



Clean Diesel Technologies, Inc.

PRESS RELEASE for 20 October 2006 at 2:30 AM EST and 7:30 AM GMT

Clean Diesel Announces Board and Management Changes

Stamford, CT ... Clean Diesel Technologies, Inc. ("Clean Diesel") (EBB:CDTI & AIM:CDT/CDTS & XETRA: CDI), a developer of technological solutions to reduce harmful engine emissions, announces that Jeremy Peter-Hoblyn has retired as a non-executive Director due to health issues and will step down from the Board of Clean Diesel at the end of October 2006. Mr. Peter-Hoblyn remains a supportive shareholder and will not be replaced at the current time.

Derek Gray, non-executive Chairman, commented: "The Board and management are extremely grateful to Jeremy and thank him for his enormous contributions to the Company. Clean Diesel has benefited from Jeremy's devotion and commitment as founder and CEO and his involvement in the development of both Clean Diesel's NOx reduction business and PFC technologies. We were very pleased that he stayed on as a non-executive Director after his retirement as CEO in 2004 and everybody is sorry that he has to leave on medical advice."

In addition, Clean Diesel announces that David Whitwell, CFO and Senior Vice-President of Administration will be leaving the Company in November 2006 to take another CFO position. Mr. Whitwell, who has been with Clean Diesel for seven years, will be assisting the Company in identifying a successor and will be available to support the Company during the handover as needed.

Derek Gray, non-executive Chairman, adds: "We thank David for his hard work and commitment to Clean Diesel over the years. We wish him all the best for the future."

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About Clean Diesel Technologies, Inc.

Clean Diesel Technologies, Inc. and its UK branch 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[®] urea injection system for selective catalytic reduction of NOx. Platinum Plus and ARIS are registered trademarks of Clean Diesel Technologies, Inc. For more information, visit Clean Diesel 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.