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CDTi Unveils Breakthrough Clean Air Technology

***Initial patents awarded for vehicle exhaust-cleaning technology
Eliminates need for expensive platinum group and rare earth metals***

OXNARD, Calif., Oct. 30, 2014 (GLOBE NEWSWIRE) -- Clean Diesel Technologies, Inc. (Nasdaq:CDTI) ("CDTi" or "the Company"), a leader in advanced emission control technology, announced the United States Patent and Trademark Office (USPTO) awarded it two new patents covering CDTi's new technology that replaces costly platinum group and rare earth metals in catalytic converters. These patents represent the first of a family of patents for CDTi's Spinel™ technology, a proprietary clean emissions exhaust technology that promises to dramatically reduce the cost of attaining more stringent clean air standards.

The new technology will power multiple catalytic product lines that the Company believes have the potential to be highly disruptive to the traditional platinum-based or rare earth-based device industry. This is the Company's first public announcement regarding its *Spinel* technology, the development of which has been kept confidential until now.

CEO Chris Harris commented, "Currently global OEMs spend billions of dollars annually on platinum group metals (PGMs) mined in South Africa and Russia, and hundreds of millions of dollars on Chinese-sourced rare earth metals. These costs are expected to dramatically increase with conventional technology as new regulations like U.S. EPA Tier 3 kick in. *Spinel* technology solves a major industry supply and cost problem and marks a major breakthrough both for us and for all OEMs around the world manufacturing fossil fuel-powered engines."

About *Spinel* Technology

- A family of proprietary materials using various base metals that replace costly PGMs and rare earth metals in coatings on standard catalytic converters
- Works across a wide range of engine and vehicle applications - both gasoline and diesel
- Advanced testing underway on production models of popular passenger cars and heavy duty vehicles at respected independent vehicle test facilities

***Spinel* Technology Significance and Benefits**

- Potential for significant cost savings for OEMs by cutting out expensive PGMs and rare earth metals
- Currently OEMs spend over \$6 billion a year on PGMs (source: derived from Johnson Matthey PLC: Platinum 2013 Interim Review)
- Enables early, cost-effective compliance with stricter emissions standards in the U.S. and around the world
- Mitigates OEM exposure to supply uncertainty and price volatility in the PGM and rare earth markets

CTO Dr. Stephen Golden added, "The *Spinel* technology is the result of hard work and ingenuity by our world-class R&D team. It is an entirely new materials science pathway to meeting tighter regulations at much lower cost. Key validation vehicle testing is underway in parallel with aggressively building a broad IP portfolio as we incorporate *Spinel* technology into specific products for global OEMs."

For more information on CDTi's *Spinel* technology, please visit www.cdti.com/spinel.

About CDTi

CDTi is a vertically integrated global manufacturer and distributor of emission control systems and products, focused on the light duty vehicle and heavy duty diesel markets. CDTi utilizes its proprietary patented Mixed Phase Catalyst (MPC®) technology and other related technologies to provide high-value sustainable solutions to reduce emissions, increase energy efficiency and lower the carbon intensity of on- and off-road combustion engine systems. CDTi is headquartered in Oxnard, California and currently has operations in the U.S., the U.K., Canada, France, Japan and Sweden. For more information, please visit www.cdti.com.

About Platinum Groups Metals (PGMs)

Expensive PGM metals, which include platinum, palladium and rhodium, are used in the manufacture of emission control catalysts, with palladium and rhodium being the primary components used in catalysts serving the global light duty vehicle market. According to Johnson Matthey PLC's "Platinum 2013 Interim Review," in 2013, over 70% of all primary platinum and 80% of all primary rhodium produced originated in Southern Africa. Russia and Southern Africa combined supplied over 75% of palladium.

About Rare Earth Metals

Rare earth metals such as cerium, neodymium and lanthanum, also referred to as rare earth elements, are chemical elements used in many devices that people use every day, including computers, cell phones, rechargeable batteries and catalytic converters. As the global demand for these devices increases the use of rare earth metals is expected to rise. According to a 2014 U.S. Geological Survey Mineral Commodity Summary, the estimated value of refined rare earth metals imported by the U.S. in 2013 was \$260 million. An estimated 79% of rare earth metals used in the U.S. were imported from China with 65% utilized in catalysts.

Forward-Looking Statements

Certain information contained in this press release constitutes forward-looking statements for purposes of the safe harbor provisions of The Private Securities Litigation Reform Act of 1995. Any statements contained herein that are not statements of historical fact should be considered forward-looking statements. You can identify these forward-looking statements by the use of the words "believes", "expects", "anticipates", "plans", "may", "will", "would", "intends", "estimates", and other similar expressions, whether in the negative or affirmative. Forward-looking statements are based on a series of expectations, assumptions, estimates and projections which involve substantial uncertainty and risk. In this document, the Company includes forward looking statements regarding the anticipated or potential benefits of Spinel™ technology, anticipated increases in OE expenditures on PGMs and rare earth metals with conventional technology, the effects of new regulations, additions to CDTi's IP portfolio in parallel with continued vehicle testing, the incorporation of Spinel™ technology into products for OEMs, and the effects of Spinel™ technology on the traditional platinum-based or rare-earth based device industry and demand for platinum group and rare earth metals. In general, actual results may differ materially from those indicated by such forward-looking statements as a result of risks and uncertainties, including, but not limited, to (a) any inability by CDTi to (i) reduce costs; (ii) increase sales; (iii) realize benefits of investments; (iv) obtain sufficient funding; (v) realign its strategic path; (vi) execute its strategic priorities; (vii) commercialize its technology due to agreements with third parties; (viii) protect its intellectual property; (ix) obtain verifications, approvals or market acceptance of its products or technology; (x) attract or retain qualified personnel; (xi) achieve anticipated results; (b) changes in, lack of enforcement of or funding for emissions programs, regulations or standards; (c) competitive conditions; (d) fluctuations in or the stabilization of the prices of PGM and rare earth metals; (e) intellectual property infringement claims by third parties; (f) supply or delivery interruptions, limitations or failures; and (g) other risks and uncertainties discussed or referenced in the Company's filings with the Securities and Exchange Commission, including its most recent Annual Report on Form 10-K. In addition, any forward-looking statements represent the Company's estimates only as of the date such statements are and should not be relied upon as representing the Company's estimates as of any subsequent date. The Company specifically disclaims any obligation to update forward-looking statements. All forward-looking statements in this press release are qualified in their entirety by this cautionary statement.

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