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**SOLAR ALLIANCE ENERGY INC.**  
**INTERIM CONDENSED CONSOLIDATED FINANCIAL**  
**STATEMENTS**  
**THREE MONTHS ENDED MARCH 31, 2024**  
**(UNAUDITED)**

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# Solar Alliance Energy Inc.

## Interim Condensed Consolidated Statements of Financial Position (Expressed in Canadian Dollars) (Unaudited)

	As at March 31, 2024	As at December 31, 2023
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 12,260	\$ 702,988
Accounts receivable	469,656	730,205
Prepaid expenses and deposits	17,093	8,563
Unbilled revenue	1,136,823	135,168
Inventory	136,632	102,214
<b>Total current assets</b>	<b>1,772,464</b>	<b>1,679,138</b>
<b>Non-current assets</b>		
Deposits (note 3)	42,799	42,633
Property, plant and equipment (note 4)	73,376	80,926
<b>Total non-current assets</b>	<b>116,175</b>	<b>123,559</b>
<b>Total assets</b>	<b>\$ 1,888,639</b>	<b>\$ 1,802,697</b>
<b>LIABILITIES AND SHAREHOLDERS' DEFICIENCY</b>		
<b>Current liabilities</b>		
Trade and other payables (notes 5 and 13)	\$ 3,420,203	\$ 3,595,663
Short-term loans and note payable (notes 6 and 13)	237,500	137,500
Customer deposits and deferred revenue	136,930	169,626
Contingent consideration	29,135	29,135
Government assistance (note 7)	60,000	60,000
<b>Total current liabilities</b>	<b>3,883,768</b>	<b>3,991,924</b>
<b>Non-current liabilities</b>		
Asset retirement obligations (note 8)	116,686	115,731
<b>Total non-current liabilities</b>	<b>116,686</b>	<b>115,731</b>
<b>Total liabilities</b>	<b>4,000,454</b>	<b>4,107,655</b>
<b>Shareholders' deficiency</b>		
Share capital (note 9)	48,581,031	48,581,031
Reserves (notes 10 and 11)	17,042,159	17,039,615
Accumulated other comprehensive income	933,810	945,045
Deficit	(68,668,815)	(68,870,649)
<b>Total shareholders' deficiency</b>	<b>(2,111,815)</b>	<b>(2,304,958)</b>
<b>Total liabilities and shareholders' deficiency</b>	<b>\$ 1,888,639</b>	<b>\$ 1,802,697</b>

*The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.*

**Going concern** (note 1)

## Solar Alliance Energy Inc.

Interim Condensed Consolidated Statements of Comprehensive Loss  
(Expressed in Canadian Dollars, except per share and share information)  
(Unaudited)

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
<b>Revenues</b>	<b>\$ 1,664,857</b>	<b>\$ 974,577</b>
<b>Cost of sales</b>	<b>(1,018,394)</b>	<b>(1,239,775)</b>
<b>Gross Profit</b>	<b>646,463</b>	<b>(265,198)</b>
<b>Expenses</b>		
Depreciation (note 4)	9,629	24,725
Consulting fees (note 13)	12,050	19,441
Insurance and filing fees	6,986	13,596
Marketing and advertising	7,442	38,187
Office, rent and utilities	127,218	70,448
Professional fees	(75,489)	223,520
Salaries and benefits (note 13)	331,945	292,746
Share-based payments (notes 12 and 13)	2,544	148,762
Travel and related	28,863	47,503
Total expenses	451,188	878,928
Operating loss	195,275	(1,144,126)
<b>Other (expenses) income</b>		
Other income (note 7)	-	34,797
Asset retirement obligation expense	(955)	(924)
<b>Total other income</b>	<b>(955)</b>	<b>33,873</b>
<b>Net Income (loss) before finance expense (income)</b>	<b>194,320</b>	<b>(1,110,253)</b>
<b>Net finance income (expense)</b>		
Interest income	(6,498)	(21,043)
Foreign exchange	14,012	(290,091)
<b>Net finance income (expense)</b>	<b>7,514</b>	<b>(311,134)</b>
<b>Net income (loss)</b>	<b>201,834</b>	<b>(1,421,387)</b>
<b>Other comprehensive income (loss)</b>		
Change in accumulated foreign exchange translation adjustment	(11,235)	428,797
<b>Comprehensive income (loss)</b>	<b>\$ 190,599</b>	<b>\$ (992,590)</b>
<b>Basic and diluted income (loss) per common share</b>	<b>\$ 0.00</b>	<b>\$ (0.00)</b>
<b>Weighted average number of common shares outstanding</b>	<b>274,984,848</b>	<b>274,984,848</b>

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

# Solar Alliance Energy Inc.

## Interim Condensed Consolidated Statements of Cash Flows

(Expressed in Canadian Dollars)

(Unaudited)

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
<b>Operating activities</b>		
Net income (loss)	\$ 201,834	\$ (1,421,387)
Adjustments for non-cash items:		
Depreciation	9,629	24,725
Share-based payments	2,544	148,762
Asset retirement obligation expense	955	924
Net finance expense	6,498	20,993
Unrealized foreign exchange	(13,314)	445,007
Net changes in working capital:		
Accounts receivable	260,549	(468,048)
Prepaid expenses and deposits	(8,696)	(8,454)
Work in process and inventory	(1,036,073)	34,122
Trade and other payables	(181,958)	1,385,340
Customer deposits and deferred revenue	(32,696)	(241,288)
<b>Net cash used in operating activities</b>	<b>(790,728)</b>	<b>(79,304)</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	-	(464)
<b>Net cash used in investing activities</b>	<b>-</b>	<b>(464)</b>
<b>Financing activities</b>		
Proceeds from short-term loans	100,000	-
Loans repaid	-	(176,000)
<b>Net cash provided by (used in) financing activities</b>	<b>100,000</b>	<b>(176,000)</b>
<b>Net change in cash</b>	<b>(690,728)</b>	<b>(255,768)</b>
<b>Cash, beginning of period</b>	<b>702,988</b>	<b>650,061</b>
<b>Cash, end of period</b>	<b>\$ 12,260</b>	<b>\$ 394,293</b>

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

## Solar Alliance Energy Inc.

### Interim Condensed Consolidated Statements of Changes in Shareholders' Equity (Deficiency)

(Expressed in Canadian Dollars)

(Unaudited)

	Number of Shares	Share Capital	Reserves	Accumulated Other Comprehensive Income	Deficit	Total Shareholders' (Deficiency) Equity
<b>December 31, 2022</b>	<b>274,984,848</b>	<b>\$ 48,581,031</b>	<b>\$ 16,751,461</b>	<b>\$ 287,117</b>	<b>\$(67,058,788)</b>	<b>\$ (1,439,179)</b>
Share-based payments	-	-	148,762	-	-	148,762
Foreign currency translation	-	-	-	428,797	-	428,797
Comprehensive loss	-	-	-	-	(1,421,387)	(1,421,387)
<b>Balance, March 31, 2023</b>	<b>274,984,848</b>	<b>\$ 48,581,031</b>	<b>\$ 16,900,223</b>	<b>\$ 715,914</b>	<b>\$(68,480,175)</b>	<b>\$ (2,283,007)</b>

	Number of Shares	Share Capital	Reserves	Accumulated Other Comprehensive Income	Deficit	Total Shareholders' Deficiency
<b>Balance, December 31, 2023</b>	<b>274,984,848</b>	<b>\$ 48,581,031</b>	<b>\$ 17,039,615</b>	<b>\$ 945,045</b>	<b>\$(68,870,649)</b>	<b>\$ (2,304,958)</b>
Share-based payments	-	-	2,544	-	-	2,544
Foreign currency translation	-	-	-	(11,235)	-	(11,235)
Comprehensive income	-	-	-	-	201,834	201,834
<b>Balance, March 31, 2024</b>	<b>274,984,848</b>	<b>\$ 48,581,031</b>	<b>\$ 17,042,159</b>	<b>\$ 933,810</b>	<b>\$(68,668,815)</b>	<b>\$ (2,111,815)</b>

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

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# Solar Alliance Energy Inc.

## Notes to Interim Condensed Consolidated Financial Statements For the Three Months Ended March 31, 2024 (Expressed in Canadian Dollars, unless otherwise specified) (Unaudited)

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### 1. Nature of business and going concern

Solar Alliance Energy Inc. (the "**Company**") is incorporated under the laws of British Columbia and is an energy solutions provider focused on commercial and industrial solar installations in the United States of America ("**United States**"). The Company's common shares are listed for trading on the TSX Venture Exchange ("**TSX-V**") under the symbol "SOLR" and on the OTC in the United States under the symbol "SAENF".

The Company's corporate office is located at 82 Richmond Street East, Toronto, ON, Canada, M5C 1P1.

#### 1.1 Going concern

These unaudited interim condensed consolidated financial statements have been prepared on a going concern basis which assumes the Company will continue in operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. Accordingly, it does not give effect to adjustments, if any, and which could be material, that would be necessary should the Company be unable to continue as a going concern, and therefore be required to liquidate its assets and settle its liabilities in other than the normal course of business and at amounts that may differ from those shown in these unaudited interim condensed consolidated financial statements.

The Company's strategy to mitigate these risks and uncertainties is to execute its business plan focused on increased revenue growth from its commercial and utility installation division, improving overall gross profit, managing operating expenses and working capital requirements as required, and securing additional financing through equity or debt investments.

As at March 31, 2024, the Company had an accumulated deficit of \$68,668,815, comprehensive loss for the three months ended March 31, 2024 was \$190,599, and negative cash flow from operations of \$790,728. The Company is dependent on generating cash flow from its operations and obtaining equity or debt financing to fund its planned revenue growth and working capital requirements. Such financing may not be available when required, or on terms acceptable to the Company. These conditions raise material uncertainties which cast significant doubt as to whether the Company will be able to continue as a going concern.

### 2. Material accounting policies

#### 2.1 Basis of presentation and measurement

These unaudited interim condensed consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified at fair value through profit or loss ("**FVTPL**"). In addition, these unaudited interim condensed consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

In the preparation of these unaudited interim condensed consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the unaudited interim condensed consolidated financial statements and the reported amount of income and expenses during the period. Actual results could differ from these estimates. Of particular significance are the estimates and assumptions used in the recognition and measurement of items included in note 2.4.

#### 2.2 Statement of compliance

These unaudited interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by International Accounting Standards Board ("**IASB**") and interpretations issued by International Financial Reporting Interpretations Committee ("**IFRIC**").

These unaudited interim condensed consolidated financial statements were authorized for issuance by the Board of Directors of the Company on May 30, 2024.

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# Solar Alliance Energy Inc.

## Notes to Interim Condensed Consolidated Financial Statements

For the Three Months Ended March 31, 2024

(Expressed in Canadian Dollars, unless otherwise specified)

(Unaudited)

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## 2. Material accounting policies (continued)

### 2.3 Functional and presentation currency

These unaudited interim condensed consolidated financial statements are presented in Canadian dollars, which is the parent Company's functional currency. The functional currency of the Company's US subsidiaries is the US dollar.

### 2.4 Use of Accounting Assumptions, Estimates and Judgments

The preparation of these unaudited interim condensed consolidated financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis, including the assessment of the Company's ability to continue as a going concern as discussed above in Note 1. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

#### 2.4.1 Critical accounting estimates

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next fiscal year and are, but are not limited to, the following:

(a) *Share-based payments*

The fair value of stock options issued are subject to the limitation of the Black-Scholes option pricing model which incorporates market data, and which involves uncertainty and subjectivity in estimates used by management in the assumptions. Because the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share price, changes in the subjective input assumptions can materially affect the fair value estimate.

(b) *Percentage of completion calculation*

The Company measures the stage of completion for Engineering, Procurement and Construction ("**EPC**") projects based on percentage of contract value delivered to customers, most usually by reference to invoices issued in accordance with project milestones achieved, unless otherwise appropriate. The estimation of total estimated costs requires judgment and changes to these estimates may affect revenue, unbilled revenue, and deferred revenue.

#### 2.4.2 Critical Accounting Judgments

(a) *Going Concern*

The assessment of whether the going concern assumption is appropriate requires management to consider all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. The Company is aware that material uncertainties related to events or conditions may cast significant doubt upon the Company's ability to continue as a going concern.

(b) *Determination of functional currency*

The functional currency of the Company and each of the Company's subsidiaries is the currency of the primary economic environment in which the entity operates. Management has determined that the functional currency of the parent Company is the Canadian dollar. The functional currency of the Company's US subsidiaries is the US dollar.

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# Solar Alliance Energy Inc.

Notes to Interim Condensed Consolidated Financial Statements  
For the Three Months Ended March 31, 2024  
(Expressed in Canadian Dollars, unless otherwise specified)  
(Unaudited)

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## 2. Material accounting policies (continued)

### 2.4 Use of Accounting Assumptions, Estimates and Judgments

#### 2.4.2 Critical Accounting Judgments (continued)

(c) *Determination of CGUs*

A cash generating unit (“CGU”) is defined as the lowest grouping of integrated assets that generate identifiable cash inflows that are largely independent of the cash inflows of other assets or groups of assets. The allocation of assets into CGUs requires significant judgment and interpretations with respect to the integration between assets, the existence of active markets, similar exposure to market risks, shared infrastructures, and the way in which management monitors the operations.

(d) *Contingencies*

Due to the nature of the Company’s operations, various legal, tax, environmental, regulatory, and business acquisition consideration matters are outstanding from time to time. In the event that management’s estimates of the future resolution of these matters changes, the Company will recognize the effects of the changes in its unaudited interim condensed consolidated financial statements on the date such changes occur.

## 3. Deposits

	As at March 31, 2024	As at December 31, 2023
BC Licence of Occupation security deposits (i)	\$ 18,000	\$ 18,000
Other prepaid deposit	24,799	24,633
Total	\$ 42,799	\$ 42,633

(i) The Company has \$18,000 (December 31, 2023 - \$18,000) on deposit with the BC Ministry of Forests, Lands, and Natural Resource Operations in respect of its remaining licenses of occupation. The funds are held in a non-interest-bearing trust by the Provincial Treasury.



## Solar Alliance Energy Inc.

Notes to Interim Condensed Consolidated Financial Statements  
For the Three Months Ended March 31, 2024  
(Expressed in Canadian Dollars, unless otherwise specified)  
(Unaudited)

### 4. Property, plant and equipment

The following table illustrates movements in the Company's property, plant and equipment cost balance by category:

<b>COST</b>	<b>Solar facilities<sup>(2)</sup></b>	<b>Other equipment<sup>(1)</sup></b>	<b>Total</b>
<b>Balance, December 31, 2022</b>	<b>\$ 1,882,700</b>	<b>\$ 219,944</b>	<b>\$ 2,102,644</b>
Additions	-	10,761	10,761
Disposals	(1,882,700)	-	(1,882,700)
Foreign exchange	-	36,928	36,928
<b>Balance, December 31, 2023</b>	<b>\$ -</b>	<b>\$ 267,633</b>	<b>\$ 267,633</b>
Foreign exchange	-	2,079	2,079
<b>Balance, March 31, 2024</b>	<b>\$ -</b>	<b>\$ 269,712</b>	<b>\$ 269,712</b>

The following table illustrates movements in the Company's accumulated depreciation balance by category:

<b>ACCUMULATED DEPRECIATION</b>	<b>Solar facilities<sup>(2)(3)</sup></b>	<b>Other equipment<sup>(1)</sup></b>	<b>Total</b>
<b>Balance, December 31, 2022</b>	<b>\$ -</b>	<b>\$ 149,888</b>	<b>\$ 149,888</b>
Depreciation	-	36,819	36,819
<b>Balance, December 31, 2023</b>	<b>\$ -</b>	<b>\$ 186,707</b>	<b>\$ 186,707</b>
Depreciation	-	9,629	9,629
<b>Balance, March 31, 2024</b>	<b>\$ -</b>	<b>\$ 196,336</b>	<b>\$ 196,336</b>

### CARRYING AMOUNTS

<b>Balance, December 31, 2023</b>	<b>\$ -</b>	<b>\$ 80,926</b>	<b>\$ 80,926</b>
<b>Balance, March 31, 2024</b>	<b>\$ -</b>	<b>\$ 73,376</b>	<b>\$ 73,376</b>

<sup>(1)</sup> Other equipment includes vehicles, office equipment, furniture and fixtures, computers, and computer software.

### 5. Trade and other payables

	<b>March 31, 2024</b>	<b>December 31, 2023</b>
Trade and other payables in Canada	<b>\$ 1,227,105</b>	<b>\$ 1,313,289</b>
Trade and other payables in the United States	<b>2,193,098</b>	<b>2,282,374</b>
<b>Total trade and other payables</b>	<b>\$ 3,420,203</b>	<b>\$ 3,595,663</b>

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# Solar Alliance Energy Inc.

Notes to Interim Condensed Consolidated Financial Statements  
For the Three Months Ended March 31, 2024  
(Expressed in Canadian Dollars, unless otherwise specified)  
(Unaudited)

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## 6. Short-term loans and note payable

In February 2024, the Company closed an unsecured short-term loan for \$100,000, which was due to a related party (note 13). The term of the loan is one year from the date of each advance and bears interest at 15% per annum. During the three months ended March 31, 2024, the Company repaid \$nil and recorded interest expense of \$1,356 (2023 - \$nil).

In June 2023, the Company closed an unsecured short-term construction loan for a total capacity of \$137,500, which was due to a related party (note 13). The term of the loan is one year from the date of each advance and bears interest at 15% per annum. During the three months ended March 31, 2024, the Company repaid \$nil and recorded interest expense of \$5,142 (2023 - \$nil).

## 7. Government Assistance

During the year ended December 31, 2021, the Company applied for and received loan proceeds in the amount of \$20,000 in connection with COVID-19 Government-sponsored Canada Emergency Business Account ("CEBA") program, for a total CEBA loan of \$60,000. The CEBA loan is non-interest bearing and matures on December 31, 2023. \$20,000 of the total received of \$60,000 is forgivable if the full loan is repaid before the maturity date, otherwise the full amount will revert to an interest-bearing loan with interest at 5% per annum.

## 8. Asset retirement obligations

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	March 31, 2024	December 31, 2023
Asset retirement obligations	\$ 115,731	\$ 112,034
Provisions made during the period	\$ 955	\$ 3,697
Total asset retirement obligation	\$ 116,686	\$ 115,731

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The Company has recorded asset retirement obligations of \$116,686 (December 31, 2023 - \$115,731) associated with the future decommissioning of weather monitoring equipment situated on the Wildmare Wind Energy Project site.

## 9. Share capital

### 9.1 Authorized share capital

The authorized share capital consists of an unlimited number of common shares without par value and 100 redeemable preferred shares.

### 9.2 Common shares issued

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	Number of common shares	Amount
Balance, December 31, 2022, March 31, 2023, December 31, 2023 and March 31, 2024	274,984,848	\$ 48,581,031

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At March 31, 2024, the Company had 274,984,848 common shares issued and outstanding (December 31, 2023 - 274,984,848) and no preferred shares issued and outstanding. A summary of changes in share capital and reserves is contained on the unaudited interim condensed consolidated statements of changes in shareholders' deficiency for the three months ended March 31, 2024 and 2023.

## Solar Alliance Energy Inc.

Notes to Interim Condensed Consolidated Financial Statements  
For the Three Months Ended March 31, 2024  
(Expressed in Canadian Dollars, unless otherwise specified)  
(Unaudited)

### 10. Warrants

The following table reflects the warrants issued and outstanding as of March 31, 2023:

Expiry Date	Exercise Price	Balance December 31, 2022	Granted	Exercised	Expired	Balance March 31, 2023	
February 19, 2023	\$ 0.60	14,655,255	-	-	(14,655,255)	-	
December 29, 2027	\$ 0.08	300,000	-	-	-	300,000	
		14,955,255	-	-	(14,655,255)	300,000	
Weighted Average exercise price	\$ 0.60	\$	-	\$	-	\$ 0.60	\$ 0.08

The following table reflects the warrants issued and outstanding as of March 31, 2024,

Expiry Date	Exercise Price	Balance December 31, 2023	Granted	Exercised	Expired	Balance March 31, 2024
December 29, 2027	\$ 0.08	300,000	-	-	-	300,000
		300,000	-	-	-	300,000
Weighted Average exercise price	\$ 0.08	\$	-	\$	-	\$ 0.08

### 11. Stock options

The Company has a common share Stock Option Plan (equity-settled). The Board of Directors of the Company may from time to time, at its discretion, and in accordance with the requirements of the TSX-V, grant to directors, officers, and technical consultants to the Company, non-transferable options to purchase common shares, exercisable for a period of up to five years from the date of grant. There are no vesting requirements pursuant to the stock option plan. The Board may add such provisions at its discretion on a grant-by-grant basis. However, stock options granted in respect of investor relations activities must vest quarterly over a minimum one-year period, pursuant to TSX-V policy. The Board of Directors have resolved that the Stock Option Plan authorize the directors to grant stock options up to a maximum of 10% of the number of common shares issued and outstanding at the time of grant. The "rolling" stock option plan has been in effect since the Company was listed on the TSX-V.

# Solar Alliance Energy Inc.

Notes to Interim Condensed Consolidated Financial Statements  
For the Three Months Ended March 31, 2024  
(Expressed in Canadian Dollars, unless otherwise specified)  
(Unaudited)

## 11. Stock options (continued)

Details of the stock options outstanding as at March 31, 2023 are as follows:

Expiry Date	Exercise Price	Balance December 31, 2022	Granted	Exercised	Expired/ Cancelled	Balance March 31, 2023
May 4, 2023	\$ 0.08	500,000	-	-	-	500,000
May 6, 2023	\$ 0.06	-	-	-	-	-
May 6, 2024	\$ 0.06	4,189,286	-	-	-	4,189,286
July 16, 2024	\$ 0.06	2,000,000	-	-	-	2,000,000
December 22, 2024	\$ 0.08	1,000,000	-	-	-	1,000,000
January 26, 2025	\$ 0.08	300,000	-	-	-	300,000
March 31, 2025	\$ 0.05	1,800,000	-	-	-	1,800,000
July 23, 2025	\$ 0.05	1,600,000	-	-	-	1,600,000
October 27, 2025	\$ 0.05	400,000	-	-	-	400,000
December 9, 2025	\$ 0.06	100,000	-	-	-	100,000
September 13, 2026	\$ 0.22	1,050,000	-	-	-	1,050,000
November 23, 2026	\$ 0.18	1,000,000	-	-	-	1,000,000
August 5, 2027	\$ 0.09	4,475,000	-	-	-	4,475,000
September 26, 2027	\$ 0.11	100,000	-	-	-	100,000
February 23, 2028	\$ 0.08	-	900,000	-	-	900,000
		18,514,286	900,000	-	-	19,414,286
Weighted average exercise price	\$ 0.08	\$ 0.08	\$ 0.08	\$ -	\$ -	\$ 0.08

Details of the stock options outstanding as at March 31, 2024 are as follows:

Expiry Date	Exercise Price	Balance December 31, 2023	Granted	Exercised	Expired/ Cancelled	Balance March 31, 2024
May 6, 2024	\$ 0.06	4,189,286	-	-	-	4,189,286
July 16, 2024	\$ 0.06	2,000,000	-	-	-	2,000,000
December 22, 2024	\$ 0.08	1,000,000	-	-	-	1,000,000
January 26, 2025	\$ 0.08	300,000	-	-	-	300,000
March 31, 2025	\$ 0.05	1,800,000	-	-	-	1,800,000
July 23, 2025	\$ 0.05	1,600,000	-	-	-	1,600,000
October 27, 2025	\$ 0.05	400,000	-	-	-	400,000
December 9, 2025	\$ 0.06	100,000	-	-	-	100,000
September 13, 2026	\$ 0.22	1,050,000	-	-	-	1,050,000
November 23, 2026	\$ 0.18	1,000,000	-	-	-	1,000,000
August 5, 2027	\$ 0.09	4,475,000	-	-	-	4,475,000
September 26, 2027	\$ 0.11	100,000	-	-	-	100,000
February 23, 2028	\$ 0.08	900,000	-	-	-	900,000
		18,914,286	-	-	-	18,914,286
Weighted average exercise price	\$ 0.08	\$ 0.08	\$ -	\$ -	\$ -	\$ 0.08

As of March 31, 2024, the weighted average remaining contractual life of the Company's stock options is 1.93 years (December 31, 2023 - 2.18 years).

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# Solar Alliance Energy Inc.

## Notes to Interim Condensed Consolidated Financial Statements

For the Three Months Ended March 31, 2024

(Expressed in Canadian Dollars, unless otherwise specified)

(Unaudited)

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### 12. Share-based payments

During the three months ended March 31, 2024, the Company granted nil stock options to directors, officers, and employees of the Company (2023 - 900,000) and recorded \$2,544 (2023 - \$148,762) of share-based payments for options that vested during the period. The compensation expense was based on the fair value of each stock option on the date of the grant using the Black-Scholes option pricing model.

The Company made the following option grants during 2023:

- On February 23, 2023, the Company granted 900,000 stock options to directors, officers and employees of the Company with each option exercisable into one common share of the Company at an exercise price of \$0.08 per share until February 23, 2028. A fair value of \$68,770 was determined using the Black-Scholes option pricing model. The following weighted average assumptions were used: share price - \$0.08; dividend yield - 0%; expected volatility - 176.05%; risk-free interest rate - 3.50%; and an expected life - 5 years. The options vested a quarter after three months from the date of grant, a quarter after six months from the date of grant, a quarter after nine months from the date of grant and a quarter after twelve months from the date of grant.

### 13. Related party transactions and balances

In addition to related party transactions and balances disclosed elsewhere in these unaudited interim condensed consolidated financial statements, the following are transactions that occurred during the three months ended March 31, 2024 and balances as at March 31, 2024 with related parties:

- Included in trade and other payables as at March 31, 2024 is \$432,000 (December 31, 2023 - \$289,000) due to current and former officers and directors and a significant shareholder of the Company for consulting fees, salaries and benefits and expense reimbursements.
- Included in short-term loans (note 6) as at March 31, 2024 is \$237,500 (December 31, 2023 - \$137,500) due to current directors of the Company.
- Included in interest expense as at March 31, 2024 is \$6,498 (March 31, 2023 - \$12,895) due to current directors of the Company.
- Included in professional fees as at March 31, 2024 is \$4,500 (March 31, 2023 - \$5,696) to Marrelli Support Services Inc., a company which the CFO is related to. As of March 31, 2024, the company owed \$13,880 which is included in trade and other payables.

Key management includes members of the Board of Directors, the Chief Executive Officer, the Chief Financial Officer, and the Corporate Secretary. The aggregate compensation paid or accrued to key management personnel during the three months ended March 31, 2024 and 2023 were as follows:

	Three months ended March 31,	
	2024	2023
Salaries and benefits	41,667	58,972
Share-based payments	1,413	60,428
Total	\$ 43,080	\$ 119,400

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## Solar Alliance Energy Inc.

### Notes to Interim Condensed Consolidated Financial Statements

For the Three Months Ended March 31, 2024

(Expressed in Canadian Dollars, unless otherwise specified)

(Unaudited)

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#### 14. Segmented information

The Company identified the operating segments as outlined in the table below based on the nature of operations and asset class. Geographical segment information is provided by country of operation.

The Company identified the operating segments as Solar EPC and Solar generation from solar facilities. During the nine months ended March 31, 2024 and 2023, all of the Company's revenues and cost of goods sold related to its solar EPC segment. As of March 31, 2024 and December 31, 2023, the Company's assets and non-current assets related to each of the segments:

	March 31, 2024	December 31, 2023
<b>As at March 31, 2024</b>		
Solar EPC		
Total assets	\$ 1,774,093	\$ 1,670,528
Total liabilities	2,330,028	2,452,000
Corporate		
Total assets	114,546	132,169
Total liabilities	1,670,426	1,655,655
Total		
Total assets	1,888,639	1,802,697
Total liabilities	4,000,454	4,107,655

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Operating segment	United States	Canada	Total
<b>For the three months ended March 31, 2024</b>			
Total revenues	1,664,857	-	1,664,857
Non-current assets (as at March 31, 2024)	79,824	36,351	116,175
<b>For the three months ended March 31, 2023</b>			
Total revenue	974,577	-	974,577
Non-current assets (as at December 31, 2023)	87,208	36,351	123,559

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During the three months ended March 31, 2024 the Company had three (three months ended March 31, 2023 - three) customers that individually accounted for more than 10% of consolidated revenue.