

LICENSE AGREEMENT

THIS AGREEMENT dated as of the 14th day of June, 2016

BETWEEN :

CIELO WASTE SOLUTIONS CORP., a corporation duly incorporated and existing pursuant to the laws of the Province of British Columbia (“**Cielo**”)

- and -

18887711 ALBERTA INC., a corporation duly incorporated and existing pursuant to the laws of the Province of Alberta, (“**1888**”)

WHEREAS Cielo and 1888 entered into a non-binding letter of intent dated May 19, 2015 (the “**LOI**”);

WHEREAS “Cielo” is a public corporation in the business (the “**Cielo Business**”) of developing and licensing automated renewable diesel refineries (the “**Refineries**”) specializing in technology to convert and transform Municipal Solid Waste (“**MSW**”) to transportation fuels meeting ASTM standards;

AND WHEREAS Cielo acquired in or about July 2014 certain intellectual property assets (the “**Assets**”) that it desires to develop into a technology to build the Refineries;

AND WHEREAS the Assets have required significant development in order for Cielo to be able to complete the intended technology (the “**Technology**”);

AND WHEREAS Cielo had entered into the LOI as it had been unable and has remained unable to acquire or access sufficient financial resources to develop the Assets;

AND WHEREAS 1888 is a private corporation with or with access to the requisite financial resources to be able to develop the Assets;

AND WHEREAS Cielo desires to license the Assets to 1888 for the purposes of development and patenting in consideration for a license in the developed technology (the “**Technology**”) for the purposes of commercialization, on and subject to the terms and conditions herein;

AND WHEREAS 1888 desires to acquire a license in the Assets for the purposes of development and patenting, in which Technology it will grant an exclusive and perpetual license to Cielo for the purposes of commercialization, on and subject to the terms and conditions herein;

AND WHEREAS 1888, in accordance with the LOI, has been in good faith developing the Assets in the period of time between the date of the LOI and the date of this Agreement for the mutual best interests of the parties hereto in completing the Technology and the parties desire to finally conclude a definitive agreement with respect to the subject matter herein;

NOW THEREFORE in consideration of CAD \$2.00 and the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each party to the other, the parties hereto agree as follows:

1.0 DEFINITIONS

- 1.1 **"1888 Rights"** means the rights granted by Cielo to 1888 hereunder to use, develop, improve, and patent the Licensed Assets;
- 1.2 **"Affiliate"** means any corporation, subsidiary, partnership or other entity which 1888, directly or indirectly, controls, is controlled by, or is under common control with;
- 1.3 **"Cielo Rights"** means the rights granted by 1888 to Cielo, as and when they arise, to Commercialize the Licensed Technology, including use of the Patents and building, licensing, selling, and using Refineries;
- 1.1 **"Commercialization"** or **"Commercialize"** means the commercial manufacturing, using, licensing, sale or offering to sell the Licensed Technology and/or the products resulting from the 1888 Rights by Cielo in the Territory;
- 1.2 **"Confidential Information"** means, with respect to a party, all proprietary information of any type, or any part or portion thereof, that is disclosed by that party to the other party pursuant or in any way in related to this License Agreement and/or the rights and obligations arising therefrom, whether or not such information is specifically marked or identified as confidential at the time of disclosure, which may include without limitation:
- 1.2.1 all scientific, technical, business, financial, legal, marketing or strategic information (including trade secrets and proprietary know-how);
 - 1.2.2 all documented research, development, demonstration or engineering work, information that can be or is used to define a design or process or procure, produce, support or operate material and equipment, methods of production, regardless of its form;
 - 1.2.3 all drawings, blueprints, patterns, plans, flow-charts, equipment, parts lists, software and procedures, specifications formulae, designs, technical data, descriptions, related instruction manuals, records and procedures;
 - 1.2.4 information that is non-public, confidential, privileged or proprietary in nature
- which may have actual or potential economic value in part from not being known and may be positive (what works) or negative (what does not) information; however fixed, stored, expressed or embodied (and includes, without limitation, samples, prototypes, specimens and derivatives); and including information disclosed during discussions, meetings, tests, demonstrations, correspondence or otherwise.
- 1.3 **"Development"** or **"Develop"** means the development of the Licensed Assets through planning, engineering, building or any other means or method resulting in the Licensed Technology;
- 1.4 **"Dispute"** includes without limitation any controversy, conflict, claim, disagreement or difference of opinion arising out of the License Agreement, (irrespective of whether it is premised on contract, tort or trust / equity), including, without limitation, any issues concerning the breach, interpretation, rectification, termination, performance, enforcement or validity of the License Agreement or the rights and liabilities of the parties in relation to the License Agreement irrespective of the fact that there is no arguable defence under the License Agreement, or that the facts or law are undisputable and subject to judicial summary proceedings but Dispute does not encompass any controversy, conflict, claim, disagreement

- or difference of opinion or the rights and liabilities of the parties under any collateral or antecedent agreements independent of the License Agreement;
- 1.5 "**Effective Date**" means May 19, 2015, being the date of the LOI, as the parties began to act, in whole or in part, as contemplated at such time in accordance with terms and conditions which now form this License Agreement;
- 1.6 "**Improvement(s)**" means any modification, improvement, enhancement, variation, refinement, derivative or development relating to the 1888 Rights in connection with the Licensed Assets and/or the Licensed Technology;
- 1.7 "**Intellectual Property**" means, as of the Effective Date, all trade-marks, copyrights, industrial designs, trade-names, trade secrets, Confidential Information and other intellectual property rights, any and all as applicable, whether registered or not, whether proprietary or not;
- 1.8 "**License Agreement**" means this agreement and including all attached appendices and future amendments, and refers to the whole of this agreement, not to any particular section or portion thereof.
- 1.9 "**Licensed Assets**" means those Intellectual Property assets being licensed by Cielo to 1888 for the purposes of Development and Improvement on and subject to the terms and conditions in this License Agreement;
- 1.10 "**Licensed Technology**" means the Assets once sufficient Development and, as applicable, Improvements have been carried out by 1888 to allow for the Commercialization thereof by Cielo, notwithstanding any further requirement or desire for further Development and Improvements;
- 1.11 "**party**" means any one of the signatories to the License Agreement and "**parties**" means both of them.
- 1.12 "**Patents**" means any author certificates, inventor certificates, utility certificates, improvement patents and models and certificates of addition, and includes any divisions, reissues, renewals, reexaminations and extensions thereof, and all continuations, continuations-in-part and divisionals of the applications for such patents, continuations, continuations-in-part, extensions, re-issues thereof for such patents, filed by 1888 pursuant to this License Agreement and including any subsequently patented Improvements to such patents;
- 1.13 "**Territory**" means the entire world.

2.0 GRANT & RESERVATIONS

2.1 Grant by Cielo:

Cielo hereby grants to 1888 an exclusive, non-transferable, license to Develop and Improve, as applicable, the Licensed Assets, as well as to file Patents in respect thereof, in the name of 1888 or as otherwise determined, subject to: a) the definitions, terms and conditions of the License Agreement; and b) 1888 complying with and not being in breach of any of the provisions of the License Agreement at all material times.

2.2 No Assignment:

Nothing herein shall constitute in any manner whatsoever: a) an assignment or other transfer of proprietary rights in and to the Licensed Technology to 1888; or b) any authorization or permission beyond that expressly given in this License Agreement.

2.3 Carve Out:

Notwithstanding anything to the contrary in the License Agreement, Cielo retains any and all absolute and unfettered rights necessary to do the following: a) participate in the Development process and to pursue research and development, directly or indirectly, related to the Licensed Technology; b) prepare for the Commercialization of the Licensed Technology in any manner whatsoever including but not limited to marketing and promotion thereof, arranging for financing thereof as may be required; and entering into third party agreements of any kind including for the purchase of materials to use for the Licensed Technology, sale and license agreements for product arising from the Licensed Technology, the sale and/or license of the Licensed Technology, etc.; and c) doing or causing to be done any act that may be necessary or desirable for the Development, Improvement and/or Commercialization of the Licensed Assets and/or the Licensed Technology, as applicable, including obtaining licenses, grants, or other government, regulatory or third party rights.

2.4 1888 Covenants

It is acknowledged and agreed that the license of the 1888 Rights to 1888 is being granted on the understanding and following covenants being given by 1888 that it will:

- 2.4.1 pay for expenses and provide financing for the Development and/or Improvement of the Licensed Assets and the Licensed Technology;
- 2.4.2 apply for and do all things necessary to obtain and maintain, as applicable, the Patents; and
- 2.4.3 complete the Development and Improvement to the Licensed Assets and deliver the Licensed Technology to Cielo to its satisfaction, acting reasonably, and in accordance with timing that is acceptable to Cielo, acting reasonably.

2.5 Sublicensing

1888 may be permitted to sub-license to Affiliates and non-affiliated or non-controlled parties, on the same or more favourable terms and conditions of this License Agreement, subject to the prior consent of Cielo and provided that Cielo shall receive from the Affiliates and sub-licensees not less than the same amount of consideration Cielo would have received from 1888, had 1888 conducted the Commercialization rather than the Affiliates or sub-licensees and that 1888 shall ensure that any monies owing to Cielo from the Affiliates or sub-licensees are paid to Cielo when due, and shall be liable for any such monies irrespective of whether or not the Affiliate or sub-licensee paid 1888.

2.6 Termination of Sub-Licenses

Termination of the License Agreement shall also terminate any subsisting sub-licenses, but any consideration due or owing to Cielo shall be paid promptly thereafter, and any and all unsatisfied obligations and rights shall subsist until satisfied.

3.0 TERM

3.1 Term

The term (the “**Term**”) of this License Agreement shall commence on the Effective Date and shall continue in force until the expiry of the last to expire of the Patents included in the Licensed Rights, subject to early termination as prescribed under Article 12 (Termination).

4.0 DEVELOPMENT

4.1 Development Plan; Reporting

1888 shall deliver to Cielo upon the execution of this License Agreement, or as otherwise agreed, and maintain at all material times an updated plan of development of the Licensed Assets in a form acceptable to Cielo, and shall provide regular reports, no less frequently than once per quarter, in connection with Development and Improvement of the Licensed Assets and Licensed Technology.

4.2 Development Meetings

Cielo and 1888 shall meet regularly with respect to the Development of the Licensed Assets as and when mutually agreed and at any time upon reasonable notice requested by Cielo or 1888 and in no event less frequently than once per quarter.

4.3 Continuing Disclosure

It is acknowledged and understood that Cielo is required to meet continuous disclosure requirements under applicable securities laws. During the term of the License Agreement, 1888 shall promptly provide notice to Cielo of any and all material changes as contemplated under applicable securities laws, with respect to the Development or Improvement of the Licensed Assets, including without limitation with respect to Patent(s) related thereto.

4.4 Support Collaboration

In carrying out the Development throughout the Term of this License Agreement 1888 shall make good faith efforts to collaborate with Cielo on all Development and Improvement activities, under collaborative and commercially reasonable terms and conditions as agreed to by the parties on an ongoing basis.

5.0 CONSIDERATION; EXPENSES; FINANCING

5.1 Cielo Consideration

It is agreed and understood that Cielo shall not receive payment in cash or otherwise at the time of the grant of the 1888 Rights in consideration therefor, provided that:

- 5.1.1 1888 makes payment for any and all expenses incurred in connection with the Development and/or Improvement of the Licensed Assets as and when they become due;
- 5.1.2 Cielo is granted the right of first refusal as set out in Section 5.4; and
- 5.1.3 Cielo is granted the Cielo Rights as set out herein.

5.2 1888 CONSIDERATION

In consideration for the 1888 Rights granted by Cielo to 1888 herein, no fees shall be payable to 1888 by Cielo provided that, upon the Commercialization of the Licensed Technology, 1888 shall be entitled to receive a royalty as set out in Section 5.3

5.3 1888 ROYALTY AND COMMISSION

5.3.1 Royalty

1888 shall be entitled to receive \$0.05 (the “**Total Royalty**”) on every litre produced worldwide arising from the Licensed Technology.

5.3.2 Termination of Royalty

Cielo shall be entitled to terminate payment of the Total Cielo Royalty to 1888 upon payment to 1888 of \$1,200,000.00 per Refinery.

5.3.3 Commissions/Fees

1888 shall be entitled to receive a refinery fee equal to: a) CAD \$500,000 for each of the second through eleventh Refineries (each an “**Initial Refinery Fee**”) put into production by Cielo for an aggregate amount equal to \$5,000,000; and b) for each Refinery after the eleventh Refinery (each the “**Subsequent Refinery Fee**”, together with the “**Initial Refinery Fee**” referred to from time to time as a “**Refinery Fee**” or collectively as the “**Refinery Fees**”) equal to \$400,000 for each Refinery put into production by Cielo thereafter.

5.3.4 Termination of Commissions/Fees

Cielo shall have the right to terminate payment of the Refinery Fees any time after three (3) years for a purchase price of \$1,200,000.00 per Refinery.

5.4 RIGHT OF FIRST REFUSAL

Cielo, or a third party introduced by Cielo, shall have the right at any time within three (3) years as of the date of this License Agreement, unless otherwise agreed or extended, to either, in its sole discretion:

5.4.1 terminate the 1888 Rights and purchase all of the right, title and interest in and to Licensed Technology, any Patents filed in respect thereof and any other assets associated therewith; or

5.4.2 subject to applicable laws, purchase all of the issued and outstanding shares of 1888 from the shareholders thereof, it being acknowledged and agreed that this License Agreement is and shall be approved unanimously by the shareholders of 1888;

at an aggregate purchase price payable by or on behalf of Cielo to 1888, of CAD \$3,000,000.00 per refinery.

5.5 EXPENSES

1888 hereby agrees to pay for and finance as may be required from time to time any and all expenses related to the Development and/or Improvement of the Licensed Assets and Licensed Technology as of the Effective Date and until the Licensed Technology is complete and available to Cielo for Commercialization.

5.6 FINANCING

The parties hereto acknowledge the joint financing (the “**Financing**”) on the terms below that was undertaken by the parties and the parties hereby agree to honor any and all obligations as may continue or arise as a result of the Financing as applicable to each and any party:

Convertible Debentures (Cielo):

1. Denominations of Twenty-Five Thousand Dollars;
2. Maturity date (the “Maturity Date”) being two (2) years from the issue date;
3. Bearing interest at 12.5% per annum payable quarterly;
4. Interest only payable annually on each anniversary date until conversion or maturity;
5. Principal due on maturity unless converted at the option of the Debenture Holder upon 90 days’ notice;
6. Cielo may pay back the loan prior to maturity without penalty.

Royalties and Commissions (1888):

1. Following the investment into the Cielo Convertible Debenture(s), the Debenture Holders will be expected to match the investment into 1888. 1888 will pay the Debenture Holder a royalty equal to \$.005 per liter on every liter produced from the first 20 refineries put into production, with the ending of the agreement 24 months after the final plant has operated for a period not less than 20 months.. Each Refinery is expected to produce a minimum of 5,400,000 liters per year.
2. 1888 will pay the Debenture Holder a \$25,000 commission fee on the first 10 refineries sold.

6.0 RECORDS AND AUDIT

6.1 Records Maintenance

Each party hereto shall keep true and accurate records and maintain such records relating to the Development and/or Improvement in the case of 1888 and the Commercialization in the case of Cielo and all other obligations of each such party under the License Agreement during the term of the License Agreement.

6.2 Record Type

For greater clarity and without limiting the generality of the foregoing, records cited in paragraph 6.1 (Records) shall comprehensively address: a) financial, business, manufacturing and technical support, including without limitation sales reports, inventory reports, subcontractor and distributor agreements, tax returns, price lists, shipping records, invoice registers, invoices, financial statements and ledgers; and b) relevant quality standards and monitoring reports and records.

6.4 Audit Document Right

Upon the written request of either party (the “**Requesting party**”) and with at least fifteen (15) calendar days prior notice, the other party (the “**Audited party**”) shall permit an independent accountant, retained by the Requesting party, to inspect all relevant records in order to ascertain the accuracy of related accounting and reports. Such inspections shall be during business hours and in a manner that does not unduly disrupt the Audited party’s business. The Audited party shall allow the accountant to make any necessary copies of the records that the independent accountant deems fit.

6.8 No Waiver

Any royalty payment or report accepted by either party shall not constitute a waiver by or estoppel against such party concerning the contractual right to audit the other party.

Furthermore, an audit shall not preclude any party from conducting subsequent audit or audits.

7.0 OWNERSHIP

7.1 Cielo Owns Licensed Assets

1888 agrees and is estopped from alleging otherwise that Cielo owns all of the right, title and interest in and to the Licensed Assets.

7.2 1888 Owns Licensed Technology

Cielo agrees and is estopped from alleging otherwise that 1888 owns or will own all of the right, title and interest in and to the Licensed Technology. Notwithstanding the foregoing, it is agreed and understood that the license granted in the Licensed Technology to Cielo by 1888 is and will be exclusive and perpetual subject to termination in accordance with the License Agreement.

7.3 Patents

It is agreed that the Patents relating to the Licensed Technology shall be filed by and registered in the name of 1888.

7.4 Commercialization Rights

The rights to Commercialize the Licensed Technology shall remain solely with Cielo subject to the terms of this Agreement pursuant to the exclusive license granted to it hereunder.

8.0 DISCLAIMERS

8.1 “As Is”

The Licensed Assets and 1888 Rights are provided to 1888 on an "as is" basis. Cielo makes no warranties, representations or conditions, express or implied, of any nature, and Cielo disclaims all warranties, representations or conditions, for the Licensed Assets and 1888 Rights.

9.0 CONFIDENTIAL INFORMATION

9.1 Secure Location

Each party shall keep the Confidential Information of the other party in a secure location accessible only to its employees specifically authorized to have access pursuant to this License Agreement. Each party shall ensure that its employees complies with the terms and conditions of this License Agreement and shall enter into agreements with such employees if necessary to give effect to this obligation.

9.2 Return of Confidential Information

If this License Agreement expires or is terminated, the parties shall return to each other the Confidential Information disclosed to them under this License Agreement and any notes, reports and other materials prepared by the receiving party from the disclosing party's Confidential Information except for one copy of any material that may need to be retained by either party under applicable laws.

10.0 REPRESENTATIONS & WARRANTIES

10.1 Cielo Representations and Warranties

Cielo here represents and warrants to 1888 that:

- 10.1.1 it has the requisite resources, knowledge and ability to Commercialize the Licensed Technology and perform its obligations hereunder;
- 10.1.2 it is authorized and has the corporate power and authority to negotiate, execute, comply with and satisfy its obligations, without qualification, under the License Agreement;
- 10.1.3 it has been duly incorporated and organized under the laws of the Province of British Columbia;
- 10.1.4 it is bound by the License Agreement, upon execution, and the License Agreement constitutes a legal, valid and binding obligation on Cielo, enforceable against Cielo in accordance with the terms of the License Agreement, except as those terms may be limited by applicable bankruptcy laws and general principles of equity,
- 10.1.5 it has no knowledge of any legal proceeding or order pending against or, to the knowledge of Cielo, threatened against or affecting, Cielo or any of its properties or otherwise that could adversely affect or restrict the ability of Cielo to consummate fully the transactions contemplated by this License Agreement (including without limitation the Commercialization) or that in any manner draws into question the validity of this License Agreement;
- 10.1.6 its execution of the License Agreement does not contravene its constituent documents or any law, regulation or official directive or any of its obligations or undertakings by which it or any of its assets are bound or cause a limitation on its powers or the powers of its directors to be exceeded.

10.2 1888 Representations and Warranties

1888 represents and warrants to Cielo that:

- 10.2.1 it has the requisite resources, knowledge and ability to Develop and Improve the Licensed Assets and perform its obligations hereunder;
- 10.2.2 it is authorized and has the corporate power and authority to negotiate, execute, comply with and satisfy its obligations, without qualification, under the License Agreement;
- 10.2.3 it has been duly incorporated and organized under the laws of the Province of Alberta;
- 10.2.4 it is bound by the License Agreement, upon execution, and the License Agreement constitutes a legal, valid and binding obligation on 1888, enforceable against 1888 in accordance with the

terms of the License Agreement, except as those terms may be limited by applicable bankruptcy laws and general principles of equity,

- 10.2.5 it has no knowledge of any legal proceeding or order pending against or, to the knowledge of 1888, threatened against or affecting, 1888 or any of its properties or otherwise that could adversely affect or restrict the ability of 1888 to consummate fully the transactions contemplated by this License Agreement (including without limitation the Development and Improvement) or that in any manner draws into question the validity of this License Agreement;
- 10.2.6 its execution of the License Agreement does not contravene its constituent documents or any law, regulation or official directive or any of its obligations or undertakings by which it or any of its assets are bound or cause a limitation on its powers or the powers of its directors to be exceeded.

11.0 INDEMNITY

11.1 Indemnification

Each party hereto (the “**Indemnifying party**”) shall indemnify and save harmless the other party and its shareholders, directors, officers, employees, representatives, agents, successors and assigns (the “**Indemnified party**”) of and from all claims, demands, losses, penalties, damages, costs, (including reasonable solicitor and own-client costs and expert witness costs), actions, suits or other proceedings whatsoever, whether groundless or otherwise, brought or prosecuted in any manner which heretofore or hereafter may be made by a third party against the Indemnified party or her employees, servants and agents however and whenever arising out of, relating to, occasioned by or attributed to any breach of the Indemnifying party’s representations, warranties, covenants or obligations hereunder.

11.1 Third Party Proceedings

In the event of any threatened or actual suit against the Indemnified party in consequence of the exercise of any rights and licenses granted herein, the Indemnified party shall promptly inform the Indemnified party and the parties will jointly decide on the steps to be taken in the circumstances. In any event, the Indemnified party will always have the sole right to defend itself as it determines against any suit or other action brought against the Indemnified or its employees or agents.

12. TERMINATION

12.1 Perpetuity

Each license granted hereunder shall be in perpetuity subject to the terms and conditions herein and specifically subject to Section 12.2, 5.3 and 5.4

12.2 Breach

In the event that either party to the License Agreement breaches this License Agreement and such breach is not cured within 45 days of the written notice of such breach, the breaching party will lose all of its right, title and interest in and to the Licensed Assets, Licensed Technology and Patents, as applicable, and shall do all things that may be necessary to sell, transfer and assign (at no cost, subject to applicable laws) such right, title and interest to the non-breaching party.

13.0 ALTERNATE DISPUTE RESOLUTION (ADR)

13.1 General

In the event of a dispute between the parties hereto, a dispute resolution group (the “**DR Group**”) will convene consisting of the executives of each of the parties hereto, it being understood that each party hereto shall have equal representation. The DR Group may receive for consideration any information it deems fit concerning the dispute. The parties hereto agree that a decision of the DR Group will be final. In the event that the DR Group is unable to reach a final decision, the DR Group will appoint or engage the services of an independent third party and such third party shall have the casting vote.

13.2 Final & Binding

The parties hereto agree that the award and determination of the arbitration tribunal shall be final and binding on both parties; without right of appeal; the exclusive remedy between the parties, regarding any claims, counterclaims, issues or accountings presented or pled to the arbitration tribunal; and the judgment upon the award rendered by the arbitration tribunal may be entered in any Court having jurisdiction thereof or having jurisdiction over either of the parties.

14.0 MISCELLANEOUS

14.1 Entire Agreement

The License Agreement constitutes the entire and exclusive agreement between the parties pertaining to the Commercialization and licensing and supersedes all prior agreements, conditions, obligations, understandings, and negotiations both written and oral. The License Agreement sets forth all obligations, undertakings, conditions, representations and warranties forming part of, or in any way affecting or relating to the Commercialization. The parties acknowledge that with respect to the Commercialization there are no agreements, obligations, undertakings, representations or warranties whether collateral, oral or written, between 1888 and Cielo other than those expressly set out in the License Agreement.

14.2 No Third parties

Neither the License Agreement or any provision thereof is intended to confer upon any person other than the parties, any rights or remedies hereunder.

14.3 Severability

If a court of competent jurisdiction declares, finds or holds any part of the License Agreement invalid, void, unenforceable or contrary to public policy for any other reason, the balance of the License Agreement shall remain in full force and effect.

14.4 Not a Joint Venture

The parties expressly disclaim any intention to create a partnership, joint venture or joint enterprise. The parties acknowledge and agree that: a) nothing contained in the License Agreement nor any acts of any party shall constitute or be deemed to constitute the parties as partners, joint venturers or principal and agent in any way or for any purpose; b) no party has the authority to act for, or to assume any obligation

or responsibility on behalf of any other party; and c) the relationship between the parties is that of licensor and licensee.

14.5 Attornment

The License Agreement shall be governed by and construed in accordance with the laws in force in the Province of Alberta. Subject to Article 13 (Alternate Dispute Resolution (ADR)) the parties irrevocably and unconditionally attorn to and submit to the exclusive jurisdiction of the courts of Alberta and all courts competent to hear appeals therefrom with respect to any Dispute now or hereinafter arising under the License Agreement. The parties waive any right each may have to object to an action being brought in those courts including, without limitation, by claiming that the action has been brought in an inconvenient forum or that those courts do not have jurisdiction.

14.6 Waiver

No condoning, excusing, or overlooking by either of the parties of any default by the other party, at any time or times, in performing or observing any of the parties' respective covenants, will operate as a waiver renunciation, surrender, of or otherwise affect the rights of the parties in respect of any continuing or subsequent default. No waiver of these rights will be inferred from anything done or omitted by the parties, except by an express waiver in writing.

14.7 Time is of the Essence

Time is of the essence in the License Agreement with respect to the Development and Improvement of the Licensed Assets.

14.8 Amendments

No modification or waiver of any provision of the License Agreement will be inferred from anything done or omitted by either of the parties, except by an express amendment in writing, duly executed by the parties in advance.

14.9 No Assignment Without Consent

1888 shall not assign the License Agreement or any of 1888's rights, duties or obligations under the License Agreement to a third party without the prior written consent of Cielo, such consent not to be unreasonably withheld. Any attempt to assign this License Agreement or any of 1888's rights, duties or obligations under the License Agreement without the prior written consent of Cielo is void.

14.10 Counterpart

The License Agreement may be executed simultaneously in counterpart and delivered by facsimile or PDF, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

14.11 Notice

Wherever in this License Agreement it is required or permitted that notice or demand be given, or served by either party to or on the other party, such notice or demand will be in writing and will be validly given or sufficiently communicated if hand delivered or forwarded by certified mail, priority post mail, telegram, or facsimile or sent by overnight delivery by a nationally recognized courier as follows:

If to Cielo: Suite 102, 4016 Charles St.
Red Deer County, Alberta, T4S 2A8
Attention: Don Allan
Email: donallan@cielows.com

If to 1888: 4416-33 st
Edmonton, Alberta, T6T 1E9
Attention: Sanjay Mehrotra
Email: Sanjay.mehrotra@shaw.ca

The parties shall send an e-mail version of the notice or demand at least 24 hours prior to the hard or facsimile copy, but failure to send the email version does not invalidate or otherwise make subsequent service of the notice defective

Notice will be deemed to have been delivered if delivered by hand, upon receipt, if sent by electronic transmission, forty-eight (48) hours after the time of confirmed transmission, excluding from the calculation weekends and public holidays, if sent by certified mail, four (4) days after the mailing thereof, provided that if there is a postal strike or other disruption, such notice will be delivered by hand or electronic transmission.

IN WITNESS WHEREOF this License Agreement has been executed by the duly authorized representatives of the parties, on the date(s) set out below.

CIELO WASTE SOLUTIONS CORP.

Per:

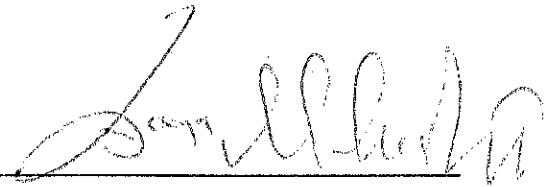


Name: Don Allan

Title: President and CEO

18887711 ALBERTA INC.

Per:



Name: Sanjay Mehrotra

Title: Director