

CIELO PROVIDES OPERATIONS UPDATE AND ANNOUNCES MEMORANDUM OF UNDERSTANDING TO BUILD RENEWABLE FUEL REFINERY IN BROOKS, AB

Vancouver, British Columbia, Canada / April 1, 2019 / CSE: CMC: Cielo Waste Solutions Corp. ("Cielo" or the "Company") announces that Renewable U Energy Inc. ("Renewable U") has exercised its option to enter into a joint venture with Cielo in the City of Brooks, Alberta, for the purposes of building one or more refineries. As such, Cielo and Renewable U have executed a binding Memorandum of Understanding ("MOU").

Further, in response to recent inquiries regarding progress on the Company's desulfurization process, Cielo would like to provide an operations update.

OPERATIONS UPDATE:

As previously disclosed, Cielo has selected a third-party supplier to guide the Company with respect to the best and most economical way to remove the sulfur from Cielo's process ("Supplier"). The Supplier is based in the United States and, while it is well known and reputable, unfortunately the process has been slower than Cielo had anticipated. Cielo has made efforts to speed up the process and has been in consistent, weekly communication with the Supplier, however, as it is an unrelated third party, Cielo must rely on the timing of the Supplier.

The Supplier has performed analysis on two samples of Cielo's renewable diesel and will perform a third. The first was completed in the fall, as previously announced. As the first sample consisted of very high percentages of used motor oil ("UMO"), which is being used to mix with the waste feedstock to make a slurry that is further broken down into the renewable diesel, the analysis indicated very high sulfur numbers. The second tested sample had a much lower UMO content, resulting in lower sulfur numbers that were much more in line with what Cielo had experienced in its demonstration plant. The third sample to be sent will consist of 99% sawdust, which is anticipated to indicate very low sulfur numbers, much better than Cielo was able to achieve in the demonstration plant, and is expected to result in a very high-grade renewable diesel with higher renewable content and Cetane numbers and a significantly lighter colour. Therefore, Cielo expects it is becoming easier and less expensive to remove the sulfur.

To aid in expediting the analysis of the results from the selected desulfurization Supplier, Cielo has also contacted a very experienced North American engineering firm ("Engineering Firm") to provide additional advice on sulfur removal to finalize the process. It is one of management's top priorities to complete the sulfur removal process as quickly as possible.

As well, in the meantime, Cielo is fabricating the desulfurization and polishing towers, such that when the Supplier and the Engineering Firm determine the amount of desulfurization medium required, and the process is finalized, Cielo will be ready to implement and begin removing the sulfur expediently.

MEMORANDUM OF UNDERSTANDING

Renewable U has exercised its option to enter into a Memorandum of Understanding with Cielo for the territory of Brooks, Alberta, and has incorporated a new company, Renewable U Brooks Inc. ("Renewable U Brooks") to this end. Cielo has received a \$250,000.00 fee ("Fee") in consideration for the opportunity to enter into the joint venture with Cielo and to secure the territory of Brooks.

The general terms of the MOU, which are to be incorporated into the a definitive agreement between Renewable U and Cielo forming the joint venture, are substantially the same as the previously announced terms for the joint venture refineries to be located in Medicine Hat, Grande Prairie and Calgary, AB, as follows:

- i. Renewable U Brooks will be solely responsible for financing 100% of the costs associated with acquiring the land, building and commissioning of the initial joint venture refinery in Brooks AB (“JV Refinery”).
- ii. Cielo will overall manage the project, overseeing the planning, construction, commissioning and operation of the joint venture refinery (“JV Refinery”) and will receive a management fee for the construction of the JV Refinery equal to 7% of the cost of the projects, subject to certain exclusions, and will continue to receive management fees once operations begin based on industry standards.
- iii. In the event that Cielo does not execute the definitive agreement for Brooks, Alberta, subject to an exclusion, by June 30, 2019, Cielo has agreed, subject to applicable laws and policies, to issue Renewable U Brooks common shares of Cielo in lieu of returning the Fee, valued at the greater of \$0.25 per share and the average closing price of Cielo’s shares during the 5 trading days prior to June 30, 2019.
- iv. Profits will be split 30% in favour of Cielo and 70% in favour of Renewable U Brooks, until Renewable U Brooks has received profits equaling 100% of the costs of the project, plus the applicable management fees. Thereafter profits will be split on the basis of 50.1% in favour of Cielo and 49.9% in favour of Renewable U Brooks, reflecting the respective interests/ownership of the parties.

Barry Morishita, Mayor of The City of Brooks, states “We are excited at the prospect of working with Cielo Waste Solutions Corp. for the development of a renewable diesel facility in our community. A project such as this will bring unique opportunities to our region through a diversification of our economy, employment opportunities and various enhancements into the future. As an added bonus, the production of renewable diesel fuel has numerous environmental benefits while adding unchartered potential to our local and provincial energy industries.”

Lionel Robins, CEO of Renewable U, stated “We are very excited to continue to have the opportunity to work with such an amazing green corporation. We have been working with Cielo to secure waste feedstock for Brooks and believe that we are going to change the way the world looks at waste streams. This is such a game changing technology that Renewable U will continue to work closely with Cielo on future municipalities and make a serious dent in Canada’s Green House Gas reductions.”

Don Allan, President & CEO of Cielo, stated “The continued support shown by Renewable U is very impressive. This growing business relationship will make the build-out of the next refineries that much easier. With the support of the City of Brooks, we believe the timing of construction can be shortened once permits have been obtained. Cielo continues to gain industry confidence and continues to move our strategic plan forward.”

JOINT VENTURE EXTENSIONS

Cielo and Renewable U Inc. and Cielo and Seymour Capital Inc., respectively, have agreed to extend the deadlines set out in their respective, previously announced Memorandums of Understanding, to June 28th, 2019. The parties will continue to work together to complete the due diligence and other processes in preparing to execute on the respective joint ventures.

FINANCING UPDATE

Cielo would also like to announce that one of its contractors has agreed to convert \$14,818.44 into 113,988 shares at a deemed price of \$0.13 per share, which shares will be subject to a four-month hold.

Cielo is also announcing the closing of its private placement offering of units (“Unit(s)”), at \$0.13 per Unit, each Unit consisting of one common share and one share purchase warrant, exercisable at \$0.20 for a period of 2 years, subject to accelerated exercise provisions. A total of \$1,644,371 in gross proceeds was raised in three tranches by the issuance of 12,649,007 Units.

Join Cielo shareholders on 8020 Connect: <http://connects.digital/cielo1>

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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 cellulosus 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. Cielo is making forward looking statements related to the completion of its commissioning process and in particular the desulfurization process, entry and negotiation of terms of the joint venture with Renewable U and the ability of the parties to those agreements to fulfil their obligations, and regarding its financing activities. 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 has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this news release.