

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

ACCELRATE POWER SYSTEMS INC.

(the “Company”)

Suite 730 – 1130 West Pender Street

Vancouver, B.C.

V6E 4A4

Item 2. Date of Material Change

January 10, 2011

Item 3. Press Release

Date of Issuance: January 10, 2011

Place of Issuance: Vancouver, British Columbia

Method of Dissemination: Marketwire

Item 4. Summary of Material Change

AccelRate Power Systems Inc. (the “Company”) is pleased to report that all motions proposed to shareholders at its 2010 annual general meeting held December 31, 2010 were passed. In addition to re-appointing Dale Matheson Carr-Hilton LaBonte LLP as auditors, the shareholders of the Company approved the number of directors to be set at four (4). The nominees approved for election are Reimar Koch, Ian M. Adam, Ronald M. Snyder and Lawrence Dick. Shareholders also approved amendments to the Company’s Stock Option Plan to reserve an aggregate of 2,453,323 shares for issuance pursuant to the grant of incentive stock options to eligible persons.

Item 5. Full Description of Material Change

Vancouver, B.C. – January 10, 2011 - AccelRate Power Systems Inc. (the “Company”) is pleased to report that all motions proposed to shareholders at its 2010 annual general meeting held December 31, 2010 were passed. In addition to re-appointing Dale Matheson Carr-Hilton LaBonte LLP as auditors, the shareholders of the Company approved the number of directors to be set at four (4). The nominees approved for election are Reimar Koch, Ian M. Adam, Ronald M. Snyder and Lawrence Dick. Shareholders also approved amendments to the Company’s Stock Option Plan to reserve an aggregate of 2,453,323 shares for issuance pursuant to the grant of incentive stock options to eligible persons.

AccelRate Power Systems is headquartered in Vancouver, BC. AccelRate’s shares trade on the TSX Venture Exchange (symbol AXP), and on the Frankfurt Exchange (symbol KCG).

Item 6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. Executive Officers

For further information contact:

Mr. Reimar Koch, President and CEO

Tel: 604.688.8656

Item 9. Date of Report

DATED at Vancouver, British Columbia this 10th day of January, 2011.

ACCELRATE POWER SYSTEMS INC.

Per: “Reimar Koch”
(Authorized Signatory)

Reimar Koch, President and CEO
(Print Name and Title)