



NEWS RELEASE

September 20, 2021

Symbol: CSE: CMC
OTCQB: CWSFF

For Immediate Dissemination

CIELO ANNOUNCES FILING OF ANNUAL FINANCIAL STATEMENTS AND ANNUAL RESULTS

September 20, 2021 – Vancouver, British Columbia, Canada – Cielo Waste Solutions Corp. (TSXV:CMC),(OTCQB:CWSFF) ("**Cielo**" or the "**Company**") announces the filing of its annual audited financial statements for the year ended April 30, 2021 (the "Financial Statements"), related management discussion and analysis (the "MD&A") and officer certificates (the "Certificates", together with the Financial Statements and the MD&A, collectively the "Annual Documents") on www.sedar.com as required pursuant to applicable securities laws. All currency in this press release is denoted in Canadian dollars.

2021 FINANCIAL OVERVIEW

- Total assets increased by \$24.8 million as at April 30, 2021 compared to April 30, 2020. The increase was due to \$17.1 million increase in cash, mainly as a result of the conversion of convertible debentures and the exercise of warrants, and \$8.1 million increase in property, plant and equipment related to the construction activities at Aldersyde facility.
- Total non-current liabilities decreased by \$7.7 million as at April 30, 2021 compared to April 30, 2020. The decrease was due to the repayment of a secured loan and the conversion of convertible debentures.
- Working capital deficiency decreased by \$2.8 million to \$0.7 million as at April 30, 2021 as a result of \$17.1 million increase in cash, partially offset by the increase in short-term warrant liability, deferred revenue and fees, and accounts payable and accrued liabilities compared to April 30, 2020.
- The net loss for the year ended April 30, 2021 was \$39.7 million, an increase of \$35.5 million compared to \$4.2 million net loss in the prior year, due to the following:
 - The non-cash loss on fair value of warrant liability of \$28.5 million in the current year, primarily as a result of the increase of Cielo's share price from \$0.04 as at April 30, 2020, to \$0.92 as at April 30, 2021
 - The recognition of prepaid interest costs of \$3.5 million included in financing cost, primarily as a result of the early conversion of convertible debentures in the current year
 - The increase of \$0.9 million in research and development expenses in the current year compared to fiscal 2020 related to the Aldersyde facility

SELECTED ANNUAL INFORMATION

	2021	2020 (RESTATED)	2019 (RESTATED)
Total revenue	4,200	3,000	3,000
Financing costs	5,052,865	523,136	-
General and administrative	2,623,758	2,662,113	1,326,465
Research and development	2,052,793	1,145,551	476,408
Fair value change of warrant	28,540,436	(391,144)	(797,819)
Net loss	(39,708,974)	(4,184,571)	(1,308,159)
Net loss per share – basic& diluted	(0.11)	(0.02)	(0.01)
Total assets	45,192,255	20,413,250	13,096,709
Total non-current liabilities	1,573,561	9,257,213	2,544,831

Don Allan, CEO, commented: “Despite the delay in the filing of our Annual Documents, the management team has been committed to improve every aspect of our performance, including internal controls and financial reporting. We believe that our investors should have confidence as a result of the audit procedures by KPMG which were supported by our management team. This is the baseline from which we will measure our performance and hold ourselves accountable to our shareholders.”

In previous news releases dated August 27, 2021 (the “Aug 27 PR”) and September 7, 2021, the Company announced the management cease trade order (the “MCTO”) issued by the British Columbia Securities Commission (the “BCSC”) pursuant to National Policy 12-203 – *Management Cease Trade Orders*.

The MCTO was issued in connection with the delayed filing of the Annual Documents. Upon the filing of the Annual Documents, the Company believes that it has satisfied the conditions of the BCSC in order to have the MCTO lifted.

The MCTO does not affect the ability of shareholders who are not insiders of the Company to trade their common shares of the Company. The CEO and the CFO pursuant to the MCTO, and the insiders of the Company as imposed by the Company, continue to be under a trading blackout as previously disclosed until the MCTO is lifted by the BCSC.

As disclosed in the Aug 27 PR, the previously issued financial statements for the fiscal year ended April 30, 2020, and the corresponding management’s discussion and analysis (collectively, the “Restated Documents”), have been restated in the comparative figures presented in the Annual Documents. The Restated Documents replace and supersede the respective previously filed financial statements and management’s discussion and analysis for the year ended April 30, 2020. The effect of the restatements does not impact the Company’s cash position, or the number of shares previously reported as outstanding.

On behalf of the Board of Directors

“Don Allan”

Don Allan, President / CEO / Director

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About Cielo Waste Solutions Corp.

Cielo is a publicly traded company with a proprietary technology that transforms certain types of landfill garbage into high-grade diesel, kerosene (aviation jet and marine fuel) and naphtha. Cielo's proven and patented technology is currently being deployed in the Company's Aldersyde, Alberta facility, where wood waste is currently being converted into renewable fuels. Cielo's experienced management team is well positioned with strategic partners in place to expand aggressively across Canada, into the US and then globally. The waste/feedstock that will be used in the Company's green facilities is the world's widely available and inexpensive feedstock, including household, commercial, construction garbage, used tires, railway ties, telephone poles, as well as all types of plastic, some of which currently cannot be recycled or deposited into landfills. **Cielo's goal is to manufacture waste to fuel while ridding the world of unwanted and problematic garbage.**

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, including but not limited to in relation to: the satisfaction of the conditions pursuant to, and the lifting of, the MCTO following the

filing of the Annual Documents; the commitment to, and improvement of, the Company's performance, including financial reporting; and the future measurement and accountability by the Company of such review, reporting and performance. 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, OTCQB and, WKN, have not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this News Release.