



## FORM 7

### OCTOBER MONTHLY PROGRESS REPORT

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

**Trading Symbol:** *CMC*

**Number of Outstanding Listed Securities:** 313,853,320

**Date:** November 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.

#### *OPERATIONS UPDATE*

*In October 2020, Cielo provided updates on its production levels at its facility in Aldersyde, Alberta ("Facility"). While Cielo's initial goal was to start the Facility slowly after the latest improvements, with expectations between 200 to 500 liters per hour, the Facility produced 800 liters per hour of distillate. After approximately four hours of continuous operation, Cielo scaled back production to allow its engineers the opportunity to analyze any maintenance or functional concerns at that level. The much higher favourable conversion rate of waste into distillate required Cielo to make some minor improvements, which have mostly been completed. The Facility is back into production and producing 800 liters per hour of distillate for 18 hours, followed by a cooling process for 8 hours, which continues to exceed management's expectations. Cielo expects the remaining improvements to be installed over the next few weeks. Cielo will continue making distillate until the level in the distillate tank is high enough to begin pumping into the naphtha and diesel vessels. With the Facility producing continuously, to management's knowledge, Cielo is now the first company to convert multiple waste streams (garbage) into renewable diesel, naphtha and kerosene (jet & marine fuels).*

*Management's view is that the achievement of this milestone is well timed and that the amount of garbage and plastics produced daily combined with a proposed Canadian ban of single use plastics should put Cielo's proven technology converting these otherwise harmful plastics to renewable high-grade fuels right into the world spotlight.*

*Additionally, Cielo has been working with the University of Calgary on the desulfurization of the diesel fuel. Cielo has signed a Research Agreement with the University's Department of Chemical and Petroleum Engineering to complete the commercial design of the desulfurization technology required to remove the sulfur from the renewable highway grade diesel to meet the national specifications. The goal for the agreement is to have a completed commercial solution in or around late November, 2020.*

#### **JOINT VENTURE UPDATE**

*Over the past approximately seven months, the Facility has undergone significant upgrades to increase productivity and quality of renewable fuels. These upgrades have proven to be effective and management will continue to monitor how they impact the Facility. As the Facility was intended to be Cielo's test facility, Cielo will continue to test various feedstocks upon approval from Alberta Environment and Parks and to streamline the Facility to make it even more efficient. Following these successful upgrades, management has the confidence and proof to move forward with the engineering of the new facilities that will be built pursuant to the JV Agreements, which are intended to be larger, produce more fuel and use greater amounts of feedstock (garbage).*

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.

*N/A*

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 regarding Joint Venture 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.

N/A

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.

*On October 22, 2020, Cielo announced that it had engaged Kevin Humeniuk as the new plant manager for the Facility. Mr. Humeniuk is a 4th Class Power Engineer with over 20 years of facility management. He has multiple designations, certifications and tickets and brings an abundance of skill, leadership and a history of quality service from his past work experience.*

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, subject to one or more months which have been or may be delayed from time to time upon the consent of the lender.*

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.

*N/A*

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, except for jet fuel, management believes that this amount is increasing, worldwide.*

*The public health COVID-19 crisis has affected and may continue to affect Cielo and its business for the foreseeable future. In particular, Cielo had stopped all tours for the time being, which were 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. The Refinery is back in production, tours have resumed and operators have returned to work, all following applicable laws and recommendations regarding social distancing.*

*The impact of the health crisis on market conditions previously had an impact on Cielo's ability to raise funds on favourable terms in order to complete the commissioning of and upgrades to Aldersyde refinery. However, Cielo has been fortunate to exceed its goals and successfully complete its financing (see September 2020 report).*

*With the changing landscape related to COVID 19, Cielo continues to monitor the situation on a daily basis and management intends to continue operating 24/7 with strict adherence to social distancing and other rules and recommendations by public health authorities related to COVID-19.*

## 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 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: November 5, 2020

"Don Allan"

President & Chief Executive Officer

<b>Issuer Details</b> Name of Issuer <i>CIELO WASTE SOLUTIONS CORP.</i>	For Month <i>October 2020</i>	Date of Report YY/MM/D <i>2020/11/05</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 &amp; CEO</i>	Contact Telephone No. <i>403-348-2972 Ext 101</i>
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