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21 July 2009

Market Update

CBD SIGNS INDICATIVE TERM SHEET FOR CO-VENTURE OF SHANNONS FLAT WIND PROJECT AND SELLS FIRST CONTAINER OF SOLAR PANELS

The Directors of diversified renewable energy company, CBD Energy Limited (ASX: CBD), are pleased to provide the following updates:

1. Further to CBD's previous announcements relating to the proposed development of a wind farm at Shannons Flat, NSW, CBD announces that it has signed a non-binding term sheet with GE Energy regarding a potential co-development of this project. Further details in relation to the Shannons Flat project are included in Section 5.5 of CBD's prospectus dated 29 June 2009.
2. CBD has appointed Thomas Hellmich as Business Development Manager for CBD's solar business. In addition, CBD is pleased to announce that it has sold its first container-load of solar panels. The solar panels sold are capable of providing approximately 40kW of output. CBD acquired the panels through its distribution arrangement with German solar energy company, Solon SE. SOLON is also a major shareholder in CBD.

For and on behalf of CBD Energy Limited

A handwritten signature in black ink, appearing to read 'Gerry McGowan', with a long horizontal stroke extending to the right.

GERRY McGOWAN
Managing Director
Tel + 61 2 9363 9910