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Clean Diesel to License NOx Reduction Technology for Diesel Vehicles in North America System Reduces NOx over 70 Percent from Existing Engines

STAMFORD, CT (March 11, 2003) ... Clean Diesel Technologies, Inc. (CDT) (EBB:CDTI & AIM:CDT/CDTS) and privately held Combustion Component Associates, Inc. (CCA) of Monroe, CT announced today that they have signed a letter of intent for the manufacture and sale of CDT's ARIS(R) urea Selective Catalytic Reduction (SCR) NOx reduction system for retrofit to diesel vehicles in the US and Canada. Heavy-duty diesel engines account for a significant portion of NOx emissions, and the SCR NOx system is capable of 70-90 percent NOx reduction from diesel engines. NOx is a regulated pollutant and a major contributor to ground-level ozone.

Subject to a definitive agreement expected in the next 30 days, CCA will pay CDT an upfront license fee for a non-exclusive license, commit to further expenditures for development and verification under EPA and California Air Resources Board testing protocols, and pay CDT running royalties on system sales. According to Mr. R. Gifford Broderick, President of CCA, "We have demonstrated the ELIM-NOx(TM) system, which utilizes CDT's patented return flow ARIS injection technology, on a medium-duty delivery van and achieved over 70 percent NOx reduction in normal operation. CCA has also developed an in-service method of 'mapping' a vehicle's NOx emissions without the need to take the vehicle out of service for costly dynamometer testing. Mapping of the engine provides the data inputs necessary to program the system computer that controls the rate of urea injection and overall NOx reduction." CCA will be displaying its ELIM-NOx system at the Technology and Maintenance Council (TMC) annual meeting in Florida during the week of March 10, 2003.

CDT President, Mr. James Valentine, stated, "CCA has made a commitment in the staffing, development and marketing of the ARIS injection system and we are pleased to have them join our worldwide network of licensees for the ARIS technology. Other licensees include RJM for stationary diesel applications in the Americas, and Mitsui through its DeNOx affiliate and PurEARTH subsidiary for stationary and mobile applications in Japan. We are also in demonstrations and discussions with several parties in Europe about potential licensing agreements."

Both on-highway and off-road mobile applications will be covered under the agreement with CCA as well as portable diesel engines.

Urea SCR reduces NOx through precision injection of controlled amounts of non-toxic urea reagent into the engine exhaust. There it reacts across a catalyst to reduce NOx to elemental nitrogen and water vapor. Urea SCR allows an engine to be tuned for maximum fuel economy and minimum particulate emissions while effectively reducing NOx by up to 95 percent. Used in conjunction with exhaust gas recirculation (EGR), the combination of EGR and SCR can achieve the 2007 NOx standards for new engines. CDT also holds a patent on the EGR/SCR combination.

About Combustion Component Associates, Inc.

Combustion Components Associates, Inc., founded in 1980, provides comprehensive engineering, testing and hardware to the power and transportation industries for the efficient combustion of fuel and reduction of air pollution. The company utilizes the latest technology in computer modeling and laboratory test equipment in the development and application of its technologies. Its products and services are utilized by major utility generators and numerous Fortune 500 companies.

About Clean Diesel Technologies, Inc.

Clean Diesel Technologies, Inc. is a specialty chemical company with patented products that reduce emissions from diesel engines while simultaneously improving fuel economy and power. Products include Platinum Plus(R) fuel catalysts, the Platinum Plus Purifier System, and the ARIS(R) 2000 urea injection systems for selective catalytic reduction of NOx. Platinum Plus and ARIS are registered trademarks of Clean Diesel Technologies, Inc. For more information, visit CDT at www.cdti.com or contact the Company directly.

Certain statements in this news release constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known or unknown risks, including those detailed in the Company's filings with the Securities and Exchange Commission, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results,

performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.

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