

## **CIELO ANNOUNCES \$2 MILLION PRIVATE PLACEMENT AND CLOSING OF FIRST TRANCHE OF \$875,000\***

Vancouver, British Columbia, Canada / December 17, 2018 / CSE: CMC: Cielo Waste Solutions Corp. ("Cielo" or the "Company") announces a non-brokered private placement ("Offering") of up to 15,384,615 ("Units") at \$0.13 per Unit. Each Unit is comprised of one Common Share and one warrant ("Warrant"), with each Warrant having an exercise price of \$0.20 and an expiration date of the earlier of 36 months from the date of issuance of the Units and the date that is 30 days from the date that Cielo provides notice ("Notice") to the warrant holder that the expiration date of the Warrants has been accelerated. The Notice may only be delivered to the Warrant Holders after Cielo's listed common shares trade at \$0.40, or higher, for 20 consecutive days, any time after 4 months and a day from the date of issuance of the Units. Any Warrants that have not been exercised on or before the expiry of the 30-day period will automatically expire.

The Offering will close in one or more tranches. Cielo has closed the first tranche of the Offering ("First Tranche"), raising gross proceeds of \$874,406 through the issuance of 6,726,200 Units. \$42,406 of the gross proceeds were paid by way of debt settlement.

Although the Offering is non-brokered, the Company may, as determined in its sole discretion, pay reasonable customary brokers' and/or finders' fees ("Fees"), as applicable, in connection with the completion of the Offering. With respect to the closing of the First Tranche, Cielo has paid Fees equal to \$58,240 and issued 291,200 warrants ("Finder's Warrant"). Each Finder's Warrant has the same terms as the Warrants issued pursuant to the Offering and all securities issued pursuant to the Offering will be subject to applicable resale restrictions. The net proceeds of the Offering will be used to acquire equipment and pay service costs to advance the commissioning of Cielo's first commercial waste to renewable diesel fuel refinery in Aldersyde, Alberta ("Aldersyde Refinery"), as well as for working capital.

As an insider participated in the Offering, it is considered to be a "related party transaction" under Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company relies on the exemption from valuation requirement pursuant to subsection 5.5(b) of MI 61-101, as the securities of the Company are not listed or quoted on an enumerated stock exchange, and the Company relies on the exemption from minority approval under subsection 5.7(b) of MI 61-101, as the securities of the Company are not listed or quoted on an enumerated stock exchange; neither consideration received, nor the fair value of the securities distributed exceeds \$2,500,000; and at least two thirds of independent directors of the Company voted in favour of the related party transaction.

### **Grande Prairie Joint Venture Update**

Further to the previously announced Memorandum of Understanding ("MOU") with Renewable U Energy Inc. ("Renewable U"), announced on November 1, 2018, Cielo's management has visited Grande Prairie so as to advance site selection for the contemplated joint venture refinery in Grande Prairie. Cielo's management has also visited Medicine Hat in order to meet with and assist Renewable U in their due diligence process prior to exercising their option to build one or more joint venture refineries with Cielo in or around Medicine Hat, Alberta ("Option"). In the event Renewable U exercises the Option, Renewable U will enter into a second memorandum of understanding with Cielo, which will require Renewable U to pay Cielo an additional \$250,000. The MOU provided for the Option to be exercised within 45 days of the date of the MOU, however. Cielo has granted Renewable U an extension to January 31, 2019 to exercise the Option, due to Renewable U's request for additional time for due diligence.

Raphael Bohlmann, President of Renewable U, stated “Subsequent to Don Allan’s visit to Grande Prairie, we have narrowed down our site selection to one of three properties on which to begin acquisition negotiations. In addition, based on the positive feedback that we have received after our last group of meetings in Medicine Hat, along with the significant advancements being made by Cielo in their commissioning efforts of their Aldersyde Refinery, we are confident that we will be exercising our Option with Cielo to build additional joint venture refineries together in or around Medicine Hat.”

Don Allan, President and CEO of Cielo, stated “The recent announcements by the Alberta and British Columbia governments regarding their continued support for “green” initiatives reaffirms our belief of the immediate need for Cielo’s waste to renewable fuels technology. Although the commissioning of our Aldersyde Refinery has taken longer with higher capital costs than originally contemplated, we believe that the engineering and design changes that are being implemented will help us to scale-up and build out multiple refineries. Over the past several months, while evaluating different capital options to purchase additional equipment to facilitate the Aldersyde Refinery to operate on a continuous-flow basis, we have successfully been able to convert sawdust into distillate, which we are then able to convert into renewable diesel, kerosene and naphtha fuels. We anticipate being able to achieve our first sales in Q1 of 2019 and thereafter proceed forward with our next phase of our business plan and building multiple refineries in Canada.”

\*Actual amount \$874,406

**Join Cielo shareholders on 8020 Connect:** <http://bit.ly/Cielogroup>

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### **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”. Cielo holds the exclusive license for the global rights to a transformational, patent-pending, technology engineered to convert garbage-derived feedstocks to high grade renewable diesel, at a significantly lower cost than biofuel companies. With landfills being one of the world’s leading contributors to Green House Gas emissions and being projected to double in size over the next 7 years, Cielo can potentially resolve this crisis, on a cost-effective basis, by converting multiple different garbage-derived feedstocks, including sorted municipal solid waste (garbage), wood and agriculture waste, tires, blue-box waste, all plastics and virtually any other cellulosic waste product into high grade renewable diesel.

### **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, including but not limited to: the use of proceeds of the offering, receipt of all necessary approvals of the offering, general business, economic, competitive, political and social uncertainties; negotiation uncertainties and other risks of its industry. 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.*

*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 has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this news release.*