



CIELO ANNOUNCES FISCAL Q1 2024 FINANCIAL RESULTS

CALGARY, Alberta, Canada – September 27, 2023 – Cielo Waste Solutions Corp. (TSXV: CMC; OTCQB: CWSFF) (“Cielo” or the “Company”), a waste-to-fuel company, today announced its financial results for the three months ended July 31, 2023 and 2022. Copies of the unaudited interim financial statements and related management's discussion and analysis can be found on the Company's issuer profile at www.sedarplus.ca. All financial information in this news release is reported in Canadian dollars, unless otherwise indicated.

Q1 2024 HIGHLIGHTS

During, and subsequent to the quarter, Cielo achieved the following goals:

- **Obtained a \$5 million mortgage loan facility** to support ongoing operations (initially drawing down \$2 million)
- **Executed agreements to terminate MOUs** with Renewable U, allowing for repayment of fees in whole or in part by issuing securities of Cielo or a future project entity
- **Executed an agreement to purchase land in Dunmore, Alberta** for a \$5.2 million purchase price.
- **Executed an agreement to acquire complementary assets, including an exclusive license agreement**, anticipated to accelerate the Company's path to commercialization and revenues as well as improve its proprietary technology.
- **Completed the sale of the Company's Fort Saskatchewan property.**

Financial Highlights

All amounts CAD \$000's

As at (Thousands of dollars)	July 31, 2023	April 30, 2023
Total assets	26,611	29,366
Total liabilities	15,693	14,569
Total non-current liabilities	1,954	61
Working capital deficiency	(1,270)	(12,487)

Periods ended July 31 (Thousands of dollars, except per share amounts)	Three months ended	
	2023	2022
Financing costs	577	635
General and administrative	949	981
Research and development	439	550
Share based compensation	131	(39)
Write down of asset held for sale (impairment)	2,748	25,366
Net loss per share – basic & diluted	-	(0.04)

- Net loss for the three months ended July 31, 2023 was \$4.8 million, \$23 million less than the period ended July 31, 2022, primarily due to the 2023 rental revenue of approximately \$0.2 million and gain on settlement of debt of \$0.2 million, plus recognition of an impairment loss on the FS Property of \$2.7 million (due to a condition of sale) compared to the impairment recognition related to property, plant and equipment of \$25.4 million in 2022.
- During the quarter ended July 31, 2023, Cielo had negative operating cash flow of \$1.4 million, consistent with prior periods, and as expected in a pre-revenue business. Cielo expects cash flow from operations to be negative during the product development stages of the Company.
- Financing costs decreased approximately \$0.1 million for the 3-month period primarily due to the lessened interest expense as debt decreased from the comparative period.
- General and administrative costs approximated costs incurred in the comparative period. Professional fees increased approximately \$0.2 million due to increased corporate development activities, while personnel decreased approximately \$0.3 million as Cielo continues to minimize its personnel costs. Property tax variance of \$0.06 million is due to adjustments in the comparative period. Office and administration cost increases include costs associated with the exit of former Calgary office in the amount of approximately \$0.18 million.

OUTLOOK

During, and subsequent to, the quarter ending October 31, 2023, Cielo anticipates the following:

- Subject to the approval of the TSX Venture Exchange (the “TSXV”), the completion of the proposed asset purchase transaction with Expander Energy Inc. (“Expander”), as disclosed in a news release dated September 20, 2023 (the “Proposed Transaction”), and the resulting plans for the Company’s first commercial facilities utilizing the technologies to be exclusively licensed from Expander.
- The closing of a minimum of C\$45 million in connection with, and as a condition to, closing of the Proposed Transaction.

- Subject to the terms and conditions previously disclosed, including the approval of the TSXV, the acquisition of land in Dunmore, Alberta from Renewable U Energy Inc. to be used for the construction and operation of a commercial facility.
- The holding of the Company's annual general and special meeting of its shareholders on October 26, 2023, at which the shareholders of the Company will be asked to approve, among other things, an up to 1 for 15 securities consolidation, which will be subject to the approval of the TSXV (and potentially the completion of the proposed securities consolidation).

FOR FURTHER INFORMATION PLEASE CONTACT:

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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 a leading waste-to-fuel company using economically sustainable technology while minimizing the environmental impact. Cielo has a patented process that can convert waste feedstocks, including organic material and wood derivative waste, to fuel. Having demonstrated its ability to produce diesel and naphtha from waste, Cielo's business model is to construct additional processing facilities. Cielo's objective is to generate value by converting waste to fuel, while fueling the sustainable energy transition.

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 Proposed Transaction, the amount, and use(s) of the \$45 million financing; the acquisition of land in Dunmore, Alberta; and the timing and matters to be approved at the Company's annual general and special meeting of shareholders.

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.