



CIELO

Cielo Waste Solutions Corp.
Bridgeview Place II, Suite 115, 5114 – 58 Street
Red Deer, Alberta, Canada, T4N 2L8

info@cielows.com
+1 (403) 348-CWSC (2972)

NEWS RELEASE

CIELO CLOSSES EIGHTH TRANCHE OF PRIVATE PLACEMENT, SETTLES INVOICES WITH STOCK AND POSTPONES FILING OF ANNUAL FINANCIAL STATEMENTS AND MD&A DUE TO COVID-19 RELATED DELAYS

Vancouver, British Columbia, Canada /Aug 25, 2020 / CSE: CMC, OTCQB: CWSFF Cielo Waste Solutions Corp. ("CIELO" or the "Company") announces that it has raised \$50,000 in gross proceeds in the eighth tranche ("Eighth Tranche") of its private placement offering ("Offering") of convertible debenture units (the "Unit(s)"), initially announced on March 30, 2020. A total of \$2,451,642 has now been raised in the Offering.

Each Unit consists of one (1) \$1,000 unsecured convertible debenture (the "Debenture(s)") plus 7,500 share purchase warrants (the "Warrant(s)"). The Debentures bear interest at a simple rate of 15% per annum with the initial three (3) years of interest to be prepaid (the "Prepaid Interest") on the date of issuance of the Debentures (the "Issue Date") by the issuance of common shares (the "Prepaid Interest Shares") at a price of \$0.07 per Prepaid Interest Share. The principal of the Debentures (the "Principal") together with all accrued interest exceeding the Prepaid Interest (the "Interest Balance") will be repaid 48 months from the Issue Date unless repaid earlier by CIELO without penalty or converted by the holder(s) thereof, any time after four months and a day following the Issue Date at a price of \$0.05 for the Principal and at \$0.07 for the Interest Balance.

Each Warrant has a term of 48 months from the Issue Date (the "Warrant Term") and an exercise price of \$0.07 per common share, subject to acceleration in the event that the common shares of CIELO, listed on a recognized stock exchange, trade at \$0.15 or higher for at least five (5) consecutive trading days, in which event CIELO may provide a notice to holders that the Warrant Term will terminate 30 days from the date of notice.

Although the Offering is non-brokered, the Company may, as determined in its sole discretion, pay reasonable customary brokers' and/or finders' commissions in connection with the completion of the Offering of up to 8% in cash of the gross proceeds raised by such broker(s)/finder(s) and issue finder warrants (the "Finder Warrants") of up to 8% of the total number of common shares that would be issued to subscribers introduced to the Company by such broker(s)/finder(s), if 100% of the Principal under the subject Debentures is converted. The Finder Warrants have a 48-month term from the date of issue and an exercise price of \$0.07 per share.

There may be additional tranches of the Offering, anticipated to close on or prior to September 13, 2020. At the discretion of the Company, the Offering may be extended and/or increased, subject to approval from the Canadian Securities Exchange as applicable. Net proceeds of the Offering are being used to scale-up production of high-grade renewable fuel at the Company's green waste to renewable fuel facility in Aldersyde, Alberta (the "Aldersyde Facility"), as well as for general working capital purposes.

A total 50 Units were issued pursuant to the Eighth Tranche for gross proceeds of \$50,000, including - 375,000 Warrants and 321,429 Prepaid Interest Shares. Pursuant to the Eighth Tranche, the Company also



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issued 80,000 Finder Warrants and paid \$4,000 in cash commissions. To date, 2,451.64 Units have been issued for gross proceeds of \$2,451,642.

All securities issued pursuant to the Offering are subject to a statutory four month hold period.

SHARES FOR DEBT

In addition to the Offering, Cielo has agreed to settle amounts owing to certain of its contractors for an aggregate of \$335,565 by the issuance of 5,592,750 common shares at a deemed price per share of \$0.06. The shares are subject to a statutory hold period of 4 months from the date of issue.

Don Allan, President and CEO of Cielo, stated “As the commissioning nears completion, the continued support by the contractors is very rewarding for Cielo. The operators are nearing the end of commissioning and we are looking forward to updating everyone shortly.”

DELAY OF FILING AUDITED FINANCIAL STATEMENTS

Cielo has postponed filing its annual audited financial statements and related management's discussion and analysis for the year ended April 30, 2020 as well as related CEO and CFO certifications (the “Annual Filings”), due to logistics and delays caused by the COVID-19 pandemic.

Cielo is relying on exemptive relief recently granted by Canadian securities regulatory authorities that allows it to delay the filing of its annual documents required by National Instrument 51-102 by August 28, 2020. In response to the coronavirus disease 2019 pandemic, securities regulatory authorities in Canada have granted a blanket exemption allowing issuers an additional 45 days to complete their regulatory filings. Accordingly, the British Columbia Securities Commission (“BCSC”) has enacted BC Instrument 51-517 – Temporary Exemption from Certain Corporate Finance Requirements (“BCI 51-517”).

Cielo estimates that the Annual Filings will be available for filing on or before September 20, 2020. Until such time as the Annual Filings are filed, Cielo’s management and other insiders are subject to a trading blackout that reflects the principles contained in section 9 of National Policy 11-207 – Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions.

There have been no material business developments since the date of the last interim financial statements, filed on March 11, 2020, however, the Company has issued news releases subsequent to March 11, 2020, copies of which are available on SEDAR at www.sedar.com.

On behalf of the Board of Directors of the Company,

Cielo Waste Solutions Corp.

“Don Allan”

Don Allan, President/CEO/Director

Investor Contacts

RB Milestone Group, LLC

Trevor Brucato, Managing Director



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New York, NY & Stamford, CT

tbrucato@rbmilestone.com

About Cielo Waste Solutions Corp.

Cielo Waste Solutions Corp. is a publicly traded company with its shares listed to trade on the Canadian Securities Exchange (“CSE”) under the symbol “CMC”, as well as OTC Markets Group, on the OTCQB, under the symbol “CWSFF”. CIELO is a waste to renewable fuel company with a game changing technology engineered to help solve the world’s garbage crisis. CIELO’s technology transforms landfill garbage into renewable high-grade diesel and kerosene (aviation jet fuel). CIELO’s proven and patent-pending technology is currently being deployed in the Company’s Aldersyde, Alberta Facility, where wood waste is currently being converted into renewable fuels.

CIELO is headquartered in Alberta, Canada with plans to build and operate green facilities across North America as well as globally.

CIELO has already begun expanding its footprint by signing multiple Memorandums of Understanding pursuant to which third parties are in negotiation with CIELO to build, at no cost to CIELO, Joint Venture Renewable Diesel Facilities in Grande Prairie, Calgary, Medicine Hat and Lethbridge, Alberta as well as in Nova Scotia. Each JV Facility is projected to cost approximately \$50 million to build, commission and place on production. CIELO will be the general contractor and operator of all the proposed JV Facilities. The feedstock that will be used in the Company’s green facilities is the world’s most available and inexpensive feedstock – garbage; including household, commercial/ construction/demolition garbage, used tires, railway ties and telephone poles as well as all types of plastic that currently cannot be recycled.

Cautionary Note Regarding Forward-looking Statements

This News Release contains certain forward-looking statements and forward-looking information (collectively referred to herein as "forward-looking statements") within the meaning of applicable Canadian securities laws. All statements other than statements of present or historical fact are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "achieve", "could", "believe", "plan", "intend", "objective", "continuous", "ongoing", "estimate", "outlook", "expect", "may", "will", "project", "should" or similar words, including negatives thereof, suggesting future outcomes.

Forward-looking statements are subject to both known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company, that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward looking statements. CIELO is making forward looking statements related to the Offering and completion and operation of the Aldersyde Facility as well as with regard to the filing of the Annual Filings. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended.



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Forward-looking statements are not a guarantee of future performance and involve a number of risks and uncertainties, some of which are described herein. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause the Company's actual performance and results to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. Any forward-looking statements are made as of the date hereof and, except as required by law, neither the Company assumes no obligation to publicly update or revise such statements to reflect new information, subsequent or otherwise. The CSE and the OTCQB have not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this News Release.