

Cielo Announces Achievement of Milestone: First Production of Raw Distillates from Renewable Diesel Refinery

Vancouver, British Columbia, Canada / August 22, 2018 / Cielo Waste Solutions Corp. ("Cielo" or the "Company") (CSE:CMC) announces that it has achieved a milestone with the first production of raw distillate (renewable fuels) from its first commercial refinery in Aldersyde, Alberta (the "Refinery") that uses its patent-pending technology, which converts garbage-derived feedstocks, including all plastics, sorted municipal solid waste (garbage), wood and agriculture waste, tires and virtually any other cellulous waste product, into high grade renewable diesel.

Cielo has initiated its reactor, which has started the continuous flow process of generating raw distillate (renewable fuels). As disclosed previously, the Company will be following a staggered approach to adding biomass (garbage) by adding increasing amounts of feedstock until the optimal mix is achieved. It is expected that the optimal mix should be achieved over the coming weeks. Cielo anticipates that it will be able to announce confirmed production output volumes shortly after the optimal mix is reached. Once sufficient raw distillate is produced, the next stage will be to remove the sulphur and to separate the distillate into naphtha, kerosene and diesel. Shortly afterwards, Cielo anticipates it will be able to make its first sale of renewable fuels. Management believes that the timing for this is on track for early - mid fall of 2018.

Don Allan, President and CEO of Cielo, stated "The production of our first litres of raw distillates is our most significant milestone to date in proving our technology is commercially viable. Our refineries are being engineered to be the greenest refineries on the planet, which will benefit generations to come by being able to convert landfills into renewable fuels."

The renewable diesel that is going to be produced at the Refinery is forecast to receive approximately a 25% premium over biodiesel pricing. In addition, because the technology uses waste streams as its feedstock, Cielo's management believes that Cielo will not have to rely on government subsidies to be profitable and anticipates that it should be able to generate cash flow from production by early - mid fall of 2018.

Phase I and Phase II Updates

As Cielo progresses through the current commissioning stage, modifications to both design and construction intended to improve the processes continue to be made. Originally, the Company's plan for Phase I was to build a refinery targeting a nominal production rate of 356 litres per hour. Cielo is pleased to announce that continued improvements have increased targeted outputs to between 500 and 1,000 litres per hour for Phase I. In addition, in order to implement the Phase II upgrades increasing the target rate to 1824 litres per hour, although Cielo had considered building a second refinery, management has determined that it would be more efficient to upgrade the current Refinery to a greater capacity after the completion of Phase I, targeting outputs of between 1,800 and 2,000 litres per hour, such that all Cielo refineries would produce at this rate at a minimum. With the continued improvements in automation, safety and the scale up to 500 to 1,000 litres per hour for Phase I, the timing for the completion of Phase I (i.e. the current commissioning stage) is expected to be completed by early fall of 2018, and construction costs for Phase I are expected to total between \$4.5 million to \$5.0 million. The construction budget for Phase II is expected to be completed after Phase I commissioning is completed due to further anticipated improvements.

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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 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



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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.