

11 November 2014

Clean Air Power Limited

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

Trading Update

Clean Air Power (AIM: CAP), the developer and global leader in compression-ignited natural gas engine management systems for heavy-duty engines, today provides a trading update.

In Europe, the Company has recently received a new order for a minimum of ten and up to 20 Genesis-EDGE *Dual-Fuel™* retro-fit systems from a large Belgian haulier. The systems are to be delivered between now and the end of Q1 2015.

The restructuring of the European business around the development of the Russian market also continues to progress. As previously announced, the first customer orders have now been received following the delivery of five demonstration vehicles to our Russian partners earlier in 2014.

In Asia, the Company has signed the contract with a global truck manufacturer to commence the first phase of a production development program for a *MicroPilot* diesel-natural gas engine for the South East Asian and other markets. This follows the previously announced Letter of Intent and will generate revenues of over \$3million in the period to April 2015. If successful, the program will move to a second phase targeting the start of production in 2017.

In the US, work is progressing on the US Genesis EDGE Dual-Fuel™ product to resolve the technical issues which have delayed testing by the Environmental Protection Agency (EPA). The test engine had previously met all EPA emission requirements in internal testing at company facilities in Leyland, UK.

Across the Company, cost control measures have been implemented and the Company continues to manage its cash resources tightly.

John Pettitt, Chief Executive of Clean Air Power, said: *"The receipt of new orders for our European Genesis EDGE system and continued progress in developing the market in Russia are encouraging. Along with Russia, the US represents a sizeable new market for Clean Air Power and we are working hard to resolve the technical issues with our US product and to bring it to market."*

"We also continue to build on our long-term strategy of designing, developing and delivering compression-ignited natural gas engines for OEM partners and Tier 1 suppliers. We are very pleased to have signed the contract for the first phase of our production development program in South East Asia. The market remains significant and represents a major opportunity for Clean Air Power."

Enquiries:

Clean Air Power

John Pettitt, Chief Executive Officer
Neill Skinner, Chief Financial Officer

Tel: +44 (0)1772 624 499

Citigate Dewe Rogerson

Malcolm Robertson
Chris Gardner

Tel: +44 (0)20 7282 2867

Panmure Gordon

Corporate Finance
Freddy Crossley / Atholl Tweedie
Corporate Broking
Tom Salvesen

Tel: +44 (0)20 7886 2500

Peat & Co

Charlie Peat

Tel: +44 (0)20 3540 1721

About Clean Air Power

Clean Air Power designs, develops and delivers compression-ignited natural gas engines for heavy duty transport applications. Clean Air Power's patented *MicroPilot* and *Dual-Fuel™* technology enables engines to run on natural gas mixed with diesel (or any suitable combustion fuel) providing the "spark" that ignites the gas. Substituting natural gas for diesel cuts fuel costs, emissions of carbon, nitrous oxide and particulates whilst retaining the original engine's power, efficiency and reliability characteristics. Clean Air Power operates in the US, Europe, Russia and Australia and has two commercial divisions:

Dual-Fuel™ Vehicle Systems

Delivery of patented *Dual-Fuel™* systems which include fully-interfaced systems developed in partnership with truck manufacturers and the Group's Genesis-EDGE system, developed in-house as an after-market solution. *Dual-Fuel™* is a type of system that adapt diesel engines to run on a combination of diesel and natural gas whilst retaining engine's basic infrastructure. The Division sells systems to truck manufacturers for on-line assembly, approved partners for after-market installation or direct to customers through its own installation facilities. The Division also undertakes design and development work for governments and truck manufacturers on *Dual-Fuel™* and next-generation *MicroPilot* systems.

Components

Design and manufacture of innovative hydraulic valves, injectors and filters for natural gas engines sold to truck manufacturers around the world.

Initially founded in the USA in 1991, around £50m has been invested in developing the technology with the result that 69 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.