

25 August 2003

**CBD ENERGY LIMITED
CAPITAL RAISING**

CBD Energy Limited is pleased to announce that it has entered into a placement with various private clients of Findlay & Co Stockbrokers Limited and Taylor Collison Limited.

The placement will raise a total of \$1.05 million on the following terms:

- The issue of 105 million shares at the price of 1 cent per share;
- The issue of a total of 57 million unlisted options over unissued shares with an exercise price of 1.1 cents per share, and a final exercise date of 27 February 2004 (the issue of the options is subject to shareholder approval at the Company's AGM due to take place in October/November 2003).

The funds raised will be utilised for the following purposes:

- To fund working capital requirements, in particular to fund the capital expenditure required to create a recurring revenue stream from energy performance contracts. Further details of the Company's strategy of renting energy saving equipment to CBD buildings, thereby creating a recurring revenue stream, are set out in the newsletter issued by way of ASX announcement on 31 July 2003; and
- To fund synergistic acquisition opportunities.

Non-Executive Chairman, Mr David Hood was delighted to conclude the capital raising. Mr Hood said: "We thank both Findlay & Co and Taylor Collison for their continuing support. The capital raising will allow the Company to expedite the growth of its energy saving business in Hong Kong, and also to pursue various opportunities that it has in Australia, by way of acquisition and otherwise. The Board is of the view that the Company is very well positioned to take advantage of the opportunities that are available in the energy saving sector."

The Company's newsletter dated 31 July 2003 (issued by way of ASX announcement) indicated that the Company would seek to raise capital in the December 2003 quarter. As a result of the capital raising announced today, the Company now does not expect to raise further capital this calendar year for working capital purposes, unless a unique opportunity arises that would require a further capital injection.

If you require any further information, please contact:

David Hood (Non-Executive Chairman) 0408 487 498; or
Nick Kephala (Non Executive Director) 0419 309 737

CBD Energy Limited is a public company listed on the Australian Stock Exchange (ASX code: CBD). Its wholly owned operating subsidiary, Ventronics, has operations in both Australia and Hong Kong. Ventronics is in the business of minimising a building's power/energy related outgoings whilst at the same time maintaining or improving occupant productivity through increased building amenity. More information can be obtained at www.ventronics.com.hk.