

FORM 10

NOTICE OF PROPOSED SIGNIFICANT TRANSACTION (not involving an issuance or potential issuance of a listed security)¹

Name of Listed Issuer: CIELO WASTE SOLUTIONS CORP. (the "Issuer").

Trading Symbol: CMC

Issued and Outstanding Securities of the Issuer Prior to Transaction: 91,849,225

Date of News Release Fully Disclosing the Transaction: June 15, 2016

1. Transaction

1. Provide details of the transaction including the date, description and location of assets, if applicable, parties to and type of agreement (eg: sale, option, license, contract for Investor Relations Activities etc.) and relationship to the Issuer. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material: Cielo has entered into a license agreement (the "License Agreement") with 1888711 Alberta Inc. ("1888711"). Pursuant to the License Agreement, Cielo has granted a worldwide exclusive license to 1888711 to complete development and engineering of the intellectual property assets it had acquired in or around July 2014 from Blue Horizon Biodiesel Inc. (the "IP Assets"). 1888711 has already begun to complete the development and engineering and anticipates to be able to be ready to build the refineries in 2016. At that time, the IP Assets will be a complete technology (the "Technology"), ready for patenting and turning into refineries for production, sale and licensing (the "Refineries"). 1888711 will be funding this development as a condition of the License Agreement. 1888711 will also file patents in its name related to the Technology. Further pursuant to the License Agreement, Cielo has obtained from 1888711 an exclusive and perpetual license to commercialize the Technology, which will be done by building Refineries for the production of renewable diesel as well as sublicensing the Technology to third parties to build Refineries. Cielo has agreed to pay royalties and commissions to 1888711 from the commercialization of the Technology in consideration for 1888711's funding and development of the Technology. 1888711 will be entitled to receive: \$0.05 on every litre produced worldwide (the "Royalties"), \$500,000 for each

¹ If the transaction involved the issuance of securities, other than debt securities that are not convertible into listed securities, use Form 9.

of the second through eleventh Refineries built by Cielo (for an aggregate of \$5,000,000), and \$400,000 for each Refinery thereafter (the "Commissions"). Cielo will have the right to terminate the Royalties upon payment of \$1,200,000 and the Commissions upon payment of \$1,200,000 per Refinery. Cielo has also been granted a right of first refusal to purchase the Technology, all intellectual property and any and all patents relating to this technology either by terminating the rights of 1888711 or purchasing all of the issued and outstanding shares of 1888711, either for an aggregate price of \$3,000,000 per Refinery.

2. Provide the following information in relation to the total consideration for the transaction (including details of all cash, non-convertible debt securities or other consideration) and any required work commitments:
 - (a) Total aggregate consideration in Canadian dollars: See above for details.
 - (b) Cash: See above for details.
 - (c) Other: See above for details.
 - (d) Work commitments: See above for details.
3. State how the purchase or sale price and the terms of any agreement were determined (e.g. arm's-length negotiation, independent committee of the Board, third party valuation etc). Only those directors and officers of each of Cielo and 1888711 who are not directors and/or officers of both parties negotiated the agreement.
4. Provide details of any appraisal or valuation of the subject of the transaction known to management of the Issuer: Valuation was determined by the directors and officers referenced in Section 1 above based on time and expense spent and to be spent by 1888711 with respect to the development of the IP Assets into the Technology.
5. If the transaction is an acquisition, details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired: N/A

6. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the transaction (including warrants, options, etc.):

- (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the transaction (name, address. If a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): N/A .
- (b) Cash N/A .
- (c) Other N/A .

7. State whether the vendor, sales agent, broker or other person receiving compensation in connection with the transaction is a Related Person or has any other relationship with the Issuer and provide details of the relationship.

 N/A

8. If applicable, indicate whether the transaction is the acquisition of an interest in property contiguous to or otherwise related to any other asset acquired in the last 12 months. N/A

2. Development

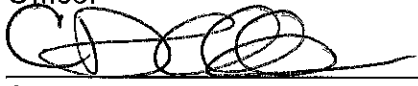
Provide details of the development. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material: Cielo required third party engineers and other personnel to provide services for the development of the IP Assets. Given the significant capital required to develop the IP Assets, management of Cielo realized the raising of capital was taking longer than was in the best interest of Cielo in order to complete the development and begin to generate revenues. 1888711 has or has access to both resources to develop the IP Assets as well as to finance such development. Cielo determined it was in the best interest of the company to grant the license to 1888711 in order to continue with development in the short term and pay consideration for the development once production begins.

3. Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. To the knowledge of the Issuer, at the time an agreement in principle was reached, no party to the transaction had knowledge of any undisclosed material information relating to the Issuer, other than in relation to the transaction.
3. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
4. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
5. All of the information in this Form 10 Notice of Proposed Significant Transaction is true.

Dated June 15, 2016

Don Allan
Name of Director or Senior
Officer

Signature
President & CEO
Official Capacity