



FORM 7

MARCH MONTHLY PROGRESS REPORT

Name of CSE Issuer: *CIELO WASTE SOLUTIONS CORP. (“Cielo” or the “Company”).*

Trading Symbol: *CMC*

Number of Outstanding Listed Securities: 237,308,866

Date: April 5, 2020

Report on Business

1. Provide a general overview and discussion of the development of the Issuer’s business and operations over the previous month. Where the Issuer was inactive disclose this fact.

JOINT VENTURES UPDATE

On March 20, 2020, Cielo announced that Renewable U Halifax Inc. and the Company are actively seeking sources of waste feedstock for the planned Joint Venture Renewable Fuel Facility (“Facility”) that will be located in, or within, 150 km of Halifax Nova Scotia.

This call for Expressions of Interest (“EOI”) creates an opportunity for companies and organizations that generate industrial, commercial and municipal waste in Nova Scotia to explore a long term agreement to supply the waste feedstock for our planned facility that is being engineered to convert 8 tonnes of dried waste per hour into approximately 32.7 million liters a year of high grade renewable fuel.

Locations consisting of approximately 80 acres of land, so as to accommodate additional capacity, are being considered. Construction and commissioning of the Facility that is anticipated to employ approximately 50-75 people during construction and 25 once operational are expected to take approximately 18 months to build out.

On March 24, 2020, Cielo announced that Renewable U Medicine Hat Inc. (“Renewable U Medicine Hat”) had informed Cielo that it had secured an agreement in principle to purchase 80 acres of land in Cypress County, Alberta, which is near Dunmore, approximately 3 kilometers southeast of Medicine Hat. Renewable U Medicine Hat also advised Cielo that it has the funding in place to close the contemplated Purchase and Sale

Agreement, which will be subject to a number of closing conditions that are anticipated to be satisfied on or before July 1, 2020.

Renewable U Medicine Hat is the company with which Cielo has entered into a Memorandum of Understanding (the “MOU”) to fund all aspects of building and placing on production a joint venture facility in, or within, 50 kilometers of Medicine Hat (“JV Facility”). The JV Facility is being designed and engineered to initially convert up to 8 tonnes per hour of multiple waste feedstocks (about 65,000 tonnes/year) into 4,000 liters an hour 32.7 Million liters/year of renewable fuels that can be blended into conventional highway transportation, marine and aviation/jet fuels. It is contemplated that the JV Facility will operate 341 days a year and cost approximately \$50 million to build and commission. During construction, Cielo expects to employ approximately 50 – 70 people and, once on production, Cielo expects that the JV Facility will employ approximately 25 full-time employees.

The 80-acre parcel of land is located directly east of Canadian Pacific Railway’s (“CP”) Dunmore Rail Yard and is optimally located between the TransCanada #1 Highway and CP’s main line. This location will provide Cielo with the flexibility to bring in various waste feedstocks and ship the renewable fuel end- products out by rail and or by ground transportation.

On March 30, 2020, Cielo announced that Renewable U Grande Prairie Inc., Renewable U Medicine Hat Inc., Renewable U Lethbridge Inc., Renewable U Halifax Inc. and Seymour Capital Incorporated, respectively (collectively “the JV Companies”) and Cielo have agreed to extend the deadline by which they will enter into previously announced joint venture agreements (the “JV Agreements”) from March 31, 2020 to June 30, 2020. The JV Agreements will govern the building and operation of the first five facilities to be placed on production following the Aldersyde Facility in the agreed territories in Alberta and Nova Scotia (“JV Facilities”).

Over the past nine months, Cielo has been implementing enhancements to the Aldersyde Facility. These enhancements have resulted in plans to scale-up production of the JV Facilities to convert 8 tonnes of waste feedstock an hour into 4,000 liters per hour of renewable fuels, which is double the original plan. The JV Facilities are intended to be engineered to operate 24 hours a day, 341 days per year. Each one of the JV Facilities are currently projected to cost approximately CDN\$50 Million to build, commission and place on production, which will be fully funded by the respective JV Companies.

OPERATIONS UPDATE

Since early January 2020, Cielo’s facility in Aldersyde, Alberta (the “Aldersyde Facility”) has been operating full-time, on a continuous-flow basis, with minor short-term customary interruptions. During this period, renewable naphtha and diesel from wood biomass has been produced, which has been a major achievement for Cielo. Cielo’s third-party engineering consultants have been providing drawings for the upgraded reactor, feeder hopper and waste line. These drawings have been sent out to different suppliers for quotes

and the fabricators are working on completing the necessary upgrades which will allow us to ramp up production to commercial levels.

Over the past 10 weeks, Cielo's management has toured over 60 people through the Aldersyde Facility. These people included current shareholders, interested parties from the U.S., Mexico, the Middle East and across Canada. As a result of the public health COVID-19 crisis, and to protect staff and contractors, Cielo has stopped all tours for the time being and temporarily laid-off operators while maintaining essential personnel that are now readying the Aldersyde Facility to be retrofitted with the new equipment that is being built to increase hourly production. During these challenging times Cielo has also served notice to end the engagement with Alliance Capital Partners to provide investor relation services to the Company.

Cielo is also in advanced discussions with an established industry buyer, who after conducting extensive due diligence and reviewing third party lab analysis, is interested in entering into a long term agreement to purchase Cielo's high grade renewable diesel fuel, which is being produced at the Aldersyde Facility. The potential buyer does not need the Company to remove the sulfur from the renewable fuels that are being produced. Although reduced fuel prices will impact Cielo's cash flow, it's expected that Cielo's highly efficient production costs will help insulate the Company from current low fuel prices and allow for solid margins on the sale of product. Management believes that Cielo has a healthy advantage over its competitors by using inexpensive feedstocks (waste streams) and significant transport savings. Once the Aldersyde Facility is back up and running, management is encouraged about potential growth opportunity. On March 18, the Cochrane Today newspaper reported that Alberta's Premier Jason Kenney noted recently that economists are projecting a sharp rebound in the global economy in June, based on a surge in pent-up demand.

FINANCING UPDATE

On March 30, 2020, Cielo announced a new private placement offering of unsecured convertible debenture units (the "Offering") and the closing on March 27, 2020 of the initial tranche of the Offering, raising gross proceeds of \$396,000 ("Initial Closing").

Cielo announced the Offering for a targeted minimum of CAD \$500,000 in convertible debentures units (the "Unit(s)"). Each Unit consists of one (1) \$1,000 unsecured convertible debenture (the "Debenture(s)") plus 7,500 share purchase warrants (the "Warrant(s)"). The Debentures bear interest at a simple rate of 15% per annum with the initial three (3) years of interest to be prepaid (the "Prepaid Interest") on the date of issuance of the Debentures (the "Issue Date") by the issuance of common shares (the "Prepaid Interest Shares") at a price of \$0.07 per Prepaid Interest Share. The principal of the Debentures (the "Principal") together with all accrued interest exceeding the Prepaid Interest (the "Interest Balance") will be repaid 48 months from the Issue Date unless repaid earlier by Cielo without penalty or converted by the holder(s) thereof, any time after four months and a day following the Issue Date at a price of \$0.05 for the Principal and at \$0.07 for the Interest Balance.

Each Warrant has a term of 48 months from the Issue Date (the "Warrant Term") and an exercise price of \$0.07 per common share, subject to acceleration in the event that the common shares of Cielo, listed on a recognized stock exchange, trade at \$0.15 or higher for at least five (5) consecutive trading days, in which event CIELO may provide a notice to holders that the Warrant Term will terminate 30 days from the date of notice.

Although the Offering is non-brokered, the Company may, as determined in its sole discretion, pay reasonable customary brokers' and/or finders' commissions in connection with the completion of the Offering of up to 8% in cash of the gross proceeds raised by such broker(s)/finder(s) and issue finder warrants (the "Finder Warrants") of up to 8% of the total number of common shares that would be issued to subscribers introduced to the Company by such broker(s)/finder(s), if 100% of the Principal under the subject Debentures is converted. The Finder Warrants have a 48-month term from the date of issue and an exercise price of \$0.07 per share.

The Offering is anticipated to close in multiple tranches on or prior to May 8, 2020. At the discretion of the Company, the Offering may be extended and/or increased, subject to approval from the Canadian Securities Exchange as applicable. Net proceeds of the Offering will be used to scale-up production of high-grade renewable fuel at the Company's green waste to renewable fuel facility in Aldersyde, Alberta (the "Aldersyde Facility"), as well as for general working capital purposes. At the Initial Closing of the Offering, 396 Units were issued, raising gross proceeds of \$396,000, including 2,970,000 Warrants. In conjunction with the Initial Closing, the Company also issued 2,545,714 Prepaid Interest Shares and 457,600 Finder Warrants and paid \$22,880 in cash commissions. \$110,000 of the gross proceeds were a conversion of existing debt of the Company owing to certain insiders.

As insiders of the Company participated in the Offering, the Offering is considered to be a "related party transaction" under Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company relies on the exemption from valuation requirement pursuant to subsection 5.5(b) of MI 61-101, as the securities of the Company are not listed or quoted on an enumerated stock exchange, and the Company relies on the exemption from minority approval under subsection 5.7(b) of MI 61-101, as the securities of the Company are not listed or quoted on an enumerated stock exchange; and neither consideration received, nor the fair value of the securities distributed exceeds \$2,500,000.

All securities issued pursuant to the Offering are subject to a statutory 4 month hold period.

OTHER

On March 3, 2020, Cielo announced that it had secured eligibility by The Depository Trust Company ("DTC") for its common shares, which trade on the OTCQB in the United States under the trading symbol CWSFF. DTC is a subsidiary of the Depository Trust & Clearing Corporation, a U.S. company that manages the electronic clearing and settlement of publicly traded companies. DTC eligibility permits shares of Cielo to be distributed, settled and serviced through DTC's automated processes, leveraging the efficiencies created

through the electronic clearing and settlement of securities. DTC services provide cost benefits for investors and brokers trading Canadian securities in the United States.

Also in March, Don Allan travelled to Ottawa for a day of meetings with senior officials from the Government of Canada. The intent of the meetings was to demonstrate how Cielo can help Canada meet its emissions targets on methane and carbon, address the global plastics crisis, and reduce the need for imported biofuel. Cielo met with representatives from Environment and Climate Change Canada, Natural Resources Canada, and Members of Parliament. Discussions focused on forthcoming regulatory challenges and potential areas for collaboration between Cielo and the Government of Canada.

Cielo continues to be engaged in meaningful dialogue with Alberta Environment and Parks (“AEP”) with respect to securing amendments to the Company’s operating permit that, once in place, will allow Cielo to process additional waste feedstocks into high grade renewable diesel at the Aldersyde Facility. Pending such amendments, Cielo expects to immediately request delivery of trail amounts of single use plastics from the City of Calgary for processing at the Aldersyde Facility. These plastics are similar to those problematic waste materials currently being disposed of by municipalities across North America into landfills due to a lack of viable and cost-effective alternatives.

2. Provide a general overview and discussion of the activities of management.

See No. 1

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

See No. 1 (Operations Update) regarding the offering of fuel for sale without the removal of sulfur.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

N/A

5. Describe any new business relationships entered into between the Issuer, the Issuer’s affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

See No. 1 (Joint Ventures Update).

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer’s affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

Cielo served notice to end the engagement with Alliance Capital Partners to provide investor relation services to the Company.

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

N/A

8. Describe the acquisition of new customers or loss of customers.

N/A

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

N/A

10. Report on any employee hiring's, terminations or lay-offs with details of anticipated length of lay-offs.

As a result of the public health COVID-19 crisis, and to protect Cielo's staff and contractors, Cielo temporarily laid-off its operators while maintaining essential personnel that are now readying the Aldersyde Facility to be retrofitted with the new equipment that is being built to increase hourly production.

11. Report on any labour disputes and resolutions of those disputes if applicable.

N/A

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

N/A

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

Cielo continues to make interest payment(s) to BJK Lending.

In addition, two (2) insiders participated in the Offering (see no. 1) by way of settlement of indebtedness (aggregate \$110,000).

14. Provide details of any loans to or by Related Persons.

N/A

15. Provide details of any changes in directors, officers or committee members.

On March 3, 2020, Cielo announced the appointment of Shawn Frenette as Chief Financial Officer, replacing Shannon Wyzikoski. Mr. Frenette has over 20 years' experience serving as a CFO/Controller at several fast-paced, dynamic companies and has been a partner with Ms. Wyzikoski, Cielo's previous CFO, in SSCR Corporate Solutions ("SSCR") for the past 12 years. While at SSCR, Mr. Frenette held several contracting CFO roles and oversaw and implemented multiple different systems. Mr. Frenette prides himself in being able to guide business leaders to formulate and implement corporate strategies to cost effectively grow their businesses. Mr. Frenette has accounting expertise in both Canada and USA.

16. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

In the event the Worlds Developed Countries or the Canadian federal or provincial governments were to increase or decrease the amount of renewable fuel currently mandated to be blended with all transportation diesel fuel, it would have either a positive or negative impact on the Company's business. At this point in time, management believes that this amount is increasing, worldwide.

The public health COVID-19 crisis has affected and is anticipated to continue to affect Cielo and its business for the foreseeable future. In particular, Cielo has stopped all tours for the time being, which have been to date garnering interest in the Company's business in management's opinion, and temporarily laid-off operators, requiring the shut-down of the Refinery for the time being. Cielo is able to continue to make improvements to the Aldersyde Refinery during this time however cannot continue to produce fuels 24/7. Further, the impact of the health crisis on market conditions has had an impact on Cielo's ability to raising funds on favourable terms in order to complete the commissioning of and upgrades to Aldersyde Refinery.

Cielo continues to monitor the situation on a daily basis and management intends to continue making progress with commissioning and upgrades despite being unable to operate 24/7.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CNSX that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: April 5, 2020

"Don Allan"

President & Chief Executive Officer

<i>Issuer Details</i> Name of Issuer <i>CIELO WASTE SOLUTIONS CORP.</i>	For Month <i>March 2020</i>	Date of Report YY/MM/D <i>2020/04/05</i>
Issuer Address <i>610 – 475 West Georgia Street</i>		
City/Province/Postal Code <i>Vancouver, BC, V6B 4M9</i>	Issuer Fax No. <i>(403)343-3572</i>	Issuer Telephone No. <i>403-348-2972 Ext. 101</i>
Contact Name <i>Don Allan</i>	Contact Position <i>President & CEO</i>	Contact Telephone No. <i>403-348-2972 Ext 101</i>
<i>info@cielows.com</i>	<i>www.cielows.com</i>	