REVOLVE RENEWABLE POWER CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2024, AND 2023

(Expressed in US Dollars)

REVOLVE RENEWABLE POWER CORP.
Condensed Interim Consolidated Statements of Financial Position
(Expressed in US Dollars)

AS AT	Note	September 30, 2024	June 30, 2024
		$	$
ASSETS			
Current assets			
Cash		2,157,475	3,181,827
Restricted cash	3	523,346	511,245
Receivables	4	275,035	426,373
Prepaid expenses		246,494	276,487
Deposit	5	452,500	452,500
Related party loans receivable	14	339,755	334,717
Financial lease receivable	12	122,256	131,125
Derivative financial instrument	15	132,845	292,368
Sales tax receivable	8	1,786,909	1,898,503
Total current assets		6,036,615	7,505,145
Non-current assets			
Investments	7	1,055,224	1,442,375
Property and equipment	9	7,523,397	7,691,850
Financial lease receivable	12	470,995	500,314
Projects under development	1	206,913	-
Deferred income tax asset	16	1,317,296	1,412,848
Total non-current assets		10,573,825	11,047,387
TOTAL ASSETS		**16,610,440**	**18,552,532**
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	13	1,145,694	1,294,278
Current loan payable	15	6,859,808	6,833,908
Current tax liability	16	780,385	796,016
Sales tax repayment liability	13	930,790	-
Total current liabilities		9,716,677	8,924,202
Long term liabilities			
Sales tax repayment liability	13	-	930,790
Loans payable	15	3,243,232	3,195,137
Related party loans payable	14	195,531	192,632
Deferred income tax liability	16	257,515	302,870
Total long-term liabilities		3,696,278	4,621,429
Total Liabilities		**13,412,955**	**13,545,631**
Equity			
Share capital	17	10,618,644	10,618,644
Reserves		1,280,005	1,200,261
Accumulated other comprehensive loss		(400,933)	(86,838)
Accumulated deficit		(8,621,836)	(7,158,180)
Equity attributed to holders of the parent		2,875,880	4,573,887
Non-controlling interest	22	321,605	433,014
Total shareholder equity		**3,197,485**	**5,006,901**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**16,610,440**	**18,552,532**

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

Nature of operations and going concern	1
Subsequent events	23

Approved and authorized by the Board on November 27, 2024

Approved on behalf of the Board:

"Michael Clark"
Director: Michael Clark

"Craig Lindsay"
Director: Craig Lindsay

REVOLVE RENEWABLE POWER CORP.
Condensed Interim Consolidated Statements of Financial Position
(Expressed in US Dollars)

	Note	For three-month period ended September 30, 2024	September 30, 2023
Revenue		$	$
Distributed generation – electricity sales		111,932	109,880
Distributed generation – finance income	12	18,832	-
Utility scale – electricity sales	6	254,408	-
Utility scale – sale of development rights	10	-	1,090,000
Asset management income	6	63,670	-
Total revenue		**448,842**	**1,199,880**
Cost of sales			
Distributed generation		(18,683)	(45,331)
Utility scale		(129,586)	-
Gross profit		300,573	**1,154,549**
Operating expenses			
General and administrative	11	885,799	663,632
Development expenses		66,123	22,539
Depreciation	9	196,266	97,904
Total operating expenses		(1,148,188)	(784,075)
Operating income (loss)		(847,615)	**370,474**
Other items			
Transaction and acquisition costs		(27,702)	(32,886)
Interest and royalty expense	15	(137,440)	(34,773)
Unrealized loss on derivative instrument	15	(162,427)	-
Share based compensation		(12,031)	-
Foreign exchange gain (loss)	2	(25,449)	618,961
Gain on derecognition of asset		20,753	-
Interest income		31,269	-
Income (loss) for the period before income tax		**(1,160,642)**	**921,766**
Current income tax (recovery)		(15,584)	-
Deferred income tax (recovery)		(49,459)	-
Income (loss) for the period after income tax		**(1,095,599)**	**921,766**
Income (loss) attributable to:			
Shareholders' equity		(1,009,223)	815,238
Non-controlling interest	22	(86,376)	106,538
Income (loss) for the period		**(1,095,599)**	**921,776**
Other comprehensive loss			
Foreign currency translation		(9,240,114)	(590,652)
Other comprehensive loss attributable to:			
Shareholders' equity		(116,491)	(647,161)
Non-controlling interest	22	(123,623)	56,509
Other comprehensive loss		**(9,240,114)**	**(590,652)**
Total comprehensive loss attributable to:			
Shareholders' equity		(1,148,011)	168,077
Non-controlling interest	22	(187,702)	163,047
		(1,335,713)	**331,124**
Basic and diluted income (loss) per share		(0.02)	0.01
Weighted average number of common shares outstanding		63,036,116	54,905,565

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

REVOLVE RENEWABLE POWER CORP.
Condensed Interim Consolidated Statements of Changes in Equity
(Expressed in US Dollars)

		Share Capital						
	Note	Number of common shares	Amount	Reserves	Accumulated other comprehensive income (loss)	Accumulated deficit	Non-controlling interest	Total
			$	$	$	$	$	$
June 30, 2023		**54,905,565**	**8,982,111**	**932,356**	**116,348**	**(9,494,854)**	**(184,945)**	**351,016**
Foreign currency adjustment		-	-	-	(647,161)	-	56,509	(590,652)
Loss for the period		-	-	-	-	815,238	106,538	921,776
September 30, 2023		**54,905,565**	**8,982,111**	**932,356**	**(530,813)**	**(8,679,616)**	**(21,898)**	**682,140**
Common shares, net of issuance costs		8,130,551	1,636,533	-	-	-	-	1,636,533
Deferred share units grant	16	-	-	266,363	-	-	-	266,363
Options granted	16	-	-	1,542	-	-	-	1,542
Value of non-controlling interest at date of acquisition	6	-	-	-	-	-	410,894	410,894
Dividend paid to non-controlling interest		-	-	-	-	-	(161,783)	(161,783)
Foreign currency adjustment		-	-	-	444,013	-	52,359	496,372
Deficit acquired		-	-	-	-	(5,894)	-	(5,894)
Income for the period		-	-	-	,-	1,527,330	153,405	1,680,735
June 30, 2024		**63,036,116**	**10,618,644**	**1,200,261**	**(86,800)**	**(7,158,180)**	**432,977**	**5,006,901**
Deferred share units grant	16	-	-	67,602	-	-	-	67,602
Options granted	16	-	-	12,142	-	-	-	12,142
Foreign currency adjustment		-	-	-	(116,491)	-	(123,648)	(9,240,114)
Deficit adjusted at consolidation		-	-	-	(197,642)	(454,432)	98,636	(553,448)
Loss for the period		-	-	-	,-	(1,009,223)	(86,376)	(1,095,599)
September 30, 2024		**63,036,116**	**10,618,644**	**1,280,005**	**(400,933)**	**(8,621,835)**	**321,605**	**3,197,485**

All common shares and per common share amounts in these consolidated financial statements have been retroactively restated to reflect the share consolidation.

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

(Expressed in US Dollars)

	For the three months ended	
	September 30, 2024	**September 30, 2023**
Cash flows used in operating activities	**$**	$
Income (loss) for the period	(1,095,599)	921,776
Adjustments for non-cash items:		
Depreciation	196,266	97,904
Deferred share units grant	67,426	-
Foreign exchange loss	(25,449)	(618,961)
Unrealized loss on derivative instrument	162,427	-
Share-based compensation	12,142	-
Current income tax	(15,631)	-
Future income tax recovery	50,197	-
Gain on derecognition of asset	20,753	-
Change in non-cash operating working capital:		
Accounts receivable and prepaid expenses	194,400	(28,051)
Accounts payable and accrued liabilities	(148,584)	(62,421)
Sales tax receivable	111,594	-
Deferred revenue	-	(240,000)
Total cash flow used in operating activities	**(470,058)**	**70,247**
Cash flows used in investing activities		
Projects under development	(206,913)	-
Additions of distributed generation and equipment	(27,984)	(50,037)
Total cash flow used in investing activities	**(234,897)**	**(50,037)**
Cash flows used in financing activities		
Loan facility repayment	73,995	-
Total cash flow from financing activities	**73,995**	**-**
Foreign currency translation effect on cash	(393,931)	(39,943)
Change in cash during the period	(1,024,351)	(19,733)
Cash, beginning of the period	3,181,826	611,922
Cash, end of the period	**2,157,475**	**592,189**

1. NATURE OF OPERATIONS AND GOING CONCERN

Revolve Renewable Power Corp. (the "Company) was incorporated on April 7, 1989, under the laws of the Province of Alberta. On April 17, 2018, the Company continued into the Province of British Columbia. The Company's head office is Unit 900, 2025 Willingdon Avenue, Burnaby, BC, V5C 0J3, Canada and its registered and records office address is Suite 2200, 700 West Georgia Street, Vancouver, BC, V7Y 1K8, Canada.

In 2023, the Company completed the acquisition of 100% of Centrica Business Solutions Mexico S.A ("CBS Mexico").

During the year ended June 30, 2024, the Company completed the acquisition of 100% of the outstanding shares of WindRiver Power Corporation ("WindRiver"), a Canadian based owner, operator and developer of wind and hydro projects. The acquisition of WindRiver was accounted for as a business combination (Note 7). As part of the acquisition of WindRiver, the Company acquired WindRiver's interest in the following subsidiaries: 51% of the outstanding shares of Box Springs Wind Corporation ("Box Springs"), 100% of the outstanding shares of WPC Management Corporation ("WPC") and 100% of the outstanding shares of KMC Energy Corporation ("KMC").

The Company has two business divisions: a) the "utility scale" renewable power division which operates and develops wind, solar, hydro and battery storage projects located across the US, Canada and Mexico and b) the "distributed generation" division which develops, owns and operates distributed generation (typically less than 20MW per project) "behind the meter" wind, solar, battery storage and energy efficiency projects in Mexico, the US and Canada.

The Company's portfolio includes the following:

- **Operating Assets:** 11MW (net) of operating assets under long term power purchase agreements across Canada and Mexico covering wind, solar, battery storage and hydro generation;

- **Under Construction:** a 3MW Combined Heat and Power ("CHP") project and a 0.45MW rooftop solar project that are both under construction; and

- **Development:** a diverse portfolio of utility scale development projects across the US, Canada and Mexico with a combined capacity of over 3,000MW as well as a 140MW+ distributed generation portfolio that is under development.

The Company has total revenues of $448,842 at September 30, 2024 (September 30, 2023 – $1,199,880) and negative cash flow from operations of $470,058 for the period ended September 30, 2024 (September 30, 2023 – positive cash flow of $70,247).

The ability of the Company to continue as a going concern depends on selling projects to achieve profitable operations, generating positive operating cash flows and obtaining the necessary financing to develop the current projects. As of September 30, 2024, there are projects in progress and still pending commercialisation. The outcome of these projects cannot be predicted at this time. To fund its operating activities, the Company will continue to raise additional debt and equity financing as required to support its operations until such time that its operations become self-sustaining. There is no assurance that any such activity will generate sufficient funds for future operations. These factors indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. These financial statements have been prepared by management on a going concern basis which assumes that the Company will realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

1. NATURE OF OPERATIONS AND GOING CONCERN (CONTINUED)

These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies used in the preparation of these consolidated financial statements.

Statement of compliance and basis of measurement

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretation Committee.

These consolidated financial statements of the Company have been prepared on an accrual basis, based on historical costs, except for financial instruments measured at fair value. The consolidated financial statements are presented in US dollars, which is the Company's reporting currency unless otherwise noted.

These consolidated financial statements of the Company were approved and authorized for issue by the Board of Directors on November 27, 2024.

Critical accounting estimates and judgements

The critical accounting estimates and judgements used in the preparation of these financial statements comprise of:

Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured by assets acquired and liabilities assumed measured at their fair value at the acquisition date with considerations for non-controlling interest. Acquisition-related costs are expensed as incurred and included in transaction and acquisition costs.

The Company determines whether a transaction will be considered the acquisition of a business when the acquired set of activities and assets include an input and a substantive process, that together significantly contribute to the ability to create outputs. Goodwill is initially measured at cost, and then measured at cost less any accumulated impairment losses.

Significant accounting policies

Basis of presentation and consolidation

These consolidated financial statements include the financial statements of the Company and the entities controlled by the Company. The entities acquired as part of the WindRiver acquisition, have been incorporated to the consolidated financial statement effective February 12, 2024 (the "Acquisition Date"). Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(Expressed in US Dollars)

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of presentation and consolidation (continued)

All intercompany transactions and balances have been eliminated. Intra-group balances and transactions, including any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

A detailed list of companies that have been consolidated within these financial statements, including country of Incorporation, operations descriptions and effective interest are included below.

Entity	Country of Incorporation	Operations	Effective Interest
Revolve Renewable Power Limited (subsidiary of Revolve Renewable Power Corp.)	Republic of Ireland	Developer of renewable energy electricity generation projects located in North America	100%
Revolve Renewable Power Canada Inc. (subsidiary of Revolve Renewable Power Corp.)	Canada	Corporate entity overseeing the operations of its subsidiary	100%
Revolve Acquisition Corp. (subsidiary of Revolve Renewable Power Corp.) [2]	Canada	Corporate entity overseeing the operations of its subsidiary	100%
Emerald Power México, S.A. de C.V. ("EPM")	Mexico	Developer of renewable energy electricity generation projects	100%
Revolve Presa Nueva Wind DAC ("PNW")	Republic of Ireland	Corporate entity overseeing the operations of its subsidiary	100%
Presa Nueva Eólica, S.A. de C.V. ("PNE") (subsidiary of PNW)	Mexico	Developer of renewable energy electricity generation projects	100%
Revolve El Mentillo Wind DAC (Revolve El Mentillo")	Republic of Ireland	Corporate entity overseeing the operations of its subsidiary	100%
Eólica El Mentillo, S.A. de C.V. ("ESS") (subsidiary of Revolve El Mentillo)	Mexico	Developer of renewable energy electricity generation projects	100%
Revolve El 24 Wind DAC ("Revolve El 24")	Republic of Ireland	Corporate entity overseeing the operations of its subsidiary	100%
EPM Eólica 24, S.A. de C.V. ("EPM 24") (subsidiary of Revolve El 24)	Mexico	Developer of renewable energy electricity generation projects	100%
Revolve Florida Wind DAC ("Revolve Florida Wind")	Republic of Ireland	Corporate entity overseeing the operations of its subsidiary	100%
Eólica La Florida S.A. de C.V. (subsidiary of Revolve Florida Wind)	Mexico	Developer of renewable energy electricity generation projects	100%
MSE Eolicse Wind Limited ("MSE Eolicse")	Republic of Ireland	Dormant	100%
Eólicse, S.A.P.I de C.V. ("Eolicse") (subsidiary of MSE Eólicse)	Mexico	Dormant	100%
MRE Mamulique Solar Limited ("Mamulique Solar")	Republic of Ireland	Dormant	100%
EPM Solar, S.A. de C.V. (subsidiary of Mamulique Solar)	Mexico	Dormant	100%
MRE US Wind & Solar Inc. ("MRE US")	USA	Corporate entity overseeing the operations of its subsidiary	90%
Revolve Renewable Power AZ LLC (subsidiary of MRE US)	USA	Sold as part of the sale of project	90%

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of presentation and consolidation (continued)

Entity	Country of Incorporation	Operations	Effective Interest
Revolve Lordsburg Solar LLC (subsidiary of MRE US)	USA	Developer of renewable energy electricity generation projects	90%
Revolve Afton Solar LLC (subsidiary of MRE US)	USA	Developer of renewable energy electricity generation projects	90%
Revolve Parker Solar LLC (subsidiary of MRE US)	USA	Sold as part of the sale of project	90%
Revolve Vernal BESS LLC (subsidiary of MRE US)	USA	Developer of renewable energy electricity generation projects	90%
Revolve Primus Wind LLC (subsidiary of MRE US) [1]	USA	Developer of renewable energy electricity generation projects	90%
Revolve Renewable Power Business Solutions S.A de C.V.	Mexico	Distributed generation business	100%
MRE Dolores Wind DAC	Republic of Ireland	Inactive	100%
MRE Alamito Solar Limited	Republic of Ireland	Inactive	100%
WindRiver Power Corporation [3]	Canada	Developer of renewable energy electricity generation projects	100%
Box Springs Wind Corporation [3]	Canada	Operator of renewable energy electricity generation projects	51%
KMC Energy Corp. [3]	Canada	Developer of renewable energy electricity generation projects	100%
WPC Management Corporation [3]	Canada	Corporate entity overseeing the operations of its subsidiary	100%

1 During the year ended June 30, 2024, Revolve Primus Wind LLC was incorporated in the state of Utah.

2 During the year ended June 30, 2024, Revolve Acquisition Corp. was incorporated in the province of Alberta.

3 During the year ended June 30, 2024, the Company acquired WindRiver Power Corporation and its subsidiaries (Note 7)

Foreign exchange currency translation and non-controlling interest

Functional currency

The functional currency of each entity is measured using the currency of the primary economic environment in which that entity operates. These consolidated financial statements are presented in US dollars. The operating and functional currencies of the Company and its active subsidiaries are as follows:

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional currency (continued)

Company	Operating Currency	Functional Currency
Revolve Renewable Power Corp.	Canadian Dollar	Canadian Dollar
Revolve Renewable Power Canada Inc.	Canadian Dollar	Canadian Dollar
Revolve Renewable Power Limited.	Euro	Canadian Dollar
Revolve Renewable Power Business Solutions S.A. de C.V.	Mexican Peso	Mexican Peso
Emerald Power Mexico, S.A. de C.V.	Mexican Peso	Canadian Dollar
Presa Nueva Eólica, S.A. de C.V.	Mexican Peso	Canadian Dollar
Eólica El Mentillo, S.A. de C.V.	Mexican Peso	Canadian Dollar
EPM Eólica 24, S.A. de C.V.	Mexican Peso	Canadian Dollar
EPM Solar, S.A. de C. V.	Mexican Peso	Canadian Dollar
MRE US Wind & Solar Inc.	US Dollar	Canadian Dollar
Revolve Lordsburg Solar LLC	US Dollar	Canadian Dollar
Revolve Afton Solar LLC	US Dollar	Canadian Dollar
Revolve Vernal BESS LLC	US Dollar	Canadian Dollar
Revolve Renewable Power AZ LLC	US Dollar	Canadian Dollar
WindRiver Power Corporation[1]	Canadian Dollar	Canadian Dollar
Box Springs Wind Corporation[1]	Canadian Dollar	Canadian Dollar
WPC Management Corporation[1]	Canadian Dollar	Canadian Dollar
KMC Energy Corp.[1]	Canadian Dollar	Canadian Dollar

2 During the year ended June 30, 2024, the Company acquired WindRiver Power Corporation and its subsidiaries (Note 6)

The Company's translation and exchange rate exposure arises as follows:

- Foreign currency translation adjustment resulting from the translation of functional currency to reporting currency, including prior period balances, which creates gains/losses on the income statement under foreign currency translation adjustment.
- Payment of invoices in currency different than operating currency, posted at daily exchange rate on date of incurred expense, and paid at daily exchange rate resulting in foreign exchange gains/losses on the income statement in "Other items".
- Exchange rate variances as a result of the translation from operating currency to functional currency using historical exchange rates on historical share capital and reserves, current year period averages for profit & loss items, and current period end rates for balance sheet items, resulting in foreign exchange gains/losses on the income statement in other items.

Transactions and balances

Transactions in foreign currencies are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities of any group entity that are denominated in a currency other than its functional currency at the reporting date are translated into the presentation currency at the rate of exchange on the reporting date, while non-monetary assets and liabilities are translated at historical exchange rates. Income and expenses are translated at the exchange rates approximating those in effect on the dates of the transactions. Exchange gains and losses arising on translation are included in profit or loss in the statement of comprehensive loss (income).

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The results and financial position of the Company and all its entities (none of which has the currency of a hyperinflationary economy) are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that financial year end;
- income and expenses for each statement of loss and comprehensive loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions);
- equity transactions are translated using the exchange rate at the date of the transaction; and
- all resulting exchange differences are recognized as a separate component of equity.

Project development costs

Effective as of September 30, 2024, period end, project development costs incurred for the acquisition of land or land use rights, as well as design, development, engineering, interconnection, and acquisition costs related to both distributed generation and utility-scale projects under development are capitalized in the statement of financial position.

These costs are capitalized when all the following criteria are met:

a) The expenditure is directly associated with a specific distributed generation or utility-scale project under development, and land rights for the project have been secured.
b) The cost is directly attributable to the acquisition and development of the project.
c) There is a reasonable expectation of future economic benefits arising from the project.

If these criteria are not met, project development costs are expensed in the period incurred. Prior to this period end, project development costs did not meet these criteria, therefore, all project development costs were expensed.

Revenue recognition

The Company's revenue consists of the sale of electricity from its distributed generation and utility scale renewable projects and the sale of development rights of utility scale projects. In addition, the Company's revenue consists of asset management income for services provided to its 21% owned hydro projects. Revenue is recorded net of applicable sales taxes.

Electricity revenue related to distributed generation and utility scale renewable projects is recognized monthly as the electricity is delivered to the customer. The electricity is a single performance obligation in accordance with each specific Power Purchase Agreement ("PPA").

Revenue from the PPA classified as a finance lease under IFRS 16 is recognized in a manner that reflects a constant periodic rate of return on the lessor's net investment in the lease. The net investment in the lease is determined as the aggregate of the lease payments receivable discounted at the interest rate implicit in the lease.

Distributed generation lease payments received are apportioned between a reduction in the net investment in the lease and finance income, which is recognized as distributed generation (DG) finance income in the statement of profit or loss over the lease term. DG finance income is recognized using the effective interest method, which allocates the DG finance income over the lease term in a systematic and rational manner.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Asset management revenue related to the services provided by the Company with respect to its 21% ownership in the operating hydro projects acquired through the WindRiver acquisition, is recognized quarterly based on when the operating and maintenance services have been provided to the hydro projects.

Revenue related to the sale of development rights for a utility scale project is recognized based on the revenue received by the Company on completion of such as sales as well as on the completing development milestones as defined in the Purchase Agreements between the Company and the purchaser of the development rights.

Leases

These condensed interim consolidated financial statements have been prepared in accordance with IFRS 16 – Leases. As a lessor, the Company classifies lease arrangements as either finance leases or operating leases. In cases where substantially all the risks and rewards incidental to ownership of an asset are transferred to the lessee, the lease is classified as a finance lease. For leases where the risks and rewards remain with the Company, the lease is classified as an operating lease.

In the case of finance leases, where the Company leases an asset to a third party and expects to transfer ownership to the lessee at the end of the lease term for a nominal price, the following accounting treatment is applied:

Recognition of net investment in the lease

Upon entering into a finance lease, the Company derecognizes the underlying leased asset and recognizes a net investment in the lease, which is recorded as a financial lease receivable. The net investment in the lease is measured at the present value of the lease payments to be received, plus any unguaranteed residual value (if any), discounted at the interest rate implicit in the lease.

DG finance income

The Company recognizes DG finance income over the lease term using the effective interest rate method, which ensures a constant periodic rate of return on the net investment in the lease. Interest income is recognized in the statement of profit or loss under DG finance income. The lease payments received from the lessee are apportioned between a reduction in the net investment and interest income.

Derecognition at the end of the lease term

At the end of the lease term, ownership of the asset is transferred to the lessee for a nominal price. Once ownership is transferred, the net investment in the lease is fully derecognized. Any difference between the final payment received and the carrying amount of the net investment is recognized in profit or loss at that point.

Impairment

The net investment in the lease is subject to impairment testing in accordance with IFRS 9 – Financial Instruments. The Company assesses at each reporting date whether there is objective evidence that the net investment is impaired. Any impairment loss is recognized in the statement of profit or loss.

No depreciation for finance leases

Under finance leases, the Company no longer recognizes the leased asset on its balance sheet once the lease commences, and therefore, it does not continue to depreciate the asset. Instead, the Company recognizes the net investment in the lease and follows the income recognition pattern described above

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Standards issued but not yet effective

The following new standards, amendments to standards and interpretations have been issued but are not effective during the period ended September 30, 2024.

IFRS S1 and IFRS S2: IFRS S1 establishes the framework for disclosing sustainability-related financial information to provide stakeholders with insight into an entity's governance, strategy, risk management, and performance in managing significant sustainability-related risks and opportunities. IFRS S2 builds on IFRS S1 and provides specific guidance for disclosing climate-related risks and opportunities, including metrics and targets aligned with the Task Force on Climate-related Financial Disclosures (TCFD). The Company is evaluating the impact of these standards and will implement the required disclosures when they become effective.

Lack of Exchangeability (Amendments to IAS 21) – These amendments are designed to help an entity determine whether a currency is exchangeable into another currency and requirements the entity would apply when it is not. They are effective for annual periods beginning on or after 1 January 2025 (early adoption is available).

Amendments to the classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7) – These amendments clarify the requirements related to the date of recognition and derecognition of financial assets and liabilities, with an exception for derecognition of financial liabilities settled via an electronic transfer. They also clarify the requirements for assessing contractual cash flow characteristics of financial assets and characteristic of non-recurse loans and contractually linked agreements. They are effective for annual periods beginning on or after 1 January 2026 (early adoption is available only for amendments related to the classification of financial assets and the related disclosures).

IFRS 18 Presentation and disclosure in financial statements (Replaces AIS 1 Presentation of Financial statements) – This standard sets out significant new requirements for how financial statements are presented, with particular focus on the statement of profit and loss, including requirements for mandatory sub-totals to be presented, aggregation and disaggregation of information, as well as disclosure related to management-defined performance measures. This standard also results in narrow scope changes to the statement of cash flows. They are effective for annual periods beginning on or after 1 January 2027.

IFRS 19 Subsidiaries without public accountability disclosures – This standard permits eligible subsidiaries to provide reduced disclosures while applying the recognition, measurement and presentation requirements in IFRS accounting standards. It allows an entity eligibility to apply IFRS 19 in its consolidated separate of individual financial statements if it meets the eligibility criteria at the end of the reporting period, they are effective for annual periods beginning on or after 1 January 2027

The Company anticipates that these amendments will not have a material impact on the results of operations and financial position of the Company.

(Expressed in US Dollars)

3. RESTRICTED CASH

Pursuant to the project financing of Box Springs (Note 15), the credit agreement requires Box Springs to maintain a debt service reserve ("DSR") of $295,930 (C$400,000) and to maintain a major maintenance reserve ("MMR") on deposit in a bank account with the lender. The initial amount of the MMR was established at $73,982 (C$100,000) with annual increases based on amounts reasonably prescribed by the lender.

At September 30, 2024, the total amount funded for the two reserve accounts amounted to $389,471 (C$526,439).

The Company also holds $132,528 (C$179,135) as at September 30, 2024 as cash collateral for a Letter of Credit issued to the Fisheries and Wildlife Agency in British Columbia related to one if its development hydro projects.

4. RECEIVABLES

	September 30, 2024	June 30, 2024
	$	$
Distributed generation – electricity sales	23,122	109,237
Utility scale – electricity sales	121,622	132,878
Asset management fees	50,086	95,652
Other – interest receivable	45	2,633
Other – Mexico ISR receivable	80,159	85,973
Total	**275,035**	**426,373**

5. DEPOSITS

During the period ended September 30, 2024, the Company had the following deposits:

	September 30, 2024	June 30, 2024
	$	$
Other deposits		
a) Vernal BESS	452,500	452,500
Total	**452,500**	452,500

a) As part of PacifiCorp's network upgrade requirements under the interconnection process, the Company was required to provide financial security in the form of a surety bond. Initially, the Company entered into a Surety Bond Agreement valued at $1.8 million with Intact Insurance, posting $724,000 in cash as collateral. During the year ended June 30, 2024, the Company changed security providers and successfully reduced the cash collateral to $452,500

(Expressed in US Dollars)

6. ACQUISITION OF WINDRIVER

On February 12, 2024, the Company acquired all the outstanding common shares of WindRiver, for a total gross upfront consideration of $3,466,583 (C$4,850,000). The Company may also pay up to $10,409,000 (C$14,000,000) in contingent consideration depending on whether WindRiver's development hydro projects acquired by the Company achieve certain milestones. As of June 30, 2024, it is uncertain when these milestones will be achieved. The Company has allocated a $Nil value to these contingent payments.

The Company has also agreed to pass through contingent payments of up to $4,237,950 (C$5,700,000) to WindRiver's former shareholders for development assets previously sold to third parties by WindRiver. Following the acquisition, WindRiver has become an ultimately wholly owned subsidiary of the Company. The acquisition adds 96.63MW of net operational and development capacity to the Company's portfolio, which is split between 6.63MW of net operational capacity and 90MW of development assets, all located within Canada.

	Net Fair Value $
Total unadjusted purchase price	3,466,583
Net fair value of assets	3,877,478
Non-controlling interest	(410,895)
Total adjusted purchase price	6,933,166
Less: net assets acquired	(3,466,583)
Total purchase price, net of cash and cash equivalents	**3,466,583**

The assets and liabilities recognized as a result of the acquisition are as follows:

Cash	623,390
Restricted cash	521,520
Receivables and other assets	85,967
Property and equipment	5,836,424
Government tax receivable	31,279
Related party receivable	341,444
Derivative instrument	262,303
Prepaid expenses and deposit	98,614
Investment in hydro projects	1,442,375
Accounts payable and accrued liabilities	(143,848)
Future income tax liability	(244,160)
Related party loan payable	(196,503)
Loan payable	(4,781,327)
Non-controlling interest	(410,895)
Net consideration	**3,466,583**

All Canadian dollar conversion to US dollars was calculated at an exchange rate of 0.7435 – C$-US$ (1.3450 – US$-C$), at the effective date of the acquisition of WindRiver, February 12, 2024.

The upfront net consideration has been allocated on the basis of the fair value of assets and liabilities assumed. The Company recognized non-controlling interests as its proportionate share of the acquired net identifiable assets.

(Expressed in US Dollars)

7. INVESTMENTS

On February 12, 2024, as part of the WindRiver acquisition, the Company recognized an investment in the amount of $1,442,375 (C$1,978,970) on a fair value basis in Pacific Slope Power Limited Partnership ("PSPLP"), a partnership formed in 2011 between WindRiver and Connor, Clarke & Lunn Infrastructure ("CC&L"), a third party, to develop and operate various hydro development projects located in British Columbia, Canada. WindRiver owns 1,803,095 limited partnership units, or 30%, of PSPLP. PSPLP owns 70% of both Sakwi Creek Hydro Limited Partnership ("SCHLP") and Hunter Creek Hydro Limited Partnership ("HCHLP"), in partnership with the local First Nations, who own the remaining 30% of SCHLP and HCHLP, respectively. SCHLP owns the 6 MW Sawki Creek hydro project located in Harrison Hot Springs, British Columbia; and HCHLP owns the 11 MW Hunter Creek hydro project located in Hope, British Columbia., collectively ("the Hydro Projects")

At September 30, 2024, the Company updated its cash flows and valuation as required and performed its annual impairment assessment. Management has concluded that the investment in PSPLP is not impaired.

The Company operates the Hydro Projects through an Asset Management Agreement ("AMA"). During the period ended September 30, 2024, the company recognized asset management income of $63,670 (September 30, 2023 - $Nil) in relation to the management of these projects.

During 2023, the Company advanced cash to PSPLP of $339,047 (C$459,239) to fund project costs for the Hydro Projects. This cash advance is recognized as a related party loan receivable on the statement of financial position.

8. SALES TAX RECEIVABLE

Sales tax receivable as at September 30, 2024 is as follows:

	September 30, 2024	June 30, 2024
Current	**$**	**$**
Sales tax receivable – Canadian GST (net of GST payable)	73,549	57,101
Sales tax receivable – Distributed generation Mexico IVA	132,277	241,217
Sales tax receivable – Project development & Mexico IVA	353,586	372,688
Sales tax receivable – CBS Mexico historic IVA	1,227,497	1,227,497
Total sales tax receivable	**1,786,909**	**1,898,503**

The Company submits sale tax returns to the tax authorities in each jurisdiction where it operates. The sale tax refunds from the Canadian tax authority are collected by the Company on a regular basis. Included in the sales tax receivable balance is a historic sales tax refund ("IVA") of $1,227,497 related to the CBS Mexico acquisition. As of September 30, 2024, the Company has yet to receive the IVA from the Mexican tax authority.

(Expressed in US Dollars)

9. PROPERTY AND EQUIPMENT

The equipment represented in the below table consists of computer equipment, met mast equipment, distributed generation assets and utility scale renewable assets.

	Utility Scale Assets	**Distributed Generation Assets**	**Other Equipment**	**Total**
	$	**$**	**$**	**$**
Cost:				
Balance June 30, 2023	-	2,351,918	129,336	2,481,254
Additions	5,891,695	378,769	2,137	6,272,601
Adjustments	-	(213,374)	-	(213,374)
Foreign exchange	(128,765)	(423,306)	(2,263)	(554,334)
Balance June 30, 2024	5,762,929	2,094,007	129,209	7,986,146
Additions	16,420	-	11,564	27,984
Adjustments	-	-	-	,
Foreign exchange	84,530	263,854	4,979	353,364
Balance September 30, 2024	**5,863,879**	**2,357,861**	**145,753**	**8,367,494**
Accumulated Depreciation:				
Balance June 30, 2023	-	160,838	45,241	206,079
Additions	175,965	329,046	35,230	540,241
Adjustments	-	(55,611)	-	(55,611)
Foreign exchange	(1,951)	(393,319)	(1,144)	(396,414)
Balance June 30, 2024	174,014	40,955	79,327	294,296
Additions	114,332	72,933	9,002	196,266
Adjustments	-	-	-	-
Foreign exchange	3,403	348,411	1,691	353,535
Balance September 30, 2024	**291,748**	**462,328**	**90,020**	**844,098**
Net book value:				
June 30, 2024	5,588,915	2,053,052	49,883	7,691,850
September 30, 2024	5,572,131	1,895,553	55,733	7,523,397

On September 15, 2022, the Company entered into an energy services agreement with a hotel operator in Cancun, Mexico, to deploy a 3.2MWh Battery Energy Storage System (the "Cancun BESS Project"). During the fiscal year ended June 30, 2023, the Company made payments totaling $1,419,679 toward the installation of the BESS.

The Cancun BESS Project was completed in May 2023 and began generating revenue in the fourth quarter of the fiscal year ended June 30, 2023. However, a portion of the battery storage assets was damaged during 2023 and subsequently written off. An insurance claim in the amount of $274,860 was submitted, and the Company received the proceeds from the claim during the June 30, 2024, fiscal year. The insurance proceeds were used to repay a portion of the loan with RE Royalties.

During 2024, the Company redeployed 1.6MWh of the BESS system to a new customer under a 15-year energy services agreement with similar terms. This project is now operational.

(Expressed in US Dollars)

10. SALE OF UTILITY SCALE SOLAR AND STORAGE PROJECT

On January 10, 2023, the Company sold its 250MW Parker Solar and Storage Project ("Parker Project") and the 1,000MW Bouse Solar and Storage Project ("Bouse Project") located in Arizona, collectively, (the "AZ Projects") to ENGIE IR Holdings LLC, a wholly owned subsidiary of ENGIE S.A. ("ENGIE") pursuant to a Membership Interest Purchase Agreement ("MIPA"). As part of the transaction, ENGIE acquired 100% of the Company's membership interest in Revolve Renewable AZ LLC and Revolve Parker Solar LLC on a cash and debt free basis.

Upon closing, ENGIE made an upfront payment of $2,000,000 to the Company, which included the reimbursement of development costs. The Company recognized this payment as $800,000 in revenue and $1,200,000 as deferred revenue during 2023. The deferred revenue pertained to a put option ("Put Option") included in the Membership Interest Purchase Agreement (MIPA), which grants ENGIE the right to sell the AZ Projects back to the Company for a limited time, contingent on the outcomes of certain future interconnection milestones. If ENGIE exercises the Put Option, the Company will repurchase the relevant project and refund ENGIE for any development expenses reimbursed or incurred as part of the upfront payment. ENGIE did not exercise the Put Option and the Put Option period has now expired.

During the fiscal year ended June 30, 2024, the interconnection requirements for the Parker Project and the Bouse Project were achieved. As a result, the Company received an interconnection milestone payment of $850,000 for the Parker project, and $3,400,000 for the Bouse Project and recognized $1,200,000 from deferred revenue to revenue.

The remaining sale consideration is contingent on the successful completion of the following development milestones:

- Issuance by ENGIE of a Notice to Proceed ("NTP") construction works to the applicable Engineering, Procurement and Construction ("EPC") contractor; and
- On Commercial Operation Date ("COD"), with such date being the date that a project has been connected to the grid and can deliver all of its installed capacity to the grid.

11. GENERAL AND ADMINISTRATIVE EXPENSES

The following is a detailed breakdown of the general and administrative expenses included in the statement of income and loss for the periods ended September 30, 2024, and 2023:

	September 30, 2024	**September 30, 2023**
	$	**$**
Consulting fees	89,595	97,904
Investor relations	77,691	103,900
Management and director's fees	161,578	169,657
Other general administrative expenses	158,158	58,132
Professional fees	88,684	92,913
Salaries, benefits and payroll expenses	294,637	121,782
Transfer agent and filing fees	1,763	2,925
Travel	13,693	16,409
Total general and administrative expenses	**885,799**	**663,632**

(Expressed in US Dollars)

12. FINANCIAL LEASE RECEIVABLE

The Company had originally entered into a PPA with a third-party customer to deliver electricity from its Combine Heat and Power ("CHP") equipment. In June 2024, the Company renegotiated this PPA for a term of 8 years in exchange for a minimum monthly payment. Pursuant to this renegotiated PPA, the third party will continue to make minimum monthly payments related to the electricity generation of the equipment. The Company has agreed to apply the monthly minimum payments towards the purchase price of the CHP. In addition, the Company will continue to provide operations and maintenance services to the third-party customer for a monthly fixed price. This renegotiated PPA has been classified as financial lease under IFRS 16 because substantially all the risks and rewards of ownership will be transferred to the lessee at the end of the term of the contract.

Net Investment in the lease and derecognition of CHP equipment

At the commencement of the lease, the Company recognized a net investment of $631,439 as a financial lease receivable. This financial lease receivable represents the present value of future lease payments receivable from the lessee, discounted using the interest rate implicit in the lease. As of June 30, 2024, the Company derecognized the carrying value of the CHP equipment of $130,811 and recognized an accounting gain of $500,628. During the period, the company recognized an accounting gain of $19,955 related to an adjustment made to the recognized net investment.

The table below provides the undiscounted future net payments receivable from the lessee as at September 30, 2024:

	$
2025	100,675
2026	134,232
2027	134,232
2028	145,418
2029	145,418
Thereafter	190,161
Total	**850,133**

The net investment in the lease is subject to impairment testing under IFRS 9 – Financial Instruments. As at September 30, 2024, there is no indication of impairment, and no impairment loss has been recognized. The Company monitors the credit risk of the lessee and reassesses the recoverability of the lease receivables at each reporting date.

13. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2024	June 30, 2024
Current	**$**	**$**
Accounts payable	549,881	1,002,643
Accounts payable to related parties	1,281	14,289
Accrued liabilities	469,631	159,605
Accrued liabilities to related parties	124,901	117,741
Sales tax repayment – CBS Mexico historic	930,790	-
Total current accounts payable and accrued liabilities	**2,076,484**	**1,294,278**
Long-term		
Sales tax repayment – CBS Mexico historic	-	930,790
Total long-term liabilities	-	930,790
Total accounts payable and accrued liabilities	**2,076,484**	**2,225,068**

(Expressed in US Dollars)

14. RELATED PARTY TRANSACTIONS

Management & directors fees and salaries

Included within management fees, directors' fees and salaries are amounts paid to key management personnel, which are those persons having responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers.

During the period ended September 30, 2024, key management personnel compensation, including directors and officers, was comprised of $342,800 (September 30, 2023: $196,942), of which $5,379 related to share based compensation, $156,429 related to directors' fees, in which $80,539 are accrued, and $75,890 were issued in the form of a deferred share unit grant, and $180,992 related to management, consulting, administrative and accounting fees, and salaries (September 30, 2023: $Nil, $75,908, $75,908, $75,908, and $121,034, respectively).

As at September 30, 2024, amounts included in accounts payable and accrued liabilities due to related parties was $126,183 (June 30, 2024: $132,029), of which $124,890 will be met via share-based compensation and not cash (June 30, 2024: $117,730).

15. LOANS PAYABLE

RE Royalties loans

The Company has secured the following loans with RE Royalties Ltd. ("RER"):

Purpose of loan	US$ loan amount	C$ loan amount	Maturity date	Fixed interest rate	Extended Maturity date	New fixed interest rate
CBS Mexico acquisition	$ 1,183,715	$ 1,600,000	June 14, 2024	10% p.a.	October 24, 2024[1]	12% p.a.
BESS project	$ 1,125,550	$ 1,521,379	October 24, 2024	12% p.a.	-	-
WindRiver acquisition	$ 2,936,206	$ 3,968,800	February 9, 2027	12% p.a.	-	-
Rooftop solar project	$ 307,026	$ 415,000	March 19, 2026	12% p.a.	-	-
Total loans	**$ 5,552,497**	**$ 7,505,179**				

1 During the year ended June 30, 2024, the Company negotiated an extension on the maturity date of the CBS Mexico acquisition loan with a new fixed interest rate.

Subsequent to September 30, 2024, the Company has extended the CBS Mexico acquisition loan and the BESS project loan to April 25, 2025.

The Company has entered into Royalty Agreements with RE Royalties. During the period ended September 30, 2024, the Company expensed $6,967 (September 30, 2023 - $4,712) in royalty fees to RER.

(Expressed in US Dollars)

15. LOANS PAYABLE (CONTINUED)

Box Springs non-recourse loan

As a result of the acquisition of WindRiver, the Company was assigned through WindRiver's 51% owned subsidiary Box Springs, an existing Credit Agreement (the "Original CA") dated March 8, 2019, with the Alberta Treasury Branch ("ATB") for a total of $4,747,765 (C$6,430,837), (the "ATB Loan"). On March 7, 2024, Box Springs entered into a Second Amended and Restated Credit Agreement ("Second ARCA") with ATB to extend the current maturity date of the Original CA from March 8, 2024, to March 8, 2025. Pursuant section 2.4 of the Second ARCA, Box Springs, at its option, may request ATB to extend the maturity date for additional periods of up to one year in each fiscal year end of Box Springs. The extension request is subject to ATB's approval. The ATB Loan bears interest at a daily variable CORRA rated plus a 2.15% margin rate with quarterly payments of accrued interest and principal required. The obligation under the facility is limited to the share capital of Box Springs. As of September 30, 2024, the outstanding balance of the loan is $4,550,543 (C$6,150,862).

Box Springs has an interest rate swap arrangement which fixes the interest rate on the ATB Loan at 2.46% plus a 2.15% margin rate. The interest rate swap terminates on January 4, 2033. The fair market value of the swap as of September 30, 2024, is a derivative asset of $132,845 (June 30, 2024 – $292,368 derivative asset). During the period, the Company recognized an unrealized loss on the derivative instrument of $162,427 (September 30, 2023 – $Nil).

Box Springs is required to comply with certain covenants under the terms of the ATB Loan including a minimum debt services coverage ratio ("DSCR") required for distributions of 1.5:1 and default trigger ratio of 1:1. At September 30, 2024, Box Springs was in compliance with these covenants.

The loans have been classified as current and non-current loans based on their maturity date as follows:

	$
Current, Balance, June 30, 2024	**6,833,908**
Foreign exchange translation	(51,067)
Loan repayment	76,967
Loan acquired	-
Total current loans payable	**6,859,808**
Long-term, Balance, June 30, 2024	**3,195,137**
Foreign exchange translation	48,095
RER loan - see table above	-
RER loan - see table above	-
Total long-term loans payable	**3,243,232**
Balance, September 30, 2024	**10,103,040**

During the period ended September 30, 2024, the Company recorded a total of $130,473 in interest, of which $52,013 was expense$78,460 was accrued, and $Nil was capitalized (September 30, 2023 - $Nil, $30,061 and $42,040 respectively).

(Expressed in US Dollars)

16. FUTURE INCOME TAX ASSET/LIABILITY

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	September 30, 2024	June 30, 2024
	$	$
Income (loss) for the period	(1,095,599)	2,050,009
Expected income tax (recovery)	(295,812)	553,502
Change in statutory, foreign tax, foreign exchange rates and other	280,228	242,514
Change in unrecognized deductible temporary differences	(49,459)	(1,348,517)
Total income tax (recovery)	**(65,043)**	**(552,501)**
Current income tax expense (recovery)	(15,584)	796,016
Deferred tax recovery	(49,459)	(1,348,517)

The significant components of the Company's deferred tax assets and liabilities are as follows:

	September 30, 2024	June 30, 2023
	$	$
Deferred tax assets (liabilities)		
Property and equipment	(1,279,897)	(952,752)
Share issue costs	(12,031)	(74,427)
Non-capital losses available for future period	2,412,885	2,412,885
	1,120,957	1,385,706
Unrecognized deferred tax assets	(61,176)	(275,728)
Net deferred tax asset (liability)	**1,159,781**	**1,109,978**
Deferred income tax asset	1,317,296	1,412,848
Deferred income tax liability	(257,515)	(302,870)

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	September 30, 2024	Expiry date range	June 30, 2024	Expiry date range
	$		$	
Temporary Differences				
Property and equipment	4,428,000	No expiry date	4,474,000	No expiry date
Share issue costs	12,031	2044 to 2046	75,376	2044 to 2046
Non-capital losses available for future periods	23,404,053		27,160,208	
Canada	17,733,885	2042 to 2043	21,443,972	2042 to 2043
Mexico	4,487,167	2028 to 2033	4,834,701	2028 to 2033
Ireland	1,183,001	No expiry date	881,535	No expiry date
USA	-	No expiry date	-	No expiry date

(Expressed in US Dollars)

17. SHARE CAPITAL AND EQUITY RESERVES

Common shares

The Company is authorized to issue an unlimited number of common voting shares with no par value.

Preference shares

The Company is authorized to issue an unlimited number of preference shares. No preference shares have been issued to date.

Share capital

	Common Shares	
	September 30, 2024	**June 30, 2024**
	$	**$**
In issue at July 1	63,036,116	54,905,565
Issued for cash	-	8,130,551
Exercise of share options	-	-
Exercise of warrants	-	-
In issue at September 30	**63,036,116**	**63,036,116**

Escrow shares

As part of the reverse take over ("RTO") transaction, all directors, officers and affected shareholders were subject to a lock up period for 90% of their shareholdings which will be released incrementally as set out in the escrow agreements over a 3-year period, at the period end there were 9,531,750 shares held in escrow.

Share capital transactions

There were no changes in issued share capital and equity reserves for the period ended September 30, 2024, and 2023.

Stock options

The share option plan provides that the Board of Directors may, in accordance with TSX-V requirements, grant non-transferable share options to purchase common shares, provided that the number of common shares reserved for issuance in any twelve-month period will not exceed 10% of the issued and outstanding common shares. Options will be exercisable for a period of up to 10 years from the date of grant at a price not less than the closing price on the last trading day before the grant of such options. Each option vesting period is determined on a grant-by-grant basis by the Board of Directors

On May 29, 2024, and August 30, 2024, the Company granted an aggregate of 100,000 and 475,000 share options respectively to officers and employees of the Company, the share options are exercisable at a price of $0.50 per share until May 29, 2027. The options will vest over a one-year period. Using the Black-Scholes option pricing model, the fair value per option granted was C$0.25 per option. Share-based compensation expense recognized in the consolidated statement of loss and comprehensive loss for these options during the period ended September 30, 2024, was $12,032 (C$16,413) (2023: $238,081). The assumptions were: (i) expected share price volatility of 108.16%, (ii) risk free interest rate of 4.39%; (iii) dividend yield of $nil; and (iv) expected life of 3 years.

(Expressed in US Dollars)

17. SHARE CAPITAL AND EQUITY RESERVES (CONTINUED)

Stock options (continued)

Following is a summary of changes in share options outstanding:

	Stock options	
	Number	**Weighted Average Exercise Price**
		(C$)
Balance, June 30, 2023	4,800,000	0.49
Granted	100,000	0.50
Expired	-	-
Balance, June 30, 2024	4,900,000	0.50
Granted	475,000	0.50
Expired	-	-
Balance, September 30, 2024	5,375,000	0.50

The following table summarizes information about share options outstanding at September 30, 2024:

	Options outstanding			Options exercisable	
Exercise price range	**Number of stock options outstanding**	**Weighted average remaining contractual life**	**Weighted average exercise price**	**Number of stock options exercisable**	**Weighted average exercise price**
(C$)		**(Years)**	**(C$)**		**(C$)**
0.50	3,500,000	0.93	0.50	3,500,000	0.50
0.50	1,300,000	1.61	0.50	1,300,000	0.50
0.50	100,000	2.91	0.50	8,350	0.50
0.50	475,000	2.66	0.50	10,217	0.50
Total	**5,375,000**	**0.81**	**0.50**	**4,818,568**	**0.50**

Warrants

On November 16, 2023, included in the first tranche of the non-brokered private placement unit offering the Company issued 5,267,062 non-transferrable warrants, exercisable at a price of C$0.45 per share until May 16, 2025. The Company attributed no value to these warrants with all the value being attributed to the common shares the subscriber of the unit offering received.

On December 22, 2023, included in the second tranche of the non-brokered private placement unit offering the Company issued 1,147,947 non-transferrable warrants, exercisable at a price of C$0.45 per share until June 22, 2025. The Company attributed no value to these warrants with all the value being attributed to the common shares the subscriber of the unit offering received.

On January 25, 2024, included in the third and final tranche of the non-brokered private placement unit offering the Company issued 1,715,542 non-transferrable warrants, exercisable at a price of C$0.45 per share until July 25, 2025. The Company attributed no value to these warrants with all the value being attributed to the common shares the subscriber of the unit offering received.

(Expressed in US Dollars)

17. SHARE CAPITAL AND EQUITY RESERVES (CONTINUED)

Warrants (continued)

Following is a summary of changes in warrants outstanding:

	Number of Warrants	Weighted Average Exercise Price (C$)
Balance, June 30, 2024	8,130,551	0.45
Granted	-	-
Expired	-	-
Balance, September 30, 2024	8,130,551	0.45

The following table summarizes information about warrants outstanding at September 30, 2024:

Number of Warrants	Exercise Price (C$)	Expiry Date
5,267,062	0.45	May 16, 2025
1,147,947	0.45	June 22, 2025
1,715,542	0.45	July 25, 2025
8,130,551		

Deferred share units ("DSUs")

On July 6, 2022, the Company adopted an Omnibus Employee Incentive Plan, which became effective on December 9, 2022, which contemplates the granting of DSUs to certain Participants at the discretion of the Board.

The aggregate number of shares reserved for issuance under the Stock Option and DSU plan may not exceed 10% of the issued and outstanding common shares on the date of grant. The aggregate number of Shares reserved for issuance under the Omnibus Employee Incentive Plan may not exceed 6,303,612 Shares.

Details of the DSUs issued during the year ended June 30, 2024, are as follows:

On March 1, 2024, the Company granted 1,140,421 DSUs with a fair value of $201,705 (C$273,701) to directors of the Company. The DSUs will fully vest at the end of one year from the date of grant.

As at September 30, 2024, the Company had outstanding DSUs as follows:

Grant Date	DSUs Granted	Price	Fair Value	US$ FX rate at Date of Grant	US$ Fair Value	Vesting Date
March 1, 2024	1,140,421	C$ 0.24	C$ 273,701	0.736954	$ 201,705	March 1, 2025
April 18, 2024	335,784	C$ 0.30	C$ 88,983	0.726630	$ 64,658	April 18, 2025
August 30, 2024	308,944	C$0.295	C$ 91,138	0.741434	$ 67,573	August 30,2025
	1,785,149		C$ 417,822		$ 333,936	

17. SHARE CAPITAL AND EQUITY RESERVES (CONTINUED)

Deferred share units ("DSUs") (continued)

On March 1, 2024, the Company recognized total DSU compensation in contributed surplus of $201,705 (C$273,701). The Company has recorded the issuance of the DSU's as follows; directors fees in retained earnings of $92,199 (C$125,108), consulting fees in retained earnings of $35,374 (C$48,000), directors fees expenses of $141,913 (C$192,568) stock-based compensation expenses of $73,695 (C$100,000) and an unrealized gain on DSU issuance of $128,968 (C$175,001), with a currency translation adjustment of $12,508 (C$16,973).

On April 18, 2024, the Company recognized total DSU compensation in contributed surplus of $64,658 (C$88,983). The Company has recorded the issuance of the DSU's as follows; directors fees expenses of $73,788 (C$101,548) and an unrealized gain on DSU issuance of $9,130 (C$12,565).

On August 30, 2024, the Company granted 308,944 DSUs with a fair value of $67,573 (C$91,138) to the directors of the Company in lieu of director's fees of $75,000 that were accrued as of June 30, 2024. The DSUs vest one year from the date of grant at a price of C$0.33 per share

18. EARNINGS (LOSS) PER SHARE

The calculation of basic and diluted loss per share for the period ended September 30, 2024, was based on the loss attributable to common shareholders of $1,095,599 (September 30, 2023 – income of $921,776) and a weighted average number of common shares outstanding of 63,036,116 (September 30, 2023 – 54,905,565).

19. FINANCIAL INSTRUMENTS

Fair values

The Company's financial instruments consist of investments, cash, receivables, interconnection and security deposits and accounts payable.

The Company has classified fair value measurements of its financial instruments using a fair value hierarchy that reflects the significance of inputs used in making the measurements as follows:

Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and
Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

As at September 30, 2024, the fair values of the Company's financial instruments approximate their carrying values due to the relatively short-term maturity of these instruments or market rates of interest.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

(Expressed in US Dollars)

19. FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The WindRiver acquisition has brought to the Company a recurring source of income to settle its current liabilities. WindRiver has secured long-term power purchase agreements ("PPA") with the local utilities in the jurisdictions where its projects operate. As at September 30, 2024, the Company had a cash balance of $2,157,475 (June 30, 2024 - $3,181,827) to settle current liabilities of $8,262,989 (June 30, 2024 - $8,924,202). Most of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms, except for the RE Royalty Ltd. loans and the Box Springs loan (Note 15).

Credit risk

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash, sales tax receivable and deposits. The Company limits its exposure to credit loss by placing its cash with major financial institutions. Majority of the sales tax receivable arose from refundable sales tax from government taxation authorities in Mexico.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity prices.

a) Interest rate risk

As of September 30, 2024, the Company has a cash balance of $2,157,475 (June 30, 2024; $3,181,827) and fixed interest-bearing loans as follows:

US$ loan amount	C$ loan amount	Maturity date	Fixed interest rate	Interest rate swap	Credit spread
$ 1,183,715	$ 1,600,000	October 24, 2024	12% p.a.	-	-
$ 1,125,550	$ 1,521,379	October 24, 2024	12% p.a.	-	-
$ 2,936,206	$ 3,968,800	February 9, 2027	12% p.a.	-	-
$ 307,026	$ 415,000	March 19, 2026	12% p.a.	-	-
$ 4,550,543	$ 6,150,862	January 4, 2033	4.61% p.a.	2.46%	2.15%*

*The credit spread of 2.15%, is fixed until March 8, 2025.

Subsequent to September 30, 2024, the Company has extended the CBS Mexico acquisition loan and the BESS projects loan to April 25, 2025.

Since all the loans have fixed interest rates, the Company is not significantly exposed to interest risk in the event of interest risk fluctuations.

19. FINANCIAL INSTRUMENTS (CONTINUED)

b) Foreign currency risk

The Company has operations in Canada, the Republic of Ireland, Mexico, and the USA and is therefore exposed to foreign exchange risk arising from transactions denominated in foreign currencies including revenues earned in Mexican Pesos, US Dollars and loan facilities in Canadian Dollars. The operating results and the financial position of the Company are reported in US dollars. The fluctuations of the operating currencies in relation to the US dollar will, consequently, have an impact upon the reported results of the Company and may also affect the value of the Company's assets and liabilities. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risk. The Company held a cash position of €21,429 in Euros, MXN$3,244,287 in Mexican Peso, $1,679,165 in USD and C$391,469 in Canadian dollars as of September 30, 2024, with the effect on profit or loss before tax of a 10% fluctuation to the US dollar would not be material.

c) Price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices and the stock market to determine the appropriate course of action to be taken by the Company.

20. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to sustain future development of the business and to maintain flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. In the management of capital, the Company includes the components of equity as well as cash.

The Company manages the capital structure and adjusts it in light of changes in the economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash.

The Company does not currently have adequate sources of capital to complete its current obligations and ultimately the development of its business and will need to raise capital by obtaining equity financing, selling assets and/or incurring debt. The Company may raise additional debt or equity financing in the near term to meet its obligations.

21. SEGMENTED INFORMATION

The Company operates in three business segments, being: (1) the development of utility scale renewable energy generation projects with a particular focus on wind, solar, hydro and battery storage technologies ("renewable energy projects"); (2) behind the meter distributed electricity generation including rooftop solar, battery storage and energy efficiency projects at customer premises; and (3) corporate. The following is a summary of the business segments by geographic information:

- USA – utility scale renewable energy generation projects.
- Mexico – utility scale renewable energy generation projects and behind the meter distributed electricity generation
- Canada & Other – utility scale renewable energy generation projects and corporate.

Geographic information for the period ended September 30, 2024, and the year ended June 30, 2024 is as follows:

(Expressed in US Dollars)

21. SEGMENTED INFORMATION (CONTINUED)

Period ended September 30, 2024	**USA**	**Mexico**	**Canada**	**Total**
	$	**$**	**$**	**$**
Revenues	**-**	**130,764**	**318,078**	**448,842**
Income (loss) for the period	**(52,409)**	**(289,719)**	**(753,471)**	**(1,095,599)**
Current assets	472,807	2,100,160	3,642,424	6,036,615
Non-current assets	192,297	3,642,424	6,739,104	10,573,825
Total assets	**665,104**	**5,742,584**	**10,202,753**	**16,610,440**
Current liabilities	(979,164)	(1,329,631)	(7,407,883)	(9,716,677)
Non-current liabilities	-	-	(3,696,278)	(3,696,278)
Total liabilities	**(979,164)**	**(1,329,631)**	**(11,104,161)**	**(13,412,955)**

Year ended June 30, 2024	**USA**	**Mexico**	**Canada**	**Total**
	$	**$**	**$**	**$**
Revenues	**5,450,000**	**489,401**	**802,896**	**6,742,297**
Income (Loss) for the period	**3,206,446**	**1,447,984**	**(2,051,920)**	**2,602,510**
Current assets	(230,341)	2,559,391	4,742,414	7,505,145
Non-current assets	34,463	3,915,871	7,097,053	11,047,387
Total assets	**(195,878)**	**6,475,262**	**11,839,466**	**18,552,532**
Current liabilities	(799,398)	(441,598)	(7,683,206)	(8,924,202)
Non-current liabilities	-	(930,790)	(3,690,639)	(4,621,429)
Total liabilities	**(799,398)**	**(1,372,388)**	**(11,373,845)**	**(13,545,631)**

(Expressed in US Dollars)

22. NON-CONTROLLING INTEREST

The following table presents summarized financial information before intragroup eliminations for non-wholly owned subsidiaries as at September 30, 2024, and June 30, 2024:

MRE US Wind & Solar Inc.	**September 30, 2024 $**	**June 30, 2024 $**
Non-controlling interest percentage	**10%**	**10%**
Current assets	20,372	54,242
Non-current assets	644,731	485,544
Total assets	**665,104**	**539,786**
Current liabilities	780,645	787,485
Non-current liabilities	956,724	761,118
Total liabilities	**1,737,369**	**1,548,603**
Net assets (liabilities)	**2,402,473**	**(1,008,817)**
Non-controlling interest	**240,247**	**(100,882)**
Income (loss) for the period	(52,409)	3,108,775
Income (loss) attributed to non-controlling interest	**(5,241)**	**310,877**
Comprehensive income (loss)	(350,572)	(2,268,149)
Comprehensive income (loss) attributed to non-controlling interest	**(35,057)**	**226,815**

Box Springs Wind Corporation	**September 30, 2024 $**	**June 30, 2024 $**
Non-controlling interest percentage	**49%**	**49%**
Current assets	1,004,946	1,189,875
Non-current assets	4,428,077	4,474,000
Total assets	**5,433,023**	**5,663,876**
Current liabilities	(4,745,790)	(4,773,032)
Non-current liabilities	(257,515)	(302.870)
Total liabilities	**(5,003,305)**	**(5,075,903)**
Net assets (liabilities)	**429,717**	**587,973**
Non-controlling interest	**210,562**	**288,107**
Income (loss) for the period	(165,581)	97,329
Income (loss) attributed to non-controlling interest	**(81,135)**	**47,691**
Comprehensive income (loss)	323,836	(685,302)
Comprehensive income (loss) attributed to non-controlling interest	**158,680**	**(335,798)**

The combined non-controlling interest for the Company is $2,832,191 in net assets, $450,809 non-controlling interest, loss for the period of $217,990 with a net loss attributed to non-controlling interest of $86,376 with a comprehensive loss of $26,735 and a comprehensive income attributed to non-controlling interest of $123,623.

23. SUBSEQUENT EVENTS

Completion of acquisition of a 30MW solar development project in Alberta

On September 14, 2024, the Company, through its wholly owned Canadian subsidiary, entered into an agreement to acquire a 30 MW renewable energy project under development in Alberta. Following the fiscal period ended September 30, 2024, the project was submitted to the Alberta Utilities Commission's ("AUC") Cluster 2 interconnection process. The acquisition was finalized on November 8, 2024.

Key changes to Executive Management team

On November 6, 2024, the Company announced significant changes to its Executive Management team as follows:

a) Steve Dalton, the former Chief Executive Officer ("CEO"), transitioned to the role of Executive Chairman.

b) Roger Norwich, the former Executive Chairman, stepped down from this position but will remain active as a Non-Executive Director.

c) Myke Clark was appointed as the new CEO and Director of the Company. In connection with his appointment, the Company will issue Mr. Clark 500,000 stock options to acquire common shares of the Company at an exercise price of $0.50.

d) Omar Bojorquez, currently serving as the President of the Company, has been appointed Chief Operating Officer ("COO").

e) Jonathan Clare, a Non-Executive Director of the Company, has retired from his position as Director.