FOR IMMEDIATE RELEASE

Clean Diesel Licenses ARIS® Selective Catalytic Reduction Emission Reduction Technologies to Automotive Component Supplier, Hilite International Inc.

License for Worldwide Markets with Clean Diesel’s ARIS® SCR Technologies Including the Patented Combination of SCR with Exhaust Gas Recirculation (EGR-SCR)

Stamford, CT – June 16, 2008 – Clean Diesel Technologies, Inc. (NASDAQ:CDTI; XETRA:CDIA; AIM:CDT), the cleantech emissions reduction company, today announced a strategic license agreement between Clean Diesel Technologies, Inc. and Hilite International, Inc., a leading supplier of automotive powertrain components headquartered in Cleveland, Ohio, with design and manufacturing facilities in North America, Europe and Asia.

This worldwide, non-exclusive agreement with Hilite International enables Hilite to license Clean Diesel’s ARIS® airless injection technology for selective catalytic reduction control of vehicle oxides of nitrogen (NOx) emissions in global original equipment manufacturer (OEM) markets. Hilite chose to incorporate Clean Diesel’s SCR and EGR-SCR technologies into its own portfolio of SCR technologies to enable their customers to optimize fuel efficiency while minimizing harmful NOx emissions. With this license, Hilite International has also obtained rights to Clean Diesel’s patented combination of the use of exhaust gas recirculation in conjunction with SCR for reducing fuel consumption while meeting stringent emissions standards.

Hilite International is renowned for its service and support of customers on a global basis. The company provides high volume, high quality and high value added components for automotive powertrain applications. Hilite International serves the worldwide market with a diversified line of highly engineered components and assemblies, including emission reduction products for global automotive OEMs.

Clean Diesel CEO, Bernhard Steiner said “Clean Diesel is pleased to announce this strategic agreement, that continues the extension of our global market penetration, reducing emissions and enabling cost-efficiencies while increasing environmental sustainability in the global automotive marketplace. We are proud to be working together with Hilite to deliver our innovative technologies to the market, while reducing the environmental impact of heavy and light duty trucks and vehicles globally.”

Major markets to benefit from this agreement include heavy-, medium- and light-duty commercial vehicles and passenger cars. Both SCR and the combination of EGR with SCR have been selected by industry leading vehicle manufacturers as technologies of choice for fuel-efficient reduction of NOx emissions as required by EPA 2010 and Euro V and VI standards.

This license agreement with Hilite International follows similar agreements between Clean Diesel and Robert Bosch, GmbH, and also with Tenneco, Inc. for Clean Diesel’s patented NOx emission control and energy efficiency platform technologies.

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, which are in commercial use worldwide, significantly
reduce emissions formed by the combustion of fossil fuels and biofuels, including particulate matter (PM), nitrogen oxides (NOx), carbon monoxide and hydrocarbons. Clean Diesel solutions also reduce carbon dioxide (CO\textsubscript{2}) emissions, a key greenhouse gas associated with global climate change.

Clean Diesel develops and manages intellectual property from original concept to full-scale commercial deployment. Its offerings include ARIS\textsuperscript{®} Selective Catalytic Reduction (SCR); the patented combination of SCR and Exhaust Gas Recirculation; hydrocarbon injection for emissions control applications; Platinum Plus\textsuperscript{®} Fuel-Borne Catalyst (FBC); the Purifier\textsuperscript{™} family of particulate filter systems; and its Wire Mesh Filter particulate filter technologies. The Company was founded in 1995 and is headquartered in Stamford, Connecticut. A wholly owned subsidiary, Clean Diesel International, LLC, is based in London, England. For more information, please visit www.cdti.com.

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