

## Appendix 3B

### New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

**CBD Energy Limited**

ABN

**88 010 966 793**

We (the entity) give ASX the following information.

#### Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- |   |  |   |
|---|--|---|
| 1 | +Class of +securities issued or to be issued   | Convertible notes   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 16,666,667 convertible notes  |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | The Convertible Notes have a conversion price of \$0.12.<br>Holders of the notes are entitled to convert notes into ordinary shares of CBD Energy at any time up to the Maturity Date of 30 December 2012.<br>Interest payable on notes is 12% per annum in arrears on conversion or at maturity. |

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**Appendix 3B**  
**New issue announcement**

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<p>4 Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>No – there is no existing class of Convertible Notes.</p> <p>Upon conversion the Notes will convert into ordinary shares and will rank equally with all other ordinary shares on issue.</p>				
<p>5 Issue price or consideration</p>	<p>\$0.12 per Note</p>				
<p>6 Purpose of the issue          (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The funds raised will be used to fund the recent investment in Westinghouse Solar, Inc and for working capital purposes.</p>				
<p>7 Dates of entering <sup>+</sup>securities into uncertificated holdings or despatch of certificates</p>	<p>3 January 2011</p>				
<p>8 Number and <sup>+</sup>class of all <sup>+</sup>securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="686 1523 989 1568">Number</th> <th data-bbox="989 1523 1283 1568"><sup>+</sup>Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="686 1568 989 1753">472,504,060</td> <td data-bbox="989 1568 1283 1753">Fully paid ordinary shares</td> </tr> </tbody> </table>	Number	<sup>+</sup> Class	472,504,060	Fully paid ordinary shares
Number	<sup>+</sup> Class				
472,504,060	Fully paid ordinary shares				

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	Number	+Class										
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <tr> <td>9,000,000</td> <td>Unlisted options (expire 27/11/2013 each exercisable at \$0.20)</td> </tr> <tr> <td>9,000,000</td> <td>Unlisted options (expire 19/12/2013 each exercisable at \$0.20)</td> </tr> <tr> <td>575,000</td> <td>Unlisted options (expire 31/12/12 each exercisable at \$0.20)</td> </tr> <tr> <td>350,000</td> <td>Unlisted options (expire 31/12/2014 each exercisable at \$0.25)</td> </tr> <tr> <td>16,666,667</td> <td>Convertible Notes (maturity date 30/12/12, conversion price \$0.12)</td> </tr> </table>	9,000,000	Unlisted options (expire 27/11/2013 each exercisable at \$0.20)	9,000,000	Unlisted options (expire 19/12/2013 each exercisable at \$0.20)	575,000	Unlisted options (expire 31/12/12 each exercisable at \$0.20)	350,000	Unlisted options (expire 31/12/2014 each exercisable at \$0.25)	16,666,667	Convertible Notes (maturity date 30/12/12, conversion price \$0.12)
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350,000	Unlisted options (expire 31/12/2014 each exercisable at \$0.25)											
16,666,667	Convertible Notes (maturity date 30/12/12, conversion price \$0.12)											
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable										

**Part 2 - Bonus issue or pro rata issue**

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	

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**Appendix 3B**  
**New issue announcement**

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- 17 Policy for deciding entitlements in relation to fractions
- 18 Names of countries in which the entity has <sup>+</sup>security holders who will not be sent new issue documents  
Note: Security holders must be told how their entitlements are to be dealt with.  
Cross reference: rule 7.7.
- 19 Closing date for receipt of acceptances or renunciations
- 20 Names of any underwriters
- 21 Amount of any underwriting fee or commission
- 22 Names of any brokers to the issue
- 23 Fee or commission payable to the broker to the issue
- 24 Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of <sup>+</sup>security holders
- 25 If the issue is contingent on <sup>+</sup>security holders' approval, the date of the meeting
- 26 Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled
- 27 If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders
- 28 Date rights trading will begin (if applicable)
- 29 Date rights trading will end (if applicable)

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30	How do +security holders sell their entitlements <i>in full</i> through a broker?	
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	
33	+Despatch date	

### Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities  
(tick one)
- (a)  Securities described in Part 1
- (b)  All other securities
- Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

#### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
- 1 - 1,000
  - 1,001 - 5,000
  - 5,001 - 10,000
  - 10,001 - 100,000

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**Appendix 3B**  
**New issue announcement**

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100,001 and over

37  A copy of any trust deed for the additional <sup>+</sup>securities

**Entities that have ticked box 34(b)**

38 Number of securities for which <sup>+</sup>quotation is sought

39 Class of <sup>+</sup>securities for which quotation is sought

40 Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

	Number	<sup>+</sup> Class
42 Number and <sup>+</sup> class of all <sup>+</sup> securities quoted on ASX (including the securities in clause 38)		

**Quotation agreement**

1 <sup>+</sup>Quotation of our additional <sup>+</sup>securities is in ASX's absolute discretion. ASX may quote the <sup>+</sup>securities on any conditions it decides.

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- 2 We warrant the following to ASX.
- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those +securities should not be granted +quotation.
  - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.  
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
  - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: ..... **Date: 4 January 2012**  
**Company Secretary**

Print name: **Richard Pillinger**

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