



For Immediate Release – Marketwire Services

SHEAR WIND ANNOUNCES COMMERCIAL OPERATION OF PHASE 1 OF GLEN DHU PROJECT

January 5, 2011

(HALIFAX, NOVA SCOTIA) –Shear Wind Inc. ("**Shear Wind**") (TSXV: "SWX") announces that on December 31, 2010, Glen Dhu Wind Energy Limited Partnership ("**Glen Dhu LP**") achieved commercial operation of Phase 1 of its 62.1 MW Glen Dhu wind power project in Nova Scotia (the "**Glen Dhu Project**"), comprising nine wind turbines with a nameplate capacity of 20.7 MW. As a result, Phase 1 of the Glen Dhu Project is now generating and providing renewable electricity to Nova Scotia Power Inc. ("**NSPI**"), which is then delivered by NSPI to its customers.

The Glen Dhu Project is anticipated to be the largest wind farm in Nova Scotia, and is presently on track to be fully operational by March 31, 2011. The Glen Dhu Project consists of a total of 27 ENERCON E-82 2.3 MW wind turbines. Shear Wind owns approximately 51% of Glen Dhu LP.

Mike Magnus, President and CEO expressed his appreciation to the whole construction team stating, "We have been successful in achieving commercial generation of one-third of our project. With the foundations all completed, and with the remaining towers and turbines arriving weekly, our target for full completion is the end of March 2011. With this pivotal step for our company completed, it is anticipated that we will be cash flow positive prior to the end of this fiscal year." He continued, "We look forward to sharing our achievement with the community at an official opening ceremony to be announced at a later date."

Shear Wind continues to pursue its growth-oriented strategy through the development of its other wind projects in Atlantic Canada, Alberta and Saskatchewan.

Further information, including some pictures of the construction at the Glen Dhu site, can be found at www.shearwind.com.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy any securities of Shear Wind in any jurisdiction.

About Shear Wind

Founded in 2005, Shear Wind is headquartered in Halifax, Nova Scotia and is engaged in the exploration and development of renewable wind energy properties in Canada. Shear Wind is focused on building a strong company based on a secure and sustainable supply of clean wind energy. Shear Wind is committed to building shareholder value governed by environmental stewardship. Inveravante Inversiones Universales, S.L., an international corporation based in Spain, indirectly owns 62% of Shear Wind on a fully-diluted basis and 49% of Glen Dhu Wind

Energy Limited Partnership through Genera Avante Holdings Canada Inc., following its investment in Shear Wind in November 2009.

Additional information on the various projects may be viewed on Shear Wind's website: www.shearwind.com.

Forward-Looking Statements / Information

This news release may include certain forward-looking information, including statements relating to business and operating strategies, plans and prospects, using words including "anticipate", "believe", "could", "expect", "intend", "may", "plan", "potential", "project", "seek", "should", "will", "would" and similar expressions, which are intended to identify a number of these forward-looking statements. More particularly, and without limitation, this press release contains forward-looking statements concerning the commissioning of wind turbines for the Glen Dhu Project, the projected operational date for the Glen Dhu Project and details relating to the Glen Dhu Project. Forward-looking information reflects current views with respect to current events and is not a guarantee of future performance and is subject to risks, uncertainties and assumptions. Actual results may differ materially from information contained in the forward-looking information as a result of a number of material factors, including failure to secure adequate financing to develop projects of Shear Wind. Shear Wind undertakes no obligation to publicly update or revise any forward-looking information contained in this news release, except as may be required by applicable laws, rules and regulations. Readers are urged to consider these factors carefully in evaluating any forward-looking information.

FOR FURTHER INFORMATION PLEASE CONTACT:

Shear Wind Inc.

Mike Magnus,
President & CEO
Head Office: 902-444-7420
mmagnus@shearwind.com

CHF Investor Relations
Bob Leshchyshen
bob@chfir.com

- or -

Christopher Haldane
chris@chfir.com

Toronto: 416.868.1079

Shear Wind Inc. trades on the TSX Venture Exchange under the symbol "SWX".

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release