



*For Immediate Release*

TSXV: CST

Outstanding shares: 79,187,836

## **CO<sub>2</sub> Solution Commends California Government Adoption of Cap & Trade Program for reduction in CO<sub>2</sub> emissions**

*CO<sub>2</sub> Solution's Technology, Patented in the United States & Canada, is Positioned to Help California Electric Utilities Meet New Emission Reduction Targets*

**Quebec City, QC, October 25, 2011** – CO<sub>2</sub> Solution Inc. announced today that it applauds the announcement made on October 20, 2011, by the California Environmental Protection Agency Air Resources Board (ARB) confirming adoption of its proposed cap-and-trade regulations – putting into place another key element of the state's pioneering climate plan. CO<sub>2</sub> Solution believes its breakthrough carbon dioxide capture technology, which is patented in the US and Canada, is well positioned as an important solution to help the state meet the proposed emissions reductions.

In an announcement made on October 20, 2011 by California ARB Chairman, Mary D. Nichols, the California ARB confirmed the adoption of the final cap-and-trade regulation. According to US news sources, California state regulators adopted final rules for the program, scheduled to start in 2013, that place a limit on emissions of heat-trapping gases, like carbon dioxide, in the state. Under the program, the emissions cap will decline over seven years and will require that the 600 power plants, refineries and other industrial facilities that emit 85% of the state's greenhouse-gas emissions cut their emissions, obtain pollution allowances from the state, or buy them from other emitters that have excess allowances. The regulation includes rigorous oversight and enforcement provisions, and is designed so that California may link up with programs in other states or Canadian provinces within the Western Climate Initiative, including British Columbia, Ontario and Quebec. The full release from the California ARB can be viewed at: [www.arb.ca.gov/newsrel/newsrelease.php?id=245](http://www.arb.ca.gov/newsrel/newsrelease.php?id=245)

“This California announcement, a strong commitment to a clean-energy economy, is a further example of a government taking a leadership role on this important environmental issue. Earlier this year we saw announcements from Australia and Quebec and recent U.S. EPA pronouncements on carbon regulation, all pointing to increased momentum on this issue globally.” stated Glenn Kelly, President and Chief Executive Officer of CO<sub>2</sub> Solution Inc. “As I have stated previously, regulation of carbon dioxide pollution is moving from speculation to fact, with more governments taking on the issue. With our patented technology we look forward to supporting worldwide efforts by industry to efficiently meet regulatory requirements for emissions reductions.”

According to the International Energy Agency's Greenhouse Gas Program, power plants and other large stationary industrial sources worldwide generated aggregate annual carbon dioxide emissions of more than 14 billion tons, representing half of all global emissions of carbon pollution from all sources. CO<sub>2</sub> Solution's patented technology provides a cost effective answer for the capture and treatment of these harmful emissions.

**About CO<sub>2</sub> Solution Inc.**

CO<sub>2</sub> 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, CO<sub>2</sub> 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 about CO<sub>2</sub> Solution can be found at [www.co2solution.com](http://www.co2solution.com).

**CO<sub>2</sub> Solution Forward-looking Statements**

Certain statements in this news release may be forward-looking. These statements relate to future events or CO<sub>2</sub> 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. CO<sub>2</sub> 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.

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