

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

August 8, 2011

Item 3. News Release

The news release was disseminated through Canadian News Wire Group on August 8, 2011.

Item 4. Summary of Material Change

CARBON FRIENDLY SOLUTIONS INC. COMPLETES VALIDATION OF NORTHERN POLAND AFFORESTATION OFFSET PROJECT.

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

August 8, 2011



FOR IMMEDIATE RELEASE

Contact Investor Relations

Phone: 604-676-9792

**CARBON FRIENDLY SOLUTIONS INC. COMPLETES VALIDATION
OF NORTHERN POLAND AFFORESTATION OFFSET PROJECT.**

Vancouver, B.C., Canada – August 8th, 2011 – Carbon Friendly Solutions Inc. (CNSX: CFQ) (“CFS” or the “Company”) is pleased to announce that on August 3rd, 2011, it **successfully completed** the validation of its **Northern Poland Afforestation Offset Project (“NPAOP”)**.

The Project has been validated to ensure the emission reduction quantities asserted, **equivalent to 1,517,025 high-quality VERs**, accurately portray methodologies and criteria specified by the *ISO 14064-2*, *IPCC Good Practice Guidance for Land Use, Land-Use Change and Forestry 2003*, and the UNFCCC approved consolidated afforestation and reforestation baseline and monitoring methodology *AR-ACM001: “Afforestation and Reforestation of Degraded Land, Version 4”*.

The Northern Poland Afforestation Offset Project areas contain an aggregate **4,823 hectares** of privately owned lands in post-agricultural, degraded conditions. These areas have been aggregated through extensive stakeholder consultations held by **CO2 Reduction Poland (“CRP”)**, a wholly owned subsidiary of CFS. The project activity involves the planting of **24,248,614 trees**, consisting of various native species on a **3,599 hectare** portion of the total land area. The project activity is expected to generate approximately **1,517,025.804 tonnes of CO₂ removals throughout its 40 year crediting period** from the increased carbon stocks in natural carbon sinks (biomass growth and soil carbon retention). GHG removal enhancements by the project are equal to the sum of removals by aboveground biomass, belowground biomass and soils. Individual species’ growth models were developed by the team from **Warsaw University Life Sciences, Faculty of Forestry, Independent Division on Dendrometry and Forest Productivity (“SGGW”)** led by Mr. Michal Zasada, Ph.D., Dean of the Faculty of Forestry. The National Forest Inspectorate, the **SGGW**, and the **CRP** Monitoring Team shall monitor the afforestation to document growth and survival, mitigate potential carbon reversals, and ensure the successful establishment of “forests” within the project boundaries.

Conestoga-Rovers & Associates (“CRA”) was retained to conduct the validation on February 25th, 2011, with the objective of providing assurance to **CFS** that the Project Documents have been developed in accordance with the validation criteria.

The Project will be listed on the **Markit Environmental Registry**. The **Markit Environmental Registry** is a financial market based registry that allows accountholders to manage all their environmental credits in one common platform. The registry is linked with a number of carbon exchanges including the **Carbon Trade Exchange (“CTX”)**. The **CTX** is a trusted marketplace where businesses can buy emissions commodities with confidence in the quality and origin of the products being sold. The Project’s **1,517,025 high-quality VERs** are expected to obtain the average 2010 over-the-counter price of **\$6 USD per VER** (*Back to the Future, “State of the Voluntary Carbon Markets 2011”*).

Slawek Smulewicz, Director and CEO of Carbon Friendly Solutions Inc. states:

“The successful completion of our Northern Poland Afforestation Offset Project marks an important milestone in the company’s history. We look forward to future contributions by Polish farmers and landowners towards our objective of reducing CO₂ emissions from the atmosphere.”

About Conestoga-Rovers & Associates

CRA is a family of companies that provides multidisciplinary engineering, environmental, construction, and information technology services. Established in 1976, **CRA** has grown from a staff of 3,000 employees in over 90 offices located in Canada, the United States, Mexico, Argentina, Brazil, and the United Kingdom. Corporate integrity, accountability, technical excellence, and a commitment to superior client service are all part of the philosophy that is the cornerstone of **CRA**'s success. **CRA** is accredited as a verification body by the California Air Resource Board ("**CARB**"), **UNFCCC** Designated Operating Entity ("**DOE**") for Clean Development Mechanism ("**CDM**") validations and verifications, and is the final stages of becoming accredited in accordance with **ISO 14065** as a validation/verification body by the American National Standards Institute ("**ANSI**").

About Carbon Friendly Solutions Inc.

Carbon Friendly Solutions Inc., through its subsidiaries: **MicroCoal**, **CO2 Reduction Poland** and **CarbioPel**, is focused on the development of clean energy technology, renewable energy and forestry projects. **MicroCoal Inc.** is a leading clean energy company focused 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. **Carbiopel – Eco Stream S.A.** is an operating biomass producer in Poland and part of a rapidly growing renewable energy market in The European Union. **CO2 Reduction Poland Sp. z o.o.**, through cooperative action with several private landowners, is implementing afforestation projects in Poland to restore forest cover on disused agricultural land, which will lead to the generation of carbon credits for sale in the global Voluntary market.

On behalf of the Board of Directors

Carbon Friendly Solutions Inc.

"Slawomir Smulewicz"

CEO and Director

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.

We seek safe harbor.