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Shear Wind Guarantees Promissory Note and Confirms Previous Issuance of Stock Options

HALIFAX, NOVA SCOTIA--(Marketwire - May 24, 2011) - Shear Wind Inc. ("**Shear Wind**") (TSX VENTURE:SWX) announces that further to its news release dated December 23, 2010, Shear Wind has received final approval from the TSX Venture Exchange for the unsecured promissory note issued December 23, 2010 ("**Note**") to Genera Avante Holdings Canada Inc. ("**GAHC**"). GAHC holds approximately 62% of the common shares of Shear Wind ("**Common Shares**"). The Note is in the principal amount of \$5,000,000 with an initial draw down of \$3,000,000. The Note shall bear interest at 10% per annum. Fifty percent of the principal drawn on the Note, together with interest, shall be due on December 31, 2012 with the remainder due on December 31, 2013. If the amounts due and owing at each repayment date are not paid in full, the amounts due and owing under the Note at the maturity dates may be converted, in whole or in part, at the option of GAHC into Common Shares at a conversion price of \$0.20.

Shear Wind will use the funds provided for required project development expenditures and operating expenses as well as to advance funds to Shear Wind's wholly owned subsidiary, Vindt Resources Inc. Vindt Resources Inc will use the funds provided for required project development expenditures in Alberta and have also used the funds to repay their promissory note with GAHC provided in August 2010.

Shear Wind also confirms that on April 12, 2007, Shear Wind granted an aggregate of 500,000 options to each of Bill Bartlett and Ian Tillard. Each option is exercisable for one common share of Shear Wind until April 12, 2012 at an exercise price of \$0.30. The options vested as follows: (i) 166,000 on April 12, 2008, (ii) 167,000 on April 12, 2009 and (iii) 167,000 on November 4, 2009.

Shear Wind also confirms that on April 3, 2008, Shear Wind granted an aggregate of 530,000 options to directors of Shear Wind. Each option was exercisable for one common share of Shear Wind until April 3, 2013 at an exercise price of \$0.75. All of these options vested immediately. All of these options expired February 3, 2010.

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. 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