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For Immediate Release

4 February 2009

Clean Air Power Ltd

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

Fifth Tranche Admission of Private Financing Package

Clean Air Power Limited (AIM: CAP), the developer of Dual-FuelTM combustion technology that enables heavy-duty diesel engines to run on a combination of both diesel and natural gas, is pleased to announce that further to its press release on 13 March 2008 regarding its private financing package, it has now completed the fifth financing tranche of £0.5m. Application has been made for admission to trading of 2,143,272 Common Shares ("Placing Shares") in relation to this fifth tranche and admission is expected to occur on or about 6 February 2009.

Following admission of the Placing Shares, Clean Air Power will have 44,333,910 Common Shares of US\$0.001 each in issue, of which Endeavor Capital Management LLC ("Endeavor") will hold 18,628,461 Common Shares representing 42.02% of the enlarged share capital in the Company.

In addition, in accordance with the terms of the financing package, 1,071,636 warrants have been issued to Endeavor which, together with the 5,841,577 warrants issued to it under previous tranches of the financing result in Endeavour holding 6,913,213 warrants to subscribe for Common Shares. In total, the Company has 8,729,357 warrants outstanding, representing 15.2% of the total enlarged share capital of the Company.

The private financing package was designed to provide a minimum of £2.5m and a maximum of £5m for the Company between April 2008 and June 2009. The majority of this funding is to be provided by Endeavor, a longstanding and major shareholder in the Company.

The first £2.5m has already been received in line with the original agreement and a further £0.5m, being the proceeds of the fifth tranche, will be received on Friday 6 February 2009.

The original £5m commitment was made up of £0.35m from management and other existing investors and up to £4.65m from Endeavor with Endeavor's contractual obligation to fund up to £4.65m being conditional on the closing of certain of its funds. Since these funds did not close, the contract provides that the absolute obligation is set at a level where the Company was to receive a minimum of £2.5m from this fundraising. This £2.5m was received in full in 2008.

Endeavor has a continuing obligation to deliver the second £2.5m on a 'best efforts' basis until the funds close when the £4.65m obligation will become absolute. This current tranche of £0.5m to be received on 6 February 2009 reduces the balance receivable to £2m. Endeavor has reaffirmed its intention to be able to deliver the remaining £2m prior to 30 June 2009 if so requested the company.

John Pettitt, CEO of Clean Air Power, commented "We are very pleased to have received this latest investment from Endeavor demonstrating their continued confidence in the Company's technology and prospects. Following our recent announcement of our agreement with Volvo this news continues our positive start to 2009."

Clean Air Power Limited Registered in England No. 4765070

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Notes to Editors

About Clean Air Power

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