

## Ahead of the Herd Newsletter - 2018 Issue Three

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### Cielo Waste Solutions Received Important Permitting News

*As a general rule, the most successful man in life is the man who has the best information*

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The pullback earlier this week in the stock markets did not spare Cielo Waste Solutions (CSE:CMC), but it was brief. Hopefully sharp aheadoftheherd.com CMC shareholders took advantage of the opportunity to load up on more shares because the stock jumped on Thursday by 13.7%!

There's more good news. Cielo just received a letter from the Alberta Government stating that the permit application for its Aldersyde/High River property to produce high-grade renewable diesel is moving forward nicely.

"The Director considers the application to be complete for the purpose of public consultation," reads the letter from the Department of Environment and Parks. Cielo requires the permit to operate its first continuous flow renewable diesel refinery.

"We are extremely pleased to have received our acknowledgement of completeness as to our EPEA permit application. It is confirmation that this critical step is now almost behind us and the anticipated timing for receiving our permit is on schedule," said Don Allan, President and CEO. "This will facilitate us being able to commission our refinery and place it on-stream by late spring. We now look forward to continuing our progress and reporting it to our investors and stakeholders."

This is a major catalyst that pushes Cielo one step closer towards becoming one of the most revolutionary plays the Venture exchange has ever seen given what they're trying to tackle.

Cielo's renewable or "green" diesel can be made by running any fibrous material through a catalyst, whose ingredients are proprietary. Eligible materials include landfill waste, plastics, organics like table scraps or lawn clippings, cardboard, sawdust and tires.

### [Cielo Waste Solutions Corp.: Exclusive Renewable Diesel Technology Turns Trash Into Cash](#)

In Canada the Renewable Fuels Regulations, in place since 2010, require fuel producers and importers to have an average renewable fuel content of at least 2% based on the volume of diesel fuel and heating distillate oil that they produce or import into Canada with the goal of reducing Canada's greenhouse gas emissions by 17 percent from 2005 levels by 2020. Many Provinces have also added their own mandated blending ratios.

The demand for biodiesel in Canada is estimated at 600 million litres a year.

For its product Cielo is initially targeting Alberta gasoline and diesel refiners, of which there are currently only about half a dozen.

The company forecasts it will be able to charge around 25 percent more for its renewable diesel than traditional biodiesel, due to it being higher grade, usable year round, and has a longer shelf life due to its zero water content.

Up to last summer Cielo had been running a demonstration plant in Red Deer, AB. That demonstration plant has been disassembled and relocated to High River, AB. It's being retrofitted into a 350 liter an hour continuous flow refinery that will be the Company's first commercially viable plant, with another to follow. The second plant will be designed to produce renewable diesel at a rate of 1,800 liters per hour, a 500% increase from the Company's proof of concept retrofitted demonstration plant..

According to a short note I received from Michael Yeung, VP Business Development & Capital Markets:

*We are not sitting still and our main focus is to generate long term returns for our shareholders.*

*We are currently focusing on the things we can control such as:*

- *We are continuing to focus on getting into production on schedule. Our fabrication is working around the clock.*

- *Our engineers are continuously "dotting the "I"s and crossing the "t"s to ensure a smooth on-stream*
- *Our compliance and permitting team is working diligently with the government to move our approvals forward and pushing as hard as they can. We believe we should hear comments back from the government over the next 4 to 6 weeks. This isn't too far away. Permits are on schedule and keeps us on track for a late spring on-stream date.*
- *Our capital markets team are working to get in front of existing and new investors to spread the story. We were just recently in Vancouver. We will be in Toronto February 22<sup>nd</sup> and February 23<sup>rd</sup>. So if you are in downtown Toronto on either dates let me know if you would like to sit down and hear our story or get an update.*
- *We believe we are materially undervalued and only months away from running our first continuous refinery - a technology that could be worth billions."*

Despite decades of educating North Americans on the benefits of recycling, plus cutting-edge technologies that sort and recycle everything from tires to table scraps, billions of tonnes of garbage continue to be landfilled every year.

According to Natural Resources Canada, in a lifetime the average North American will throw away 600 times his or her weight in garbage, meaning a 150-pound adult will heave 90,000 pounds of trash into the dumpster from birth to death.

It's estimated that globally, solid-waste generation will triple to 11 million tons a day by the end of this century – in spite of the fact that we are running out of landfill space, especially in land-constrained places like Japan and Europe.

[The World's Garbage](#) is a huge problem, made worse by China's recent decision to ban imports of recyclables. But Cielo has a solution, and it could be BIG.

I expect a lot more news and activity in the market as they move closer towards launching their next phase of development so make sure you stay tuned.

I've got Ceilo Waste Systems (CSE:CMC) on my radar screen. Do you?

If not, maybe you should.

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