

CIELO CLOSSES SECOND TRANCHE OF PRIVATE PLACEMENT OF CONVERTIBLE DEBENTURE UNITS AND PROVIDES AN OPERATIONS UPDATE

Vancouver, British Columbia, Canada / June 4, 2019 / CSE: CMC: Cielo Waste Solutions Corp. ("Cielo" or the "Company") announces the closing of \$787,000 in gross proceeds in the second tranche ("Second Tranche") of its previously announced private placement of convertible debenture units, initially announced on May 7, 2019 (the "May 7 PR"), and provides an operational update.

PRIVATE PLACEMENT OFFERING OF CONVERTIBLE DEBENTURES

Cielo announced on May 7, 2019 a private placement offering (the "Offering") of a targeted minimum of CAD \$1,000,000 in convertible debentures units (the "Unit(s)"). Each Unit consists of one (1) \$10,000 unsecured convertible debenture (the "Debenture(s)") and 5,000 share purchase warrants (the "Warrant(s)")

The Debentures bear interest at a simple rate of 15% per annum, the initial two (2) 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 \$0.10 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 \$0.06 for the Principal and \$0.10 for the Interest Balance.

Each Warrant is exercisable for a term of 48 months from the Issue Date (the "Warrant Term") at an exercise price of \$0.25 per share, subject to acceleration in the event that the common shares of Cielo listed on a recognized stock exchange trade at \$0.50 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.

In conjunction with the previously announced closing of the first tranche of the Offering (the "First Tranche") on May 7th, 2019, a total of \$1,805,000 in gross proceeds has been raised in the First Tranche and the Second Tranche collectively. Net proceeds of the Offering are being used toward the costs of completing the new construction required to be completed to the Company's refinery in Aldersyde, Alberta (the "Refinery"), as well as for general working capital.

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% of the gross proceeds raised by such broker(s)/finder(s) and up to 8% of the total number of common shares that would be issued to subscribers introduced by such broker(s)/finder(s) if 100% of the Principal under the Debentures is converted. With respect to the closing of the Second Tranche of the Offering, Cielo paid commissions equal to \$15,760 and issued 320,253 warrants (the "Finder Warrant(s)"). Each Finder Warrant will be exercisable for a term of 48 months from the Issue Date (the "Finder Warrant Term") at an exercise price of \$0.10 per share, subject to acceleration in the event that the common shares of Cielo listed on a recognized stock exchange trade at \$0.50 or higher for at least five (5) consecutive trading days, in which event Cielo may provide a notice to holders that the Finder Warrant Term will terminate 30 days from the date of notice.



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As an insider participated in the Offering, it 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; neither consideration received, nor the fair value of the securities distributed exceeds \$2,500,000; and at least two thirds of independent directors of the Company voted in favour of the related party transaction.

The May 7 PR had stated that each Unit would consist of one (1) \$1,000 Debenture and 500 Warrants. Instead, each Unit consists of one (1) \$10,000 Debenture and 5,000 Warrants. There is no change to the amount of principal or interest, total number of Warrants, or total number of shares underlying the Warrants and Debentures if exercised or converted, respectively.

OPERATIONS UPDATE

Cielo's contractors have been extremely productive since the last operational update on May 7th. Onsite modifications to the existing large equipment have been ongoing as well as the relocation of wiring and piping. The piles and foundation work outside the building has now been completed and the major equipment that was required to be relocated from inside the building to outside has also been finished. The fabrication shop has delivered the majority of the large equipment and installation will start shortly. Two major pieces of equipment that were slightly used and in great shape have now been purchased and delivered to the Refinery, which is anticipated to save significant capital and eliminate previously contemplated long delivery times.

Don Allan, President & CEO of Cielo, stated "Construction and securing additional equity funding are going extremely well and we are on the targeted schedule to place our Aldersyde Refinery on continuous-flow production by early July. We have been very lucky to continue to find very good deals on equipment as well as interest in our current offering. These are very exciting times as we work through multiple opportunities to tie up waste feedstocks and advance the joint ventures in Grande Prairie, Calgary, Medicine Hat and Brooks Alberta. We believe that Cielo is in an excellent position to soon be able to assist in resolving the major issues facing Canada and the world when it comes to dealing with the waste that cannot be recycled, in particular the waste that is being returned to Canada from abroad. "

Join Cielo shareholders on 8020 Connect: <http://connects.digital/cielo1>

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About Cielo Waste Solutions Corp.

Cielo Waste Solutions Corp. is a publicly traded company with its shares listed to trade on the Canadian Securities Exchange (“CSE”) under the symbol “CMC”. Cielo holds the exclusive license for the global rights to a transformational, patent-pending, technology engineered to convert garbage-derived feedstocks to high grade renewable diesel, at a significantly lower cost than biofuel companies. With landfills being one of the world’s leading contributors to Green House Gas emissions and being projected to double in size over the next 7 years, Cielo can potentially resolve this crisis, on a cost-effective basis, by converting multiple different garbage-derived feedstocks, including sorted municipal solid waste (garbage), wood and agriculture waste, tires, blue-box waste, all plastics and virtually any other cellulosic waste product into high grade renewable diesel.

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 related to the completion of the construction of the Refinery, the Offering, and the application of the net proceeds of the Offering to such construction. 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, neither the Company assumes no obligation to publicly update or revise such statements to reflect new information, subsequent or otherwise.

The CSE has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this news release.