DELIVERED BY EMAIL

July 16, 2025

Expander Energy Inc.
Suite 1185 – 10201 Southport Road SW
Calgary, AB T2W 4X9, Canada
Attention: Gord Crawford
Email: g.crawford@expanderenergy.com

Expander Engineering Services Inc.
Suite 1185 – 10201 Southport Road SW
Calgary, AB T2W 4X9, Canada
Attention: Steve Kresnyak
Email: s.kresnyak@expanderenergy.com

Expander Services Inc.
Suite 1185 – 10201 Southport Road SW
Calgary, AB T2W 4X9, Canada
Attention: Gord Crawford
Email: g.crawford@expanderenergy.com

Expander Technologies Inc.
1380 Commercial Way
Penticton, BC V2A 3H6
Attention: Steve Kresnyak
Email: s.kresnyak@expanderenergy.com

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Amended and Restated Letter Agreement

Reference is hereby made to the Amended and Restated Asset Purchase Agreement dated November 8, 2023, as amended by Amendment No. 1 dated September 16, 2024 (the "**APA**") between Cielo Waste Solutions Corp. ("**Cielo**") and Expander Energy Inc. ("**Expander**") and the transactions contemplated thereunder (the "**Transactions**"). All capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the APA.

This amended and restated letter agreement (this "**Letter Agreement**") amends and restates the Letter Agreement dated April 29, 2025, between Cielo, on one hand, and each addressee listed above (each, an "**Expander Party**", collectively, the "**Expander Parties**", and together with Cielo, the "**Parties**", and each, a "**Party**"), on the other hand, and sets forth the agreement between the Parties with respect to the mutual agreement of Cielo and the applicable Expander Parties to rescind the APA, the Expander Agreements (as defined below) and the Transaction Agreements, and to unwind the Transactions to the extent possible (the "**Unwinding**") in full and complete discharge of all the Parties' obligations thereunder, as applicable, and as settlement and resolution of all claims that exist or may exist between Cielo and any or all of the Expander Parties for or by reason of, or arising in any way out of or in connection with the APA, Expander Agreements and/or Transaction Agreements and Transactions, and in furtherance of the foregoing, the Parties agree as follows:

1. On or before 5:00 p.m. Mountain Daylight Time on July 16, 2025 (the "**Closing Date**"), Cielo hereby agrees to issue to Expander, Expander Services Inc. ("**Expander Services**"), and Expander Technologies Inc. ("**Expander Technologies**"), collectively, a promissory note in the principal amount of C$748,208.79 in the form of Exhibit "A" attached hereto (the "**Promissory Note**"), in full and final satisfaction of any and all amounts owing by Cielo to the Expander Parties and/or their respective affiliates pursuant to, or otherwise in connection with, the APA, the Expander Agreements, the Transaction Agreements and/or the Transactions, including, for greater certainty, any amounts that are or may be deemed to be payable by Cielo to the Expander Parties and/or their respective affiliates pursuant to any outstanding invoice or claim, including any fees, costs or other amounts, pursuant to any of the EBTL™ and BGTL™ Technologies Licence Agreement dated November 8, 2023 between Expander and Cielo, the Agency Agreement dated November 9, 2023 between Expander Engineering Services Inc. and Cielo (the "**Agency Agreement**"), the Engineering Services Agreement dated November 9, 2023 between Expander Engineering Services Inc. and Cielo (the "**Engineering Services Agreement**"), the Management Services Agreement dated November 9, 2023 between Expander Services and Cielo (the "**Management Services Agreement**") and the Supply and Services Agreement dated December 13, 2023 between Expander Technologies and Cielo (the "**Supply and Services Agreement**", and together with the Agency Agreement, Engineering Services

Agreement, and Management Services Agreement, the "**Expander Agreements**") or the three Statements of Claim filed by Expander, Expander Services, and Expander Technologies, respectively, before the Court of King's Bench of Alberta as against Cielo on April 10, 2025 (the "**Expander Claims**").

2. Effective as of the Closing Date, Cielo hereby relinquishes to Expander, and Expander hereby acquires from Cielo, free and clear of all Encumbrances other than Permitted Encumbrances, all of the right, title and interest of Cielo in, to and under those Acquired Assets acquired by Cielo pursuant to the APA that are in existence as at the date hereof, and in connection therewith, Expander shall assume the following liabilities in connection with such transferred Acquired Assets: (a) all trade accounts payable of Expander or Affiliates of Expander to Third Parties incurred in connection with the Projects before November 8, 2023 that are outstanding as of the date of this Letter Agreement; (b) all Liabilities and obligations arising under or relating to the Assigned Contracts and the Assigned Lease before November 8, 2023 that are outstanding as of the date of this Letter Agreement; and (c) all Liabilities and obligations arising out of or relating to the Acquired Assets and the Projects on or after the Closing Date. For the avoidance of doubt, the Parties acknowledge that the deposit required to be paid pursuant to the Assigned Lease has not yet become payable and agree that, if such deposit becomes payable after the Closing Date, it will constitute a Liability under Section 2(c).

3. The Parties hereby agree that, effective as of the Closing Date, each of the APA, all other Transaction Agreements and the Expander Agreements will hereby be terminated and of no further force or effect as if they had never been entered into. For the avoidance of doubt, the Confidentiality Agreement shall remain in full force and effect, notwithstanding the termination of the APA and the Transaction Agreements.

4. The Expander Parties hereby severally represent and warrant to Cielo, and will be deemed to have so represented and warranted again on the Closing Date, that each Expander Party holds or owns, whether beneficially or otherwise, may direct the voting of, or otherwise exercises control or direction over, the number or amount of securities of Cielo ("**Cielo Securities**") (other than the unsecured convertible debentures of Cielo dated March 8, 2024) (the "**Convertible Debentures**")), including common shares of Cielo ("**Common Shares**"), listed opposite its name below (collectively, the "**Initial Cancelled Shares**"), and that, other than the Initial Cancelled Shares, no Expander Party, nor any associate (within the meaning of applicable securities laws) of a Expander Party or any other person or entity with whom the Expander Party may act jointly or in concert (within the meaning of applicable securities laws) holds or owns, whether beneficially or otherwise, may direct the voting of, or otherwise exercises control or direction over any Cielo Securities.

Shareholder	Cielo Securities Held
[redacted]	

Shareholder	Cielo Securities Held
[redacted]	
Total:	**39,950,761 Common Shares**

5. The Expander Parties hereby agree that, effective as of the Closing Date, all of the Initial Cancelled Shares will hereby automatically and without any further action, and with immediate effect, be returned and surrendered to Cielo for cancellation.

6. Further Assurances. Each of Parties will, at the request of another Party, execute and deliver such additional conveyances, transfers, documentation and other assurances and perform or cause to be performed such further and other acts or things as may be reasonably required to give effect to, and carry out the intent of the foregoing, including, for greater certainty, the Unwinding, the cancellation of the Initial Cancelled Shares, the termination of the APA, the Transaction Agreements, the Expander Agreements, the Assigned Contracts, Assigned Lease, and/or Assigned Permit, as applicable. For the avoidance of doubt, the Parties shall not take any steps to hinder completion of the foregoing matters, including steps that may be taken by Cielo to ensure repayment of the Promissory Note and any financings to be undertaken in connection therewith.

7. Mutual Release. The Expander Parties and their respective subsidiaries, affiliates, related companies, successors, agents, employees, officers, directors, managers, partners, trustees and advisors over which they exercise control and/or direction, as applicable, (the "**Counterparty Affiliates**"), on the one hand, and Cielo and its subsidiaries, affiliates, related companies, successors, agents, employees, officers, directors, managers and advisors over which Cielo exercises control and/or direction (the "**Cielo Affiliates**"), on the other hand, as of and effective upon the Closing Date, hereby irrevocably mutually release and forever discharge each other from all actions, causes of action, suits, proceedings, claims, complaints, damages, grievances, costs (legal or otherwise), expenses, indemnities, liabilities and demands whatsoever, known or unknown, of any nature howsoever arising, whether at common law, equity, contractually or pursuant to any statute, for or by reason of, or arising in any way out of any cause, matter or thing, without limitation, existing or occurring prior to the date hereof, including, without limitation, in respect of any past conduct and, for certainty, including in respect of any facts alleged or amounts alleged to be owing in the Expander Claims, provided that for greater certainty this mutual release shall not apply in respect of any breach of this Letter Agreement by a Party. For clarity, at such time, the Parties agree to take such steps as necessary to dismiss and/or discontinue all legal proceedings between them existing as of the date hereof and the Expander Parties shall deliver to Cielo an executed discontinuance of the Expander Claims, without costs, in a form satisfactory to Cielo and reflecting the discontinuance without costs of the Expander Claims, in their entirety, to be filed and entered by Cielo.

8. Withdrawal of Requisition. Expander hereby automatically and without any further action, and with immediate effect, irrevocably withdraws the requisition to call a meeting of shareholders of Cielo ("**Shareholders**") delivered to Cielo on April 1, 2025.

9. Standstill.

   (a) For a period of 18 months from the date of this Letter Agreement (the "**Standstill Period**"), each Expander Party shall not, and shall cause their respective affiliates not to, directly or indirectly, either individually or together with any other person or entity with whom the Expander Party may act jointly or in concert (within the meaning of applicable securities laws), except with the prior written consent of Cielo:

      (i) subject to Section 9(b), acquire or offer to acquire more Common Shares or other Cielo Securities, or otherwise increase its voting rights;

      (ii) seek to (i) requisition, request or call any meeting of Shareholders, (ii) obtain representation on, or nominate or propose the nomination of any candidate for election to the board of directors of Cielo (the "**Board**") or (iii) effect the removal of any member of the Board or otherwise alter the composition of the Board;

(iii) submit, or induce any person to submit, any shareholder proposal;

(iv) engage in, participate in or in any way initiate, directly or indirectly, any solicitation of proxies with respect to the voting of any Cielo Securities, or otherwise participate in any proxy contest involving Cielo;

(v) initiate, propose or otherwise solicit securityholders of Cielo to vote Cielo Securities on any matter;

(vi) take action in any other manner in order to vote, advise or influence in any manner whatsoever any person, with respect to the voting of any Cielo Securities;

(vii) deposit any Cielo Securities in any voting trust or subject any Cielo Securities to any arrangement or agreement with respect to the voting of any such Cielo Securities, or otherwise enter into any other agreement or understanding with respect to any voting rights of Cielo Securities;

(viii) make, be the proponent of, or act jointly or in concert with (within the meaning of applicable securities laws) any third party in respect of any take-over bid (as defined in applicable securities laws) for any securities of Cielo or other unsolicited acquisition, merger, amalgamation, arrangement, re-structuring or other similar transaction related to Cielo or any of its affiliates or any of their assets;

(ix) commence, encourage or support any derivative action in the name of Cielo, or any action against Cielo or any of its current or former officers or directors, other than an action for breach of this Agreement or the Promissory Note;

(x) publicly disclose any intention, plan or arrangement in connection with any of the foregoing; or

(xi) subject to Section 9(b), enter into any discussions, agreements or understandings with any person with respect to or in contemplation of the foregoing, advise, assist or encourage any person to take any action inconsistent with the foregoing or take any action or propose to take any action with respect to any of the foregoing.

(b) Notwithstanding Section 9(a) but subject to Section 4 of this Letter Agreement:

(i) on or before the Closing Date, Expander may (A) acquire or offer to acquire Initial Cancelled Shares from the other Expander Parties to return and surrender those Initial Cancelled Shares to the treasury of Cielo for cancellation in accordance with this Letter Agreement (and, for the avoidance of doubt, for no payment by Cielo); (B) enter into discussions, agreements, and understandings with any person with respect to or in contemplation of paragraph (A); (C) advise, assist, and encourage any person to take any action consistent with paragraph (A); or (D) take any action or propose to take any action with respect to paragraphs (A), (B), and (C); and

(ii) on or before December 31, 2025, Expander may (A) acquire or offer to acquire Common Shares from shareholders of Expander as at the date of this Letter Agreement (such Common Shares, the "**Additional Cancelled Shares**"), other than the Expander Parties, to return and surrender such Additional Cancelled Shares to the treasury of Cielo for cancellation (and, for the avoidance of doubt, for no payment by Cielo); (B) enter into discussions, agreements, and understandings with any person with respect to or in contemplation of paragraph (A); (C) advise, assist, and encourage any person to take any action consistent with paragraph (A); or (D) take any action or propose to take any action with respect to paragraphs (A), (B), and (C), it being understood that (i) the number of Additional Cancelled Shares, together with the Initial Cancelled Shares, shall not exceed the aggregate number of Common Shares issued by Cielo in connection with the Transactions, being 60,431,714 Common Shares; (ii) Expander shall provide not less than five (5) business days' written notice to Cielo of its intention to return and surrender any such Additional Cancelled Shares to the treasury of Cielo for cancellation, detailing the specifics thereof in such written notice; and (iii) Expander shall not return and surrender such Additional Cancelled Shares to the treasury of Cielo for cancellation in more than three tranches. For the avoidance of doubt, no Expander Party shall hold any Cielo Securities as of the Closing Date, other than (A) Initial Cancelled Shares or Additional Cancelled Shares to the extent such Common Shares have not yet been cancelled, and (B) the Convertible Debentures, except with the prior written consent of Cielo.

10. Voting. Each Expander Party shall, and shall cause their respective affiliates to, directly or indirectly, either individually or together with any other person or entity with whom the Expander Party may act jointly or in concert (within the meaning of applicable securities laws), except with the prior written consent of Cielo, vote (and to cause to be voted, as applicable), in respect of any annual general or special meeting of Shareholders during the Standstill Period, all Cielo Securities which it holds or owns, whether beneficially or otherwise, may direct the voting of, or otherwise exercises control or direction over:

(a) in favour of the election of all Cielo management director nominees recommended by the Board for election at any meeting of Shareholders and each Expander Party agrees to not change its vote in respect of such resolutions;

(b) against or to withhold such votes on the election of any nominations for director that are not approved and recommended by the Board for election at any meeting of Shareholders;

(c) against or to withhold such votes on any proposals or resolutions to remove any members of the Board; and

(d) against or to withhold such votes for any waiver, amendment or modification to Cielo's constating documents to alter the composition of the Board unless such waiver, amendment or modification is being proposed by the Board.

11. Non-Disparagement. Each Party hereby agrees that, during the Standstill Period, it shall not, and, as applicable, shall cause its directors and officers not to, directly or indirectly, do, say, publish or communicate, in any media or forum (including any communication to or among the Board or employees of Cielo or Expander), any matter or thing that would reasonably be expected to undermine, disparage or reflect adversely on the reputation, qualifications, character, conduct or behavior of any other Party or any of its respective directors, officers, employees, agents or representatives, as applicable, in connection with any matter arising out of or relating to Cielo; provided, that nothing in this Section 11 shall prohibit (i) a claim by a Party pursuing its rights under this Letter Agreement, or (ii) a Party from pursuing a claim that has not been released under Section 7 or from testifying truthfully as required by law in connection with any proceeding or similar matter.

12. Public Dissemination. Unless otherwise agreed by the Parties, not later than 11:59 p.m. Mountain Daylight Time on July17, 2025, Cielo shall issue a press release in the mutually agreed form set out in Exhibit "B" attached hereto (the "**Press Release**"). Except to the extent required by law, including the rules or policies of any applicable stock exchange, no Party will make any public statements with respect to the matters covered by this Letter Agreement that are inconsistent with, or otherwise contrary to, the statements in the Press Release. For greater certainty, no Party will file or publicly disclose this Letter Agreement, other than on Cielo's profile on the SEDAR+ website at www.sedarplus.ca and unless such filing or disclosure is required by law, regulation or rules of any applicable stock exchange.

13. Breach of Agreement. A breach of this Letter Agreement by any Party will entitle the aggrieved Party to equitable remedies (including specific performance or injunctive relief) in addition to any claim for damages

or any other legal remedy. Furthermore, each of the Parties agrees that the breaching Party will not plead in defense of the foregoing that damages would be an adequate remedy at law. The Expander Parties shall be responsible for a breach of this Letter Agreement by their Counterparty Affiliates. Cielo shall be responsible for a breach of this Letter Agreement by its Cielo Affiliates. The Parties acknowledge and agree that irreparable injury would occur in the event any of the provisions of this Letter Agreement were not performed in accordance with their specific terms or were otherwise breached and that such injury would not be adequately compensable by the remedies available at law (including the payment of money damages). Furthermore, the Parties agree the non-breaching Party(s) will be entitled to injunctive and any other equitable relief, without proof of actual damages, and upon proof of a breach hereof resulting in an award of money damages, equitable relief, or any other legal remedy, to full indemnity, solicitor-and-own-client costs in respect thereof.

14. Notice. Any notice, request, demand or other instrument which may be required or permitted to be delivered, given or served upon either Party shall be sufficiently delivered, given or served upon the Party in question, if in writing, and if either delivered by hand or by email, in each case addressed as follows:

(a) in the case of any Expander Party, to:

Expander Energy Inc.
Suite 1185 – 10201 Southport Road SW
Calgary, AB T2W 4X9
Attention: Gord Crawford
Email: g.crawford@expanderenergy.com

with a copy to (which shall not constitute notice):

MLT Aikins LLP
2100 Livingston Place, 222 3 Avenue SW
Calgary, AB T2P 0B4
Attention: Adam Rock
Email: arock@mltaikins.com

(b) in the case of Cielo, to:

Cielo Waste Solutions Corp.
Suite 2500, 639 5th Avenue SW
Calgary, AB T2P 0M9
Attention: Ryan C. Jackson
Email: rjackson@cielows.com

with a copy to (which shall not constitute notice):

ECS Law
600 Crowfoot Crescent NW, Suite 340
Calgary, AB T3G 0B4
Attention: Antonina Szaszkiewicz
Email: antonina@ecslaw.ca

Any written communication as aforesaid, if delivered or sent by email, shall be deemed to have been given or made on the day on which it was delivered or sent as aforesaid if it is received at or before 4:00 p.m. local time on the day in question or, if such day is not a business day or if such written communication is received after 4:00 p.m., then delivery shall be deemed to have occurred on the next following business day. A Party may from time to time change its address for service hereunder by notice to the other Parties.

15. Expenses. Other than in respect of a breach of this Letter Agreement by another Party, each Party shall be

responsible for its own expenses (including legal expenses), including those incurred in connection with the matters released under this Letter Agreement and the negotiation, execution and delivery of this Letter Agreement.

16. Representations and Warranties. The Expander Parties, on the one hand, and Cielo, on the other hand, represents and warrants: (a) it has the power, capacity and authority to execute, deliver and carry out the terms and provisions of this Letter Agreement and to consummate the transactions contemplated hereby; (b) this Letter Agreement has been duly authorized, executed and delivered by it and constitutes a legal, valid and binding obligation enforceable against it in accordance with its terms; and (c) it has not assigned, and will not assign, to any individual, person, partnership, corporation or other entity any of the matters which are released by this Letter Agreement.

17. Governing Law. This Letter Agreement shall be governed by, and construed in accordance with, the laws of the Province of Alberta and the federal laws of Canada applicable therein. Any legal action or proceeding with respect to this Letter Agreement shall be brought exclusively in the courts of the Province of Alberta, and by the execution of this Letter Agreement, each of the Parties irrevocably consents to the exclusive jurisdiction of such courts.

18. Entire Agreement; Successors and Assigns; Amendment and Waiver; Severability. This Letter Agreement contains the entire understanding of the Parties with respect to the subject matter hereof. There are no restrictions, agreements, promises, representations, warranties, covenants or other undertakings other than those expressly set forth in this Letter Agreement. This Letter Agreement shall be binding upon and enure to the benefit of the Parties and their respective successors. No Party may assign or otherwise transfer either this Letter Agreement or any of its rights, interests or obligations hereunder without the prior written approval of the other Parties. Any purported transfer requiring consent without such consent shall be void. No amendment, modification, supplement or waiver of any provision of this Letter Agreement shall be effective unless it is in writing and signed by the Parties, and then only in the specific instance and for the specific purpose stated therein. Any waiver by any Party of a breach of any provision of this Letter Agreement shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Letter Agreement. The failure of a Party to insist upon strict adherence to any term of this Letter Agreement on one or more occasions shall not be considered a waiver or deprive that Party of the right thereafter to insist upon strict adherence to that term or any other term of this Letter Agreement. If any provision of this Letter Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Letter Agreement shall remain in full force and effect. Any provision of this Letter Agreement held invalid or unenforceable only in part or degree shall remain in full force and effect to the extent not held invalid or unenforceable. The Parties further agree to replace such invalid or unenforceable provision of this Letter Agreement with a valid and enforceable provision that will achieve, to the extent possible, the purposes of such invalid or unenforceable provision.

An executed copy of this Letter Agreement may be transmitted by email and the transmission of a signature by such means constitutes effective delivery. This Letter Agreement may be executed by each Party on separate counterparts.

[Signature page follows]

Yours truly,

CIELO WASTE SOLUTIONS CORP.

Per:

/s/ "Ryan C. Jackson"

Name: Ryan C. Jackson
Title: Chief Executive Officer

ACKNOWLEDGED AND AGREED on this ____ day of July, 2025.

EXPANDER ENERGY INC.

Per:

/s/ "Gord Crawford"

Name: Gord Crawford
Title: President & Chief Executive Officer

EXPANDER ENGINEERING SERVICES INC.
Per:

/s/ "Steve Kresnyak"

Name: Steve Kresnyak
Title: President and Chief Technology Officer

EXPANDER SERVICES INC.

Per:

/s/ "Gord Crawford"

Name: Gord Crawford
Title: President

EXPANDER TECHNOLOGIES INC.

Per:

/s/ "Steve Kresnyak"

Name: Steve Kresnyak
Title: President and Chief Technology Officer

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Exhibit "A"

Form of Promissory Note

(See attached)

SECURED PROMISSORY NOTE

$748,208,79.00 June 13, 2025
(the "**Issue Date**")

For value received, CIELO WASTE SOLUTIONS CORP., located at Suite 2500, 639 5th Avenue SW, Calgary, AB T2P 0M9 (the "**Maker**"), promises to pay to the order of EXPANDER ENERGY INC., located at Suite 1185 – 10201 Southport Road SW, Calgary, AB T2W 4X9, EXPANDER SERVICES INC., located at Suite 1185 – 10201 Southport Road SW, Calgary, AB T2W 4X9, and EXPANDER TECHNOLOGIES INC., located at 1380 Commercial Way, Penticton, BC V2A 3H6 (collectively, the "**Holder**"), the aggregate principal sum of $748,208,79.00 (the "**Principal Amount**''), together with interest accrued on the Principal Amount as provided in Section 1 below. This secured promissory note ("**Note**") is subject to the following terms:

1. **Interest.** Interest will accrue on the balance of the Principal Amount from time to time outstanding at the rate of 12% per year, calculated on the basis of a 365-day year for the actual number of days elapsed and compounded daily, from the Issue Date until payment in full, both before and after maturity, default or judgment.

2. **Maturity Date.** All unpaid Principal Amount plus all accrued and unpaid interest and all other amounts then owing under this Note will be immediately due and payable on October 31, 2025 (the "**Maturity Date**").

3. **Payment; Prepayment.**

   (a) All payments made under this Note will be made in lawful money of Canada at such place as the Holder may from time to time designate in writing to the Maker.

   (b) The Maker may prepay this Note in whole or in part at any time or from time to time without penalty or premium by paying the Principal Amount to be prepaid together with accrued interest thereon to the date of prepayment.

4. **Security**. Subject to the approval of the TSX Venture Exchange (the "**Exchange**"), as continuing security for the due and timely payment by the Maker of the Principal Amount, interest and all other amounts owing under this Note, the Maker grants a first-ranking security interest in favour of the Holder under the terms of a general security agreement granted by the Maker in favour of the Holder.

5. **Representations and Warranties of Maker.** The Maker represents and warrants to the Holder as set out below as of the Issue Date, which representations and warranties will continue while this Note remains outstanding. The Maker acknowledges that the Holder is acquiring this Note in reliance upon such representations and warranties.

   (a) <u>Due Incorporation, Qualification, etc</u>. The Maker is a corporation duly organized and validly existing under the laws of its jurisdiction of incorporation and has all requisite corporate power and authority to carry on its business as now conducted. The Maker is duly qualified to transact business in each jurisdiction in which the failure to so qualify, individually or in the aggregate, would have a Material Adverse Effect.

   (b) <u>Authority</u>. The signing and delivery by the Maker of this Note and the performance by the Maker of its obligations under this Note have been duly authorized by all necessary corporate action on the part of the Maker and will not breach or conflict with, or constitute a default under, the Maker's articles or by-laws, any law applicable to the Maker, or any agreement to which the Maker is a party or any of its assets or property is subject.

(c) Enforceability. This Note has been, or will be, duly signed and delivered by the Maker and constitutes, or will constitute when signed and delivered by the Maker, a legal, valid and binding obligation of the Maker, enforceable against the Maker in accordance with its terms, except as limited by bankruptcy, insolvency or other applicable laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity.

(d) No Approvals Required. No approval, consent or authorization of, and no notice to or filing is required to be made by the Maker with any governmental authority in connection with the signing, delivery or performance by the Maker of its obligations under this Note, other than the approval of the Exchange required pursuant to policy 5.1 of the Exchange, and notices or filings made before the Issue Date or made within the required time period after the Issue Date.

(e) Compliance with Laws. To the best of the knowledge of the Maker, the Maker is in compliance in all material respects with all applicable laws of each jurisdiction in which it carries on business.

(f) Litigation. Except as made by the Holder, to the best of the knowledge of the Maker, there is no private or governmental action, suit, proceeding, claim, arbitration or investigation pending before any agency, court or tribunal, foreign or domestic, or, to the knowledge of the Maker, threatened against the Maker or any of its properties. There is no judgment, decree or order against the Maker that could prevent, enjoin, or materially alter or delay any of the transactions contemplated by this Note, or that could reasonably be expected to have a Material Adverse Effect.

(g) Ownership of Assets. The Maker has or expects to obtain, as and to the extent that may be required, all title and ownership of, or rights to, all patents, trademarks, service marks, trade names, domain names, copyrights, trade secrets, information, and other intellectual property and proprietary rights necessary to conduct its business as now conducted.

(h) Taxes. The Maker is in compliance with all applicable tax, governmental pension or employment insurance laws and has collected, withheld, remitted and paid in a timely manner any amounts required thereunder including in respect to any applicable goods and service, excise, payroll or income taxes applicable to the Maker or its business and operations to the extent that a failure to so do has had or will have had a Material Adverse Effect.

(i) No Default. No Event of Default has occurred and is continuing.

(j) Full Disclosure. The Maker has provided the Holder with all information requested by the Holder in connection with this Note and there are no facts known to the Maker but which have not been disclosed to the Holder that would reasonably be expected to materially adversely affect the Maker's ability to observe and perform its obligations under this Note. No document delivered by the Maker to the Holder in connection with this Note contains any untrue statement of a material fact nor omits to state a material fact necessary in order to make the statements contained therein not misleading.

6. **Representations and Warranties of Holder.** The Holder represents and warrants to the Maker as set out below as of the Issue Date, which representations and warranties will continue while this Note remains outstanding. The Holder acknowledges that the Maker is signing and issuing this Note in reliance upon such representations, warranties and acknowledgements.

   (a) Authorization and Enforceability. The Holder has full power and authority to enter into this Note and to perform its obligations under this Note. This Note has been, or will be, duly signed and delivered by the Holder and constitutes, or will constitute when signed and delivered by the Holder, a legal, valid and binding obligation of the Holder, enforceable against the Holder in accordance with its terms, except as limited by bankruptcy, insolvency or other applicable laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity.

   (b) Disclosure of Information. The Holder has had the opportunity to ask questions and receive answers from the Maker regarding the terms and conditions of the offering of this Note and to obtain any additional information or documents relative to the Maker, its business and investment in the Maker as the Holder deems necessary, provided that the foregoing does not limit or modify the representations and warranties of the Maker in this Note or the right of the Holder to rely thereon.

7. **Covenants of the Maker.** So long as this Note remains outstanding, the Maker agrees as follows, unless otherwise agreed by the Holder:

   (a) Payment of Principal and Interest. The Maker will duly and punctually pay or cause to be paid to the Holder the principal of, interest on and all other moneys which may from time to time be owing under this Note on the dates, at the place and in the manner specified in this Note.

   (b) To Pay Costs. The Maker will promptly pay all reasonable costs, charges and expenses (including reasonable legal fees on a solicitor and own client basis) of the Holder incidental to, or which in any way relate to, the enforcement of this Note. All such costs, charges and expenses will be payable on demand and will bear interest at the rate set forth in Section 1, calculated monthly in arrears from the date any such cost, charge or expense is incurred by the Holder.

   (c) To Maintain Corporate Existence. The Maker will maintain its corporate existence and will carry on and conduct its business in a proper and efficient manner and in accordance with all applicable law, and will not substantially change the nature or type of its business. The Maker will keep proper books of account with correct entries of all material transactions in relation to its business.

   (d) Notice of Default. The Maker will promptly notify the Holder in writing if it becomes aware that it is in breach of any of its representations, warranties, covenants or obligations under this Note or there arises or exists any Events of Default (whether capable of cure or otherwise) or any facts or state of affairs which could, upon notice or the lapse of time, reasonably give rise to an Event of Default.

   (e) Performance of Obligations. The Maker will endeavour to perform its obligations under all material agreements to which the Maker is a party or any of its assets or property is subject. The Maker will endeavour to keep all of its secured loans and secured borrowings, including those evidenced by this Note, current and in good standing and observe and keep all covenants and perform all obligations contained therein.

(f) Pay Taxes. The Maker will pay all taxes levied, assessed or imposed upon it or its property as and when the same become due and payable, save and except where it contests in good faith the validity thereof by proper legal proceedings and for which reasonable provision for payment has been made, to the extent that failure to do so would reasonably be expected to result in a Material Adverse Effect.

(g) Payments on Shares. Without the prior written consent of the Holder, the Maker will not declare or pay any dividends or make any other distribution on any of its issued shares, nor purchase or redeem any of its issued shares.

(h) Compliance with Laws. The Maker will comply with the requirements of all applicable laws, rules, regulations of any governmental authority, the non-compliance with which would reasonably be expected to result in a Material Adverse Effect.

(i) Further Assurances. The Maker will, at its expense at the reasonable request of the Holder, sign and deliver to the Holder such further assurances and documents as the Holder may require to protect the Holder's interests under this Note.

8. **Events of Default.** All amounts owing under this Note, including the outstanding Principal Amount and all accrued and unpaid interest thereon, will, at the option of the Holder, become immediately due and payable upon the occurrence of any of the following events (each, an "**Event of Default**"):

(a) the Maker fails to pay when due any amount payable under this Note;

(b) the Maker defaults in the observance or performance of any representation, warranty, or covenant contained in or this Note (other than a payment covenant referred to in Section 8(a)) which results in a Material Adverse Effect (as defined below) and, provided that such default is capable of being remedied, the Maker fails to remedy the default within 20 business days following the Maker's receipt of written notice of the default from any of the Holders;

(c) the Maker defaults in payment of any principal, interest or other fee or charge on any other secured indebtedness of the Maker (other than this Note) in excess of $50,000.00 when the same becomes due, after giving effect to any applicable cure or grace periods;

(d) the Maker makes an assignment for the benefit of its creditors, acknowledges its insolvency in any manner whatsoever, or commits an act of bankruptcy under the *Bankruptcy and Insolvency Act* (Canada) or any similar law of any jurisdiction;

(e) the Maker institutes any proceeding or takes any corporate action or signs any agreement or notice of intention to authorize its participation in or commencement of any proceeding (i) seeking to adjudicate it as bankrupt or insolvent, or (ii) seeking liquidation, dissolution, winding up, reorganization, arrangement, protection, relief or composition of it or any of its property or debt or making a proposal under any law relating to bankruptcy, insolvency, reorganization or compromise of debts or other similar laws (including, without limitation, any application under the *Companies' Creditors Arrangement Act* (Canada), *Bankruptcy and Insolvency Act* (Canada) or any reorganization, arrangement or compromise of debt under the laws of its jurisdiction of incorporation);

(f) any proceeding is commenced against or affecting the Maker by a person other than the Holder that is not contested actively and diligently in good faith by appropriate and timely proceedings (and in any event stayed within 30 days of commencement):

(i) seeking to adjudicate it as bankrupt or insolvent;

(ii) seeking liquidation, dissolution, winding up, reorganization, arrangement, protection, relief or composition of it or any of its property or debt or making a proposal with respect to it under any law relating to bankruptcy, insolvency, reorganization or compromise of debts or other similar laws (including, without limitation, any reorganization, arrangement or compromise of debt under the laws of its jurisdiction of incorporation); or

(iii) seeking appointment of a receiver, manager, receiver and manager, receiver-manager, trustee, agent, custodian or other similar official for it or for any part of its properties and assets;

(g) the holder of any security interest, hypothec, charge, encumbrance, lien or claim against any of the Maker's assets other than the Holder does anything to enforce or realize on such security interest, hypothec, charge, encumbrance, lien or claim, or takes possession of any part of the Maker's property;

(h) any execution, distress or other process of any court becomes enforceable against any of the property of the Maker, or a distress or like process is levied upon any of such property; or

(i) the Maker ceases to carry on all or a substantial part of its business.

For the purposes of this Note, "**Material Adverse Effect**" means any fact, change, circumstance, condition (financial or otherwise), event or development that, when considered individually or in aggregate, has resulted in or would reasonably be expected to result in a material and adverse effect on (x) the business, assets, liabilities, financial condition, operations, or prospects of the Maker or (y) the ability of the Maker to (A) pay or perform its obligations under this Note or (B) avoid an Event of Default or an event which, with the giving of notice or the passage of time or both, would constitute an Event of Default.

9. **Transfer; Successors and Assigns.** The terms and conditions of this Note will inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties. Notwithstanding the foregoing, the Holder may not assign, pledge, or otherwise transfer this Note without the prior written consent of the Maker, except for an assignment or transfer in whole (and not in part) to an Affiliate (as defined below). Subject to the preceding sentence, this Note may be assigned or transferred only upon surrender of the original Note for registration of transfer, duly endorsed, or accompanied by a duly signed written instrument of transfer in form reasonably satisfactory to the Maker. Thereupon, a replacement promissory note for the same principal amount will be issued to, and registered in the name of, the transferee, and the transferee will (as a condition to such assignment) acknowledge and agree to the transfer and to all of the terms of this Note, in each case in form and substance reasonably satisfactory to the Maker. Principal, interest and other amounts owing under this Note are payable only to the registered holder of this Note. For the purposes of this Note, "**Affiliate**" means, with respect to the Holder, any other person or entity who, directly or indirectly, controls, is controlled by, or is under common control with the Holder.

10. **Notices**. All notices and other communications given or made under this Note will be in writing and will be deemed effectively given upon the earlier of (a) actual receipt for personal delivery to the party to be notified; (b) when sent, if sent by electronic mail during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next business day; or (c) three business days after deposit with an internationally recognized overnight courier, freight prepaid, specifying next or second business day delivery, with written verification of receipt. All communications will be sent to the Holder at its address as set forth on the signature page to this Note, or to such email address or address as subsequently modified by written notice given in accordance with this Section 10. If notice is given to the Maker, it will be sent to the Maker's registered office.

11. **Governing Law**. This Note will be governed by, and construed in accordance with, the laws of Alberta and applicable federal laws of Canada, without giving effect to principles of conflicts of law.

12. **Amendments**. Any amendment to this Note must be in writing and signed by all parties.

13. **Waivers.** No waiver of the failure to comply with an obligation or satisfy a condition under this Note will be effective unless it is in writing and signed by the party granting the waiver, and no such waiver will constitute a waiver of the failure to comply with any other obligation or satisfy any other condition.

14. **Costs; Waiver.** The Maker will pay on demand all reasonable costs and expenses (including, without limitation, reasonable attorneys' fees and disbursements) which the Holder incurs in connection with enforcement of this Note or the protection or preservation of the Holder's rights hereunder. The Maker hereby waives demand, presentment, protest or notice of any kind.

15. **Extensions**. Any agreement with the Holder for the extension of the time of payment of the moneys hereby secured or any part thereof made at, before or after maturity, and before the execution of a discharge or release of this Note, need not be registered in any office of public record but will be effective and binding upon the Maker when signed by the Maker and delivered to the Holder.

16. **Maximum Interest Rate**. If any provision of, or any document entered into in connection with, this Note would oblige the Maker to make any payment of interest or other amount payable to the Holder in an amount or calculated at a rate which would be prohibited by any applicable law or would result in the receipt by the Holder of interest at a criminal or prohibited rate (as these terms are construed under the *Criminal Code* (Canada) or any other applicable law), then notwithstanding such provision, the amount or rate will be deemed to have been adjusted with the same effect as if adjusted at the original date of this Note to the maximum amount or rate of interest, as the case may be, as to not be prohibited by any applicable law or result in the receipt by the Holder of interest at a criminal or prohibited rate, the adjustment to be effected to the extent necessary by reducing the amount or rate of interest under Section 1 with any remaining excess that has been paid being credited towards prepayment of the Principal Amount. If any overpayment remains after such crediting, it will be returned forthwith to the Maker upon demand.

17. **Severability**. Each of the provisions contained in this Note is distinct and severable and a declaration of invalidity, illegality or unenforceability of any provision or part thereof by a court of competent jurisdiction will not affect the validity or enforceability of any other provision of this Note.

18. **Counterparts**. This Note may be signed in two or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

19. **Loss of Note**. Upon receipt by the Maker of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Note or any Note exchanged for it, and indemnity reasonably satisfactory to the Maker (in case of loss, theft or destruction) or surrender and cancellation of the Note (in the case of mutilation), the Maker will make and deliver in lieu of such Note a new Note of like tenor.

[Signature Page Follows]

The Maker has signed this Note as of the Issue Date set forth above.

CIELO WASTE SOLUTIONS CORP.

Per: ______________________________
Name:
Title:

AGREED TO AND ACCEPTED:

EXPANDER ENERGY INC.

Per: ______________________________
Name: Gord Crawford
Title: President and CEO

EXPANDER SERVICES INC.

Per: ______________________________
Name: Gord Crawford
Title: President

EXPANDER TECHNOLOGIES INC.

Per: ______________________________
Name: Steve Kresnyak
Title: President and Chief Technology Officer

[*Signature Page*]

Exhibit "B"

Press Release

(See attached)