



December 23, 2008

Clean Diesel Technologies, Inc. Grant of Options

Stamford, CT - December 23, 2008 - Clean Diesel Technologies, Inc. (NASDAQ:CDTI & AIM:CDT & XETRA:CDI) the cleantech emissions reduction company, announces that the Directors were granted a total of 65,500 options to subscribe for common stock, par value \$0.01 per share. The options are exercisable at a price of \$2.705 per share for a period of 10 years. The options granted to outside directors vest immediately. Vesting of options granted to employee directors is one third on the date of grant and an additional one third on each of the first and second anniversaries of the date of grant.

The table below sets out the details relating to each Director in respect of the information set out above:

Name	Number of options granted	Total number of options held
John de Havilland	7,000	42,000
Derek Gray	12,500	65,000
John McCloy	7,000	72,000
Dave Merrion	7,000	30,000
Bernhard Steiner	20,000	153,000
Charles Grinnell	12,000	64,000

For further information:

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Notes to Editors

It is a requirement that dealings in shares by directors of companies trading on the London Stock Exchange's Alternative Investment Market (AIM) be published.