

Cielo Announces Closing of CDN\$10M Non-Brokered Convertible Debenture Financing and Conversion to Shares

written by Raj Shah | May 3, 2021

May 3, 2021 ([Source](#)) – Cielo Waste Solutions Corp. (CSE:CMC)(OTCQB:CWSFF) (“**Cielo**” or the “**Company**”) is pleased to announce the completion of the Company’s non-brokered, convertible debenture financing, as previously announced on March 3, 2021, receiving gross proceeds of CDN\$10,000,000 (the “**Financing**”).

Cielo issued 10,000 non-interest-bearing, unsecured convertible debentures (the “**Debentures**”), each issued at CDN\$1,000 per Debenture, on a prospectus-exempt basis, the principal amount of the Debentures being convertible into common shares at \$1.02 per share during the 12 month term of the Debenture.

Cielo is pleased to announce that all of the Debentures have been converted following issuance at \$1.02 per share. First Choice Financial (“FCF”), the arm’s length third party with whom Cielo had entered into the binding letter of intent announced on March 3rd and who arranged for the aggregate loan, and the individual lenders, who are existing Cielo shareholders and connected with FCF, have decided to exercise the Debentures now, even though they are at a premium to the current market. All Debentures and the common shares that were issued upon the conversion thereof are subject to a statutory 4-month hold

period expiring on August 30, 2021.

Don Allan, CEO of Cielo commented, "We are thrilled to see the financial commitment from a group of our larger shareholders and pleased to see their additional commitment by converting their debentures at a premium to the current market price. This injection of capital, along with the funds raised from the exercise of outstanding warrants has firmly positioned us with the financial strength to drive forward aggressively to accomplish our next major milestones and do so ahead of schedule."

The net proceeds of this Financing, together with the additional CDN\$4,000,000 that was previously announced on March 15th, 2021 and which is forthcoming, will be used to acquire land in Edmonton, Alberta to build another 100% Company-owned waste to high grade renewable fuel facility, for the engineering and expansion of the production capability at the Company's facility in Aldersyde, Alberta from 24,000 litres per day (or 6340 US liquid gallons) to 48,000 litres per day (or 12,680 US liquid gallons), and for general working capital purposes. Initially it was intended that it would also be used to repay the Company's senior secured loan, however the Company was able to repay the secured loan prior to the closing of this Financing as a result of funds received from the exercise of warrants.

The Debenture is subject to transaction and finder fees equal to CDN\$1,500,000 in the aggregate. Management is pleased with the structure of the raise as it eliminates high interest payments and will save Cielo a significant amount in debt payments.

On behalf of the Board of Directors

"Don Allan"

Don Allan, President / CEO / Director

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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", the OTC Markets Group, on the OTCQB, under the symbol "CWSFF" and the Frankfurt Securities Exchange under the symbol WKN:C36. Cielo is a waste to renewable fuel company with a game changing technology engineered to help solve the world's garbage crisis. Cielo's technology transforms landfill garbage into renewable 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, AB facility, where wood waste is currently being converted into renewable fuels.

Cielo is headquartered in Alberta, Canada with plans to build and operate green facilities across North America as well as

globally.

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 the convertible debenture financing, in particular the use of net proceeds, and the receipt and use of the remaining \$4,000,000, as well as the impact of the foregoing on the Company’s business plans and financial condition. 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, OTCQB and, WKN, have not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this News Release.