



For Immediate Release – Marketwire Services

SHEAR WIND ANNOUNCES UPDATE ON SALE OF WILLOW RIDGE ASSETS

December 5, 2011 (**HALIFAX, NOVA SCOTIA**) –Further to its news release dated September 22, 2011, Shear Wind Inc. ("**Shear Wind**" or the "**Company**") (TSXV: "SWX") announced today that it has entered into a new amended asset purchase agreement (the "**Agreement**") with UEG-Green Energy Solutions/Alberta Inc. ("**UEG**") to sell the assets associated with the Willow Ridge wind power project in the Fort MacLeod area of Alberta (the "**Project**"). The original agreement, as announced on September 22, 2011, did not close as contemplated; however, the parties have entered into a new amended agreement as of today's date.

The previously announced wind-up of Vindt Resources Inc., a wholly-owned subsidiary of Shear Wind, occurred on or about September 30, 2011 under the provisions of applicable corporate law. The previously announced asset purchase agreement that was entered into between UEG and Vindt Resources Inc. in September 2011 has been superseded by the Agreement.

Subject to satisfaction or waiver of customary conditions precedent for transactions of this nature, UEG will purchase the land rights, Alberta Electric System Operator (AESO) interconnection rights, Met towers and other related Project assets for US\$7 million from Shear Wind or its' assignee at closing which is anticipated to occur not later than January 12, 2012 (the "**Closing Date**").

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. 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.

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

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