

Clean Air Power Ltd

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

Letter of Intent

9 October 2009

Clean Air Power (AIM : CAP), the developer of Dual-Fuel™ combustion technology that enables heavy-duty diesel engines to operate on a combination of diesel and natural gas, today announces that it has entered into a Letter of Intent with another major global truck manufacturer.

The letter outlines a development agreement to deliver a joint demonstration vehicle designed to establish the technical and commercial viability of a jointly produced dual fuel vehicle with the possibility of formal contract and commercial production should the development project prove successful.

The Board is also pleased to confirm that it is continuing its active discussions with Volvo and will update shareholders on further progress towards the formal contracts of both projects in due course.

For further information:-

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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