



September 21, 2009

## **Clean Diesel Technologies, Inc. (CDTi) Receives Non-Compliance Letter From NASDAQ Stock Market**

BRIDGEPORT, Conn., Sep 21, 2009 (GlobeNewswire via COMTEX News Network) -- Clean Diesel Technologies, Inc. (Nasdaq:CDTI), the clean-tech emissions reduction company providing sustainable solutions to reduce emissions, increase energy efficiency and lower the carbon intensity of on- and off-road engine applications, today announced that it received a Nasdaq Staff Deficiency Letter on September 15, 2009 as a result of recently reported Board of Directors changes.

The Company was notified that it fails to comply with NASDAQ Listing Rule 5605(c)(4)(A) because it does not have at least three Audit Committee members, all of which must be considered independent by NASDAQ standards, and Listing Rule 5605 (b)(1) because its Board does not have a majority of independent directors. These deficiencies occurred on August 28, 2009 when Mr. John J. McCloy II, who had been a member of the Board and the Audit Committee resigned, leaving the Audit Committee with two members and the Board with three independent directors and three non-independent directors.

The Company was given a cure period to regain compliance: the earlier of the next annual meeting of stockholders or August 28, 2010, or, if the next annual stockholders' meeting is held before February 24, 2010, then no later than February 24, 2010.

Commenting on the letter, Michael Asmussen, Clean Diesel's CEO and President, stated: "The notice was fully anticipated by the Company's Board of Directors which, as previously announced, remains fully engaged in the process of recruiting an appropriate new Director to both cure the deficiencies promptly and assist the company in effectively executing its strategic vision."

An indicator will be broadcast over NASDAQ's market data dissemination network noting the Company's non-compliance. The indicator will be displayed with quotation information related to the Company's securities on Nasdaq.com, NasdaqTrader.com and by other third-party providers of market data information until the non-compliance is cured.

### About Clean Diesel Technologies

Clean Diesel Technologies (Nasdaq:CDTI) is a cleantech company providing sustainable solutions to reduce emissions, increase energy efficiency and lower the carbon intensity of on- and off-road engine applications. Clean Diesel's patented technologies and products allow manufacturers and operators to comply with increasingly strict regulatory emissions and air quality standards, while also improving fuel economy and power.

The company's solutions significantly reduce emissions formed by the combustion of fossil fuels and biofuels (without increasing secondary emissions such as nitrogen dioxide, NO<sub>2</sub>), including particulate matter (PM), nitrogen oxides (NO<sub>x</sub>), carbon monoxide (CO) and hydrocarbons (HC). As a result, they are effective for: OEMs, Tier 1 suppliers and retrofit providers; businesses entering the emissions control market seeking solutions and expertise; operators requiring compliant emissions solutions; fuel, biofuels and additive suppliers seeking low emissions and energy efficient products; and regulators creating public policy. Clean Diesel's solutions, therefore, are ideal for such markets as: on-road vehicles, construction, mining, agriculture, port/freight handling, locomotive, marine, and power generation.

Clean Diesel develops and manages intellectual property from original concept to full-scale commercial deployment. Building on its almost 300 granted and pending patents, its offerings include ARIS(R) selective catalytic reduction (SCR); the patented combination of SCR and exhaust gas recirculation (EGR); hydrocarbon injection for emissions control applications; Platinum Plus(R) Fuel-Borne Catalyst (FBC); the Purifier(TM) family of particulate filter systems; and its wire mesh filter particulate filter technologies. The company was founded in 1995 and is headquartered in Bridgeport, Connecticut. A wholly-owned subsidiary, Clean Diesel International, LLC is based in London, England. For more information, please visit [www.cdti.com](http://www.cdti.com).

The Clean Diesel Technologies, Inc. logo is available at <http://www.globenewswire.com/newsroom/prs/?pkgid=5742>

### Safe Harbor

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 U.S. 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.

This news release was distributed by GlobeNewswire, [www.globenewswire.com](http://www.globenewswire.com)

SOURCE: Clean Diesel Technologies, Inc.

CONTACT: Target 3 Communications  
Jerry Cahn, President  
+1-646-290-7664  
[jerry@target3.com](mailto:jerry@target3.com)  
Clean Diesel Technologies, Inc.  
Ann Ruple, CFO, VP & Treasurer  
+1-203-416-5290  
[aruple@cdti.com](mailto:aruple@cdti.com)

(C) Copyright 2009 GlobeNewswire, Inc. All rights reserved.

News Provided by COMTEX