GREENWAY GREENHOUSE CANNABIS CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Three and Nine
Months Ended
December 31, 2022

(Unaudited – In Canadian Dollars)

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This Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations of Greenway Greenhouse Cannabis Corporation (the "Company" or "Greenway"), is for the three and nine months ended December 31, 2022, and the comparable periods in 2021. It is supplemental to, and should be read in conjunction with, the Company's condensed interim financial statements and the accompanying notes for the three and nine months ended December 31, 2022 (the "Financial Statements"), and the condensed interim financial statements for the three and nine months ended December 31, 2021. Such financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). This MD&A has been prepared by reference to the MD&A disclosure requirements established under National Instrument 51-102 - Continuous Disclosure Obligations ("NI 51-102") of the Canadian Securities Administrators.

In this MD&A, reference is made to adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA") which does not have any standardized meaning under IFRS and is not a measure of financial performance under IFRS, and therefore, may not be comparable to similar measures presented by other companies. Management believes this measure provides useful information as it is a commonly used measure in the capital markets and as it is a close proxy for repeatable cash generated by operations.

The Company calculates Adjusted EBITDA as net income (loss) plus (minus) income tax expense (recovery), plus (minus) interest expense (income), net, minus rental income, plus (minus) non-cash fair value adjustment on sale of inventory, plus (minus) non-cash fair value adjustment on growth of biological assets, plus amortization, plus share-based compensation, plus impairment, plus transaction costs and certain one-time non-operating expenses, as determined by management.

All dollar amounts in this MD&A are expressed in Canadian dollars unless otherwise indicated.

This MD&A contains forward-looking information within the meaning of Canadian securities laws. Refer to "Cautionary Note Regarding Forward-Looking Statements" for cautionary statements regarding forward-looking statements.

This MD&A has been prepared as of February 27, 2023.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this MD&A are forward-looking statements, which reflect management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future and include statements with words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", or similar words suggesting future outcomes or statements regarding an outlook, or other expectations, beliefs, plans objectives, assumptions, intentions or statements about future events or performance. The forward-looking statements are included principally in the following sections of this MD&A: "Description of Business", "Highlights for the Period", "Results of Operations", and "Liquidity." Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this MD&A. There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" in the Company's long form non-offering prospectus dated September 3, 2021 and filed under the Company's profile at www.sedar.com (the "Prospectus"). Some of the risks which could affect future results and could cause results to differ materially from those expressed in the forward-looking statements contained herein include:

- impact of novel coronavirus "COVID-19";
- ability to raise required additional capital;
- limited operating history;
- ability to achieve revenue growth and development;
- ability to realize growth targets;
- forward looking statements may prove to be inaccurate;
- costs related to its investment in infrastructure, growth, research and development, regulatory compliance and operations;
- inability to turn a profit or generate immediate revenues;
- operating in a novel industry;
- supply and demand fluctuations;
- inaccuracy of market data;
- regulatory risks and uncertainties;
- supply chain issues;
- reliance on a single facility;
- uncertainty of licensing and regulatory approvals;
- regulatory compliance risks;
- marketing limitations in regulated industry;
- effect of rapid growth and consolidation on key relationships;
- industry competition;
- effect of negative publicity;
- effect of end of product for consumer;
- product development and profitability;
- novel products and market competition;
- effect of clinical research on public perception and medical efficacy, safety and social acceptance;
- consumer preference and customer retention;
- impact of Canadian Free Trade Agreement;
- compliance with import and export laws;
- attraction and retention of key personnel;
- impact of entering into strategic alliances, contractual relationships, joint ventures or other relationships;
- impact of future acquisitions or dispositions;
- agricultural risks;
- disruption of key utilities and lack of skilled labour;
- rising energy costs;
- efficacy of quality control systems;
- product recalls;
- product liability;
- safety, health and environmental laws and regulations;
- fraudulent or illegal activity by employees, contractors and consultants;
- litigation;
- reliance on information technology systems and potential impact of cyber-attacks;
- liability or the threat of liability in relation to personal and confidential information;
- protection and enforcement of intellectual property rights, or intellectual property it licensed from others;
- breaches of security;
- incurring additional indebtedness;
- adequate internal controls over financial reporting;
- material weakness in its internal controls and loss of confidence;
- negative operating cash flow;
- credit risk;
- changes to tax and accounting requirements;

- securing adequate insurance;
- accuracy of forward looking statements;
- the price of the Common Shares in public markets may experience significant fluctuations;
- impact of published content and research from industry analysts;
- dilution of current shareholders through additional share issuances from treasury;
- no anticipated dividends; and
- ongoing reporting requirements under applicable securities laws and stock exchange policies.

Although the forward-looking statements contained in this MD&A are based upon what management currently believes to be reasonable assumptions, the Company cannot provide any assurance that actual results, performance or achievements will be consistent with these forward-looking statements. In particular, management of the Company have made assumptions regarding, among other things:

i. the availability of financing at all or on reasonable terms;
ii. the Company's ability to successfully execute its plans and intentions, including with respect to expansion of the Company's cultivation facilities;
iii. general business and economic conditions, particularly in the Canadian medicinal and adult-use cannabis markets;
iv. regulation of the markets in which we operate;
v. the Company's ability to attract and retain skilled staff;
vi. market competition, including the products and technology offered by the Company's competitors; and
vii. maintenance of our current positive relationships with our suppliers, service providers and other third parties.

Although we believe that the assumptions underlying these statements are reasonable, they may prove to be incorrect, and we cannot assure that actual results will be consistent with these forward-looking statements. The above risks, uncertainties, assumptions and other factors could cause Greenway's actual results, performance, achievements and experience to differ materially from Greenway's expectations, future results, performances or achievements expressed or implied by the forward-looking statements.

In addition to the factors set out above and those identified under "Risk Factors" in this MD&A, other factors not currently viewed as material could cause actual results to differ materially from those described in the forward-looking statements. Although Greenway has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors and risks that cause actions, events or results not to be anticipated, estimated or intended. Accordingly, readers should not place any undue reliance on forward-looking statements.

DESCRIPTION OF BUSINESS

Greenway is licensed to cultivate, process and sell (B2B) under the Cannabis Act (Canada), having obtained its nursery licence and standard cultivation licence (collectively, the "Licences") pursuant thereto. The Company's business model is to cultivate, bulk package, and wholesale high quality dry bud cannabis to other cannabis companies that are licensed pursuant to the Cannabis Act (Canada) and the Cannabis Regulations ("Licensees"). The Company was incorporated under the laws of the Business Corporations Act (Ontario) on July 9, 2018. The Company's registered office is 1478 Seacliff Drive, Kingsville, Ontario, N9Y 2M2.

The Company has a licensed indoor nursery as well as a separate licensed greenhouse for standard cultivation. The nursery is currently used to safely store and maintain mother plants and genetics, as well as to propagate clones and vegetative plants for the greenhouse. Due to the propagation services being conducted at the nursery, nearly the entire footprint of the greenhouse is used for flowering cannabis plants. The licensed greenhouse facility is approximately 41,750 square feet (excluding processing and office space) within a produce greenhouse facility that is currently operating an aggregate of approximately 1,800,000 square feet (inclusive of Greenway's cultivation facility). Greenway has the right to expand within the facility and may do so in the future. The estimated production capacity is 6,000 kilograms per year or approximately 150 grams per square foot per annum.

The Company is a reporting issuer in the Province of Ontario and its common shares (the "Common Shares") are currently listed on the Canadian Securities Exchange ("CSE") under the symbol "GWAY" and on the OTCQB Venture Market ("OTCQB") under the symbol "GWAYF".

HIGHLIGHTS FOR THE PERIOD

The following highlights occurred during the first quarter ended June 30, 2022:

In the month of April 2022, the Company commenced construction of the new expansion to the cultivation facility, termed “GW1”. The expansion will increase the cultivation facilities flowering space from 41,750 square feet to approximately 167,000 square feet, as well as increasing the processing space to 22,000 square feet.

On May 2, 2022, the Company’s warrants, of which 7,272,728 units were issued in the non-brokered private placement that closed on December 24, 2021, were listed for trading on the CSE.

On June 2, 2022, the Company announced that it had retained Hybrid Financial Ltd. to provide marketing services to the Company. Hybrid has been engaged to increase the Company’s visibility within the investment community and to increase brand awareness for Greenway.

The following highlights occurred during the second quarter ended September 30, 2022:

On August 3, 2022, the Company announced that it has engaged an agent for the purposes of marketing and selling the surplus greenhouse that is currently being leased to Sunrite Greenhouses Ltd. The asset is not being used for commercial production of cannabis. The intended use of proceeds will be to pay off the Bank Credit Facility and the balance to be used for working capital.

On August 8, 2022, the Company announced that it has doubled its amount of unique B2B customers in the last two quarters, further diversifying its customer base, having entered into partnerships with multiple Licensed Producers to flower out their genetics in Greenway’s greenhouse to ascertain if they meet Greenway’s rigorous standards for quantity and quality. This is with the intention of potentially entering into contract growing arrangements once Greenway’s expansion is completed. Greenway is also in the final stages of product development of Greenway’s own genetics, with the intention of introducing to its B2B partners in the next quarter.

On August 31, 2022, the Company announced that, over the course of its first 5 reporting quarters, Greenway has not destroyed any finished product. Greenway announced a new strain that is becoming commercially available, with an announcement of the commercialization name coming soon. “Strain X” is a sativa leaning hybrid, that brings a unique smell and flavour profile to Greenway’s already robust offerings.

The following highlights occurred during the third quarter ended December 31, 2022:

On October 3, 2022, the Company announced that a new line of products is coming to Ontario in October with one of its B2B customers. Medipharm Labs Corp. (“Medipharm”) is introducing Sun County Kush, a Company grown cultivar, in both a 3.5g whole flower bag, and pre-rolls in a 10 x .3g package through their Wildlife brand.

On October 20, 2022, the Company announced its support of the launch of The Ministry of Sativa, Canada’s first ever all Sativa cannabis brand through West Island Brands, a multi-faceted cannabis company based out of Quebec. Ministry of Sativa’s Oaxacan Haze is just one of many new and exciting products that Greenway is working to bring to market.

On October 27, 2022, Greenway announced the completion of one of the two stages of the current expansion. The 46% increase to processing space includes new dry rooms, curing rooms, secure storage and processing space which expands Greenways processing capability to support up to 500,000 square feet of flowering space. The completed portion of the expansion has come in ahead of schedule, and below budget.

On November 7, 2022, the Company announced the listing of its cannabis into the Quebec market through its partnership with Medipharm Labs Corp. (“Medipharm”) and their Wildlife brand.

On November 30, 2022, the Company announced the completion of its expansion to 167,000 ft2 of growing space. The expansion allows

Greenway to quadruple output up to 24,000 kilograms.

On December 1, 2022, the Company announced that it has been approved to commence trading of its common shares on the OTCQB® Venture Market ("OTCQB"), beginning December 1, 2022, under the ticker symbol GWAYF.

On December 13, 2022, the Company announced that it has submitted its application to Health Canada to license additional cultivation and processing space, as well as an application for a Standard Processing licence.

On December 21, 2022, the Company announced that it has entered into a binding third party purchase and sale agreement (the "Purchase Agreement") for the sale of a surplus greenhouse for a purchase price of $7,500,000 CAD.

The following events occurred subsequent to the third quarter ended December 31, 2022:

On January 13, 2023, the Company announced that it has received a standard processing licence from Health Canada. This new licence will complement Greenway's B2B business model by allowing the company to provide value-added processing services, as well as allow Greenway to bring its own products to market.

On January 19, 2023, the Company announced that it has closed the sale of the previously announced surplus asset, for a price of $7,500,000 CAD. The proceeds were used to payout a bank credit facility of $5,185,000, with the remainder used for working capital and general corporate purposes.

On February 16, 2023, the Company announced that it received its approval from Health Canada for its expansion from 1 to 4 acres of cultivation space; thereby increasing its capacity from 6,000 kg to 24,000 kg of annual production.

The Company's performance, costs per gram included in cost of sales, and costs per gram included in finished goods inventory for each quarterly period in fiscal 2023 is summarized below:

Performance highlights	**Q3 -2023**	**Q2 -2023**	**Q1 -2023**
Cannabis revenue	$1,038,402	$1,264,219	$1,963,709
Grams or gram equivalents sold	733,885	927,961	1,333,308
Cash cost per gram sold	$0.69	$0.77	$0.84
Cash cost per gram in finished goods	$0.60	$0.62	$0.64
Adjusted EBITDA	$81,275	$94,223	$390,094
Cash	$2,641,844	$4,666,407	$5,407,168
Working capital	-$5,303,642	-$1,909,896	$523,281
Capital expenditures	$2,359,194	$636,062	$2,836,837

Cost per gram sold	For the three months ended December 31, 2022	For the three months ended September 30, 2022	For the three months ended June 30, 2022
Total cash costs	508,368	$710,795	$1,116,801
Total amortization costs	177,267	$244,314	$258,750
Total cost of sales before fair value adjustments	685,635	$955,109	$1,375,551
Grams or gram equivalents sold	733,885	927,961	1,333,308
Cash cost per gram sold	$0.69	$0.77	$0.84

Cost per gram in finished goods	As at December 31, 2022	As at September 30, 2022	As at June 30, 2022
Inventory finished goods	$2,728,312	$2,404,466	$1,820,354
Inventory-in-process	$318,719	$191,497	$434,180
Total Inventory	$3,047,031	$2,595,963	$2,254,534
Inventory finished goods	$2,728,312	$2,404,466	$1,820,354
Less fair value portion	$953,568	$816,284	$520,192
Total cash and amortization costs	$1,774,744	$1,588,182	$1,300,162
Total cash costs	$1,391,249	$1,254,142	$1,029,879
Total amortization costs	$383,495	$334,040	$270,283
	$1,774,744	$1,588,182	$1,300,162
Grams or gram equivalents in finished goods	2,301,444	2,038,308	1,616,569
Cash cost per gram	$0.60	$0.62	$0.64

Cash costs per gram fluctuate due to seasonal, environmental and varietal factors that affect crop yields.

OVERALL PERFORMANCE

During the three month period ended December 31, 2022, the Company generated cannabis revenue of $1,038,402 (2021 - $512,656). Cost of sales comprised of $508,368 (2021 - $207,875) of cash expenses and $177,267 (2021 - $77,519) of amortization expense resulting in a total gross margin before inventory impairment and fair value adjustments of 34% (2021 – 44%). The cash gross margin before fair value adjustments was 51% (2021 – 59%).

The net assets of the Company changed from $16,860,191 as at March 31, 2022 to $16,317,219 at December 31, 2022, a decrease of $542,972. The assets at December 31, 2022 consist primarily of property, plant and equipment of $35,275,987 (March 31, 2022 - $24,643,771), cash and short-term deposits of $2,641,844 (March 31, 2022 – $7,480,082), accounts receivable of $402,990 (March 31, 2022 - $288,634), inventory of $3,047,031 (March 31, 2022 - $2,325,518), biological assets of $325,572 (March 31, 2022 - $459,442), and government remittances receivable and prepaid expenses and deposits of $845,143 (March 31, 2022 - $434,542).

Liabilities as at December 31, 2022 consist of accounts payable and accrued liabilities of $6,994,757 (March 31, 2022 - $2,097,258), lease liabilities of $8,755,126 (March 31, 2022 - $5,900,370), and long-term debt of $4,900,000 (March 31, 2022 - $4,900,000). The current portion of lease liabilities and long-term debt were $346,465 (March 31, 2022 - $221,000) and $5,225,000 (March 31, 2022 - $5,653,170) respectively.

RESULTS OF OPERATIONS

Greenway Greenhouse Cannabis Corporation

Condensed Interim Statements of Loss and Comprehensive Loss

(Unaudited - in Canadian dollars)

	For the three months ended December 31,		For the nine months ended December 31,	
	2022	2021	**2022**	2021
	$	$	**$**	$
Revenue	**1,038,402**	512,656	**4,266,330**	1,669,586
Cost of sales				
Cost of goods sold	**508,368**	207,875	**2,335,964**	735,651
Amortization	**177,267**	77,519	**680,331**	174,410
Inventory impairment	**-**	211,395	**-**	211,395
Gross profit before fair value adjustments	**352,767**	15,867	**1,250,035**	548,130
Fair value adjustment on sale of inventory	**(276,336)**	(282,469)	**(824,210)**	(1,083,159)
Fair value adjustment on growth of biological assets	**417,379**	696,078	**1,510,298**	1,458,455
Gross profit	**493,810**	**429,476**	**1,936,123**	**923,426**
Operating Expenses				
General and administration	**288,463**	213,742	**968,569**	660,290
Amortization	**126,243**	82,495	**378,729**	457,005
Share-based compensation	**231,850**	102,900	**539,300**	164,185
Professional fees	**104,199**	100,811	**203,012**	234,310
Marketing and sales	**56,097**	84,186	**193,193**	159,738
Research and development	**-**	-	**-**	47,278
Transaction costs	**17,126**	-	**51,654**	191,425
Bad debt	**-**	13,040	**-**	13,040
	823,978	597,174	**2,334,457**	1,927,271
Operating loss	**(330,168)**	(167,698)	**(398,334)**	(1,003,845)
Interest expense	**(308,793)**	(220,533)	**(871,438)**	(646,728)
Rental income	**62,500**	62,500	**187,500**	187,500
Loss and comprehensive loss	**(576,461)**	**(325,731)**	**(1,082,272)**	**(1,463,073)**
Weighted average number of common shares - basic	**130,924,747**	122,818,595	**130,924,747**	129,750,335
Weighted average number of common shares - diluted	**130,924,747**	122,818,595	**130,924,747**	129,750,335
Loss per share - basic	**(0.00)**	**(0.00)**	**(0.01)**	**(0.01)**
Loss per share - diluted	**(0.00)**	**(0.00)**	**(0.01)**	**(0.01)**

The following highlights the key operating results during the three month period ended December 31, 2022.

During the quarter ended December 31, 2022, the Company incurred a loss and comprehensive loss of $576,461 (2021 – loss of $325,731). The loss and comprehensive loss for the period consists primarily of the following:

- Revenue of $1,038,402 from the sale of cannabis products in the third quarter (2021 – $512,656). The Company is currently realigning its customer base and notes that throughout the industry there is a downward pressure on wholesale prices due to consolidation.

- Cost of sales was $685,635 (2021 – $285,394), which consisted of: $466,285 cash inventory expenses (2021 – $149,790), $177,267 amortized inventory expenses (2021 – $77,519), $15,189 shipping expenses (2021 – $25,003), and $26,894 (2021 - $33,082) of repairs and maintenance.

- Fair value adjustment on sale of inventory was $276,336 (2021 - $282,469) to recognize that cannabis products were allocated fair value recognition in prior periods, and based on management's prior assumptions, those fair value portions were expensed for cannabis products sold in the current three month period.

- Fair value adjustment on growth of biological assets of $417,379 (2021 - $696,078) represents the fair value portion to adjust the asset to fair market value less costs to sell. Management noted that these values fluctuate each period based on the percentage of completion of plants at the reporting period.

- General and administration expenses consist of management and directors' fees of $119,552 (2021 - $75,992), office and general of $70,253 (2021 - $47,094), salaries and wages of $78,256 (2021 - $61,945), and insurance of $20,402 (2021 – $28,711). The net increase of $74,721 was driven by the addition of the Chief Administrative Officer, the commencement of the CEO and President's compensation in November of 2021, and other incremental expenses for scaling up a public company.

- Amortization expense of $126,243 (2021 - $82,495) consists of the property, plant, and equipment amortization, as well as amortization of the right-of-use asset. This was an increase of $43,748 from the prior period driven by the additional right-of-use asset for the incremental three acres, that is currently being allocated to operating expenses.

- Share-based compensation of $231,850 (2021 - $102,900) consists of the non-cash fair value as measured by the Black-Scholes option pricing model. The current period expense is based on 583,333 (2021 – 250,000) stock options granted and vested.

- Professional fees of $104,199 (2021 - $100,811) consist primarily of annual audit fees from external auditors and other miscellaneous legal fees.

- Marketing and sales expense of $56,097 (2021 - $84,186) consists primarily of sales commissions, public relations services, and promotional materials with respect to the Company and to cannabis products.

- Transaction costs of $17,126 (2021 – $nil) consist of legal expenses and business fees regarding a new OTC listing application.

- Interest expense of $308,793 (2021 - $220,533) consists primarily of interest from long-term debt and lease liabilities. The increase in the expense is attributable to the increase in the interest rate for the Bank Credit Facility and the additional right-of-use liability recognized in the current period.

- Rental income of $62,500 (2021 - $62,500) consists of renting a separate greenhouse to Sunrite Greenhouses Ltd. for an annual amount of $250,000.

LIQUIDITY

The Company had cash and short-term deposits of $2,641,844 as at December 31, 2022 (March 31, 2022 - $7,480,082). The Company had a working capital deficit of ($5,303,642) as at December 31, 2022 (March 31, 2022 – $3,016,790). The Company has a credit facility with a major bank of $6,100,000 and, pursuant to such facility, the Company must satisfy certain restricted covenants which were not met as of December 31, 2022. However, as announced in a prior press release, the Company disposed of a surplus greenhouse of which the proceeds repaid the credit facility and provided additional working capital, subsequent to December 31, 2022.

Operating Activities

The Company recognized an increase in cash of $750,464 from operating activities during the three months ended December 31, 2022 (2021 – increase of $137,593). The increase of $612,871 was primarily due to the contractual asset recognized in the previous period.

Investing Activities

The Company used cash of $2,359,194 (2021 - $nil) during the three months ended December 31, 2022, in investing activities primarily for a facility expansion and purchasing of processing equipment.

Financing activities

During the three months ended December 31, 2022, the Company used cash of $415,833 (2021 – increase of $7,330,988) through the repayments of lease liabilities and long-term debt. The decrease of $7,746,821 was due to a private placement capital raise in the previous period, of which no such private placement took place in the current period

The Company’s Common Shares are listed on the CSE and OTCQB to gain access to the capital markets for further equity financing. Under such circumstances, there is no assurance that the Company will be able to obtain further funds required for the Company’s continued working capital requirements.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

Key management personnel are the officers and directors of the Company. Management and directors' fees and share-based compensation for the three month period ended December 31, 2022 are summarized as follows:

	For the three months ended December 31		For the nine months ended December 31	
	2022	2021	**2022**	2021
	$	$	**$**	$
Management and directors' fees	**119,552**	76,857	**351,537**	174,984
Share-based compensation	**134,750**	102,900	**361,950**	151,700
	254,302	179,757	**713,487**	326,684

As at December 31, 2022, $nil (March 31, 2021- $nil) is owed to officers and directors of the Company.

The Company identifies the following as related parties:

Company	Description	Relationship
Sunrite Greenhouses Ltd.	Hydroponic Cultivation	Majority Shareholder of the Company
Via Verde Hydroponics Ltd.	Hydroponic Cultivation	Common Ownership with Majority Shareholder
Del Fresco Produce Ltd.	Produce Marketer	Common Ownership with Majority Shareholder
Delfresco Express Ltd.	Produce Distribution	Common Ownership with Majority Shareholder

The Company shares certain economic resources with the above-noted related parties resulting in the following expenses billed in the three and nine months ended December 31, 2022, from related parties:

			Three months ended December 31,		**Nine months ended December 31,**	
Description	Related Party		**2022**	**2021**	**2022**	**2021**
			$	$	$	$
General labour	Via Verde Hydroponics Ltd.	Cost of sales	**36,575**	191,920	**242,830**	711,424
General labour	Sunrite Greenhouses Ltd.	Cost of sales	**38,515**	26,775	**109,285**	134,254
Utilities	Via Verde Hydroponics Ltd.	Cost of sales	**53,816**	97,685	**204,803**	241,597
Administrative Wages	Del Fresco Produce Ltd.	General and admin	**13,611**	-	**65,636**	20,846
Insurance	Via Verde Hydroponics Ltd.	General and admin	**-**	15,547	**12,437**	30,647
Executive wages	Del Fresco Produce Ltd.	General and admin	**27,500**	31,715	**82,500**	95,732
Interest	Sunrite Greenhouses Ltd.	Interest expense	**67,375**	67,375	**202,125**	202,125

The Company has entered into a lease for approximately 57,000 square feet of greenhouse and warehouse space with Via Verde Hydroponics Ltd. The lease agreement commenced May 1, 2019 and the annual rent is $250,000. As of April 1, 2022, the Company exercised its right to expand the leased greenhouse space for an additional 125,000 square feet for an incremental annual rent of $300,000. The Company has also entered into a lease for approximately 10,000 square feet of warehouse space with Sunrite Greenhouses Ltd. for an indoor nursery. The lease agreement commenced May 1, 2021 and the annual rent is $300,000. The corresponding leased assets have been recorded as right-of-use assets as described in Note 6 to the financial statements.

The Company has an operating lease agreement with its majority shareholder, Sunrite Greenhouses Ltd., to whom it leases approximately 667,000 square feet of greenhouse and warehouse space. The operating lease agreement is a 12-month term (May 1 to April 30) and is renewed annually. The annual rent is $250,000 and is paid monthly. This rent revenue halted in January 2023 due to the facility being sold to a third party.

Related party transactions were made in the normal course of business and have been recorded at the exchange amounts.

During the quarter ended December 31, 2022, the Company recorded:

Equity incentives granted and fees paid to the following for services rendered:	Options	Fair Value	Fees paid
		$	$
Carl Mastronardi, Co-Chair and President	-	-	19,701
Jamie D'Alimonte, Co-Chair and CEO	-	-	19,701
Darren Peddle, CFO and a Director	-	-	28,100
Dennis Staudt, a Director	-	-	12,500
Martin Komsa, a Director	-	-	12,500
Jacob de Jong, CAO and Corporate Secretary	-	-	27,050
	-	-	$119,552

PROPOSED TRANSACTIONS

There are no proposed transactions to disclose.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The following is the Company's accounting policy for financial instruments under IFRS 9:

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The Company classifies its financial instruments as follows:

Financial assets and liabilities	Classification and measurement under IFRS 9
Cash	FVTPL
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Lease liability	Amortized cost
Long-term debt	Amortized cost

(ii) Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of loss in the period in which they arise.

(iii) Impairment of financial assets at amortized cost.

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of loss.

Adjusted EBITDA

Adjusted EBITDA is a non-IFRS financial measure that does not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. Management believes this measure provides useful information as it is a commonly used measure in the capital markets and as it is a close proxy for repeatable cash generated by operations.

The Company calculates Adjusted EBITDA as net income (loss) plus (minus) income tax expense (recovery), plus (minus) interest expense (income), net, minus rental income, plus (minus) non-cash fair value adjustment on sale of inventory, plus (minus) non-cash fair value adjustment on growth of biological assets, plus amortization, plus share-based compensation, plus impairment, plus transaction costs and certain one-time non-operating expenses, as determined by management.

For the three months ended	**December 31, 2022**	**September 30, 2022**	**June 30, 2022**	**Year to Date**
NET INCOME (LOSS) AND COMPREHENSIVE INCOME(LOSS)	$ (576,461)	$ (452,935)	$ (52,876)	$ (1,082,272)
Amortization - cost of sales	177,267	244,314	258,750	680,331
Fair value adjustment on sale of inventory	276,336	293,944	253,930	824,210
Fair value adjustment on growth of biological assets	(417,379)	(586,650)	(506,269)	(1,510,298)
Amortization - operating	126,243	126,243	126,243	378,729
Share-based compensation	231,850	213,050	94,400	539,300
Transaction costs	17,126	34,528	-	51,654
Interest expense	308,793	284,229	278,416	871,438
Rental income	(62,500)	(62,500)	(62,500)	(187,500)
ADJUSTED EBITDA	**81,275**	**94,223**	**390,094**	**565,592**

For the three months ended	**December 31, 2021**	**September 30, 2021**	**June 30, 2021**	**Year to Date**
NET INCOME (LOSS) AND COMPREHENSIVE INCOME(LOSS)	$ (325,731)	$ (1,268,104)	$ 130,762	$ (1,463,073)
Amortization - cost of sales	77,519	96,891	-	174,410
Impairment of inventory	211,395	-	-	211,395
Fair value adjustment on sale of inventory	282,469	800,690	-	1,083,159
Fair value adjustment on growth of biological assets	(696,078)	(6,098)	(756,279)	(1,458,455)
Amortization - operating	82,495	294,255	80,255	457,005
Share-based compensation	102,900	24,400	36,885	164,185
Transaction costs	-	171,910	19,515	191,425
Bad debt	13,040	-	-	13,040
Interest expense	220,533	221,000	205,195	646,728
Rental income	(62,500)	(62,500)	(62,500)	(187,500)
ADJUSTED EBITDA	**(93,958)**	**272,444**	**(346,167)**	**(167,681)**

DISCLOSURE OF OUTSTANDING SHARE DATA

Common Shares

The Company's authorized share capital consists of an unlimited number of Common Shares without par value. As at December 31, 2022 the Company had 130,924,747 (March 31, 2022 – 130,924,747) Common Shares issued and outstanding.

Stock options

As at the date hereof, options to purchase up to 10,293,000 Common Shares were outstanding as follows:

Expiry Date	Options outstanding	Options exercisable	Exercise Price $
Options			
September 22, 2024	4,550,000	4,550,000	0.25
September 22, 2024	3,743,000	3,614,196	0.50
November 25, 2024	500,000	500,000	1.35
February 3, 2025	100,000	100,000	1.45
April 14, 2025	250,000	150,000	1.65
August 1, 2027	1,150,000	575,000	1.10
Balance, December 31, 2022	**10,293,000**	**9,489,196**	**0.49**

Warrants

As at the date hereof the Company has the following Warrants issued and outstanding:

	Number of Warrants	Exercise price $
March 31, 2022	7,272,728	1.65
Issued during the period	-	-
Exercised during the period	-	-
Expired during the period	7,272,728	1.65
Outstanding at December 31, 2022	-	-

	Number of finders' warrants	Exercise price $
March 31, 2022	502,090	1.65
Issued during the period	-	-
Exercised during the period	-	-
Expired during the period	-	-
Outstanding at December 31, 2022	**502,090**	**1.65**

ADDITIONAL INFORMATION

Additional information regarding the Company is contained in the Prospectus which may be viewed under Greenway's SEDAR profile at www.sedar.com.

RISK FACTORS

Much of the information included in this report includes or is based upon estimates, projections or other forward-looking statements. Such forward-looking statements include any projections or estimates made by the Company and its management in connection with the Company's business operations. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect the Company's current judgment regarding the direction of its business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. Except as required by law, the Company undertakes no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Such estimates, projections or other forward-looking statements involve various risks and uncertainties as outlined in the Prospectus. The Company cautions readers of this report that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other forward-looking statements. The risks and uncertainties below are not the only ones Greenway faces. Additional risks and uncertainties not presently known to us or that we believe to be immaterial may also adversely affect our business.

SUBSEQUENT EVENTS

On January 13, 2023, the Company announced that it has received a standard processing licence from Health Canada. This new license will complement Greenway's B2B business model by allowing the company to provide value-added processing services, as well as allow Greenway to bring its own branded products to market.

On January 19, 2023, the Company closed the sale of a greenhouse that had been rented to Sunrite Greenhouses Ltd., as described in note 10, for gross proceeds of $7,500,000. The proceeds were used to fully repay the bank credit facility, as described note 8, with the remainder of funds used for working capital and general corporate purposes.

On February 16, 2023, the Company announced that it received its approval from Health Canada for its expansion from 1 to 4 acres of cultivation space; thereby increasing its capacity from 6,000 kg to 24,000 kg of annual production.

BOARD APPROVAL

The Board of Directors of the Company has approved this MD&A.