

FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company:

MICROCOAL TECHNOLOGIES INC.
PO Box 28185
West Pender Street PO
Vancouver, BC V6C 3T7

2. Date of Material Change:

The material change described in this report occurred on April 14, 2014.

3. News Release:

On April 14, 2014, MicroCoal Technologies Inc. (the "**Company**") issued a news release through the facilities of FSC Filing Services Canada.

4. Summary of Material Change:

On April 14, 2014, the Company announced that it closed the first tranche of its non-brokered private placement (the "**Private Placement**") in the amount of US\$277,963. Pursuant to the Private Placement, the Company issued 1,389,815 units (each, a "**Unit**") of the Company at a subscription price of US\$0.20 per Unit.

5. Full Description of Material Change:

On April 14, 2014, the Company announced that it closed the first tranche of the Private Placement in the amount of US\$277,963. Pursuant to the Private Placement, the Company issued 1,389,815 Units of the Company at a subscription price of US\$0.20 per Unit.

Each Unit is comprised of one common share of the Company and one common share purchase warrant (the "**Warrants**"). Each Warrant will entitle the holder thereof to acquire one common share at an exercise price of US\$0.30 for up to 12 months following the date of issuance, subject to the terms thereof. In connection with the first tranche, the Company paid a cash commission equal to 10% of the gross proceeds raised from the sale of the Units to an arm's length party in the aggregate amount of approximately US\$27,796, granted finder's warrants to purchase Units equal to 10% of the Units placed and issued 100,000 common shares of the Company at a deemed price of \$0.18 per share.

The Company intends to use the net proceeds from the Private Placement to advance construction on the Company's first commercial facility in Indonesia for upgrading low rank coals and for general corporate purposes and working capital. All Units, common shares and Warrants issued under the Private Placement will be subject to a four-month hold period from the closing date, in accordance with the rules and policies of the Canadian Securities Exchange and applicable Canadian securities laws and such other restrictions as may apply under foreign securities laws.

The Company also today that it had issued 50,000 common shares of the Company at a deemed price of \$0.18 per share pursuant to a settlement agreement with a former consultant and 19,000 common shares of the Company at a deemed price per share of \$0.25 to settle amounts owing to a former consultants of the Company. The common shares are subject to a four-month hold period from the date of issue.

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

Not applicable.

7. Omitted Information:

Not applicable.

8. Executive Officer:

The following executive officer of the Company is knowledgeable about the material change and this report and may be contacted respecting the material change and this report:

Ping Shen
Chief Financial Officer
Telephone: (778) 995-5833

9. Date of Report:

April 16, 2014