UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☑ Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended **September 30, 2008**.

☐ Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from ________ to ________.

Commission file number: **001-14791**

SOLAR ENERGY LIMITED

(Exact name of registrant as specified in its charter)

Delaware	**76-0418364**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

73200 El Paseo, Ste #2H, Palm Desert, CA 92260
(Address of principal executive offices) (Zip Code)

(760) 773-1111
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant: (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days: Yes ☑ No ☐.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company as defined by Rule 12b-2 of the Exchange Act:
Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☑

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act): Yes ☑ No ☐

At November 12, 2008, the number of shares outstanding of the registrant's common stock, $0.0001 par value (the only class of voting stock), was 18,423,309.

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

As used herein, the terms "Company," "we," "our," "us," "it," and "its" refer to Solar Energy Limited, a Delaware corporation, unless otherwise indicated. In the opinion of management, the accompanying unaudited financial statements included in this Form 10-Q reflect all adjustments (consisting only of normal recurring accruals) necessary for a fair presentation of the results of operations for the periods presented. The results of operations for the periods presented are not necessarily indicative of the results to be expected for the full year.

SOLAR ENERGY LIMITED
(A Development Stage Company)
CONSOLIDATED BALANCE SHEETS

		September 30, 2008 (Unaudited)		December 31, 2007
ASSETS				
CURRENT ASSETS				
Cash	$	79,998	$	67,355
TOTAL CURRENT ASSETS		79,998		67,355
OTHER ASSETS				
Deposits		-		4,720
Vessels and other fixed assets, net of depreciation		-		787,561
TOTAL ASSETS	$	79,998	$	859,636
LIABILITIES AND STOCKHOLDERS' DEFICIT				
CURRENT LIABILITIES				
Accounts payable and accrued expenses	$	182,275	$	294,850
Accrued interest - related party		23,203		10,892
Other current liabilities		-		13,295
Advances payable		394,651		480,013
Note payable to related party		572,332		610,332
TOTAL CURRENT LIABILITIES		1,172,461		1,409,382
LONG-TERM LABILITIES				
Debenture payable, net of discount		100,000		81,261
Accrued interest		22,909		14,064
TOTAL LONG-TERM LIABILITIES		122,909		95,325
COMMITMENTS AND CONTINGENCIES				
Minority interest		-		66,120
		-		66,120
STOCKHOLDERS' DEFICIT				
Common stock, 50,000,000 shares authorized; $0.0001 par value, 18,423,309 and 21,923,309 shares issued and outstanding, respectively		1,842		2,192
Additional paid-in capital		14,727,611		14,661,141
Accumulated deficit during development stage		(15,944,825)		(15,374,524)
TOTAL STOCKHOLDERS' DEFICIT		(1,215,372)		(711,191)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$	79,998	$	859,636

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

SOLAR ENERGY LIMITED
(A Development Stage Company)
CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended		Nine Months Ended		From inception through
	September 30, 2008 (Unaudited)	September 30, 2007 (Unaudited)	September 30, 2008 (Unaudited)	September 30, 2007 (Unaudited)	September 30, 2008 (Unaudited)
REVENUES	$ -	$ -	$ -	$ -	$ -
EXPENSES					
General and administrative	74,862	471,410	385,914	1,685,250	6,315,263
Vessel operating costs	-	172,702	-	690,469	-
Research and development	-	140,315	2,012	420,223	2,673,650
Impairment of patents	-	-	-	-	39,648
Impairment of goodwill	-	-	-	-	3,514,118
TOTAL EXPENSES	74,862	784,427	387,926	2,795,942	12,542,679
LOSS FROM OPERATIONS	(74,862)	(784,427)	(387,926)	(2,795,942)	(12,542,679)
OTHER INCOME (EXPENSES)					
Other income	-	13,606	23,685	23,258	373,571
Financing costs	-	-	-	-	(1,477,800)
Charitable contribution	-	-	-	(27,500)	-
Gain (loss) on investments	-	-	-	-	17,200
Gain (loss) on sale or disposal of assets	-	-	-	-	(10,867)
Gain (loss) on derivative instrument	-	4,137	-	4,337	29,551
Gain on forgiveness of debt	-	-	-	-	172,227
Interest income (expense), net	(11,466)	(5,873)	(42,410)	(17,976)	(126,786)
Amortization of discount on debenture payable	-	(2,160)	(18,739)	(6,128)	(29,551)
Provision for loss on contract	-	-	-	-	(967,500)
Gain (loss) on sale of subsidiary	-	-	-	-	120,711
TOTAL OTHER INCOME (EXPENSE)	(11,466)	9,710	(37,464)	(24,009)	(1,899,244)
LOSS FROM CONTINUING OPERATIONS	(86,328)	(774,717)	(425,390)	(2,819,951)	(14,441,923)
DISCONTINUED OPERATIONS					
Loss on discontinued operations	1,062	-	(144,911)	-	(1,502,902)
NET LOSS	$ (85,266)	$ (774,717)	$ (570,301)	$ (2,819,951)	$ (15,944,825)

NET LOSS PER COMMON SHARE, CONTINUING OPERATIONS, BASIC AND DILUTED	(0.00)	$ (0.04)	(0.02)	$ (0.14)
NET LOSS PER COMMON SHARE, DISCONTINUED OPERATIONS, BASIC AND DILUTED	0.00	$ 0.00	(0.01)	$ 0.00
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING, BASIC AND DILUTED	18,423,309	21,823,309	19,726,229	20,861,955

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

SOLAR ENERGY LIMITED
(A Development Stage Company)
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine Months Ended September 30, 2008 (Unaudited)	Nine Months Ended September 30, 2007 (Unaudited)	From Inception (January 5, 1994) through September 30, 2008 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	$ (425,390)	$ (2,819,951)	$ (14,441,923)
Adjustments to reconcile net loss to net cash used in operating activities:			
(Net of Acquisition/Sale)			
Amortization and depreciation	-	9,165	212,809
Amortization on discount of debentures	18,739	6,128	29,551
Bad debt	-	-	250,000
Stock issued for services	-	150,000	856,851
Services for pre-paid expense	-	-	169,165
(Gain) Loss on derivative	-	(4,337)	(29,551)
Stock issued for R&D expenses	-	-	439,900
Loss on sale of assets	-	-	10,867
Gain on investments	-	-	(17,199)
Gain on sale of subsidiary	-	-	(120,711)
Gain on forgiveness of debt	-	-	(172,227)
Impairment of patents	-	-	39,648
Financing costs	-	-	1,477,800
Impairment of goodwill	-	-	3,514,118
Provision for loss on contract	-	-	967,500
Minority interest	-	-	(123,856)
(Increase) decrease in:			
Accounts receivable	-	-	39
Deposits	4,720	-	(20,163)
Prepaid expenses	-	18,416	22,500
Increase (decrease) in:			
Accounts payable and bank overdraft	(112,575)	91,021	225,947
Accrued expenses and other current liabilities	13,449	1,198	285,326
Deferred revenues	-	-	250,000
Minority interest	-	425,364	66,120
Net cash used by continuing operating activities	(501,057)	(2,122,996)	(6,107,489)
Net cash used by discontinued operating activities	(362,938)	-	(2,938,429)
Net cash used by operating activities	(863,995)	(2,122,996)	(9,045,918)

CASH FLOWS PROVIDED BY INVESTING ACTIVITIES:			
Cash acquired from sale of subsidiary	-	-	180,000
Cash acquired (sold) from subsidiary	-	1,953,213	3,221,116
Cash paid to subsidiary	-	-	(107,568)
Cash paid to RECO and Sunspring	-	-	(2,076)
Cash paid for patent costs	-	-	(106,318)
Cash received (paid) for property & equipment	1,000,000	(805,891)	131,428
Cash paid for deposits	-	-	(4,837)
Cash received on sale of assets	-	-	23,000
Cash paid for notes receivable	-	-	(295,000)
Net cash provided (used) by investing activities	1,000,000	1,147,322	3,039,745
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES:			
Issued stock for cash	-	685,489	3,917,469
Cash received from (repaid to) related party notes payable and advances	(123,362)	671,008	1,412,781
Stock subscription	-	.	-
Proceeds from debenture payable	-	-	100,000
Cash received from advances by shareholders	-	-	2,044,099
Cash paid on debt financing	-	-	(1,388,178)
Net cash provided by financing activities	(123,362)	1,356,497	6,086,171
NET INCREASE (DECREASE) IN CASH	12,643	380,823	79,998
CASH, BEGINNING OF PERIOD	67,355	203,912	-
CASH, END OF PERIOD	$ 79,998	$ 584,735	$ 79,998
SUPPLEMENTAL CASH FLOW INFORMATION:			
Interest paid	$ -	$ -	$ 17,195
Income taxes paid	$ -	$ -	$ -

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

NOTE 1 – DESCRIPTION AND HISTORY OF BUSINESS AND BASIS OF PRESENTATION

Solar Energy Limited (the "Company") is in the development stage according to Financial Accounting Standards Board Statement No. 7 and is currently focusing its attention on raising capital in order to pursue its goals.

The Company was originally incorporated as Taurus Enterprises, Inc. under the laws the State of Delaware on January 5, 1994. In August of 1996, the Company merged with Salvage World, Inc., a private company, changed its name to "Salvage World, Inc." and reincorporated in the state of Nevada. On December 17, 1997, the Company merged with Solar Energy Limited, a Delaware corporation organized on July 24, 1997, and changed the name to "Solar Energy Limited." The surviving corporation is a Delaware corporation and the authorized shares were changed to 50,000,000 par value $0.0001.

These unaudited interim financial statements have been prepared in accordance with United States generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q of Regulation S-K. They may not include all information and footnotes required by United States generally accepted accounting principles for complete financial statements. However, except as disclosed herein, there has been no material changes in the information disclosed in the notes to the financial statements for the year ended December 31, 2007 included in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission. The interim unaudited financial statements should be read in conjunction with those financial statements included in the Form 10-K. In the opinion of management, all adjustments considered necessary for a fair presentation, consisting solely of normal and recurring adjustments have been made. Operating results for the nine months ended September 30, 2008 are not necessarily indicative of the results that may be expected for the year ending December 31, 2008.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Company is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America, and have been consistently applied in the preparation of the financial statements.

<u>Accounting Method</u>
The Company's financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

<u>Cash and Cash Equivalents</u>
For purposes of the statement of cash flows, the Company considers all highly liquid investments and short-term debt instruments with original maturities of three months or less to be cash equivalents.

<u>Concentrations</u>
Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash and cash equivalents. The Company places its cash and cash equivalents at well-known, quality financial institutions in the United States. As of September 30, 2008, all of the Company's cash was within federally insured limits.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Derivative Instruments

The Financial Accounting Standards Board issued Statement of Financial Accounting Standards (“SFAS”) No. 133, “Accounting for Derivative Instruments and Hedging Activities,” as amended by SFAS No. 137, “Accounting for Derivative Instruments and Hedging Activities – Deferral of the Effective Date of FASB No. 133”, SFAS No. 138, “Accounting for Certain Derivative Instruments and Certain Hedging Activities”, and SFAS No. 149, “Amendment of Statement 133 on Derivative Instruments and Hedging Activities”, which is effective for the Company as of its inception. These statements establish accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. They require that an entity recognize all derivatives as either assets or liabilities in the balance sheet and measure those instruments at fair value.

If certain conditions are met, a derivative may be specifically designated as a hedge, the objective of which is to match the timing of gain or loss recognition on the hedging derivative with the recognition of (i) the changes in the fair value of the hedged asset or liability that are attributable to the hedged risk or (ii) the earnings effect of the hedged forecasted transaction. For a derivative not designated as a hedging instrument, the gain or loss is recognized in income in the period of change. Historically, the Company has not entered into derivatives contracts to hedge existing risks or for speculative purposes.

The Company issued convertible debt and accounts for that debt according to SFAS 133 and subsequent pronouncements. Consequently, management recognizes its convertible debt contract as containing a derivative instrument and accounts for the derivative according to generally accepted accounting principles in the U.S.

During the year ended December 31, 2006, the Company issued a debenture for a total of $100,000. The debenture included provisions for the conversion of the debt and interest into shares of the Company’s common stock or into CO2 Tonnes. As of September 30, 2008, the right to convert the debenture into CO2 Tonnes has been terminated after Planktos, Inc. suspended its operations and sold its research and development assets. As a result, the Company no longer accounts for its convertible debt contract as containing a derivative instrument.

Development Stage Activities

The Company has been in the development stage since inception. The Company has no revenues from its planned operations. The Company is in the development stage according to Financial Accounting Standards Board Statement No. 7 and is currently focusing its attention on raising capital in order to pursue its goals.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Earnings (Loss) Per Share
The Company adopted Statement of Financial Accounting Standards No. 128, which provides for calculation of "basic" and "diluted" earnings per share. Basic earnings (loss) per share includes no dilution and is computed by dividing net income (loss) available to common shareholders by the weighted average common shares outstanding for the period. Diluted earnings (loss) per share reflect the potential dilution of securities that could share in the earnings of an entity similar to fully diluted earnings per share. For the periods reported, diluted net loss per share is the same as basic net loss per share as there were no common stock equivalents outstanding.

As of September 30, 2008, the Company had outstanding common stock options of 500,000 and common stock warrants of 1,250,000. The above common stock equivalents were deemed to be antidilutive for the nine months ended September 30, 2008.

Fair Value Measurements
Effective January 1, 2008, the Company adopted Financial Accounting Standards Board (FASB) SFAS No.157, *Fair Value Measurements* (SFAS 157). The provisions of SFAS 157 are applicable to all of the Company's assets and liabilities that are measured and recorded at fair value. SFAS 157 defines fair value as the price that would be received for an asset or the exit price that would be paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants. SFAS 157 establishes a fair value hierarchy that gives the highest priority to observable inputs and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy defined by SFAS 157 are described below.

Level 1: Quoted market prices available in active markets for identical assets or liabilities as of the reporting date.

Level 2: Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date.

Level 3: Pricing inputs that are generally unobservable inputs and not corroborated by market data.

The Company does not have any assets or liabilities measured at fair value on a recurring basis at September 30, 2008. The Company did not have any fair value adjustments for assets and liabilities measured at fair value on a nonrecurring basis during the nine months ended September 30, 2008.

Principles of Consolidation
The September 30, 2008 financial statements include the accounts of the Company and its wholly owned subsidiaries, Hydro-Air Technologies, Inc., Sunspring, Inc., Renewable Energy Limited, and D2 Fusion, Inc., as well as 53% of Planktos Corp. All intercompany accounts and transactions have been eliminated in the consolidation.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Provision for Taxes
Income taxes are provided based upon the liability method of accounting pursuant to Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes." Under this approach, deferred income taxes are recorded to reflect the tax consequences in future years of differences between the tax basis of assets and liabilities and their financial reporting amounts at each year-end. A valuation allowance is recorded against deferred tax assets if management does not believe the Company has met the "more likely than not" standard imposed by SFAS No. 109 to allow recognition of such an asset.

Recent Accounting Pronouncements
The Financial Accounting Standards Board ("FASB") has issued Statement of Financial Accounting Standards ("SFAS") No. 163, Accounting for Financial Guarantee Insurance Contracts. SFAS No. 163 clarifies how SFAS No. 60, Accounting and Reporting by Insurance Enterprises, applies to financial guarantee insurance contracts issued by insurance enterprises, and addresses the recognition and measurement of premium revenue and claim liabilities. It requires expanded disclosures about contracts, and recognition of claim liability prior to an event of default when there is evidence that credit deterioration has occurred in an insured financial obligation. It also requires disclosure about (a) the risk-management activities used by an insurance enterprise to evaluate credit deterioration in its insured financial obligations, and (b) the insurance enterprise's surveillance or watch list. The Company is currently evaluating the impact of SFAS No. 163.

In May 2008, FASB issued FASB Staff Position ("FSP") APB 14-1, "Accounting for Convertible Debt Instruments That May Be Settled in Cash upon Conversion (Including Partial Cash Settlement)" ("FSP APB 14-1"). FSP APB 14-1 clarifies that convertible debt instruments that may be settled in cash upon either mandatory or optional conversion (including partial cash settlement) are not addressed by paragraph 12 of APB Opinion No. 14, "Accounting for Convertible Debt and Debt issued with Stock Purchase Warrants."

Additionally, FSP APB 14-1 specifies that issuers of such instruments should separately account for the liability and equity components in a manner that will reflect the entity's nonconvertible debt borrowing rate when interest cost is recognized in subsequent periods. FSP APB 14-1 is effective for financial statements issued for fiscal years beginning after December 15, 2008, and interim periods within those fiscal years. The Company will adopt FSP APB 14-1 beginning in the first quarter of 2009, and this standard must be applied on a retrospective basis. The Company is evaluating the impact the adoption of FSP APB 14-1 will have on its consolidated financial position and results of operations.

On May 8, 2008, FASB issued SFAS No. 162, The Hierarchy of Generally Accepted Accounting Principles, which will provide framework for selecting accounting principles to be used in preparing financial statements that are presented in conformity with U.S. generally accepted accounting principles (GAAP) for nongovernmental entities. With the issuance of SFAS No. 162, the GAAP hierarchy for nongovernmental entities will move from auditing literature to accounting literature. The Company does not expect SFAS 162 to have a material impact on the preparation of its consolidated financial statements.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Use of Estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

NOTE 3 – GOING CONCERN

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As shown in the financial statements, the Company has limited cash, no revenues, and an accumulated deficit since the inception of the Company. These factors indicate that the Company may be unable to continue in existence. The Company is currently putting business plans in place which will, if successful, mitigate these factors which raise substantial doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustments related to the recoverability and classification of recorded assets, or the amounts and classification of liabilities that might be necessary in the event the Company cannot continue existence.

NOTE 4 – VESSEL AND OTHER FIXED ASSETS

	September 30, 2008	December 31, 2007
Research Vessel "Weatherbird II"	$ -	$ 800,000
Marine Equipment	-	23,306
	-	823,306
Accumulated Depreciation	-	35,745
Net Vessel & Equipment	$ -	$ 787,561

On February 28, 2008, the Company completed the sale of the Weatherbird II for cash proceeds of $1,000,000. As a result, the Company recorded a gain of $212,439 in discontinued operations.

NOTE 5 – STOCKHOLDERS' EQUITY TRANSACTIONS

On April 11, 2008 the Company cancelled 3,500,000 shares of its common stock in accord with a Release and Settlement Agreement with Russ George, the former owner of Planktos, Inc., dated February 22, 2008.

NOTE 6 – NOTES PAYABLE - RELATED PARTY

A loan from Bay Cove Investments, Ltd., a shareholder, is uncollateralized, bears interest at 6% per annum and is due upon demand. The loan balance, including accrued interest of $13,218, at April 30, 2007 was $211,478. On May 1, 2007, Bay Cove Investments, Ltd. assigned this loan to Regal RV Resorts, Inc.

NOTE 6 – NOTES PAYABLE - RELATED PARTY - CONTINUED

The loan from Regal RV Resorts, Inc., a shareholder, includes the $211,478 assignment of debt from Bay Cove Capital Corp., additional advances of $747,354, and a $386,500 repayment for a total owing of $572,332. Of this $572,332 loan, $97,511 is uncollateralized and bears no interest while $474,821 of the loan is uncollateralized and bears 6% per annum and is due upon demand. The accrued interest owing on this loan at September 30, 2008 and December 31, 2007 was $23,203 and $10,892, respectively.

NOTE 7 – DEBENTURE PAYABLE

The Company has a debenture payable that, as of September 30, 2008, has a carrying value principal of $100,000 plus accrued interest of $22,909. This loan bears interest at 10% per year for a three year term.

NOTE 8 – STOCK OPTIONS AND WARRANTS

The Company did not issue any new stock options or warrants in the nine months ended September 30, 2008.

NOTE 9 – DISCONTINUED OPERATIONS

In December 2007, the Company’s majority owned subsidiary, Planktos Corp., suspended its Iron-Fertilization Prove-Out operations and initiated negotiations for the sale of the related assets. Accordingly, this business component has been presented as discontinued operations within the consolidated financial statements in accordance with SFAS No. 144, “ Accounting for the Impairment or Disposal of Long-Lived Assets” and EITF 03-13. Planktos Corp. was engaged in research related to creation and sales of “Kyoto Protocol” certified emission reduction credits.

The loss from disposal of discontinued operations for the year ended December 31, 2007 includes Planktos Corp.’s operations of $2,841,810 and the recognition of previously recorded deferred revenues of $250,000 and provision for loss on contract of $967,500.

The loss on discontinued operations for the nine months ended September 30, 2008 includes Planktos Corp.’s loss from operations of $357,350 and the recognition of a $212,439 gain from the sale of the Weatherbird II.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This *Management's Discussion and Analysis of Financial Condition and Results of Operations* and other parts of this quarterly report contain forward-looking statements that involve risks and uncertainties. Forward-looking statements can be identified by words such as "anticipates," "expects," "believes," "plans," "predicts," and similar terms. Forward-looking statements are not guarantees of future performance and our actual results may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such differences include but are not limited to those discussed in the subsection entitled *Forward-Looking Statements and Factors That May Affect Future Results and Financial Condition* below. The following discussion should be read in conjunction with our financial statements and notes thereto included in this report. Our fiscal year end is December 31. All information presented herein is based on the three and nine month periods ended September 30, 2008.

Discussion and Analysis

The Company's plan of operation for the coming year is to (i) secure sufficient financing to resume research and development activities that might demonstrate the pragmatic use of unproven solid state nuclear fusion, or (ii) identify and acquire a favorable business opportunity through merger or acquisition.

While major energy research organizations and government agencies are accelerating efforts to develop new forms of nuclear energy, only solid-state fusion offers potentially limitless energy without radioactivity or nuclear waste. Our experiments with solid-state nuclear fusion indicate to us that the Company is well positioned to ultimately substantiate the feasibility of commercializing solid-state fusion. However, these efforts have been suspended due to a lack of sufficient financing.

We do not plan to limit our merger or acquisition options to any particular industry, but will evaluate each opportunity on its merits. We have not yet entered into any agreement, nor do we have any commitment or understanding to enter into or become engaged in any transaction, as of the date of this filing.

During December of 2007 the Company discontinued its "iron-fertilization" prove-out program in connection with is majority owned subsidiary, Planktos Corp., and commenced efforts to wind-down its business. We continued these efforts through the nine month period ended September 30, 2008, terminating all of our employees, divesting substantially all of our assets including our research vessel, and closing our California office. During the nine months ended September 30, 2008 the Company suspended cold fusion research and development and closed its Los Alamos, New Mexico research facility.

The Company's plan of operation over the next twelve months will require a minimum of (i) $500,000 in new financing with respect to developing a cold fusion program, or (ii) $100,000 to identify a suitable business opportunity for development through merger or acquisition. Should the Company decide to develop a business opportunity through merger or acquisition, our funding requirements will change. We will also require up to $1,300,000 to satisfy amounts payable. Financing to meet these cash requirements is not currently available.

Results of Operations

During the three and nine month periods ended September 30, 2008, the Company was focused on (i) suspending research and development activities in connection with cold fusion technologies, including closing its Los Alamos, New Mexico research facility, (ii) winding down its intended carbon sequestration business in connection with its majority owned subsidiary, Planktos Corp., including the disposing of its research vessel and essentially all of its other assets, (iii) pursued financing commitments for its plan of operation, (iv) beginning the search for a business opportunity to develop through merger or acquisition, and (v) satisfying continuous public disclosure requirements.

The Company has not generated any revenues since inception. Since we have suspended operations and have no current ability to generate revenue, we expect to continue to incur losses for the foreseeable future.

Net Losses

For the period from January 5, 1994 (inception) to September 30, 2008 the Company recorded a net loss of $15,944,825. Net losses for the three months ended September 30, 2008 were $85,266 as compared to $774,717 for the three months ended September 30, 2007. Net losses for the nine months ended September 30, 2008 were $570,301 as compared to $2,819,951 for the nine months ended September 30, 2007. The decrease in net losses in the current periods can be attributed to the suspension of both our "cold fusion" research and development program and our "iron-fertilization" prove out program, which resulted in a decrease in general and administrative expenses, research and development expenses, and vessel operation costs.

We expect to continue to incur losses over the next twelve months as the Company evaluates its "cold fusion" research and development program and seeks out another business opportunity for development through merger or acquisition.

Capital Expenditures

During 2007 Planktos Corp., the Company's majority owned subsidiary, purchased a research vessel for $800,000 which vessel was sold during the nine month period ended September 30, 2008 for $1,000,000. Otherwise, the Company has expended no significant amount on capital expenditures for the period from inception to September 30, 2008.

Income Tax Expense (Benefit)

The Company has a prospective income tax benefit resulting from a net operating loss carryforward and start up costs that could offset future operating profits.

Impact of Inflation

The Company believes that inflation has had a negligible effect on operations over the past three years.

Liquidity and Capital Resources

The Company is in the development stage and, since inception, has experienced significant changes in liquidity, capital resources and stockholders' equity. We have been funded since inception from public or private debt or equity placements or by major shareholders in the form of loans. All of our projects have been experimental in nature and virtually all of the financing raised to date has been either allocated for or related to research and the development activities.

The Company had a working capital deficit of $1,092,463 as of September 30, 2008, down from $1,342,027 as of December 31, 2007. As of September 30, 2008 our current and total assets were $79,998, consisting entirely of cash. Our current liabilities totaled $1,172,461, which included a note payable to a related party of $572,332, advances payable of $394,651, and accounts payable with accrued expenses of $182,275. Long term liabilities totaled $122,909. Net stockholders' deficit in the Company was $1,215,372 as of September 30, 2008, up from $711,191 at December 31, 2007.

Cash flow used in operating activities was $9,045,918 for the period from inception to September 30, 2008. Cash flow used in operating activities for the nine months ended September 30, 2008 was $863,995 as compared to $2,122,996 for the nine months ended September 30, 2007. The decrease in cash flow used in operating activities in the current period was due primarily to a decrease in net losses.

Cash flow provided by investing activities was $3,039,745 for the period from inception to September 30, 2008. Cash flow provided by investing activities for the nine months ended September 30, 2008 was $1,000,000 as compared to cash flow provided by investing activities of $1,147,322 for the nine months ended September 30, 2007. Cash flows provided by investing activities in the current period can be attributed to the sale of the research vessel formerly owned by Planktos Corp.

Cash flow provided by financing activities was $6,086,171 for the period from inception to September 30, 2008. Cash used in financing activities for the nine months ended September 30, 2008 was $123,362 as compared to cash provided by financing activities of $1,356,497 for the nine months ended September 30, 2007. Cash flow used in financing activities in the current period can be attributed to the repayment of related party loans and advances.

The Company's current assets are insufficient to conduct our plan of operation over the next twelve months and we will have to seek additional debt or equity financing to fund operations. The Company has no current commitments or arrangements with respect to, or immediate sources of funding. Further, no assurances can be given that funding is available or available to the Company on acceptable terms. The Company's shareholders would be the most likely source of new funding in the form of loans or equity placements though none have made any commitment for future investment and we have no agreement formal or otherwise. The Company's inability to obtain funding has had a material adverse affect on our plan of operation and will continue to diminish our ongoing businesses.

The Company does not expect to pay cash dividends in the foreseeable future.

The Company had no lines of credit or other bank financing arrangements.

The Company has no defined benefit plan or contractual commitment with any of its officers or directors.

The Company has no current plans for the purchase or sale of any plant or equipment.

The Company currently has no employees and has no plans to hire any employees in the near future.

Off Balance Sheet Arrangements

As of September 30, 2008, we have no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures, or capital resources that is material to stockholders.

Critical Accounting Policies

In the notes to the audited consolidated financial statements for the year ended December 31, 2007 included in the Company's Form 10-K, the Company discussed those accounting policies that are considered to be significant in determining the results of operations and our financial position. We believe that the accounting principles utilized by us conform to accounting principles generally accepted in the United States of America.

The preparation of financial statements requires management to make significant estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. By their nature, these judgments are subject to an inherent degree of uncertainty. On an on-going basis, we evaluate our estimates, including those related to bad debts, inventories, intangible assets, warranty obligations, product liability, revenue, and income taxes. We base our estimates on historical experience and other facts and circumstances that are believed to be reasonable, and the results form the basis for making judgments about the carrying value of assets and liabilities. The actual results may differ from these estimates under different assumptions or conditions.

<u>Minority Interests</u>
The Company owns 53% of Planktos Corp. The 47% minority interest in the subsidiary is owned by various unrelated parties. The minority holders are not expected to make additional capital contributions.

Going Concern

The Company's audit expressed substantial doubt as to the Company's ability to continue as a going concern as a result of recurring losses, lack of revenue-generating activities and an accumulated deficit of $15,374,524 as of December 31, 2007. Our accumulated deficit increased to $15,944,825 as of September 30, 2008. The Company's ability to continue as a going concern is subject to our ability to obtain funding from outside sources. Management's plan to address our ability to continue as a going concern, include: (i) obtaining funding from private placement sources; (ii) obtaining additional funding from the sale of our securities; (iii) generating revenues from the commercialization of its research and development projects or from the development of a business opportunity through acquisition or merger; and (iv) obtaining loans and grants from various financial institutions, where possible. Although management believes that it will be able to obtain the necessary funding to allow us to remain a going concern through the methods discussed above, there can be no assurances that such methods will prove successful.

Forward Looking Statements and Factors That May Affect Future Results and Financial Condition

The statements contained in the section titled *Management's Discussion and Analysis of Financial Condition and Results of Operations*, with the exception of historical facts, are forward looking statements. A safe-harbor provision may not be applicable to the forward looking statements made in this current report Forward looking statements reflect our current expectations and beliefs regarding our future results of operations, performance, and achievements. These statements are subject to risks and uncertainties and are based upon assumptions and beliefs that may or may not materialize. These statements include, but are not limited to, statements concerning:

- the sufficiency of existing capital resources;
- our anticipated financial performance;
- our ability to raise additional capital to fund cash requirements for future operations;
- uncertainties related to the development of our technologies;
- the volatility of the stock market; and
- general economic conditions.

We wish to caution readers that our operating results are subject to various risks and uncertainties that could cause our actual results to differ materially from those discussed or anticipated, including the factors set forth in the section entitled *Risk Factors* included elsewhere in this report. We also wish to advise readers not to place any undue reliance on the forward looking statements contained in this report, which reflect our beliefs and expectations only as of the date of this report. We assume no obligation to update or revise these forward looking statements to reflect new events or circumstances or any changes in our beliefs or expectations, other than is required by law.

Stock-Based Compensation

We have adopted SFAS No. 123 (revised 2004) (SFAS No. 123R), Share-Based Payment, which addresses the accounting for stock-based payment transactions in which an enterprise receives employee services in exchange for (a) equity instruments of the enterprise or (b) liabilities that are based on the fair value of the enterprise's equity instruments or that may be settled by the issuance of such equity instruments. In January 2005, the Securities and Exchange Commission (SEC) issued Staff Accounting Bulletin (SAB) No. 107, which provides supplemental implementation guidance for SFAS No. 123R. SFAS No. 123R eliminates the ability to account for stock-based compensation transactions using the intrinsic value method under Accounting Principles Board (APB) Opinion No. 25, Accounting for Stock Issued to Employees, and instead generally requires that such transactions be accounted for using a fair-value-based method. We use the Black-Scholes-Merton ("BSM") option-pricing model to determine the fair-value of stock-based awards under SFAS No. 123R, consistent with that used for pro forma disclosures under SFAS No. 123, Accounting for Stock-Based Compensation. We have elected the modified prospective transition method as permitted by SFAS No. 123R and accordingly prior periods have not been restated to reflect the impact of SFAS No. 123R. The modified prospective transition method requires that stock-based compensation expense be recorded for all new and unvested stock options, restricted stock, restricted stock units, and employee stock purchase plan shares that are ultimately expected to vest as the requisite service is rendered beginning on January 1, 2006, the first day of our fiscal year 2006. Stock-based compensation expense for awards granted prior to January 1, 2006 is based on the grant date fair-value as determined under the pro forma provisions of SFAS No. 123.

Prior to the adoption of SFAS No 123R, we measured compensation expense for our employee stock-based compensation plans using the intrinsic value method prescribed by APB Opinion No. 25. We applied the disclosure provisions of SFAS No. 123 as amended by SFAS No. 148, Accounting for Stock-Based Compensation – Transition and Disclosure, as if the fair-value-based method had been applied in measuring compensation expense. Under APB Opinion No. 25, when the exercise price of the Company's employee stock options was equal to the market price of the underlying stock on the date of the grant, no compensation expense was recognized.

We account for equity instruments issued in exchange for the receipt of goods or services from other than employees in accordance with SFAS No. 123 and the conclusions reached by the Emerging Issues Task Force ("EITF") in Issue No. 96-18. Costs are measured at the estimated fair market value of the consideration received or the estimated fair value of the equity instruments issued, whichever is more reliably measurable. The value of equity instruments issued for consideration other than employee services is determined on the earliest of a performance commitment or completion of performance by the provider of goods or services as defined by EITF 96-18.

Recent Accounting Pronouncements

The Financial Accounting Standards Board ("FASB") has issued Statement of Financial Accounting Standards ("SFAS") No. 163, Accounting for Financial Guarantee Insurance Contracts. SFAS No. 163 clarifies how SFAS No. 60, Accounting and Reporting by Insurance Enterprises, applies to financial guarantee insurance contracts issued by insurance enterprises, and addresses the recognition and measurement of premium revenue and claim liabilities. It requires expanded disclosures about contracts, and recognition of claim liability prior to an event of default when there is evidence that credit deterioration has occurred in an insured financial obligation. It also requires disclosure about (a) the risk-management activities used by an insurance enterprise to evaluate credit deterioration in its insured financial obligations, and (b) the insurance enterprise's surveillance or watch list. The Company is currently evaluating the impact of SFAS No. 163.

In May 2008, FASB issued FASB Staff Position ("FSP") APB 14-1, "Accounting for Convertible Debt Instruments That May Be Settled in Cash upon Conversion (Including Partial Cash Settlement)" ("FSP APB 14-1"). FSP APB 14-1 clarifies that convertible debt instruments that may be settled in cash upon either mandatory or optional conversion (including partial cash settlement) are not addressed by paragraph 12 of APB Opinion No. 14, "Accounting for Convertible Debt and Debt issued with Stock Purchase Warrants."

Additionally, FSP APB 14-1 specifies that issuers of such instruments should separately account for the liability and equity components in a manner that will reflect the entity's nonconvertible debt borrowing rate when interest cost is recognized in subsequent periods. FSP APB 14-1 is effective for financial statements issued for fiscal years beginning after December 15, 2008, and interim periods within those fiscal years. We will adopt FSP APB 14-1 beginning in the first quarter of 2009, and this standard must be applied on a retrospective basis. We are evaluating the impact the adoption of FSP APB 14-1 will have on our consolidated financial position and results of operations.

On May 8, 2008, FASB issued SFAS No. 162, The Hierarchy of Generally Accepted Accounting Principles, which will provide framework for selecting accounting principles to be used in preparing financial statements that are presented in conformity with U.S. generally accepted accounting principles (GAAP) for nongovernmental entities. With the issuance of SFAS No. 162, the GAAP hierarchy for nongovernmental entities will move from auditing literature to accounting literature. We do not expect SFAS 162 to have a material impact on the preparation of our consolidated financial statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not required.

ITEM 4T. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

In connection with the preparation of this report on Form 10-Q, an evaluation was carried out by the Company's management, with the participation of the chief executive officer and the chief financial officer, of the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 ("Exchange Act")). Disclosure controls and procedures are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the Commission's rules and forms and that such information is accumulated and communicated to management, including the chief executive officer and the chief financial officer, to allow timely decisions regarding required disclosures.

Based on that evaluation, the Company's management concluded, as of the end of the period covered by this report, that the Company's disclosure controls and procedures were effective in recording, processing, summarizing, and reporting information required to be disclosed, within the time periods specified in the Commission's rules and forms, and that such information was accumulated and communicated to management, including the chief executive officer and the chief financial officer, to allow timely decisions regarding required disclosures.

Changes in Internal Control over Financial Reporting

There have been no changes in internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) during the period ended September 30, 2008, that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Legal proceedings were initiated by Mary Ruth Ladd against the Company, Planktos Corp. and certain individuals affiliated to the Company on October 3, 2007 in the Superior Court of the State of California, County of San Francisco in connection with allegations of discrimination and retaliation against a whistle blower, wrongful termination, fraud, breach of contract, wrongful business acts and intentionally causing injury in the workplace. The claim seeks $58,280 in lost wages in addition to certain employee benefits and punitive damages. The Company has retained counsel to respond to these allegations and denies any liability for these alleged causes of action.

ITEM 1A. RISK FACTORS

The Company's operations and securities are subject to a number of risks. Below we have identified and discussed the material risks that we are likely to face. Should any of the following risks occur, they will adversely affect our operations, business, financial condition and/or operating results as well as the future trading price and/or the value of our securities.

Risks Related to the Company's Business

The company's ability to continue as a going concern is in question

The Company's auditors included an explanatory statement in Note 2 of their report of financial statements for the years ended December 31, 2007 and 2006, stating that there are certain factors which raise substantial doubt about the Company's ability to continue as a going concern. These factors include a lack of revenue generating activities in place and losses since inception.

We have essentially suspended all operations and our ability to continue our plan of operation is in doubt.

During December of 2007, Planktos Corp. suspended all "iron-fertilization" prove out efforts and commenced efforts to wind down its operations including the sale of assets and termination of employees. During the nine months ended September 30, 2008 the Company suspended all "cold fusion" efforts and closed its Los Alamos, New Mexico research facility. Our limited financial resources and absence of ongoing business operations place our ability to continue in doubt.

We have a history of significant operating losses and such losses may continue in the future

Since our inception in 1994, our operations have resulted in a continuation of losses and an accumulated deficit which reached $15,944,825 at September 30, 2008. The Company has never realized revenue from operations. We expect to continue to incur operating losses as we seek ways to resume research and development activities, identify additional business opportunities while maintaining operations and satisfying public disclosure obligations. Should we be unable to transition current losses to future profits by developing or acquiring a revenue producing business, our ability to maintain operations will be severely compromised.

Our business will not be profitable in the next twelve months and may never be profitable.

All of our research and development operations are currently suspended and as such we have no expectation of realizing profitable operations within the next twelve months or ever. Any possibility of future profit from operations is highly speculative.

The Company's limited financial resources cast severe doubt on its ability to develop or acquire a profitable business opportunity.

The Company's future operation is dependent upon the development or acquisition of a profitable business opportunity. However, the prospect of such development or acquisition is doubtful due to the Company's limited financial resources. Further, due to the suspension of all research and development activities, the Company is not in a favorable position to improve its financial condition through debt or equity offerings. Ultimately, this limitation may cause us to cease operations.

We will need additional financing to fund our businesses.

We will need additional capital to resume our research and development operations and develop additional opportunities through merger or acquisition. In our efforts to raise capital or obtain additional financing, we may be obligated to issue additional shares of common stock or warrants or other rights to acquire common stock on terms that will result in dilution to existing shareholders or place restrictions on operations. If adequate funds are not available or are not available on acceptable terms, our ability to fund our operations would be significantly limited.

Risks Related to the Company's Stock

The market for our stock is limited and our stock price may be volatile.

The market for our common stock has been limited due to low trading volume and the small number of brokerage firms acting as market makers. Because of the limitations of our market and volatility of the market price of our stock, investors may face difficulties in selling shares at attractive prices when they want to. The average daily trading volume for our stock has varied significantly from week to week and from month to month, and the trading volume often varies widely from day to day.

We may incur significant expenses as a result of being quoted on the Over the Counter Bulletin Board, which may negatively impact our financial performance.

We incur significant legal, accounting and other expenses as a result of being listed on the Over the Counter Bulletin Board. The Sarbanes-Oxley Act of 2002, as well as related rules implemented by the Commission has required changes in corporate governance practices of public companies. We expect that compliance with these laws, rules and regulations, including compliance with Section 404 of the Sarbanes-Oxley Act of 2002 as discussed in the following risk factor, may substantially increase our expenses, including our legal and accounting costs, and make some activities more time-consuming and costly. As a result, there may be a substantial increase in legal, accounting and certain other expenses in the future, which would negatively impact our financial performance and could have a material adverse effect on our results of operations and financial condition.

Our internal controls over financial reporting may not be considered effective in the future, which could result in a loss of investor confidence in our financial reports and in turn have an adverse effect on our stock price.

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002 we are required to furnish a report by our management on our internal controls over financial reporting. Such report must contain, among other matters, an assessment of the effectiveness of our internal controls over financial reporting as of the end of the year, including a statement as to whether or not our internal controls over financial reporting are effective. This assessment must include disclosure of any material weaknesses in our internal controls over financial reporting identified by management. If we are unable to assert that our internal controls are effective, our investors could lose confidence in the accuracy and completeness of our financial reports, which in turn could cause our stock price to decline.

The Company's shareholders may face significant restrictions on their stock.

The Company's stock differs from many stocks in that it is a "penny stock." The Commission has adopted a number of rules to regulate "penny stocks" including, but not limited to, those rules from the Securities Act as follows:

- 3a51-1 which defines penny stock as, generally speaking, those securities which are not listed on either NASDAQ or a national securities exchange and are priced under $5, excluding securities of issuers that have net tangible assets greater than $2 million if they have been in operation at least three years, greater than $5 million if in operation less than three years, or average revenue of at least $6 million for the last three years;
- 15g-1 which outlines transactions by broker/dealers which are exempt from 15g-2 through 15g-6 as those whose commissions from traders are lower than 5% total commissions;
- 15g-2 which details that brokers must disclose risks of penny stock on Schedule 15G;
- 15g-3 which details that broker/dealers must disclose quotes and other information relating to the penny stock market;

15g-4	which explains that compensation of broker/dealers must be disclosed;
15g-5	which explains that compensation of persons associated in connection with penny stock sales must be disclosed;
15g-6	which outlines that broker/dealers must send out monthly account statements; and
15g-9	which defines sales practice requirements.

Since the Company's securities constitute a "penny stock" within the meaning of the rules, the rules would apply to us and our securities. Because these rules provide regulatory burdens upon broker-dealers, they may affect the ability of shareholders to sell their securities in any market that may develop; the rules themselves may limit the market for penny stocks. Additionally, the market among dealers may not be active. Investors in penny stock often are unable to sell stock back to the dealer that sold them the stock. The mark-ups or commissions charged by the broker-dealers may be greater than any profit a seller may make. Because of large dealer spreads, investors may be unable to sell the stock immediately back to the dealer at the same price the dealer sold the stock to the investor. In some cases, the stock may fall quickly in value. Investors may be unable to reap any profit from any sale of the stock, if they can sell it at all. Shareholders should be aware that, according to Commission Release No. 34-29093 dated April 17, 1991, the market for penny stocks has suffered from patterns of fraud and abuse. These patterns include:

- control of the market for the security by one or a few broker-dealers that are often related to the promoter or issuer;
- manipulation of prices through prearranged matching of purchases and sales and false and misleading press releases;
- "boiler room" practices involving high pressure sales tactics and unrealistic price projections by inexperienced sales persons;
- excessive and undisclosed bid-ask differentials and markups by selling broker-dealers; and
- the wholesale dumping of the same securities by promoters and broker-dealers after prices have been manipulated to a desired level, along with the inevitable collapse of those prices with consequent investor losses.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS ON SENIOR SECURITIES

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibits required to be attached by Item 601 of Regulation S-K are listed in the Index to Exhibits on page 26 of this Form 10-Q, and are incorporated herein by this reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Solar Energy Limited

/s/ Michael James Gobuty   Date: November 12, 2008
Michael James Gobuty
Chief Executive Officer, Chief Financial Officer, and Principal Accounting Officer

INDEX TO EXHIBITS

Exhibit	*Description*
3(i) *	Articles of Incorporation (incorporated by reference to the Company's Form 10-SB filed with the Securities and Exchange Commission on January 28, 1999).
3(ii) *	By-laws (incorporated herein by reference to the Company's Form 10-SB filed with the Commission on January 28, 1999).
10(i) *	Stock Purchase Agreement dated April 27, 2004 between Renewable Energy Limited, Los Alamos Renewable Energy , LLC, Renewable Energy Corporation and the Company (incorporated by reference to the Company's Form 10-QSB filed with the Securities and Exchange Commission on August 24, 2004).
10(ii) *	Acquisition Agreement with Planktos, Inc., dated August 10, 2005 (incorporated by reference to the Company's Form 8-K filed with the Commission on August 19, 2005).
10(iii) *	Acquisition Agreement with D2Fusion Inc., dated August 18, 2005 (incorporated by reference to the Company's Form 8-K filed with the Commission on August 19, 2005).
10(iv) *	Iron-Fertilization Prove-Out and Purchase Agreement with Planktos Corp. (formerly Diatom Corporation), dated August 18, 2005 (incorporated by reference to the Company's Form 8-K filed with the Commission on August 19, 2005).
10(v) *	Consulting Agreement with Bay Cove Capital Corp. dated December 1, 2005 (incorporated by reference to the Company's Form 10-QSB filed with the Commission on August 12, 2007).
10(vi) *	Securities Exchange Agreement and Plan of Exchange with Planktos Corp. (formerly Diatom Corporation) dated January 12, 2007 (incorporated by reference to the Company's Form 8-K filed with the Commission on January 19, 2007).
10(vii) *	Amendment to Consulting Agreement with Bay Cove Capital Corp. dated May 1, 2007(incorporated by reference to the Company's Form 10-QSB filed with the Commission on August 12, 2007).
10(viii) *	Securities Exchange Agreement and Plan of Exchange with Enwin Resources, Inc. dated May 31, 2007 (incorporated by reference to the Company's Form 8-K filed with the Commission on June 4, 2007).
10(ix) *	Release and Settlement Agreement with Russ George dated February 22, 2008 (incorporated by reference to the Company's Form 8-K filed with the Commission on March 21, 2008).
14 *	Code of Ethics adopted March 30, 2004 (incorporated herein by reference to Form 10-KSB dated April 1, 2004).
21 *	Subsidiaries (incorporated herein by reference to Form 10-K dated April 14, 2008).
31	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (attached).
32	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (attached).

* Incorporated by reference to previous filings of the Company.

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER PURSUANT TO RULE 13a-14 OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Michael James Gobuty, certify that:

1. I have reviewed this report on Form 10-Q of Solar Energy Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the period presented in this report;

4. The small business issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) and internal control over financial reporting (as defined in the Exchange Act Rules 13a-15(f) and 15d-15(f) for the small business issuer and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and

5. The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal controls over financial reporting.

Date: November 12, 2008

/s/ Michael James Gobuty

Michael James Gobuty, Chief Executive Officer and Chief Financial Officer

Exhibit 32

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the report on Form 10-Q of Solar Energy Limited for the quarterly period ended September 30, 2008 as filed with the Securities and Exchange Commission on the date hereof, I, Michael James Gobuty, do hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

(1) This report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) The information contained in this report fairly represents, in all material respects, the financial condition of the small business issuer at the end of the period covered by this report and results of operations of the small business issuer for the period covered by this report.

Date: November 12, 2008

/s/ Michael James Gobuty
Michael James Gobuty
Chief Executive Officer and Chief Financial Officer

This certification accompanies this report pursuant to §906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the small business issuer for the purposes of §18 of the Securities Exchange Act of 1934, as amended. This certification shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of this report), irrespective of any general incorporation language contained in such filing.

A signed original of this written statement required by §906 has been provided to the small business issuer and will be retained by the small business issuer and furnished to the Securities and Exchange Commission or its staff upon request.