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## **Clean Diesel Technologies, Inc. (CDTI) Awarded \$960,000 Diesel Emissions Reduction Grant from the Houston Advanced Research Center (HARC)**

BRIDGEPORT, Conn., Dec 16, 2009 (GlobeNewswire via COMTEX News Network) -- Clean Diesel Technologies, Inc. (Nasdaq:CDTI), the cleantech 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 has received a diesel emissions reduction technology development grant under the New Technology Research and Development (NTRD) program from the Houston Advanced Research Center (HARC) totaling \$960,971. The project goal is to develop and verify a Nitrogen Oxide-Particulate Matter (NOx-PM) reduction retrofit system for on- and off-road engines, including those used in Class 8 type diesel fleets. The NTRD Program is administered by HARC on behalf of the Texas Environmental Research Consortium (TERC) utilizing funding provided by the State of Texas through the Texas Commission on Environmental Quality (TCEQ).

Recent changes in US and European legislation provide new emissions guidelines designed to simultaneously reduce NO<sub>2</sub> and PM. While the initial focus is on new vehicles, regulatory bodies such as the US Environmental Protection Agency (EPA), California Air Resources Board (CARB), TERC and TCEQ have recognized the need to develop more advanced emission reduction solutions for the retrofit market.

The HARC grant enables Clean Diesel to effectively integrate proven intellectual property widely used by global engine OEM's to a wide variety of retrofit applications. The Purifier e5 system will feature Clean Diesel's Airless Reagent Injection System (ARIS(R)) selective catalytic reduction (SCR) technology combined with an enhanced diesel particulate filtration and regeneration system based on the Purifier e4 DPF platform. The combination of these two proven systems will result in an EPA verified, cost-effective and reliable NO<sub>x</sub> and PM reduction solution. In this project, Clean Diesel will develop both open loop and closed loop controls of airless injection, allowing a higher level of emission reduction over a wider range of vehicles with which to serve a larger number of markets.

Dr. Yiqun Huang, program director of NTRD at HARC, stated, "This project is an important addition to the current NTRD program portfolio. We would like to see more advanced technologies, such as those being used in OEM applications nowadays, and comprehensive approaches which address all regulated emissions effectively at the same time, being adopted for the retrofit market."

Clean Diesel's CEO and President Michael Asmussen stated, "The HARC award provides Clean Diesel with the opportunity to advance our recently adopted business strategy of extending our IP portfolio through its embodiment in product form. The development program and resulting EPA verification of the Purifier e5 system will demonstrate the key features that differentiate our product with respect to increased performance and reduced cost. Moreover, it enables Clean Diesel to increase market share in key markets in the US, including Texas and California, and effectively broadens our product portfolio."

### 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 thirdary 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.

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