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## **Clean Diesel Technologies Reports Increasing Interest in its EPA-Verified Systems; Announces Agreement with Mr Farad Azima for Business Development**

STAMFORD, CT (June 10, 2004) ... Clean Diesel Technologies, Inc. (CDT) (EBB:CDTI & AIM:CDT/CDTS) announced that it expects to report developments concerning its EPA-verified systems for reduction of particulate emissions from diesel engines at its annual meeting, to be held later today.

In May 2004 CDT was selected to supply its Platinum Plus(R) Purifier system in two projects to retrofit diesel-powered equipment in the State of Pennsylvania. The award of grants totaling approximately \$335,000 was announced by the Pennsylvania Department of Environmental Protection on May 24 during the launch of the Philadelphia Diesel Difference Program. These grants are to Waste Management, Inc. and Coca-Cola Enterprises Inc. for CDT's verified Platinum Plus Purifier technology.

The Platinum Plus Purifier system is based upon the use of CDT's Platinum Plus fuel-borne catalyst (FBC) combined with a diesel oxidizing catalyst (DOC), and was verified by EPA in October 2003 to reduce emissions of particulates by 40 percent with normal sulfur fuel and 50 percent for ultra-low sulfur fuel (ULSD), about double the reduction available with DOC alone. This verification was for older (pre-1994) engines. In May 2004 verification was extended by EPA to all engines through 2003 model year. Now that the Platinum Plus Purifier technology is available to a wider range of engines, order inquiries have increased, the Company said.

A second, higher-efficiency system, again based upon the Platinum Plus FBC and using a filter manufactured by CDT's development partner PUREarth, a subsidiary of Mitsui & Co. Ltd., has been in field trial for over a year. This system was verified by the EPA on June 7, 2004. Particulate reduction for this system is verified at 55 percent for normal sulfur fuel to 76 percent for ULSD, and is currently applicable to 1991 to 2003 model years. Application has also been made to California Air Resources Board (CARB) for verification as a Level 2 system for the California-mandated programs that are now effective.

The first order for Platinum Plus FBC has recently been received in Europe for use with diesel filter systems made in Europe, CDT added.

In Japan, sales of the ARIS(R) injector to Mitsui continue to grow for stationary diesel engine NOx reduction applications, as well as for several mobile demonstration programs with heavy-duty vehicle manufacturers. In the US, CDT has been advised by its licensee, Combustion Component Associates, Inc. (CCA), of Monroe, CT, that it expects to obtain its first orders for mobile ARIS systems soon. The ARIS urea-based selective catalytic reduction (SCR) systems dramatically reduce NOx emissions by up to 90 percent.

Clean Diesel Technologies also plans to announce at the annual meeting today that it has made an agreement with Mr. Farad Azima to provide business development advisory services, with immediate effect. Azima was previously Chief Executive and subsequently Chairman of Verity Group plc in the early 1990s, which developed into technology-licensing company NXT plc. Under Azima's management the group established itself as a leading company in new loudspeaker and voice-recognition technologies, with substantial intellectual property and international patents, and went on to license to over 200 major corporations in the US, Europe and Japan.

Jeremy Peter-Hoblyn, CEO of CDT, commented, "In the past year, Clean Diesel Technologies has made a major step forward in achieving the crucial US Environmental Protection Agency verification of systems using its Platinum Plus technology. EPA standards are widely respected and followed by the international market. The diesel emission control market is still in the very early stages of development of what CDT expects to be a multi-billion dollar market for retrofit applications for the next 10 years and beyond.

"Manufacturers of heavy-and medium-duty engines have announced that from about 2007 they will also start to use exhaust treatment systems, representing another multi-billion dollar long-term market," Peter-Hoblyn added. "With these opportunities ahead of us, and with technologies that are proven and cost-effective, the time has come for us to position CDT to maximize the commercial opportunities opening up in the US, in Europe and in Asia. Mr. Azima's knowledge and experience of developing a technology company in international markets should prove invaluable to us as we move forward."

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](http://www.cdti.com) or contact the Company directly.

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