



# CIELO

Cielo Waste Solutions Corp.

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## NEWS RELEASE

### **CIELO CLOSES FINAL TRANCHE OF PRIVATE PLACEMENT AND AGREES TO SETTLEMENT OF DEBT AND PROVIDES UPDATE AT ALDERSYDE**

Vancouver, British Columbia, Canada /September 28, 2020 / CSE: CMC, OTCQB: CWSFF Cielo Waste Solutions Corp. ("CIELO" or the "Company") announces that it has raised CDN\$1,619,000 in gross proceeds in the final tranches ("Final Tranches") of its private placement offering ("Offering") of convertible debenture units (the "Unit(s)"), initially announced on March 30, 2020. A total of CDN\$4,694,642 was raised in all tranches of the Offering.

Each Unit consists of one (1) CDN \$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 CDN\$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 CDN\$0.05 for the Principal and at CDN\$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 CDN\$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 CDN\$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 has paid 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 CDN\$0.07 per share.

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 1,619 Units were issued pursuant to the Final Tranches for gross proceeds of CDN\$1,619,000, including 12,142,500 Warrants and 10,407,857 Prepaid Interest Shares. Pursuant to the Final Tranches, the Company also issued 974,400 Finder Warrants and paid CDN\$123,920 in cash commissions. CDN\$30,000 of the gross proceeds of the Final Tranches was a settlement of debt owing to related party. In total throughout the Offering, 4,694.64 Units have been issued for gross proceeds of CDN\$4,694,642.

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

Window to a Cleaner World™



As an insider of the Company participated in the Offering, the Offering 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; and neither consideration received, nor the fair value of the securities distributed exceeds CDN\$2,500,000.

#### SHARES FOR DEBT

In addition to the Offering, Cielo has agreed to settle amounts owing to certain arm's length third parties for an aggregate of CDN\$79,720 by the issuance of 1,328,667 common shares at a price per share of CDN\$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 "We are extremely pleased with the investor support that we have received that is allowing us to move forward with commercializing our game changing waste to renewable fuels technology. During these challenging COVID times, we are excited about pioneering a new industry that when the contemplated follow-on joint venture facilities commence construction will create hundreds of new jobs for Albertans and people in Nova Scotia."

#### ALDERSYDE FACILITY UPDATE

With the newly engineered equipment and flow processes being in place and operating at the Aldersyde Facility, as a proactive measure Cielo disassembled the new equipment to confirm that there were no internal operational issues needing to be addressed before scaling up production. Management has determined that the equipment is operating as engineered. The new equipment is currently being reassembled after which the facility will be placed back on production. Updates regarding continuous-flow production volumes will be forthcoming.

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 Facility, Alberta, 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 settlement of debt and the continued operation and scaling up of the Aldersyde Facility. 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.*