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Cielo Announces Closing of First Tranche of Unit Offering and Closing of Securities for Debt Transactions

CALGARY, Alberta, Canada (July 28, 2025) – Cielo Waste Solutions Corp. (TSXV: CMC; OTC PINK: CWSFF) ("**Cielo**" or the "**Company**") is pleased to announce that it has closed the first tranche (the "**First Tranche**") of its non-brokered private placement offering (the "**Offering**") of up to 60,000,000 units (each a "**Unit**", collectively the "**Units**") at a price of \$0.05 per Unit, initially announced on May 13, 2025, as well as the closing of its previously announced Securities for Debt Transactions (as defined below), initially announced on May 16, 2025.

Private Placement – First Tranche Closing

Under the First Tranche, 17,725,000 Units were issued for gross proceeds of C \$886,250. Each Unit is comprised of one common share of the Company (each, a "**Common Share**") and one whole Common Share purchase warrant (each, a "**Warrant**") of the Company, each Warrant entitling the holder thereof to purchase one Common Share at a price of \$0.07 per Common Share for a period of two (2) years from the date of issuance.

The Units were offered by way of private placement pursuant to exemptions from prospectus requirements under applicable securities laws. All securities issued under the First Tranche are subject to a hold period expiring November 26, 2025, in accordance with applicable securities laws and the policies of the TSX Venture Exchange (the "**Exchange**"). The Offering has received conditional approval from the Exchange. The Company anticipates closing one or more additional tranches on or before August 11, 2025. No finder fees were paid in connection with the First Tranche.

Net proceeds of the Offering are anticipated to be used for the development and early-stage engineering of the Company's proposed waste-to-hydrogen facility in British Columbia (the "**BC Facility**"), including regulatory and incentive application work, as well as general working capital purposes, including the payment of approximately \$750,000 ("**Outstanding Amount**") under the terms a settlement agreement initially announced on April 30, 2025, which was thereafter amended and restated (the "**Amended Settlement Agreement**"), as announced on July 17, 2025. Under the terms of the Amended Settlement Agreement, the Company issued secured promissory note (the "**Note**") for Outstanding Amount. The Note is subject to interest at a rate of 12% per annum and matures on October 31, 2025, and is secured subject to the approval of the Exchange.

The purchase of Units by a corporation owned or controlled by Ryan Jackson, a director and officer of the Company, constitutes a "related party transaction" under Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transaction ("**MI 61-101**"). The Company will rely upon the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in section 5.5 (a) and 5.7(1) (a), as the fair market value of such participation does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101.

Securities for Debt

The Company is also pleased to announce the closing of its previously announced settlement of an aggregate \$1,967,766 in outstanding indebtedness (the "**Debt**") through the issuance of securities of the Company (the "**Shares for Debt Transactions**").

Under the terms of the settlement agreements executed by the Company with multiple creditors (the "**Creditors**"), respectively (the "**Settlement Agreements**"), the Company issued:

- 33,523,323 units of the Company (each, a “**Repayment Unit**”, collectively the “**Repayment Units**”) in aggregate to the Creditors at a price of \$0.05 per Unit, to settle \$1,676,156 of the Debt (the “**Units for Debt Transactions**”); and
- 5,832,178 Common Shares of the Company (the “**Repayment Shares**”, together with the Repayment Units, collectively the “**Repayment Securities**”) at a price of \$0.05 per Repayment Share (the “**Shares for Debt Transactions**”) to two (2) Insiders of the Company (as that term is defined in the policies of the Exchange) to settle \$291,609 of the Debt owing to the Insiders. No warrants will be issued to the Insiders.

Each Repayment Unit is comprised of one Common Share and one whole Common Share purchase warrant (each, a “**Repayment Warrant**”) of the Company, each Repayment Warrant entitling the holder thereof to purchase one Common Share at a price of \$0.15 per Common Share for a period of two (2) years from the date of issuance, expiring on July 25, 2027.

The Securities for Debt Transactions have received conditional approval from the Exchange but are subject to final approval. The Repayment Securities, including the Repayment Units, Repayment Warrants and Repayments Shares, are subject to a hold period expiring November 26, 2025, in accordance with applicable securities laws and the policies of the Exchange.

The Shares for Debt Transactions completed with the Insiders constitute “related party transactions” under MI 61-101. The Company will rely upon the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in section 5.5 (a) and 5.7(1) (a), as the fair market value of the Shares for Debt Transactions does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101.

This press release does not constitute an offer to sell or a solicitation of an offer to buy the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons as defined under applicable United States securities laws unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

ABOUT CIELO

Cielo Waste Solutions Corp. is a publicly traded company focused on transforming waste materials into high-value products. Cielo seeks to address global waste challenges while contributing to the circular economy and reducing carbon emissions. Cielo is fueling environmental 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 by providing environmental waste solutions, which the Company believes 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.”

For further information please contact:

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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 Cielo, 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. The Company is making forward-looking statements, including but not limited to, with respect to: the Offering, including the net use of proceeds, the closing of additional tranches and the timing thereof, the terms of the securities issued, and the hold period applicable thereto; and the Securities for Debt Transactions, including the terms of the Repayment Units, and the hold period applicable to the Repayment Securities; and the terms and repayment of the Note.

Investors should continue to review and consider information disseminated through news releases and filed by Cielo on SEDAR+. Although the Company has attempted to identify crucial 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 Cielo’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 TSX Venture Exchange nor its Regulation Services Provider (as such term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.