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Clean Diesel Signs License Agreement for Diesel Nox Reduction Technology

Patented EGR/SCR Combination Can Achieve 90 Percent Reduction in Nitrogen Oxide Emissions

STAMFORD, CT (May 6, 2003) ... Clean Diesel Technologies, Inc. (CDT) (EBB:CDTI & AIM:CDT/CDTS) announced today that they have signed a definitive license agreement with Monroe, CT-based Combustion Component Associates, Inc. (CCA) for CDT's ARIS(R) urea selective catalytic reduction (SCR) technology designed to reduce nitrogen oxide emissions by up to 90 percent from heavy-duty diesel vehicles. Under the license agreement, CCA will pay CDT \$150,000 for the license along with running royalties on systems sold, and will commit an additional \$100,000 towards development and EPA and California Air Resources Board (CARB) verification programs for the mobile system. The non-exclusive license covers application of the technology to existing on-highway and off-road mobile engines as well as portable diesel engines in the US and Canada.

Areas such as Houston, Dallas, Sacramento, Los Angeles and Atlanta are under strong pressure to reduce NOx emissions from mobile diesel engines to meet local ambient air quality standards. Engine manufacturers in the US, Europe and Japan are also looking to urea SCR to help meet more stringent emission regulations for new vehicles beginning in 2005 - 2010. CDT's patented combination of urea SCR with exhaust gas recirculation (EGR) technology can already achieve the 2007-2010 NOx standards in the US. Most US heavy-duty engine companies have already begun to apply EGR for the first step of reduction required as of October 2002 for new engines and will require a further 90 percent reduction in emissions in the 2007-2010 period. Urea SCR is likely to be the most cost-effective technology to meet these future standards.

According to R.G. Broderick, President of CCA, "The ARIS urea injection system provides CCA with a low cost, compact and patented technology base from which we can quickly introduce a mobile urea SCR system to the market. We have had good response from fleets, regulators and engine distributors and expect limited orders to begin in the second half of this year for commercial demonstration programs. A ramp-up in commercial orders is expected once CARB/EPA verification is completed." CDT President James Valentine added, "We are glad to have CCA on board as part of our growing network of ARIS licensees. Together we will also be exploring potential third-party alliances for the marketing and distribution of the mobile ARIS retrofit package manufactured by CCA and using our patented, single-fluid return-flow injection technology."

The ARIS NOx reduction system is a patented urea SCR technology that injects non-toxic urea-based solution into the exhaust gas of a diesel engine upstream of the SCR catalyst. When mixed with nitrogen oxides in the exhaust, urea reacts across the catalyst to convert NOx to elemental nitrogen and water vapor. The ARIS electronic control unit is programmed to control the ARIS urea injector based on engine operating conditions and precisely injects the amount of urea required to react with NOx in the exhaust, even as engine load and speed change.

Over a dozen ARIS injection systems have been supplied to engine manufacturers, government agencies, catalyst companies and exhaust system manufacturers to investigate the technology for mobile applications, and there are more than 100 commercial ARIS NOx reduction systems operating on stationary power generation diesels in the US and Japan, through licenses with Norwalk, CT-based RJM Corporation for the Americas and Mitsui & Co. Ltd. for Japan.

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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