



CIELO

Window to a Cleaner World™

CIELO ANNOUNCES IMPROVED EARNINGS POTENTIAL BY ELIMINATING ROYALTY AND REFINERY FEES

November 23, 2021 – Vancouver, British Columbia, Canada - Cielo Waste Solutions Corp. (TSXV:CMC; OTCQB:CWSFF) ("Cielo" or the "Company") is pleased to provide an update in relation to its agreement with 18887711 Alberta Inc. ("1888").

Cielo holds an exclusive global license through the Agreement (as defined below) with 1888, to complete the development and commercialization of the Technology (as defined below). The Technology, which is patented in Canada and the United States, can utilize waste to produce fuel through a catalytic thermal depolymerization process. Cielo is currently using the Technology at its demonstration facility located in Aldersyde, Alberta, to produce fuel from wood waste and intends to construct both a research and development facility and a full-scale facility at its Fort Saskatchewan, Alberta, property.

Cielo and 1888 have executed a preliminary agreement pursuant to which Cielo and 1888 have agreed that:

- All rights of 1888 to utilize the Technology and receive payment of Royalty and Refinery Fees (as defined below) are terminated. In consideration for terminating the Agreement and transferring the patents and all related intellectual property to Cielo, Cielo will issue ten million (10,000,000) common shares in the capital of Cielo (the "Shares") to 1888 on the closing date.
- The closing date shall be December 3, 2021 or such other date agreed upon by Cielo and 1888.

The preliminary agreement and issuance of the Shares are subject to the approval of the TSX Venture Exchange.

History

1888 and Cielo entered into a license agreement dated June 14, 2016 which was subsequently restated and amended through a binding agreement dated November 1, 2017 (the "Agreement"). Pursuant to the Agreement:

- a) 1888 and Cielo agreed to the payment of Royalty and Refinery Fees by Cielo to 1888 in exchange for 1888 providing resources for the development of technology to convert and transform waste to fuel (the "Technology");
- b) 1888 provided and Cielo accessed capital for the development of the Technology owned by Cielo;
- c) Cielo provided a license to 1888 to develop the Technology, which included the consent from Cielo for 1888 to develop, improve, and patent the Technology, and 1888 obtained patents concerning the Technology;
- d) Cielo had the right to develop and improve the Technology and did continue and will continue to develop the Technology to commercialization and beyond;
- e) Upon commercialization of the Technology, Cielo was to pay 1888 a royalty of CAD \$0.05 on every liter of fuel produced by Cielo (the "Royalty") as well as an additional sum for each refinery beyond the initial refinery constructed by Cielo (the "Refinery Fees"); and
- f) Certain rights for the termination of the Royalty and Refinery Fees were provided to Cielo.

Cielo, in accordance with its current business strategy, identified that the patents held by 1888 concerning the Technology and the terms of the Agreement were an impediment to attracting certain institutional investors. **Cielo desired to eliminate any uncertainty as to its rights to the Technology and to obtain the improved earnings potential from the termination of all obligations concerning the Royalty and Refinery Fees.** As such, Cielo requested to negotiate with 1888 on: i) terms for the termination of the Agreement, ii) assignment of the patents registered by 1888 to Cielo, and iii) assignment of all rights that 1888 might have to any technology or other intellectual property developed by 1888 to Cielo.



CIELO

Window to a Cleaner World™

Negotiation Process

Negotiations on behalf of Cielo were managed by independent members of the Cielo executive team and the terms of the preliminary agreement were approved by Cielo's Board of Directors. While the Agreement ceased to be a related party agreement upon Mr. Allan's resignation as a director and officer of 1888 on November 10, 2021, Mr. Allan did not participate in negotiations and abstained from voting on the matter when considered by Cielo's Board of Directors as Mr. Allan continues to be a minority shareholder of 1888.

Anticipated Benefits to Cielo Stakeholders

Cielo anticipates that its stakeholders will benefit from the termination of the Agreement in that it represents a simplified structure, elimination of any uncertainty as to Cielo's right to the Technology, and the improved earnings potential from the termination of all obligations concerning the Royalty and Refinery Fees that would otherwise be payable by Cielo to 1888. The issuance of the Shares to 1888 does not impact Cielo's capital which it is employing to achieve the milestones set out in the November 12, 2021 press release, including Cielo's progress towards commercialization.

Cielo remains committed to providing updates to shareholders on a timely basis as the Company continues to meet its milestones, and as new key objectives are established.

Company Contact:

Chris Sabat
Email: csabat@cielows.com
Telephone: 1-(403)-348-2972
Website: www.cielows.com

For further information please contact:

Cielo Investor Relations

Email: investors@cielows.com
Telephone: 1-(403)-348-2972
Website: www.cielows.com

RB Milestone Group LLC (USA):

Trevor Brucato, Managing Director
Email: cielo@rbmilestone.com
New York, NY & Stamford, CT

About Cielo Waste Solutions Corp.

Cielo was incorporated under the Business Corporations Act (British Columbia) on February 2, 2011. Cielo is a publicly traded company with its shares listed to trade on the TSX Venture Exchange ("TSXV") under the symbol "CMC", as well as on the OTC Venture Market ("OTCQB"), under the symbol "CWSFF".

Cielo's strategic intent is to become one of Canada's leading waste to fuel companies using its environmentally friendly, economically sustainable technology. Cielo developed a process that can convert waste feedstocks, including plastics, rubber, organic material and wood derivative waste to fuel. Cielo's business model is to source feedstocks from a wide variety of potential suppliers and convert the feedstocks into fuels to be sold to a wide variety of potential purchasers. The Company plans to construct facilities that will convert low carbon waste feedstocks to energy fuels, such as diesel, kerosene, and naphtha. The diesel from Cielo's distillate could be used in diesel engines. Kerosene could be suitable for aviation or marine jet fuel, and naphtha could be used to assist in transporting heavy oil. Cielo's goal is to convert waste to fuel while ridding the world of unwanted and problematic garbage.



CIELO

Window to a Cleaner World™

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, with respect to, but not limited to: the closing of the preliminary agreement with 1888 to terminate the Royalty and Refinery Fees, and to transfer the patents and all related intellectual property to Cielo, approval of the TSXV in relation to the preliminary agreement and the issuance of the Shares to 1888, the successful transfer of all patents and related intellectual property from 1888 to Cielo, the proposed closing date of December 3, 2021, Cielo's improved earnings potential by eliminating Royalty and Refinery Fees, Cielo's success in commercializing the Technology, generating revenue and successfully building a research and development facility and a full-scale facility at Fort Saskatchewan, Alberta. 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. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange), nor OTCQB nor WKN, have reviewed, and do not accept responsibility for the adequacy or accuracy of, the content of this Press Release.