

ACRO ENERGY TECHNOLOGIES CORP.



ACRO ENERGY
Giving you the power

Management's Discussion and Analysis of Financial Condition and Results of Operations

For the 13 month period ended December 31, 2009 and year ended November 30, 2008

(Stated in US Dollars)

The following management discussion and analysis of the financial condition and results of operations of Acro Energy Technologies Corp. (the "Company") for the thirteen months ended December 31, 2009 is provided as of April 30, 2010. It is supplemental to, and should be read in conjunction with, the financial statements of the Company for the thirteen months ended December 31, 2009. Substantially all of the Company's operating cash flows are in U.S. dollars; accordingly, all amounts presented herein are stated in U.S. Dollars, except per share data, unless otherwise indicated.

FORWARD-LOOKING STATEMENTS AND DISCLAIMER

The following Management Discussion and Analysis ("MD&A") is prepared in accordance with National Instrument 51-102F1, based on information available as of April 30, 2009 and should be read in conjunction with the audited financial statements of Acro Energy Technologies Corp. formerly named Lonestar Capital Corp. ("Acro Energy") and its wholly owned subsidiaries Acro Energy Technologies, LLC, Acro Energy Technologies, Inc. (formerly Acro Electric, Inc.) and Energy Efficiency Solar, Inc. (together the "Company") for the thirteen months ended December 31, 2009. The audited consolidated financial statements and related notes have been prepared in accordance with Canadian generally accepted accounting principles. Additional information with respect to Acro Energy can be found on the Company's website at www.acroenergy.com or on SEDAR at www.sedar.com.

Certain statements in this MD&A may constitute forward-looking statements that are subject to various risks and uncertainties. A number of important factors could cause actual outcomes and results to differ materially from those expressed in these forward-looking statements. These risks and uncertainties include, but are not limited to, the Company's continuing ability to promote and sell its products and services, the Company's ability to attract and retain key employees, changes in general economic conditions or financial markets, and the Company's ability to raise sufficient capital on acceptable terms when needed. Consequently, readers should not place any undue reliance on such forward-looking statements. In addition, these forward-looking statements relate to the date on which they were made. See the Notes to the Company's Financial Statements regarding commitments, contingencies, subsequent events, legal matters, and other matters, which could materially affect the Company's future business, results of operations, financial position and liquidity. These uncertainties may cause actual results to differ from information contained herein. There can be no assurance that such forward-looking statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such forward-looking statements. These forward-looking statements are based on estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice.

OVERVIEW

We are a leading residential and small commercial solar energy integrator. We offer turnkey services to our solar energy system customers, including design, procurement, permitting, build-out, grid connection, financing referrals and warranty and customer satisfaction activities. We provide practical solutions to individuals, businesses, non-profit organizations, and governmental entities that can benefit from the value of solar power. Our solar energy systems use high-quality solar PV modules from manufacturers such as SunPower, Suntech, and Sharp. We use proven technologies and techniques to help customers achieve meaningful savings by reducing their utility costs. Additionally, we help customers lower their emissions output and reliance upon fossil fuel energy sources. We have served customers throughout the state of California. According to data compiled by the state of California, over the past four years we have been one of the largest integrators of residential solar energy systems in California.

History and Development of the Company

The Company was incorporated as Lonestar Capital Corp. on October 25, 2007 by Certificate of Incorporation issued pursuant to the provisions of the Business Corporations Act (British Columbia) and until completion of its Qualifying Transaction was classified as a Capital Pool Company as defined in TSX Venture Exchange ("TSXV") Policy 2.4. The Company completed its Initial Public Offering on March 20, 2008. The Company's Shares began trading on the TSXV on March 24, 2008.

On February 23, 2009, the Company closed the acquisition of Acro Electric, Inc., a California corporation headquartered in Oakdale, California, as the Company's Qualifying Transaction. Effective March 9, 2009, the

corporate name of Acro Electric, Inc. was changed to Acro Energy Technologies, Inc. On May 5, 2009, the Company's wholly owned subsidiary, Acro Energy Technologies, Inc, closed an acquisition under an Asset Purchase Agreement with Solar Self Help, Inc. d/b/a Light Energy Systems, a California corporation headquartered in Concord, California. On November 5, 2009, we acquired Energy Efficiency Solar, Inc., a California corporation headquartered in Pomona, California.

On May 11, 2009, the Company held its Annual and Special Meeting of shareholders. At the meeting, among other matters, the shareholders approved a resolution authorizing the change of name of the Company from Lonestar Capital Corp. to "Acro Energy Technologies Corp." On May 27, 2009, the TSX Venture Exchange approved the change of name of the Company to "Acro Energy Technologies Corp." Effective Friday, May 29, 2009, the common shares of the Company began trading on the TSXV under the new symbol "ART".

Business Overview

Acro Energy Technologies Corp. is focused on the consolidation and growth of renewable energy companies, primarily in the United States residential solar energy installation market. The Company's California subsidiaries, Acro Energy Technologies, Inc. and Energy Efficiency Solar, Inc., are California contractors specializing in the installation of solar energy systems for residential and commercial use. Residential solar energy system installations account for approximately 95% of the Company's revenues, with commercial installations accounting for the remainder. With installation and sales offices in Oakdale, Concord, and Pomona, California, the Company installs solar energy systems throughout the state of California, however, the Company's Principal Markets are the San Francisco Bay Area, Central Valley, and Los Angeles metropolitan areas in the State of California.

We offer turnkey services to our solar energy customers, including design, procurement, build-out, grid connection, financing referrals and warranty and customer satisfaction activities. We install residential and small commercial solar energy systems that are generally between 3kW and 150 kW output with the average residential installation being approximately 6 kW output.

We design and build out solar energy systems to meet each customer's individual needs and circumstances. We assess a customer's annual power requirements and average daily consumption rates in different seasons of the year to size the solar energy system and engineer its wiring. We assess the customer's roof size, configuration, and composition to determine the optimum location for the solar PV modules. We factor in information about the customer's electrical service territory and its rate structures, and we identify the customer's budget and preferred financing method, as well as the customer's aesthetic preferences. We also identify the relevant federal, state and local regulations, including building codes, which are important to the cost, operation and return on investment of the customer's solar energy system, as well as relevant tax rates and various other factors. We assess this data using solar monitoring tools and analytical calculations, which enable us to design a solar energy system to a size and configuration that maximizes energy efficiency for each customer's circumstances.

We prepare final construction plans to obtain a building permit which is necessary for rebate processing. We also provide customers with a return on investment analysis and determine the rebates and performance-based incentives that are available to each customer. As soon as the building permit is approved, our installation professionals begin the installation by placing metal racking on the customer's roof (or by building a ground mount if indicate), followed by installation of the solar PV modules, inverter(s) and the balance of system components and safety equipment. We do not custom manufacture solar PV modules or inverters. Rather, we purchase these manufactured components for incorporation into our constructed solar energy systems.

After the solar PV modules and inverter(s) are installed on the customer's home or business, we obtain a final inspection of the installation by the local building department, prepare and submit all rebate applications to the appropriate rebating jurisdiction and at the same time apply for the local utility company to interconnect the customer's solar energy system to the utility grid. The entire process from signing of the contract through final inspection by the local building department typically takes between 30 to 60 days, with the actual installation work usually requiring two to three days.

Business Outlook

The residential solar market showed strong growth in 2009 and the Company expects this market to rapidly expand over the next several years. The 30% US investment tax credit for solar installations, generous additional rebates offered by many state and municipal authorities and falling prices for solar panels continue to make solar systems more affordable to middle class customers. This coupled with new financing solutions that allow homeowners to achieve the benefits of solar energy and lower their cost of electricity without a large upfront investment have dramatically increased the addressable market for residential solar integrators across the US.

In October 2009, the Company formed strategic alliances with several third party financial institutions to provide Acro's customers with several financing options. The Company is now able to eliminate the financing obstacle and offer home owners the option to pay a small one-time system installation fee and then a low monthly bill to have solar energy power their homes. In December 2009, the Company ranked number four in residential solar energy system sales in the state of California. These sales began to be installed in the quarter that ended March 31, 2010 and the Company earned over \$3 million dollars in revenue and entered the second quarter of 2010 with a backlog of over \$5 million signed contracts awaiting installation.

The Company announced in March 2010, its plans to expand its operations into Arizona and continues to evaluate acquisition opportunities in multiple locations across the US. The Company has made major investments in its management team and infrastructure and has the capability to continue to grow both organically and through acquisitions.

ACRO ENERGY TECHNOLOGIES CORP.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(Stated in US dollars)

	13-month period ended	(Restated-Note 2b)
	December 31, 2009	Year ended November 30, 2008
Revenue	\$ 5,997,392	\$ -
Cost of sales	3,872,731	-
Gross profit	<u>2,124,661</u>	<u>-</u>
Expenses:		
Sales and marketing	771,259	-
General and administrative	4,000,976	851,845
Amortization of property and equipment	103,594	-
Total expenses	<u>4,875,829</u>	<u>851,845</u>
Total operating loss	(2,751,168)	(851,845)
Gain on investments	(31,182)	-
Interest income	(1,615)	(44,105)
Interest expense	428,350	-
Foreign currency exchange (gain) loss	(18,648)	32,851
Other, net	(30,482)	-
Total Other (Income) Expense:	<u>346,423</u>	<u>(11,254)</u>
Loss before Taxes	(3,097,591)	(840,591)
Income taxes expense (benefit):		
Current tax expense	-	-
Future tax (benefit)	(70,092)	-
NET LOSS AND COMPREHENSIVE LOSS	<u>\$ (3,027,499)</u>	<u>\$ (840,591)</u>
Basic and diluted loss per common share	\$ (0.14)	\$ (0.05)
Weighted average number of common shares - basic and diluted	22,257,400	15,533,333

RESULTS OF OPERATIONS

The Company's results for the year ended November 30, 2008 were prior to the qualifying acquisition and have no comparable operations to the current year. As a result, Management's summary of results will focus on the Company's performance in the thirteen month period ended December 31, 2009.

During the 13-months ended December 31, 2009, the company reported revenue of \$5,997,392. The Company's fourth quarter (the 4-months ending December 31, 2009) reported revenue of \$2,516,032 which was up 23% over the third quarter (the 3-months ended August 31, 2009) revenue of \$2,045,544. It is important to note that the revenues for 2009 include only a portion of the revenue potential of the Company's three acquisitions. Acro Electric was acquired on February 23, 2009, the assets of Light Energy System were acquired on May 5, 2009 and Energy Efficiency Solar was acquired on November 5, 2009. Due to the timing of the acquisitions, the Company did not have a full year of operations for any of the acquisitions.

The Company's gross margin for the 13-month period ending December was \$2,124,661 or 35%. The gross margin for the 4-months ending December was \$814,488 or 32% compared to \$759,585 or 37% for the 3-month quarter ended August 31, 2009. The gross margin percentage was down slightly in the fourth quarter due to the integration of Energy Efficiency Solar whose margins were historically lower than those achieved by the Company. Since the acquisition, Energy Efficiency's gross profit margin has improved and we expect the Company's margins to return to pre-EES-acquisition margin levels going forward.

The Company had a net loss of \$3,027,591 for the 13 months ended December 31, 2009. During the Company's 4-month quarter ending December 31, 2009 the Company incurred a net loss of \$1,174,154 compared with a net loss of \$626,346 for the 3-month quarter ending August 31, 2009. This increase was attributable to several factors including acquisition expenses for the Company's third acquisition and the addition of staff and continued investment in process to support our growing California operations. A significant portion of the Company's non-operating expenses are incurred in our Corporate offices to optimize operations, develop strategic relationships with industry leading partners, and execute the Company's organic and acquisition growth strategies. These functions combined with the costs associated with being a public company account for approximately \$1.3 million of the Company's \$4.0 million in general and administrative costs. The Company estimates that it requires between \$3.5 and \$4.0 million dollars in revenue per quarter to cover all the Company's operating costs and believes we will reach that point in the first half of 2010.

During 2009, the Company invested significantly in its qualifying transaction, subsequent acquisitions and the building of a strong management team and infrastructure to take advantage of the robust market for residential solar solutions. Management expects that the strong residential solar market in California combined with the Company's strong management team, marketing strategy and operational capabilities will allow the Company to rapidly grow the revenue base to profitably support the existing corporate structure.

SUMMARY OF QUARTERLY RESULTS

	4th Q 2009 Dec 31, 2009	3rd Q 2009 Aug 31, 2009	2nd Q 2009 May 31, 2009	1st Q 2009 Feb 28, 2009
Revenue	\$ 2,516,032	\$ 2,045,544	\$ 1,390,038	\$ 45,779
Net loss and comprehensive income	(1,174,154)	(629,346)	(479,342)	(744,657)
Net loss and comprehensive income per basic and diluted share	(\$0.05)	(\$0.03)	(\$0.03)	(\$0.05)
	4th Q 2008 Nov 30, 2008	3rd Q 2008 Aug 31, 2008	2nd Q 2008 May 31, 2009	1st Q 2008 Feb 29, 2008
Revenue	\$ -	\$ -	\$ -	\$ -
Net loss and comprehensive income	(473,319)	(233,290)	(127,099)	(6,883)
Net loss and comprehensive income per basic and diluted share	(\$0.03)	(\$0.02)	(\$0.01)	(\$0.00)

LIQUIDITY

	<u>As at December 31, 2009</u>	<u>As at November 30, 2008</u>
Cash and cash equivalents	\$ 500,863	\$ 693,468
Accounts receivable	650,957	-
Total assets	9,933,573	934,364
Current liabilities	4,903,145	191,624
Long-term liabilities	2,301,567	-

As shown in the accompanying financial statements, the Company incurred a net loss of \$3,027,499 during the 13-month period ended December 31, 2009, and as at December 31, 2009, the Company's current liabilities exceeded its current assets by \$2,806,110. The Company has been in a net loss position since inception, all of which casts doubt upon the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon, but not limited to, its ability to raise financing necessary to fund its operations, discharge its liabilities as they become due and generate positive cash flows from future operations.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. Accordingly, these financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used then the adjustments required to report the Company's assets and liabilities at liquidation values could be material to these financial statements.

The Company's objective in managing liquidity risk is to maintain sufficient liquidity in order to meet operational and investing requirements at any point in time. The Company has a planning and budgeting process in place to help determine its cash requirements to support the company's normal operations as well as building its brand, developing new marketing strategies and funding any future acquisitions. As a result of this budgeting process, Management has determined that the Company will require additional financing to execute its business strategy and may seek to issue share capital or raise debt financing. There can be no certainty of the Company's ability to raise additional financing through private placements, advances from related parties, or other sources.

The Company's operating activities consumed \$745,345 of cash in the 13-months ended December 31, 2009. The Company financed the operating deficiency during the period with \$1,637,034 raised by the issuance of stock in five private placements.

CAPITAL RESOURCES

The Company has financed its operations to date through the issuance of common shares and lines of credit. The Company continues to seek capital through various means including the issuance of equity and/or debt.

Following the closing of the Qualifying Transaction on February 23, 2009 and subsequent acquisitions, the Company has conducted commercial operations through the operations of Acro Energy Technologies, Inc., formerly Acro Electric, Inc. and Energy Efficiency Solar, dba Acro Energy. The Company is not exposed to externally imposed capital requirements and there has been no change with respect to the overall capital risk management strategy during the 13-month period ended December 31, 2009.

The Company actively manages its cash forecast to ensure that the Company is efficiently using its existing capital resources and proactively identifying future sources of funding. The Company intends to deploy its funds where it expects them to be the most productive in the short and medium term.

CRITICAL ACCOUNTING ESTIMATES

The Company's consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles. The preparation of these unaudited consolidated financial statements require management to make estimates and assumptions that affect the reported amounts of assets, liabilities, expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis, management bases its estimates on historical experience and other assumptions that it believes are reasonable in the circumstances. Actual results may differ from the estimates, however, there have been no changes made to critical accounting estimates during the past six months. The following accounting policy reflects the more significant estimates and assumptions used in the preparation of the Company's audited consolidated financial statements.

Stock-Based Compensation Expense

Stock-based compensation expense comprises compensation expense related to the granting of stock options. The Company uses the fair value method of accounting for its stock options and other stock-based payments. Under this method, compensation cost is measured at fair value using the Black-Scholes option pricing model at the date of grant and expensed over the vesting period of the option for employees and over the earlier of the provision of services or the vesting period for non-employees with a corresponding increase to contributed surplus. Compensation cost is not recognized for awards that are forfeited. Previously recognized compensation cost is not reversed if a vested stock option expires unexercised.

Stock-based compensation relating to warrants granted to share placement agents is treated as a share issuance cost.

Revenue Recognition

Revenue from sales of products is recognized when: (1) persuasive evidence of an arrangement exists, (2) delivery has occurred or services have been rendered, (3) the sale price is fixed or determinable, and (4) collection of the related receivable is reasonably assured. The Company recognizes revenue upon completion of a system installation.

Work in progress includes the cost of materials, direct labour and the applicable share of overhead for residential and commercial contracts for which revenue has not been recognized. Deferred revenue includes amounts that have been invoiced to customers but not yet recognized as revenue.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

The Company had the following related party transactions in addition to the loans outstanding to related parties described below.

The Company paid \$30,062 in legal fees to the CEO for legal services rendered prior to the qualifying transaction on February 23, 2009. Prior to the qualifying transaction the Company paid no salaries and officers were reimbursed for services rendered. The fees were billed at an hourly rate and paid in full.

The Company paid \$28,525 in legal fees to the General Counsel for legal services rendered prior to the qualifying transaction on February 23, 2009. Prior to the qualifying transaction the Company paid no salaries and officers were reimbursed for services rendered. The fees were billed at an hourly rate and paid in full.

The Company paid \$ 24,550 in finance and administration fees to the former CFO for accounting services rendered prior to the qualifying transaction on February 23, 2009. Prior to the qualifying transaction the Company paid no salaries and officers were reimbursed for services rendered. The fees were billed at a monthly rate and paid in full.

The Company paid \$96,287 in consulting fees to the Company's President and Director to perform a strategic industry analysis and overview prior to his employment with the Company.

As part of the consideration given for the acquisition of Acro Electric, Inc., the Company issued a convertible demand promissory note to the seller who is currently an employee and major shareholder in the Company. This note carries an interest rate of 11%, payable monthly. Until December 31, 2009, the seller had the right to convert the principal amount of the promissory note to shares, (the "Conversion Right"). The Conversion Right was exercisable at the price of C\$ 0.68 Canadian dollars per share. The seller also had the right to demand payment on the promissory note between April 1, 2009 and April 30, 2009. Neither the Conversion Right or demand option were elected. The Company shall repay the promissory note at the rate of \$50,000 principal and interest per month payable on the 15th day. A late charge of 6% of the installment payment due shall be assessed on any installment not received within ten days following its due date.

The Company has allocated \$886,421 of the face value of the promissory note as the initial fair value of the conversion Right. The fair value of the Conversion Right was estimated using the Black-Scholes option pricing model. The Conversion Right was recorded as contributed surplus and as a discount to the promissory note which is being accreted over the life of the note.

As of December 31, 2009, the promissory note is reported net of remaining discount. The Company recognized \$126,736 of accretion for the 13- months ending December 31, 2009.

As part of the consideration given for the business acquisition of Energy Efficiency Solar, Inc., \$740,700 in the form of a promissory note was issued by the Company to the seller who is currently an employee and major shareholder in the Company. This note carried no interest until March 15, 2010 at which point the Company was scheduled to make a \$250,000 principal payment. Thereafter, the Company shall pay \$14,928 on the 15th day of each month for 36 months. A late charge of 1.5% of the installment payment due shall be assessed on any instalments not received within five business days following its due date.

In addition, the Company had two lines of credit established at December 31, 2009. The first line of credit is a no interest \$700,000 facility with the Company's CEO for which the balance at December 31, 2009 was \$394,249. The second line of credit is a 10% per annum \$100,000 facility with William Korthof for which the outstanding balance at December 31, 2009 was \$100,000.

NEW ACCOUNTING STANDARDS ADOPTED

In February 2008, the CICA released new Handbook Section 3064, *Goodwill and Intangible Assets* which establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets by profit-oriented enterprises. The adoption of this standard affected presentation only.

FUTURE ACCOOUNTING PRONOUNCEMENTS

Future accounting pronouncements which may affect the Company's financial reporting under Canadian generally accepted accounting principles are summarized below:

International Financial Reporting Standards ("IFRS")

The Canadian Accounting Standards Board has confirmed that the use of IFRS will be required commencing calendar year 2011 for publicly accountable, profit orientated enterprises. IFRS will replace current Canadian generally accepted accounting principles followed by the Company. The Company will be required to begin reporting under IFRS for its fiscal year ended December 31, 2011 and will be required to provide information that conforms to IFRS for the comparative periods presented. The Company is currently evaluating the impact of

adopting IFRS. Impacts at the transition date have not been quantified or finalized at this time; however significant differences are not presently expected.

Business Combinations

CICA Handbook Section 1582, *Business Combinations* replaces Section 1581 and will be applicable to business combinations for which the acquisition date is on or after the Company's interim and fiscal year beginning January 1, 2011. Early adoption is permitted. This section improves the relevance, reliability and comparability of the information that a reporting entity provides in its financial statements about a business combination and its effects. The Company is currently evaluating the implications of this new standard.

Consolidated Financial Statements

CICA Handbook Section 1601, *Consolidated Financial Statements* will be applicable to financial statements relating to the Company's interim and fiscal year beginning on or after January 1, 2011. Early adoption is permitted. This section establishes standards for the preparation of consolidated financial statements. The Company is currently evaluating the implications of this new standard.

DISCLOSURE CONTROLS AND PROCEDURES

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the Unaudited Interim Consolidated Financial Statements and this accompanying Interim MD&A (together the "Interim Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Interim Filings on SEDAR at www.sedar.com.

RISKS AND UNCERTAINTIES

Please refer to the risk factors set out in the Company's Annual Information Form dated April 30, 2010.

OUTSTANDING SHARE DATA

As of December 31, 2009, the Company had 29,685,406 common shares outstanding. The Company has also issued warrants to purchase 7,621,460 shares of common stock and options to purchase 2,276,080 shares of common stock of which 1,298,580 were exercisable on December 31, 2009.

The following events have affected the outstanding share data since year end:

On January 15, 2010, the Company completed a non-brokered private placement and raised gross proceeds of \$300,000 through the issuance of 1,550,250 shares (at C\$0.20 Canadian dollars per share) and warrants to purchase an additional 1,550,250 shares. Each warrant entitles the owner to purchase one common share of the Company for C\$ 0.35 Canadian dollars per share until January 15, 2012.

On February 23, 2010, 652,433 warrants that were issued in conjunction with the Company's February 23, 2009 private placement expired unexercised.

In March 2010, 50,000 options were exercised generating proceeds of \$12,572.

On March 17, 2010, the Company completed a non-brokered private placement and raised gross proceeds of \$307,003 through the issuance of 1,086,044 shares (at C\$0.29 Canadian dollars per share) and warrants to purchase an additional 543,022 shares. Each warrant entitles the owner to purchase one common share of the Company for C\$ 0.55 Canadian dollars per share until July 18, 2010.

In March 2010, 173,580 options were exercised generating proceeds of C\$17,358. The shares were the last of the 200,000 options granted to the placement agent of the Company's Initial Public Offering.

On April 29, 2010, 2,217,803 warrants that were issued in conjunction with the Company's April 29, 2009 private placement expired unexercised.

As at December 31, 2009, 13,496,186 (November 31, 2008 – 8,790,000) shares are subject to various escrow agreements and will be released from escrow in accordance with the terms of the escrow agreements.

As of April 30, 2010, the Company had 32,545,280 common shares issued and outstanding on a non-diluted basis.

As of April 30, 2010, on a fully diluted basis there are 41,312,277 common shares issued and outstanding (consisting of 32,545,280 issued shares and options and warrants to purchase 8,766,997 common shares).

ADDITIONAL INFORMATION

Additional information including the consolidated interim financial statements for the 13- months ended December 31, 2009 and Acro Energy can be found on the Company's website at www.acroenergy.com or on SEDAR at www.sedar.com.

Dated as of April 30, 2010.