specific demand for damages; however, plaintiff has made a

general demand for damages in order to meet the Court's jurisdictional limits, which is a standard disclosure. We vigorously defended this action that the Company and its attorneys regard as absolutely frivolous, baseless and without merit. On January 24, 2011 attorneys for the plaintiff agreed to the entry of an order dismissing their lawsuit, without prejudice, allowing them twenty days to file an Amended Complaint. Attorneys for the plaintiff filed an Amended Complaint on February 22, 2011 under the same case number. We will continue to vigorously defend the action and we do not believe that the action will be materially adverse to the company. Our attorneys have put the plaintiff’s counsel on notice of our intent to seek sanctions against both the plaintiff, and the plaintiff’s counsel pursuant to Florida Statute Sec.57.105. Further, we have moved to dismiss the action on the basis that the Plaintiff has procedurally, factually, and legally failed to state a cause of action up which relief can be granted. In the event that this case should be advanced, we believe that we have meritorious defenses to all claims; however, an adverse decision would materially and adversely impact us.

ITEM 4. RESERVED

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PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASE OF EQUITY SECURITIES

Market Information

Our common stock is quoted on the Pink Sheets of the National Quotation Bureau under the symbol CCTC since October 12, 2007. The following table sets forth the high and low bid prices for the Company's common stock for the periods indicated. The prices below reflect inter-dealer quotations, without retail mark-up, mark-down or commissions and may not represent actual transactions.

Quarter Ended	Low	High
31-Dec-11	$ 0.03	$ 0.03
30-Sep-11	$ 0.05	$ 0.05
30-Jun-11	$ 0.05	$ 0.06
31-Mar-11	$ 0.13	$ 0.14
31-Dec-10	$ 0.03	$ 0.03
30-Sep-10	$ 0.05	$ 0.05
30-Jun-10	$ 0.05	$ 0.06
31-Mar-10	$ 0.13	$ 0.14

Prior to the one year anniversary of the Company's Form 10 registration filing on January 14, 2009, our common stock was thinly traded on the Pink Sheets. As of January 14, 2010, CCTI had 1,712,136 free trading shares, and 423,998,140 restricted shares, the latter of which became eligible for resale into the public market through a bona fide sale, which has resulted in increased sales volumes.

The closing price of our common stock as quoted on the Pink Sheets on March 27, 2012 was $0.09 per share. As of March 27, 2012, there were approximately 1,800 holders of record of our common stock and 593,784,000 shares of common stock outstanding based on information provided by our transfer agent, Worldwide Stock Transfer, LLC.

Dividends

We have not paid any dividends on our common stock since our inception and do not anticipate paying any dividends in the foreseeable future. Any future determination to pay dividends will be at the discretion of our Board of Directors and will be dependent upon then-existing conditions, including our financial condition, results of operations, contractual restrictions, capital requirements, business prospects and other factors our Board of Directors deems relevant.

Issuer Purchases of Equity Securities

During the year ended December 31, 2011, we did not purchase any of our own equity securities.

Recent Issues and Sales of Unregistered Securities

There has been no sale of securities for the year ending December 31, 2011. Shares issued for services in the years ended December 31, 2011 are detailed below.

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Issued for Services and Debt

On June 28, 2011 we issued a total of 17,359,078 conversion shares to the beneficiaries of the debenture agreements detailed below. This disbursement represented the balance of the Company's obligation to the beneficiaries and all interest accrued as of that date, the balance of which has a maturity date of June 30, 2011. The debenture conversion price was $0.07025 at an annual interest rate of 4%.

DATE OF DEBENTURE	NAME	PRINCIPAL AMOUNT	INTEREST AMOUNT	CONVERSION AMOUNT	SHARES @ .07025
6/30/2010	Out of The Chute	$ 688,423	$ 10,262	$ 698,685	9,945,695
6/30/2010	Douglas Hague	382,703	7,591	390,294	5,555,781
6/30/2010	Edward Jennings	23,792	472	24,264	345,393
6/30/2010	Mitchell Shapiro	22,959	455	23,414	333,293
6/30/2010	Stewart Ashton	24,083	478	24,561	349,620
6/30/2010	Richard Young	26,209	519	26,728	380,474
6/30/2010	Jeffrey Miller	5,000	99	5,099	72,586
6/30/2010	Diatom Energy, LLC	19,166	381	19,547	278,245
6/30/2010	Joel Marcus	6,750	133	6,883	97,991
	TOTAL	$ 1,199,085	$ 20,390	$ 1,219,475	17,359,078

On January 20, 2011, Clean Coal issued 2,000,000 common shares to Ignacio Ponce De Leon for additional services rendered.

On January 20, 2011, Clean Coal issued 3,500,000 common shares to Out of the Chute for the benefit of C.J. Douglas as a bonus for services in 2010.

On January 20, 2011, Clean Coal issued 300,000 common shares to Davis Management Corp., for Investor Relation services for 2011.

On January 20, 2011, Clean Coal issued 150,000 common shares to American Marketing Services for services rendered.

On February 7, 2011, Clean Coal issued 1,000,000 common shares to Cooper Global Communications, LLC for services per an agreement. On June 8th, 2011 the CGC contract was amended whereby CGC returned 500,000 shares of common stock to the treasury of the company and cancelled the 900,000 common share options that were granted. The company immediately cancelled the 500,000 shares. Under the present contract with CGC there is no option agreement in effect.

On February 24, 2011, Clean Coal issued 60,000 common shares to Russ Schleipman for services rendered.

On May 12, 2011, Clean Coal issued 4,000,000 common shares to Out of the Chute for the benefit of CJ Douglas as a bonus for services rendered.

On May 12, 2011, Clean Coal issued 4,000,000 common shares to Ignacio Ponce De Leon per his employment contract.

On June 16, 2011, Clean Coal issued 1,000,000 common shares to Albert Knapp for services rendered as Advisor Director to the Board of Directors.

On August 5, 2011, Clean Coal issued 10,000,000 common shares to Robin Eves under his employment contract.

On October 3, 2011, Clean Coal issued 4,000,000 common shares to Ignacio Ponce De Leon as a bonus for services rendered.

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During October 2011, Clean Coal issued an aggregate of 2,000,000 common shares to Robert Lindley and Perry Todd as payment of interest.

On November 4, 2011, Clean Coal issued 1,997,128 common shares to Robin Eves for the conversion of $30,000 of debt and $925 of interest.

During December 2011, Clean Coal issued an aggregate of 3,940,000 common shares to Robert Lindley and Steve Hamm with promissory notes issued. The shares were recorded as loan discount.

During 2011, Clean Coal issued an aggregate of 7,000,000 common shares to MMB Global Advisors for services rendered.

The above shares were issued in reliance on the exemption from registration pursuant to Section 4(2) of the Securities Act of 1933, as amended, and the regulations promulgated there under. The transactions were issuances for services performed, the transactions were all privately negotiated and none involved any kind of public solicitation.

ITEM 6. SELECTED FINANCIAL DATA

We are a “Smaller Reporting Company” as defined under §229.10(f)(1) of Regulation S-K and are not required to provide the information required by this Item.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FORWARD-LOOKING STATEMENTS AND FACTORS THAT MAY AFFECT FUTURE RESULTS

This Annual Report on Form 10-K contains forward-looking statements (as referenced in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934) that involve risks and uncertainties, as well as assumptions that, if they do not materialize or prove correct, could cause our results to differ materially from those expressed or implied by such forward-looking statements. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including, but not limited to, statements concerning: our plans, strategies and objectives for future operations; new products or developments; future economic conditions, performance or outlook; the outcome of contingencies; expected cash flows or capital expenditures; our beliefs or expectations; activities, events or developments that we intend, expect, project, believe or anticipate will or may occur in the future; and assumptions underlying any of the foregoing. Forward-looking statements may be identified by their use of forward-looking terminology, such as “believes,” “expects,” “may,” “should,” “would,” “will,” “intends,” “plans,” “estimates,” “anticipates,” “projects” and similar words or expressions. You should no undue reliance on these forward-looking statements, which reflect our management’s opinions only as of the date of the filing of this Annual Report on Form 10-K and are not guarantees of future performance or actual results.

Overview

Clean Coal Technologies, Inc. (“We,” “Company” or “Clean Coal”) owns a patented technology that we believe will provide cleaner energy at low costs through the use of the world’s most abundant fossil fuel, coal. Our technology is designed to utilize controlled heat to extract and capture pollutants and moisture from low-rank coal, transforming it into a cleaner-burning, more energy-efficient fuel prior to combustion. Our proprietary coal cleaning process is designed to ensure that the carbon in coal maintains its structural integrity during the heating process while the volatile matter (polluting material) within the coal turns into a gaseous state and is removed from the coal. We have trade-marked the name “PRISTINE™” as a means of differentiating our processed product from the negative connotations generally

associated with coal, and its traditional use. PRISTINE™ is applicable for a variety of applications, including coal-fired power stations, chemical byproduct extraction, and as a source fuel for coal-to-liquid technologies.

In September 2011, we filed for a second patent on a new technology known as Pristine-M™. The new technology is a moisture substitution technology that, owing to its superior product and economics, is expected to be highly successful in the moisture removal business globally.

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Factors Affecting Results of Operations

Our operating expenses include the following:

- Consulting expenses, which consist primarily of amounts paid for technology development and design and engineering services;
- General and administrative expenses, which consist primarily of salaries, commissions and related benefits paid to our employees, as well as office and travel expenses;
- Research and development expenses, which consist primarily of equipment and materials used in the development and testing of our technology; and
- Legal and professional expenses, which consist primarily of amounts paid for audit, disclosure and reporting services.

Results of Operations

The following information should be read in conjunction with the financial statements and notes appearing elsewhere in this Report. We are a development stage company and have had no revenues from inception to date. We anticipate that we may not receive any significant revenues from operations until we begin to receive some revenues from our partnership share in our Chinese joint venture which we estimate will be approximately twenty-four months. We are also in preliminary discussions with companies, business groups, consortiums in the USA and Asia to license our technology, which, if successful, could realize limited short term revenue opportunities from the signing of technology licensing agreements.

For the Years Ended December 31, 2011 and 2010.

Operating Expenses

Our operating expenses for the year ended December 31, 2011 totaled $3,160,524, compared to $14,652,374 for the prior year. The primary component of the operating expenses in both periods was for shares issued for services. The significant decrease in compensation expense for the 2011 fiscal year is due to the differences in share prices and number of shares and warrants issued in each year.

Our CEO and President, Robin Eves has an employment agreement that provides for 14,000,000 restricted shares to be issued at contract signing, with a further 14,000,000 shares to be issued after a period of eighteen months, or following a significant contribution to the Company, as determined at the discretion of the Board of Directors. The Board of Directors authorized the issuance of 10,000,000 shares of the remaining 14,000,000 shares due to Robin Eves as of August 5, 2011. Along with the accelerated vesting of shares, Mr. Eves' annual salary was raised to $375,000 for the period August 1, 2011 through July 31, 2012. The Board of Directors also approved the issuance to Mr. Eves of options to purchase 10,000,000 shares of our common stock at an exercise price of $.03 per share. However, the options are contingent on the adoption of a stock option and award plan intended to cover officers, directors, employees and consultants that will require us to seek an increase in our authorized capital. Our Chief Operations Officer, Ignacio Ponce de Leon's employment agreement which was effective April 1, 2011, provides for 4,000,000 restricted shares to be issued at contract signing with a further 2,000,000 restricted shares to be exercised after January 1, 2012, predicated on the future availability of the additional authorized shares required to meet this obligation. During the year ended December 31, 2011, we issued 10,000,000 common shares to Robin Eves resulting in stock-based compensation expense of $622,296.

During the year ended December 31, 2011, we issued 450,000 shares to Davis Family Investments and American Marketing Services, unrelated third party consultants, for services valued at $11,655, issued 7,500,000 shares to CJ Douglas, a related business consultant valued at $194,250 for compensation. We also issued 2,000,000 shares to our

Advisor to the Board of Directors, Ignacio Ponce de Leon, as a bonus valued at $51,800, issued 500,000 shares to Cooper Global Communications for Investor Relation services valued at $13,200, issued 60,000 shares to Russ Schleipman for consulting services valued at $1,920, issued 7,000,000 common shares to MMB Global Advisors for consulting services valued at $191,867, issued 8,000,000 shares to Ignacio Ponce de Leon for service as our Chief Operating Officer valued at $201,200 and issued 1,000,000 shares to Al Knapp for consulting services valued at $17,000.

During the twelve months ended December 31, 2010, we recorded stock-based compensation to our former Chief Operating Officer of $7,589,898. We also issued 20,000,000 shares to Procyon Group, LLC, an unrelated third party consultant, for consulting services valued at $3,000,000, issued 350,000 shares to Randall Business Development, our unrelated business consultant, valued at $44,100, issued 25,000 shares in settlement of a lawsuit valued at $2,500, issued 16,000,000 shares (including 3,000,000 bonus) per our agreement with MMB Global Advisors, an unrelated third party consulting services firm valued at $873,000, and issued 2,000,000 shares to Ignacio Ponce De Leon as an advisor to the Board of Directors valued at $116,000, and issued a further 2,000,000 shares to Ignacio Ponce De Leon as our representative for Latin America valued at $108,000, and 1,000,000 common shares each to Saurabh Bhargava, KK Shetty, and Zhihong Li for a total of 3,000,000 common shares for various operating consulting services for a value of $192,000.

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Effective August 12, 2010, we entered into a 15-month strategic financial and consulting agreement with MMB Global Advisors, an energy-related consulting firm with expertise in various emerging markets. Under the terms of the agreement, MMB will be awarded 12,000,000 restricted shares at time of contract signing, with the balance of 15,000,000 being payable over the term of the contract (1 million shares per month), or following a significant contribution to the Company, as determined at the discretion of the Board of Directors. With resources in India, China, Hong Kong, and the USA, MMB is assisting us in analyzing various corporate restructuring alternatives, and analyzing potential financial transactions according to the terms and conditions of our agreement. In this regard, MMB has undertaken certain activities on our behalf, including the following:

a) leveraging experience and relationships in the financial community and energy industries for our benefit;
b) suggesting and analyzing various corporate restructuring alternatives;
c) analyzing cost/benefit analysis of various strategic partnerships;
d) analyzing our strategic business model for optimum commercialization of our technology;
e) counseling us as to strategy and tactics for effecting a potential business combination or business transaction;
f) advising us as to the most advantageous structure and form of such a possible business combination or business transaction, including the form of any agreements related thereto;
g) assisting us in obtaining appropriate information and in preparing due diligence presentations related to potential business combinations or business transactions;
h) assisting us in securing a carbon credit certification, if applicable;
i) introducing us to strategic partners, clients, government entities, certifying agencies, distributors, and licensees, as may be appropriate;
j) assisting us in creating financial models and joint venture structures; and
k) assisting us in negotiations related to a potential business combination or business transaction, as may be appropriate.

Effective June 1, 2011, we agreed with MMB to amend the Advisory Agreement with MMB to reflect a reduction of four million shares. This Amendment reduced the total number of 27,000,000 shares originally contemplated by this Agreement to 23,000,000 shares. The balance of the 2,000,000 unvested shares outstanding at June 1, 2011 was equally apportioned over the remaining months of the Agreement. During the year ended December 31, 2011, we issued an aggregate of 7,000,000 common shares to MMB Global Advisors valued at $191,867.

For the year ended December 31, 2011, our general and administrative expenses were $1,127,550 and $773,732 for the same period in 2010. The increase in general and administrative expenses was due to an increase in Officers' salaries.

Net Loss

For the year ended December 31, 2011 we incurred net losses of $3,285,553 compared to net losses of $14,970,387 for the prior year. For the year ended December 31, 2011, we had interest expense of $127,979, and in the prior year period, we had interest expense of $213,753.

We expect that losses from operations will increase during the next twelve months due to anticipated increased payroll expenses as we add necessary staff. We may also experience increases in legal and accounting expenses associated with maintaining a reporting company. We expect that we will continue to have net losses from operations for several years until revenues from operating facilities become sufficient to offset operating expenses, unless we are successful in the sale of license agreements for our technology.

Liquidity and Capital Resources

We have generated no revenues since inception, nor have we generated any funding through any form of private or public offering. We have obtained cash for operating expenses solely through advances and/or loans from affiliates and stockholders, and a single stock sale totaling $80,000 in 2010. In 2011, we continued to fund the company through advances and/or loans from affiliates and stockholders.

Net Cash Used in Operating Activities.

Our primary sources of operating cash during the twelve months ended December 31, 2011was in the form of loans from related and unrelated parties. Loans are in the form of notes which bear a 0% to a 10% interest rate and 12-month maturity and/or on demand. Our primary uses of funds in operations were payments made to our administrative employee, legal and professional fees, as well as travel and office expenses.

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Net cash used in operating activities was $777,490 for the year ended December 31, 2011 compared to net cash used of $458,328 for fiscal 2010. The increase in cash used in operating activities in 2011 was due primarily to a reduction in shares issued for services. Consequently, more of the Company's 2011 expenses were paid in cash when compared to 2010. Non-cash items in 2011 included shares issued for services valued at $1,380,912, depreciation expense of $204, amortization of debt discounts of $13,312 and interest expense paid in stock of $39,000. Non-cash items in 2010 included shares issued for services valued at $13,297,790, depreciation expense of $204, loss on shares issued for debt of $35,287, shares issued for settlement of $2,500, loss on extinguishment of liabilities of $105,250, beneficial conversion feature on converted debt of $50,000 and interest expense converted to debt of $7,996. During the year ended December 31, 2011, we experienced an increase in prepaid expenses and other current assets of $16,405, an increase in accounts payable of $121,980, an increase in related party payables of $319,774 and an increase in accrued liabilities of $649,286. During the year ended December 31, 2010, we experienced a decrease in accounts payable of $50,318, an increase in related party payables of $944,129 and an increase in accrued liabilities of $119,221. Net cash used in operating activities from inception through December 31, 2011 totaled $3,105,695.

Net Cash Used In Investing Activities.

We did not engage in investing activities for the year ended December 31, 2011 or 2010. From inception through December 31, 2011, net cash used in investing activities totaled $11,339 for the purchase of fixed assets and an investment in a joint venture.

Net Cash Provided by Financing Activities.

Net cash provided by financing activities during the year ended December 31, 2011 totaled $780,386, consisting of loans from third parties, advances from related parties, loans from related parties, payments made on related party debt and payments made on third party debt. Net cash provided by financing activities during the year ended December 31, 2010 totaled $453,914, consisting of loans from third parties, advances from related parties, loans from related parties, payments made on related party debt and proceeds from the sale of common stock. From inception through December 31, 2011, net cash provided by financing activities totaled $3,125,376 consisting of loans and advances from related and third parties as well as proceeds from the sale of common stock.

Cash Position and Outstanding Indebtedness

Our total indebtedness at December 31, 2011was $3,065,099, which consisted of current liabilities of $3,065,099. Current liabilities consists primarily of accounts payable, accounts payable to related parties, advances from related parties, debt owed to related parties, short-term debt and accrued liabilities. At December 31, 2011, we had current assets of $24,747 consisting of cash of $8,342 and prepaid expenses of $16,405. We had property, plant and equipment (net of accumulated depreciation) of $331 at December 31, 2011. As of December 31, 2011, we had a working capital deficit of $3,040,352.

Contractual Obligations and Commitments

The following table summarizes our contractual cash obligations and other commercial commitments at December 31, 2011.

	Payments due by period				
	Total	Less than 1 year	1 to 3 years	3 to 5 years	After 5 years
Facility lease (1)	$ 11,766	$ 11,766	$ -	$ -	$ -
Total contractual cash obligations	$ 11,766	$ 11,766	$ -	$ -	$ -

(1) Our New York lease expired December 31, 2011, and has been extended for a six month period at a 10% increase in the rent.

SAIC Energy Environment & Infrastructure (SEE&I),our engineering consultant has tentatively estimated construction costs for each one million short ton coal complete cleaning facility of approximately $250 million (excluding land costs) or costs for a similar size Pristine-M-only facility of approximately $45-50 million (excluding land costs). Under the terms of our consulting agreement with SEE&I, we are obligated to pay to SEE&I a fee representing five percent of all gross revenues received by us from the sale of our technology, the operation of franchised plants utilizing the technology, or revenue received on any other basis that is related to the technology. This fee will remain in effect for a period of 15 years, commencing from the date that we receive our initial revenue stream from operations. All intellectual property rights associated with new art developed by SEE&I remain our property, however SEE&I would have a “right to use” the intellectual property provided they are deployed in non-competitive projects.

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We expect we will need $3,500,000 to sustain operations for the next twelve months. Therefore, based on our current operational costs and including the capital requirements for our project deployments, we estimate we will need a total of approximately $3,500,000 to fund the Company for the fiscal year 2012 and an additional $5,000,000 to continue for the following fiscal year (2013) or until the initial plant is up and running.

At this filing date, Jindal Steel and Power, Ltd. ("Jindal") and the Company have agreed to execute a Technology License Agreement ("TLA") in lieu of the formerly announced Joint Venture Agreement contemplated under the Memorandum of Understanding signed with the Company on January 27, 2012. The decision to enter into the TLA was a arrived at jointly and is beneficial for both companies as it allows Jindal to focus on its core business model in Indonesia of supplying dry, high-quality coal to their steel and power businesses in India while allowing the Company to focus on the development and marketing of its technology to third parties.

For its ASEAN region joint venture initiative, the Company has instead agreed to binding terms for a joint venture with the Archean Group ("AGPL") to develop deploy and market their Pristine M technology throughout the ASEAN region (including Indonesia, the Philippines, Cambodia, Vietnam, Malaysia, Brunei, Thailand, Laos and Myanmar). The joint venture company ("JV") will be 55% AGPL and 45% Clean Coal. For its 55% holding, AGPL has committed to contribute US $4,000,000 to the JV. Of this, US $2,000,000 will be used to fund the construction of a 1:10-scale pilot plant in Oklahoma. The remaining US $2,000,000 represents a one-time license fee to be paid to Clean Coal upon successful commissioning of the pilot plant.

Construction of the pilot plant in Oklahoma will commence immediately upon execution of an EPC contract and a down payment to SAIC Energy Environment & Infrastructure ("SAIC") by the JV. It is expected that the EPC contract will be formalized this month and construction of the plant will begin in April. Under the binding terms of the agreement, AGPL will pay a US $1.00 (one dollar) per ton ongoing royalty fee for all coal processed from AGPL majority-owned mines, with a waiver for the first two million tons of coal produced.

For its 45% interest in the joint venture, the Company will contribute a 25-year exclusive license to develop, market and deploy Pristine M Technology, covering the ASEAN countries including Indonesia, the Philippines, Cambodia, Vietnam, Malaysia, Brunei, Thailand, Laos and Myanmar. Clean Coal has also committed to cover pilot plant construction costs, if any, above US $2,000,000.

As part of the agreement, AGPL has made an investment of two million US Dollars ($2,000,000) in Clean Coal. For this investment, the Company has issued AGPL a convertible debenture which will represent, upon conversion and subject to the availability of authorized capital and the terms of the debenture, 6.7 % of the outstanding shares of the Company as of the effective date of the binding terms agreement. AGPL will also nominate a board member to be appointed to the Company's board of directors. The Company has also agreed to issue an option to AGPL to purchase an additional equity stake, to increase AGPL's equity stake up to a total of 20% of the Company's outstanding stock, at a discount to the market price at the date of exercise of the option. Both the conversion of the debenture and the exercise of the option are conditioned on Clean Coal having available authorized capital to issue the requisite shares. In order to do so, the Company intends to hold a shareholders' meeting and seek to obtain shareholder approval as soon as possible. We are also actively pursuing technology license and royalty agreements in order to begin construction of other facilities without incurring the capital costs associated with the construction of future plants.

In March, CCTI entered into a Representative Agreement with Cross Border Associates from Singapore, represented by their managing Director Mr. Ravi Gopalan for the specific purpose of concluding the Archean transaction. Cross Border Associates had introduced Archean to CCTI in January and when it became clear that a transaction would transpire we signed the agreed Representative Agreement. The Agreement provides for Cross Border associates to receive a 6% fee on the first USD 6,000,000 received by CCTI / SAIC. CCTI has a right to elect to pay in cash or stock CCTI has elected to pay the fee owed on the first USD 2,000,000 in stock. Cross Borders will receive 1,090910

of restricted stock.

In March of 2012 CCTI agreed to pay Mr. SK Grover, our representative in India a monthly retainer of $6,000 commencing in April 2012. His agreement was amended accordingly.

Off-Balance Sheet Arrangements

We have not and do not have any relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities, which would have been established for the purpose of establishing off-balance sheet arrangements or other contractually narrow or limited purposes. Therefore, we do not believe we are exposed to any financing, liquidity, market or credit risk that could arise if we had engaged in such relationships.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to changes in prevailing market interest rates affecting the return on our investments but do not consider this interest rate market risk exposure to be material to our financial condition or results of operations. We invest primarily in United States Treasury instruments with short-term (less than one year) maturities. The carrying amount of these investments approximates fair value due to the short-term maturities. Under our current policies, we do not use derivative financial instruments, derivative commodity instruments or other financial instruments to manage our exposure to changes in interest rates or commodity prices.

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ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Our financial statements required by this item are included on the pages immediately following the Index to Financial Statements appearing below.

FINANCIAL STATEMENTS INDEX

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors of
Clean Coal Technologies, Inc.
A Development Stage Company
New York, New York

We have audited the accompanying balance sheets of Clean Coal Technologies, Inc. (a development stage company) (the "Company") as of December 31, 2011 and 2010 and the related statements of expenses, stockholders' deficit, and cash flows for the years ended December 31, 2011 and 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Clean Coal Technologies, Inc. as of December 31, 2011 and 2010 and the results of its operations and its cash flows for the years ended December 31, 2011 and 2010 in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the financial statements, the Company has not generated revenue since its inception, has incurred losses in developing its business, and further losses are anticipated and has a working capital deficiency. The Company requires additional funds to meet its obligations and the costs of its operations. These factors raise substantial doubt about its ability to continue as a going concern. Management's plans regarding those matters also are described in Note 3. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/MaloneBailey, LLP
www.malonebailey.com
Houston, Texas
March 29, 2012

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Clean Coal Technologies Inc
(A Development Stage Company)
Balance Sheets

	December 31, 2011	December 31, 2010
ASSETS		
Current Assets		
Cash	$8,342	$5,446
Prepaid expenses	16,405	-
Total Current Assets	24,747	5,446
Property, plant and equipment, net of accumulated depreciation of $688 and $484, respectively	331	535
Total Assets	$25,078	$5,981
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities		
Accounts payable	$427,850	$305,870
Accounts payable to related parties	613,961	294,187
Advances from related parties	-	171,914
Accrued liabilities	703,172	75,201
Short-term debt, net of unamortized discounts of $54,919 and $0, respectively	417,384	73,003
Debt owed to related parties	902,732	379,732
Total Current Liabilities	3,065,099	1,299,907
Long-term debt	-	30,916
Debt owed to related parties	-	1,168,169
Total Liabilities	3,065,099	2,498,992
Stockholders’ Deficit		
Common stock, $0.00001 par value; 600,000,000 shares authorized, 593,784,000 and 531,977,794 shares issued and outstanding, respectively	5,938	5,320
Additional paid-in capital	196,554,117	193,816,192
Deficit accumulated during the development stage	(199,600,076)	(196,314,523)
Total Stockholders' Deficit	(3,040,021)	(2,493,011)
Total Liabilities and Stockholders' Deficit	$25,078	$5,981

The accompanying notes are an integral part of these financial statements.

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Clean Coal Technologies, Inc.
(A Development Stage Enterprise)
Statements of Expenses

	Years Ended December 31, 2011	2010	(Unaudited) October 20, 1997 (Inception) Through December 31, 2011
Operating Expenses:			
General and administrative	$1,127,550	$773,732	$3,715,884
Research and development	-	-	374,912
Consulting services	2,032,974	13,878,642	174,281,465
Loss from Operations	(3,160,524)	(14,652,374)	(178,372,261)
Other Income (Expenses):			
Interest Expense	(127,979)	(213,753)	(669,571)
Other income	2,950	990	7,540
Other expenses	-	-	(18,985)
Loss on extinguishment of debt	-	(105,250)	(146,607)
Gain on change in derivative liability	-	-	7,598,481
Total Other Income (Expenses)	(125,029)	(318,013)	6,770,858
Net loss	$(3,285,553)	$(14,970,387)	$(171,601,403)
Net loss per share - basic and diluted	$(0.01)	$(0.03)	
Weighted average common shares outstanding - basic and diluted	565,250,440	472,693,849	

The accompanying notes are an integral part of these financial statements.

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Clean Coal Technologies Inc
(A Development Stage Company)
Statement of Stockholders' Deficit
October 20, 1997 (Inception) through December 31, 2011
with Inception to December 31, 2005 (Unaudited)

	Preferred Stock		Common Stock		Additional Paid-In	Deficit Accumulated During the Development	Stockholders'
	Shares	Amount	Shares	Amount	Capital	Stage	Deficit
Balances at October 20, 1997 (Inception)	-	$ -	-	$ -	$ -	$ -	$ -
Founder's shares	-	-	41,500,000	415	7,885	-	8,300
Net loss	-	-	-	-	-	(8,300)	(8,300)
Balances at December 31, 1997	-	-	41,500,000	415	7,885	(8,300)	-
Recapitalization from reverse merger - shares retained by shell owners	-	-	8,500,000	85	(85)	-	-
Common stock issued for debt	-	-	2,250,000	23	427	-	450
Preferred stock issued for debt	480,837	481	-	-	380,356	-	380,837
Net loss	-	-	-	-	-	(359,139)	(359,139)
Balances at December 31, 1998	480,837	481	52,250,000	523	388,583	(367,439)	22,148
Common stock issued for services	-	-	6,250,000	62	1,188	-	1,250
Net loss	-	-	-	-	-	(360,064)	(360,064)
Balances at December 31, 1999	480,837	481	58,500,000	585	389,771	(727,503)	(336,666)
Net loss	-	-	-	-	-	(307,568)	(307,568)
Balances at December 31, 2000	480,837	481	58,500,000	585	389,771	(1,035,071)	(644,234)
Common stock issued for services	-	-	14,400,000	144	2,736	-	2,880
Common stock issued for debt	-	-	1,852,900	19	387,863	-	387,882

Net loss	-	-	-	-	-	(330,337)	(330,337)
Balances at December 31, 2001	480,837	481	74,752,900	748	780,370	(1,365,408)	(583,809)
Common stock issued for services	-	-	14,000,000	140	2,660	-	2,800
Common stock issued for debt	-	-	2,404,185	24	480,813	-	480,837
Preferred stock converted to common stock	(480,837)	(481)	10,000,000	100	381	-	-
Net loss	-	-	-	-	-	(55,585)	(55,585)
Balances at December 31, 2002	-	-	101,157,085	1,012	1,264,224	(1,420,993)	(155,757)
Common stock issued for services	-	-	2,500,000	25	475	-	500
Net loss	-	-	-	-	-	(31,377)	(31,377)
Balances at December 31, 2003	-	-	103,657,085	1,037	1,264,699	(1,452,370)	(186,634)
Net loss	-	-	-	-	-	(11,970)	(11,970)
Balances at December 31, 2004	-	-	103,657,085	1,037	1,264,699	(1,464,340)	(198,604)
Net loss	-	-	-	-	-	(25,551)	(25,551)
Balances at December 31, 2005	-	-	103,657,085	1,037	1,264,699	(1,489,891)	(224,155)
Common stock issued for services	-	-	46,307,500	463	8,800	-	9,263
Net loss	-	-	-	-	-	(23,359)	(23,359)
Balances at December 31, 2006	-	-	149,964,585	1,500	1,273,499	(1,513,250)	(238,251)
Common stock issued for services	-	-	39,281,895	393	29,754,569	-	29,754,962
Accrued stock-based compensation	-	-	-	-	8,445,127	-	8,445,127
Common stock issued to CCSI under reorganization	-	-	114,178,000	1,142	(1,142)	-	-
Common stock issued for debt and interest	-	-	30,000	-	140,400	-	140,400

Recapitalization from reverse merger with Riverside – shares retained by shell owners	-	-	105,636,500	1,056	(1,056)	-	-
Net loss	-	-	-	-	-	(39,132,611)	(39,132,611)
Balances at December 31, 2007	-	$ -	409,090,980	$ 4,091	$ 39,611,397	$ (40,645,861)	$ (1,030,373)

The accompanying notes are an integral part of these financial statements.

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Clean Coal Technologies Inc
(A Development Stage Company)
Statement of Stockholders' Deficit
October 20, 1997 (Inception) through December 31, 2011
with Inception to December 31, 2005 (Unaudited) (continued)

	Preferred Stock		Common Stock		Additional	Deficit Accumulated During the	
	Shares	Amount	Shares	Amount	Paid-In Capital	Development Shares	Stockholders' Deficit
Common stock returned to Clean Coal and cancelled	-	$ -	(400,000)	$ (4)	$ 4	$ -	$ -
Common stock issued for services	-	-	21,998,489	220	80,702,938	-	80,703,158
Warrant expense	-	-	-	-	16,490,517	-	16,490,517
Net loss	-	-	-	-	-	(98,691,302)	(98,691,302)
Balances at December 31, 2008	-	-	430,689,469	4,307	136,804,856	(139,337,163)	(2,528,000)
Cumulative effect of change in accounting principle - January 1, 2009 reclassification of embedded feature of equity-linked financial instruments to derivative liabilities	-	-	-	-	(16,490,517)	(27,998,673)	(44,489,190)
Derivative liability removed due to warrants exercised	-	-	-	-	36,890,709	-	36,890,709
Common stock issued for services	-	-	5,851,516	59	20,465,716	-	20,465,775
Common stock issued	-	-	8,814,483	88	(88)	-	-

upon cashless exercise of warrants							
Cancellation of common stock	-	-	(5,000,000)	(50)	50	-	-
Forgiveness of related party debt	-	-	-	-	69,553	-	69,553
Net loss	-	-	-	-	-	(14,008,300)	(14,008,300)
Balances at December 31, 2009	-	-	440,355,468	4,404	177,740,279	(181,344,136)	(3,599,453)
Common stock sold for cash	-	-	2,000,000	20	79,980	-	80,000
Common stock issued for services	-	-	69,468,182	695	13,065,628	-	13,066,323
Accrued stock-based compensation	-	-	-	-	231,467	-	231,467
Common stock returned to the company and cancelled	-	-	(25,000,000)	(250)	250	-	-
Common stock issued for debt, liabilities and interest	-	-	45,129,144	451	2,646,088	-	2,646,539
Common stock issued for settlement	-	-	25,000	-	2,500	-	2,500
Beneficial conversion feature on converted debt	-	-	-	-	50,000	-	50,000
Net loss	-	-	-	-	-	(14,970,387)	(14,970,387)
Balances at December 31, 2010	-	-	531,977,794	5,320	193,816,192	(196,314,523)	(2,493,011)
Common stock issued for services	-	-	36,510,000	365	1,380,547	-	1,380,912
Common stock issued upon conversion of debt and interest	-	-	19,356,206	194	1,250,206	-	1,250,400
	-	-	3,940,000	39	68,192	-	68,231

Common stock issued with debt							
Common stock issued for interest expense	-	-	2,000,000	20	38,980	-	39,000
Net loss	-	-	-	-	-	(3,285,553)	(3,285,553)
Balances at December 31, 2011	-	$ -	593,784,000	$ 5,938	$ 196,554,117	$ (199,600,076)	$ (3,040,021)

The accompanying notes are an integral part of these financial statements.

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Clean Coal Technologies Inc
(A Development Stage Enterprise)
Statements of Cash Flows

	Years Ended December 31, 2011	2010	(Unaudited) October 20, 1997 (Inception) Through December 31, 2011
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	$(3,285,553)	$(14,970,387)	$(171,601,403)
Adjustment to reconcile net loss to net cash used in operating activities:			
Depreciation expense	204	204	6,008
Amortization of debt discounts	13,312	-	13,312
Shares issued for settlement of lawsuit	-	2,500	2,500
Shares issued for services	1,380,912	13,297,790	154,072,768
Warrant expense	-	-	16,490,517
Loss on extinguishment of debt	-	105,250	146,607
Loss on shares issued for debt	-	35,287	35,287
Beneficial conversion feature on converted debt	-	50,000	50,000
Interest expense paid in shares	39,000	-	233,332
Interest converted to debt	-	7,996	117,392
Write-off of asset	-	-	16,015
Gain on derivative liability	-	-	(7,598,481)
Gain on write-off of accounts payable	-	-	(87,404)
Changes in operating assets and liabilities:			
Prepaid expenses and other current assets	(16,405)	-	(27,420)
Accounts payable	121,980	(50,318)	543,587
Accounts payable - related party	319,774	944,129	3,775,179
Accrued liabilities	649,286	119,221	706,509
Cash Used In Operating Activities	(777,490)	(458,328)	(3,105,695)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of fixed assets	-	-	(6,339)
Investment in joint venture	-	-	(5,000)
Cash Used in Investing Activities	-	-	(11,339)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from the sale of stock	-	80,000	80,000
Advances from related parties	208,086	171,914	696,000
Borrowings on related party debt	173,000	170,000	1,879,576
Payments on related party debt	-	(3,000)	(3,000)
Borrowings on debt	449,300	35,000	522,800
Payments on debt	(50,000)	-	(50,000)
Cash Provided by Financing Activities	780,386	453,914	3,125,376
NET CHANGE IN CASH AND CASH EQUIVALENTS	2,896	(4,414)	8,342

CASH AND CASH EQUIVALENTS - beginning of period	5,446	9,860	-
CASH AND CASH EQUIVALENTS - end of period	$8,342	$5,446	$8,342

The accompanying notes are an integral part of these financial statements.

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Clean Coal Technologies Inc
(A Development Stage Enterprise)
Statements of Cash Flows
(continued)

	Years Ended December 31,		(Unaudited) October 20, 1997 (Inception) Through December 31,
	2011	2010	2011
SUPPLEMENTAL DISCLOSURES:			
Cash paid for interest	$2,764	$1,270	$4,034
Cash paid for income taxes	-	-	-
NON-CASH INVESTING AND FINANCING ACTIVITIES:			
Forgiveness of related party debt and accrued interest	$-	$-	$69,553
Derivative liability removed due to warrants exercised	-	-	36,890,709
Cumulative effect of change in accounting principle	-	-	44,489,190
Preferred stock issued for related party debt	-	-	380,837
Preferred stock converted to common stock	-	-	481
Accrued interest converted to debt	-	7,508	-
Accrued interest converted to related party debt	-	79,287	-
Payables converted to debt	-	28,333	28,333
Related party payables and advances converted to debt	380,000	1,317,472	3,196,664
Common stock issued for debt, liabilities and accrued interest	31,530	110,973	135,332
Common stock issued for related party debt, liabilities and accrued interest	1,218,870	2,395,029	4,394,899
Common stock issued with debt	68,231	-	68,231

The accompanying notes are an integral part of these financial statements.

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Clean Coal Technologies, Inc.
(A Development Stage Company)
Notes to Financial Statements
With Inception to December 31, 2005 (Unaudited)

NOTE 1: NATURE OF BUSINESS

Clean Coal Technologies, Inc. ("CCTI" or the "Company" or "Clean Coal"), a Nevada corporation, was originally chartered in Delaware on September 17, 1986 under the name of Video Delivery, Inc. In August 2007, Riverside Information Technologies, Inc. (a successor to Video Delivery Inc.) changed its domicile from Delaware to Nevada. On September 6, 2007 Riverside Technologies, Inc., changed its name to Clean Coal Technologies, Inc., ("CCTI") domiciled in Nevada. CCTI was formed with the intent to acquire, by merger, a separate company that held a patented multi-stage process that transforms coal with high levels of impurities, contaminants and other polluting elements into an exceptionally efficient, clean and inexpensive source of high energy, low polluting fuel.

On November 19, 2007, CCTI completed a share exchange agreement with Clean Coal Systems, Inc, a Florida corporation, ("CCSI") whereby CCTI exchanged 294,784,480 (as adjusted after stock splits) common shares, which represented approximately 74% of CCTI for all of the outstanding stock of CCSI. CCTI shareholders held 105,636,500 shares of CCTI common stock prior to and after the merger. Control of CCTI was obtained in August 2007 by a shareholder of CCSI in order to complete the merger with CCSI. The combined companies now operate under the name "Clean Coal Technologies, Inc." CCSI was established in May 7, 2007 and merged with Saudi American Minerals, Inc. ("SAMI") in September 2007. Because CCTI was non operating and had no assets or liabilities prior to the merger, for accounting purposes, the merger between CCSI and CCTI was treated as a reverse merger and recapitalization with CCSI (formerly SAMI) being the "accounting acquirer". The historical financial statements and related disclosures presented herein for the period prior to the date of merger (November 19, 2007) are those of CCSI (formerly SAMI). The historical financial statements and related disclosures of CCSI are those of SAMI.

Consolidated Energy International, Inc, was formed on May 8, 1998, and subsequently moved its domicile from Illinois to Nevada. On June 9, 1998, Golden Triangle Development Cooperation, a Nevada corporation, acquired Consolidated Energy International, Inc. On June 16, 1998, Golden Triangle Development Corporation changed its name to Consolidated Energy Inc. On October 20, 1999, Consolidated Energy Inc. changed its name to Saudi American Minerals, Inc., ("SAMI"). Golden Triangle Corporation, a Nevada corporation merged with Consolidated Energy International Inc., whereby Consolidated Energy International received 41,500,000 shares of Golden Triangle for all of the outstanding shares of Consolidated Energy International. Prior to the merger Golden Triangle had 8,500,000 shares outstanding.

In September 2007, CCSI merged with SAMI as both entities were controlled by the same shareholders. SAMI issued the CCSI shareholders 114,178,000 shares of common stock for all of CCSI's common stock. CCSI did not have any operations prior to the merger with SAMI. The acquisition of SAMI by CCSI was accounted for as a common control merger combining the results of SAMI and CCSI. The combination of SAMI and CCSI operated under the name "Clean Coal Systems, Inc." SAMI was the operating company and its operations were continued by the combined entities CCSI.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure on contingent assets and liabilities

at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Development Stage Enterprise

Clean Coal has a limited operating history upon which to base an evaluation of the current business and future prospects and has yet to commercialize on its technology. Clean Coal will continue to be considered to be in a development stage until it has begun significant operations and is generating significant revenues. The date of inception is October 20, 1997 (formation of SAMI).

Earnings per Common Share

Basic earnings per share are computed on the basis of the weighted average number of common shares outstanding during each year. Diluted earnings per share are the same as basic earnings per share as common stock equivalent.

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Cash and Cash Equivalents

Clean Coal considers all highly liquid investments with an original maturity of three months or less to be cash equivalents for purposes of preparing its Statement of Cash Flows.

Federal Income Tax

Clean Coal accounts for income taxes pursuant to the provisions of FASB ASC 740 which requires an asset and liability approach to calculating deferred income taxes. The asset and liability approach requires the recognition of deferred tax liabilities and assets for the expected future tax consequences of temporary differences between the carrying amounts and the tax basis of assets and liabilities.

Property and Equipment

Property and equipment consists of furniture and fixtures and computer equipment, recorded at cost, depreciated upon placement in service over estimated useful lives ranging from three to five years on a straight-line basis. As of December 31, 2011 and 2010, Clean Coal had property and equipment of $331 and $535, respectively, net of accumulated depreciation of $688 and $484, respectively. Expenditures for normal repairs and maintenance are charged to expense as incurred. Depreciation expense for the years ended December 41, 2011 and 2010 totaled $204 each year.

Impairment of Long Lived Assets

In the event facts and circumstances indicate the carrying value of a long-lived asset, including associated intangibles, may be impaired, an evaluation of recoverability is performed by comparing the estimated future undiscounted cash flows associated with the asset to the asset's carrying amount to determine if a write-down to market value or discounted cash flow is required. There was no impairment recorded during the years ended December 31, 2011 and 2010.

Research and Development Costs

Research and development expenses include salaries, related employee expenses, research expenses and consulting fees. All costs for research and development activities are expensed as incurred. Clean Coal expenses the costs of licenses of patents and the prosecution of patents until the issuance of such patents and the commercialization of related products is reasonably assured.

Stock-based Compensation

FASB ASC 718 established financial accounting and reporting standards for stock-based employee compensation plans. It defines a fair value based method of accounting for an employee stock option or similar equity instrument. Clean Coal accounts for compensation cost for stock option plans in accordance with FASB ASC 718. Clean Coal accounts for share based payments to non-employees in accordance with FASB ASC 505-50.

Recently Issued Accounting Pronouncements

The Company does not expect the adoption of any recently issued accounting pronouncements to have a significant impact on its financial position, results of operations or cash flows.

NOTE 3: GOING CONCERN

The accompanying financial statements have been prepared on a going concern basis of accounting which contemplates continuity of operations, realization of assets, liabilities, and commitments in the normal course of business. The accompanying financial statements do not reflect any adjustments that might result if the Clean Coal is unable to continue as a going concern. Clean Coal has an accumulated deficit and a working capital deficit as of December 31, 2011 with no revenues anticipated for the near term. Management believes Clean Coal will need to raise capital in order to operate over the next 12 months. As shown in the accompanying financial statements, Clean Coal has also incurred significant losses since inception. Clean Coal's continuation as a going concern is dependent upon its ability to generate sufficient cash flow to meet its obligations on a timely basis and ultimately to attain profitability. Clean Coal has limited capital with which to pursue its business plan. There can be no assurance that Clean Coal's future operations will be significant and profitable, or that Clean Coal will have sufficient resources to meet its objectives. These conditions raise substantial doubt as to Clean Coal's ability to continue as a going concern. Management may pursue either debt or equity financing or a combination of both, in order to raise sufficient capital to meet Clean Coal's financial requirements over the next twelve months and to fund its business plan. There is no assurance that management will be successful in raising additional funds.

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NOTE 4: RELATED PARTY TRANSACTIONS

Debt from related parties

On June 30, 2010, Clean Coal converted $1,317,472 of related party payables and advances, $79,287 of accrued interest and $939,576 of previously issued related party debt into long-term related party notes. The modified notes were unsecured, had a maturity date of June 30, 2012 and an interest rate of 10% per annum. The notes contained a conversion feature whereby they become convertible on December 31, 2010 into shares of Clean Coal's common stock at a price of $0.045 per share. Clean Coal evaluated the conversion options under FASB ASC 470-20 and determined they qualify as beneficial conversion features. The intrinsic value of the beneficial conversion features on June 30, 2010 was determined to be $623,023. Due to the conversion options being contingent, the beneficial conversion features were not recognized. On November 30, 2010, Clean Coal modified the terms of these related party notes again. Under the second modification, the interest rate in the notes was reduced to 4% per annum. In addition, the conversion options in the notes were changed whereby the conversion rate was reduced to $0.07025 and 50% of the notes become convertible on December 31, 2010 and the other 50% become convertible on June 30, 2011. Clean Coal evaluated the new conversion options under FASB ASC 470-20 and determined that they did not qualify as beneficial conversion features. These two modifications occurred within one year. Clean Coal evaluated the modification under FASB ASC 470-50 and determined it qualified as a debt extinguishment due to a substantive conversion option being added. There was no gain or loss as a result of the extinguishment. On December 15, 2010, these note holders converted $1,168,169 of unpaid principal and $47,110 of accrued interest into 17,299,360 common shares at the conversion rate of $0.07025. On June 30, 2011, Clean Coal converted the remaining $1,168,169 of related party debt and $19,776 of accrued interest to an aggregate of 16,910,256 common shares.

On July 1, 2011, advances from related parties totaling $380,000 were converted to a convertible note. The note is unsecured, bears interest at 8% per annum and matures June 30, 2012. This note becomes convertible into Clean Coal common stock at $0.018 per share on January 1, 2012. Clean Coal evaluated the conversion option under FASB ASC 470-20 and determined it does not contain a beneficial conversion feature.

On July 22, 2011, Clean Coal borrowed $143,000 from its President and Chief Executive Officer. The note is unsecured, bears interest at 12.5% per annum and matures October 30, 2011. The note is payable in Clean Coal common stock at $0.0155 per share. Clean Coal evaluated the conversion option under FASB ASC 470-20 and determined it does not contain a beneficial conversion feature. As of December 31, 2011, this note was past due and payable on demand.

On August 8, 2011, Clean Coal borrowed $30,000 from its President and Chief Executive Officer. The note is unsecured, bears interest at 12.5% per annum and matured November 8, 2011. The note was payable in 1,935,484 shares of Clean Coal common stock. Clean Coal evaluated the conversion option under FASB ASC 470-20 and determined it does not contain a beneficial conversion feature. On November 4, 2011, this $30,000 note and $925 of interest were converted into 1,997,128 common shares.

A summary of the debt from related parties outstanding as of December 31, 2011 and 2010 is as follows:

Loan Date	Note Holder	Maturity Date	Interest Rate		December 31, 2011	2010
June 30, 2008	Equimune Research Corp	June 30, 2010	10.0	%	$252,641	$252,641
September 30, 2009	Enviro Fuels Mfg, Inc.	Demand	0.0	%	98,091	98,091
September 30, 2009	Enviro Fuels Mfg, Inc.	Demand	0.0	%	500	500
October 31, 2009	Enviro Fuels Mfg, Inc.	Demand	0.0	%		