

NAVISTAR PURSUES NATURAL GAS FOR MAXXFORCE 13 ENGINES

To Meet Increased Customer Demand for Flexible Fuel Options, Navistar and Clean Air Power Ltd. Enter into Development Agreement

WARRENVILLE, ILL. – Feb. 9, 2010 – Navistar, Inc. (NYSE: NAV) has signed a concept development agreement with Clean Air Power Ltd. (AIM: CAP) to develop Navistar’s MaxxForce® 13 big bore engine to run on natural gas and clean diesel fuel for the North American market.

“This agreement supports Navistar’s strategy of product leadership, offering our customers differentiated products merging the unique skills of Clean Air Power in natural gas combustion and the knowledge Navistar has in diesel combustion,” Jack Allen, president of Navistar’s North American Truck Group. “The volatility of global diesel fuel prices and the significant natural gas reserves available in the United States make natural gas an attractive option for customers focused on managing their fuel costs.”

The program will utilize Clean Air Power’s Dual-Fuel™ combustion technology to deliver a MaxxForce 13 Advanced EGR engine that is fully compliant with the U.S. Environmental Protection Agency’s (EPA) 2010 on-highway diesel emissions, without the use of liquid-urea SCR (selective catalytic reduction). Upon successful concept development, the two companies will move forward to product development and validation.

“As we assess changing market conditions, the ability to offer customers choice is important not only in our U.S. markets, but in our global markets as well,” said Eric Tech, president, Navistar Engine Group. “As we develop this product for our International® brand truck customers, we will also be able to leverage the technology in other markets and products as appropriate.”

MaxxForce 13 natural gas engines utilizing Clean Air Power’s Dual-Fuel combustion technology will initially target the regional haul tractor market with a goal of achieving a 400-mile range.

“By working with Clean Air Power we will be developing a dual fuel engine that will provide customers with a true big bore natural gas powered engine,” added Jack Allen. “The MaxxForce 13 natural gas engine will meet Class 8 customer weight and performance requirements, which are not being met by competitive products today.”

Navistar maintains a long-standing commitment to environmental stewardship combined with providing customer friendly technologies, like Navistar’s MaxxForce Advanced EGR (exhaust gas recirculation) technology.

“We are very pleased to work with Navistar to advance the Dual-Fuel product development of Navistar’s MaxxForce 13 to deliver clean fuel technology consistent with Navistar’s customer-focused strategy,” said John Pettitt, CEO, Clean Air Power.

About Navistar

Navistar International Corporation (NYSE: NAV) is a holding company whose subsidiaries and affiliates produce International[®] brand commercial and military trucks, MaxxForce[®] brand diesel engines, IC Bus[™] brand school and commercial buses, Monaco RV brands of recreational vehicles, and Workhorse[®] brand chassis for motor homes and step vans. It also is a private-label designer and manufacturer of diesel engines for the pickup truck, van and SUV markets. The company also provides truck and diesel engine service parts. Another affiliate offers financing services. Additional information is available at www.Navistar.com/newsroom.

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 overhead for transport operators. Initially founded in the United States in 1991, more than \$60 million (USD) 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 U.K., the United States 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

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