



TSX-V: CST

Outstanding shares: 79,187,836

For Immediate Release

CO₂ Solution Announces Closing of Previously Announced \$4.3 Million Private Placement

Quebec City, QC, August 31, 2011 – CO₂ Solution Inc. (“**CO₂ Solution**” or the “**Corporation**”) is pleased to announce the closing of the previously announced brokered private placement of 18,901,700 units of the Corporation (the “**Units**”) at a price of \$0.23 per Unit for aggregate gross proceeds of \$4,347,391 (the “**Offering**”). The Offering has been made on a best-efforts basis by a syndicate of investment dealers composed of National Bank Financial Inc. and Mackie Research Capital Corporation (the “**Agents**”).

Each Unit is comprised of one common share of the Corporation and one-half common share purchase warrant. Each whole warrant entitles its holder to acquire one additional common share of the Corporation at a price of \$0.28 per common share until 5:00 p.m. (Montréal Time) on August 31, 2013.

Proceeds of the Offering will be used by the Corporation to strengthen its financial base and provide additional working capital for continued development operations and the pursuit of other market opportunities.

All securities issued under the Offering have been issued pursuant to exemptions from the prospectus requirements of applicable securities laws and are subject to a four (4) months plus one day statutory hold period ending on January 1, 2012. The Corporation has paid the Agents an aggregate cash commission of \$304,317 and has issued to the Agents an aggregate number of non-transferable compensation options to acquire 1,323,118 common shares of the Corporation, exercisable at a price of \$0.28 per common share until 5:00 p.m. (Montréal Time) on August 31, 2013.

The Corporation has received an advance ruling from the Ministère du Revenu du Québec confirming that the Corporation is a qualified issuing corporation for the purposes of the Québec Stock Savings Plan II (“**QSSP II**”) and that the common shares forming part of the Units are qualified shares for a QSSP II qualified mutual fund.

About CO₂ Solution

CO₂ Solution is an innovator in the field of enzyme-enabled carbon capture and has been actively working to develop and commercialize the technology for power plants and other large stationary sources of carbon pollution. In the process, CO₂ Solution has built an extensive patent portfolio covering the use of carbonic anhydrase, or analogues thereof, for the efficient post-combustion capture of carbon dioxide with low-energy aqueous solvents. Further information can be found at www.co2solution.com.

CO₂ Solution Forward-looking Statements

Certain statements in this news release may be forward-looking. These statements relate to future events or CO₂ Solution's future economic performance and reflect the current assumptions and expectations of management. Certain unknown factors may affect the events, economic performance and results of operation described herein. CO₂ Solution undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable law.

Cautionary Statement

This news release does not constitute an offer to sell, or the solicitation of an offer to buy, in the United States the securities referenced herein. Such securities have not been and will not be registered under the United States Securities Act of 1933 (the "**U.S. Securities Act**") or applicable state securities laws and may not be offered or sold in the United States absent registration or an exemption from the registration requirement under the U.S. Securities Act and applicable state securities laws.

-30-

Investor and Media Contact:

Thom Skinner
418-842-3456, ext. 223
thom.skinner@co2solution.com
www.co2solution.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.