

For Immediate Release

19 January 2009

Clean Air Power Limited

("Clean Air Power" or "the Company")

Contract Win

New Order for Emissions Reduction Division

Clean Air Power Limited (AIM: CAP), the developer of Dual-Fuel™ combustion technology that enables heavy-duty diesel engines to run on a combination of both diesel and natural gas, is pleased to announce another important order for its Emissions Reduction Division in Texas, USA.

The order from Exterran Energy Solutions L.P. ("Exterran"), which is worth \$900,000 to Clean Air Power, is for delivery in late 2009 and relates to the Leaf River Project where natural gas will be stored in disused salt caverns in Mississippi USA. Exterran will be providing four large Caterpillar stationary natural gas engine driven compressors to pump gas through the pipelines on the project. Clean Air Power will supply combination Selective Catalytic Reduction (SCR) and Oxidation Catalyst exhaust systems for these engines.

Clean Air's Emissions Reduction Division provides catalytic and other solutions to reduce emissions from large stationary engines. Its activities are mainly in the US and the solutions are generally provided on a subcontract basis to the main contractor on large construction projects requiring large stationary engines used for driving pumps.

Clean Air Power delivered a smaller order to Exterran in the last quarter of 2008 and see this repeat business as industry recognition of the success of the technology. The size of this repeat order is significant in terms of revenue for both this division, and the Company as a whole, and follows a successful upwards sales trend in 2008. Following a management reorganisation and a refocusing of the Emissions Reduction Division, revenues increased from £326k in the six months to 30 June 2008 compared with £189k for the full 12 months to 31 December 2007. The division alone enters 2009 with an order book of \$1.7m, including this new order. Clean Air Power's Emission Reduction Division generates cash which assists the development and full commercialisation of the company's core Dual-Fuel™ business.

John Pettitt, CEO, said:

"We are delighted to receive this second order from Exterran which follows an excellent year for our team in Texas. This division has delivered a significant sales improvement in 2008 and enters 2009 with a strong order book. Following the recent announcement of our cooperation agreement with Volvo for our Dual-Fuel™ technology, I am very pleased to be able to announce another success for the Company."



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Notes to Editors:

Clean Air Power is the developer and provider of Dual-Fuel™ combustion technology for heavy duty diesel engines. Dual-Fuel™ engines substantially cut fuel costs and carbon emissions without sacrificing the original engine's characteristic efficiency or reliability. Clean Air Power is well positioned to assist corporations and governments to deliver on their environmental commitments while at the same time reducing transport operators overheads.

Initially founded in the USA in 1991, around £40m has been invested in developing the technology with the result that 63 patents are currently held or pending. The holding company of the Group is based in Bermuda with operational subsidiaries in the UK, the USA and Australia. The Group was admitted to the AIM market of the London Stock Exchange in February 2006.

Further information on Clean Air Power is available at www.cleanairpower.com