



**MANAGEMENT'S DISCUSSION AND ANALYSIS
OF THE COMPANY'S FINANCIAL CONDITION
AND RESULTS OF OPERATIONS
FOR THE THREE MONTHS AND YEAR ENDED
APRIL 30, 2016**

CIELO WASTE SOLUTIONS CORP. (FORMERLY CIELO GOLD CORP.)

Management's Discussion and Analysis

Three Months and Year Ended April 30, 2016

Notice to Reader

The following is management's discussion in respect of the results of operations and financial position of CIELO WASTE SOLUTIONS CORP. (formerly Cielo Gold Corp.) (the "Company" or "Cielo") for the period ended April 30, 2016 and for the period up to June 30, 2016 and should be read in conjunction with the Company's audited financial statements for the years ended April 30, 2016 and 2015. The financial statements of the Company are prepared in accordance with International Financial Reporting Standards ("IFRS"), and presented in Canadian dollars, which is the Company's functional currency. Additional information, including the above mentioned financial statements, which contain extensive disclosure of the history and properties of the Company are available on SEDAR and may be accessed at www.sedar.com.

Forward Looking Statements

The information presented in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, "forward-looking statements" or "forward-looking information" (collectively "forward-looking statements") as those terms are used in the Private Securities Litigation Reform Act of 1995 and similar Canadian laws.

These forward-looking statements also include, but are not limited to, factors that may affect our ability to achieve our objectives and to successfully develop and commercialize our renewable diesel refineries..

Such forward-looking statements, including but not limited to those with respect to the price of renewable fuels, the timing and amount of estimated future economic and viability of refining projects, capital expenditures, costs and timing of refining projects, permitting timelines, title to refining projects, the timing and possible outcome of pending refining projects and other factors and events described in this MD&A involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

The reader should verify all claims and do their own due diligence before investing in any securities mentioned or implied in this document. Investing in securities is speculative and carries a high degree of risk.

These statements are based on management's current expectations and are subject to a number of uncertainties and risks that could cause actual results to differ materially from those described in the forward-looking statements. Forward-looking statements are based on management's current plans, estimates, projections, beliefs, and opinions and we do not undertake any obligation to update forward-looking statements should the assumptions related to these plans, estimates, projections, beliefs and opinions change, except as required by law.

Date of Report

The information in this report is presented as of July 12, 2016.

ABOUT CIELO

Cielo was incorporated on February 2, 2011 as a wholly-owned subsidiary of Arris Holdings Inc. ("AHI") for the purpose of mineral property acquisition and development. The Company was an exploration stage company whose principal business was the exploration and development of mining properties.

The Company spun out from AHI and became a reporting issuer after the corporate restructuring between AHI and Cielo became effective on June 9, 2011. Commencing August 3, 2011, the Company's common shares started trading on the Canadian National Stock Exchange under the Symbol CMC.

CIELO WASTE SOLUTIONS CORP. (FORMERLY CIELO GOLD CORP.)

Management's Discussion and Analysis

Three Months and Year Ended April 30, 2016

On August 23, 2013 Cielo Gold Corp. changed its name to Cielo Waste Solutions Corp. This was due to a project change of business away from mining exploration and focusing on renewable diesel refining.

On April 15, 2014 Cielo announced that it had received approval from the Canadian Securities Exchange (the "CSE") of its fundamental change of business, which had also been approved by a majority of the shareholders of the Company.

CORPORATE OVERVIEW AND OVERALL PERFORMANCE

On March 17, 2014, the Company announced that it had taken steps in changing its business, originally a gold mining company, to renewable diesel refining. The Board of Directors and management of the Company believes that it has the technology that can allow it to enter the fast and growing waste industry by refining landfill municipal and commercial waste into a high quality renewable diesel. Cielo has identified opportunities throughout the world and is poised to capitalize on these and local opportunities.

Cielo is working diligently on the renewable fuels market demands. Some of these opportunities include:

- 1.) March 5, 2014, Cielo announced it had received a \$3 million purchase order for the supply of one 200 liters per hour refinery from Ausdeer Pty Ltd in Applecross, Australia. Cielo has since negotiated the increased sale of a 700lph plant to replace this original order. The new value is \$13 million. This purchase order is subject to a successful working commercial refinery.
- 2.) April 7, 2014, Cielo announced it had signed a letter of intent with the Red Deer County, to take over their newly built \$6 million waste transfer site. This letter of intent has expired, but both parties are in agreement to reopen in the future.
- 3.) May 26, 2014, Cielo announced the \$13 million purchase order from the Royal St. Kitts Beach Resort. Cielo is still in ongoing discussions with the owners and the government, but is holding off signing a definitive agreement until after the successful start-up of the first commercial refinery in Edmonton.
- 4.) June 24, 2014, Cielo announced that it had entered into an agreement for exclusive rights of its waste to fuel refining technology to New Fuel International Inc. ("NFI") of Seattle, Washington U.S.A. The agreement is effective as of June 24th, 2014. NFI shall have the exclusive right to market and produce renewable biofuel derived from industrial biomass waste streams initially in the U.S. states of California, Oregon, Washington, Hawaii and Alaska, and the Canadian provinces of British Columbia and Ontario. New Fuel's responsibilities in the agreement will include securing the above specified biomass feedstock, triggering offtake agreements, managing operations, marketing, sales, and providing financing for the different NFI projects.

Cielo has stopped taking purchase orders and is deflecting any further discussions on purchase orders and opportunities until after the successful start-up of the first commercial refinery. Cielo is very focused on moving forward towards construction and the following show some of these advancements:

- 1.) On February 23, 2016 Cielo announced that the Board Of Directors has appointed Mr. Mel Angeltvedt to the Board effective February 15, 2016. Mr. Angeltvedt has 30 years of experience in the oil and gas industry in process and production as well as in the service sector. Mr Angeltvedt has been the President of Bozco Enterprises since its conception in 1998. Mr Angeltvedt brings experience-based business knowledge and will be a valuable advisor on the financing, construction, operation and expansion of Cielo. Cielo also announced that the Board of Directors of Cielo has appointed Mr. Jason Christensen as Chief Finance Officer. Mr. Robin Ray, who has held this position since August 9, 2013, has resigned from this position in order to spend more time on his

CIELO WASTE SOLUTIONS CORP. (FORMERLY CIELO GOLD CORP.)

Management's Discussion and Analysis

Three Months and Year Ended April 30, 2016

other business interests. Mr. Ray will be staying on as a director of Cielo and a member of the Audit Committee. Mr. Christensen is a graduate of the Institute of Chartered Accountants of Alberta. Mr. Christensen has been in the accounting profession for 27 years. Mr. Christensen recently retired from a senior management role in the finance department of Teck Coal Limited after 19 years of dedication, commitment and service. As CFO, Mr. Christensen brings his skills in business strategy, financial insight and senior leadership.

- 2.) On March 7, 2016 Cielo announced that on March 4, 2016 Cielo signed a long-term lease for 2.09 acres and a Right Of First Refusal on an additional 8 acres, located in Edmonton, Alberta. This will allow the Company to construct the first unique commercial waste to renewable diesel refinery enabling a groundbreaking global landfill reduction phenomena coinciding with a novel high quality green renewable diesel product.
- 3.) On March 16, 2016 Cielo announced on March 14, 2016 Cielo signed a multi-year feedstock agreement with Parkland Chips Products. This contract allows Cielo to purchase enough sawdust and wood shavings to supply 50-100% of the feedstock requirements for the first unique commercial waste to renewable diesel refinery.
- 4.) On March 21, 2016 Cielo announced on March 17, 2016 Cielo signed a multi-year feedstock agreement with Dipper Oil Recycling, a division of Little Dipper Holdings Ltd. This contract allows Cielo to purchase enough used oil and plastics to supply the first unique commercial waste to renewable diesel refinery.
- 5.) On June 14, 2016 Cielo announced it has signed an exclusive license agreement with 1888711 Alberta Inc. (the "Licensor") to complete the development of the Company's renewable diesel technology, which uses landfill waste, tires, plastics, wood shavings and paper products to produce renewable Kerosene, highway diesel and naphtha. The Company retains the exclusive right to construct and commercialize the refineries.

For further details of the terms and conditions of the above-referenced agreements, the agreement can be reviewed on SEDAR.

Cielo is working hard with the Licensor (1888711 Alberta Inc.) and consultants to approach construction of the first commercial refinery. 1888711 is working on 10 engineering steps to complete development and allow Cielo to be able to commercialize the technology:

Step 1 – Feedstock Characterization Study. This step while it was completed in September, 2015, continues to be updated as new potential feedstocks are brought forward as possibilities for the refineries.

Step 2 – Validation of the process and proforma by third party engineers. This step has been concluded as of November, 2015, but like step one, it continues to be updated as new information is brought to our attention.

Step 3 – Carbon Capture Study. This is a detailed third party review of the carbon credits that Cielo will be able to recognize as a revenue stream. At the time of this MD&A report, this study is approximately 70% complete.

Step 4 – A full and detailed study on the catalyst development. This is a very in-depth study of how the catalyst reacts and preforms with a varying of individual feedstock or as they are combined. At the time of this MD&A we are approximately 40% complete.

CIELO WASTE SOLUTIONS CORP. (FORMERLY CIELO GOLD CORP.)

Management's Discussion and Analysis

Three Months and Year Ended April 30, 2016

Step 5 – Preparing a process design package. The engineering team is well into the start of this step. At the time of this MD&A report, we are approximately 35% complete.

Step 6 – Patent Reviews. Until the process engineering is further along with the process design, a full and in-depth patent review cannot be completed at this time. It should be noted that in August 2014 Cielo hired a patent lawyer to review patents throughout the world and found no patents were similar at that time to the process that Cielo had developed. Cielo believes that the technology that 1888711 has developed is game changing as they believe there is no company in the world capable of converting diesel from waste on a commercial scale.

Step 7 – Filing of patents. Once the patent review is completed it will be the intent of the Licensor to file for USA and Canadian process patents.

Step 8 – Developing Capital Estimates. This step has begun and will continue throughout the completion of Step four, the process design.

Step 9 – Filing of permits and applications. This work has now begun, since the securing of the site for the first commercial refinery. There is much work to be done before these can be filed. It is Cielo's goal to have these filed during the summer of 2016.

Step 10 – Developing of construction drawings. This step will be done at the same time as step four, the process design.

At the time of this MD&A report, the best guess at completion of all 10 steps is October, 2016. When the engineering schedule was first put together, we expected to have this completed by January, 2016. As the testing was being completed, significant new information came forward from the engineering team, that we believed relevant to the successful start-up of the first refinery, filing of the patents, process design, catalyst development and to the capex of the construction. Therefore, more detailed work was approved and the schedule reworked.

Going concern

Renewable fuels are becoming big policy and big business as countries around the world look to decrease petroleum dependence and reduce greenhouse gas (GHG) emissions in the transportation sector. After more than a decade of healthy growth for conventional renewable fuels like ethanol and biodiesel, the next wave of advanced renewable fuels is currently on the cusp of commercial scale-up. Renewable fuels have already helped the world achieve a tangible reduction in emissions as global CO₂ emissions are forecast to rise by as much as 50 per cent over the next 25 years.

The success of the Company is largely dependent upon factors beyond its control. These factors raise substantial doubt about the Company's ability to continue as a going-concern.

Management is actively monitoring the operations to ensure the Company has adequate liquidity and capital to meet its obligations and long term business objectives. The Company has a history of raising funding through equity financing when needed. However, there is no guarantee the Company can do so in the future.

CIELO WASTE SOLUTIONS CORP. (FORMERLY CIELO GOLD CORP.)

Management's Discussion and Analysis

Three Months and Year Ended April 30, 2016

Asset Acquisition

On January 17, 2013, the Company entered into an interim agreement (BHBD Interim Agreement) with Blue Horizon Bio-Diesel Inc. ("BHBD"), whereby Cielo intended to purchase certain assets in respect of BHBD's renewable-diesel processing and refinery business (the "BHBD Business"). The purchase price was \$4,250,000 plus the assumption of certain liabilities in respect of the BHBD Business.

On June 4, 2013 Cielo amended the BHBD Interim Agreement and announced that, pursuant to the Initial Agreement, it would acquire all assets of BHBD for \$4.5 million CAD.

July 18, 2014 the Company announced the execution of the asset purchase agreement (the "Agreement") relating to the previously announced proposed acquisition of intellectual property assets from Blue Horizon Bio-Diesel Inc. ("BHBD"). The purchase agreement allowed the Company to acquire the assets including all right, title and interest in and to the intellectual property in the new technology for use in its business. The intellectual property included engineering reports, laboratory results, technology studies, business plans, financials projections, contacts and all other working documents accumulated over the life of BHBD. The final agreed purchase price was \$5.25 million and the total cost of the acquisition was to be paid for through the issuance of a total of 21 million common shares at deemed value of \$0.25 per share and the assumption of debt. A total of three instalments of 3 million shares were already transferred to BHBD pursuant to the initial interim agreements at total fair value of \$620,000. The remaining 18 million shares were issued through a onetime stock issuance on July 18, 2014. On this date, the fair value of the shares was \$0.17 per share, reducing the total fair value of shares issued for the acquisition to be at \$3,680,000. Pursuant to the Agreement, the Company has also assumed certain liabilities of BHBD equal to \$1,500,933.30. The purchase price was increased as a result of the inclusion of the Alberta Bio-Diesel Producer Credit Program (BPCP), which was not included in the initial assessment.

As of the year ended April 30, 2015, the Company determined that the intellectual property has been impaired and the value has been written down to \$1.00. Accordingly, previous years' financial figures have been restated below.

Contracts

The Company announced on June 12, 2014 that it had signed a 10 year offtake agreement with a Seattle based renewable diesel buyer for all of its renewable diesel output for the first 7 refineries that go into production. The buyer has guaranteed a minimum price of \$1.30/liter with a Right Of First Refusal to match any higher price the Company receives.

The Company has been aggressively moving the technology forward. On November 1, 2014 the Company signed an engineering management agreement with a private consulting firm to implement the final stages of engineering. On December 1, 2014 the consulting firm hired Falling Apple Solutions to begin the final seven stages of engineering. These include 3rd party evaluation of the new technology and catalyst, patent filings and design engineering.

On January 31, 2015 the Company decided that it was in the best interest of the Company that it should move forward in search of a different consulting company and canceled the existing contract with the private company.

On May 19, 2015 the Company signed a non-binding letter of intent (the "LOI") with 1888711 Alberta Inc. ("1888711"). There were many terms and conditions yet to be agreed upon by the Company and 1888711 in the LOI and the parties continued to negotiate the terms, resulting in the License Agreement entered into by the parties subsequent to the year ending April 30, 2016, announced on June 14, 2016. 1888711 has a

CIELO WASTE SOLUTIONS CORP. (FORMERLY CIELO GOLD CORP.)

Management's Discussion and Analysis

Three Months and Year Ended April 30, 2016

director in common. Falling Apple Solutions continues to work with the Company but now under agreement with 1888711.

At the time of this report, Falling Apple Solutions have completed phase one and phase 2 and are advancing the other stages of engineering as stated above. Falling Apple Solutions believe they should be done all phases of the engineering as earliest as August or as latest as October, 2016, depending on any changes in the scope of work as they proceed. Once these phases are completed, the Company is hoping to start construction on the first commercial renewable diesel refinery.

SELECTED ANNUAL INFORMATION

Following is the selected annual information of the Company for the previous three years:

	Year Ended April 30, 2016	Year Ended April 30, 2015	Year Ended April 30, 2014
	\$	\$	\$
Total Revenue	NIL	NIL	NIL
Interest Income	NIL	NIL	NIL
Operating Expenses	617,869	1,281,296	1,092,857
Net Loss	(191,745)	(6,460,365)	(1,092,857)
Total assets	24,063	55,270	337,064
Total long-term liabilities	309,673	244,913	244,913
Net Loss per share (basic & diluted)	.003	0.14	0.04

RESULTS OF OPERATIONS

Twelve Months Ended April 30, 2016 ("2016 Annual Financial Statements")

Loss for the twelve month period ended April 30, 2016 was (\$191,745), compared to 2015 (\$6,460,365) and 2014 (\$1,092,857). 2015's loss has been restated due to the impairment of assets noted above. 2016's operational loss was mainly the combined result of the following operating expenditures; \$123,050 in consulting fees (2015 - \$215,175; 2014 - 283,184), \$282,926 in professional fees (2015 -\$190,781; 2014 - \$220,243), \$34,649 in trust and filing fees (2015 - \$78,433; 2014 - \$28,587), and \$82,165 for office administration (2015 - \$171,254; 2014 \$560,843); Gain on settlement of debt of \$426,124 was reported (2015 - (637); 2014 - \$0.00). 2016 costs were decreased in all areas; the results of cost saving initiatives implemented by management and controlled spending and reduction in office expenses enabled us to accomplish this. The following components of the 2016 office and administration expenditure have been reduced; rent, management fees and interest. Prior year management fees were also higher due to the assumption of fees from BHE as part of the original purchase agreement. It is the Company's intention to

CIELO WASTE SOLUTIONS CORP. (FORMERLY CIELO GOLD CORP.)

Management's Discussion and Analysis

Three Months and Year Ended April 30, 2016

continue to curtail expenses to preserve cash until the Company is able to obtain further financing to finance its long-term business objectives.

On April 30, 2016, the Company's main assets and liabilities were:

Cash - \$7,800 (2015 - \$32,429);
Prepaid expenses - \$5,633 (2015 - \$4,950);
Accounts payable and accrued liabilities - \$420,748 (2015 - \$514,884);
Due to Shareholder \$392,549 (2015 \$512,163)
Short-term loans payable \$54,602 (2015 - 125,402)
Long-term loans payable, including convertible debts \$309,673 (2015 - \$244,913)
Due to Affiliated companies \$580,695 (2015 \$1,989,985)

The decrease in liabilities is due to the debt conversion for issuance of shares.

QUARTERLY FINANCIAL INFORMATION

The following is a summary of selected quarterly information that has been derived from the audited financial statements of Cielo. This summary should be read in conjunction with audited financial statements of Cielo as contained in the public record.

Quarterly Financial Information	Apr 30	Jan 31	Oct 31	July 31	Apr 30	Jan 31	Oct 31	July 31	Apr 30
	2016	2016	2015	2015	2015	2015	2014	2014	2014
Operating data:	\$	\$	\$	\$	\$	\$	\$	\$	\$
Total revenue	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Operating Expenses	42,363	105,510	314,606	155,390	384,297	202,423	360,925	333,651	338,483
Net Earnings (loss)	383,761	(105,510)	(314,606)	(155,390)	(5,563,366)	(202,423)	(360,925)	(333,651)	(338,483)
Balance sheet data:									
Total assets	24,063	22,111	22,111	41,775	55,240	5,510,123	5,543,748	5,543,748	957,064
Total current liabilities	1,448,593	1,523,469	3,455,654	3,128,252	3,142,433	1,635,764	1,468,479	1,185,697	1,037,712

CIELO WASTE SOLUTIONS CORP. (FORMERLY CIELO GOLD CORP.)

Management's Discussion and Analysis

Three Months and Year Ended April 30, 2016

Explanation of Quarterly Variances.

The loss of \$(42,363) for the three months ended April 30, 2016, compared to the loss for three months ended April 30, 2015 (\$382,434) consisted of \$54,500 for consulting fees (2015 - \$68,407), \$10,360 for office administration expenses (2015 - \$155,248), (\$123,595) for professional fees (2015 - \$158,182), and \$6,019 for trust and filing fees (2015 - \$2,460). Cost saving initiatives implemented in 2016 resulted in lower costs.

Revenue for the twelve months ending April 30, 2016 was \$NIL, compared to \$NIL for the twelve months ended April 30, 2015.

Operating expense	1 st qtr ending July 31, 2015	2 nd qtr ending October 31, 2015	3 rd qtr ending January 31, 2016	4 th qtr ending April 30, 2016	Explanation 4th qtr variance
Loss for period	\$155,390	\$314,606	\$105,510	\$42,363	
Consulting fees	\$8,550	-	\$60,000	\$54,500	Fees to advance technology; consultant fees incurred to prepare plant for readiness to produce
Office & admin	\$36,885	\$18,381	\$16,539	\$10,360	Property lease secured for plant and office; costs previously included in office are shown below in miscellaneous.
Professional fees	\$102,969	\$286,791	\$16,761	\$(123,595)	Previously recorded legal fees were adjusted back to 2015; 2015 comparative figures on the April 30, 2016 financial statement have been restated; audit fees paid in 2 nd qtr had been deferred to 2016 based on completion of work.
Trust and filing fees	\$6,986	\$9,434	\$12,210	\$6,019	Filing requirements

CIELO WASTE SOLUTIONS CORP. (FORMERLY CIELO GOLD CORP.)

Management's Discussion and Analysis

Three Months and Year Ended April 30, 2016

					for share issue
Misc expenses (Advertising; bank fees; salaries, travel, amortization of deferred financing)	-	-	-	\$26,880	Reallocation of payroll expenses and travel from office expenses; yearend bank reconciliation adjustments
Interest and accretion	-	-	-	\$68,199	Interest on loans payable accrued in 4 th qtr

LIQUIDITY AND CAPITAL RESOURCES

As at April 30, 2016, the Company had \$7,800 cash, and working capital deficit of \$1,424,531. The Company is not subject to external working capital requirements.

During the twelve months ended April 30, 2016, the Company used (\$351,860) in operating activities mainly for professional and consulting expenses related to the engineering work, and the Company also received \$327,231 inflow from its financing activities through convertible debentures and long term loans.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

CONTINGENCIES / LEGAL PROCEEDINGS

The Company does not have any legal proceedings.

FINANCIAL TRANSACTIONS

- A. On June 6, 2014 Cielo announced a non-brokered private placement (the "Offering") up to \$2,000,000 in units (the "Units"), at a price of \$0.15 per Unit. Each Unit consists of one common share of the Company (each the "Common Share") and one-half of one warrant (each the "Warrant"). Each full Warrant entitles the holder to purchase one Common Share for a period of twenty-four months at a price of \$0.25 per Common Share. On June 27, 2014, Cielo closed the first tranche of 1,130,335 Units. On July 23, 2014 Cielo closed the second tranche of 785,334 Units. An amount equal to \$14,000 of the Second tranche was a shares for debt transaction. On August 29, 2014, Cielo closed the third tranche of 531,039 Units. An amount equal to \$27,974 of the Third tranche was a shares for debt transaction. On June 23, 2015 Cielo closed the offering by issuing another 2446,707 Units.
- B. On February 27, 2015, Cielo entered a loan agreement with Sanjay Mehrotra for Twenty-Five Thousand Dollars (\$25,000.00). The loan interest rate is 12% per annum commencing on March 19, 2015 and was paid back on April 14, 2016.

CIELO WASTE SOLUTIONS CORP. (FORMERLY CIELO GOLD CORP.)

Management's Discussion and Analysis

Three Months and Year Ended April 30, 2016

- C. On April 9, 2015 Cielo announced a non-brokered private placement offering of up to CAD \$250,000 in secured convertible debentures, with a minimum subscription of \$25,000 per subscriber. The Convertible Debentures will mature two (2) years from the date of issuance, carry an interest rate of 12.5% per annum, and be convertible at the option of the holder at a price of \$0.10 per common share of Cielo. Cielo closed the Private Placement in three (3) tranches, on March 30, 2015, July 16, 2015 and September 29, 2015 for total proceeds of \$250,000. In contemplation of a non-binding letter of intent (May 19, 2015) and finally a License Agreement entered into with 1888711 Alberta Inc. on June 14, 2016 ("1888711"), 1888, a private Alberta corporation, concurrently offered royalty and commission interests to subscribers for aggregate consideration of \$250,000.
- D. On November 4, 2015 Cielo announced the settlement of debt in the amount of \$239,729.27 through the issuance of 4,794,580 common shares at \$.05 per share.
- E. On November 27, 2015 Cielo announced the settlement of debt in the amount of \$1,252,467.00 through the issuance of 25,049,349 common shares at \$.05 per share.
- F. On December 18, 2015 Cielo announced the settlement of debt in the amount of \$621,544.00 through the issuance of 12,430,880 common shares at \$.05 per share.
- G. On March 2, 2016 the President and CEO of Cielo acquired 7,875,212 common shares at a value of \$.05 pursuant to a private agreement as a settlement of debt owing from such third party to Mr. Allan.
- H. On April 28, 2016 Cielo announced a non-brokered private placement offering of up to CAD \$1,000,000 in secured convertible debentures, with a minimum subscription of \$10,000 per subscriber. The Convertible Debentures will mature three (3) years from the date of issuance, carry an interest rate of 15% per annum, and be convertible at the option of the holder at a price of \$0.10 per common share of Cielo.
- I. On April 14, 2016 Cielo announced the settlement of debt in the amount of \$25,000.00 through the issuance of 500,000 common shares at \$.05 per share.

Date	Issue	Proceeds	Expenditure	
July 16, 2015	Convertible Debt	\$ 100,000.00	Intended use	Variance
September 28, 2015	Convertible Debt	\$ 50,000.00	To be used towards general working capital; professional fees and primarily on building the first renewable diesel refinery.	There was no variance in our intended use; all funds received were used to pay professional fees, including legal, accounting, engineering, research and investor relations; office and

CIELO WASTE SOLUTIONS CORP. (FORMERLY CIELO GOLD CORP.)
Management's Discussion and Analysis
Three Months and Year Ended April 30, 2016

				administration;
July 16, 2015	Share issue 431,333	\$ 64,700.00	To be used towards general working capital; professional fees and primarily on building the first renewable diesel refinery.	There was no variance in our intended use; all funds received were used to pay professional fees, including legal, accounting, engineering, research and investor relations; office and administration;
November 4, 2015	Shares for debt issue 4,794,580	\$ 239,729.27	To be used towards costs, in whole or in part, of the unit offering, engineering working capital, professional fees and primarily on building the first working diesel refinery by the corporation.	There was no variance in our intended use; all funds received were used to pay professional fees, including legal, accounting, engineering, research and investor relations; office and administration;
November 27, 2015	Shares for debt issue 25,049,353	\$ 1,252,467.65	Settlement of indebtedness of the company incurred from legal fees and investor relation costs; All companies or individuals issued shares were disclosed in our November 4th 2015 announcement;	There was no variance between announced settlements and filings of shares issued.
December 18,	Shares for debt	\$ 621,544.00	Settlement of indebtedness of	There was no variance

CIELO WASTE SOLUTIONS CORP. (FORMERLY CIELO GOLD CORP.)**Management's Discussion and Analysis****Three Months and Year Ended April 30, 2016**

2015	issue 12,430,880		the company that arose from the purchase of the intellectual property from BHBD; All companies or individuals issued shares through this purchase arrangement were disclosed in our November 27 th 2015 announcement	between announced settlements and filings of shares issued.
April 14, 2016	Shares for debt issue \$640,000	\$32,000	Settlement of indebtedness of the company that arose from the purchase of the intellectual property; All companies or individuals issued shares through this purchase arrangement were disclosed in our December 18 th 2015 announcement	There was no variance between announced settlements and filings of shares issued.

TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties have been recorded at their exchange amounts, being the amounts agreed to and by the related parties. Details are available in the Note 6 and Note 12 to the April 30, 2016 annual Financial Statements.

OUTSTANDING SHARE DATA

As at April 30, 2016, the Company had 92,489,225 common shares 1,389,021 warrants, 9,227 broker warrants and 280,000 stock options issued and outstanding.

As of the date of this MD&A, the Company has 93,539,225 common shares 823,853 warrants (as a result of the expiration of 565,168 warrants), 9,227 broker warrants and 280,000 stock options issued and outstanding.

CIELO WASTE SOLUTIONS CORP. (FORMERLY CIELO GOLD CORP.)

Management's Discussion and Analysis Three Months and Year Ended April 30, 2016

CRITICAL ACCOUNTING ESTIMATES

This item does not apply; the Company is a venture issuer.

CHANGE IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

Details are available in the 2016 year-end financial statements, which are available at www.sedar.com.

FINANCIAL INSTRUMENTS

Refer to Note 14 to the Company's financial statements for the period ended April 30, 2016.

RISK FACTORS

Risks of the Company's business include the following:

No History of Revenues or Dividends

As a newly formed company, Cielo has no history of earnings, and there is no assurance that the property, or any other future property that may be acquired by Cielo, will generate earnings, operate profitably, or provide a return on investment in the future. Cielo has no plans to pay dividends in the foreseeable future.

Reliance on Management's Expertise

Cielo strongly depends on the business acumen and investing expertise of its management team and there is little possibility that this dependence will decrease in the near term. The loss of the services of any member of such team could have a material adverse effect on the Issuer. Cielo does not have any key person insurance in place for management.

Renewable Diesel Fuel Industry

The US, Canadian and most European governments require a minimum of 2% - 10% of diesel fuels to be comprised of renewable diesel. In Canada it is 2% minimum by the federal government and in most provinces and additional 2%, with Manitoba and Saskatchewan increasing their requirement to 5% minimum blend. In USA it is 2-5% depending on State, California is looking to increase to 10%. In Europe it is 5% for automotive and 10% for airlines.

- 2011 bio-diesel requirements for Western Canada were 423.5 million litres.
- 2011 bio-diesel production in Western Canada was reported to be 42-Million litres
- The remaining 89.9% had to be imported from abroad

The development of a renewable fuel refinery involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. While the renewable fuel production may result in substantial rewards, few renewable fuel refineries are developed into profitable businesses without significant help from government subsidies. Major expenses may be required to establish the refinery business. It is impossible to ensure that the current business plan by the Company will result in a profitable commercial refining operation.

The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital. Renewable fuel refining operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the feedstock, process design, the fluctuation of fuel prices and possible damage to, or destruction of the producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, refining operations are subject to hazards such as equipment failure and fuel storage areas, which may result in environmental pollution and consequent liability.

CIELO WASTE SOLUTIONS CORP. (FORMERLY CIELO GOLD CORP.)

Management's Discussion and Analysis

Three Months and Year Ended April 30, 2016

The Company's refining activities are directed towards the search, evaluation and development of feedstock and its ability to convert it into renewable fuel. There is no certainty that the refinery as described herein will result in production of commercial quantities of renewable fuel. There is competition within the renewable fuel industry which is considered to have commercial potential. The Company will compete with other interests, many of which have greater financial resources than it will have for the opportunity to participate in promising projects. Significant capital investment is required to achieve commercial production.

Commodity Prices

The profitability of the Company's operations is significantly affected by changes in the market price of various renewable fuels. The level of interest rates, the rate of inflation, world supply of these minerals and stability of exchange rates can all cause significant fluctuations in renewable fuel prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments. The price of diesel fuel has fluctuated widely in recent years, and future serious price declines could cause continued commercial production to be impracticable. Depending on the price of diesel fuels, cash flow from operations may not be sufficient. Any figures for reserves presented by the Company will be estimates and no assurance can be given that the anticipated production of fuel will be achieved or that the indicated level of recovery will be realized. Market fluctuations and the price of renewable fuels, may render refining uneconomical. Short-term operating factors relating to the production of renewable fuels, such as the increased feed stock costs or drop in renewable fuel prices, could cause the refining operation to be unprofitable in any particular accounting period.

Uninsured Risks

The Company may carry insurance to protect against certain risks in such amounts as it considers adequate. Risks not insured against include environmental pollution or other hazards against which such corporations cannot insure or against which they may elect not to insure.

Conflicts of Interest

Certain of the directors of the Company also serve as directors and/or officers of other companies. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES

During the period ended April 30, 2016, there has been no significant change in the Company's internal control over financial reporting since last year.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they make. Investors should be aware that inherent limitations on the ability of the Company's certifying officers to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

In connection with Exemption Orders issued in November 2007 and revised in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in

CIELO WASTE SOLUTIONS CORP. (FORMERLY CIELO GOLD CORP.)

Management's Discussion and Analysis

Three Months and Year Ended April 30, 2016

the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis.

In contrast to the certificate under National Instrument ("NI 52-109") (Certification of Disclosure in Issuer's Annual and Interim Filings), the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

DIRECTORS AND OFFICERS

Don Allan	Director, CEO, President
Robin Ray	Director
Doug MacKenzie	Director
Chris Dovbniak	Director
Mel Angeltvedt	Director
Jason Christensen	CFO

SUBSEQUENT EVENTS

- a. On May 5, 2016 Cielo announced that it intends to file amended and restated audited financial statements and a revised management discussion and analysis for the year ending April 30th, 2015 (the "Annual Restatements") and amended and restated financial statements and a revised management discussion and analysis for the interim period ending January 31st, 2016 (the "Interim Restatements", together with the Annual Restatements referred to as the "Restatement").

The main focus of the Company's assessment of prior disclosures was centered around the acquisition of intellectual property assets (the "Assets") from Blue Horizon Bio-Diesel Inc. ("BHBD", such transaction referred to as the "BHBD Transaction"), under an asset purchase agreement (the "Asset Purchase Agreement"), previously announced on July 23rd, 2014. The Company was also reviewing the BHBD Transaction generally, including the classification of the acquisition and the treatment, recording and development of the Assets since acquisition.

Cielo had also identified required corrections for certain other accounting matters affecting the financial statements and management's discussion and analysis. At the time, these included (i) corrections for the disclosure relating to the amortization of the Assets; (ii) identification of the specific individuals involved in any related party transactions (specifically the BHBD Transaction); (iii) corrections for the erroneous reporting of the settlement of certain debts of Cielo as cash changes; and (iv) additional disclosure regarding previously disclosed material agreements.

All corrections and restatements have now been made in the financial statements accompanying this MD&A report.

- b. On June 15, 2016 Cielo announced that it has signed a World Exclusive License Agreement dated June 14, 2016 (the "License Agreement") with 1888711 Alberta Inc. ("1888711") for the further development of its renewable diesel refinery technology. 1888711 is a company related by a common director (Don Allan).

Pursuant to the License Agreement, Cielo has granted a worldwide exclusive license to 18887711 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"). 18887711 has already begun to complete the development and engineering and anticipates to be able to be ready to build the

CIELO WASTE SOLUTIONS CORP. (FORMERLY CIELO GOLD CORP.)

Management's Discussion and Analysis

Three Months and Year Ended April 30, 2016

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"). Further pursuant to the License Agreement, Cielo has obtained from 18887711 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 18887711 from the commercialization of the Technology. Cielo has also been granted a right of first refusal to purchase the Technology, all intellectually property and any and all patents relating to this technology.

The Technology is the result of years of research and development from using all types of waste streams, such as landfill garbage, tires, plastics, wood shavings and sawdust, newspaper and cardboard and producing renewable kerosene for the aircraft industry, renewable highway diesel for the federal and provincial mandated blending requirements with fossil fuel diesel and renewable naphtha for blending with gasoline.

The License Agreement does not constitute a related party transaction under MI 61-101, however, Don Allan, director, president and CEO of Cielo is also an officer and director of 1887711, Mel Angeltvedt, a director of Cielo, is also a director of 18887711 and Robin Ray, a director of Cielo, is the Chief Financial Officer of 18887711.

- c. June 17th, 2016 Cielo announced the settlement of indebtedness of the Company (the "Debt Settlement") in the aggregate of CAD \$77,500.00 (the "Debt Amount") through the issuance of 1,550,000 common shares in the capital stock of Cielo (the "Common Shares"), at a price of \$0.05 per Common Share. Securities issued in connection with the Debt Settlement will be subject to a statutory four month hold period.
- d. On June 30, 2016 the Company announced closing of the first tranche of its non-brokered private placement offering of up to \$1,000,000 in secured convertible debentures (the "Convertible Debentures"), and received \$20,000 from this tranche.

The Debentures bear an interest rate of 15% per annum, mature 36 months from the date of issuance and are convertible at the option of the debenture holder at any time before maturity at an exercise price of \$0.10 per common share.

- e. On July 4, 2016 the Company settled \$7,000 of debt by issuing 140,000 common shares of the Company, at a deemed price of \$0.05 per share.

ADDITIONAL INFORMATION

Additional information regarding the Company may be found on SEDAR, www.sedar.com.