Green Impact Partners

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Three and Six Months Ended June 30, 2022 and 2021

August 23, 2022

MANAGEMENT DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("MD&A") for the three and six months ended June 30, 2022 and 2021 is prepared as of August 23, 2022 and provides information concerning the financial condition and results of operations of Green Impact Partners Inc. ("GIP" or the "Company"). This MD&A should be read in conjunction with the Company's condensed consolidated interim financial statements as at and for the three and six months ended June 30, 2022 and 2021 and the consolidated financial statements as at and for the years ended December 31, 2021 and 2020, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These consolidated financial statements and additional information relating to GIP are available on SEDAR at www.sedar.com. The comparative figures represent the financial position and the results from operations of the Clean Energy Assets as at and for the year ended December 31, 2020, as defined and described in Note 2 of the Company's consolidated financial statements. The Company's shares are listed for trading on the TSX Venture Exchange under the symbol "GIP".

Unless otherwise indicated, all dollar amounts presented herein are in thousands of Canadian dollars.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains "forward-looking statements" and "forward-looking information" (collectively referred to herein as "forward-looking statements") within the meaning of applicable securities legislation. Certain information and statements contained in this MD&A constitute forward-looking information, including the Company's plans, prospects and opportunities, expectations regarding revenue and EBITDA, the anticipated production and performance in relation to the Company's projects, the expected timing of project construction, milestones and operations, the costs associated with the Company's projects and funding of such costs, including the potential divestiture of a minority interest in one or more of the Company's projects, the anticipated costs associated with capital spending, expectations for the Company's future operations, including the generation of free cash flow and increases in share-based compensation, expectations concerning the nature and timing of growth, expectations respecting competitive position, anticipated supply and demand for the Company's products and services, expectations concerning the financing of future business activities, the negotiation of contracts, the expected benefits of entering into financial hedging contracts, anticipated acquisitions and divestitures, the anticipated carbon impacts associated with the Company's projects and statements as to future economic and operating conditions. Readers should review the cautionary statement respecting forward-looking information that appears below.

The information and statements contained in this MD&A that are not historical facts are forward-looking statements. Forward-looking statements (often, but not always, identified by the use of words such as "seek", "plan", "continue", "estimate", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", "expect", "may", "anticipate" or "will" and similar expressions) may include plans, expectations, opinions, or guidance that are not statements of fact. Forward-looking statements are based upon the opinions, expectations and estimates of management as at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or outcomes to differ materially from those anticipated or implied by such forward-looking statements.

These factors are set forth under "Risks and Uncertainties" in the annual MD&A for the year ended December 31, 2021, which can be found on the SEDAR website at www.sedar.com.

Forward-looking information concerning the nature and timing of growth is based on the current budget of the Company (which is subject to change), factors that affected the historical growth of the Company, including sources of historic growth opportunities, in addition to our ability to successfully complete our projects and negotiate contracts, expectations relating to future economic, regulatory and operating conditions and adequate access to funding for our projects and ongoing operations. Forward-looking information concerning the current and future competitive position of the Company's business and partnership relationships is based upon the current competitive environment in which the Company operates, management expectations relating to future economic and operating conditions, current and announced build programs, and the expansion plans of other organizations. Forward-looking information concerning the financing of future business activities is based upon the financing sources on which the Company and its predecessors have historically relied, prospects for obtaining potentially new financing sources, and expectations relating to future economic and operating conditions, including interest rates, supply chains, global supply and demand, energy and commodity prices. Forward-looking information concerning future economic and operating conditions is based upon historical economic and operating conditions, as well as opinions of third-party analysts reflecting anticipated economic and operating conditions. Although management of the Company believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. Accordingly, readers should not place undue reliance upon any of the forward-looking information set out in this MD&A. All the forward-looking statements of the Company contained in this MD&A are expressly qualified, in their entirety, by this cautionary statement. Except as required by law, the Company disclaims any intention or obligation to update or revise any forward-looking information or statements, whether as a result of new information, future events or otherwise.

BUSINESS OVERVIEW

Our Business

GIP is a clean energy company publicly traded on the TSX Venture Exchange. GIP's purpose is to create a more sustainable and inclusive planet by developing clean energy. GIP acquires, develops, and builds RNG and clean bio-energy projects with the intention of building, owning and operating a portfolio of producing facilities, and participates in a wide range of zero-carbon opportunities during any stage of the project lifecycle – from idea generation through to operations. GIP has a growing portfolio of RNG and clean bio-energy projects under development, representing over $2 billion in anticipated capital expenditures over the next three years. GIP is a leading developer of the cleanest transition energy and is well positioned to be a leading producer of decarbonizing energy in North America. In addition to its core focus, GIP has a current portfolio of seven water and solids treatment and recycling facilities in Canada and a solids recycling business in the United States ("Water and Solids Treatment and Recycling").

The Company reports operating results for the following reportable segments:

- **Water and Solids Treatment and Recycling** – The Water and Solids Treatment and Recycling segment is currently comprised of operational and cash flowing assets in Canada and the United States that provide services to safely recycle and/or dispose of water and solids waste from third party operations as well optimizing and marketing the associated by-products.

- **Clean Energy Production** – The Clean Energy Production segment includes both under construction development and pre-development clean energy projects located in Canada and the United States. The current portfolio of projects within this operating segment includes RNG, biofuel and hydrogen distribution. The clean energy projects within the Clean Energy Production segment are not yet operational and as such, have no associated revenue.

Operations

The Water and Solids Treatment and Recycling facilities operate under a fee-for-service basis. Each of these facilities provides water and waste treatment and recycling services to multiple customers, including a mix of municipalities, governments, utilities, infrastructure, industrial, mining and energy companies in North America, depending upon the activities within the geographic region. The services are provided through area dedication agreements and state contracts, rather than volume-based commitments. Revenue and gross margin are also derived through optimizing and selling by-products associated with the waste products that are processed by the Company's facilities.

Project Construction and Development Updates

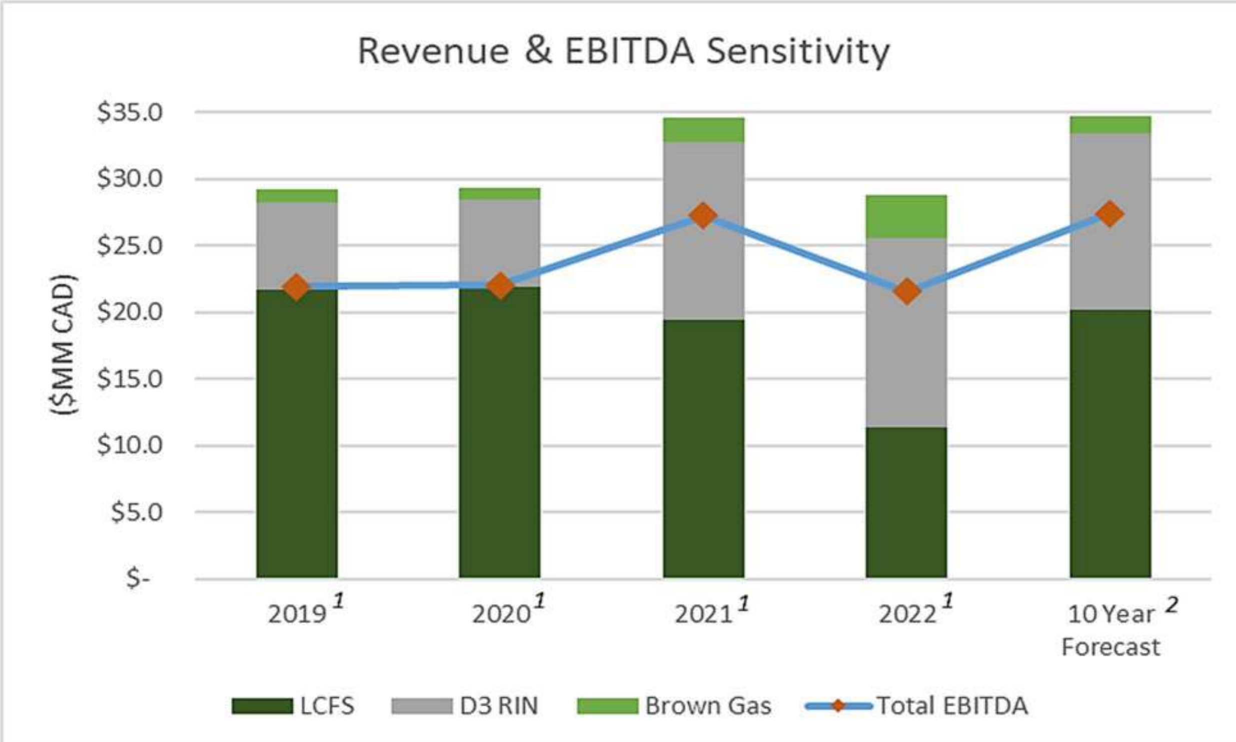
GreenGas Colorado

The RNG project located in Weld County, Colorado in the United States (the "GreenGas Colorado Project") commenced construction in the summer of 2021 and is progressing on schedule and on budget. The GreenGas Colorado Project is being constructed on two farms in close proximity and is expected to generate greater than 360,000 million British thermal units ("MMBtu") per annum of RNG. The Company has feedstock agreements in place securing the long-term supply of organic waste. The GreenGas Colorado Project is anticipated to produce gas at full capacity in early 2023.

The Company has in place a fixed-price Engineering, Procurement and Construction ("EPC") contract for the GreenGas Colorado Project. As at June 30, 2022, $52.2 million (USD$45.2 million) has been invested by GIP in the construction of this facility. All ground works are complete, including foundations, piping and wires, with treatment tank construction more than 90% complete. Commissioning is anticipated to commence in late summer 2022. The total capital cost, including soft costs and fees associated with debt financing, is approximately $92.0 million. In December 2021, the GreenGas Colorado Project closed its non-recourse project debt financing for $48.2 million (USD$38 million). The debt facility includes both a construction and post-construction term loan facility. The construction facility bears interest at prime + 2.75%. The term loan facility amortizes fully over six years. During the quarter, the Company entered into a fixed-rate interest rate swap to fix the floating interest rate during the six-year term loan at 7.35%. As at June 30, 2022, $28.6 million (USD$22.2 million) has been drawn to fund construction costs. Remaining cost to complete will be funded through remaining funds available under the construction debt facility, the Company's cash on hand, and availability of funds under the Company's corporate revolver.

The GreenGas Colorado Project has executed a 10-year offtake agreement with an A- rated counterparty to sell 100% of its RNG generation. The offtake agreement secures delivery of the GreenGas Colorado Project's RNG into the California Low Carbon Fuel Standard ("LCFS") and Renewable Identification Number ("RIN") markets. The Company's production and associated revenue is based on merchant pricing in these markets, less certain charges under the offtake agreement, including transportation. LCFS and RIN market pricing is a key risk for the GreenGas Colorado Project. GIP's estimates for LCFS, RIN and brown gas pricing are partially based on an independent third-party price forecast, as well as recent historical prices.

The graph below illustrates the revenue and EBITDA[1] that GIP would have realized for this project based on the expected generation capacity using the actual market pricing over the historical period, adjusted for charges under the offtake agreement, including transportation, as well as a comparison of this historical data to the Company's estimates for its first ten years of operations based on an independent third-party price forecast prepared in January 2022:



[1] The 2019, 2020 and 2021 periods demonstrate the revenue and EBITDA[1] that the GreenGas Colorado Project would have received based on the Company's estimated RNG production and the annual historical average pricing for LCFS, RIN and brown gas. The 2022 period demonstrates the same based on the actual Q2 2022 historical average pricing extrapolated for the full year.

[2] The 10 Year Forecast represents the Company's average forecasted revenue and EBITDA[1] for the GreenGas Colorado Project based on the Company's estimated RNG production of 360,000 MMBtu per annum and the estimated price anticipated to be received for the LCFS, RIN and brown gas per an independent third-party price forecast prepared in January 2022, net of transportation and other offtake charges. The chart is the Canadian dollar ("CAD") equivalent based on an average United States dollar to CAD exchange rate of 1.29.

Iowa RNG Project

Subsequent to quarter end, the Company secured an additional dairy for its RNG project located in Iowa (the "Iowa RNG Project"), bringing the total number of dairies to three. With this addition, the Iowa RNG Project is expected to generate approximately 350,000 MMBtu of RNG per annum. The Company is in the process of securing material permits and approvals, executing detailed design, and finalizing the EPC, offtake and interconnection agreements. Subject to the completion of these items, as well as securing the financing required to proceed to construction, construction is expected to commence in late 2022, with RNG production commencing in late 2023 or early 2024. Capital costs are expected to be approximately $100 million with a projected annual EBITDA[1] of approximately $20 million. The Iowa RNG Project is similar in scope to the GreenGas Colorado Project and is anticipated to deliver its RNG into the California LCFS and RIN markets.

Future Energy Park

In 2021, the Company entered into a partnership to develop a large-scale bio-fuel facility in Calgary, Alberta ("Future Energy Park"). Future Energy Park, once operational, is expected to have a lower carbon impact than all traditional renewable energy projects (wind, solar or hydro energy source) and will be the largest,

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[1] This is a non-IFRS financial measure. See the "Summary of Non-IFRS Measures" section.

negative carbon intensity RNG project in North America, producing over 3.5 million MMBtu per annum of RNG. Additionally, it is expected to produce, annually, over 300 million litres of cellulosic equivalent ethanol, approximately 235,000 tonnes of high-quality protein distillers grain, 1.5 million tonnes of carbon offset credits, and capture 400,000 tonnes of clean CO_2.

Future Energy Park is projected to utilize approximately 800,000 tonnes of non-food grade wheat per annum that will be processed through a bioethanol fermentation process to generate the cleanest ethanol produced at scale in North America. The by-product from the fermentation process will then be converted to RNG through an anerobic digestion process. In addition, to support the facility's power, steam and hot water requirements, Future Energy Park will also include a high efficiency combined heat and power facility with any excess power sold into the market. Carbon offset credits are generated throughout the entire facility process, in addition to other by-products including high-quality protein distillers grain and CO_2.

The Company is finalizing its EPC contract with one of Canada's largest EPC contractors, PCL Construction ("PCL"), with pricing expected to be fixed prior to the commencement of construction. Capital costs are expected to be approximately $1.2 billion. Over the remainder of 2022, the Company is focused on obtaining material permits and approvals to proceed to construction, finalizing remaining material agreements, including its long-term fixed-price RNG offtake agreement, and securing the necessary financing to proceed to construction. As previously disclosed, the Company intends to finance the project through a combination of equity and non-recourse project debt financing. GIP is currently exploring strategic options to raise the equity for Future Energy Park, which may include divestiture of a minority interest in the project. Subject to the completion of these items, construction is anticipated to commence in early 2023, with the facility expected to achieve commercial operations in 2025. Once fully operational, the Company anticipates Future Energy Park to generate annual EBITDA[2] to the Company of over $300 million, net of the carried interest as described below.

As at June 30, 2022, GIP has invested $20.7 million in costs for the development of Future Energy Park. Future Energy Park is currently advancing development through its development corporation, Future Energy Development Corp. ("FEP Dev Corp."). FEP Dev Corp. is owned by a partnership of Carbon Clean Energy Inc., PCL, and GIP. GIP currently holds a 35.71% interest in FEP Dev Corp. Upon completion of certain development milestones, which is expected in Q3 2022, all the assets and liabilities of FEP Dev Corp. will be transferred to the operating entity, Future Energy Park Inc., in exchange for a carried interest in the net distributions of the project reflected through the issuance of a special class of shares. GIP will hold 100% of all other shares of Future Energy Park Inc., entitling the Company to 100% of the distributions less the carried interest to FEP Dev Corp.'s other partners.

New Zealand Green Hydrogen

In the prior year, the Company closed on a $2.8 million investment in a New Zealand-based energy company ("NZCo") focused on developing a green hydrogen refuelling network across New Zealand servicing commercial and heavy transport customers. GIP's investment, along with other partners, supports the construction of the first phase, which includes four hydrogen refuelling stations. The first phase is fully financed, however NZCo has experienced some supply chain challenges. Commercial operations are now anticipated by year end 2023. GIP currently holds a 12% interest, with an option to increase its interest to 18% by investing an additional $3.9 million in capital. The investment also includes an additional opportunity to increase the Company's investment at a later date. As green hydrogen markets evolve in North America and globally, this initial investment is anticipated to result in additional opportunities to partner with NZCo on green hydrogen and other biofuel opportunities worldwide. Green hydrogen is produced from renewable energy sources, is carbon free, and aligns with GIP's strategic purpose.

[2] This is a non-IFRS financial measure. See the "Summary of Non-IFRS Measures" section.

Additional Growth Opportunities

Including the opportunities identified above, the Company has identified multiple projects representing approximately $3 billion in clean energy initiatives in the development pipeline at various stages of development. In accordance with its strategy, management is focused in the near-term on the advancement of these projects and the growth and advancement to final investment decision on a number of other projects in its RNG pipeline. GIP has engaged J.P. Morgan and RBC Capital Markets as lead financial advisors to help accelerate the completion of its near-term RNG portfolio, including the Iowa RNG Project and Future Energy Park. Opportunities may include a non-dilutive strategic investment in any or all of the GreenGas Colorado Project, the Iowa RNG Project or Future Energy Park. A transaction is expected to provide the capital to complete these projects and advance the development of the Company's remaining portfolio, while still maintaining majority control and significant long-term cash flow accretion for GIP's shareholders.

FINANCIAL HIGHLIGHTS

($000) *As at and for the three months ended*	June 30, 2022	June 30, 2021	$ Change
Revenue	68,885	27,066	41,819
Gross margin	886	1,156	(270)
Income (Loss) from operations	(2,318)	(893)	(1,425)
Net income (loss)	(3,485)	(2,824)	(661)
Comprehensive income (loss)	(2,168)	(2,733)	565
Funds from (used in) operations	(735)	22	(757)
Cash from (used in) operations	3,440	1,661	1,779
Purchase of property, plant and equipment	(20,498)	(3,424)	(17,074)
Total assets	212,480	144,516	67,964
Total liabilities	89,518	30,613	58,905

($000) *As at and for the six months ended*	June 30, 2022	June 30, 2021	$ Change
Revenue	113,672	54,854	58,818
Gross margin	3,258	3,154	104
Income (Loss) from operations	(2,417)	(657)	(1,760)
Net income (loss)	(4,014)	(3,005)	(1,009)
Comprehensive income (loss)	(3,143)	(2,914)	(229)
Funds from (used in) operations	460	1,327	(867)
Cash from (used in) operations	1,535	1,659	(124)
Purchase of property, plant and equipment	(34,141)	(3,509)	(30,632)
Total assets	212,480	144,516	67,964
Total liabilities	89,518	30,613	58,905

RESULTS OF OPERATIONS

($000) *For the three months ended*	June 30, 2022	June 30, 2021	$ Change
Revenue	68,885	27,066	41,819
Gross margin	886	1,156	(270)
Depreciation and amortization	1,616	1,091	525
Salaries and wages	409	371	38
Selling, general and administration	1,179	587	592

Finance costs	229	353	(124)
Share-based compensation	661	-	661
Unrealized loss on risk management contracts	796	-	796
Listing expense	-	2,523	(2,523)
Gain on debt forgiveness	-	(257)	257
Realized (gain) loss on foreign exchange	10	-	10
Current income tax expense/(recovery)	22	-	22
Deferred income tax expense/(recovery)	(551)	(688)	137
Net income (loss)	(3,485)	(2,824)	(661)
Comprehensive income (loss)	(2,168)	(2,733)	565

($000) ***For the six months ended***	**June 30, 2022**	**June 30, 2021**	**$ Change**
Revenue	113,672	54,854	58,818
Gross margin	3,258	3,154	104
Depreciation and amortization	2,921	2,161	760
Salaries and wages	825	939	(114)
Selling, general and administration	1,929	711	1,218
Finance costs	350	870	(520)
Share-based compensation	1,046	-	1,046
Unrealized loss on risk management contracts	796	-	796
Listing expense	-	2,523	(2,523)
Gain on debt forgiveness	-	(257)	257
Realized (gain) loss on foreign exchange	10	-	10
Current income tax expense/(recovery)	34	-	34
Deferred income tax expense/(recovery)	(639)	(788)	149
Net income (loss)	(4,014)	(3,005)	(1,009)
Comprehensive income (loss)	(3,143)	(2,914)	(229)

SUMMARY OF NON-IFRS MEASURES

This MD&A contains certain financial measures that do not have any standardized meaning prescribed by IFRS. Therefore, these financial measures may not be comparable to similar measures presented by other issuers. Investors are cautioned these measures should not be construed as an alternative to net and comprehensive income or to cash from (used in) operating, investing, and financing activities determined in accordance with IFRS, as indicators of our performance. We use non-IFRS measures, including EBITDA and Adjusted EBITDA, to assist investors in determining our ability to generate income and cash provided by operating activities and to provide additional information on how these cash resources are used.

EBITDA is defined as earnings before interest, taxes, depreciation, and amortization. EBITDA is a non-IFRS measure, calculated by adding back the impacts of income tax, finance costs, depreciation and amortization to net income (loss) for the period. Net income (loss) is the most directly comparable IFRS financial measure. EBITDA does not have a standardized meaning prescribed by IFRS and is not necessarily comparable to similar measures provided by other issuers. Management believes EBITDA is an important performance metric that measures recurring cash flows before changes in non-cash working capital.

Adjusted EBITDA is defined as EBITDA adjusted for certain non-operating, non-recurring and non-cash items. Adjusted EBITDA is used by management to evaluate the earnings and performance of the Company before consideration of capital, financing and tax structures. Net income (loss) is the most directly comparable IFRS financial measure. Adjusted EBITDA does not have a standardized meaning prescribed by IFRS and is not necessarily comparable to similar measures provided by other issuers. Prior period Adjusted EBITDA has been calculated and presented in accordance with the current period calculation and presentation.

Management believes that in addition to net income (loss), Adjusted EBITDA is a useful supplemental measure to enhance investors' understanding of the results generated by the Company's principal business activities prior to consideration of how those activities are financed, how the results are taxed, how the results are impacted by non-cash charges, and charges that are irregular in nature or not reflective of the Company's core operations. Management calculates these adjustments consistently from period to period. Adjusted EBITDA is used by management to determine the Company's ability to service debt and finance capital expenditures. Management believes that Adjusted EBITDA as a measure is indicative of how the fundamental business is performing.

NON-IFRS MEASURES

($000) *For the three months ended*	June 30, 2022	June 30, 2021	$ Change
Net income (loss)	(3,485)	(2,824)	(661)
Income tax recovery	(529)	(688)	159
Depreciation and amortization	1,616	1,091	525
Finance costs	229	353	(124)
Unrealized loss on risk management contracts	796	-	796
EBITDA[3]	**(1,373)**	**(2,068)**	**695**
Listing expense	-	2,523	(2,523)
Gain of debt forgiveness	-	(257)	257
Share-based compensation	661	-	661
Adjusted EBITDA[4]	**(712)**	**198**	**(910)**

($000) *For the six months ended*	June 30, 2022	June 30, 2021	$ Change
Net income (loss)	(4,014)	(3,005)	(1,009)
Income tax recovery	(605)	(788)	183
Depreciation and amortization	2,921	2,161	760
Finance costs	350	870	(520)
Unrealized loss on risk management contracts	796	-	796
EBITDA[3]	**(552)**	**(762)**	**210**
Listing expense	-	2,523	(2,523)
Gain of debt forgiveness	-	(257)	257
Share-based compensation	1,046	-	1,046
Adjusted EBITDA[4]	**494**	**1,504**	**(1,010)**

Gross Margin

Gross margin decreased by $0.3 million and increased by $0.1 million, for the three and six months ended June 30, 2022, respectively, as compared to the same periods in the prior year. Although the changes in gross margins in absolute terms were not significant, gross margin as a percentage of revenue declined from 4.3% to 1.3% for the three months ended June 30, 2022, and from 5.7% to 2.9% for the six months ended June 30, 2022.

[3,4] These are non-IFRS financial measures. See the "Summary of Non-IFRS Measures" section.

Second quarter gross margins were negatively impacted by an isolated human error that resulted in the selling of by-products beyond those generated and available for sale through the Canadian Water and Solids Treatment and Recycling business. Consequently, during the quarter, the Company was required to purchase additional by-products to satisfy these commitments, which impacted gross margins by approximately $1.8 million. The issue has been rectified in a replacement of staff and additional management to oversee this aspect of the business, which is expected to bring results more in line with historical averages.

In addition to the above, prolonged wet spring conditions resulted in facility access repair costs that are isolated and atypical further impacting margins for the quarter. These decreases were partially offset by increased revenue from increased industry activity as well as an increase in fees charged at the majority of the facilities.

Salaries and Wages and Selling, General and Administration

Salaries and wages and selling, general and administrative expenses include the following items: salaries and wages, rental costs, vehicle costs, insurance expenses, office costs, advertising and promotion, and professional and consulting fees.

Combined salaries and wages and selling, general and administrative expenses for the three and six months ended June 30, 2022, increased by approximately $0.6 million and $1.1 million, respectively, compared to the same periods in 2021. Consistent with previous quarters, this increase was a direct result of GIP increasing its development team and running as a new stand-alone company in May 2021, compared to being a subsidiary of the divesting company for the same period in 2021. Consequently, the three and six months ended June 30, 2022 included additional costs associated with the new GIP executive and management staff, information technology, legal, insurance and consulting fees.

Share-based Compensation

Share-based compensation is a new expense item in 2022 as the first share-based awards (Share Units and Stock Options) were granted to staff and directors in December 2021. The first quarter of 2022 was the first full quarter of recognition of share-based compensation. The Company granted an additional 245,882 Share Units and 526,889 Stock Options during the three months ended June 30, 2022. These additional grants, and the recognition of a portion of the associated fair value of outstanding share-based awards, resulted in higher share-based compensation in the second quarter of 2022 relative to the first quarter of 2022. Management expects share-based compensation to increase in future periods as additional instruments are granted to new and existing staff. The remaining fair value to be recognized over the life of the instruments currently outstanding at June 30, 2022 is $4.7 million.

Depreciation and Amortization

Depreciation and amortization for the three and six months ended June 30, 2022, increased by $0.5 million and $0.8 million compared to the same periods in 2021. The majority of this increase related to the incremental depreciation related to the property, plant and equipment acquired as part of the acquisition of the US portion of the Water and Solids Treatment and Recycling business in May 2021 and the amortization of intangible assets recognized as part of the same transaction. The Company's assets under construction are not yet in operation and therefore depreciation related to these assets has not yet been recognized.

Finance Costs

Finance costs for the three and six months ended June 30, 2022, were comprised of a combination of interest on long-term debt, accretion expense on the asset retirement obligation liability and the amortization of deferred financing costs. The reduction of $0.1 million and $0.5 million in finance costs from the three and six months ended June 30, 2021, respectively, was due to a $25.9 million reduction of debt on May 27, 2021 related to the Canadian Water and Solids Treatment and Recycling assets as part of the Transaction as defined below in 'Related Party Transactions'. This long-term debt was outstanding and accruing interest during the comparative period from January 1 to May 27, 2021. Finance costs for the three months ended June 30, 2022 were more consistent with the same period in 2021 due to the fact that the previous debt was only in place for a portion of the second quarter of 2021 and the Company is now incurring new interest costs on its corporate credit facility.

Unrealized Loss on Risk Management Contracts

The unrealized loss on risk management contracts of $0.8 million is a new item for the three months ended June 30, 2022 and relates to a fixed priced interest rate swap that was entered into by the Company during the quarter. The swap has a notional amount of USD$37.9 million, a fixed rate of 7.35%, an effective date of June 30, 2023, and a termination date of June 30, 2029. The Company does not intend to apply hedge accounting to account for this financial instrument and therefore the swap will be marked to market each reporting period with any unrealized gains and losses being recognized in earnings or losses.

SUMMARY OF QUARTERLY RESULTS

($000)	Jun 30, 2022	Mar 31, 2022	Dec 31, 2021	Sep 30, 2021
Revenue	68,885	44,787	38,723	35,395
Adjusted EBITDA[4]	(712)	1,206	1,418	628
Net income (loss)	(3,485)	(529)	2,965	(602)
Net income (loss) per share-Basic	*(0.17)*	*(0.03)*	*0.15*	*(0.03)*
Net income (loss) per share-Diluted	*(0.17)*	*(0.03)*	*0.15*	*(0.03)*

	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020	Sept 30, 2020
Revenue	27,066	27,788	23,912	23,720
Adjusted EBITDA[4]	198	1,306	1,380	826
Net income (loss)	(2,824)	(181)	(102)	(593)
Net income (loss) per share-Basic	*(0.20)*	*(0.01)*	*(0.01)*	*(0.06)*
Net income (loss) per share-Diluted	*(0.20)*	*(0.01)*	*(0.01)*	*(0.06)*

The variation of EBITDA[4] over the trailing eight quarters is partially a result of the seasonality of the business. The Canadian Water and Solids Treatment and Recycling business is reliant on the industry activity that peaks, due to location and weather, in the fall and winter. Summer break-up which begins in early spring and lasts until late summer results in decreased activity because of road bans and poor operating conditions. Therefore, results in the second and third quarters of the fiscal year are generally lower than those realized in the first and fourth quarters. Net income and EBITDA[4] for Q2 2022 were abnormally low due to the isolated and non-recurring factors previously discussed in the Results of Operations section of this MD&A.

LIQUIDITY AND CAPITAL RESOURCES

The Company expects to generate sufficient cash flows from operations, in the short term and long term, to meet all organic growth initiatives and maintenance capital expenditures in connection with the Water and Solids Treatment and Recycling facilities. Due to the Company's focus on maintaining efficient

[4] This is a non-IFRS financial measure. See the "Summary of Non-IFRS Measures" section.

operations, the Company expects to generate free cash flow from operations, net of maintenance capital expenditures, on an annual basis.

The Company intends to fund the remaining capital required for the GreenGas Colorado Project with existing cash on hand, free cash flow generated by existing operations, its corporate revolver, and additional capital in the form of non-recourse project level debt financing. At this time the Company does not anticipate the need to raise additional public equity proceeds. However, to accelerate the development of its portfolio of approximately $3 billion in clean energy initiatives, the Company is exploring funding alternatives and may enter into strategic partnerships or divest of minority interests of certain assets in its portfolio.

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. The Company's cash needs are met with cash generated by operations and financing provided by short-term borrowings and long-term debt. The Company considers its current level of working capital, including undrawn available credit facilities, to be sufficient to meet its needs, including to satisfy payments on debt. GIP was in compliance with all debt covenants for the three months ended June 30, 2022.

The Company manages its liquidity risk through the management of its capital structure and working capital, monitoring, and reviewing actual and forecasted cash flows to ensure available cash resources to meet the Company's liquidity needs. The Company's cash, cash equivalents and cash flow from operating activities are expected to be greater than anticipated near-term capital expenditures and the contractual maturities of the Company's financial liabilities.

($000) ***For the three months ended***	**June 30, 2022**	**June 30, 2021**	**$ Change**
Cash from (used in) operating activities	(3,410)	1,661	(5,071)
Cash from (used in) investing activities	(20,915)	(3,424)	(17,491)
Cash from (used in) financing activities	26,848	41,561	(14,713)
Impact of foreign currency translation on cash	199	-	199
Increase (decrease) in cash and cash equivalents	**2,722**	**(39,798)**	**(37,076)**

($000) ***For the six months ended***	**June 30, 2022**	**June 30, 2021**	**$ Change**
Cash from (used in) operating activities	1,535	1,659	(124)
Cash from (used in) investing activities	(34,559)	(3,509)	(31,050)
Cash from (used in) financing activities	32,468	41,590	(9,122)
Impact of foreign currency translation on cash	216	9	207
Increase (decrease) in cash and cash equivalents	**(340)**	**39,749**	**(40,089)**

Operating Activities

Cash from operating activities for the three and six months ended June 30, 2022 decreased by $5.1 million and $0.1 million from the three and six months ended March 31, 2021, respectively. This decrease was a result of the decrease of approximately $1 million in adjusted EBITDA for both the three and six months ended June 30, 2022 relative to the same periods in 2021 due to the factors discussed above, coupled with changes in working capital.

Investing Activities

Cash used in investing activities for three and six months ended June 30, 2022 increased by $17.5 million and $31.1 million over the corresponding periods in 2021, respectively. The additional use of cash resulted mainly from spending on the GreenGas Colorado Project, Future Energy Park and other early stage RNG projects. Capital additions were significantly lower for the three and six months ended June 30, 2021, due to the fact that the Company had not yet initiated construction on the RNG projects that are now in development.

Financing Activities

Cash from financing activities for the three and six months ended June 30, 2022 decreased by $14.7 million and $9.1 million from the three and six months ended March 31, 2021, respectively. This decrease was primarily a result of the fact that the corresponding period in 2021 included the Company's equity financing that generated $41 million of net proceeds. This was partially offset during the three and six month periods ended June 30, 2022 by the drawing of funds from the Company's corporate credit facility and the GreenGas Colorado Project's construction facility of an aggregate $28 million and $36 million for the three and six months ended June 30, 2022, respectively. The Company also completed share repurchases in the aggregate amounts of $1.2 million and $3.8 million for the three and six months ended June 30, 2022, respectively.

($000)	June 30, 2022	June 30, 2021	$ Change
Current assets	30,297	50,822	(20,525)
Current liabilities[1]	38,742	10,731	(28,011)
Working capital surplus (deficit)	**(8,445)**	**40,091**	**(48,536)**

[1]The working capital above includes the current and demand portions of long-term debt of approximately $0.3 million at June 30, 2022 ($0.2 million at June 30, 2021).

The following are undiscounted contractual maturities of financial liabilities, including estimated interest:

	Total	< 1 Year	1-3 Years	4-5 Years	After 5 Years
AP and accrued liabilities	**30,235**	30,235	-	-	-
Other current liabilities	**8,570**	8,570	-	-	-
Long-term debt	**44,907**	143	25,306	12,972	6,486
Other long-term liabilities	**2,145**	-	2,145	-	-
Lease obligations	**325**	163	162	-	-
Total financial liabilities	**86,182**	**39,111**	**27,613**	**12,972**	**6,486**

Capital Management and Resources

The Company's objectives when managing capital are to: (i) ensure the Company has the financial capacity to execute on its strategy to increase market share through organic growth or strategic acquisitions; (ii) maintain financial flexibility in order to meet its financial commitments and maintain the confidence of shareholders, creditors and the market; and (iii) optimize the use of capital to provide an appropriate return on investment to shareholders.

The Company's overall capital management strategy remained unchanged in the first half of 2022 when compared to prior periods. The Company has established criteria for sound financial management and manages the capital structure based on current economic conditions, risk characteristics of underlying assets and planned capital and liquidity requirements. Total capitalization is maintained or adjusted by drawing on existing credit facilities, issuing new debt and through the disposal of underperforming assets, when required. Management considers the Company's current assets less current liabilities, long-term debt and shareholders' equity as the components of capital to be managed.

	June 30, 2022	December 31, 2021
Current assets	30,297	23,560
Current liabilities	(38,742)	(21,252)
Long-term debt	36,717	136
Other long-term liabilities	2,637	9,288
Shareholders' equity	109,113	114,944
	140,022	**126,676**

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's revenues come from a diverse customer base, which includes municipalities, governments, utilities, infrastructure, industrial, energy and mining industries in North America. The Company believes there is no unusual exposure associated with the collection of accounts receivable outside of the normal risk associated with contract audits and normal trade terms. The Company performs regular credit assessments of its customers and provides allowances for potentially uncollectible accounts receivable.

The Company is primarily exposed to credit risk from customers. The maximum exposure to credit risk is equal to the carrying value of the accounts receivable and note receivable. The Company's trade receivables are with customers in the industrial sector and are subject to industry credit risk. To reduce credit risk, the Company reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance.

Additionally, the Company continuously reviews individual customer trade receivables taking into consideration payment history and aging of the trade receivables to monitor collectability. In accordance with IFRS 9 – Financial Instruments, the Company reviews impairment of its trade and accrued receivables at each reporting period and its allowance for expected future credit losses. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends, and other information. Monitoring procedures are in place to ensure that follow up action is taken to recover overdue amounts. The Company reviews receivables on a regular basis to ensure that an adequate loss allowance is made. Provisions recorded by the Company are reviewed regularly to determine if any balances should be written off. The allowance for doubtful accounts could materially change as a result of fluctuations in the financial position of the Company's customers. The Company completes a detailed review of its historical credit losses as part of its impairment assessment.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements in the current or prior periods.

RELATED PARTY TRANSACTIONS

On May 27, 2021, the Company completed a business combination with Wolverine Energy and Infrastructure Inc. ("Wolverine"), pursuant to which the Company acquired the clean energy assets of Wolverine through a reverse take-over (the "Transaction"). The Chief Executive Officer of the Company is the Executive Chairman of Wolverine and owns approximately 49% of the issued and outstanding shares of Wolverine. Wolverine, as a result of the Transaction, owns approximately 25% of the issued and outstanding common shares of GIP and is therefore considered to be a related party of the Company.

Consequently, the Transaction with Wolverine was a related party transaction. In addition to the Transaction, Wolverine provided certain transitional services to GIP including personnel, systems and software. The term of the transitional services agreement ended on December 31, 2021.

CRITICAL ACCOUNTING ESTIMATES

In the preparation of the Company's annual financial statements, management has made judgments, estimates and assumptions that affect the recorded amounts of revenues, expenses, assets, liabilities and the disclosure of commitments, contingencies and guarantees. Estimates and judgments used are based on management's experience and the assumptions used are believed to be reasonable given the circumstances that exist at the time the financial statements are prepared. Actual results could differ from these estimates. The most significant estimates and judgments used in the preparation of the Company's consolidated financial statements have been set out in Note 5 of the annual consolidated financial statements.

OUTSTANDING SHARE DATA

On August 23, 2022, the Company had the following common shares, stock options and share units outstanding:

Common shares	20,300,005
Stock options (vested and unvested)	925,820
Share units	597,132
	21,822,957