

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

*MicroCoal Technologies Inc. (the "Company")
2500 – 555 W. Hastings St.
Vancouver, B.C.
V6B 4N5*

Item 2. Date of Material Change

October 21, 2013

Item 3. News Release

A news release was issued on October 21, 2013 and disseminated through the facilities of FSC Filing Services Canada.

Item 4. Summary of Material Change

The Company closed its initial tranche of its previously announced financing by way of a private placement of CDN\$1,028,550 in gross proceeds from the subscription of 3,428,499 Units. The private placement was announced consisting of up to 10,000,000 Units of the Company, at a proposed subscription price of CDN\$0.30 per Unit. All securities issued under the private placement are subject to a four (4) month hold period expiring on February 22, 2014.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

Please 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

This report is not being filed on a confidential basis.

Item 7. Omitted Information

None.

Item 8. Executive Officer

*Stan Lis
President and Director
604.676.9792*

Item 9. Date of Report

October 22, 2013



NR-13-31

MicroCoal™ Technologies Announces Closing Initial Tranche of up to \$3 million Private Placement

Vancouver, B.C., Canada – October 21, 2013 – MicroCoal™ Technologies Inc. (CNSX: MTD) (Frankfurt: OFS.F) (OTC: CFQSF) is pleased to announce that it has closed the first tranche of its previously announced non-brokered private placement, in the amount of \$1,028,550 (see News Release dated September 5, 2013).

In conjunction with the closing of the first tranche, the Company will issue an aggregate of 3,428,499 units (each a "Unit") of the Company, at a subscription price of \$0.30 per Unit, for gross proceeds of \$1,028,549.70. Each Unit consisting of one (1) common share of MicroCoal™ ("Common Share"), and an equal number of five (5) year non-listed, non-transferable warrants (the "Warrants") to purchase Common Shares exercisable at \$0.45 per Common Share (the "Exercise Price"). The Warrants shall have a "forced exercise" provision if the Common Shares trade at \$0.90 or higher for ten (10) consecutive trading days on the Canadian National Stock Exchange (the "CNSX") (or if the Common Shares are no longer listed on the CNSX, on such other stock exchange on which the Common Shares are listed). Finders' fees may be paid in accordance with CNSX policies.

MicroCoal™ intends to use the proceeds of the Private Placement for general working capital expenses, repayment of certain debts and expenses associated with sales and marketing efforts in Asia, Europe and North America.

The Company will be continuing with the second tranche of the up to \$3,000,000 Private Placement on the same terms and conditions announced in its September 5, 2013 news release, subject to regulatory approval and the policies of the Canadian National Stock Exchange (the "CNSX").

About MicroCoal™ Technologies Inc.

The Company is focused on commercializing its unique, clean-coal upgrading technology known as MicroCoal™; a low-cost, patented microwave technology that reduces moisture in coal resulting in an upgraded energy content of coal. This process provides significant financial benefits to coal-fired electrical generating utilities such as: large cost savings from switching to low-rank coal, substantial increases in boiler efficiencies and heat output, improved ash efficiencies and reductions in scrubber costs. Important environmental benefits such as reductions in greenhouse gases (SOx up to 70%, NOx up to 50%, CO2 up to 17%) and mercury can also be derived from implementation of this technology. The Company is currently constructing the first commercial facility in Indonesia with other projects soon to be announced. The potential transaction value of MicroCoal™ installed projects being negotiated or under discussion currently exceeds \$100 million.

We seek safe harbor.

On behalf of the Board of Directors,

"Slawek Smulewicz"

CEO and Director

For further information please contact:

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MicroCoal™ Technologies Inc.

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E-mail: info@microcoal.com

FORWARD-LOOKING STATEMENTS

Certain statements included herein, including those that express management's expectations or estimates of our future performance constitute "forward-looking statements" within the meaning of applicable securities laws. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management at this time, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Investors are cautioned not to put undue reliance on forward looking statements. Except as required by law, the Corporation does not intend, and undertakes no obligation, to update any forward-looking statements to reflect, in particular, new information or future events. 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.