FORM 5
QUARTERLY LISTING STATEMENT

Name of CNSX Issuer: **CIELO WASTE SOLUTIONS CORP.** (the "Issuer").
Trading Symbol: **CMC**

Schedules attached to this report:

SCHEDULE A: FINANCIAL STATEMENTS

SCHEDULE B: Please refer to Schedule A

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.

2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to CSE that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated: April 1, 2014

Don Allan
Name of Director or Senior Officer

"Don Allan"
Signature

CEO & President
Official Capacity

CIELO WASTE SOLUTIONS CORP.	Ended *January 31, 2014*	YY/MM/D *2014/04/01*
Issuer Address *8338-120th Street*		
City/Province/Postal Code *Surrey, B.C. V3W 3N4*	Issuer Fax No. *(604)592-6882*	Issuer Telephone No. *(694)592-6881*
Contact Name *Don Allan*	Contact Position *President & CEO*	Contact Telephone No. *403-348-2972*
Contact Email Address info@cielows.com	Web Site Address www.cielows.com	

SCHEDULE "A"

CIELO WASTE SOLUTIONS CORP.

(Formerly Cielo Gold Corp.)

Financial Statements

Jan. 31, 2014

(Expressed in Canadian dollars)\

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements; they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements have been prepared by management, and were not reviewed by the Company’s independent auditor.

Cielo Waste Solutions Corp. (formerly Cielo Gold Corp)
Statements of financial position
(Expressed in Canadian Dollars)

	Note	Jan. 31, 2014	April 30, 2013
		$	$
Assets			
Current Assets			
Cash		4,505	25,048
Other receivable			10,842
Prepaid expenses	6	1,200	
Total Current Assets		5,705	35,890
Fixed Assets			
Investment in BHBD Technology	4	750,000	-
Total Assets		755,705	35,890
Liabilities and Shareholders' Equity			
Current Liabilities			
Accounts payable and accrued liabilities		114,842	23,739
Total Current Liabilities		114,842	
Long Term Liabilities			
Due to Shareholders	6	140,963	
Due to Affiliated Companies	6	363,887	
Total Liabilities		504,850	23,739
Shareholders' Equity			
Share capital	4	1,747,836	869,586
Reverses		726,554	726,554
Deficit		(2,338,377)	(1,583,989)
		136,013	12,151
		755,705	35,890

See accompanying notes to financial statements

Nature and continuance operation and basic of presentation (Note 1 and 2)

Approved and authorized for issue by the Board of Directors on March 31, 2014

"Don Allan "	*"Robin Ray"*
Director	Director

Cielo Waste Solutions Corp. (formerly Cielo Gold Corp.)

Statements of Comprehensive Loss

(Expressed in Canadian Dollars)

	Three Months Ended Jan. 31		Nine Months Ended Jan. 31	
	2014	2013	2014	2013
Expenses				
Consulting	65,378	23,850	268,184	70,875
Office and Administration	187,632	7,787	372,864	23,860
Professional fees	83,457	2,125	99,385	6,375
Share-based Compensation	----	-----	----	50,219
Trust and filing fees	3,578	3,173	13,941	12,390
Loss before other items	(340,035)	(36,935)	(754,374)	(163,719)
Interest Income	----	525	----	1,575
Provision for Note Receivable	----	(40,291)	----	(40,291)
(Gain)Loss on foreign exchange	----	----	14	----
Gain(loss) from investments	----	(140,460)	----	(209,055)
Net loss and comprehensive loss for the period	(340,035)	(217,161)	(754,388)	(411,490)
Loss per share, basic and diluted	(0.01)	(0.01)	(0.03)	(0.02)
Weighted average number of outstanding common shares	28,969,372	23,583,372	28,969,372	23,583,372

See accompanying notes to financial statements

Cielo Waste Solutions Corp. (formerly Cielo Gold Corp.)
Statements of changes in equity
(Expressed in Canadian Dollars except for number of shares)

	Note	Number of outstanding shares	Share capital	Reserves: Share-based compensation	Reserves: Warrants	Deficit	Total shareholders' equity
			$	$	$	$	$
Balance, April 30, 2011		1	1			(4,500)	(4,499)
share cancellation		(1)	(1)	–	–	–	(1)
Share issuance on completion of the Arrangement Agreement	4	21,583,372	809,586	–	–	–	809,586
Shares issued for cash- private placement	4	2,000,000	60,000	–	40,000	–	100,000
Share-based compensation	5	–	–	639,175	–	–	639,175
Net loss for the year		–	–	–	–	(1,123,430)	(1,123,430)
Balance, April 30, 2012		23,583,372	869,586	639,175	40,000	(1,127,930)	420,831
Balance, April 30, 2012		23,583,372	869,586	639,175	40,000	(1,127,930)	420,831
Stock-based compensation	5	–	–	47,379	–	–	47,379
Net loss for the year		–	–	–	–	(456,059)	(456,059)
Balance, April 30, 2013		23,583,372	869,586	686,554	40,000	(1,583,989)	12,151
Balance April 30, 2013		23,583,372	869,586	686,554	40,000	(1,583,989)	12,151
Shares Issued for Exercising of Warrants		2,000,000	100,000	40,000	(40,000)		100,000
Shares Issued for Technology Investment		3,000,000	750,000				750,000
Shares Issued for Settlement of Debt		113,000	28,250				28,250
Net loss for the nine month period		-	-	–	–	(754,388)	(754,388)
Balance January 31, 2014		28,696,372	1,747,836	726,554	-	(2,338,377)	136,013

See accompanying notes to financial statements

Cielo Waste Solutions Corp. (formerly Cielo Gold Corp.)

Statements of cash flows

(Expressed in Canadian Dollars)

	Nine months ended January 31, 2014	2013
	$	$
Cash (used in) provided by:		
Operating activities		
Loss for the period	(754,388)	(411,490)
Items not involving cash		
Market value adjustment of investments	-	-
Provision for Note Receivable	-	40,291
Loss from investments	-	209,055
Accrued interest income	-	(1,575)
Share-based compensation	-	50,219
Changes in non-cash operating working capital		
Other receivable	10,842	(3,654)
Accounts payable and accrued liabilities	91,103	(27,068)
Loans from Affiliated companies	363,887	
Prepaid expenses	(1,200)	-
Cash used in operating activities	(289,756)	(144,222)
Financing activities		
Increase (decrease) in note payable	140,963	-
Share issuance for cash	878,250	-
Cash provided by financing activities	1,019,213	-
Investing activities		
Issuance of Shares for investment	(750,000)	-
Deferred exploration expenditures	-	(6,335)
Disposition (acquisition) of investments	-	202,515
Cash used in investing activities	(750,000)	196,180
Increase (decrease) in cash	(20,543)	51,958
Cash, beginning of period	25,048	10,607
Cash, end of period	4,505	62,565

See accompanying notes to financial statements

1. NATURE AND CONTINUANCE OF OPERATIONS

Cielo Gold Corp. (“Cielo” or the “Company”) was incorporated under the *Business Corporations Act* (British Columbia) on February 2, 2011 as a wholly owned subsidiary of Arris Holdings Inc. (“AHI”). Pursuant to an arrangement agreement with AHI dated March 1, 2011 and the supplement to the arrangement agreement dated June 9, 2011, (collectively the “Arrangement Agreement”), the Company spun out from AHI and became a reporting issuer after the Arrangement Agreement became effective on June 9, 2011 (“Effective Date’). Commencing August 3, 2011, the Company’s common shares started trading on Canadian National Stock Exchange (“CNSX”) under the Symbol CMC.

The Company has acquired various mineral property interests and is currently an exploration stage company with the principal business being the exploration and development of mining properties. The Company may also acquire additional resource properties and will carry out early stage exploration on such resource properties and then sell, option or joint venture such resource properties.

Cielo is working diligently on the renewable fuels market demands. Subject to financing, Cielo is preparing to move forward with the commercialization of its first 200 and 700 litre per hour renewable diesel refineries.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company’s continuing operations, as intended, and its financial success may be dependent upon the extent to which it can discover mineralization and the successful commercial start-up of its renewable diesel refinery and the economic viability of developing any such additional properties or refineries, and also upon the extent to which it can develop the Investment and any additional marketable securities it may acquire in the future.

The discovery of mineralization, the development of mineral properties and the renewable diesel refinery, to the point where they may be sold, optioned or joint ventured may take years to complete and the amount of resulting income, if any, is difficult to determine with any certainty. As an exploration stage company, the company does not anticipate producing revenues for some time, other than from the sale, optioning or joint venturing of any mineral property interests it may acquire and the sales of the Company’s investment in marketable securities. The sale value of any mineralization discovered by the Company and the value of the Company’s investments in marketable securities are not predictable. 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.

These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

2. STATEMENT OF COMPLIANCE AND BASIS OF PRESENTATION

a) Statement of Compliance

These financial statements have been prepared in accordance and compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IASB”) and the IFRS Interpretations Committee (“IFRIC”).

2. STATEMENT OF COMPLIANCE AND BASIS OF PRESENTATION (Continued)

(b) Basis of preparation

These financial statements are presented in Canadian dollars, which is the Company's functional and reporting currency. These financial statements are prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss ("FVTPL"), which are stated at their fair value.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Significant accounting judgments and estimates

The preparation of these financial statements requires management to make judgements and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgements and estimates. The financial statements include judgements and estimates which, by their nature, are uncertain. The impacts of such judgements and estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future and other sources of judgements and estimates that management has made at the statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Impairment

The Company assesses each cash generating unit annually to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell and value in use. These assessments require the use of estimates and assumptions such as long-term commodity and fuel prices, discount rates, future capital requirements, exploration potential, renewable diesel production and operating performance. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. Fair value for mineral assets is generally determined as the present value of estimated future cash flows arising from the continued use of the asset, which includes estimates such as the cost of future expansion plans and eventual disposal, using assumptions that an independent market participant may take into account. Cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Management has assessed its cash generating units as being an individual mine site, which is the lowest level for which cash inflows are largely independent of those of other assets.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

a) Significant accounting judgments and estimates (continued)

Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments, where active market quotes are not available. Details of the assumptions used are given in the notes regarding financial assets and liabilities.

In applying the valuation techniques management makes maximum use of market inputs wherever possible, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. Such estimates include liquidity risk, credit risk and volatility may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

b) Cash and cash equivalents

Cash and cash equivalents are comprised of cash in banks, and all short-term investments that are highly liquid in nature, cashable, and have an original maturity date of three months or less. As at January 31, 2014 and 2013, there was $Nil included as cash equivalents.

c) Shared-based payments

Pursuant to the Company's option plan ("Option Plan"), the Company may grant stock options to directors, officers and employees for the purchase of the capital stock of the Company. Included in the Option Plan are provisions that provide that the number of common shares reserved for issuance will not exceed 20% of the issued and outstanding common shares of the Company. At the discretion of the Board of Directors of the Company, options granted under the Option Plan can have a maximum exercise term of 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

The fair value of the options is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the period that the employees earn the options. The fair value is recognized as an expense with a corresponding increase in equity. The amount recognized as expense is adjusted to reflect the number of share options expected to vest.

d) Deferred income taxes

Deferred income tax assets and liabilities are recognized for deferred income tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred income tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs. To the extent that the Company does not consider it more likely than not that a deferred income tax asset will be recovered, the deferred income tax assets is reduced. Deferred income tax assets and liabilities are offset only if a legally enforceable right exists to offset

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Deferred income taxes (continued)

current tax assets against liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

e) Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing the net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average share outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

f) Financial instruments

All financial instruments are recorded initially at fair value. In subsequent periods, all financial instruments are measured based on the classification adopted for the financial instruments: held to maturity, loans and receivables, fair value through profit or loss ("FVTPL"), available-for-sale, FVTPL liabilities or other liabilities.

FVTPL assets and liabilities are subsequently measured at fair value with the change in the fair value recognized in net income (loss) during the period.

Held to maturity assets, loans and receivable, and other liabilities are subsequently measured at amortized cost using the effective interest rate method.

Available for sale assets are subsequently measured at fair value with the change in fair value recorded in other comprehensive income (loss), except for equity instruments without a quoted market price in active markets and whose fair value cannot be reliably measured, which are measured at cost.

The Company has classified its financial instruments as follows:

Financial Instrument	Classification
Cash	FVTPL
Investments	FVTPL
Note receivable and other receivable	Loan and receivable
Accounts payable and accrued liabilities	Other liabilities
Notes payable	Other liabilities

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Impairment

i) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred income tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets (the "cash-generating unit").

An impairment loss is recognized if the carrying amount of a cash-generating unit exceeds its estimated recoverable amount. The recoverable amount of an asset or a cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cost flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the assets. Impairment losses are recognized in net income (loss).

Impairment losses recognized in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss has been recognized.

ii) Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in net income (loss) and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through net income (loss).

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Comprehensive income (loss)

Comprehensive income (loss) is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in net profit. Other comprehensive income consists of changes to unrealized gain and losses on available for sale financial assets, changes to unrealized gains and losses on the effective portion of cash flow hedges and changes to foreign currency translation adjustments of self-sustaining foreign operations during the period. Comprehensive income measures net earnings for the period plus other comprehensive income. Amounts reported as other comprehensive income are accumulated in a separate component of shareholders' equity as Accumulated Other Comprehensive Income. The Company has not had other comprehensive income since inception and accordingly, a statement of comprehensive income has not been presented.

i. Exploration and evaluation

The Company is in the exploration stage with respect to its investment in mineral properties and accordingly follows the practice of capitalizing all costs relating to the acquisition of, exploration and development of mineral claims and crediting all proceeds received for farm-out arrangements or recovery of costs against the cost of the related claims. Such costs include, but are not exclusive to, geological, geophysical studies, exploratory drilling and sampling. At such time as commercial production commences, these costs will be charged to operations on a unit-of-production method based on proven and probable reserves. The aggregate costs related to abandoned mineral claims are charged to operations at the time of any abandonment or when it has been determined that there is evidence of a permanent impairment. An impairment charge relating to a mineral property is subsequently reversed when new exploration results or actual or potential proceeds on sale or farm-out of the property result in a revised estimate of the recoverable amount but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized.

The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future production or proceeds of disposition.

The Company recognizes in income the costs recovered on mineral properties when the amounts received or receivable are in excess of the carrying amount.

Upon transfer of "Exploration and evaluation costs" into "Mine Development", all subsequent expenditure on the construction, installation or completion of infrastructure facilities is capitalized within "Mine development". After production starts, all assets included in "Mine development" are transferred to "Producing Mines".

All capitalized exploration and evaluation expenditure is monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that exploration expenditure is not expected to be recovered, it is charged to the results of operations. Exploration areas where reserves have been discovered, but require major capital expenditure before production can begin, are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is underway as planned.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Segment reporting

A reportable segment, as defined by 'IFRS 8 Operating Segments', is a distinguishable business or geographical component of the Company, which are subject to risks and rewards that are different from those of other segments. The Company considers its primary reporting format to be business segments. The Company considers that it has only one reportable segment, being the mineral exploration segment, operated in one geographical area, being Canada.

k. Environmental Rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of the mineral property when those obligations result from the acquisition, development or normal operations of the assets. The net present value of future rehabilitation cost estimates arising from decommissioning a site and other work is capitalized to resource assets along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as mining assets.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to resource assets with a corresponding entry to the rehabilitation provision. The Company's estimates are renewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charges to profit and loss for the period.

The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to the income statement in the period incurred.

As at January 31, 2014 and 2013, the Company, given the early stage of exploration on its mineral property, did not have reclamation costs, as well as its early stage of renewable diesel development, did not have any recovery costs and therefore no provision for environmental rehabilitation has been made.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Future changes in accounting policies

(i) The following Standards are effective for annual periods beginning on or after January 1, 2013. The Company is assessing the impact of these standards.

- IFRS 10 Consolidated Financial Statements will replace existing guidance on consolidation in IAS 27 Consolidated and Separate Financial Statements, and SIC 12 Consolidation – Special Purpose Entities.

- IFRS 11 Joint Arrangements will replace IAS 31 Interests in Joint Ventures, and SIC 13 Jointly Controlled Entities – Non-monetary Contributions by Venturers.

- IFRS 12 Disclosure of Interests in Other Entities is the new Standard for disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities.

- IFRS 13 Fair Value Measurement was issued to remedy the inconsistencies in the requirements for measuring fair value and for disclosing information about fair value measurement in various current IFRSs.

- IAS 27 Separate Financial Statements has been updated to require an entity presenting separate financial statements to account for those investments at cost or in accordance with IFRS 9 Financial Instruments.

- IAS 28 Investments in Associates and Joint Ventures has been revised and it is to be applied by all entities that are investors with joint control of, or significant influence over, an investee.

(ii) The following Standard is effective for annual periods beginning on or after January 1, 2015. The Company is assessing the impact of this standard.

- IFRS 9 Financial Instruments (''IFRS 9'') was issued to replace IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 addresses the classification and measurement of financial assets.

4. SHARE CAPITAL

a. Authorized: unlimited number of common shares without par value
unlimited Class B preferred shares without par value (iii)

b. Issued and Outstanding:

	Number of Common Shares	Amount ($)
Balance as at the first year ended April 30, 2011	**1**	**1**
Cancellation of incorporation share	(1)	(1)
Share issuance- Arrangement Agreement (i)	21,583,372	809,586
Issuance of shares for cash (ii)	2,000,000	60,000
Balance as at April 30, 2012	**23,583,372**	**869,586**
Issuance (redemption/cancellation)	**2,113,000**	**128,250**
Issuance of shares for investment	**3,000,000**	**750,000**
Balance as at January 31, 2014	**28,696,372**	**1,747,836**

(i) The Company issued 21,583,372 common shares to AHI in exchange for AHI's Equity Portfolio (Note 4) when the Arrangement Agreement became effective.

(ii) On August 22, 2011, the Company completed a private placement for the issuance of 2,000,000 security units ("Unit") at a price of $0.05 per Unit for a gross proceed of $100,000. Each Unit consists of a common share and a common share purchase warrant ("Warrant") of the Company. Each Warrant entitles the holder to purchase, for a period of two years, an additional common share at an exercise price of $0.05 per share. The Company allocated $60,000 to the Company's share capital and $40,000 to its reserve to account for the issuance of common shares and share purchase warrants respectively. The allocation was calculated by valuing the common shares and warrants separately and adjusting the resulting amounts on a pro-rata basis so the sum of the amounts allocated to the common share and the warrants equal to the amount of the $100,000 proceed. The assumptions used in valuing the fair value of the warrants with the Black-Scholes Option Pricing Model are: risk-free interest rate of 1.00%, dividend yield of 0%, expected volatility of 100% and expected life of 2 years .On August 22, 2013, these 2,000,000 warrants were fully exercised and Cielo received $100,000 for the proceeds.

(iii) On July 29, August 23 and September 26, 2013, Cielo issued to Blue Horizon Bio-Diesel Inc. 1,000,000 shares for a total of 3,000,000 shares at a price of $0.25 per share for a gross investment of $750,000.

As at January 31, 2014, the Company had NIL (2013 – 2,000,000) share purchase warrants or options.

The Company has not issued preferred shares since inception; thus did not have preferred shares outstanding as at January 31, 2014.

5. STOCK OPTION

The Company has adopted an incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the applicable stock exchange's requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. Pursuant to the Option Plan, the number of common shares reserved for issuance will not exceed 20% of the issued and outstanding common shares of the Company. Options granted under the Option Plan can have a maximum exercise term of 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

On September 19, 2011 ("Grant Date"), the Company granted incentive stock options to certain directors, officers, and consultants to purchase up to an aggregate total of 4,716,674 common shares at a price of $0.30 per share. The stock options will vest in four equal tranches at three, six, nine, and 12 months from the Grant Date, and will expire on September 19, 2013. Continuity of the Company's option is as follows:

	Number	Weighted average exercise price
Balance, April 30, 2011	-	$ -
Issuance	4,716,674	0.30
Expired/cancelled	-	-
Balance, April 30, 2012	4,716,674	0.30
Issuance	-	-
Expired/cancelled	(525,000)	0.30
Balance April 30, 2013	4,191,674	0.30
Expired/cancelled	(4,191,674)	0.30
Balance, January 31, 2014	-	-

6. RELATED PARTY TRANSACTIONS

All related party transactions are in the normal course of operations and have been measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties. Related party transactions not disclosed elsewhere in the accompanying financial statements are as follows:

a. The CEO loaned the company $140,963, with no interest and no terms of repayment.
b. The prepaid expenses consist of a professional fee retainer of $1,200.
c. Blue Horizon Bio-Diesel Inc. has loaned the company $47,935 with no interest and no terms of repayment.
d. Blue Horizon Energy Inc. has loaned the company $315,952 with no interest and no terms of repayment.

7. CAPITAL DISCLOSURES

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in shareholders' equity and cash as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through the equity or debt financing. The Company is not subject to any capital requirements imposed by a regulator.

The Company has not changed its approach in managing its capital since the period ended October 31, 2012.

8. FINANCIAL INSTRUMENTS

Risk Management

The Company's financial instruments consist of cash, notes receivable, investments, accounts payable, accrued liabilities, and notes payable; the fair values of which are considered to approximate their carrying value due to their short-term maturities or ability of prompt liquidation.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Strategic and operational risks are risks that arise if the Company fails to discover mineralization and the economic viability of developing the mineral properties acquired and/or to raise sufficient equity and/or debt financing in financing the exploration and development. These strategic opportunities or threats arise from a range of factors which might include changing economic and political circumstances and regulatory approvals and competitor actions. The risk is mitigated by consideration of other potential development opportunities and challenges which management may undertake.

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation. The Company is subject to normal industry credit risks. Therefore, the Company believes that there is minimal exposure to credit risk.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at January 31, 2014, the Company had cash balance of $4,505, working capital deficit of ($109,137). All of the Company's financial liabilities have contractual maturities of less than 30 days, and are subject to normal trade terms. Management is considering different alternatives to secure adequate debt or equity financing to meet the Company short term and long term cash requirement.

Interest risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in

8 .FINANCIAL INSTRUMENTS (CONTINUED)

market risk. The Company's interest income arising from the note receivable is subject to the fluctuation of prime borrowing rate in Canada. For every one % change in the prime borrowing rate in Canada, the impact to the Company's financial statements for the period ended January 31, 2014 is not significant.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds no financial instruments that are denominated in a currency other than Canadian dollar. Therefore, the Company's exposure to currency risk is minimal.

Fair Value
The fair value of the Company's financial assets and liabilities approximates the carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The following is an analysis of the Company's financial assets measured at fair value as at January 31, 2014 and 2013:

	As at January 31, 2014		
	Level 1	**Level 2**	**Level 3**
	$	$	$
Cash	4,505	-	-

	As at January 31, 2013		
	Level 1	**Level 2**	**Level 3**
	$	$	$
Cash	62,565	-	-
Investments		-	-

9. SUBSEQUENT EVENTS

On March 6th, 2014 Cielo announced that they have received confirmation of the Alberta Bioenergy Producer Credit Program for up to $5.7 million in a government production grant. Under the Alberta Bioenergy Producer Credit Program, the Alberta government will support Cielo with a $0.13 per litre production subsidy. This could add up to $5.7 million dollars over the next 3 years.
On March 10th, 2014 Cielo received its first commercial purchase order for its innovative technology. The supply of one 200 liters per hour refinery. This refinery will first be in production in Alberta, until commercial viability of the technology has been proven, whereupon it will be sold and shipped overseas to Australia.

On March 14, 2014 Cielo announced the brokered private placement offering (the "Private Placement") of a minimum of CAD $3,000,000 and a maximum of $5,000,000, subject to a 20% over-allotment option, in secured convertible debentures (the "Convertible Debentures"), at a price of CAD $2,500 each, with a minimum subscription of $25,000. The Convertible Debentures will mature two (2) years from the date of issuance, carry an interest rate of 12% per annum, and be convertible at the option of the holder at a price of $0.25. The Private Placement is expected to close at the end of April, 2014.

Cielo has engaged the services of Chippingham Financial Services (the "Agent") to act as agent in connection with the Private Placement on a "best efforts" basis. The Corporation shall pay to the Agent a commission comprised of (i) a cash fee equal to eight percent (8%) of the gross subscription proceeds, and (ii) broker warrants (the "Broker Warrants") entitling the Agent, upon exercise of the Broker Warrants, to purchase, in aggregate, common shares in the capital stock of Cielo equal to eight percent 8%) of securities sold pursuant to the Private Placement. Such Broker Warrants shall be exercisable at a price of $0.25 per common share. The Agent will also be entitled to receive common shares in the capital stock of Cielo with an aggregate value of $10,000 (the "Agent Shares") on or about the closing date of the Private Placement.

In compliance with applicable securities laws (i) the Convertible Debentures, the Agent Shares and the Broker Warrants will be subject to a hold period of four (4) months following the issuance thereof, and (ii) the common shares underlying the Convertible Debentures, if so converted, and Broker Warrants will be subject to a four (4) month hold period following their issuance upon exercise thereof. The Private Placement and any modifications thereto are subject to compliance with applicable securities laws and to receipt of the approval of the CSE, and the Company reserves the right to increase the size of the Private Placement or to modify the type, nature and/or price of the Convertible Debentures, or delay the anticipated closing date, for any reason.

The proceeds from the Private Placement shall be used as working capital, professional fees, repayment of a portion of indebtedness of the Company acquired in part with respect to the change of business, and primarily for the purposes of building one or more refineries in Cielo's development of the new business, beginning with a 200 litre per hour refinery.

On March 15, 2014 Cielo issued a promissory note to Blue Horizon Energy Inc. in the sum of One Hundred Twenty-Two Thousand, Six Hundred ($122,600) Dollars, together with interest payable thereon at the rate of Five (5%) Percent per annum calculated and compounded monthly on any amount not paid ON OR BEFORE May 1, 2016, but before and after Judgment.

The Promisor herby waives demand and presentment for payment, notice of non-payment and notice of protest of this note.

On March 15, 2014 Cielo issued a promissory note to Don Allan in the sum of One Hundred Thousand ($100,000) Dollars, together with interest payable thereon at the rate of Five (5%) Percent per annum calculated and compounded monthly on any amount not paid ON OR BEFORE May 1, 2016, but before and after Judgment.

The Promisor herby waives demand and presentment for payment, notice of non-payment and notice of protest of this note.

March 17th Cielo also announced that it is undergoing a fundamental change of business, as is described in and governed by Policy 8 (the "Policy") of the Canadian Securities Exchange (the "CSE"). Originally a gold mining company, Cielo has taken steps in changing its business to biodiesel refining. It is in the opinion of the Board of Directors of Cielo that this change of business is in the best interests of the Company and its shareholders. The Board of Directors and management of Cielo believes that it has the technology that can allow it to quickly enter the fast and growing waste industry by refining landfill municipal and commercial waste into a high quality renewable diesel. A Listing Statement and related documents have been submitted to the CSE for their review and approval on Tuesday March 25, 2014.

March 27, 2014 Cielo has elected to let the mineral lease adjacent to the Midge property expire. Cielo has taken the steps in changing its business to biodiesel refining.

SCHEDULE "C"

MANAGEMENT'S DISCUSSION AND ANALYSIS

OF THE COMPANY'S FINANCIAL CONDITION

AND RESULTS OF OPERATIONS

FOR NINE MONTHS ENDING

JANUARY 31, 2014

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 nine months ended January 31, 2014 and should be read in conjunction with the Company's unaudited interim financial statements for the same period ("2013 Nine Months Interim Financial Statements") and the audited financial statements for the most recent year ended April 30, 2013. 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 mineral properties and claims.

Such forward–looking statements, including but not limited to those with respect to the price of metals, the timing and amount of estimated future mineralization and economic viability of properties, capital expenditures, costs and timing of exploration projects, permitting timelines, title to properties, the timing and possible outcome of pending exploration 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 March 31, 2014.

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 is an exploration stage company whose principal business is the exploration and development of mining properties.

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

CORPORATE OVERVIEW AND OVERALL PERFORMANCE

Exploration and evaluation assets update

On November 14, 2013 Cielo elected to let the Midge Property expire but continues to maintain the Mineral Lease that was adjacent to the Midge tenure. The Lease is a gold and silver potential property consisting of one claim block totalling 54.66 hectares located in the Kamloops Mining Division of British Columbia, near the historic Gold Hill mine. The property lies along the east side of Dunn Lake, approximately 40 kilometres north of the town of Barriere, B.C.

A technical report on the property is available for review on SEDAR.

As the Canadian capital market is currently in a downturn for junior mining companies, the Company will not proceed exploration unless the Company is able to raise adequate funding from either equity or debt financing or other arrangements in order to finance those exploration works.

Cielo is working diligently on the renewable fuels market demands. Cielo and RD County have had various communications regarding the Integrated Processing and Transfer Facility (IPTF) and Renewable Fuel facility. Subject to financing, Cielo is now prepared to move forward with this endeavor and is excited to have the Red Deer County's support in this development of a green future. Final approval pertaining to this matter is the jurisdiction of RD County Council therefore the proposal will have to be approved in a public county council meeting.

Going concern

The discovery of mineralization and the development of mineral properties to the point where they may be sold, optioned or joint ventured may take years to complete and the amount of resulting income, if any, is difficult to determine with any certainty. As an exploration stage company, the company does not anticipate producing revenues for some time and has had recurring losses since inception. The sale values of any mineralization discovered by the Company are not predictable. The Company's continuing operations, as intended, and its financial success may be dependent upon the extent to which it can discover mineralization and the economic viability of developing any such additional properties.

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 CO_2 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.

Proposed 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 intends to purchase certain assets in respect of BHBD's bio-diesel processing and refinery business (the "BHBD Business"). The purchase price is $4,250,000 plus assumption certain liabilities in respect of the BHBD Business.

On June 12, 2013, Cielo agreed to change the terms of the BHBD Interim Agreement as follows:

- Assets purchase will be all of the assets of BHBD, excluding all license agreements;
- The purchase price is $4,500,000 payable via 18 monthly common stock of Cielo issuances to BHBD at a stated value of $0.25/share representing $250,000 per month.

On July 29, August 23,and September 26, 2013, Cielo issued 1,000,000 shares at $.25/share to BHBD for a total of 3,000,000 shares as per the BHBD Interim Agreement.

On July 16, 2013 Cielo signed a term sheet for the project financing in the amount of $6 mill. The proceeds of the Financing will be used for the purposes of building a commercial 700 Litre per hour renewable diesel refinery, the Company anticipated doing this with the assistance of Northcore Technologies Inc. (TSX:NTI). The terms of the Financing differ from the description provided in the Corporation's news release dated March 27, 2013 in one material respect, the total amount of the Offering is $6,000,000 whereas the prior term sheet contemplated a maximum offering of $5,500,000. There are conditions precedents to be met on the term sheet for this best effort offering, consequently there is no guarantee this financing will close and trading in the shares of the Company remains speculative.

The Project Financing will proceed through the issuance of convertible debentures. The material terms on the convertible debenture are 10.75% annual interest for a three year terms with a right of conversion in year 2 or 3 at a price equivalent to a 15% discount of the previous 20 day average closing price and in no case less than $0.25 per common share. Also connection with the Financing, the Corporation will pay a selling commission, the Agent will receive 7% in cash calculated on the total amount of this Private Placement, and an additional 7% calculated on a price per share of the Issuer calculated at the average closing price for the preceding 20 trading days prior to the Closing Date.

At the September 12, 2013 meeting of the Board of Directors of Cielo, the LOI with Northcore Technologies Inc. was terminated..

~~On September 23, 2013 Don Allan resigned as CEO of~~ Northcore Technologies Inc.

On October 31, 2013 Cielo received a signed Letter from the Red Deer County ("RD County") agreeing to review the opportunity to construct a renewable diesel refinery and a world class Integrated Processing and Transfer Facility ("IPTF") adjacent to Horn Hill Waste Transfer Station in Red Deer County.

RESULTS OF OPERATIONS

Nine Months Ended January 31, 2014 (“2013 Nine Months”)

Loss for 2014 nine months was ($754,388). The loss was mainly the combined result of incurring operating expenditures of $268,184 in consulting fees (2013 - $70,875), $99,385 in professional fees (2013 -$6,375), $13,941 in trust and filing fees (2013 - $12,390), $14 loss on foreign exchange (2013 – NIL) and $372,864 for office administration (2013 - $23,860).

Consulting fees were paid to individuals who are not officers or directors of the company. The main component of the office and administration expenditure of $372,864 was rent charged for its office, listing expenses, and travel expenses. As a result, the consulting fees, office and administration, and the total operating expenditures are higher in the nine months ended January 31, 2014 compared to those for the same period of 2013. It is the Company’s intention to curtail expenses to preserve cash until the Company is able to obtain further financing to finance its long term business objectives.

On January 31, 2014, the Company’s main assets and liabilities were:

Cash - $4,505 comparing to $25,048 at 2013;
Prepaid expenses - $1,200 (2013 NIL));
Accounts payable and accrued liabilities - $114,842 (2013 $23,739);
Due to Shareholder $140,963 (2013 NIL)
Due to Affiliated companies $363,887 (2013 NIL)

The decrease in cash was mainly a combined result of restructuring the company for its transaction with Blue Horizon Bio-Diesel Inc.

QUARTERLY FINANCIAL INFORMATION

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

Quarterly Financial Information	Jan 31 2014	Oct 31 2013	July 31 2013	Apr 30 2013	Jan 31 2013	Oct 31 2012	July 31 2012	Apr 30 2012
Operating data:	$	$	$	$	$	$	$	$
Total revenue	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Operating Expenses	340,035	318,912	95,428	25,684	36,935	60,437	66,347	236,533
Net Earnings (loss)	(340,035)	(318,926)	(95,428)	(44,569)	(217,161)	89,380	(283,709)	(161,510)
Balance sheet data:								
Total assets	755,705	526,810	86,869	35,890	87,952	411,670	249,663	476,291
Total current liabilities	114,842	300,762	170,146	23,739	28,392	134,949	84,222	55,460

Explanation of Quarterly Variances.

The loss of $(340,035) for the three months ended January 31, 2014 (2013 – loss of $36,935) consisted of $65,368 for consulting fees (2013 - $23,850), $187,632 office administration expenses (2013 - $7,787), $83,457 professional fees (2013 – $2,125), and $3,578 trust and filing fees (2013 - $3,173).

Revenue for the three months ending January 31, 2014 was $NIL, compared to $NIL for the three months ended January 31, 2013.

LIQUIDITY AND CAPITAL RESOURCES

As at January 31, 2014, the Company had $4,505 cash, and working capital deficit of ($109,137). The Company is not subject to external working capital requirements.

During three months ended January 31, 2014 the Company had $878,250 net cash inflow/outflow from its financing activities.

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

PROPOSED TRANSACTIONS

The Company does not have any proposed transactions to discuss at this time.

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 to the 2014 Nine Months Interim Financial Statements.

OUSTANDING SHARE DATA

As of the date of this MD&A, the Company has 28,696,372 common shares issued and outstanding.

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 2013 yearend financial statements, which are available at www.sedar.com.

FINANCIAL INSTRUMENTS

Refer to Note 8 to the Company's financial statements for the nine months ended January 31, 2014.

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.

Mining Industry

The exploration for and development of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration programs planned by the Company will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, as well as metal prices which are highly cyclical and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection.

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. Mining operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of ore, including unusual and unexpected geology formations, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas, which may result in environmental pollution and consequent liability.

The Company's mineral exploration activities are directed towards the search, evaluation and development of mineral deposits. There is no certainty that the expenditures to be made by the Company as described herein will result in discoveries of commercial quantities of ore. There is aggressive competition within the mining industry for the discovery and acquisition of properties 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 from successful exploration efforts.

Bio-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.

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.

Government Regulation

The exploration activities of the Company are subject to various federal, provincial and local laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substance and other matters. Exploration activities are also subject to various federal, provincial and local laws and regulations relating to the protection of the environment. These laws mandate, among other things, the maintenance of air and water quality standards, and land reclamation. These laws also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste.

Although the Company's exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of exploration, mining and milling or more stringent implementation thereof could have a substantial adverse impact on the Company.

Permits and Licenses

The exploitation and development of mineral properties may require the Company to obtain regulatory or other permits and licenses from various governmental licensing bodies. There can be no assurance that the Company will be able to obtain all necessary permits and licenses that may be required to carry out exploration, development and mining operations on its properties and bio-diesel fuel development and marketing.

Environmental Risks and Hazards

All phases of the Company's mineral exploration operations and renewable fuel operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees.

There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at present, which have been caused, by previous or existing owners or operators of the properties. The Company may become liable for such environmental hazards caused by previous owners and operators of the properties even where it has attempted to contractually limit its liability. Government approvals and permits are currently, and may in the future be, required in connection with the Company's operations. To the extent such approvals are required and not obtained; the Company may be curtailed or prohibited from proceeding with planned exploration or development of mineral properties and/or development and marketing of bio-diesel fuels.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining and refining operations may be required to compensate those suffering loss or damage by reason of the mining and refining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining Companies and/or renewable -diesel development and marketing, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration and refining expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining or refining properties.

Production of mineral properties may involve the use of dangerous and hazardous substances such as sodium cyanide. Production of renewable fuels may involve the use of dangerous and hazardous substances such as arsenic. While all steps will be taken to prevent discharges of pollutants into the ground water and the environment, the Company may become subject to liability for hazards that cannot be insured against.

Commodity Prices

The profitability of the Company's operations is significantly affected by changes in the market price of gold, other minerals and 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 base metal and renewable fuel prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments. The prices of gold and other fuel materials has fluctuated widely in recent years, and future serious price declines could cause continued commercial production to be impracticable.

Depending on the price of gold, other minerals and various 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 tonnages and grades will be achieved or that the indicated level of recovery will be realized. Market fluctuations and the price of gold and other minerals, as well as renewable fuels, may render reserves and refining uneconomical. Moreover, short-term operating factors relating to the reserves, such as the need for orderly development of the ore bodies or the processing of new or different grades of ore, may cause a mining operation to be unprofitable in any particular accounting period. 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.

Land Title

Although the Company has obtained title opinions with respect to certain of its properties, there may still be undetected title defects affecting such properties. Accordingly, such properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects which could have a material adverse impact on the Company's operations.

FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES

During the nine months ended January 31, 2014, 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 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, CFO
Hon. Doug Lewis	Director
Doug MacKenzie	Director
James G. Chephya	Director

SUBSEQUENT EVENTS

On March 6th, 2014 Cielo announced that they have received confirmation of the Alberta Bioenergy Producer Credit Program for up to $5.7 million in a government production grant. Under the Alberta Bioenergy Producer Credit Program, the Alberta government will support Cielo with a $0.13 per litre production subsidy. This could add up to $5.7 million dollars over the next 3 years.

On March 10th, 2014 Cielo received its first commercial purchase order for its innovative technology. The supply of one 200 liters per hour refinery. This refinery will first be in production in Alberta, until commercial viability of the technology has been proven, whereupon it will be sold and shipped overseas to Australia.

On March 14, 2014 Cielo announced the brokered private placement offering (the "Private Placement") of a minimum of CAD $3,000,000 and a maximum of $5,000,000, subject to a 20% over-allotment option, in secured convertible debentures (the "Convertible Debentures"), at a price of CAD $2,500 each, with a minimum subscription of $25,000. The Convertible Debentures will mature two (2) years from the date of issuance, carry an interest rate of 12% per annum, and be convertible at the option of the holder at a price of $0.25. The Private Placement is expected to close at the end of April, 2014.

Cielo has engaged the services of Chippingham Financial Services (the "Agent") to act as agent in connection with the Private Placement on a "best efforts" basis. The Corporation shall pay to the Agent a commission comprised of (i) a cash fee equal to eight percent (8%) of the gross subscription proceeds, and (ii) broker warrants (the "Broker Warrants") entitling the Agent, upon exercise of the Broker Warrants, to purchase, in aggregate, common shares in the capital stock of Cielo equal to eight percent 8%) of securities sold pursuant to the Private Placement. Such Broker Warrants shall be exercisable at a price of $0.25 per common share. The Agent will also be entitled to receive common shares in the capital stock of Cielo with an aggregate value of $10,000 (the "Agent Shares") on or about the closing date of the Private Placement.

In compliance with applicable securities laws (i) the Convertible Debentures, the Agent Shares and the Broker Warrants will be subject to a hold period of four (4) months following the issuance thereof, and (ii) the common shares underlying the Convertible Debentures, if so converted, and Broker Warrants will be subject to a four (4) month hold period following their issuance upon exercise thereof. The Private Placement and any modifications thereto are subject to compliance with applicable securities laws and to receipt of the approval of the CSE, and the Company reserves the right to increase the size of the Private Placement or to modify the type, nature and/or price of the Convertible Debentures, or delay the anticipated closing date, for any reason.

The proceeds from the Private Placement shall be used as working capital, professional fees, repayment of a portion of indebtedness of the Company acquired in part with respect to the change of business, and primarily for the purposes of building one or more refineries in Cielo's development of the new business, beginning with a 200 litre per hour refinery.

On March 15, 2014 Cielo issued a promissory note to Blue Horizon Energy Inc. in the sum of One Hundred Twenty-Two Thousand, Six Hundred ($122,600) Dollars, together with interest payable thereon at the rate of Five (5%) Percent per annum calculated and compounded monthly on any amount not paid ON OR BEFORE May 1, 2016, but before and after Judgment.

The Promisor herby waives demand and presentment for payment, notice of non-payment and notice of protest of this note.

On March 15, 2014 Cielo issued a promissory note to Don Allan in the sum of One Hundred Thousand ($100,000) Dollars, together with interest payable thereon at the rate of Five (5%) Percent per annum calculated and compounded monthly on any amount not paid ON OR BEFORE May 1, 2016, but before and after Judgment.

The Promisor herby waives demand and presentment for payment, notice of non-payment and notice of protest of this note.

March 17th Cielo also announced that it is undergoing a fundamental change of business, as is described in and governed by Policy 8 (the "Policy") of the Canadian Securities Exchange (the "CSE"). Originally a gold mining company, Cielo has taken steps in changing its business to biodiesel refining. It is in the opinion of the Board of Directors of Cielo that this change of business is in the best interests of the Company and its shareholders. The Board of Directors and management of Cielo believes that it has the technology that can allow it to quickly enter the fast and growing waste industry by refining landfill municipal and commercial waste into a high quality renewable diesel. A Listing Statement and related documents have been submitted to the CSE for their review and approval on Tuesday March 25, 2014.

March 27, 2014 Cielo has elected to let the mineral lease adjacent to the Midge property expire. Cielo has taken the steps in changing its business to biodiesel refining.

ADDITIONAL INFORMATION

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