

Cielo Provides Operational Update on Facilities and Provides Reminder of Live Corporate Webinar on August 16th at 2pm ET

CALGARY, Alberta, Canada (August 15, 2022) – Cielo Waste Solutions Corp. (TSXV:CMC; OTCQB:CWSFF) (“Cielo” or the “Company”), a waste-to-fuel environmental technology company, provides an operational update on the status and plans for its waste-to-fuel facilities.

Aldersyde Facility - Production Update

On May 12, 2022, the Company announced a change to its capital allocation. In that press release, Cielo announced that the inflationary environment had resulted in cost estimates at least fifty percent higher than anticipated for what Cielo referred to as “Phase II” plans for its facility in Aldersyde, Alberta (the “Aldersyde Facility”). As a result, the Company’s plan shifted to focus on its research and development facility (the “R&D Facility”) to facilitate its strategy for the design of full-scale waste-to-fuel facilities.

In a press release issued on June 13th, 2022, Cielo provided an update focused on the status of the Aldersyde Facility, confirming the Company’s primary focus for the Aldersyde Facility to improve reliability, distillate quality, and better understand constraints so that learnings can be applied to the design of the R&D Facility and future full-scale facilities. Cielo also stated that management would no longer focus or provide guidance on feed production numbers as the Aldersyde Facility in its current state was uneconomical and these numbers are not required to achieve the previously mentioned objectives. Finally, Cielo indicated its plan is to achieve steady state production over a 10-day period followed by a planned outage to inspect equipment.

Since the announcement on June 13th, 2022, Cielo has continued to operate the Aldersyde Facility for those purposes. Cielo has achieved a steady-state run time of 7 days, however attempts to further extend run times (to 10 days) were impeded by constraints of auxiliary systems. The constraints occurred independently of Cielo’s conversion process and highlights the requirement for Cielo to enhance the performance and reliability of auxiliary systems, which will be addressed in the design of the R&D facility.

As Cielo is satisfied with its run-time targets and the learnings it has obtained from the Aldersyde Facility to date, Cielo’s focus will be to transition its site in Aldersyde to operations of the R&D Facility and cease operations of the Aldersyde Facility in its current state. During the period of March 2022 to mid-August of 2022, 80,000 litres of distillate have been produced. Cielo expects to sell this distillate to a third party.

Ryan Carruthers, EVP of Operations at Cielo states, “We are excited to move further down the path to commercialization and we believe the transition of Aldersyde to the R&D Facility is the most economical and efficient way to accomplish this.”

Research & Development Facility - Update

Cielo's R&D Facility is a scaled-down facility and is intended to be the "blueprint" for a full-scale commercial facility (the "Full-Scale Facility"). The purpose of the R&D Facility is to achieve a high degree of detailed performance characteristics, feedstock yields, optimum carrier fluid design, reactor design, catalyst experimentation and a detailed material balance for the system. The R&D Facility is expected to give Cielo the flexibility to experiment with a greater range of pressure and temperature regimes, reactor configurations and catalysts to greatly enhance the quality of the fuel yield. The detailed lab-grade engineering output is expected to facilitate the design of the Full-Scale Facility with predictable performance, capital cost expectations and operating cost metrics.

R&D Project Status

Management is satisfied with the learnings obtained from the Aldersyde Facility, which it will continue to apply to its design and fabrication, and later testing and operation of the R&D Facility. However, management also believes that successful commercialization of Cielo's technology requires further research and economic data focusing on identifying low-cost waste feedstocks that can be successfully converted into value-added products in a manner that is safe and minimizes environmental impact.

Presently, Cielo is authorized by Alberta Environment and Parks (the "AEP") to utilize "wood residuals derived from non-treated wood processing operations" and used motor oil as feedstocks. Demand for wood residuals has increased in recent years to the point where management believes it is no longer viewed as a waste product and can be costly to acquire. As Cielo's mandate is to transform waste into value-added products and to prevent the waste from ending up in a landfill or being incinerated, Cielo has applied to the AEP to amend its existing approval to allow processing of the following additional feedstocks:

- Creosote treated railroad ties. Pyrolysis of wood produces creosote, as such the pyrolysis of creosote-treated railroad ties would not introduce any new complications to the process.
- Livestock pen shavings, i.e. waste straw, sawdust, and manure generated as waste from bovine and equine source facilities. Lignocellulosic in nature, this feedstock is not materially different from the current wood residual feedstock.

Future AEP amendments and facility modifications may be needed for testing of rubber, plastics and organics. A primary use and purpose of the R&D Facility will be to test these alternate feedstocks and determine optimal conversion parameters and economical data in order to design the Full-Scale Facility. Given the size and the design of the current Aldersyde Facility, Cielo believes that performing this testing with the current facility would be inefficient and uneconomical. The new R&D Facility will be more appropriately designed to enable testing at differing temperatures/pressures/residence times and to be equipped with adequate instrumentation to gather performance data. The new R&D Facility is intended to focus solely on primary thermo-catalytic conversion and not to possess the adjunct distillation and hydrodesulphurization units the current Aldersyde Facility possesses. With the cessation of operations of the current Aldersyde Facility, all processing equipment will be removed from service (apart from the

flare system, several tanks, and associated piping, which will be reused as ancillary equipment for the R&D Facility.)

Off-site fabrication of the R&D Facility has commenced, with commissioning expected in calendar Q1 2023, subject to the approval of the AEP.

LIVE WEBINAR – AUGUST 16TH, 2022

Cielo is pleased to remind all investors and other interested parties that it will be holding a corporate live webinar on August 16th, 2022. Cielo's Interim CEO, Ryan Jackson, and Interim CFO, Jasdeep K. 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.

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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 cessation of operations at the current Aldersyde Facility and the transition of the site in Aldersyde to house the R&D Facility; the Company's intention and ability to address and enhance the performance and reliability of auxiliary systems in the R&D Facility; the intention and ability to sell the 80,000 liters of distillate that has been produced to a third party; the decision to focus on the R&D Facility being the most economical and efficient way to accomplish commercialization; the purpose and focus of the R&D Facility and the expectation that it will provide Cielo the flexibility to experiment with a greater range of pressure and temperature regimes, reactor configurations and catalysts to greatly enhance the quality of the fuel yield; the expectation that the lab-grade engineering output is expected to facilitate the design of the Full-Scale Facility with predictable performance, capital cost expectations and operating cost metrics; the continued application of learnings to the R&D Facility to its design and fabrication, and later testing and operation; the reliance of successful commercialization on further research and economic data; the additional feedstocks Cielo intends to test at the R&D Facility and the AEP approval to do so; the design of the R&D Facility enabling testing at differing temperatures/pressures/residence times and to be equipped with adequate instrumentation to gather performance data, and the focus on the R&D Facility on primary thermo-catalytic conversion and not to possess the adjunct distillation and hydrodesulphurization units the current Aldersyde Facility possesses; the removal of the processing (except those exclusions noted) from service; the timing for the construction and commissioning for the R&D Facility in calendar Q1 2023 ; 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.