

CIELO ANNOUNCES OPERATIONAL AND CORPORATE UPDATE

October 12, 2021 – Vancouver, British Columbia, Canada - Cielo Waste Solutions Corp. (TSXV:CMC; OTCQB:CWSFF) ("Cielo" or the "Company") today provides an operational and corporate update, highlighting the following:

- Successful commissioning of the desulphurization unit at Aldersyde, Alberta facility (the "Aldersyde Facility") constitutes completion of one of the important components of ongoing research and development ("R&D") activities to progress toward continuous production on a commercial scale;
- The desulphurization unit is anticipated to enable Cielo to generate higher revenue from its wasteto-fuel products once continuous production on a commercial scale is attained; and
- Mr. Chris Sabat assumes the role of Chief Legal Officer and Corporate Secretary with expanded corporate responsibilities.

Desulphurization

The desulphurization process is one of the important components of ongoing R&D activities to progress toward continuous production on a commercial scale. We are pleased with the performance of the desulphurization unit during its initial run at the Aldersyde Facility. The successful commissioning of the desulphurization unit at the Aldersyde Facility demonstrates that Cielo is capable of producing diesel with a sulphur content that complies with road diesel requirements in North America.

On September 27, 2021, Cielo began the final commissioning procedures for the safe start-up of the desulphurization unit for the initial run. The Company completed mechanical, instrumentation, and electrical verification processes required for the desulphurization unit to start up. The desulphurization unit was then purged and loop checks were completed followed by commencement of the warmup sequence. Diesel feed, with a high sulfur content, averaging 800 parts per million ("ppm"), was initiated into the desulphurization unit, after which the unit was monitored and tuned to verify and record the specific on-site parameters and metrics of operation and performance. The Company is very pleased to report that this initial run, and the operation of the desulphurization unit, have met the operational expectations based on the Company's design parameters:

- the desulphurization unit was operated at a constant pressure of 1,000 kilopascal (145 psi) and processed a total of 25,000 liters (6,604 gallons) of diesel;
- the diesel processing flow rate ranged from 500 liters (132 gallons) per hour ("lph" and "gph") to 1,500 lph (396 gph), with an average inlet sulfur content of 800 ppm;
- the diesel produced after the desulphurization process contained a sulfur content of less than 15 ppm; and
- preliminary operational data indicated that the expected operating cost of the desulphurization process which ranged from approximately \$0.08/litre (\$0.31/gallon) to \$0.13/litre (\$0.50/gallon), was within the Company's anticipated design parameters.

Further system testing and tuning will be performed as the Company continues to streamline its overall processes at the Aldersyde Facility. In addition, Cielo remains committed to advancing the priorities that were outlined in the September 27, 2021 press release and the subsequent conference call held on September 29, 2021. These priorities are designed to accelerate the drive toward commercialization and revenue.



In order to achieve continuous production on a commercial scale, the next steps include undertaking engineered process modifications to the inlet feed system, the reactor, and biomass waste management system at the Aldersyde Facility. In parallel, Cielo has initiated, and is well into, the design phase of the scaled-down version (60 lph/16 gph) of a full-scale 4,000 lph (1,057 gph) facility in Fort Saskatchewan, Alberta (the "R&D Facility"). Cielo anticipates that the fabrication and construction phase of this R&D Facility will commence by the end of Q1 2022.

The utilization of the Company's desulphurization unit is anticipated to enable Cielo to generate higher revenue from its waste-to-fuel products. Diesel with a sulphur content that complies with road diesel requirements in North America, can be sold at a higher price, compared to diesel with higher sulphur content.

All amounts in this news release are in Canadian dollars unless otherwise indicated.

Corporate Update

In addition to the operational advancements, Cielo continues to streamline and enhance the strength of the corporate structure, optimize costs, and establish clear and transparent processes. As a result of these efforts, Cielo's Board of Directors expanded the responsibilities of Mr. Chris Sabat, who is now Chief Legal Officer and Corporate Secretary. Mr. Sabat will oversee and manage all matters related to corporate services, including Health, Safety & Environment, Human Resources, Vendor Management, Information Technologies, and Joint Arrangements. Previously, Mr. Sabat held the title of Corporate Secretary and General Counsel.

Lionel Robins, formerly SVP Global Development and Indigenous Relations, and Raphael Bohlmann, formerly SVP Corporate Development and Investor Relations, have resigned their positions with Cielo in order to focus their efforts on Renewable U Energy Inc. with which Cielo has entered into several Memorandums of Understanding. Cielo thanks Mr. Robins and Mr. Bohlmann for their contributions.

Cielo's Board of Directors are currently in the process of shortlisting candidates for appointment to the Board and the selection of a Lead Director, with such optimal skills and experience needed to facilitate the continued growth and governance oversight of the Company.

On behalf of the Board of Directors

"Gregg Gegunde" Gregg Gegunde, CEO and COO

Company Contact:

Chris Sabat Email: <u>csabat@cielows.com</u> Telephone: 1-(403)-348-2972 Website: www.cielows.com For further information please contact:

Cielo Investor Relations

Email: investors@cielows.com Telephone: 1-(403)-348-2972 Website: www.cielows.com

RB Milestone Group LLC (USA):

Trevor Brucato, Managing Director Email: <u>cielo@rbmilestone.com</u> New York, NY & Stamford, CT

About Cielo Waste Solutions Corp.

Cielo is a publicly traded company with a proprietary technology that transforms certain types of landfill garbage into high-grade diesel, kerosene (aviation jet and marine fuel) and naphtha. Cielo's proven and patented technology is currently being deployed in the Company's Aldersyde, Alberta facility, where wood waste is currently being converted into renewable fuels. Cielo's experienced management team is well positioned with strategic partners in place to expand aggressively across Canada, into the US and then globally. The waste/feedstock that will be used in the Company's green facilities is the world's widely available and inexpensive feedstock, including household, commercial, construction garbage, used tires,



railway ties, telephone poles, as well as all types of plastic, some of which currently cannot be recycled or deposited into landfills. Cielo's goal is to manufacture waste to fuel while ridding the world of unwanted and problematic garbage.

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, with respect to, but not limited to: achieving continuous production on a commercial scale; generating higher revenue as a result of the successful commissioning and implementation of the desulphurization unit; the planned performance of further system testing and tuning; the continued streamlining of processes at the Aldersyde Facility; continued advancement of priorities with respect to acceleration towards commercial scale; the undertaking of steps outlined above in order achieve continuous production on a commercial scale; the term of the fabrication and construction of the R&D Facility and the timing thereof; the streamline and enhancement of organizational changes and the anticipated benefits thereto including the recruitment process of an additional Board member. 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. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange), nor OTCQB nor WKN, have reviewed, and do not accept responsibility for the adequacy or accuracy of, the content of this Press Release.