



June 27, 2003

## **Clean Diesel Signs Contract to Begin Testing Under EPA's Environmental Technology Verification Program(R)**

### **Low Cost Retrofit System Targeted for School Buses, Refuse Trucks and Local Delivery Fleets**

STAMFORD, CT (June 27, 2003) . . . Clean Diesel Technologies, Inc. (CDT) (EBB:CDTI & AIM:CDT/CDTS) announced today that it has signed a contract with the third-party administrator for the US Environmental Protection Agency (EPA) to begin testing of one of its proprietary diesel retrofit technologies under the Environmental Technology Verification Program(R) (ETV). ETV is a federal program designed to verify the emissions reduction claims of environmental control technologies. Under the ETV Program, suppliers of commercial diesel retrofit technologies are required to submit an application to EPA documenting expected emissions reduction performance and providing details of system characteristics. Acceptance of an application requires agreement with EPA on a detailed test program conducted at an independent lab and includes testing of both new and aged systems used in commercial service for 1,000 hours.

Testing of CDT's patented Platinum Plus(R) fuel borne catalyst (FBC) and diesel oxidation catalyst (DOC) system will be conducted at Southwest Research Institute (SwRI) in San Antonio, TX. Testing is scheduled to begin in July and will be followed by a review of results by EPA and its third-party administrator. A report and letter of verification will be issued based upon successful completion of the program.

According to James Valentine, President of CDT, "This system has shown over 35 percent particulate matter (PM) reduction in earlier screening tests at SwRI on a medium-heavy duty diesel engine typical of engines used in school buses, refuse trucks and local delivery vehicles. The testing at SwRI has been structured to help fulfill some of the fundamental requirements of retrofit verification under the California Air Resources Board protocol simultaneously, so as to minimize duplication of testing efforts.

"Under EPA's Voluntary Retrofit Program, reductions in emissions from school buses and corporate fleets are targeted under the Clean School Bus Program and the Smartway Transport Program. These programs generally require the use of verified technologies to be eligible for federal and state funding," added Valentine. In the CDT system, the FBC reduces engine-out particulates by 15-20 percent while the lightly catalyzed DOC provides another 15-20 percent reduction. This dual-action approach allows the use of a lightly catalyzed lower cost DOC which also helps minimize the formation of unwanted NO<sub>2</sub> in the exhaust gas. Traditional heavily catalyzed systems typically give 20-25 percent PM reduction, but can convert large portions of NO<sub>x</sub> to nitrogen dioxide, which is a strong lung irritant. The lower level of catalyst in the CDT system also makes it applicable to normal sulfur fuel as well as ultra-low sulfur diesel.

The FBC generally provides a fuel economy improvement of 6-8 percent after an engine conditioning period of 60 days. This helps cover the cost of the FBC and can help pay for the DOC over time.

Valentine also noted that "ETV sets rigorous standards for acceptance to the program, including testing, field durability and in-use compliance. While the costs may be high for a small technology company, the program is appealing because it establishes a level playing field for all manufacturers, large and small, to step up to the plate for third-party testing."

Environmental Technology Verification Program is a registered trademark of the US Environmental Protection Agency. More information on the Program can be found at [www.epa.gov/etv/](http://www.epa.gov/etv/)

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 NO<sub>x</sub>. 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.

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.

Allen & Caron, Inc. Jay F. McKeage (US investors)  
(212) 691-8087; [jay@allencaron.com](mailto:jay@allencaron.com)  
Len Hall (US media)  
(949) 474-4300; [len@allencaron.com](mailto:len@allencaron.com)

Clean Diesel Technologies, Inc.  
James M. Valentine, President  
David W. Whitwell, CFO  
(203) 327-7050