Cielo Secures Land Purchase to Build Second 100% Owned Facility in Alberta and Debt Financing for Purchase

written by Raj Shah | May 27, 2021

May 27, 2021 (Source) – Cielo Waste Solutions Corp. (CSE:CMC)(OTCQB:CWSFF) (**"Cielo"** or the **"Company"**) is pleased to announce that it has entered into an agreement to purchase land (the "Land"), on approximately 60 acres in Fort Saskatchewan, a municipality 25km from Alberta's capital city of Edmonton. The Land is a greenfield property with infrastructure including a 31,750 sq ft building and 35 acres that is graveled and improved, including fence, power and a yard compacted to 10 tons per square foot. The Land was developed in 2015 for approximately CDN$21M in the Alberta Industrial Heartland, Canada's largest hydrocarbon processing region.

The site was built by a global construction and fabrication company from Belgium, which management believes has many advantages for Cielo such as access to global markets through the two largest rail lines in Canada and pipelines to deliver fuel directly to our off-take clients. The Land, with its amenities, is expected to accelerate the build-out of the proposed facility and shorten the timeframe to production considerably.

Cielo has agreed to purchase the Land for CAD $13,000,000, $1,000,000 to be paid by way of two (2) refundable deposits by Cielo, and the balance to by funded by way of the Loan (as defined and described below). While the purchase of an existing industrial building resulted in a higher initial cost than

anticipated by the Company, the value of the Land combined with the time savings compared to new construction, is substantially more beneficial to the Company in the opinion of management. The purchase is subject to certain conditions and is anticipated to close upon the satisfaction of those conditions. Cielo will provide further updates as and when they become available.

FINANCING PURCHASE OF LAND:

Cielo is also pleased to announce that it has accepted a binding term sheet for the financing of the balance of the purchase of the Land. First Choice Financial ("FCF") has agreed to deliver a loan to the Company of $12,000,000 for the purchase (the "Loan"). The Loan will mature after 2 years and is subject to simple interest at a rate of 6% per year, payable monthly throughout the term of the Loan and can be extended by the lender. Cielo will also issue 12,000,000 non-transferable bonus warrants to FCF, exercisable for a period of 36 months at an exercise price of CAD $1.00 per share. Cielo will be entitled to repay the Loan at any time without penalty. Other than certain expenses of FCF associated with the Loan, no additional fees or commissions will be payable to FCF or any finders.

The Loan will be secured by all of the assets of the Company, including charges against the land and facilities in Fort Saskatchewan and Aldersyde. The Loan is also subject to certain customary conditions. Closing is anticipated to coincide with the completion of the purchase of the Land.

Don Allan, CEO of Cielo Waste Solutions stated, "We are pleased to have secured this land, which is in proximity to "Refinery Row", a nickname given to this location in Fort Saskatchewan because of all the major blending refineries that we believe will be the primary customers buying our fuel for mandated renewable blending requirements in Canada. With the amenities

and infrastructure in place, we believe Cielo will have the ability to build our second 100% owned facility in a timely manner". Mr. Allan continued: "We believe the debt financing is favourable and allows flexibility for early payout. We are very pleased with FCF's term sheet and we appreciate their belief and support in Cielo. We will continue our focus on installation of the desulfurization equipment and increased production on our Aldersyde facility and begin the building of this new plant as per our projected timelines. Once both facilities are operating, the Company is expected to enjoy a significant increase in revenue and earnings and paves the foundation for future growth."

On behalf of the Board of Directors

"*Don Allan*"
Don Allan, President / CEO / Director

Company Contact:

Lionel Robins, COO
Email: lrobins@cielows.com
Telephone: 1-(403)-348-2972 ext:106
Website: www.cielows.com

For further information please contact:

Investor Cubed Inc. (Canada):
Neil Simon, CEO
Email: info@investor3.ca
Telephone: 1-(647) 258-3310

RB Milestone Group LLC (USA):
Trevor Brucato, Managing Director
Email: cielo@rbmilestone.com
New York, NY & Stamford, CT

About Cielo Waste Solutions Corp.

Cielo is a publicly traded company with a proprietary technology that 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's experienced management team is well positioned with strategic partners in place to expand aggressively across Canada, into the US and then globally. Utilizing waste/feedstock that will be used in the Company's green facilities is the world's most available and inexpensive feedstock, garbage; including household, commercial/ construction/demolition garbage, used tires, railway ties, telephone poles, as well as all types of plastic, some of which currently cannot be recycled and/or deposited into landfills. **Cielo's goal is to manufacture renewal 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 related to the purchase of the Land and all matters related thereto, the Loan and all matters related thereto, the construction of Cielo's second 100% owned facility, and the implications of the foregoing. 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.