

CASE STUDY

Renewable energy sector - media and investor relations

CBD Energy's (CBD) history involves two established businesses, in engineering services and electricity management. To those businesses, CBD's Gerry McGowan added energy storage and a link with a German solar energy company, leading to a change in its business model to being an enabler of renewable energy solutions for remote communities and new property developments.



CBD's objective is to position itself as a leading company with innovative technology and a range of skills that can offer renewable energy solutions at a time when the world is recognising the urgency of the need to combat climate change.

Challenge

The communications challenge for CBD was to elevate its media and investment community profile and align it with the growing trend towards using renewable energy. Our objective was to achieve extensive media coverage, contributing to an understanding of CBD's business model and to attract the attention of a wider circle of analysts and stockbrokers.

Strategy

Our strategy for CBD involved broadening media and investment community contacts supported by establishing a basic source document which set out simply the CBD story. The aim was to position CBD as an innovative renewable energy company, providing solutions that helped to bring about wider use of renewable energy. An interesting element of the CBD story is its energy storage technology, one of the missing links in making wind and solar power more effective. Mark Vaile's appointment as chairman of CBD added another perspective to positioning CBD, connecting his government and international business credentials with the topicality of the Garnaut Report and climate change.

Implementation

News flow is critical in keeping a story prominent with the media and investment community. By developing news flow and using this as a platform for further media and investment community contact, we gave CBD a competitive positioning and profile which was exceptional for a smaller company. Building relationships with journalists and analysts helped to support a following of the unfolding story.

Results

CBD's significantly higher profile with the media and investment community is contributing to its capital raising program.



CBD taps the power of stored green energy

CBD Energy has some powerful backers – and a lot riding on a King Island demonstration project, writes **Stephen Wisenthal**.

Solar cells and windmills are great sources of green power when the sun is shining and the wind is blowing.

But they are not enough to count on for energy users too remote to link to a reliable electricity grid.

Now Sydney-based CBD Energy thinks it has a solution.

Executive chairman Gerry McGowan says CBD expects to confirm within weeks that it has unlocked the secret of making those green options a lot more viable as it prepares to build a \$15 million energy storage demonstration project on King Island near Tasmania.

The technology uses surplus electricity to heat up blocks of graphite, then runs a steam turbine off that heat to turn a generator when solar or wind power isn't flowing.

A subsidiary of German solar power company Solon, which acquired 20 per cent of CBD earlier this year, developed the technology in Australia.

McGowan – who gained national attention in 2000 when he



Wind power needs to be backed up by a diesel generator. Photo: EBC

founded low-cost carrier Impulse Airlines before selling it to Qantas Airways – claims CBD's tests of heating up a 19 tonne pile of graphite blocks, using elements similar to those in an electric stove, have gone better than expected.

"It's holding the heat for a fairly long period of time," he says.

"It's exceeding what we predicted it would do.

"The economics are starting to stack up in a commercial way.

"Anywhere there is diesel generation we will be competing with a lot of Australia. The tests are set to complete the first project on King Island in a few weeks and CBD is planning a partnership with electricity companies in Tasmania, by CBD's share yesterday of 25c in

They traded in 2006, then he gained the licence storage technology Christmas of Lloyd rang by year.

Lay Solon a di co

enough to cope with fluctuations in power from a windmill. So only out 30 per cent of the wind energy and large amounts go to

reflects the graphite wasted wind about THE WEEKEND AUSTRALIAN 24-25 January 2009

Battery powering up renewable energy push

Derek Parker

AROUND Australia electricity generation capacity is slowly growing but a weak point remains the storage of the energy produced. As a sun does not shine, fossil-based power sources are needed, even though excess energy might have been produced at other times. According to some industry estimates, only about 30 per cent of the wind energy generated is actually used. This picture is being repaired with the development of a new generation of batteries, pointing the way to a much higher degree of energy self-sufficiency, especially for remote communities. A key company in the area is CBD Energy, which is aiming to bring together a mix of technologies to support renewable projects.



AUSTRALIAN FINANCIAL REVIEW
Date...7 October 2008

Westbrook Communications is Australia's leading independent financial public relations firm.

Our team comprises senior people with backgrounds in journalism and the investment markets, giving us an edge in advice on communication of business information.

Our years of experience enable us to advise companies on communication with the media, investors and the investment community.

Crucial to this is guidance on the content of what is said and the how and when to maximise its value.

With our input your company can achieve the positioning and recognition it deserves.

Level 1
17 Castlereagh Street
Sydney NSW 2000
Telephone 61 2 9231 0922
Facsimile 61 2 9231 0131
info@westbrookfin.com.au
www.westbrookfin.com.au

Green junior powers on for cash

Luke Forrestal

KEY POINTS

- CBD Energy needs capital for joint-venture projects in Australia.
- It is seeking to list in Toronto, which is drawing renewable energy firms.
- The company hopes to benefit from a carbon trading scheme.

Former Impulse Airlines chief Gerry McGowan and one-time deputy prime minister Mark Vaile are pushing ahead with plans to raise up to \$65 million for their fledgling renewable energy company, CBD Energy, in North America despite the stricken United States economy.

Mr Vaile, who was appointed chairman of CBD last month, told *The Australian Financial Review* on Friday that the deepening financial crisis in the US had not dented the company's plans to pursue a primary listing on the New York Stock Exchange.

He said Mr McGowan, managing director, has regular contact with US-based investment representatives and they could raise the money. They had been gathering among investors in

of small renewable energy companies there. "It really specialises in that area," Mr McGowan said. "CBD's renewable energy projects are focused on that area."

Idyllic isle even greener

IT TURNS out King Island is not just a place to source great cheese and meat. The small Bass Strait island is also at the forefront of renewable energy. Six large solar arrays are now being installed on the island in a joint venture between listed CBD Energy and Hydro Tasmania. They are being combined with an expanded wind farm, capable of producing up to 2.5MW. The really revolutionary part of the power network are six of CBD's carbon block energy storage units which can provide base-load electricity from the highly variable output of the solar and wind generators. Each of the carbon block units – which are the size of a shipping container – can store electricity as heat and then release it again. Once the network is complete, King Island will be largely self-sufficient on renewable energy alone. It will save about 1.25 million litres of diesel fuel a year. (The weekend Australian, 24-25 Jan 2009)

because of CBD's size – its capitalisation is only about \$10 million – the company has joint ventures.

"We recognise we need strong leadership to be able to fight for our weight," Mr McGowan said.

Mr Vaile stressed the need for subsidies, the effect of a carbon price could provide CBD with a huge advantage as it would be able to trade carbon credits to

