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Cielo Provides Update on its British Columbia SAF Project, Now Named Project Nahoonai, and Announces Early Warrant Exercise Incentive Program

CALGARY, Alberta, Canada (May 28, 2026) – Cielo Waste Solutions Corp. (TSXV: CMC; OTCQB: CWSFF) ("**Cielo**" or the "**Company**") is pleased to provide an update on its flagship sustainable aviation fuel ("**SAF**") project located in British Columbia, which has been renamed Project Nahoonai, and to confirm the integration of carbon capture and storage ("**CCS**") into the project design to deliver a SAF product with what the Company expects to be the lowest carbon intensity profile of any commercial-scale SAF project currently advancing in North America. The Company is also pleased to announce that, subject to approval of the TSX Venture Exchange (the "**Exchange**"), it intends to implement an early warrant exercise incentive program (the "**Incentive Program**") to encourage the exercise of certain outstanding common share purchase warrants by offering participating holders one additional common share purchase warrant for each eligible warrant exercised during the incentive period..

Project Name Change

The Company's British Columbia SAF project, previously referred to as Project Nexus, has been renamed Project Nahoonai. The name is a Dakelh word selected in consultation with, and approved by, the Lheidli T'enneh First Nation, on whose traditional territory the project is being developed. Cielo acknowledges and thanks the Lheidli T'enneh First Nation for permitting the use of a Dakelh name for this project.

Cielo's CEO, Ryan C. Jackson, stated "Naming this project Nahoonai is more than a branding exercise; it is a recognition that this project is being built in partnership with the Lheidli T'enneh First Nation, on their territory, and with their support. We are grateful for the Nation's openness to a Dakelh name, and we look forward to continuing to build the relationship as the project moves forward."

Evan Salter, CEO of Tano T'enneh Enterprises, the economic and business development arm of the Lheidli T'enneh First Nation, added "Carrying a Dakelh name reflects what this project is meant to be, a development rooted in Lheidli T'enneh territory and shaped by the Nation's participation from the ground up. Project Nahoonai demonstrates what Indigenous-led clean energy development can look like when partnership, ownership, and stewardship are aligned from the start."

A SAF Project with Integrated Carbon Capture

Project Nahoonai is a commercial-scale SAF project that does not rely on food-derived feedstocks such as corn, soy, canola, or used cooking oils. The project is intended to convert sustainable

forestry residues, including harvest, mill, and forestry residuals, together with used railway ties and other waste woody materials, into a high-value, low-carbon transportation fuel.

Project Nahoonai is being designed with integrated CCS, capturing the biogenic CO_2 generated during the conversion process and permanently storing it. The result will be a carbon-negative SAF product positioned as a compliance fuel under British Columbia's Low Carbon Fuel Standard ("LCFS") and Canada's Clean Fuel Regulations ("CFR"). Under the LCFS and CFR, each tonne of CO_2 captured and permanently stored generates additional credit value, materially strengthening the project's economics relative to conventional SAF pathways.

Prince George offers a competitive advantage that few SAF locations in North America can match in management's view, with concentrated sawmill and pulp infrastructure, an established forestry workforce, year-round rail and highway access, and proximity to deep-water export through the Port of Prince Rupert.

Financing and Regulatory Advancement

Project Nahoonai is positioned to draw on a range of compliance credit revenues, federal and provincial clean fuels and CCS incentives, Indigenous capital programs, and infrastructure financing channels available to qualifying energy and infrastructure projects in Canada. The Company continues to advance Project Nahoonai through engagement with Federal and Provincial Agencies and Governments.

Early Warrant Exercise Incentive Program

The Company expects that the Incentive Program, if approved and implemented, will provide an opportunity to strengthen its balance sheet and support advancement of its strategic priorities, including Project Nahoonai. The Company notes that 9,615,964 previously outstanding warrants expired unexercised as of May 31, 2026. The Incentive Program is designed to encourage the exercise of Eligible Warrants and to be balance sheet accretive: each Eligible Warrant exercised is simultaneously retired from the Company's capital structure, and the Incentive Warrant issued in its place carries a lower exercise price, creating a second opportunity for capital formation. The net effect is expected to be the conversion of existing warrant overhang into immediate treasury capital while providing participating holders with a new warrant position at a more favourable exercise price.

The Company also announces that, subject to approval of the Exchange, it intends to implement the Incentive Program to encourage the exercise of up to 33,523,323 outstanding common share purchase warrants of the Company (the "**Eligible Warrants**"). The Eligible Warrants were issued pursuant to previously announced shares for debt transactions that closed on July 25, 2025. Each Eligible Warrant is currently exercisable to acquire one common share of the Company at an exercise price of $0.15 per share until July 25, 2027. The Incentive Program will not amend the exercise price or expiry date of the Eligible Warrants.

Pursuant to the Incentive Program, the Company intends to offer holders of the Eligible Warrants (the "**Eligible Warrant Holders**") the opportunity to exercise their Eligible Warrants during a 30-day period (the "**Early Exercise Period**"). For each Eligible Warrant exercised during the Early Exercise Period, the holder will receive one additional common share purchase warrant (an "**Incentive Warrant**"), each Incentive Warrant entitling the holder to acquire one common share

of the Company at an exercise price of $0.075 per share for a period of three years from the date of issuance. The Early Exercise Period will begin upon receipt of Exchange approval, following which the Company will deliver a notice to Eligible Warrant Holders outlining the details of the Incentive Program, including the commencement and expiry dates of the Early Exercise Period. Eligible Warrant Holders should not attempt to exercise their Eligible Warrants pursuant to the Incentive Program until receipt of the Notice as any Eligible Warrants exercised prior to or after the expiration of the Early Exercise Period will not be entitled to receive Incentive Warrants.

Eligible Warrant Holders may elect to exercise all, none, or a portion of their Eligible Warrants, provided that no fractional shares or fractional Incentive Warrants will be issued. Any Eligible Warrants that remain unexercised following expiry of the Early Exercise Period will continue to remain outstanding and exercisable in accordance with their original terms. No insiders of the Company hold Eligible Warrants.

The Incentive Warrants, and any common shares issuable upon exercise thereof, will be subject to a statutory hold period of four months and one day from the date of issuance, in accordance with applicable securities laws and the policies of the Exchange.

ABOUT CIELO

Cielo Waste Solutions Corp. is a clean fuels project development company advancing sustainable aviation fuel and other low-carbon energy projects across North America. Through the Nexus Platform, Cielo combines strategic feedstock partnerships with proven third-party technologies to develop a scalable pipeline of waste-to-fuels projects.

Cielo's shares are listed on the TSX Venture Exchange under the symbol **CMC** and on the OTCQB under the symbol **CWSFF**.

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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 Cielo, 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. Forward-looking statements and information are based on plans, expectations and estimates of management at the date the

information is provided and are subject to certain factors and assumptions. The Company is making forward-looking statements, including but not limited to, with respect to: the advancement, design, scope, economics, and timing of Project Nahoonai; the integration of CCS into Project Nahoonai and the anticipated carbon intensity of the resulting SAF; the Company's positioning under the BC LCFS and other compliance markets; the pursuit of Major Project Status through CEMPO; the role and capabilities of the Nexus Platform; the anticipated benefits of Project Nahoonai to the forest industry, Indigenous partners, airlines, and the Province of British Columbia; as well as the implementation of the Incentive Program, including the receipt of Exchange approval, the timing and terms of the Early Exercise Period, the level of participation by Eligible Warrant Holders, and the anticipated benefits of the Incentive Program to the Company's financial position and strategic objectives.

Investors should continue to review and consider information disseminated through news releases and filed by Cielo on SEDAR+. Although the Company has attempted to identify crucial 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 Cielo'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, the Company assumes no obligation to publicly update or revise such statements to reflect new information, subsequent or otherwise.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as such term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.