

## **Cielo Announces Agreement for Partial Loan Repayment by Shares for Debt and Live Corporate Webinar on August 16<sup>th</sup> at 2pm ET**

- *Ryan Jackson, CEO of Cielo, and Jasdeep Dhaliwal, CFO of Cielo, will provide a corporate overview via a live presentation followed by live Q&A.*
- *Investors and other interested parties invited to join and learn more about Cielo's waste-to-fuel technology.*

**CALGARY, Alberta, Canada (August 9, 2022)** – Cielo Waste Solutions Corp. (TSXV:CMC; OTCQB:CWSFF) (“**Cielo**” or the “**Company**”), a waste-to-fuel environmental technology company, is pleased to announce that it has entered into an agreement with First Choice Financial Incorporated (“**FCF**”) and KV Capital Inc. (“**KV**”, together with FCF, collectively the “**Lenders**”) for the repayment of CAD \$2,000,000 of a mortgage loan (the “**Loan**”) provided by the Lenders in August 2021, by way of share issuance (the “**Shares for Debt Transaction**”).

In a continued effort to improve the Company's financial position, the Company has agreed, subject to the approval of the TSX Venture Exchange (the “**Exchange**”), to repay a portion of the Loan, which is secured by the Company's property in Fort Saskatchewan, Alberta. The Loan, which was announced on August 24, 2021, has an outstanding balance of CAD \$6,500,000 following the early repayment of a portion of the Loan earlier in 2022, as previously announced. Completion of the Shares for Debt Transaction will result in the reduction of the Loan by CAD \$2,000,000 in exchange for the issuance of 21,428,571 common shares of Cielo at a price of \$0.07 per share and 5,555,555 common shares of Cielo at a price of \$0.09 per share, for an aggregate issuance of 26,984,126 common shares of Cielo (the “**Repayment Shares**”).

The terms of the Loan provided for a 12-month interest reserve, which will be depleted in August 2022 such that Cielo will be required to begin making additional monthly interest payments in September 2022. In addition to the reduction of Cielo's debt generally, the Shares for Debt Transaction will allow for a reduction of these interest payments.

In addition, 12,000,000 non-transferable bonus warrants (the “**Bonus Warrants**”) had been issued in August 2021 as an inducement for the Loan. Pursuant to the terms of the Loan, in the event that the Loan is repaid in whole or in part during its term, a pro rata number of the total Bonus Warrants will have their term reduced to the date that is 90 days from such repayment. In connection with the first partial repayment earlier in 2022, 5,500,000 Bonus Warrants had their term reduced (and have now expired) and, in connection with the proposed Shares for Debt Transaction, another 2,000,000 Bonus Warrants will have their term reduced to the date that is 90 days following the completion of the Shares for Debt Transaction. If the 2,000,000 Bonus Warrants are not exercised within that period, they will expire.

The Shares for Debt Transaction is subject to the approval of the Exchange. Upon approval and issuance, the Repayment Shares will be subject to a hold period of 4 months.

Ryan Jackson, CEO of Cielo, commented: “We are pleased with First Choice Financial's decision to convert a portion of their current debt to shares in Cielo. This conversion combined with the lease agreement allows Cielo to significantly reduce the cash outflow in relation to the Fort Saskatchewan property. Cielo sincerely appreciates Mr.

Sharma and his company's vote of confidence with this conversion and will continue to work very hard on achieving our stated goal of commercialization of our technology."

Vikas Sharma, President of FCF, commented: "First Choice Financial is proud to be a part of Cielo Waste Solution's vision of changing the world and how we use waste. We believe Cielo's propriety technology truly is a game changer and has the potential of changing the way we view and use waste forever." Mr. Sharma continued: "FCF has been a long-standing supporter of Cielo and has recently decided to convert a portion of its outstanding debt into a direct investment in Cielo. FCF is pleased with Cielo leadership's dedication and focus on bringing Cielo to commercialization and believe these recent improvements to Cielo's financial position will allow Cielo to move closer to achieving its goal of full-scale commercialization."

## **LIVE WEBINAR – AUGUST 16<sup>TH</sup>, 2022**

Cielo is also pleased to announce that the Company's CEO, Ryan Jackson, and CFO, Jasdeep Dhaliwal, will be presenting Cielo's story, including an overview of current operations and upcoming milestones, while sharing Cielo's most recent Investor Presentation. The Company invites all investors and other interested parties to register for the webinar at the link below.

**Date:** Tuesday, August 16, 2022

**Time:** 2pm ET

**Register:** [Webinar Registration](#)

**HAVE QUESTIONS?** Management will be available to answer your questions following the presentation on the webinar platform. You may submit your question(s) beforehand in the registration form or by email at: [cielo@rbmilestone.com](mailto:cielo@rbmilestone.com).

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## **ABOUT CIELO**

Cielo Waste Solutions Corp. 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," on the Frankfurt Exchange ("**DAX**") under the symbol "C36", as well as on the OTC Venture Market ("**OTCQB**"), under the symbol "CWSFF." The Company's strategic intent is to become one of the leading waste-to-fuel environmental technology companies using its environmentally friendly, economically sustainable technology. Cielo has a patented process that can convert waste feedstocks, including plastics, rubber, organic material, and wood derivative waste to fuel. Cielo's business model is to source waste feedstocks from industrial producers and other suppliers and convert the feedstocks into fuels. Having demonstrated its ability to produce diesel and naphtha from waste, Cielo plans to further enhance its Aldersyde Facility and to construct additional facilities that will convert waste

feedstocks to energy fuels, including diesel, naphtha, and kerosene. 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 objective is to generate value from converting waste to fuel while ridding the world of unwanted and problematic waste.

#### **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 completion of the Shares for Debt Transaction on the terms set out, in whole or in part, including the conversion prices for the Repayment Shares, the number of shares, and the hold period; the reduction of the term of 2,000,000 Bonus Warrants and the expiration thereof if not exercised; the impact of the foregoing steps on the financial condition of the Company, including the reduction of cash outflow in relation to the Fort Saskatchewan property, and the impact of this improvement on the Company's ability to move closer to commercialization; and the live webinar, including the date and time, speakers and agenda.

Investors should continue to review and consider information disseminated through news releases and filed by the Company on SEDAR. 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, the Company assumes no obligation to publicly update or revise such statements to reflect new information, subsequent or otherwise. Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV), nor OTCQB nor WKN, have reviewed, and do not accept responsibility for the adequacy or accuracy of, the content of this news release.