

27 June 2014

Clean Air Power Limited

(“Clean Air Power”, the “Company” or the “Group”)

Issue of Equity and Directors’ Interests

Further to the Company's announcement earlier today, Clean Air Power announces the completion of the Placing. A total of 25,000,000 new Common Shares of US\$0.001 each have been issued at a Placing Price of 4 pence per share. The gross proceeds of the Placing are £1 million. The Placing Shares will represent approximately 9.7 per cent. of the enlarged issued ordinary share capital of the Company.

Clean Air Power's enlarged issued common share capital immediately following the issue of the Placing Shares will be 256,536,639 Common Shares. This figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in interest in, the share capital of the Company under the Disclosure and Transparency Rules.

Directors’ Interests

The Company has today been notified that certain directors of the Clean Air Power have agreed to acquire Placing Shares pursuant to the terms of the Placing. Following Admission, the beneficial interests of the participating directors will be as follows:

<i>Director</i>	<i>Beneficial holding of common shares before Placing</i>	<i>Number of Placing Shares to be purchased</i>	<i>Beneficial holding of common shares after Placing</i>	<i>Percentage of expected enlarged issued share capital</i>
Rodney Westhead	485,284	125,000	610,284	0.24
John Pettitt	3,000,000	705,600	3,705,600	1.44
Neill Skinner	-	175,000	175,000	0.07
Bernard Lord	738,130	160,000	898,130	0.35
Prof Dr Karl-Viktor Schaller	89,160	13,000	102,160	0.04
Dr Ulrich Wöhr	419,307	42,000	461,307	0.18
Robert S. Tyrer	-	29,400	29,400	0.01

All terms in this announcement have the meaning given to them in the announcement made by the Company at 7.00 a.m. on 27 June 2014 unless otherwise defined herein.

For further information, please contact:

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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 £50m has been invested in developing the technology with the result that 65 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.