

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Carbon Friendly Solutions Inc. (the "Company")
2500 – 555 W. Hastings St.
Vancouver, B.C.
V6B 4N5

Item 2. Date of Material Change

May 25, 2011

Item 3. News Release

The news release was disseminated through Canadian News Wire Group on May 25, 2011.

Item 4. Summary of Material Change

Carbon Friendly Solutions Inc. has announced that further to its news release of May 2nd, 2011, its subsidiary MicroCoal Inc. is to conduct testing on sample coals provided by a major utility companies operating several coal-fired plants and serving more than 3 mm electric customers in the U.S.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

See attached news release.

5.2 Disclosure for Restructuring Transactions

Not applicable

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

Not applicable

Item 7. Omitted Information

Not applicable

Item 8. Executive Officer

Stan Lis, President and Director



(signature)

Item 9. Date of Report

May 25, 2011



FOR IMMEDIATE RELEASE

Contact Investor Relations

Phone: 604-676-9792

MICROCOAL TO TEST COAL SAMPLES

VANCOUVER, May 25, 2011- **Carbon Friendly Solutions Inc. (CNSX: CFQ) ("CFS")** is pleased to announce that further to its news release of May 2nd, 2011, its subsidiary MicroCoal Inc. ("MicroCoal" or "MCI") is to conduct testing on sample coals provided by a major utility companies operating several coal-fired plants and serving more than 3 mm electric customers in the U.S.

MicroCoal and the U.S. energy/utility providers are to carry out testing of the utility companies' most- burned coals in its various coal-fired facilities using MCI's patented technology process. The on-site process decontaminates and upgrades low-rank coals to match the energy levels of high-rank coals which results in the potential reduction of GHG emissions and improves the plant's fuel efficiency.

Stan Lis, President of Carbon Friendly Solutions Inc, states "We are very pleased with the recent development in the relationship with leading utility companies in the U.S. We are now conducting an actual coal testing phase as part of the feasibility and deployment studies of MCI's technology process into existing operations. This marks a significant milestone in to nominating the most appropriate site for the deployment of our first commercial demonstration plant."

About MicroCoal Inc.

MicroCoal Inc. was incorporated in 2005 and currently has its headquarters in Denver, CO with pilot facilities in Golden, CO. **MicroCoal** is a clean energy company focusing on commercializing the use of its patented technologies to decontaminate and upgrade low-rank coals to match the energy levels of high-rank coals for use by power utilities. **MicroCoal's** proprietary on-site process not only dewateres coal but also removes contaminants on site prior to combustion which results in the potential reduction of GHG emissions and improves fuel efficiency. The reduction in emissions allows for the generation of substantial carbon credits in an industry that is one of the world's largest producers of emissions.

Website address: www.microcoal.com

About Carbon Friendly Solutions Inc.

Carbon Friendly Solutions Inc. provides solutions and products for companies, organizations and individuals looking to reduce or offset their global warming impact caused by greenhouse gas ("GHG") emissions including the generation of carbon credits for sale in the global Voluntary and Compliance markets. Through its subsidiaries: Global **CO2 Reduction Inc.**, **CO2 Reduction Poland Sp. z o.o.** and its latest addition, **MicroCoal Inc.**; **CFS** is focused on removing and offsetting GHG emissions from the development of reforestation projects and clean energy technology projects that are independently validated and verified to globally recognized standards and methodologies.

Website address: www.carbonfriendly.com

On behalf of the Board of Directors

Carbon Friendly Solutions Inc.

"Stan Lis"

President

Certain statements included in this News Release contain forward-looking statements, including disclosure concerning possible or assumed future results of operations of the Company. Forward-looking statements typically are preceded by, followed by or include the words – "believes," "expects," "anticipates," "estimates," "intends," "plans," "or similar expressions. Forward-looking statements are not guarantees of future performance. They involve risks, uncertainties and assumptions, and the Company's results could differ materially from those anticipated in these forward-looking statements.