

## **CIELO RAISES \$776,000 ON THE FOURTH TRANCHE OF ITS PRIVATE PLACEMENT AND PROVIDES OPERATIONS UPDATE**

Vancouver, British Columbia, Canada / July 9, 2019 / CSE: CMC: Cielo Waste Solutions Corp. ("Cielo" or the "Company") announces the closing of \$776,000 in gross proceeds in the fourth tranche ("Fourth Tranche") of its previously announced private placement of convertible debenture units ("Offering"). Except as described below, Cielo will no longer be accepting subscriptions for the Offering, however will be doing one final closing of the Offering in the coming days once the funds are received from certain subscribers who have already submitted their subscription agreements. It is anticipated that the gross proceeds for the Offering from all tranches will be approximately \$5,100,000.

### **OFFERING DETAILS**

On May 7, 2019, Cielo announced a private placement offering of a targeted minimum of CAD \$1,000,000 in convertible debentures units (the "Unit(s)") with each Unit consisting 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 with 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 will be 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.

A total of \$3,591,250 in gross proceeds has now been raised over the initial four tranches of the Offering. In the Fourth Tranche, 77.6 Units were issued, consisting of 388,000 Warrants, and 2,328,000 Prepaid Interest Shares. Net proceeds of the Offering will be used to complete the commissioning of the Company's refinery in Aldersyde, Alberta (the "Aldersyde Refinery"), as well as for general working capital and marketing expenses.

Cielo will be completing one final closing in the coming days to accommodate certain subscribers who have submitted subscription agreements for an aggregate of \$1,080,000 but who require a short period of additional time to deliver funds. As Cielo has exceeded its minimum raise amount and is satisfied with the gross proceeds raised, Cielo will not be accepting any further subscriptions and will close the fifth and final tranche upon receiving the transfer of the remaining subscribed funds in the coming days.

In addition to the subscriptions already received by Cielo, the Company has agreed to convert approximately \$450,000 of amounts owing to certain insiders of the Company, including Don Allan, President and CEO, into Units under the terms of the Offering, which will be completed and confirmed in the final tranche closing. As such, the Offering will be considered to be a "related party transaction" under



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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.

Although the Offering is non-brokered, the Company has paid and may pay reasonable customary brokers' and/or finders' commissions in connection with the completion of the Offering of up to 8 per cent of the gross proceeds raised by such broker(s)/finder(s) and up to 8 per cent 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 into shares of the Company. With respect to the closing of the Fourth Tranche, Cielo paid commissions equal to \$41,280 and issued 661,333 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 \$0.25 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 Finder Warrant Term will terminate 30 days from the date of notice.

## OPERATIONS AND GENERAL UPDATE

Cielo is in the final stages of commissioning the first phase of its Aldersyde Refinery, which is on track to be up and running, as previously announced, on a continuous flow basis on July 11, 2019 for the Grand Opening of its first waste to high grade renewable diesel refinery. Cielo is also pleased to announce its intention to list its common shares for trading on the on the OTCQB Venture Marketplace, a US trading platform that is operated by the OTC Markets Group in New York. Also, Cielo has engaged a US-based consulting firm, RB Milestone Group LLC, with the intention to implement initiatives that are designed to help communicate Cielo's corporate story to applicable investment and media communities throughout the United States. Cielo will pay a one-time fee for services to be provided over a 12 month period.

Don Allan, President & CEO of Cielo, stated "We are extremely pleased with the support we have received from investors in our offering. The interest that we have garnered for our Grand Opening has far surpassed our expectations with hundreds of RSVPs now in hand from federal, provincial and municipal government officials, media, stakeholders, strategic partners and interested parties. Our Grand Opening will take place on Thursday, July 11<sup>th</sup> between noon and 3 p.m. MT, and will include tours of our green refinery, live entertainment and a Stampede-themed barbeque. Cielo has engaged third-party firms to help with communications, media and government relations and event management. We are looking forward to introducing and showcasing our transformational technology to the world."

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

For more information please contact:

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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 aggregate proceeds of the Offering and the application of the net proceeds of the Offering to such construction, and listing its shares on the OTCQB Marketplace. 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.*