GREENLANE RENEWABLES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE QUARTER ENDED – SEPTEMBER 30, 2019

Introduction

This management's discussion and analysis ("MD&A") of Greenlane Renewables Inc., formerly Creation Capital Corp. ("Greenlane" or the "Company") has been prepared by management as of November 27, 2019 and should be read in conjunction with the unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2019 and the related notes thereto, prepared in accordance with International Financial Reporting Standards ("IFRS") 34 – Interim Financial Reporting, and with the audited financial statements of the Company for the year ended December 31, 2018 and the related notes thereto. All figures are expressed in Canadian dollars (the presentation and functional currency of the Company's financial statements) and all tabular amounts are in $000s, except where otherwise indicated. The Company reports its consolidated financial statements in accordance with International Financial Reporting Standards ("IRFS") as issued by the International Accounting Standards Board ("IASB").

This MD&A refers to certain measures that are not standardized under IFRS, such as adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"), operating profit and sales order back-log, these are non-IFRS measure used by Management to better manage the Company and to assist Company shareholders to evaluate Company performance, but does not have standardized meaning. To facilitate a better understanding of this measure presented by the Company, qualifications, definitions and reconciliations have been provided in the section "Alternative Performance Measures".

Certain statements contained in this MD&A are forward-looking information within the meaning of applicable Canadian securities laws relating to the Company. Please refer to the cautionary note regarding the risks associated with forward-looking information and Risks and Uncertainties at the back of this MD&A. Additional information and disclosure relating to the Company, can be found on the Company's website at www.greenlanerenewables.com and on the SEDAR website at www.sedar.com. Information contained in or otherwise accessible through our website does not form part of the MD&A.

The head office of the Company is located at 110-3605 Gilmore Way, Burnaby, B.C. V5G 4X5 and the registered and records office of the Company is located at 1500, 1055 West Georgia Street, Vancouver, BC, V6E 4N7.

Core Business

Greenlane is a leading global provider of biogas upgrading systems that create clean, low-carbon renewable natural gas (RNG), suitable for injection into the natural gas grid and for direct use as vehicle fuel. The systems, marketed and sold under the Greenlane Biogas™ brand, remove impurities and separate carbon dioxide from biomethane in the raw biogas created from organic waste at landfills, wastewater treatment plants, farms and food waste facilities. The business, acquired by the Company in June 2019, has been installing upgrading systems since the 1990's, and has installed over 100 biogas upgrading systems in 18 countries.

Company History

The Company was incorporated under the Business Corporations Act (British Columbia) on February 15, 2018. The Company was a Capital Pool Company ("CPC") as defined in Policy 2.4 – Capital Pool Companies of the TSX Venture Exchange (the "TSXV"), with the principal business to identify a suitable Qualifying Transaction ("QT") acceptable to shareholders and regulatory authorities.

On June 3, 2019, the Company completed its QT, acquiring 100% of Pressure Technologies plc's ("Pressure Technologies") wholly-owned subsidiary, PT Biogas Holdings Limited (together with its wholly owned subsidiaries, "PT Biogas"). Following completion of the QT the Company changed its name to Greenlane Renewables Inc. See 'Acquisition of PT Biogas' below for further details.

Greenlane Renewables Inc. shares trade under the symbol "GRN" and warrants trade under the symbol "GRN.WT" on the TSXV.

Highlights for the three months ended September 30, 2019 and subsequent events

Contract Win: In July 2019, the Company announced it had secured a $2.7 million contract with the Metropolitan Waste Management Commission, to provide a pressure swing adsorption ("PSA") solution for the wastewater treatment facility that serves the Eugene – Springfield metropolitan area in Lane County, Oregon in the United States. The facility is expected to produce approximately 120,000 gigajoules (GJ) (or 114,000 million British Thermal Units (MMBTU)) annually of clean renewable natural gas for injection into the gas distribution network owned and operated by NW Natural, the local gas utility.

Completion of shelf prospectus: In July 2019, the Company completed a short form base shelf prospectus that allows the Company to offer up to $50,000,000 warrants, subscriptions receipts, units or common shares, or any combination thereof from time to time for a period of 25 months (the period the shelf prospectus is effective). The shelf prospectus will provide the Company financial flexibility going forward, and is due to expire in August 2021.

Automatic conversion of special warrants: Following the completion of the shelf prospectus, in early August, the Company filed two prospectus supplements:

1. To qualify the 40,965,225 special warrants issued as part of the May 30, 2019 financing, see below "May 2019 Financing" for further details
2. To qualify the 17,418,000 special warrants held by Pressure Technologies plc, issued by the Company on June 3, 2019 as partial consideration for the acquisition of PT Biogas

Following the filing of the prospectus supplements, on August 9, 2019, the related special warrant automatically converted, without the payment of any additional consideration and without any further action on the part of the holder thereof, into one common share and one-half warrant, for a total of 58,383,225 common shares and 29,191,612 warrants. Each full warrant may be exercised for one common share of the Company at a price of $0.26 until June 3, 2021.

Concurrently, the fair value of the related special warrant liability ($11.5 million), which was recorded as a liability on the Company's Statement of Financial Position, at June 30, 2019, was transferred to equity.

Subsequent to the period end, on October 1, 2019, a further 1,000,000 special warrants issued to Beacon Securities Limited ("Beacon Securities", the lead agent of the May 2019 financing) for total special warrants issued under the financing of 41,965,225, converted to one common share and one warrant. Following the Beacon Securities special warrant conversion, all special warrants issued in the May 2019 financing, have converted to common shares and warrants and the remaining warrant liability recorded in the Statement of Financial Position at September 30, 2019 of $0.2 million has been transferred to Equity.

Trading of warrants: In August 2019, the 29,161,612 warrants issued in connection with the two prospectus supplements ("Prospectus Supplement"), were approved for listing on the TSX Venture exchange and commenced trading under "GRN.WT" on the TSXV.

First full quarter results: The September 30, 2019 third quarter results reflect the Company's first full quarter trading as Greenlane Renewables Inc, post-acquisition of PT Biogas. The Company generated revenue of $5.0 million, a gross profit of $1.3 million, a loss of $1.8 million, and an Adjusted EBITDA loss of $0.9 million in the three month period ended September 30, 2019.

May 2019 Financing

On May 30, 2019, the Company closed a brokered and non-brokered private placement of 41,965,225 subscription receipts at a price of $0.20 per subscription receipt, for gross proceeds of $8.4 million. The subscription receipts were held in escrow until completion of the QT (acquisition of PT Biogas) when they were converted, without payment of any additional consideration and without further action on the part of its holder, into one special warrant (the "Special Warrant").

On August 9, 2019, after the Company filed the Prospectus Supplement, 40,965,225 Special Warrants automatically converted, without the payment of any additional consideration and without further action on the part of the holder, into one common share and one-half of one share purchase warrant.

A further 1,000,000 Special Warrants, issued to Beacon Securities, for a total number of Special Warrants issued under the financing of 41,965,225, were not qualified for distribution by the Prospectus Supplement and converted on October 1, 2019, into one common share and one whole share purchase warrant.

Each whole share purchase warrant is exercisable for one common share of the Company at an exercise price of $0.26 per common share until June 3, 2021.

The Company paid the agents cash commission and advisory fees and expenses of $0.8 million and issued 2,537,350 compensation options, with each compensation option exercisable for one common share at a price of $0.20 per share for a period of 24 months from the completion of the QT. Total expenses related to the financing were $1.9 million.

The net proceeds of the financing were used to fund the cash consideration to Pressure Technologies, $3.4 million, with the remaining cash available to the Company for working capital purposes in connection with the advancement of the business of Greenlane post-QT.

Acquisition of PT Biogas

On April 1, 2019, the Company entered into a share purchase agreement (the "Share Purchase Agreement") with Pressure Technologies, a United Kingdom company listed on the AIM market of the London Stock Exchange, to acquire its wholly-owned subsidiary, PT Biogas (the "Acquisition") to constitute the Company's QT. PT Biogas designs and supplies the equipment used to upgrade biogas produced by the anaerobic digestion of organic waste to a high quality methane product suitable for either injection into the natural gas grid or direct use as vehicle fuel.

Pursuant to the Share Purchase Agreement, the Company acquired 100% ownership of PT Biogas for a total purchase price of $17.4 million. The consideration paid to Pressure Technologies pursuant to the Share Purchase Agreement comprised the following components:

	$
Cash	3,415
Issuance of special warrants	3,484
Issuance of promissory note	10,497
	17,396

(1) See "May 2019 Financing" for description of Special Warrants
(2) See "Liquidity and Capital Resources" for description of promissory note

The Acquisition, which was completed on June 3, 2019, has been accounted for as a business combination using the acquisition method, with the net identifiable tangible and intangible assets acquired and liabilities assumed was recorded at their-acquisition date fair values, and the excess in value recorded as goodwill. See the unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2019 for details.

On August 9, 2019, under the Prospectus Supplement, the Special Warrants converted into 17,418,000 common shares and 8,709,000 share purchase warrants in the Company. Each share purchase warrant is exercisable for one common share of the Company at an exercise price of $0.26 per common share until June 3, 2021.

Overview of the upgrading biogas business

Greenlane (through the acquisition of PT Biogas) designs, develops, sells and services a range of biogas upgrading systems, using primarily its patented water wash technology as well as other methods depending on client requirements. Over 100 Greenlane branded biogas upgrading systems have been installed in 18 countries including supplying systems for the largest RNG production facilities in North America and Europe.

Greenlane provides upgrading equipment that cleanses impurities and removes carbon dioxide from raw biogas to create high purity biomethane, also known as RNG, suitable for injection into the natural gas distribution network or use as vehicle fuel. Biogas, which is a mixture of approximately 60% methane, 40%

carbon dioxide plus traces of other contaminant gases, is produced naturally when organic matter is broken down through anaerobic digestion.

Each biogas upgrader project is customer specific and typically has a standard core product with optional additional equipment as necessary for the particular application. Greenlane currently has six core product models of its patented water wash biogas upgrading equipment which range in capacity from 300 normal cubic metres per hour ("Nm^3/hr") of inlet biogas to 5,000 Nm^3/hr, with larger capacities achieved by installing multiple systems in parallel. Water wash technology is the most popular global biogas upgrading method. Greenlane also sells upgrader projects that use two other primary biogas upgrading technologies: pressure swing adsorption and membrane separation. Some projects are design, install and commission while others are design and commissioning only. The mix of models and scope of each project impacts the overall project revenue and margin.

Due to the long history of Greenlane branded products and Greenlane's prominent market position, geographic reach of its sales force and multi-technology offerings, the Company has visibility into proposed biogas upgrading projects around the world. Greenlane maintains a pipeline of prospective projects that it updates regularly based on quote activity to ensure that it is reflective of sales opportunities that can convert into orders within approximately a rolling 24 month time horizon. As of September 30, 2019, the value of the sales pipeline (known sales opportunities) was in excess of $660 million, compared with a value of over $600 million as of June 30, 2019 or a 10% increase and compared with a value of approximately $450 million as of December 31, 2018, or a 47% increase (as reported in the May 13, 2019 Filing Statement, in relation to the acquisition of PT Biogas). Not all of these potential projects will proceed or proceed within the expected timeframe and not all of the projects that do proceed will be awarded to Greenlane.

PT Biogas and its predecessor companies historically focused on the UK and European markets where government feed-in tariffs and renewable energy policies are more established. More recently PT Biogas increased its sales activities in North America and developing markets such as South America. The Company supplies upgrading technology and maintenance services to a wide range of customers in the waste water, waste collection, agricultural, food waste, beverage, and pulp and paper industries.

Greenlane has several major competitors operating in the same geographical markets, many of which own, or have access to, similar biogas upgrading technology. As such Greenlane strives to differentiate itself by providing services to customers that combines the specialist expertise of its workforce and an appropriate mix of underlying technology. Greenlane is the only company to offer three primary biogas upgrading technologies (water wash, PSA and membrane separation) which allows it to offer its customers the optimal solution whatever the customer's needs.

The market for Greenlane's products is expected to grow as an increasing number of corporations and individuals action their sustainability targets and governments around the world enact and strengthen environmental policies designed to combat global warming by promoting clean, low carbon solutions and to deal with the effective disposal of organic waste as the world's population continues to expand.

Summary of Results

The results of operations reflect the results from the acquisition date of PT Biogas on June 3, 2019 to September 30, 2019 and the operations of Creation Capital Corp. as a CPC, from January 1, 2019 to June 3,

2019. Comparative amounts reflect the operations of the CPC, which was focused on the identification and evaluation of a business to acquire for the purpose of completing its QT.

	Three months ended September 30, 2019 $	**Three months ended September 30, 2018 $**	**Nine months ended September 30, 2019 $**	**Nine months ended September 30, 2018 $**
Revenue	4,956	-	5,867	-
Cost of Sales	(3,688)	-	(4,164)	-
Gross Profit	1,268	-	1,703	-
Gross Margin %	26%		29%	
General and administrative expenses	(2,704)	(9)	(3,520)	(22)
Operating (loss)	**(1,436)**	**(9)**	**(1,817)**	**(22)**
Other income (expenses)	(314)	-	(2,209)	-
Net (Loss)	**(1,750)**	**(9)**	**(4,026)**	**(22)**
(Loss) per share attributable to owners of the Company (basic and diluted)	(0.04)	-	(0.22)	-

The Company's results are not impacted by seasonality, however the operating results are significantly affected by the timing and delivery of new upgrader contacts. Timing of biogas upgrader contract awards tends to be variable due to customer-related factors such as finalizing technical specifications and securing project funding, permits and RNG off-take and feedstock agreements.

Revenue and corresponding costs from upgrader projects is recognized using the stage of completion method. Under the stage of completion method, contract revenues and expenses are recognized by reference to the stage of completion of contract activity where the outcome of the construction contract can be measured reliably, otherwise revenue is recognized only to the extent of recoverable contract costs incurred. A typical upgrader project has five to eight milestones and a duration of nine to eighteen months, and therefore operating results can fluctuate significantly as a result of the timing of contract related work.

Review of Results for the three and nine months ended September 30, 2019

The Company's operating loss for the three and nine months ended September 30, 2019 was $1.4 million and $1.8 million, respectively.

The Company recorded a net loss of $1.8 million and $4.0 million in the three and nine months ended September 30, 2019, respectively. Due to accounting classification of the Special Warrants as financial liabilities the results reflect certain non-recurring items, namely:

- A gain of $0.2 million, in both the three and nine month periods ended September 30, 2019, reflecting the change in the fair value of the Special Warrants, and

- financing fees of $1.9 million (of $2.3 million financing fees in the period) in relation to the May 30, 2019 financing, which due to the financial liability classification required financing fees to be expensed to the statement of operations in the period

Due to the comparative amounts to September 30, 2018 purely reflecting the operations of the CPC, no commentary has been provided below for the three and nine month results to September 30, 2019 against the three and nine month results to September 30, 2018.

Revenue

During the three and nine month periods ended September 30, 2019, the Company recognized revenue of $5.0 million and $5.9 million

	Three months ended September 30, 2019 $	**Nine months ended September 30, 2019 $**
Upgrader projects	4,023	4,631
Aftercare services	933	1,236
Total revenue	4,956	5,867

Upgrader contract revenue in the period reflects revenue from 5 customer contracts. In the period since acquisition, the Company has secured two new upgrader contracts with an aggregate value of $6.1 million. This revenue will be recognized over the next nine to eighteen months.

At September 30, 2019, following inclusion of the new contracts signed since Acquisition of PT Biogas on June 3, 2019, Greenlane had a sales order back-log of $9.6 million ($7.8 million on acquisition). The order back-log refers to revenue on sales contracts that will be recognized as completion of the project progresses. Contracts included in the order back-log are typically recognized over nine to eighteen months from when the contract is secured.

Many of Greenlane's upgrader project customers commit to 'Aftercare services', a preventative maintenance contract for terms ranging from one to 20 years for a fixed annual fee. These contracts provide technical support and remote monitoring to maintain system availability typically in excess of 95%. Typically, revenue from aftercare services reflects less than 10% of total revenue, however, the brief operating period and adjustments to service contracts skewed the revenue mix, at 19% for the quarter (21% in the nine months ended September 30,2019)

Cost of sales and gross profit

The Company utilizes a capital-light, fully outsourced supply chain model whereby it outsources manufacturing of its equipment to trusted fabricators in its key markets who meet Greenlane's quality standards.

Cost of sales for the three and nine months ended September 30, 2019 was $3.7 million and $4.2 million respectively. Gross margin % was 26% and 29% for the three and nine month periods, respectively

The higher gross margin % for the nine month period to September 30, reflects profit adjustments on upgrader contracts which were recognized in the second quarter in addition to a higher proportion of aftercare service revenue, which typically has a higher margin than upgrader projects.

Going forward, the gross profit margin is expected to be in the range of 23-27%, consistent with the three month results to September 30, 2019 at 26%.

Administrative expenses

General and administrative expenses include personnel costs, travel, insurance, professional fees, office costs, depreciation and amortization and other corporate expenses and were $2.7 million and $3.5 million for the three and nine month periods ended September 30, 2019.

Personnel expenses accounted for $1.4 million and $1.8 million of total administrative expenses for the three and nine months ended September 30, 2019. At September 30, 2019 the Company had forty employees: twenty six employees based in Canada, ten based in the UK, three in Europe and one in the USA.

Other income (expenses)

During the three and nine month periods ended September 30, 2019 the Company recognized other income (expenses) of $0.3 million loss and $2.2 million loss respectively, representing:

	Three months ended September 30, 2019 $	**Nine months ended September 30, 2019 $**
Change in the fair value of Special Warrants	249	194
Finance expenses	(198)	(237)
Transaction costs	(350)	(2,277)
Foreign exchange (loss) gain	(15)	111
Total other (income) expenses	314	2,209

Change in fair value of Special Warrants

Due to the accounting classification of Special Warrants on June 3, 2019, as a financial liability, any change in the fair value is recorded in the profit and loss for the period. The initial fair value on June 3, 2019 was $11.9 million, based on the price of $0.20 per Special Warrant paid by investors in the subscription receipts offering.

The calculated fair value was based on a weighted average calculation of movements in the Company's share price over the period. For the three and nine month periods ended September 30, 2019, the Company recognized a gain of $0.2 million related to the change in fair value of the Special Warrants.

Following the conversion of the Beacon Securities Special Warrants on October 1, 2019, all Special Warrants have been converted into common shares and warrants, the liability has transferred to the Statement of Equity and no further fair value adjustments related to the Special Warrants will be recorded.

Finance expenses

The Company reported $0.2 million in finance expenses in both the three and nine month periods ended September 30, 2019, predominantly reflecting the interest on the promissory note, at 7% per annum. All interest, as well as principal is to be paid on the maturity date of June 3, 2023, unless the noteholder subordinates its security in certain circumstances, in which case interest is paid on a current basis.

Transaction costs

During the three and nine month periods ended September 30, 2019, the Company incurred transaction costs, related to the Acquisition of PT Biogas and May 2019 Financing of $0.3 million and $2.3 million respectively.

Due to the classification of the Special Warrants as a financial liability, the related issuance costs of $1.9 million incurred by the Company in issuing the Special Warrants were charged to the consolidated statement of operations for the nine months ended September 30, 2019.

Remaining amounts primarily reflect legal fees and United Kingdom stamp duty paid on the transfer of PT Biogas shares.

Foreign exchange gain (loss)

Foreign exchange movements of $0.02 (loss) and $0.1 million (gain) for the three and nine month periods ended September 30, 2019, respectively, reflect movements in exchange rates in the period. The third quarter loss on foreign exchange was offset in full by a gain of $0.1 million generated from a strengthening of the Canadian dollar against the British pound sterling, applied to the 50% of the promissory note denominated in British pounds sterling (£3.05 million).

Liquidity and Capital Resources

At September 30, 2019, the Company had cash and cash equivalents of $2.3 million (December 31, 2018: $0.5 million). The increase in cash primarily reflects cash flow from the May 2019 Financing, partially off-set by payments to Pressure Technologies in the acquisition of PT Biogas, and cashflows for operations.

Cash and cash equivalents consist of cash and call deposits that are redeemable prior to maturity on demand and without economic penalty to the Company. The Company's exposure to credit risk on its cash and call deposits is limited by maintaining all cash and call deposits with major banks with high credit ratings.

Working capital is defined as current assets minus current liabilities. Working capital calculations or changes are not a measure of financial performance, nor do they have standardized meanings under IFRS. Readers are cautioned that this calculation may differ among companies and analysts and therefore may not be directly comparable. At September 30, 2019, the Company had a consolidated working capital deficit, including cash, of $0.7 million (December 31, 2018: positive working capital of $0.4 million). Fluctuations in cash and cash equivalents, accounts receivable and accounts payable are primarily driven by the phasing of upgrader projects. The Company aims to ensure that projects are generally in a cash flow positive position (i.e. billings to customers are collected in advance of payments to suppliers). Other significant components of net working capital are contract liabilities, which reflect billings to customers in excess of revenues recognized on upgrader projects and the current portion of warranty liability, which represents an estimate of future warranty claims over the upcoming year for upgrader projects under warranty.

The Company has an irrevocable letter of guarantee facility of $2.5 million (December 31, 2018: nil) with TD Canada Trust Bank which is guaranteed by Export Development Canada. The facility is used to provide advance payment and performance guarantees to certain customers. At September 30, 2019 $2.5 million of the facility was utilized.

Debt

Long-term debts consist of the promissory note issued to Pressure Technologies as part of the consideration paid for PT Biogas. The promissory note with a fair/book value of $10.5 million at September 30, 2019, is denominated 50% in British pounds sterling and 50% in Canadian dollars (fixed at an amount of $5.3 million), bears interest at 7% per annum (compounding) and matures on June 3, 2023. There are no principal or interest payments required prior to maturity unless Pressure Technologies subordinates its security for certain financings, in which case, the Company will be required to make interest payments on a current basis. Should the Company complete an equity financing, prior to repayment of the promissory in note in full, the Company is required to pay down the promissory note by the lessor of i) 50% of the net proceeds of any such equity financing and ii) such amount that results in the aggregate principal amount falling under £4.1 million. The promissory note is secured by a pledge of all of the issued and outstanding ordinary shares and all of the assets of PT Biogas.

Going concern

These condensed consolidated interim financial statements have been prepared by management on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. In the nine months ended September 30, 2019, the Company incurred an operating loss of $1.8 million and had operating cash outflow of $2.8 million. As of September 30, 2019, the Company has working capital deficit (including cash) of $0.7 million. The continuing operations of the Company are dependent upon its ability to continue to secure upgrader contracts to realize profitable operations in the future.

The award of an upgrader contract to the successful bidder generally takes many months or years from the commencement of initial discussions with a prospective customer. Factors that influence the duration to secure a customer commitment include specifying system design, arranging project funding and permitting and the availability of environmental subsidies and these factors often change over time. The Company's revenue, therefore, can be quite uneven. Since the Acquisition was completed on June 3, 2019, the Company has secured two new upgrader contracts for an aggregate value of $6.1 million.

Upon Acquisition the Company's sales order back-log was $7.8m and increased to $9.6 million September 30, 2019. The pipeline of identified potential upgrader projects at September 30th was in excess of $660 million. In the event that upgrader contract awards are delayed and cash flow from operations do not adequately support the fixed costs of the Company, the Company will then be required to re-evaluate its planned expenditures, reallocate its total resources and may require future financings in such a manner as the Board of Directors and management deem to be in the Company's best interest. This may result in a substantial reduction of the scope of existing and planned operations. These conditions indicate the existence of a material uncertainty that may cast significant doubt regarding the Company's ability to continue as a going concern.

The condensed consolidated interim financial statements do not reflect any adjustments to the carrying values of assets and liabilities, which may be required should the Company be unable to continue as a going concern. These adjustments may be material.

Contractual obligations

The Company has contractual obligations as at September 30, 2019 of $13.2 million

	Due within one year	**Due between one and five years**	**Due after five years**	**Total**
Lease liability	182	669	-	851
Pressure Technologies trading balances	690	-	-	690
Promissory note	-	10,506	-	10,506
Contract liabilities	1,103	-	-	1,103
Total	**1,975**	**11,175**	**-**	**13,150**

Outlook

The biogas upgrading market is estimated to grow from US$0.33 billion in 2015 to US$1.97 billion by 2022, a CAGR of 28.7%. This expected growth is driven by increasing demand for RNG caused primarily by a universal desire to reduce greenhouse gas emissions, supportive government regulations and incentives, strong interest in RNG as a transportation fuel and better efficiency than other renewable energy resources. As a global leader in the biogas upgrading business Greenlane expects to benefit from this trend.

Currently, Greenlane has visibility to more than 100 new projects, proposed or proceeding, worth a total estimated value of over $660 million in biogas upgrading equipment sales for competitive bid. Greenlane had a sales order back-log of $9.6 million at September 30, 2019. Refer to 'Alternative Performance Measures for further information.

The Company plans to scale up operations as the Company wins new upgrader projects as well as increasing working capital reserve to permit participation in more and larger projects, including bonding provisions. With an appropriate financing structure in place, Greenlane can also search out consolidation opportunities in the highly-fragmented biogas upgrading industry. Furthermore, management plans to expand Greenlane's business beyond equipment sales into project development to increase exposure to revenue from lucrative RNG off-take agreements.

Related Party Transactions

Key management includes Directors, the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), who have the authority and responsibility for the planning, directing and controlling the activities of the Company. The compensation recognized fpr these key management personnel for the nine months ended September 30, 2019 and 2018 is outlined below:

	Nine months ended September 30, 2019	**Period from February 15 to September 30, 2018**
Salary and management fees	134	-
Share-based compensation	237	-
	371	**-**

The Company also owes Pressure Technologies, the former parent company of PT Biogas an, amount of \$0.7 million for intercompany invoices issued prior to the QT and the promissory note of \$10.5 million.

Critical Accounting Estimates

Preparing financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of any contingent assets and liabilities as at the date of the financial statements, as well as the reported amounts of revenues earned and expenses incurred during the period. These estimates are based on historical experience and other assumptions that are believed to be reasonable under the circumstances.

The Company's significant accounting policies are those that affect its financial statements and are summarized in Note 2 of the condensed interim consolidated financial statements for the three and nine months ended September 30, 2019. Critical accounting policies and estimates in the period included revenue recognition for biogas upgrader projects, the assessment of impairment of long-lived assets and goodwill, the measurement of financial instruments and the recognition of provisions and contingent liabilities.

Actual results could differ from these estimates.

Outstanding Share Information

As of November 26, 2019, the Company had the following common shares, stock options and warrants outstanding:

Common shares	68,389,725
Stock options (vested and unvested)	6,838,850
Warrants	30,191,613

At September 30, 2019, of the 68,389,725 common

At September 30, 2019, of the 68.4 million common share and 30.2 million warrants outstanding, the Company had 18.9 million common shares and 8.0 million warrants held in escrow, which are expected to be released from escrow, as follows:

	Number of options	**Number of warrants**
December 6, 2019	2,992,636	996,318
June 6, 2020	5,518,246	2,259,123
December 6, 2020	6,302,056	2,651,028
On repayment of promissory note	4,093,230	2,046,615
	18,906,168	**7,953,084**

In addition, 4.3 million shares are held by Pressure Technologies under a right to direct sales agreement, under which the Company has the option to direct Pressure Technologies to sell shares to directors and employees of the Company for $0.60 per share. The right to direct expires June 3, 2021.

Alternative performance measures

Non-IFRS Measures

Management evaluates the Company's performance using a variety of measures, including "operating profit", "Adjusted EBITDA" and "sales order back-log". The non-IFRS measures should not be considered as an alternative to or more meaningful than revenue or net loss. These measures do not have a standardized meaning prescribed by IFRS and therefore they may not be comparable to similarly titled measures presented by other publicly traded companies and should not be construed as an alternative to other financial measures determined in accordance with IFRS. The Company believes these non-GAAP financial measures provide useful information to both management and investors in measuring the financial performance and financial condition of the Company. Management uses these and other non-IFRS financial measures to exclude the impact of certain expenses and income that must be recognized under IFRS when analyzing consolidated underlying operating performance, as the excluded items are not necessarily reflective of the Company's underlying operating performance and make comparisons of underlying financial performance between periods difficult. From time to time, the Company may exclude additional items if it believes doing so would result in a more effective analysis of underlying operating performance. The exclusion of certain items does not imply that they are non-recurring.

Reconciliation of net loss to Adjusted EBITDA (Loss)

	Three months ending September 30, 2019 $ 000's	**Nine months ending September 30, 2019 $ 000's**
Loss for the period	(1,750)	(4,026)
Add back:		
Share based compensation	215	465
Depreciation and amortization	361	457
Finance expense	198	237
Change in fair value of Special Warrants	(249)	(194)
Foreign exchange loss (gain) on promissory note	15	(111)
Transaction costs	350	2277
Adjusted EBITDA (Loss)	**(860)**	**(895)**

Sales Order Back-log

Order backlog refers to the balance of unrecognized revenue from contracted projects, where such revenue is recognized over time as completion of the projects progress.

Risks and Uncertainties

Greenlane's business is exposed to risks and uncertainties that affect its outlook, results of operations and financial position. The risks and uncertainties described below are not the only ones that Greenlane faces. Additional risks and uncertainties, including those that management is not currently aware of or that management currently deems immaterial, may also adversely affect Greenlane's business. Please refer to the sections of the base shelf prospectus dated July 31, 2019 and the prospectus supplements dated August 1, 2019 entitled "Risk Factors" for a comprehensive discussion of the risk factors that the Company faces. In addition, please also refer to the risk factors identified in the Filing Statement dated May 13, 2019.

Macroeconomic and geopolitical risks and uncertainties that impact Greenlane's business include: the uncertain and unpredictable condition of the global economy; significant markets for RNG may never develop or may develop more slowly than expected; changes in government policies and regulations could hurt the market for Greenlane's products; competition from other developers and manufacturers of RNG products could reduce Greenlane's market share or reduce its gross margins; technological advances or the adoption of new codes and standards could impair Greenlane's ability to deliver its products and fluctuations in foreign exchange rates could impact Greenlane's revenues and costs.

The Company also faces many operating risks and uncertainties, including: Greenlane may not be able to implement its business strategy; Greenlane currently depends on a relatively limited number of customers for a majority of its revenues; Greenlane's insurance may not be sufficient to cover losses; Greenlane could be liable for environmental damages resulting from its activities; Greenlane's strategy for the sale of RNG products depends on developing partnerships with PSA and membrane biogas upgrading manufacturers and other market channel partners who incorporate Greenlane's products into their projects; Greenlane is reliant on third party suppliers for key materials and components for its products; Greenlane may not be able to manage the expected expansion of its operations; Greenlane's plan to expand into project development may not materialize or may not result in the benefits expected; Greenlane sells its products in many different countries which have different rules and regulations; Greenlane will need to recruit, train and retain key management and other qualified personnel to successfully operate and expand its business; Greenlane might acquire technologies or companies in the future and these acquisitions could disrupt its business; any failures of Greenlane's products could negatively impact its customer relationships and increase its costs; Greenlane's intellectual property could be compromised which could adversely affect its business; potential customers could reduce their spending on biogas upgrading projects; Greenlane may not be able to maintain the necessary liquidity level or secure the financing necessary to fulfill its business plan or continue as a going concern; and financing may not be available on favourable terms.

Forward-Looking Statements

This MD&A contains forward-looking statements, including statements regarding the future success of the Greenlane's business, technology and market opportunities. Forward-looking statements typically contain words such as "believes", "expects", "anticipates", "plans", "continues", "could", "indicates", "will", "intends", "may", "projects", "schedules", "would" or similar expressions suggesting future outcomes or events, although not all forward-looking statements contain these identifying words. Examples of such statements include, but are not limited to, statements concerning: actions expected to be undertaken to achieve the Company's strategic goals; the key market drivers impacting the Company's success; intentions with respect to future biogas upgrading development work; expectations regarding business activities and orders that may be received in future years; trends in, and the development of, the Company's target markets; the Company's market opportunities; the benefits of the Company's products; expectations regarding competitors; the expected impact of the described risks and uncertainties; the management of the Company's liquidity risks in light of the prevailing economic conditions; and the ability of the Company to obtain financing in order to grow its business.; visibility to more than 100 new projects, proposed or proceeding, and their estimated value.

These statements are neither promises nor guarantees but involve known and unknown risks and uncertainties that may cause the Company's actual results, level of activity or performance to be materially different from any future results, levels of activity or performance expressed in or implied by these forward-looking statements. These risks include, generally, risks related to revenue growth, operating results, industry and products, technology, competition, the economy and other factors. Although the forward-looking statements contained herein are based upon what management believes to be current and reasonable assumptions, the Company cannot assure readers that actual results will be consistent with these forward-looking statements. Examples of such assumptions include but are not limited to: trends in certain market segments and the economic climate generally; the pace and outcome of technological development and the expected actions of competitors and customers. The forward-looking statements contained herein are made as of the date of this MD&A and are expressly qualified in their entirety by this cautionary statement. Except to the extent required by law, the Company undertakes no obligation to publicly update or revise any forward-looking statements contained herein.