



July 1, 2016

CDTi Secures Agreements to Strengthen Balance Sheet with Investment and Debt Conversion

Receives \$1.25 million convertible loan investment from Haldor Topsoe
Enters commercial agreements with Haldor Topsoe
Signs agreements to convert existing \$8.0 million of debt into equity

OXNARD, Calif., July 01, 2016 (GLOBE NEWSWIRE) -- Clean Diesel Technologies, Inc. (Nasdaq:CDTi) ("CDTi" or "the Company"), a leader in advanced emission control technology, entered into multiple agreements.

- | Received a \$1.25 million convertible loan investment from Haldor Topsoe A/S, a world leader in catalysis and surface science.
- | Signed commercial agreements with Haldor Topsoe related to CDTi catalyst technologies.
- | Entered into a debt conversion agreement with long-time lender, Kanis S.A., whereby \$7.5 million in debt owed to Kanis S.A. will be converted into common stock of CDTi at a price of \$0.3243 per share, subject to shareholder approval.
- | Signed an agreement to convert the \$500,000 promissory note issued to CDTi director Dr. Lon E. Bell into common stock of CDTi at a price of \$0.3243 per share, subject to shareholder approval.

"Since late last year, we have been accelerating the execution of our advanced materials and high-value catalyst business strategy and strengthening our capital structure to support our growth," stated Matthew Beale, CEO of CDTi. "We are excited to initiate close collaboration with a global industry leader such as Haldor Topsoe. This relationship further demonstrates our success in developing core partnerships that leverage our full suite of capabilities and offer scalable global market penetration opportunities for our technology. We believe our recent commercial successes provide clear evidence of CDTi's growing momentum in the heavy duty diesel market globally."

"We entered the collaboration with CDTi as its technologies provide a relevant addition to our leading automotive catalyst solutions," stated Lars Storm Pedersen, Vice President, Haldor Topsoe. "We look forward to a strong and collaborative working relationship."

Beale continued, "Securing agreements to convert \$8.0 million of debt into equity is a major step in recapitalizing the balance sheet and improving our capital structure. The debt conversion together with the Haldor Topsoe investment, which is expected to convert into equity by the end of 2016, will have a transformative impact on our balance sheet as we lower our cost of capital, bringing us closer to our goal of sustained profitability."

The company will convene a special stockholders' meeting to seek approval of the conversion of the \$8.0 million of debt into equity, which the company expects will occur in August 2016.

For additional information on these agreements, CDTi refers you to the Form 8-K filed today with the Securities and Exchange Commission, available at the company's website www.cdti.com or at www.sec.gov.

About CDTi

CDTi develops advanced materials technology for the emissions control market. CDTi's proprietary technologies provide high-value sustainable solutions to reduce hazardous emissions, increase energy efficiency and lower the carbon intensity of on- and off-road combustion engine systems. With a continuing focus on innovation-driven commercialization and global expansion, CDTi's breakthrough Powder-to-Coat (P2C™) technology exploits the Company's high-performance, advanced low-platinum group metal (PGM) emission reduction catalysts. Key technology platforms include Mixed Phase Catalyst (MPC®), Base Metal Activated Rhodium Support (BMARS™), Synergized PGM (SPGM™), Zero PGM (ZPGM™) and Spinel™. For more information, please visit www.cdti.com.

About Haldor Topsoe

Haldor Topsoe is a world leader in catalysis and surface science. The company is committed to helping its customers achieve optimal performance. This means enabling customers to get the most out of their processes and products, using the least possible energy and resources in the most responsible way. Haldor Topsoe is a global organization with production plants, regional offices and engineering activities all over the world. The company employs some 2,600 employees. For

further information: www.topsoe.com

Forward-Looking Statements

Certain information contained in this press release constitutes forward-looking statements, including any statements that are not statements of historical fact. 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 acceleration of the Company's business transformation into an advanced materials company and the impact of the Haldor Topsoe investment and the debt conversions on the Company's balance sheet, which are all subject to risks and uncertainties that could cause our actual results and financial position to differ materially. 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 (i) the Company's stockholders may not approve the debt conversions, which is a condition to their occurrence; (ii) that the Company may not be able to (a) successfully implement, or implement at all, its strategic priorities; (b) streamline its operations or align its organization and infrastructure with the anticipated business; (c) meet expectations or projections; (d) decrease costs; (e) increase sales; (f) obtain adequate funding; (g) retain or secure customers; (h) increase its customer base; (i) protect its intellectual property; (j) successfully evolve into an advanced materials supplier or, even if successful, increase profitability; (k) successfully market new products; (l) obtain product verifications or approvals; (m) attract or retain key personnel; (n) validate, optimize and scale our powder-to-coat capability; or (o) realize benefits from investments; (iii) funding for and enforcement and tightening of emissions controls, standards and regulations; (iv) prices of PGM and rare earth metals; (v) royalty and other restrictions on sales in certain Asian countries; (vi) supply disruptions or failures; (vii) regulatory, marketing and competitive factors; (viii) environmental harm or damages; and (ix) 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 and Quarterly Report on Form 10-Q. In addition, any forward-looking statements represent the Company's estimates only as of the date of such statements 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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