



Cielo Announces Relocation of First Planned Facility to British Columbia and Provides Update on Proposed Asset Acquisition and Corporate Matters

CALGARY, Alberta, Canada (April 1, 2025) – Cielo Waste Solutions Corp. (TSXV:CMC; OTC PINK:CWSFF) (“Cielo” or the “Company”) provides an update on certain business and corporate matters.

First Planned Waste to Fuels Facility – Scrap Railway Ties to Green Hydrogen

In light of changes in market conditions, the Company announces its intention to relocate its first planned commercial waste to fuel facility for the processing of scrap railway ties from Carseland, Alberta to British Columbia, and a transition in fuel to be produced from Renewable Diesel to Green Hydrogen. This shift remains aligned with the Company’s commitment to commercialize renewable energy initiatives.

This strategic pivot allows Cielo to explore funding opportunities through the British Columbia Low Carbon Fuel Standard (BCLCFS) credit program, which offers financial incentives for reducing carbon emissions.

Cielo is engaged in advanced discussions with a technology provider on a project in British Columbia that will utilize scrap railway ties as feedstock to produce Green Hydrogen for use in the British Columbia market.

"As Cielo completes a shift in our strategy, we also continue to be flexible in our project execution. We are willing and prepared to pivot as the political and technological landscapes change. In addition, as the demand for renewable fuels changes, Cielo understands the need to revise our approach to meet market demand," said Ryan C. Jackson, CEO of Cielo. "This decision was not made in haste. We believe it is an important step forward in ensuring our resources are dedicated to projects that have the highest potential for success in the short term and sustainable growth in the long term."

Rocky Mountain Clean Fuels Acquisition Update

In light of the foregoing changes, the Company also announces that it will not proceed with the previously announced proposed acquisition (the “**Proposed Acquisition**”) by Cielo of an Enhanced Gas to Liquids (“**EGTL™**”) facility located in Carseland, Alberta (the “**EGTL™ Facility**”), currently owned and operated by Rocky Mountain Clean Fuels Inc. (“**RMCFI**”), which deploys patented Enhanced Gas-To-Liquids technology.

The Company had previously announced its intention to complete a proposed transaction with RMCFI with a view to enhancing the process deployed at the EGTL™ Facility and diversifying the inputs used to process synthetic diesel and jet fuel. Cielo had intended to build a gasifier on the land adjacent to the EGTL™ Facility.

Due to ongoing market uncertainty and after careful evaluation, Cielo has determined that the uncertainty around the regulatory landscape and shifting market conditions present significant challenges to advancing the Proposed Acquisition in a manner that aligns with the Company's long-term strategic goals. The project development agreement between Cielo and RMCFI that had been acquired under the Asset Purchase Agreement with Expander (each as defined below) has expired.

Cielo remains focused on executing its broader strategy of sustainable and profitable fuel production, including new opportunities in Green Hydrogen and other low-carbon initiatives. The Company continues to explore alternative partnerships and funding opportunities to drive its commitment to innovation and environmental sustainability.

Expander Energy Dispute Resolution

In November 2023, pursuant to an asset purchase agreement dated September 15, 2023, as amended and restated on November 8, 2023 (the “**Asset Purchase Agreement**”) between Cielo and Expander Energy Inc (“**Expander**”), Cielo acquired certain assets and liabilities of Expander to use and operate Expander's patented EBTL™ and BGTL™ technologies (the “**Transaction**”).

Concurrently with the closing of the Transaction, Cielo and Expander executed a license agreement (the “**License Agreement**”), providing Cielo with an exclusive license in Canada to use Expander's patented EBTL™ and BGTL™ technologies and related intellectual property for all feedstocks, as well as an exclusive license in the United States for creosote and treated wood waste (the “**Licensed Technologies**”).

As a result of recent disagreements between Cielo and Expander on various matters, the Company has notified Expander of its intention to initiate a dispute resolution process in accordance with the terms of the License Agreement. Prior to this, Cielo had received from Expander notices of breach (collectively the “**Notices**”) with regard to the Asset Purchase Agreement, the License Agreement and a master service agreement executed between Cielo and Expander upon closing of the Transaction. Among other things, the Notices include Expander's advice that Expander intends to terminate the License Agreement upon a second notice, which Cielo may expect to receive in or after April 2025. Cielo intends to dispute some or all of the assertions made in the Notices and intends to have its own commercial, financial and strategic concerns related to the Licensed Technologies addressed. The Company will continue to provide material updates as they become available.

“Through this challenging but in our view necessary juncture, we remain dedicated in our mission of investing in innovation in the renewable fuels sector,” said Mr. Jackson. “As we navigate these discussions, our priority is to act in the best interests of our shareholders and stakeholders while maintaining a constructive approach to resolving these matters.”

Cielo will continue to execute its existing business strategy and technological advancements, while ensuring its leadership role in sustainable waste-to-energy solutions.

Director Resignation

Cielo announces that James H. Ross has resigned from its Board of Directors, effective immediately. The Company thanks Mr. Ross for his contributions and leadership during his tenure and wishes him success in his future endeavors.

Mr. Ross was appointed to the Board of Directors in November 2023 pursuant to the Asset Purchase Agreement with Expander.

Annual General Meeting

As previously announced, Cielo had cancelled its rescheduled annual general meeting of shareholders (the “**AGM**”) to be held on December 19, 2024 due to a Canada Post Strike. Pursuant to the *Business Corporations Act* (British Columbia), the Company was required to hold the AGM on or before December 31, 2024 (the “**Original AGM Deadline**”), however it was determined that rescheduling the AGM for a date on or before the Original AGM Deadline was not feasible given the continuing postal strike and mailing requirements. As a result, the Company had made application to request an extension, which was granted until June 30, 2025. Cielo intends to hold the AGM in June 2025 and will provide additional details as they become available.

Corporate Update Webinar

Cielo is pleased to announce a corporate update webinar (the “**Webinar**”) with CEO, Ryan C. Jackson and CFO, Jasdeep K.B. Dhaliwal, scheduled for April 10th, 2025. This event is intended to provide shareholders and stakeholders with updates on the Company’s strategic initiatives and future outlook. Further details will be released prior the date of the Webinar.

ABOUT CIELO

Cielo Waste Solutions is a publicly traded company focused on transforming waste materials into high-value renewable fuels. Cielo seeks to address global waste challenges while contributing to the circular economy and reducing carbon emissions. Cielo is fueling renewable change with a mission to be a leader in the wood by-product-to-fuels industry by using environmentally friendly, economically sustainable and market-ready technologies. Cielo is committed to helping society ‘change the fuel, not the vehicle’, which we believe will contribute to generating positive returns for shareholders. Cielo shares are listed on the TSX Venture Exchange under the symbol “CMC,” as well as on the OTC Pink Market under the symbol “CWSFF.”

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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. Forward-looking statements and information are based on plans, expectations and estimates of management at the date the information is provided and are subject to certain factors and assumptions. Cielo is making forward-looking statements, including but not limited to with respect to: the change of location of the first planned commercial facility and the focus on Green Hydrogen; the exploration and use of financial incentives in British Columbia; that the Company will not proceed with the Proposed Acquisition; the Company’s strategic focus; the Company’s intention to continue to explore alternative partnerships and funding opportunities; the dispute resolutions process with Expander, Cielo’s intentions with respect thereto and that the Company will provide further updates as they become available; that Cielo will continue to execute its existing business strategy and technological advancements, while ensuring its leadership role in sustainable waste-to-energy solutions; the AGM and the timing thereof; and the Webinar and the date thereof.

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.

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