



CIELO

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NEWS RELEASE

CIELO RAISES \$218,800 IN FOURTH TRANCHE OF PRIVATE PLACEMENT OFFERING OF CONVERTIBLE DEBENTURE UNITS AND PROVIDES OPERATIONS UPDATE

Vancouver, British Columbia, Canada /June 1, 2020 / CSE: CMC, OTCQB: CWSFF Cielo Waste Solutions Corp. ("CIELO" or the "Company") announces that it has closed \$218,800 in gross proceeds in the fourth tranche ("Fourth Tranche") of its private placement offering ("Offering") of convertible debenture units (the "Unit(s)"), initially announced on March 30, 2020. A total of \$1,200,300 has now been raised in the Offering, exceeding the targeted minimum amount of CAD \$500,000.

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.

Additional tranches of the Offering are anticipated to close on or prior to June 25, 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 will be 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 218.8 Units were issued pursuant to the Fourth Tranche for gross proceeds of \$218,800, including 1,641,000 Warrants and 1,406,571 Prepaid Interest Shares. Pursuant to the Fourth Tranche, the Company also issued 240,000 Finder Warrants and paid \$12,000 in cash commissions. To date, 1,200.3 Units have been issued for gross proceeds of \$1,200,300. \$48,800 of the gross proceeds of the Fourth Tranche were a conversion of existing debt of the Company.



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

OPERATIONS UPDATE

During these challenging times of COVID-19, CIELO is continuing to make progress on completing the upgrades to the Company's proprietary waste to high grade renewable fuels process at the Aldersyde Facility. Third party engineers working with CIELO have proposed solutions to the 3 bottlenecks that were restricting continuous flow production. These solutions have now been engineered and are under fabrication. Once the fabrication is complete, the Aldersyde Facility is anticipated to produce commercial quantities of renewable fuel in line with previous projections.

In anticipation that the Company will soon have significant volumes of renewable fuels to sell, CIELO has signed a non-binding Memorandum of Understanding, with a private arm's length Western Canadian based company, to purchase CIELO's renewable kerosene, for use in the aviation industry as renewable jet fuel. The parties are working towards entering into a definitive purchase agreement in the coming weeks.

During the process of implementing the aforementioned design changes and finalizing the purchase agreement, CIELO has sold a portion of its inventory of renewable diesel, that was produced while the Aldersyde Facility was running on a continuous flow basis, to an Organic farmer in Saskatchewan. The purchaser paid a premium price of \$1.53 per liter as CIELO's renewable diesel solved his problem of not being able to use fossil derived diesel or biodiesel that might have GMO's in it. This highlights another advantage of the renewable fuels that CIELO can and has produced, in the form of renewable diesel, naphtha and kerosene/jet fuel. CIELO was informed that the purchaser was very pleased with the renewable diesel.

Mr. Allan, CIELO's CEO & President, stated "The contractors, engineers and fabrication shop are making very good progress with the upgrades. IRAP/NRC just awarded CIELO a grant for existing payroll and management has been very busy applying for multiple grants and loans that the federal and provincial governments have been offering. We are on schedule to restart our Aldersyde Facility in July 2020." Allan further commented "While the COVID-19 crisis has been a distraction, we have been assessing many opportunities and are looking forward to providing updates in the near future."

On behalf of the Board of Directors of the Company,

Cielo Waste Solutions Corp.

"Don Allan"

Don Allan, President/CEO/Director



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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”, 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.



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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 the definitive agreement anticipated to result from the Memorandum of Understanding. 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 and the OTCQB have not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this News Release.