



PRESS RELEASE for 30 August 2006 at 2:30 AM EST and 7:30 AM GMT

Clean Diesel signs distribution agreement with Nordic supplier Brøste A/S

London, Clean Diesel Technologies, Inc. ("Clean Diesel" or "the Company") (EBB:CDTI & AIM:CDT/CDTS & XETRA: CDI), a developer of technological solutions to reduce harmful engine emissions, today announces that it has signed a distribution agreement for Clean Diesel's Platinum Plus FBC with Brøste A/S, part of the Azelis Group, to cover the Scandinavian/Nordic countries and the Baltic states. This is in response to an increased demand for Clean Diesel's Platinum Plus[®] fuel-borne catalyst (FBC) technology and represents a significant expansion of the Company's European distributor network.

Over the past 50 years Brøste has been a leading supplier of raw materials to the Nordic industries. Today, Brøste Performance Chemicals division supplies advanced products, technical service and solutions to highly sophisticated markets.

Laurids Sørensen, Brøste's Senior Business Manager comments: "Brøste is looking forwards to working in close cooperation with Clean Diesel and by combining their technology with our extensive warehousing and distribution network, this will allow them to service new and existing customers through local supply of Clean Diesel's Platinum Plus FBC."

Dr Bernhard Steiner, CEO & President, adds: "The Nordic Countries and Baltic States are very important in terms of the future adoption of advanced diesel emission control technologies. An increasing number of customers in the Nordic countries are now demanding Clean Diesel's technology and with Brøste we have a strong partner who is capable of supporting and distributing our Platinum Plus Fuel Borne catalysts."

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About Clean Diesel Technologies, Inc.

Clean Diesel Technologies, Inc. and its UK representative office, Clean Diesel International LLC, is a developer of technological solutions to reduce harmful engine emissions. Clean Diesel Technologies has patented products that reduce emissions from combustion engines while simultaneously improving fuel economy and power. Products include Platinum Plus[®] fuel borne catalysts, the Platinum Plus Purifier System, a catalyzed wire mesh filter and the ARIS[®] 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.