

UPDATED INFORMATION AND DISCLOSURE STATEMENT

August 24, 2010



US CENTRAL OFFICE
4450 Arapahoe Ave, Suite 100
Boulder, CO 80303 USA
Phone 303 500 5272
Facsimile 303 648 6307
Email: info@eco2inc.com

AUSTRALIAN CENTRAL OFFICE
240 Varsity Pde, Suite 16
Varsity Lakes, QLD 4217
Phone 1800 783 770
Facsimile 1800 783 570
Email: info@eco2inc.com

US Stock Symbol: ECOF

www.eco2forests.com

NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Disclosure Statement contains forward-looking statements that are subject to certain risks, uncertainties or assumptions and may be affected by certain other factors. Such forward-looking statements include the information concerning possible or assumed future results of operations of the Company. Readers are cautioned that many factors and other events may occur which would or could adversely affect these estimates. The estimates are not deemed to be a guarantee of future performance and neither the Company nor the Officers, or agents represent or warrant that these estimates are accurate or will be achieved. Should one or more of these risks, uncertainties or other factors materialize, or should the underlying assumptions or estimates prove incorrect, actual results, performance or achievements of the Company may vary materially from any future results, performance or achievements expressed or implied by such forward-looking statements.

Please read the "Risk Factors" set forth at the end of this Disclosure Statement under PART G and the Company's latest Financial Statement, dated March 31, 2010 filed on the Pink OTC Markets, Inc. website, www.otcm Markets.com, under the Company's "Filings" page. The Symbol for ECO2 Forests Inc is "ECOF."



All communications or inquiries relating to this Disclosure Statement should be directed to the following:

Ray Smith, Chief Executive Officer

ray@eco2inc.com

Martin Tindall, Business Development Executive

martin@eco2inc.com

Maya Willis-Tindall, Founder

maya@eco2inc.com

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ECO2 Forests, Inc ("Issuer or the Company") is traded on the OTC Markets, under the Stock Symbol "ECOF." Our Company is presently non-reporting under the 1934 Securities and Exchange Act.

Management of ECO2 Forests, Inc, as the Issuer, has prepared this Updated Information and Disclosure Statement and has considered the purpose of adequate disclosure. Updated financial information is provided in separate posting on the Company's OTC Markets Inc. "Filings" page, and is valid as of March 31, 2010 ("Financial Statement").

PART A GENERAL COMPANY INFORMATION

ITEM I

THE EXACT NAME OF THE ISSUER AND ITS PREDECESSOR

Currently
ECO2 Forests, Inc

Formerly
Monster Motors, Inc. until 6-2009

ITEM II

THE ADDRESS OF THE ISSUER'S PRINCIPAL EXECUTIVE OFFICES.



United States of America

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Boulder CO 80303

Phone: (303) 500-5272
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Australia

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Phone: +61 (1800) 783770
Fax: +61 (1800) 783570

URL: www.eco2forests.com
Email: info@eco2inc.com

ITEM III

THE JURISDICTION(S) AND DATE OF THE ISSUER'S INCORPORATION OR ORGANIZATION.

Incorporated in Nevada, USA in April 20, 2007
Registered as a foreign company in Australia October 2009
Registered as doing business in Colorado, USA in July, 2010
Previously incorporated in Florida on June 2, 2006

PART B SHARE STRUCTURE

ITEM IV THE EXACT TITLE AND CLASS OF SECURITIES OUTSTANDING.

Common Stock
Trading Symbol: ECOF
CUSIP 27887G105

As of June 30, 2010, there are 402,130,154 shares of voting common stock outstanding.

ITEM V PAR OR STATED VALUE AND DESCRIPTION OF THE SECURITY.

- A. \$0.001
- B. Common.



ITEM VI THE NUMBER OF SHARES OR TOTAL AMOUNT OF THE SECURITIES OUTSTANDING FOR EACH CLASS OF SECURITIES AUTHORIZED.

The information below contains the relevant information for each class of securities authorized. Specifically as it relates to (i) the end of the most recent fiscal quarter and (ii) as of the end of the last two fiscal years.

Common Stock

As of June 30, 2010, there are 500,000,000 shares of authorized voting common stock of which 402,130,154 shares are outstanding.

In July 2010, the company by consent of the majority of shareholders the total amount of shares authorized was increased to 1,000,000,000.

Historically, the Company consummated a Merger and Acquisition Agreement with Monster Motors, Inc. ("Monster Motors") and certain of its shareholders on September 25, 2009. Under this transaction, the Company issued 138,086,730 shares of new restricted voting common stock, and redeemed 21,100,000 shares of previously outstanding voting common stock.

As of June 30, 2010, the Company had entered into an agreement to acquire Active Investment Media Pty Ltd, whereby the acquisition payment terms required the issue of up to 65,000,000 shares of common stock. This transaction was settled on July 13, 2010.

The current outstanding Company common shares of stock in the public float is 23,812,343 as of June 30, 2010.

Prior to the Monster Motors Merger and Acquisition, a non-affiliate holder and its assignees February 1, 2007 was issued an \$85,000 convertible promissory note ("Convertible Note") from Monster Motors, in exchange for funding which was used for working capital purposes. In March 2009, the holder and its assignees, also non-affiliates, converted this debt in its entirety at a rate of \$0.006 per share, for a total of 14,000,000 shares.

Preferred Series Stock

As of September 30, 2009, the shareholders of the Company authorized the filing with the state of Nevada of an amendment to the articles of incorporation to authorize 100,000,000 shares of preferred stock of which the board of directors would have the authority to designate the class, terms and preferences.

Series A

As previously disclosed, the Company had anticipated the designation and issuance of a Series A Convertible Preferred Stock to certain members of the executive management team and control shareholders with supra-voting rights in early 2010.

This was expected to represent 1,000,000 shares of Preferred Stock Series A to be held by World Future Company Limited, as trustee for the World Future Trust.

These Series A Convertible Preferred Stock were to have the right to convert in whole or part of the 1,000,000 Series A preferred shares into 40,000,000 common shares. In June 2010, the intended holder of the Series A preferred shares entered into an agreement with the company to have the prescribed amount of common shares issued directly, rather than hold the Series A preferred shares.



Series B

55,000,000 shares of Series B preferred stock at \$1.00 per share are currently subscribed for the purchase of approximately 19,608 acres (7,935 hectares) and a group of agricultural equipment in Vanuatu, an island and independent republic located about 1000 miles east of North Australia where the Company plans to establish forest plantations. The proposed terms of designation are for non-voting convertible preferred stock, convertible into common stock at the mutual agreement of the Company and the Seller at a price of \$2.00 US per share. If the preferred stock is fully converted over the contracted fifteen year conversion period, the Company would issue an additional 27,500,000 shares of common stock. No Closing has yet occurred although the Company has sent a further payment in cash of \$100,000 which was applied against the purchase price. In June 2010, the company signed an update to the previous agreement and is intending on closing the transaction by the end of August 2010.

Series C

The Company has entered into a Term Sheet with Duck Lake Ranch, LLC whereby the affiliates of Duck Lake will lease approximately 14000 acres of land to the Company for the Company's use to plant forests in Northern Nevada. The Company will designate and issue to Duck Lake's affiliates in consideration for the initial three (3) year term of the lease, 6,000,000 Preferred "C" Shares. The Preferred "C" shares shall have a redemption value of \$1 per share. ECO will have the right but not the obligation to redeem these shares, for \$1 per share. The Preferred "C" Shares will have the ability to convert to common equity in the Company, with piggy back registration rights. Other consideration and terms of the Term Sheet are discussed below.

Series D

The company anticipates in the future entering into financing relationships whereby Series D Preferred Shares will be issued in exchange for investment funds. The company intends on utilizing these shares to raise an additional \$5 million through Private Placement with suitably qualified investors.

The Board reserves the right to commence further capital raises at any time. The Board has currently approved the offering of \$1,000,000 of its voting common stock under a private placement Regulation D 504 offering to an accredited investor.

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Please read all of the above in conjunction with Notes 4 and 5 of the Financial Statement.

COMMON STOCK

II. Information as of:

1. Issuer's FY 2010 (End of the issuer's last fiscal quarter);
2. Issuer's FY 2009
3. Issuer's FY 2008

(i) Period end date;

1. 1. EOFY 2010 June 31, 2010
2. 2. EOFY 2009 June 31, 2009
3. 3. EOFY 2008 May 31, 2008

(ii) Number of shares authorized;

1. 500,000,000 (Note: In July 2010, the authorized was increased to 1,000,000,000)
2. 50,000,000
3. 50,000,000

(iii) Number of shares outstanding;

1. 402,130,154
2. 48,313,270
3. 48,313,270

(iv) Freely tradable shares (public float);

1. 36,787,756 (23,812,343)
2. 24,235,421
3. 24,235,421

(v) Total number of beneficial shareholders;

1. 821
2. 284
3. 284

(vi) Total number of shareholders of record

1. 821
2. 284
3. 284



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PART C BUSINESS INFORMATION

ITEM VII

THE NAME AND ADDRESS OF THE TRANSFER AGENT

X-Clearing Corporation
535 Sixteenth Street Mall
Suite 810
Denver, CO 80202

X-Clearing is registered under the Exchange Act, and with SEC registered professional transfer agent.

ITEM VIII

THE NATURE OF THE ISSUER'S BUSINESS.

1. The form of organization of the issuer;

Corporation

2. The year that the issuer (or any predecessor) was organized;

2007 Nevada
2006 Florida

3. The issuer's fiscal year end date;

June 30

4. Whether the issuer (or any predecessor) has been in bankruptcy, receivership or any similar proceeding;

None

5. Any material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets;

In July 2009, Monster Motors, Inc. entered into an asset purchase and acquisition agreement ("Transaction") with New Carbon Forests, Inc. for the rights to acquire land and to sell carbon credits to Carbon X Trade Inc. (** the agreement with Carbon X Trade Inc was cancelled by the company in June 2010) Following the acquisition, the Company was renamed ECO2 Forests Inc. The Transaction was consummated on September 25, 2009, resulting in the issuance of 138,086,730 new restricted shares of voting common stock of the Company, and the redemption of 21,100,000 formerly outstanding shares of the Company. Please refer to Notes 4 and 5 of the Financial Statement.

On September 30, 2009 the Company entered into an agreement and subsequently amended June 30, 2010 with two companies, South Pacific Biofuels Limited and South Pacific Plantation Management Limited, to acquire their jointly owned acreage on the island country of Vanuatu. The acquisition is to purchase approximately 19,608 acres (7,935 hectares) and a group of agricultural equipment, for which the company plans to establish forest plantations ("Initial Vanuatu Land").

The purchase price of the Initial Vanuatu Land is \$55,000,000 USD that is to be paid in convertible preferred shares of ECO 2 Forests, Inc. valued at \$1.00 per share In addition, the Company is required to issue to the Seller, 250,000 shares of common stock and \$22,050 US cash payment. The Preferred shares that will be used for the purchase price of the Initial Vanuatu Land will be authorized and created solely for the purpose of settlement of the purchase price of the agreement. They will be convertible at \$2.00 US per share according to a "Share Sale Agreement" clause. The conversion clause allows the holder to convert the preferred shares into



common shares of the Company over a period of fifteen years. See Commitments and Obligations in Note 7 of the Financial Statement. As of the date of this report, the authorization and preferred stock plan has been filed with the Nevada Secretary of State and a closing is anticipated in Q2 2010. The Board of Directors however, has authorized the issuance of the preferred shares after notification to the Nevada Secretary of State and has sent a further payment of \$100,000 to the Seller which may be redeemed against the price of 55 million preferred shares.

On February 17, 2010, the Company signed a term sheet with Duck Lake Ranch, LLC, as representative of RDJ, LLC, for the lease of a total of approximately 14,000 acres of land in Northern Nevada. The Company intends to lease the land for the planting of the Kiri Tree and the commencement of forestation and eventual timber production in the United States. The 14,000 acres to be leased will be allocated by RDJ LLC in parcels which will be utilized by various limited liability companies controlled by the company and development expenses are expected to be funded separately by independent accredited investors in such limited liability companies.

The Company will designate and issue to Duck Lake's affiliates in consideration for the initial three (3) year term of the lease, 6,000,000 Preferred "C" Shares. The Preferred "C" shares shall have a redemption value of \$1 per share. ECO2 will have the right but not the obligation to redeem these shares, for \$1 per share. The Preferred "C" Shares will have the ability to convert to common equity in the Company, with piggy back registration rights



In addition to the minimum rent described herein, ECO2 shall pay an additional 8% per year of the "gross sales" generated from the leased property (whether on the accrual or cash basis) without offset. The term gross sales shall include all sales proceeds, revenues, tax credits, any other value consideration and/or benefit derived by the lessee (i.e., ECO2) from the leased property including milled and unmilled timber sales.

The lease will include necessary water rights for the purpose of establishing a Kiri Tree operation to plant a minimum of 1,540,000, but not more than 3,150,000 trees whereby not to exceeding 2.5 acre feet per acre of surface and/or groundwater rights.

The initial term of the Lease will be 14 years with the option of five (5) additional terms of seven (7) years. ECO2 will have the right to the extension where the Company achieves the targeted milestones including revenue expected to the RDJ LLC entities or where these milestones are not reached, the extension will be subject to increasing the percentage of gross sales to ensure the target revenue to the RDJ LLC Entities are maintained.

The Company, through a subsidiary limited liability company, is presently seeking investment through a Private Placement Memorandum in a Regulation D 506 and Regulation S offering to accredited investors to fund the Kiri Tree planting and development of the first RDJ parcel, Smoke Creek Ranch. The PPM seeks \$10 million for 10,000 Class C Units in minimum block purchases of \$100,000 or 100 units, for ECO2 Forests (US) Smoke Creek 01, LLC, which is controlled by the Company through its subsidiaries, ECO2 Forests USA LLC and ECO2 Forests (US) Nevada Projects, LLC. RDJ LLC will participate as a Class B Unit holder in this limited liability company and receive a return of 8% gross revenue, as described above. The Class C Unit holders are non-voting, and are targeted to receive a return of 100% of investment in Year 5, and an additional 400% of investment in Year 8, subject to various conditions, including timber growth and harvest conditions and the Company's achieving sales projections and meeting expense obligations.

The Company intends to use similar limited liability company investment vehicle models to develop further parcels of the RDJ LLC land.

In July 2010, the company acquired 100% of the issued and outstanding shares in Active Investment Media Pty Ltd for a total amount of \$6,500,000. The purchase price was paid in full by way of issuance of 65,000,000 common shares of ECO2 Forests Inc, by way of an 802 Offering Statement.

6. Any default of the terms of any note, loan, lease, or other indebtedness or financing arrangement requiring the issuer to make payments;

There are no material defaults, however as the financial reports for the end of the financial year will show, several vendor payments are currently in arrears. The management of the company believe that there is sufficient capital committed by several current shareholders that will allow these accounts to be settled by the end of the Jul-Sept quarter.

In June 2010, ECO2 Forests, in conjunction with management, various consultants and employees agreed to settle approximately \$250,000 of accumulated and outstanding fees into restricted common shares. The terms of which required the company to issue these shares at the lowest trading price in the previous quarter. The final number of shares required to be issued for this have been determined and will be reflected in the 2010 EOFY financial statements once completed. The numbers of shares may not exceed 10,000,000. As these shares have not been issued at the time of the publishing of this disclosure document, the numbers have not been reflected in the total amount of shares outstanding.

Further to this, in June 2010, ECO2 Forests Inc agreed to complete a conversion of indebtedness of \$350,000USD plus interest to restricted common shares. The indebtedness is to ECO2 Ventures, LLC a wholly owned subsidiary of ECO2 Investments Limited. The terms of the note required that by June 31, 2010, if the note was not paid in full, that the holder would have the rights to convert at a 50% discount to the lowest trading price in the preceding quarter or current quarter at time of conversion. The conversion will be to restricted common shares and is expected to represent 40,000,000 restricted common shares. As these shares have not been issued at the time of the publishing of this disclosure document, the numbers have not been reflected in the total amount of shares outstanding.

For any further information, please see the Financial Statements of 31 March, 2009

7. Any change of control;

Officers and Directors as of June 30, 2010

Ray Smith	Chief Executive Officer, Director
Martin Tindall	Business Development Executive and former Acting President
Leanda Cooper	Secretary

David Shorey, CPA is a consultant and acts as the company's Chief Financial Officer and Director

Departing Officers and Directors

Collie Christensen, CEO, Director until June, 2010

Daniel Enright, CEO, COO, President and Director, until September, 2009

Change of Majority Controlling Shareholder

Following the Transaction in September 2009, World Future Co., Ltd, as trustee for the World Future Trust and ECO2 Ventures Limited, both controlled by Anthony Yan, became the majority control beneficiary and shareholder of the Company. World Future Co Ltd is the sole shareholder of ECO2 Ventures Ltd. World Future Trust is a trust whose beneficiaries include members of the Tindall Family. Martin Tindall has been the Acting President of the Company since September 2009 until August 2010.

In June 2010, the Directors of the company agreed to convert the accrued fees of ECO2 Investments Limited, Kidz Holdings Pty Ltd and Electrum Family Trust to restricted common shares as per their and the respective consulting agreements of Maya Willis-Tindall and Ray Smith. ECO2 Investments Limited is controlled by Anthony Yan and is a beneficiary of the World Future Trust.



8. Any increase of 10% or more of the same class of outstanding equity securities;

As part of the Transaction in September 2009, approximately 120 million additional shares were issued in majority to World Future Co Ltd or its designees as the trustee for the World Future Trust, ECO2 Ventures Ltd and New Carbon Forests Inc.

In May 2010, ECO2 Forests entered into a five (5) year consulting agreement with Lexington Management. The agreement for services provided for payment of \$2,000,000 and the company issued 40,000,000 restricted common shares in lieu of payment of the agreement.

In June 2010, the Directors of the company agreed to convert the accrued fees of ECO2 Investments Limited, Kidz Holdings Pty Ltd and Electrum Family Trust to restricted common shares as per their and the respective consulting agreements of Maya Willis-Tindall and Ray Smith. The agreements from prior to the completion of the merger provided for a one-time conversion of accrued fees at par value \$0.001. The result of these conversions required the issue of 60,000,000 shares to ECO2 Investments Limited and 60,000,000 shares to Electrum Family Trust. ECO2 Investments Limited is controlled by Anthony Yan and is a beneficiary of the World Future Trust. Electrum Family trust is controlled by Ray Smith.



As previously disclosed, the Company had anticipated the designation and issuance of a Series A Convertible Preferred Stock to certain members of the executive management team and control shareholders with supra-voting rights in early 2010. This was expected to represent 1,000,000 shares of Preferred Stock Series A to be held by World Future Company Limited, as trustee for the World Future Trust.

These Series A Convertible Preferred Stock were to have the right to convert in whole or part of the 1,000,000 Series A preferred shares into 40,000,000 common shares. In June 2010, the intended holder of the Series A preferred shares entered into an agreement with the company to have the prescribed amount of common shares issued directly, rather than hold the Series A preferred shares.

The Company anticipates issuing 55 million shares of Class B non-voting Convertible Preferred Stock to the Sellers of the Vanuatu Land in Q3 2010 to close this transaction.

9. any past, pending or anticipated stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization;

PAST:

Shares decreased by 1 for 60 split Oct 19, 2007

Shares decreased by a 1 for 200 split. July-31-06

Authorized shares increased to 500,000,000 following September 2009 merger.

Authorized shares increased to 1,000,000,000 in July 2010.

As reported in Section 5, the Company entered into the Transaction on September 25, 2009.

No further stock split, stock dividend, merger, acquisition or reorganization is currently anticipated by the Board of Directors, the Controlling Shareholder or the officers and directors of the Company, although the right to authorize a stock split, stock dividend, merger, acquisition or reorganization is retained and could be exercised upon change of circumstances.

10. any delisting of the issuer's securities by any securities exchange or deletion from the OTC Bulletin Board;
None

11. any current, past, pending or threatened legal proceedings or administrative actions either by or against the issuer that could have a material effect on the issuer's business, financial condition, or operations and any current, past or pending trading suspensions by a securities regulator. State the names of the principal parties, the nature and current status of the matters, and the amounts involved.

None

B. BUSINESS OF ISSUER.

The Company's principal business is the development of its "Global Forestry Plan", to attempt the creation of large-scale plantations specifically targeted at the rehabilitation of deforested lands and afforestation of previously barren land and the creation of sustainable and renewable resource forests. Our Global Forestry Plan aims to create renewable resource forests in various locations around the world utilizing the Kiri Tree. Each forest is expected to provide significant green house gas sequestration (CO₂ absorption) with the potential for sale of carbon credits, and supply renewable, environmentally friendly lumber.

In its initial development of its Global Forestry Plan, the Company entered into an agreement on September 25, 2009 with two companies, South Pacific Biofuels Limited and South Pacific Plantation Management Limited, to acquire their jointly owned acreage on the island country of Vanuatu ("Vanuatu Project"). The acquisition, when consummated, will consist of approximately 19,608 acres (7,935 hectares) and a group of agricultural equipment, for which the company plans to establish Kiri Tree Plantations, See Item 5 above. Our proposed primary revenues would possibly occur from post harvest timber sales and carbon credits created through these forestry operations. Regular harvests would be planned to be conducted in cycles over a period of up to 7 years following the trees regenerating from the stump and root structure after harvesting. The Company expects to begin an initial planting of Vanuatu in 2010, subject to unforeseen conditions.

Management believes that the Company's various strains of Kiri Tree and forest operations models may be an improvement on the original Kiri Tree which is a native to Japan and China and has for many centuries been known for its fine timber, its fast growth, large leaves and fire resistance

The Kiri Tree adaptation which we are employing has been ongoing for almost 20 years, and our various consultants and employees have been involved with various adaptations of the Kiri Tree over this time frame. Combined with our specialized growing formula and planting matrix, our adaption of the original Kiri Tree is anticipated to provide a sustainable plantation and targeted vegetation solution. Clones from our developed tree stocks and other stocks that may be acquired by the company are intended to be used to create new forest projects. The Kiri Tree adaption also has ability to sequester or capture carbon dioxide and might prove thereby to be a source of carbon credits.

Carbon credits are anticipated to be sold on the open market and through several 'carbon exchanges' and distribution groups around the world. The Company is currently completing the requirements for certification of the Kiri trees and their carbon credit production for eligibility to trade in such forums.

Our Kiri timber, once harvested, is anticipated to be sold both domestically and internationally through wholesale distribution. Our research has shown potential demand for the timber primarily due to the fire resilient nature of the timber, and its multiple uses in construction, furniture and manufacturing.

Target growth for ideal plantation harvesting for timber is up to seven (7) years, although the trees could be suitable for harvesting in only three to five years for hardwood timber and approximately two to three years for paper products, pulp, woodchip and bio fuel feedstock. These time frames are dependent on environmental conditions.

The Kiri Tree once harvested has the ability to regenerate from the original stump eliminating the need for replanting and allowing for multiple yields from each tree and forest. We believe this natural event makes the tree ideal for land reclamation, afforestation, reforestation and rehabilitation of damaged and mined land.

The Company plans to provide a systematic model that can be deployed in many countries around the world. This may include creating mobile and local infrastructure models for the nurseries and



greenhouses. We see that though these models we will be able to setup in regional areas of many countries that have had large scale deforestation. Working with local partners to rebuild these forests and create renewable and sustainable economic and environmental communities.

Our key targets for additional forest projects, aside from the Vanuatu Project, currently include the rehabilitation of coal and other old mining sites in Australia and working with inactive agricultural land and with indigenous groups in the US to create new forests, and we have started initial negotiations on such projects, which will be subject among other factors to our ability to raise further capital. We also foresee a market for the reforestation of old forests such as the Amazon in Brazil as well as working with land holders in developing nations including the South Pacific.

The Company's sustainable strategy is to produce and sell carbon credits from the time of planting of renewable, environmentally friendly forests and produce sustainable lumber at interim and full harvests that may eventually generate returns on investment for shareholders.

Competition

The forestry industry is well established in the US and worldwide, and there are many small and large competitors to the Company in the general timber sector. The carbon credit trading industry is reasonably young, and the market is also developing with small and large competitors and new and evolving regulation. For more than half a century, the development of sustainable and regenerative forests has been area of concern for environmentalists, government regulators and suppliers and users of timber worldwide. As the Company anticipates the sale of carbon credits and eventually, the Kiri timber developed from acreage which it acquires and plants, the Company intends to become a viable competitor in the market segment for sustainable and regenerative forests with the production of the resilient Kiri timber and the trading of carbon credits.



1. Primary and Secondary SIC Codes;

0800- Forestry

2. ECO2 Forests is Development Stage Company Currently Conducting Operations

3. The Company has never been and was not at the time of issuance of the Security a "shell company" as defined in Rule 144(i)(1)(i).

4. the names of any parent, subsidiary, or affiliate of the issuer, and its business purpose, its method of operation, its ownership, and whether it is included in the financial statements attached to this disclosure statement;

ECO2 Forests Inc has several wholly owned subsidiaries in the United States of America, Australia and Vanuatu. Each of the subsidiaries are utilized to ensure the company holding structure and operations are contained within each area and domicile of operations. All entities are wholly owned and their financials are included in financial statements provided on the OTCIQ disclosure service.

World Future Co Ltd as trustee for the World Future Trust, is a holding company with a significant controlling interest directly and indirectly the Company, as outlined further in this document. Affiliates of World Future Trust include ECO2 Ventures Ltd and ECO2 Investments Limited. The trust beneficiaries include members of the Tindall Family and ECO2 Investments Limited. No financials of any of these entities are included in the financial statements of ECO2 Forests Inc.

5. the effect of existing or probable governmental regulations on the business;

Tree Production Export / Import.

The Company's goal is to produce, distribute and market the Kiri tree throughout the world as part of the Global Forestry Plan. As such, environmental, importation and exportation regulations may impact its activities, to some degree. A breach of such laws or regulations may result in the imposition of penalties, fines, suspension or revocation of licenses, as well as loss of sales and revenue.

Carbon Credit Market

The Company presently intends to enter into purchase agreements with private entities to sell forward carbon credits produced by the Company. The Company is presently consulting with recognized carbon credit investment banking entities regarding the verification and eventual spot sales of carbon credits to be produced by the Company. The Company could also participate in voluntary carbon credits markets that have been established in major world - wide locales. The carbon credit market is dependent upon governmental regulation and authorization and changes in scientific and market standards which are subject to change and is not under the Company's control.

General Legal and Regulatory

The Company is not currently involved in any judicial or administrative proceedings and believes that it is in compliance with all applicable regulations.

Although it is impossible to predict, with certainty, the effect that additional importation and exportation requirements or that carbon credit market or regulatory changes may have on future earnings and operations, the Company is presently unaware of any future regulations that may have a material effect on the Company's financial position, but cannot rule out the possibility.

6. an estimate of the amount spent during each of the last two fiscal years on research and development activities, and, if applicable, the extent to which the cost of such activities are borne directly by customers;

During the last two (2) fiscal years, the company has expended approximately \$350,000 on research and development activities. These activities have primarily been conducted in the company research and development center in Jimboomba Queensland and at Nursery and Forest sites in New South Wales and Queensland Australia. All costs have been born on the company, with specific funds being provided by shareholders in the company.

7. costs and effects of compliance with environmental laws (federal, state and local);

As the Company is focused on projects that have a positive environmental impact through reforestation and carbon sequestration, the costs and effects of compliance with environmental laws (federal, state and local) may be minimized at the outset as compared to an industry which presents environmental hazards. Environmental costs and compliance will vary with each jurisdiction in which we commence a forest project or in which we commence sales and will be assessed by the Company on a case by case basis.

8. the number of total employees and number of full-time employees

The Company has nine full time employees located in the United States of America and Australia. These include company executive and operations staff. The board has authorized the executive management compensation, and while no specific employment agreements have been entered into at this time. The Board of Directors of the Company may at any time enter into employment agreements with executives, directors and operations staff. The company has and will maintain a portion of the labor pool as consultants and contractors.



ITEM IX THE NATURE OF PRODUCTS OR SERVICES OFFERED.

The Company intends to produce hardwood timber and carbon credits as revenue sources over time.

Timber

The general species of the Kiri tree has been developed and tested over a period of 20 years to provide an alternative to the continual depletion of our natural resources and old growth forests. For our proprietary Kiri tree, original tree tissue was taken from the Japanese and Chinese variety of Kiri Tree and Paulownia and engineered with tissue culture from other tree species technologically cloned. In our view, the typical cloned tissue is disease free and under certain optimum conditions can produce a tree capable of growing up to 30 to 35 feet in just 24 to 36 months. After 2-3 years we anticipate in certain instances harvesting every second tree for logs, suitable to build sustainable housing solutions to promote optimal growing conditions for the remaining trees. At seven full years of growth we anticipate harvesting the remaining full grown forest for lumber. After harvesting, the tree regenerates from the stump and root structure, creating a truly renewable resource.

Carbon Credits

The carbon credits market is growing at a rapid rate, doubling in size from 2007 to 2008 and future market growth is predicted. As countries around the world legislate Emission Trading Schemes carbon credits are the principal item traded in these markets. The distribution channel for the carbon credits will lie in contractual arrangements with carbon trading entities. The Company is already in negotiations with one such carbon fund. The Company may enter into agreements with this or other carbon funds and exchanges from time to time dependent upon market conditions. The United States does not have mandatory regulation for carbon credits, although there are voluntary carbon credit trading markets. See Risk Factors.



ITEM X THE NATURE AND EXTENT OF THE ISSUER'S FACILITIES.

The Company had previously leased 6500 sq. feet of office space in Sacramento, California for its corporate headquarters under a 5 year lease. This space is currently being utilized by Collie Christensen, independently, and the company intends on entering into a sublease with Christensen or assignee.

The company has entered into arrangements to utilize corporate office space and services in Boulder Colorado on a month to month basis.

The Company has leased 4250 square feet of offices in the Varsity Lakes areas of Queensland, Australia, These offices are the primary site for the operations of the company. The lease is a sublease and is for a period of 30 months.

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PART D MANAGEMENT STRUCTURE AND FINANCIAL INFORMATION

ITEM XI

THE NAME OF THE CHIEF EXECUTIVE OFFICER, MEMBERS OF THE BOARD OF DIRECTORS, AS WELL AS CONTROL PERSONS.

Ray Smith Chief Operating Officer, Director
Martin Tindall Business Development Executive & former Acting President
David Shorey, CPA is a consultant providing chief financial officer type services.

2. Business address;

4450 Arapahoe Ave Suite 100 Boulder Colorado 80303

3. Employment history and Biography

Ray Smith, MBA, MPD, psc, GD(Mngt), BA(Intl Rel)
Chief Executive Officer and Director, ECO2 Forests Inc 2009/10
Chief Operating Officer and Director, ECO2 Forests Inc 2009/10
Managing Director Save The World Technologies Inc -2010
Principal Apergy Consulting (Australia) 2008-2009
CEO and Director Spotcam Australia Limited 2007-2008
General Manager The Cosmic Group (Australia) 2006-2007
General Manager Tenix Pty Ltd (Australia) 2004- 2005



Ray Smith, CEO and Director is an experienced executive manager with 30 years management experience in Australia and overseas. Mr. Smith has comprehensive experience in all areas of senior executive leadership and management encompassing executive and general management, sales and marketing management, operations and change management, contract and logistics management, strategic planning, management and implementation, organizational development, risk management, program management and policy design. He has had several CEO and General Manager positions in public and private companies.

Mr. Smith had a long and successful career as a senior military officer in the Australian Army. He was continuously employed in demanding positions of responsibility primarily commanding large combat organizations. Some highlights include: Head Office Department Head of the Development Branch in an organization of 50,000 personnel; raising, training and first Commanding Officer of 4RAR (Commando), an 800 man special forces combat unit; and, Head of the Australia Malaysia Joint Development Program, a multifaceted Program of capability development projects. In the private sector Mr. Smith has been employed in the defense, government, transport, consulting, education, service, marketing, engineering, telecommunications, warehousing and distribution sectors. He has proven to be an accomplished leader, well practiced in developing diverse organizations into cohesive entities and has successfully led the start-up, mobilization and expansion of several large organizations. Mr. Smith's reputation for competence and integrity and his experience is supported by degrees in business, management, international relations and project management.

Maya Willis-Tindall, Founder and Consultant

Founder and Consultant ECO2 Forests Inc October 2009 – Current
Consultant, Save The World Technologies Inc, 2008-2009
Founder and Consultant, Imagineering Investments 2001-2009

Maya Willis-Tindall, Founder has been responsible for creating many of the underlying tenants of ECO2 Forests. Maya has principally led the development of the E4 Philosophy of ECO2 Forests. With a lifetime of focus on the environment and on the sociological welfare of people, Maya has been part of the cornerstone foundations of ECO2 Forests.

An America Indian, Maya's parents were active in environmental and indigenous issues from her early childhood. With these strong influences, Maya completed her Bachelor of Science in Sociology and worked in special interest groups focused on welfare.

Being able to combine social wellbeing, working with indigenous groups and creating positive environmental impact with modern corporate actions provides a solution for positive environmental, economical, employment and educational outcomes.

Martin Tindall, Business Development Executive

Business Development Consultant ECO2 International Pty Ltd October 2009-Current
Acting President, ECO2 Forests Inc, October 2009 – August 2010
Consultant (Acting CEO / President) Save The World Technologies Inc – 2008-2010
Director GenX4.com Limited 2004-2007

Martin Tindall, Business Development Executive has been responsible for creating the vision of the Global Forestry Plan for Eco2 Forests, Inc. Now after completing the interim term as acting President, Mr. Tindall's role is to now focus on finding the solutions to maximize revenue and operational gains. Mr. Tindall has been involved in leadership roles encompassing technology, general management operations and finance over the past twelve years. His open and hands-on approach has created very effective teams and company successes. Mr. Tindall's experience encompasses private and publicly listed companies in Australia and the United States.

During the past twelve years, Mr. Tindall has held positions at various companies, including, Managing Director, Director, Chief Information Officer, Vice President, Head of eBusiness and Director of Special Operations. In each of these roles, specific focus was in creating turn around solutions to complex problems from technology to finance and structuring. With core skills and studies encompassing Operations, People Productivity, System Process Development & Implementation, New Business Development, Business Scoping, Cash Flow Management, Contract Negotiation, Software Design, Advanced Computer Operations and Innovative Design of New Concepts, Mr. Tindall's skills allow for a fresh approach to virtually any challenge or organization. Today, Tindall provides the key catalyst between business development and creating the structures and infrastructures to ensure that ECO2 is continually positioned for success.

David Shorey, Acting Chief Financial Officer, Director

DAVID SHOREY, Acting CFO and CPA has worked for the past 35 years in the financial and business management arena with various public companies in the US and has consulted on international developments in Australia, the Philippines, China and Hawaii. Mr. Shorey is a graduate of the University of Oregon with a Bachelors Degree in Accounting. He has extensive international Forestry experience and was CEO/CFO/President of Forestry International, Inc. Forestry International established tree plantations in the USA, Australia and the Philippines with operating companies in all three countries and sold products to the international market. The company was a public listed company on NASDAQ in America. Also Mr. Shorey was a consultant to International Forest Products, Inc. which engaged in the development of Clonial Paulownia Plantations in Australia, Hawaii and the Philippines. As President and CEO of subsidiaries in both locations, he assisted in developing the financial resources for long-term plantation establishment and the wood products industry.



5. Compensation by the issuer;

- a) The annual salary (for the initial period Oct 2009 to 30 June 2011) for the directors and executive of the company will be fixed as follows, and that employment agreements shall be entered into for a period of three (3) years from 30 June 2010, with three (3), Three (3) year extensions.
- Ray Smith via Electrum Family Trust
 - consulting fees of AU\$240,000
 - plus US\$120,000 worth of ECO2 Forests Inc shares.
 - Tindall Family
 - Maya Willis-Tindall Consulting fees of US\$240,000
 - Martin Tindall Salary of \$60,000 plus US\$120,000 worth of shares.

To ensure that the company cash flow is not impeded by the costs of the fees of the directors, consultants and executive. These amounts are used as a guide only and for an accrual basis. The actual amounts may be reduced considerably. Actual numbers will be reported in each financial report.



The shares will be issued quarterly in arrears in January, June, September and December of each year. The number of shares to be issued will be based on 50% of the lowest trading price in the preceding quarter or quarter when the issuance occurs..

- b) The employment agreements may be determined to be created as consulting agreements, and the directors agree that in this event, they will provide invoicing from their specific consulting entities. Where it is deemed that these agreements must be made into employee based agreements, then each agree to the same.
- c) The company will memorialize these amounts and terms for the individuals into specific employment or consulting agreements on or before September 30, 2010, and the directors authorize that any amounts not paid under these terms shall be accrued on the books of the company.
- d) Where the amounts are accrued and outstanding at the end of each quarter, the directors consent to having the amount rolled over for an additional quarter or paid by way of issuance of additional shares. Where this amount is paid in shares, rather than cash, the rate for conversion shall be fixed for 3 years at 50% of the lowest trading price in the preceding quarter or the quarter in which the conversion occurs.
- e) Historically, prior to the merger creating ECO2 Forests Inc, the consulting services agreements of Ray Smith and the Tindall Family allowed that any accrued fees to a maximum of \$100,000 shall be subject to conversion to restricted common shares at par value \$0.001. Following this, all conversions would be at 50% of the lowest trading price in the preceding quarter or the quarter in which the conversion occurs.

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6. Number and class of the issuer's securities beneficially owned by each such person.

The founder Maya Willis-Tindall, and children Jaxon and Syenna, are the beneficiaries of World Future Trust, as is ECO2 Investments Limited, which holds direct legal interest as trustee to 80,000,000 shares of the Company's restricted common stock. World Future Trust also owns 100% of ECO2 Ventures, Ltd., which also currently owns 40,000,000 shares of the Company. ECO2 Investments Limited is the holder of 60,000,000 restricted common shares in the company. Anthony Yan and John Ramsden currently administer the trustee functions of World Future Trust.

The CEO of the Company, Ray Smith controls Electrum Family Trust, which holds 62,000,000 shares of the Company's restricted stock. Mr Smith, his wife and children are beneficiaries of the Electrum Family Trust.

As at the date of this Disclosure Statement, no other of the directors or officer were the beneficial owners of any of the Company's securities.

B. Legal/Disciplinary History. Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

None

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

None

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

None

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended or otherwise limited such person's involvement in any type of business or securities activities.

None

C. Disclosure of Family Relationships. Describe any family relationships among and between the issuer's directors, officers, persons nominated or chosen by the issuer to become directors or officers, or beneficial owners of more than five percent (5%) of the any class of the issuer's equity securities.

The Founder of the company Maya Willis-Tindall and her children Jaxon and Syenna, are the beneficiaries of World Future Trust, as is ECO2 Investments Limited, which holds direct legal interest as trustee to 80,000,000 shares of the Company's restricted common stock. World Future Trust also owns 100% of ECO2 Ventures, Ltd., which also currently owns 40,000,000 shares of the Company. ECO2 Investments Limited is the holder of 60,000,000 restricted common shares in the company. Anthony Yan and John Ramsden currently administer the trustee functions of World Future Trust. Martin Tindall is not a beneficiary of the trusts.

The COO of the Company, Ray Smith controls Electrum Family Trust, which holds 62,000,000 shares of the Company's restricted stock. Mr Smith, his wife and children are beneficiaries of the Electrum Family Trust.



D. Disclosure of Related Party Transactions. Describe any transaction during the issuer's last two full fiscal years and the current fiscal year or any currently proposed transaction, involving the issuer, in which (i) the amount involved exceeds the lesser of \$120,000 or one percent of the average of the issuer's total assets at year-end for its last three fiscal years and (ii) any related person had or will have a direct or indirect material interest.

As part of the Transaction in September 2009, approximately 120 million additional shares were issued in majority to World Future Co Ltd or its designees as the trustee for the World Future Trust, ECO2 Ventures Ltd and New Carbon Forests Inc.

In June 2010, the Directors of the company agreed to convert the accrued fees of ECO2 Investments Limited and Electrum Family Trust to restricted common shares as per their and the respective consulting agreements of Maya Willis-Tindall and Ray Smith. The agreements from prior to the completion of the merger provided for a one-time conversion of accrued fees at par value \$0.001. The result of these conversions required the issue of 60,000,000 shares to ECO2 Investments Limited and 60,000,000 shares to Electrum Family Trust. ECO2 Investments Limited is controlled by Anthony Yan and is a beneficiary of the World Future Trust. Electrum Family trust is controlled by Ray Smith.

As previously disclosed, the Company had anticipated the designation and issuance of a Series A Convertible Preferred Stock to certain members of the executive management team and control shareholders with supra-voting rights in early 2010. This was expected to represent 1,000,000 shares of Preferred Stock Series A to be held by World Future Company Limited, as trustee for the World Future Trust.

These Series A Convertible Preferred Stock were to have the right to convert in whole or part of the 1,000,000 Series A preferred shares into 40,000,000 common shares. In June 2010, the intended holder of the Series A preferred shares entered into an agreement with the company to have the prescribed amount of common shares issued directly, rather than hold the Series A preferred shares.

E. Disclosure of Conflicts of Interest.

No current conflict of interest are known

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ITEM XII FINANCIAL INFORMATION FOR THE ISSUER'S MOST RECENT FISCAL PERIOD.

The Company's most recent unaudited Financial Statements for the quarterly period ended March 31 2010 are incorporated by reference and are posted on the "Filings" section of Company on the OTC Markets Inc website, along with this Disclosure Statement.

The Financial Statements are comprised of the following:

Condensed Consolidated Balance Sheet:
As of March 31, 2010 and June 30, 2009

Condensed Consolidated Statement of Income:
For the Nine Months Ended March 31, 2010

Condensed Consolidated Statement of Stockholders' Equity:
For the Period Ended March 31, 2010

Condensed Consolidated Statements of Cash Flows:
For the Nine Months March 31, 2010, 2009

Notes to Condensed Consolidated Financial Statements:
As of March 31, 2010

Financial Notes.

The unaudited financial statements requested pursuant to this item have been prepared in accordance with generally accepted accounting principles (GAAP) by David L. Shorey. Mr. Shorey is the acting CFO of the Company. Mr. Shorey also is a certified public accountant. Mr. Shorey has had over thirty years of certified public accountant experience and has previously been CFO of a publicly traded NASDAQ corporation. The Company expects to obtain the services of an independent PCAOB certified accountant to prepare audited statements for the Company in the event it should seek posting upon the OTCBB™ or the NASDAQ™.



ITEM XIII SIMILAR FINANCIAL INFORMATION FOR SUCH PART OF THE TWO PRECEDING FISCAL YEARS AS THE ISSUER OR ITS PREDECESSOR HAS BEEN IN EXISTENCE.

**ITEM XIV
BENEFICIAL OWNERS.**

Provide a list of the name, address and shareholdings of all persons beneficially owning more than five percent (5%) of any class of the issuer's equity securities. To the extent not otherwise disclosed, if any of the above shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

World Future Co Ltd as trustee for the World Future Trust (1)

Hawkes Law House
Rue Pasteur
Port Vila, Vanuatu

EC02 Ventures Ltd (1)

Hawkes Law House
Rue Pasteur
Port Vila, Vanuatu

EC02 Investments Ltd (1)

Hawkes Law House
Rue Pasteur
Port Vila, Vanuatu

Electrum Family Trust (2)

240 Varsity Parade
Varsity Lakes QLD, Australia

1. World Future Trust holds direct legal interest as trustee to 80,000,000 shares of the Company's restricted common stock. World Future Trust also owns 100% of EC02 Ventures, Ltd., which also currently owns 40,000,000 shares of the Company. EC02 Investments Limited is the holder of 60,000,000 restricted common shares in the company. Anthony Yan and John Ramsden currently administer the trustee functions of World Future Trust.
2. Ray Smith controls Electrum Family Trust, which holds 62,000,000 shares of the Company's restricted stock. Mr Smith, his wife and children are beneficiaries of the Electrum Family Trust.



**ITEM XV
THE NAME, ADDRESS, TELEPHONE NUMBER, AND EMAIL ADDRESS OF
EACH OF THE FOLLOWING OUTSIDE PROVIDERS THAT ADVISE THE
ISSUER ON MATTERS RELATING TO OPERATIONS, BUSINESS
DEVELOPMENT AND DISCLOSURE:**

1. Investment Banker

N/A

2. Promoters

N/A

3. Counsel

Primary Counsel

Carl N. Duncan Esq. LLC
5718 Tanglewood Drive
Bethesda, MD 20817
(301) 263-0500



4. Accountant or Auditor

The previous financial statements provided for June 30, 2009 have been provided by the previous management of Monster Motors Inc. The current financial statements dated March 31, 2010 have been prepared by David Shorey, Mr. Shorey has been a practicing CPA for over thirty years. He is not certified by the PCAOB. The Company does not presently engage an independent auditor.

5. Public Relations Consultant(s)

None

6. Investor Relations Consultant

None

7. Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement - the information shall include the telephone number and email address of each advisor.

Special Counsel

Jody M. Walker
7841 South Garfield Way
Centennial, CO 80122
(303) 850-7637

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ITEM XVI MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION.

Instructions to Item XVI

A. Plan of Operation.

1. Describe the issuer's plan of operation for the next twelve months. This description should include such matters as: a discussion of how long the issuer can satisfy its cash requirements and whether it will have to raise additional funds in the next twelve months;

ECO2 Forests, Inc intended Plan of Operation is to:

Acquire forestry land either by purchase, lease or profit share arrangement, or a combination of these methods as the first step in establishing sustainable forests.

Establish a nursery and growing facility initially in Vanuatu, then in the US and Australia for the purpose of growing the nursery stock necessary to support its forestry operations.

Developing a research and development centre for the purpose of conducting developmental studies into species types, planting matrices, intercropping methodologies, soil enhancement, harvesting methodologies and hydration techniques.

The Company's operations have a high priority placed upon the generation of carbon credits, from which it hopes to generate early stage revenues to support the ongoing forestry operations. These revenues will be crucial to sustain the Company's operations until the harvest revenues are realized.

The Company intends to begin planting approximately 100,000 Kiri plants in the Vanuatu forest in late 2010, subject to the closing of a Vanuatu Land agreement and subject to conditions as set forth in the Risk Factors, believes it has secured sufficient capital commitments to do so. The Company anticipates planting 2500 acres per year for the next six years in Vanuatu, based upon its current acreage deed. The initial 100,000 plants are anticipated to produce all the planting stock needed for the following years through harvesting of the roots after the first nine months. These projections are also subject to conditions as set forth in the Risk Factors.

The Company has engaged the services of a writer to Consultant a Private Placement Memorandum under Section 506 of the Securities Act, to offer the Company's shares for sale to Accredited Investors. The details of the offering including pricing, number and description of securities to be offered, are still under consideration by the Board and Management. It is anticipated that there will be a minimum offering of \$110,000 and a maximum offering of \$13,000,000. The use of proceeds is anticipated for general operations, plant and equipment and the acquisition of further forestry lands, particularly in the United States and Australia. The Company may also consider acquisition of suitable forestry lands in other locales. The Management believes that through the Company's existing accredited investor contacts that it will be able to raise sufficient capital to fund the operations for the next twelve months and beyond; however there can be no assurance of such raise and the inability to raise sufficient capital would impair the Company's ability to carry out its business plan and earn revenue.

ii. a summary of any product research and development that the issuer will perform for the term of the plan;

The Company is currently reviewing costs for any expected purchase or sale of plant and significant equipment; and any expected significant changes in the number of employees.



PART E ISSUANCE HISTORY

ITEM XVII

LIST OF SECURITIES OFFERINGS AND SHARES ISSUED FOR SERVICES IN THE PAST TWO YEARS.

Since May 31, 2009

In July 2009, Monster Motors Inc entered into an asset and acquisition purchase agreement with New Carbon Forests, Inc. to acquire the rights to acquire land and acquire the rights to sell carbon credits to Carbon X Trade Inc ("the Transaction"). Following the Transaction, the company was renamed ECO2 Forests Inc

The following shares were issued pursuant to the Transaction exempt from Registration under Section 4(2) of the 33 of the Act.

Shareholder	Shares Issued
World Future Co Ltd as trustee for the World Future Trust controlled by Anthony Yan	40,000,000
ECO2 Ventures Limited controlled by Anthony Yan	40,000,000
New Carbon Forests Inc as trustee for the Christensen Children Trust controlled by Collie Christensen	40,000,000



These shares were issued on a zero cost basis and the issuer received no monies paid. The shares have been issued as restricted under Section 144 of the Securities Act and bear a obvious restrictive legend, noting; The Shares of stock represented by the certificate have not been registered.

The certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act.

The shares represented by this certificate have not been registered under the securities act of 1933, as amended (the "act"), or any other securities laws and may not be offered for sale, sold, transferred, assigned, hypothecated or otherwise disposed except (1) upon effective registration of the securities under the act and other applicable securities laws covering such securities or (ii) upon acceptance by the company of an opinion of counsel in such for and by such counsel for the company to the effect that such registration is not required.

In May 2010, the Board has currently approved the offering of \$1,000,000 of its voting common stock under a private placement Regulation D 504 offering to an accredited investor. As the accredited investor was unable to perform under the terms of the subscription agreement, the agreement was cancelled. All shares from this offering have been placed under administrative hold and are in the process for being cancelled and returned to treasury.

All other shares issued have been described in the financial statements of March 31, 2010 or as previously disclosed or outlined in this Updated Information and Disclosure Documents.

PART F EXHIBITS

The following exhibits must be either described in or attached to the disclosure statement:

ITEM XVIII MATERIAL CONTRACTS.

Asset Purchase agreement between Monster Motors Inc and New Carbon Forests
Heads of Agreement for Land Acquisition for New Carbon Forests Inc
Deed of Agreement and Updated Agreement for ECO2 Forests, Inc., South Pacific Biofuels, Ltd.
and South Pacific Plantation Management Limited.
Term Sheet between ECO2 Forests, Inc. and Duck Lake Ranch, LLC

Please see section 5 above.

ITEM XIX ARTICLES OF INCORPORATION AND BYLAWS.

A. A copy of the Articles of Incorporation of ECO2 Forests Inc as amended from time to time are provided in the OTC Markets Disclosure Service.

B. A copy of the Bylaws of ECO2 Forests Inc as amended from time to time are provided in the OTC Markets Disclosure Service.



ITEM XX PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS.

Please see

Section VIII (6) & (8)
and Section XVII above.

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PART G –RISK FACTORS

RISK FACTORS

An investment in our Company involves significant risks. You should carefully consider the risks described below before investing in our Company. You should consult with your broker, attorney or other qualified advisor to see if an investment in our Company is suitable for you, given your present and expected financial condition, investment goals and sophistication. We are not a reporting company under the 1934 Securities and Exchange Act. If any of the following risks actually occur, our business, financial condition and results of operations could be materially and adversely affected, and you could lose all or part of your investment.

RISKS RELATED TO THIS BUSINESS

Real estate, land or forestry investing is highly speculative and there can be no assurance that investor will get a return of his investment. The Company intends to engage in real estate, land or forestry investing which is speculative and involves a high degree of risk. Any real estate, land or forestry market is speculative and is significantly affected by changes in economic and other conditions, such as:

- employment levels;
- construction costs;
- climate conditions;
- natural disaster;
- acts of war;
- availability of financing;
- local and national economics;
- interest rates; and
- consumer confidence.

These factors can negatively affect the demand for and pricing of the Company's investments and margin on sale. The Company is also subject to a number of risks, many of which are beyond the Company's control, including:

- changes in governmental regulations (such as slow- or no-growth initiatives);
- increases in harvesting production;
- labor strikes
- changes in carbon credit market and government policy; and
- distribution costs

Fluctuations In Market Conditions May Affect The Company's Projections; Significant Lag Time before Harvest and Revenue. The Company is subject to the regional or global potential for significant fluctuations in the market value of forestry land, production cost and value of sales of lumber and carbon credits. There is a lag between the time the Company acquires control a subject forestry land and the time that the Company can earn revenue. This lag time is impossible to specifically and concretely determine in advance. The average harvest for the Kiri tree which we intend to plant is seven years, and there may be environmental or other factors beyond our control that prevent a harvest at that or any other time. While under certain conditions we may be able to harvest a portion of our trees earlier to make certain products, there is no assurance that we will be able to do so. Revenue may be delayed for many years if earned at all.



The Company May Incur Additional Operating Expenses Due To Government and Environmental Regulations Within Markets. New Carbon Credit Industry. As the Company becomes qualified to do business in various locales, the Company may become subject to significant regulation over forest management, carbon credit qualification and trade, export and trade regulation and taxation. While the Company aims to be environmentally friendly by creating sustainable regenerating forests and carbon credits, various countries in which the Company may do business may impose further regulation and taxation that are not in place today. Also, the carbon credit industry, while predicted to be robust, will be subject to market and economic conditions. Existing regulations in Vanuatu and Nevada, while not onerous, will cause compliance and tax costs to the Company that will impact its revenue model and return.

The Company's estimate of carbon credit production going forward are based on the Company's reasonable assessments and predictions based upon current forestry scientific and International Emission Trading Association standards for estimating carbon credits. If the Company sells forward carbon credits which have not been verified, there is market risk in the event that such credits did not later meet verification standards

Competition in the Lumber Industry Could Increase Costs, Reduce The Company's Revenues And Earnings And Otherwise Adversely Affect The Company's Results Of Operations. The real estate, land or forestry sectors are highly competitive and fragmented. The Company competes with several other companies producing a similar Kiri tree product, as well as the general worldwide timber industry, which is highly established and includes multibillion dollar companies. The Company will compete primarily on the basis of price, location, quality, service and reputation. Many of the Company's competitors may have greater financial resources, more established market positions and better opportunities for investment, and have lower costs of capital, labor and material. Such competition could adversely affect the Company's results of operations.



The Company Is Dependent On The Services Of Certain Key Employees And The Loss Of Their Services Could Harm The Company's Business. The Company's success largely depends on the continuing services of its Officers, Founder **Maya Willis-Tindall**, Acting President, **Mr. Martin Tindall**, the acting CFO, **David Shorey**, and CEO, **Mr. Ray Smith**. The Company's continued success also depends on our ability to continue to attract and retain qualified personnel. The Company believes that the Founder, **Maya Willis-Tindall**, The Acting President, **Mr. Martin Tindall**; and CEO, **Mr. Ray Smith**, possess valuable industry knowledge, experience and leadership abilities that would be extremely difficult in the short term to replicate. The loss of any of the Company's officers could materially and adversely affect the Company's results.

The Company's Operating Results May Vary. The Company expects to experience variability in its revenues and net profit. Factors expected to contribute to this variability include, among other things:

- the general economy in Republic of Vanuatu and globally
- the changing regulatory environment concerning real estate, land or forestry and carbon credits
- climate, seasonality and environmental factors
- worldwide demand for lumber
- transportation costs
- carbon credit market fluctuation

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Accuracy of Anticipated Results of Operations. The anticipated results of operations by the Officers have not been reviewed, analyzed, or otherwise passed upon by the Company's legal counselor, or accounting firm. Nor have the anticipated results of operations been passed upon or approved by any governmental entity. Such "forward looking" statements are based on various assumptions of the Company, which assumptions may not prove to be correct (for example, the cost of material and labor, changes in regulatory environments, and changes in markets and expenditures). In addition, any statements, written or oral, which do not conform to those contained in this Memorandum and any addendum, if any, should be disregarded, and their use is a violation of law. The statements contained herein are based upon specific assumptions. If these assumptions are incorrect, the projections likewise will be incorrect.

No representations or warranties can be given that the estimates, opinions or assumptions made herein or therein will prove to be accurate. Any projections results of operations included in this Disclosure Statement and all other materials or documents supplied by the Officers should be considered speculative and are qualified in their entirety by the assumptions, information and risks disclosed in this Disclosure Statement. The assumptions and facts upon which such projections are based are subject to variations that may arise as future events actually occur. The projections included herein are based upon assumptions made by the Officers regarding future events for example, the cost of tree planting and labor, changes in regulatory environments, and changes in the land or forestry product market valuations, and expenditures. There is no assurance that actual events will correspond with these assumptions. Actual results for any period may or may not approximate such projections. Investors are advised to consult with their own independent tax and business advisors concerning the validity and reasonableness of the factual, accounting and tax assumptions. No representations or warranties whatsoever are made by the Officers or its Affiliates or any person or entity as to the future profitability of the Company or the result of making an investment in the Shares.



Acts Of War Or Terrorism May Seriously Harm the Business. Acts of war, any outbreak or escalation of hostilities between the United States and any foreign power or acts of terrorism, may cause disruption to the global economy, or the local economy causing shortages or loss of profits, increase costs associated with establishing and maintaining the Kiri tree forestry. Further, consumer confidence, or cause economic changes that the Company cannot anticipate, all of which could reduce demand for the company's lumber and CO2 carbon credit sales and adversely impact the Company's revenues and earnings.

Inability to Raise Capital and Purchase Suitable Forest Properties. The Company's business plan and operations are dependent upon the Company's ability to raise significant amounts of capital, and there is no assurance that such capital can be raised, or be raised on favourable terms to the Company or its existing shareholders. The Company has presently entered into a Deed of Agreement for the Vanuatu Project and expects to close this project promptly upon delivery of its authorized preferred stock. While the Company expects the Vanuatu project to close promptly under the Deed of Agreement and has no indication otherwise, there is always a risk of non-closure of a real estate agreement. The Board of Directors has the authority to designate the preferred stock and is presently taking the appropriate steps to do so and close the Deed of Agreement within the next 30 days.

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RISKS RELATED TO THE FORMATION AND OPERATION

No Dividends Anticipated. Management does not anticipate that cash or stock distributions will be made in the near future or at all.

Control by Officers. All decisions regarding the management of the Company's affairs will be made exclusively by the Officers, the Board of Directors and the majority shareholders of the Company. The present Officers retain a majority control of all voting power of the Shares, on a combined and fully diluted basis. Accordingly, no person should purchase the Shares unless that person is willing to entrust all aspects of management of the Company to the Officers. Potential investors must carefully evaluate the personal experience and business performance of the Officers.

Limitation of Liability of the Officers and Directors. The Officers and Directors may not be liable to the Company or the Shareholders for errors of judgment or other acts or omissions not constituting gross negligence, fraud, recklessness, or gross misconduct.

Indemnification of the Officers. The Company has agreed to the indemnification of Officers, to the fullest extent permitted by law, provided that Officers acted in good faith on behalf of the Company and in a manner reasonably believed by that Officers to be within the scope of such person's authority and in the best interest of the Company, and the action or failure to act does not constitute willful misconduct. A successful claim for such indemnification would deplete the Company's assets by the amount paid.

Conflict of Interest. The Officers and their Affiliates are employed independently of the Company, and will continue to engage in other activities, some of which may compete directly with the Company and the Property. In addition, the Officers, and their Affiliates will have conflicts of interest in allocating management time, services and functions between various existing enterprises and future enterprises they may organize, as well as other business ventures in which they may be or become involved. However, the Officers and the Investment Officers each believe that they will have sufficient staff, consultants, independent contractors, and business Officers to adequately perform their duties. The Shareholders will have no interest in any present or future entities or business ventures founded or developed by the Officers, and their Affiliates as a result of their Shares.

Speculative Investment. The Company's business objectives must be considered highly speculative, and there is no assurance the Company will satisfy those objectives. No assurance can be given that the investors will realize any return on investment, or that the investors will not lose their entire investment. For this reason, each prospective investor should carefully read this Disclosure Statement and the Financial Statement and make inquiry upon the Company. All investors should consult with their attorney, tax advisors or business advisors prior to making an investment.

Lack of Agency Review. None of the securities of the Company have been registered under federal, state securities or the Republic of Vanuatu laws. Accordingly prospective investors will not have the benefit of review by the Securities and Exchange Commission or any state or foreign securities regulatory authority.

No Tax Advice. An investment in the Company may have state and local consequences which should be considered by any investor in consultation with his or her own tax advisors. We do not give tax or investment advice by reason of our Disclosure Statements or any other public or private materials and no reliance should be made thereupon by any investor or potential investor.

No Market for Common Stock; Illiquidity; Risk of Loss of Entire Investment. The Company's common shares are currently are quoted on the Pink OTC Markets, Inc.; however the trading market for the Shares has been highly limited, or may not at times exist. The purchase of any securities of the Company through the public markets as quoted on the Pink OTC Markets, Inc., or any other publicly quoted market service, or in any private sale of securities, involves a substantial degree of risk, and is suitable only to persons who have no need for liquidity in their investments and who can afford to risk the loss of their entire investment.



ITEM XXI ISSUER'S CERTIFICATIONS.

I, Ray Smith, certify that:

1. I have reviewed this Updated Information and Disclosure Statement as of August 23, 2010 of ECO2 Forests Inc;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: August 24, 2010

/s/ Ray Smith
RAY SMITH
CEO and Director



I, Martin Tindall, certify that:

1. I have reviewed this Updated Information and Disclosure Statement as of August 23, 2010 of ECO2 Forests Inc;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: August 24, 2010

/s/ Martin Tindall
MARTIN TINDALL
Business Development Executive
And former Acting President