

**Form 51-102F3  
Material Change Report**

**1. Name and Address of Company**

Solar Alliance Energy Inc. (the “Company”)  
Suite 210 – 128 West Hastings Street  
Vancouver, British Columbia V6B 1G8

**2. Date of Material Change**

May 17, 2016

**3. News Release**

A news release was issued on May 17, 2016 and disseminated through Canada Stockwatch, Market News and FSC Wire.

**4. Summary of Material Change**

Solar Alliance Closes First Tranche of Private Placement

**5. Full Description of Material Change**

The Company announces that it has received final approval from the TSX Venture Exchange for the closing of the first tranche of its non-brokered private placement financing previously announced on March 15, 2016.

The first tranche consisted of 8,279,757 share units (“Units”) for gross proceeds of \$579,583, at a price of \$0.07 per Unit, with each Unit consisting of one common share and one common share purchase warrant. Each share purchase warrant is exercisable into one common share of the Company with an exercise price of \$0.10 per share purchase warrant for a two-year exercise period.

The first tranche of the private placement includes insider participation, consisting of \$363,993 from Chairman and CEO Jason Bak and family insiders, and \$35,000 from CMO Michael Clark.

“The investment by insiders in this private placement represents the confidence we have in the direction and potential of Solar Alliance,” said Chairman and CEO Jason Bak. “The solar industry in America is expanding rapidly and our Company is perfectly positioned to take advantage of that growth. The investment by myself and the other insiders illustrates the underlying value we see in Solar Alliance and the strong potential for increased shareholder value in the future.”

Solar Alliance may obtain subscriptions for another tranche of the private placement. The closing of any additional tranches are subject to receipt of regulatory approvals, including acceptance by the TSX Venture Exchange.

**6. Reliance on subsection 7.1(2) of National Instrument 51-102**

Not applicable

**7. Omitted Information**

Not applicable

**8. Executive Officer**

Myke Clark  
Chief Marketing Officer  
Tel: (604) 288-9051

**9. Date of Report**

May 17, 2016