

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

*Carbon Friendly Solutions
(the "Company")
2500-555 West Hastings St.
PO Box 12072
Vancouver, BC
V6B 4N5*

Item 2. Date of Material Change

February 13, 2012

Item 3. News Release

A news release was issued on February 13, 2012 and disseminated through the facilities of MarketWire.

Item 4. Summary of Material Change

The Company closed a financing by way of private placement on January 24, 2012, consisting of 6,395,000 units at a price of \$0.30 per unit, with each unit consisting of one common share and one non-transferable share purchase warrant to purchase one additional common share at a price of \$0.45 per share, exercisable for a period of two years. . The financing raised a total of CAD\$1,1981,740.00, which proceeds will be used to deploy the first commercial installation of its MicroCoal technology and for general working capital.

Item 5. Full Description of Material Change

Please see attached Schedule "A"

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

This Report is not being filed on a confidential basis.

Item 7. Omitted Information

None.

Item 8. Executive Officer

*Slawomir Smulewicz
CEO and Director
604.676-9792*

Item 9. Date of Report

February 15, 2012



NR-12-02

CARBON FRIENDLY SOLUTIONS INC. CLOSES OVERSUBSCRIBED \$1.9MM PRIVATE PLACEMENT

Vancouver, B.C., Canada – February 13, 2012 – Carbon Friendly Solutions Inc. (CNSX: CFQ) (the “Company” or “Carbon Friendly”) is pleased to announce that the Company closed its financing by way of a private placement (“Private Placement”) announced on January 24, 2012. The total financing from the Private Placement is comprised of **CAD\$1,918,740.00 in gross proceeds** from the **subscription to 6,395,800 Units**. Each Unit consists of (1) one common share and (1) one non-transferable common share purchase warrant (the “Warrant”). Each Warrant entitles the holder thereof to purchase (1) one common share of the Company at an exercise price of CAD\$0.45 per common share for a period of (2) two years from the closing date of the Private Placement.

The Private Placement was announced on January 24, 2012, consisting of up to 5,000,000 Units of the Company, at a proposed subscription price of CAD\$0.30 per Unit. The private placement has been **oversubscribed by CAD\$418,740.00 or 1,395,800 Units**. The proceeds of the private placement will be used by the Issuer, Carbon Friendly Solutions Inc. to deploy the first commercial installation of its MicroCoal Technology and for general working capital.

About Carbon Friendly Solutions Inc.:

Carbon Friendly Solutions Inc., through its subsidiaries, is focused on the development of energy efficiency technology, renewable energy, and reforestation projects that have the potential to generate significant revenue. **MicroCoal Inc.** has an internationally patented technology that is expected to improve coal-fired utilities’ economic performance by reducing input costs, improving operations and simultaneously reducing their environmental footprint. **Global CO2 Reduction** generates Carbon Offsets from forestry projects that may be transacted through international voluntary markets. **Carbiopel Eco-Stream Power S.A.** aggregates biomass supply and produces biomass fuel pellets for the European market, including large European utilities and independent renewable energy providers, in line with EU renewable energy directives.

On behalf of the Board of Directors

Carbon Friendly Solutions Inc.

“Slawek Smulewicz”

CEO and Director

For Information:

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Forward Looking Statements

This news release contains "forward-looking information" within the meaning of the Canadian securities laws. Forward looking information is generally identifiable by use of the words "believes," "may," "plans," "will," "anticipates," "intends," "budgets," "could," "estimates," "expects," "forecasts," "projects" "approximately," "proposed" and similar expressions, and the negative of such expressions. Forward-looking information in this news release includes statements about Carbon Friendly's prospective business relationship, the development of Carbon Offsets through forestry projects, MicroCoal's technology, technology development and future roll-out plans.

In connection with the forward-looking information contained in this news release, Carbon Friendly has made numerous assumptions, regarding, among other things, our MicroCoal's patented technology and future sales. While Carbon Friendly considers these assumptions to be reasonable, these assumptions are inherently subject to significant uncertainties and contingencies.

Additionally, there are known and unknown risk factors, which could cause MicroCoal's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained herein. Known risk factors include, among others: the possibility that the rate of growth of the market for the coal power system; future sales of MicroCoal technology may not materialize; the technology may not work on a specific type of coal and its economic or environmental benefits may not be realized in full, the substantial investment of capital that may be required for a Build Own Operate Model; limitations imposed by our financing abilities; difficulties entering international markets, and sovereign risk.

A more complete discussion of the risks and uncertainties is disclosed in Carbon Friendly's continuous disclosure filings with Canadian securities regulatory authorities at www.sedar.com. All forward-looking information herein is qualified in its entirety by this cautionary statement, and Carbon Friendly disclaims any obligation to revise or update any such forward-looking information or to publicly announce the result of any revisions to any of the forward-looking information contained herein to reflect future results, events or developments, except as required by law. Neither CNSX nor its Regulation Services Provider (as that term is defined in the policies of the CNSX) accepts responsibility for the adequacy or accuracy of the release.