



For Immediate Release

CLIPPER WINDPOWER FINALIZES AGREEMENT FOR PROJECT SALE AND 1050 MW OF WIND TURBINE SALES AND OPTIONS

Agreement Includes the Acquisition of Clipper's 100 MW Iowa-Based Wind Project and Options on Clipper 2.5 MW Liberty Wind Turbines Through 2010

CARPINTERIA, CALIFORNIA – October 12, 2006 – Clipper Windpower Plc today announced that it has entered into an agreement with FPL Energy, a subsidiary of FPL Group (NYSE: FPL), for the purchase of Clipper's 100 MW Endeavor Wind Project, including the supply of 100 MW (40 units) of Clipper-manufactured 2.5 MW Liberty wind turbines for the project, and options on an additional 950 MW of additional Clipper units for delivery in years 2007 through 2010.

The Endeavor project, which began construction in September 2006, is expected to be fully completed by spring 2007. Options on the future purchase of Liberty wind turbines include up to 200 MW for delivery in 2007, and up to 250 MW for delivery in each of the following three years, through year 2010. In addition, FPL Energy has an option to purchase Clipper's 50 MW Criterion project in Maryland.

"We are very pleased to be teaming with FPL Energy, one of the nation's largest providers of wholesale power services and the leader in wind energy generation" said James G.P. Dehlsen, President and CEO of Clipper. "This agreement builds on Clipper's recent successes of more than 495 MW of firm, and over 2,000 MW of contingent sales in the pipeline."

Located in Iowa's Osceola and Dickenson Counties, the Endeavor Project resides on about 4,500 acres of gently rolling farmland held through long-term lease agreements with about 40 local landowners. Once built, according to the American Wind Energy Association and based on the average U.S. energy mix, the Endeavor Project is expected to supply enough clean, renewable electricity to serve the annual needs of about 33,000 average American homes. If oil were burned to produce the same amount of fuel each year, about 555,000 barrels would be needed. Based on the national average fuel mix, over the course of the project's life, Endeavor is expected to provide the benefit of planting about 73,000 acres of forest and offsetting about 430 million pounds of carbon dioxide, believed to be one of the largest contributors to global climate change.

The Liberty wind turbine was developed by Clipper to mitigate loads to components found in many of today's multi-megawatt wind turbine designs. The turbine design employs a number of patented technologies, including Clipper's patented Quantum Distributed Generation Drivetrain (DGEN-Q), four unique permanent magnet generators, and proprietary variable-speed technology. The largest wind turbines manufactured in the United States, Clipper's 2.5 MW Liberty machines are built in Cedar Rapids, Iowa, at Clipper's 200,000 square foot manufacturing and assembly facility.

About Clipper Windpower

Clipper Windpower, www.clipperwind.com, is a rapidly growing wind energy technology, turbine manufacturing, and wind project development company. With offices in California, Colorado, Maryland, Mexico and the U.K., and a ISO9001:2000 QMS Certified, 200,000 square foot manufacturing and assembly facility located in Cedar Rapids, Iowa, the company designs advanced wind turbines, manufactures its 2.5-MW Liberty wind turbine and actively develops wind power generating projects in the Americas and Europe. In September 2005, Clipper completed a successful IPO on the London Stock Exchange's Alternative Investment Market (AIM). Clipper's ticker symbol is CWP.

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The ordinary shares of Clipper Windpower Plc are traded on the Alternative Investment Market of the London Stock Exchange and are not registered under the U.S. Securities Act of 1933, as amended. Such shares may not be offered or sold to residents of the United States or to persons acting on their behalf, or to other persons who are "United States Persons" within the meaning of Regulation S as promulgated under the Securities Act of 1933, unless such shares have been registered under the Securities Act or there is an available exemption from registration.

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