

Stardust Solar Announces Definitive Agreement to Acquire Solar Grids' Assets, Expected to Add 49 New U.S. Franchise Territories

Vancouver, British Columbia--(Newsfile Corp. - November 26, 2024) - **Stardust Solar Energy Inc.** (TSXV: SUN) ("**Stardust Solar**" or the "**Company**"), a leading provider of residential solar energy solutions, today announced that it has entered into a definitive agreement dated November 25, 2024 (the "**Definitive Agreement**") between, inter alia, the Company and **Solar Grids Development LLC** ("**Solar Grids**") to acquire 100% of the assets of **Solar Grids**, a U.S.-based solar energy company specializing in solar installations and franchise development (the "**Acquisition**"). The Company anticipates the Acquisition will close on or prior to November 30, 2024.

The Acquisition is expected to accelerate Stardust Solar's expansion into the U.S. solar market, adding an expected 49 new franchise territories and increasing the Company's total franchise network to approximately 80 locations across North America. Solar Grids currently operates in the high-demand regions of Colorado, Iowa, Michigan, Nebraska, Ohio, and Pennsylvania, which are expected to contribute immediately to Stardust Solar's revenue growth.

"This Acquisition will represent a significant step forward in our strategic plan to expand our franchise footprint and accelerate solar energy adoption across North America," said Mark Tadros, Chairman and CEO of Stardust Solar. "Solar Grids has established a strong brand with a well-organized franchise network, and we are excited to integrate their operations and expertise into our growing ecosystem."

Synergies and Strategic Benefits

The Acquisition is expected to present significant synergies for Stardust Solar and its franchise network. By integrating the new franchises under its franchise agreement, Stardust Solar is expected to enhance its purchasing power, adding margin from product sales to the latest U.S. Franchises while enabling franchisees to offer competitive pricing to their customers. Additionally, the Acquisition is expected to allow newly integrated franchises to become certified Tesla Powerwall distributors, among other partnership benefits offered by Stardust Solar to franchisees, creating new potential revenue streams and strengthening the product offering across the network.

"Joining forces with Stardust Solar provides an excellent platform for growth," said Justin Kaiser, CEO of Solar Grids. "The combined franchise model empowers us to concentrate entirely on growth, accelerate scaling efforts, and create greater opportunities for success while expanding our capacity to drive the transition to solar energy across the U.S."

Terms of the Acquisition:

Pursuant to the terms of the Definitive Agreement, Stardust Solar will acquire, among other things:

- All rights, titles, and interests in Solar Grids' assets, including franchise agreements, intellectual property, and goodwill.
- Digital and physical assets contributing to the Solar Grids brand identity.
- Websites, training curricula, and business management systems supporting franchise operations (collectively, the "**Purchased Assets**").

As consideration for the Purchased Assets, the Company will issue to Solar Grids an aggregate of 4,000,000 common shares in the capital of the Company (the "**Consideration Shares**") at a deemed

price of \$0.25 per Consideration Share (subject to the policies of the TSXV). 85% of the Consideration Shares (the "**Closing Shares**") will be issued on the closing date of the Acquisition (the "**Closing Date**"), and the remaining 15% of the Consideration Shares will be issued on the date that is thirty-sixth months following the Closing Date (provided that if such date falls on a Saturday, Sunday or statutory holiday, the applicable Consideration Shares shall be issued on the following business day).

The Acquisition is an arm's length transaction for the purposes of the policies of the TSX Venture Exchange (the "**TSXV**") and no finder's fees are payable in connection with the Acquisition. The Company expects that the Acquisition will meet the criteria of an "Expedited Acquisition" under TSXV Policy 5.3 - Acquisitions and Dispositions of Non-Cash Assets and remains subject to the TSXV's final acceptance. All securities issuable in connection with the Acquisition will be subject to a hold period of four months and one day after the date of issuance. In addition, the Closing Shares will be subject to voluntary restrictions on transfer commencing on the date of issuance, with 400,000 of such Closing Shares being released from such voluntary restrictions on the Closing Date and an additional 600,000 of such Closing Shares being released from such voluntary restrictions every six (6) months thereafter for a period of thirty (30) months from the Closing Date.

In addition to the Definitive Agreement, Justin Kaiser and Larry Schroder, the Solar Grids founders, will enter into three-year consulting agreements with Stardust Solar. Their roles will focus on driving new franchise sales in the U.S. market, with commissions based on sales leads.

The closing of the Acquisition is subject to customary closing conditions, including the receipt of TSXV approval and other regulatory approvals.

New Franchises Acquired:

State	Franchisees	Territories	Year Established
Colorado	Areno Kirkendoll II and Solar Grids Development LLC	1	2023
Michigan	Michigan Solar and Roofing, LLC and Solar Grids Development LLC	40	2023
Iowa	Solar Grids Quad Cities and Solar Grids Development LLC	1	2023
Florida	MMS Solar LLC and Solar Grids Development LLC	1	2023
Nebraska	Tim Coleman and Solar Grids Development LLC	1	2020
Pennsylvania	Topp Home, LLC and Solar Grids Development LLC	5	2022

About Solar Grids Development LLC

Solar Grids is a leading franchise system that specializes in solar energy installations. The company has built a strong brand presence and customer loyalty among its franchisees, providing solar entrepreneurs with nationwide training, support, and infrastructure.

About Stardust Solar

Stardust is a North American franchisor of renewable energy installation services, including solar panels (PV), energy storage systems, and electric vehicle supply equipment. Stardust lends its brand and business management services to entrepreneurs looking to enter the renewable energy industry. Stardust franchisees install and maintain clean energy systems for residential and commercial purposes. As a franchisor, Stardust supplies its franchisees with the following products: solar PV equipment, energy storage equipment, and electric vehicle supply equipment. In addition, Stardust supports its franchisees with many services from corporate headquarters, including marketing, sales, engineering, plan sets, customer service, and project management.

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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

The TSX Venture Exchange Inc. has neither approved nor disapproved the contents of this press release.

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The information in this news release includes certain information and statements about management's view of future events, expectations, plans and prospects that constitute forward-looking statements, including statements relating to the Company's business plans and expected future growth, the completion of the Acquisition on the terms described herein or at all, the expected closing date of the Acquisition and the expected benefits of the Acquisition. These statements are based upon assumptions that are subject to significant risks and uncertainties. Because of these risks and uncertainties and as a result of a variety of factors, the actual results, expectations, achievements or performance may differ materially from those anticipated and indicated by these forward-looking statements. Any number of factors could cause actual results to differ materially from these forward-looking statements as well as future results. Although the Company believes that the expectations reflected in forward-looking statements are reasonable, it can give no assurances that the expectations of any forward-looking statements will prove to be correct. Except as required by law, the Company disclaims any intention. It assumes no obligation to update or revise any forward-looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward-looking statements or otherwise.



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