

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is made and entered into as of this 21st day of November, 2018 ("Effective Date")

BETWEEN

Cielo Waste Solutions Corp., a corporation duly incorporated and existing pursuant to the laws of the Province of British Columbia with its registered office located at Suite 101 - 1500 Howe Street Vancouver, British Columbia V6Z 2N1, (hereinafter referred to as "**CIELO**")

&

Seymour Capital Incorporated., a corporation duly incorporated and existing pursuant to the laws of the Province of Alberta with its office located at Suite 610, 1414 8th St. SW Calgary AB T2R 1J6, (hereinafter referred to as "**Seymour**")

CIELO and Seymour together will collectively be referred to as "**Parties**" and singularly as a "**Party**".

WHEREAS CIELO holds an exclusive global license (the "**License**") from 18887711 Alberta Inc. ("888"), a copy of such agreement (the "**License Agreement**") attached hereto as Schedule "A", pursuant to which CIELO has the right to, *inter alia*, commercialize the proprietary technology held by 888 that converts various waste streams into high grade renewable diesel fuel (hereinafter referred to as the "**Technology**");

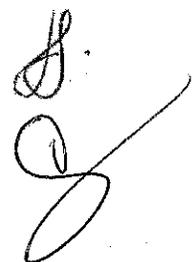
AND WHEREAS Seymour has, or has access to, sufficient financial resources to finance the planning, construction, commissioning, and operation of the YYC Refinery (as defined below) as contemplated in this MOU;

AND WHEREAS CIELO and Seymour, and or their respective Permitted Assignees (as defined below), desire to enter into a joint venture arrangement (the "**JV**") during the Term and throughout the Territory (as defined below) on and subject to terms to be agreed upon by the Parties in a joint venture agreement, which shall be, unless otherwise agreed, substantially the same as, or similar to the terms of this MOU (any or all such agreements hereinafter the "**JV Agreement(s)**");

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by the Parties, the Parties agree as follows:

- 1. Purpose:** The purpose of this binding MOU is for the Parties to set out those terms upon which the Parties wish to work toward entering into the JV Agreement(s) in respect of the planning, construction, commissioning, and operation of a refinery employing the Technology to be located in Calgary, Alberta (the "**YYC Refinery**"). Seymour is in the process of incorporating a stand-alone entity, Seymour Renewable Fuels Corp. ("**SRF**"), as its nominee, to enter into the JV Agreement(s). Seymour and SRF will be hereinafter collectively, jointly and severally referred to as "**Seymour YYC**". Seymour YYC will solely finance the YYC Refinery, and CIELO will oversee and manage, the planning, construction, commissioning, and operation of the YYC Refinery pursuant to the terms of the JV Agreement(s).
- 2. Structure:** The Parties will determine in good faith the structure of the JV, to be set out in the JV Agreement(s), as to whether the JV will be executed through one or more contractual arrangements, a corporation to be jointly owned by CIELO and Seymour YYC ("**JVCo**"), or otherwise. Notwithstanding section 9 or anything to the contrary herein, the JV/JVCo will be owned 50.1% by CIELO, or its Permitted Assignee and 49.9% will be owned by Seymour YYC, or its Permitted Assignee.

3. **Scope; Territory; Right of First Refusal:** The scope of the JV will be limited to the planning, construction, commissioning, and operation of the YYC Refinery (the "Project") to be located within the city limits of Calgary, Alberta (the "Territory"). Seymour YYC will also have a right of first refusal (the "ROFR") to enter into a JV or other arrangement with CIELO, as the Parties may agree, to build additional refineries in the Territory ("Follow-on YYC Refineries") and for each such Follow-on YYC Refinery, a separate joint venture or other definitive agreement will be entered into by the Parties. The ROFR will terminate on the earlier to occur of: a) 10 years from the date of the JV Agreement(s); b) the end of the Term; or c) in the event that Seymour YYC is presented by CIELO with an opportunity to exercise its ROFR to build one or more Follow-on YYC Refineries with Cielo, on the basis that all of the costs of the Follow-on YYC Refineries will be borne 50.1% by Cielo and 49.9% by Seymour YYC ("Follow-on YYC Costs") in the Territory and Seymour YYC does not so exercise the ROFR, as of such date of refusal. Follow-on YYC Refineries will not be proposed by either Party, unless agreed to in writing, until a minimum of six (6) months has passed from the time the YYC Refinery has been commissioned and placed on production, so as to provide for time to resolve any operational issues and establish an optimized design for the Follow-on YYC Refineries.
4. **Term:** The term (the "Term") of the JV will begin on the date of execution of the JV Agreement(s) and will continue, subject to earlier termination in accordance with this section 4, for a period of time ending on the earlier of: a) the date upon which the YYC Refinery is no longer materially operational; and b) the date upon which CIELO purchases all of Seymour YYC's right, title and interest in and to the YYC Refinery, whether through the acquisition of rights in the JV, all of the issued and outstanding shares of Seymour YYC, or otherwise, effective on such date of acquisition, the terms of which will be set out in the JV Agreement(s). Until the JV Agreement(s) is/are concluded, this MOU will bind the Parties, and the term of this MOU will be deemed to begin on the date of this MOU and conclude on the date upon which the JV Agreement(s) is/are executed by the Parties.
5. **Obligations/Contributions of Seymour YYC:** The following will be the obligations and the contributions of Seymour YYC to the Project (the "Seymour YYC Obligations"):
- a. Seymour YYC will be solely responsible for 100% of the financing of the Project (all costs associated with the Project referred to hereinafter as the "Project Costs"), which will include without limitation the costs related to the land (including railway access, servicing costs, etc.) (the "Land Costs"), building(s), equipment, permitting, constructing and commissioning of the YYC Refinery to be built in the Territory, all of which shall be subject to CIELO's pre-approval, which approval shall not be unreasonably withheld. In the event that JVCo is formed, all costs of the JVCo will be deemed to be Project Costs and Seymour YYC will be responsible for delivering to the JVCo all funds required to pay such Project Costs, in advance of when needed, which shall not affect the ownership interest of either Party of the JVCo. In the event that the JV is executed through a contractual arrangement, all third-party verifiable costs shall be deemed to be Project Costs and the Parties will determine particulars of and exclusions to the Project Costs in the JV Agreement(s). It is anticipated that the Project Costs, excluding the Land Costs and the 888 Costs (as defined in section 5 (b) below), will be approximately CAD \$20,000,000.00 for the YYC Refinery (not including any automation costs referenced in section 6(b)).
 - b. At least 60 days before construction is scheduled to begin in accordance with the Schedule (as defined in section 6(b) below) (the "Proof of Funds Date"), Seymour YYC will provide evidence to CIELO of its ability to pay in their entirety the Project Costs for the YYC Refinery, on a timely basis, as approved by CIELO. For greater clarity, unless otherwise agreed in writing, construction will not begin until



60 days or more after the Proof of Funds Date, being the date on which Seymour YYC has delivered to CIELO proof of their ability to pay the entirety of the Project Costs. Thereafter, every 60 days following the Proof of Funds Date, including on or about the initial date of construction, Seymour will pay into one or more operating accounts (whether in the name of CIELO or JVCo), as the case may be) (the "**Operating Account(s)**"), the total amount of Project Costs anticipated to be spent in the upcoming 60 days as well as the proportion of Management Fees, as defined in section 6. a.) for such 60-day period. CIELO will provide a reconciliation report to Seymour YYC within 30 days of the end of each 60-day period.

- c. Seymour YYC will honour and pay any and all of the fees due and owing to 888 (the "**888 Costs**") pursuant to the Restated and Amended License Agreement, dated as of the 1st day of November 2017, between CIELO and 888 (the "**888 Agreement**"), including 888's proportionate share of the \$0.05/litre royalty and the one time refinery fee payable to 888 pursuant to section 5.3.3 of the 888 Agreement, all of which will be added to Seymour YYC's Cost Recovery Account (as defined below). For the avoidance of doubt, any such amounts payable to 888 shall be deemed to be Project Costs.
- d. In addition, Seymour YYC will pay, directly or indirectly through JVCo, the Management Fees, calculated in accordance with section 6(a) of this MOU.
- e. It is agreed and understood that: (i) Seymour YYC will consult with Cielo at all materials times with respect to the method and type of financing to be obtained to fund the Project Costs; and (ii) unless otherwise agreed, Cielo will not be required to act as a guarantor or any other similar capacity in connection with any financing nor subject any of its assets outside of the JV to any liens or similar arrangements as security.
- f. It is agreed and understood that CIELO is entering into this MOU on the representation that Seymour YYC has or has access to sufficient resources to finance the Project Costs in their entirety in a timely manner. In the event that at any material time, Seymour YYC is unable to deliver funds for the Project Costs in a timely manner, it will be considered a material breach of the JV Agreement(s).

6. Obligations/Contributions: The following will be the obligations and the contributions of CIELO to the JV/Project (the "**CIELO Obligations**");

- a. CIELO will execute or oversee the execution of the planning, construction, commissioning and operation of the YYC Refinery and or Follow-on YYC Refineries, and overall manage the JVCo(s) and/or JV(s). The JVCo and CIELO or Seymour YYC and CIELO, as may be required pursuant to the terms of the JV Agreement(s), will enter into one or more agreements related to the foregoing, for which Seymour YYC, whether directly or indirectly through JVCo, will pay to CIELO the following fees (collectively the "**Management Fees**"): a) fees related to the planning and construction of the YYC Refinery (the "**Construction Management Fees**"); and b) fees related to the operation of the YYC Refinery (the "**Operation Management Fees**"). The Construction Management Fees will be calculated by multiplying the Project Costs less the 888 Costs and the Lands Costs by SEVEN PERCENT (7%). The Operation Management Fees will be commensurate within the median range of standard industry fees, as determined by an independent third party experienced in such matters.
- b. For the purposes of determining the Project Costs, CIELO will provide Seymour YYC with a CAPEX and build-out/commissioning budget (the "**Budget**") and a production schedule (the "**Schedule**"), which both Parties will agree upon, acting reasonably.

- c. CIELO will maintain the Operating Account(s) and the accounting thereof, including a detailed account of costs to be recovered by Seymour YYC in accordance with the JV Agreement(s) (the "Cost Recovery Account").
- d. CIELO will license to JVCo or, as and to the extent that may be required, to Seymour YYC, use of the Technology for the purposes of the Project only to the extent required and not for any other use. For the avoidance of doubt, Seymour YYC will not be entitled to build any refineries other than the YYC Refineries, or otherwise use or modify for use the Technology.
- e. CIELO will be responsible for the sourcing of feedstocks for the Project. CIELO will agree not to use any feedstock from within the Territory during the Term for purposes outside of the Project, without first obtaining Seymour YYC's approval to do so, not to be unreasonably or arbitrarily withheld, so as to not disadvantage the JV/JVCo or Seymour YYC, as the case may be, from having access to a readily abundant source of feedstock at the lowest possible price.
- f. CIELO agrees to enter into a long-term agreement with JVCo or Seymour YYC, as may be required under the JV Agreement(s), to supply the Project with CIELO'S proprietary catalyst, in consideration for payments equal to the cost to CIELO of the catalyst plus an additional Thirty Percent (30%).
- g. CIELO will spec into the YYC Refinery automation equipment that provides the basis of monitoring the inputs and outputs of the YYC Refinery, the costs of which will be deemed to be Project Costs, which, for the avoidance of doubt, are anticipated to exceed and be in addition to the estimated \$20,000,000 cost of the YYC Refinery. With respect to all Follow-on Refineries, automation monitoring and equipment will be installed to monitor the day to day operations of the Follow-on YYC Refineries, said aforementioned costs will be deemed to be a part of the Follow-on YYC Costs.
- h. As a result of Seymour YYC paying all of the financing costs associated with the Project Costs and CIELO having a 50.1% ownership in the YYC Refinery/JVCo, Seymour YYC will be granted the right to pledge 100% of the assets of the YYC Refinery (but not any other assets of CIELO) as collateral against any debt arrangements secured by Seymour YYC, provided that at no time will CIELO be required to act as a guarantor or in any similar capacity.

7. **JV Fee:** In consideration for the opportunity to enter into the JV Agreement(s), Seymour YYC will pay a joint venture fee equal to CAD \$250,000.00, plus GST (the "JV Fee") to CIELO. Seymour will wire CIELO the JV Fee in full by the close of business November 19th, 2018.

The JV Fee will be non-refundable unless the JV Agreement(s) is/are not executed, with both Parties acting reasonably to agree upon the terms of and to expedite the execution of the JV Agreement(s) by February 28th, 2019, or a date which is on or before April 30th, 2019 ("the Execution Date"). In the event that CIELO fails to execute the JV Agreement(s) by the Execution Date, other than as a result of the apparent inability of Seymour YYC to secure adequate financing to fund the Project Costs, and provided that at all times the Parties act reasonably and in a timely manner and that the JV Agreement(s), unless otherwise agreed, is substantially based on the terms of this MOU, on and subject to applicable laws and policies of the stock exchange on which CIELO'S shares are listed for trading, CIELO will issue Seymour YYC \$250,000 worth of common shares of CIELO valued at the greater of: a) the average closing price of the previous 5 trading days of CIELO's shares, prior to the Execution Date; or b) \$0.25.

The JV Fee will be a one-time fee applicable to the YYC Refinery and will not be applicable to Follow-on YYC Refineries.

8. **Approval of 888:** Cielo undertakes to deliver Seymour the consent from 888 for Cielo to enter into the MOU and subsequent JV Agreement(s) which will be subject to Seymour agreeing to comply with the terms of the Licensing Agreement, as if named as a party thereto, with respect to the Territory.
9. **Cost Recovery and Profits:** Unless otherwise agreed by the Parties:
- Until Seymour YYC recovers an amount equal to 100% of the Project Costs: CIELO will be entitled to receive 30%, and Seymour YYC will be entitled to receive 70%, of the profits from the YYC Refinery.
 - Upon the receipt by Seymour YYC of an amount equal to 100% of the Project Costs: CIELO will be entitled to receive 50.1%, and Seymour YYC will be entitled to receive 49.9%, of the profits from the YYC Refinery.
 - As CIELO will be responsible for managing the operations of the YYC Refinery, including the operational and monitoring of costs, Seymour YYC shall have the right to review the books of the JVCo (or CIELO in the event of a contractual arrangement) as the case may be with respect to the Project Costs every quarter and audit them once a year.
10. **Transfer of Rights:** Each Party may assign its rights and obligations pursuant to the JV on the following terms:
- Upon notice, but not approval, to SRF. (For transparency purposes, SRF will initially be owned by Seymour and yet to be named parties as to percentages to be determined); or
 - Upon approval by the other Party if to another affiliate of the transferring Party or a third party, it being understood that the non-transferring Party will have the right and opportunity to perform a due diligence review on the transferee before approving or rejecting the request to transfer rights (each a "Permitted Assignee" or collectively the "Permitted Assignees").
 - To expedite the release of the \$262,500 JV Fee (including GST) to CIELO, by Seymour, Seymour is in the process of incorporating SRF, which CIELO hereby consents to the assignment of all of the rights pursuant to this MOU that pertain to the Territory provided SRF agrees to the terms of this MOU.
11. **Copyright and Patents:** The Parties agree that any and all right, title and interest in and to the Technology and the intellectual property rights (the "IP") therein are owned solely by either CIELO, 888, or both, in accordance with the License Agreement, and that no rights are or will be assigned by CIELO or 888 to Seymour or JVCo, as applicable, except a license to the extent required to give effect to the JV Agreement(s). CIELO confirms that it previously received confirmation from a law firm that one or more patent application(s) have been made to both the U.S. Patent and Trademark Office as well as in Canada with respect to the IP and process to which CIELO holds the License. The Parties hereto acknowledge that the IP relating to the proprietary catalyst that makes the Technology work will be maintained as a trade secret.
12. **Relationship:** The relationship established among the Parties pursuant to this MOU and the JV Agreement(s) shall be limited to the Project. Except as otherwise expressly provided in this MOU or the JV Agreement(s), the Parties specifically and expressly disclaim any intention to create a partnership or to constitute any Party as the agent of any other or to impose any partnership obligation on any Party.
13. **General Terms:** The Parties agree to the following:
- Each Party will hold the terms and conditions contained herein and in the JV Agreement(s) and any future agreements confidential until required to be press released or until both parties agree to the dissemination. It is agreed and understood that entry by CIELO into this MOU will be disclosed by press release shortly following the execution hereof.

- b. Each Party here hereby agrees to fulfill its obligations on and subject to applicable corporate, securities, environmental and other laws at all material times. Further, as it is acknowledged that CIELO is a publicly traded company listed on a nationally recognized stock exchange, Seymour YYC will at all times co-operate with CIELO in connection with laws and policies applicable to CIELO, including with respect to its disclosure obligations.
- c. At all times, each Party will make available to the other Party such materials and information as the requesting Party may reasonably request.

14. Option: For a period ending February 28, 2019, which date may be extended by either party by sixty days, CIELO grants Seymour an option to enter into an additional MOU with CIELO, that provides Seymour the right to acquire another territory comprised of a municipality in Ontario that encompasses a radius around it to be negotiated in good faith, on the express condition that the municipality to be selected is deemed to not be a part of The Greater Toronto Area ("GTA") which for the purpose of this MOU shall be defined, as stated in Wikipedia, as the central city of Toronto Ontario and the four regional municipalities which surround it: Durham, Halton, Peel, and York. The additional MOU to be entered into will be subject to substantially the same terms and conditions as outlined in this MOU, with the exception that section 3 of the additional MOU will state inter alia "The scope of the JV will be limited to the planning, construction, commissioning, and operation of the Ontario Refinery (the "Project") to be located in a municipality anywhere in Ontario, excluding the GTA, and include a radius around it to be negotiated in good faith (the "Territory").", unless otherwise agreed to by the Parties."

15. Jurisdiction: This MOU shall be construed in accordance with the laws of the Province of Alberta.

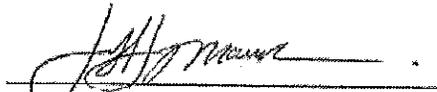
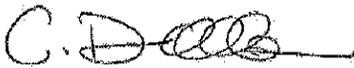
- 16. General:** This MOU is subject to the following general terms and conditions;
- a. the MOU may only be amended or supplemented by making changes in writing with both Parties executing same.
 - b. This MOU constitutes the entire understanding between the Parties relating to this subject matter and supersedes all prior or simultaneous representations, discussions, negotiations and memorandums, whether written or oral.
 - c. The Parties hereto shall enter into a binding Non-Disclosure Agreement as detailed in Schedule "B" attached hereto, which shall in any event be subject to the disclosure requirements of CIELO under applicable securities laws.
 - d. This MOU is subject to approval by the board of directors of CIELO.

17. Acceptance: This MOU is open for acceptance until 9 PM MST November 22, 2018.

The Parties have caused this MOU to be executed in duplicate. This MOU may be signed and executed in separate counterparts, each of which shall be deemed an original and all of which shall together constitute the same instrument.

Cielo Waste Solutions Corp.

Seymour Capital Incorporated



Donald Allan
President & CEO

Jeff Seymour
CEO & Director

Schedule "A"

Restated and Amended License Agreement dated as of the 1st day of November, 2017 between
18887711 ALBERTA INC. and CIELO WASTE SOLUTIONS CORP.

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RESTATED AND AMENDED
LICENSE AGREEMENT

THIS RESTATED AND AMENDED AGREEMENT dated as of the 1st day of November, 2017

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 License Agreement dated June 14, 2016 (the "Initial Agreement");

AND 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 and other types of cellulosic feedstock to renewable fuels;

AND WHEREAS Cielo acquired, in or about July 2014, certain Intellectual Property assets, which 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 Initial Agreement as it had been 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 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;

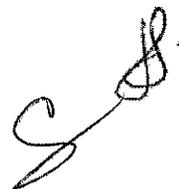
AND WHEREAS 1888, in accordance with the Agreement, has been in good faith developing the Assets in the period of time between the date of the LOI (as defined in the Initial Agreement) and the date of this Agreement for the mutual best interests of the parties hereto in completing the Technology and the parties desire to conclude this restated and amended 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, provided that any and all of the foregoing shall be at all times subject to consultation with and approval of Cielo;
- 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 "Assets" means the Intellectual Property of Cielo underlying the technology to be used for the construction, operation, and any other commercialization of the Refineries, consisting of a one-of-a kind process for thermal processing and catalytic cracking of biomass slurry using catalytic cracking into a vapor for recovery and further processed into renewable fuel.
- 1.4 "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, operating, and owning the Refineries. For clarity, Cielo will own all right, title and interest in and to the Refineries and shall be entitled to enter into agreements with third parties granting, *inter alia*, ownership rights to any or all Refineries, as well as the Licensed Technology.
- 1.4 "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;
- 1.5 "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:
 - 1.5.1 all scientific, technical, business, financial, legal, marketing or strategic information (including trade secrets and proprietary know-how);
 - 1.5.2 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;
 - 1.5.3 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;
 - 1.5.4 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.



- 1.6 "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;
- 1.7 "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;
- 1.8 "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;
- 1.9 "Improvement(s)" means any modification, improvement, enhancement, variation, refinement, derivative or development of Licensed Assets, resulting in the Licensed Technology;
- 1.10 "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;
- 1.11 "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.
- 1.12 "Licensed Assets" means that portion of the 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;
- 1.13 "Licensed Technology" means the Licensed 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 thereafter;
- 1.14 "party" means any one of the signatories to the License Agreement and "parties" means both of them.
- 1.15 "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;

1.16 "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 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 Sale, Transfer or Assignment:

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

2.3 Carve Out:

Notwithstanding anything to the contrary in this Agreement, Cielo retains any and all absolute and unfettered rights necessary to do the following:

- 2.3.1 participate in the Development process and to pursue research and development, directly or indirectly, related to the Licensed Technology;
- 2.3.2 prepare for and complete 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, agreements with third parties whether on a joint venture, similar or other basis with respect to any part of the Commercialization and/or resulting ownership of Refineries; and
- 2.3.3 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.

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. Until the 1st commercial plant is in operations, these reports may be provided verbally.

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. Until the 1st commercial plant is operating, verbal communication will suffice.

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 for the services provided by 1888 in connection with the Development and/or the Improvement provided that, upon the Commercialization of the Licensed Technology, 1888 shall be entitled to receive royalties as set out in Section 5.3.1, subject to 5.3.2, and commissions as set out in Section 5.3.3, subject to Section 5.3.4.

5.3 1888 ROYALTY AND COMMISSION

5.3.1 Royalty

Subject to Section 5.3.2, 1888 shall be entitled to receive \$0.05 (the "Royalty") on every litre produced worldwide arising from the Commercialization of the Licensed Technology.

5.3.2 Termination of Royalty

With respect to each Refinery in existence at such time, and following a minimum of 14 days of production in connection with each such Refinery, upon the payment to 1888 of an amount equal to the greater of: a) \$2,000,000; or b) the sum of \$1,200.00 per liter per hour of capacity of such Refinery, 1888's right to receive any further payments of the Royalty for each existing and any and all future Refineries shall immediately terminate. For the purposes of calculating the foregoing, the capacity of a Refinery shall be the average capacity of a Refinery over the immediately preceding 14 days of production.

5.3.3 Commissions/Fees

1888 shall be entitled to receive a refinery fee, for each Refinery existing at such time, equal to:

5.3.3 a. With respect to the second through eleventh operating Refineries (each an "Initial Refinery Fee"), CAD \$500 for every one liter per hour of capacity of each such Refinery; and

5.3.3 b. with respect to 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") \$400 for every one liter per hour of capacity of such Refinery.

For the purposes of calculating the foregoing, the capacity of a Refinery shall be the average capacity of a Refinery for the immediately preceding 14 days of production.

5.3.4 Termination of Commissions/Fees

With respect to each Refinery in existence at such time, and following a minimum of 14 days of production in connection with each such Refinery, upon the payment to 1888 of an amount equal to the greater of: a) \$2,000,000; or b) the sum of \$1,200.00 per liter per hour of capacity of such

Refinery, 1888's right to receive any further payments of the Refinery Fees for each existing and any and all future Refineries shall immediately terminate. For the purposes of calculating the foregoing, the capacity of a Refinery shall be the average capacity of a Refinery over the immediately preceding 14 days of production.

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 and any and all rights not otherwise licensed to 1888 herein.

7.2 1888 Owns Licensed Technology

Subject to termination of this Agreement in accordance with Section 12.2, 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

During the Term, 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

Unless otherwise agreed by the parties, each license granted hereunder shall be in perpetuity subject to termination in accordance with Section 12.2.

12.2 Buyout

Upon the payment of any and all amounts in accordance with Section 5.3.2 and Section 5.3.4, 1888 shall assign any and all right, title and interest acquired by this Agreement or resulting therefrom, including without limitation all right, title and interest in and to the Licensed Technology and the Patents, and shall do all things necessary to sell, transfer, assign and convey the foregoing rights to Cielo forthwith.

12.3 Survival of Terms

Articles 9 and 11 of this Agreement shall survive the termination thereof.

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

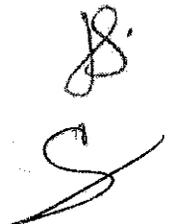
The License Agreement shall be governed by and construed in accordance with the laws in force in the Province of Alberta. Subject to Article 13 (Alternate Dispute Resolution (ADR)) the parties irrevocably and unconditionally attorn to and submit to the exclusive jurisdiction of the courts of Alberta 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, 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: 101 - 1500 Howe Street
Vancouver, BC V6Z 2N1
Attention: Don Allan
Email: donallan@cielows.com

If to 1888: Bridgeview Place
115-5114-58 st
Red Deer, AB T4N 2L8
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.

SIGNATURE PAGE FOLLOWS

Handwritten signatures in black ink, appearing to be initials or a stylized signature, located in the bottom right corner of the page.

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

CIELO WASTE SOLUTIONS CORP.

18887711 ALBERTA INC.

Per:

Per:

"Don Allan"

"Sanjay Mehrotra"

Name: Don Allan

Title: President and CEO

Name: Sanjay Mehrotra

Title: Director



Schedule "B"

Non-Disclosure Agreement between
Cielo Waste Solutions Corp. and Seymour Capital Incorporated

A handwritten signature in black ink, consisting of a stylized 'S' followed by a dot, located in the bottom right corner of the page.

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

THIS AGREEMENT dated as of the 22 day of November, 2018.

B E T W E E N :

SEYMOUR CAPITAL INCORPORATED, of the City of Calgary, in the Province of Alberta, (hereinafter referred to as the "Recipient")

OF THE FIRST PART

- and -

CIELO WASTE SOLUTIONS CORP., a corporation incorporated pursuant to the laws of the Province of British Columbia, (hereinafter referred to as "Company")

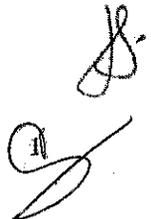
OF THE SECOND PART

WHEREAS the Company has begun to or shall engage in discussions with the Recipient pertaining to the Company or the business thereof (the "Discussions");

AND WHEREAS such Discussions may involve the disclosure and communication of information which is non-public, confidential and proprietary in nature consisting of and pertaining to the business activities, practices and proprietary research, patentable property or business models, financial information, shareholder or insider information and/or databases of the Company (collectively the "Information").

NOW THEREFORE in consideration of the disclosure to the Recipient of the Information and other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, the parties covenant and agree as follows:

1. The foregoing recitals are true and correct in substance and fact and are deemed to form an integral part of this agreement.
2. The Recipient acknowledges that all Information obtained by him/her/it from, in contemplation of, or as a result of the Discussion or any relationship with the Company is strictly confidential and is disclosed in confidence to the Recipient solely for the purpose of allowing it to carry out the Discussions.
3. The Recipient covenants and agrees that:
 - (a) he/she/it will not, now or any time hereafter, either directly or indirectly, for any reason whatsoever, divulge to any person, proprietorship, partnership, firm, corporation, organization or entity of any kind, any or all of the Information, except as required for the purposes of the Discussions;
 - (b) he/she/it will not, now or any time hereafter, either directly or indirectly, for any reason whatsoever, reproduce, copy, photograph, transcribe or tape any of the Information, without the prior express written permission of the Company, except to the extent that copies are required to be internally circulated by the Recipient as required to engage in the Discussions and except as specifically provided for herein;



- (c) he/she/it will not, now or any time hereafter, either directly or indirectly, for any reason whatsoever, use or allow to be used, any part of the Information for any purpose whatsoever, other than the purpose described above and except as required to engage in the Discussions and except as specifically provided for herein;
 - (d) upon the receipt of a written request by the Company, the Recipient shall return to the Company the originals and all copies, photocopies and reproductions of the Information unless otherwise agreed to in writing by the Company or as specifically provided for herein, or certify to their reasonable destruction;
 - (e) he/she/it will take all such reasonable further action as may be necessary to protect the confidentiality of the Information;
 - (f) he/she/it will not, now or any time hereafter, either directly or indirectly, contact any current or potential competitor or client of the Company with respect to the Information.
4. In exchange for the covenants and benefits provided to the Recipient as part of the Discussions, the Recipient covenants and agrees that he/she/it shall not, for a period of time beginning as of the date of the termination of the Discussions and continuing for two years (the "Restricted Period"), (nor shall it suffer or permit any related person to) directly or indirectly, in any manner whatsoever disclose to any third party any of the information. Notwithstanding the foregoing, the Recipient shall not disclose any of the Information to any third party indefinitely to the extent that any such Information would reasonably be considered non-public and/or insider information that has not or cannot be disclosed to the public by the Company, it being understood that the Company is a reporting issuer.
7. The Recipient acknowledges and agrees that he/she/it shall be liable for all direct damages sustained by the Company as a result of any disclosure or use by the Company of the Information other than as provided for herein, or the breach of any terms of this Agreement.
8. This agreement shall be applicable to all Information previously, currently or which in the future may be provided to the Recipient with respect to the Discussions or discussions in contemplation thereof. The Company acknowledges that remedies at law may be inadequate to protect against breach of this agreement, the Recipient and the Company hereby in advance agree to the seeking of injunctive relief in favour of the Company.
9. Any notice required or permitted to be given shall be given or made in writing and shall be delivered personally or mailed by prepaid first class mail:

if to the Recipient at: **Seymour Capital Incorporated**
Unit 403, 3450 19th St, SW
Calgary AB T2T 6V7

if to Company at: **Cielo Waste Solutions Corp.**
Jameson House, #700
838 West Hastings Street
Vancouver, BC V6C 0A6



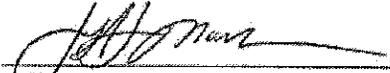
or such other address as either party may from time to time advise the other of them by notice given in the manner herein provided. the date of receipt of any such notice shall be deemed to be the date of delivery of such notice if delivered personally or if mailed as aforesaid, the third day of business following the date of mailing.

10. This agreement contains the entire agreement among the parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions with respect to the subject matter hereof. No supplement, modification, amendment or waiver of any provision of this agreement shall be binding unless executed in writing by the party or parties bound thereby.
11. The provisions of this agreement shall be binding upon parties hereto and their respective successors and assigns and shall be governed and construed in accordance with the laws of the Province of British Columbia and the parties attorn to the jurisdiction of the courts of the Province of British Columbia.
12. All parties agree that this agreement may be transmitted by facsimile device and that reproduction of signatures by way of facsimile device will be treated as though such reproductions were executed originals and each party undertakes to provide the other with a copy of this agreement bearing original signatures within a reasonable time after acceptance.

IN WITNESS WHEREOF the parties hereto have executed this agreement as of the date and year first above written.

SEYMOUR CAPITAL INCORPORATED

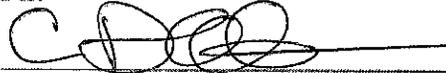
Per:



Jeff Seymour, CEO and Director

CIELO WASTE SOLUTIONS CORP.

Per:



Don Allan, President and CEO