GREENSPACE BRANDS INC.

Management's Discussion and Analysis

For the three-month periods ended June 30, 2018 and 2017

GreenSpace Brands Inc.

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MANAGEMENT'S DISCUSSION AND ANALYSIS
of Financial Condition and Results of Operations
For the three-month periods ended June 30, 2018 and 2017

This Management's Discussion and Analysis ("MD&A") is a review of the consolidated financial condition and results of operations of GreenSpace Brands Inc. ("GreenSpace" or the "Company") as at and for the three-month periods ended June 30, 2018 and 2017. The MD&A is intended to help readers understand the Company's business and the key factors underlying its financial results. It should be read in conjunction with the Company's condensed interim consolidated financial statements for the period ended June 30, 2018 along with the Company's annual consolidated financial statements and accompanying notes for the year ended March 31, 2018, which have been filed with applicable regulatory authorities and are available through SEDAR at www.sedar.com.

Additional information is also available on the Company's website at www.greenspacebrands.ca

The financial information contained herein has been prepared in accordance with International Financial Reporting Standards ("IFRS") and is reported in Canadian dollars; however, reference is made to Adjusted gross profit, earnings before interest expense, income taxes, depreciation and amortization ("EBITDA") and Adjusted EBITDA as defined in the "Non-IFRS Measures" section. Adjusted gross profit, EBITDA and Adjusted EBITDA are not measures of financial performance recognized under IFRS. The Company has included these measures as they are used by management to evaluate financial performance and management believes they will be used by certain investors and analysts in assessing the Company's financial performance. These measures are not necessarily comparable to similarly titled measures used by other companies and should not be construed as an alternative to net income or cash flow from operating activities as determined in accordance with IFRS. See the section within the MD&A entitled "Non-IFRS Measures" for further information.

This MD&A has been prepared as of August 22, 2018.

CORPORATE OVERVIEW

Life Choices Natural Food Corp. was originally incorporated under the *Business Corporations Act* (Ontario) on May 31, 1999. Aumento Capital IV Corporation (now GreenSpace or the Company) was incorporated under the OBCA on June 11, 2013 and was classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange ("TSX-V").

On April 30, 2015, Life Choices Natural Foods Corp. ("Life Choices"), Aumento Capital IV Corporation ("Aumento") and Aumento Subco (a wholly-owned subsidiary of Aumento) completed a three-cornered amalgamation whereby Life Choices and Aumento Subco amalgamated to form a new entity named "Life Choices Natural Food Corp." and shareholders of Life Choices received common shares in the capital of the Company ("Shares"). Prior to the amalgamation, Aumento changed its name to "GreenSpace Brands Inc.". This transaction constituted the Company's qualifying transaction (the "Qualifying Transaction") under the policies of the TSX-V and the Shares of GreenSpace are now listed on the Toronto Venture Exchange ("TSX.V") under the symbol JTR ("Join The Revolution"). All proceeds raised as part of the Qualifying Transaction and concurrent private placement have been used in manner consistent with those detailed in the filing statements for the Qualifying Transaction.

The Qualifying Transaction was recorded as a reverse takeover for accounting purposes in accordance with EIC-10 "Reverse Takeover Accounting" of the CPA Canada Handbook. The consolidated financial statements are accordingly a continuation of the financial statements of Life Choices while the capital structure is that of the Company. Life Choices is deemed to be the acquirer for accounting purposes. Since the Company did not constitute a business in accordance with EIC-124 "Definition of a Business" of the CICA Handbook, the transaction was accounted for as a capital transaction, that is, a financing and recapitalization of the Company. The results of operations and cash flows for periods prior to April 30, 2015 presented in the consolidated financial statements are those of Life Choices.

GreenSpace is in the business of developing, marketing and selling premium, convenient, natural foods to Canadians. We have a diverse brand portfolio, focused on complimenting the needs of todays consumers. Our product assortment focusses on satisfying the needs of consumers as they transition through their different need states; from baby and infant to premium snacking, beverages and dairy products. GreenSpace sources natural ingredients largely from local, ethically operated suppliers and combines these ingredients into tasty and nutritious products.

GreenSpace has acquired or internally developed and brought to market several brands in the natural food space, which currently consist of:

Life Choices
Life Choices offers premium convenience meat products to Canadian consumers, featuring grass fed and/or pasture raised meat that is raised without the use of added hormones and antibiotics. Life Choices sources its natural ingredients from ethically operated farms and combines those ingredients into tasty and nutritious products. All of Life Choices beef and pork products feature one common trait: they all contain meat from pasture raised animals that have not been subject to feedlot conditions. The result is meat that features higher levels of Omega 3 fatty acids and Conjugated Linoleic Acid's. Life Choices places a premium on chickens raised in low density barns and the ethical treatment of the birds.

Rolling Meadow
Rolling Meadow Dairy offers premium quality dairy products, such as milk, yogurt and butter, made with 100% Canadian, grass fed milk. Grass fed milk is characterized by the cows that produce Rolling Meadow milk being allowed to graze on pasture as long as Canadian weather will allow. When the weather prevents grazing, farmers follow a feeding program and continue to provide grass and hay to the cows through the winter months so that the cows continue to produce great tasting, nutritious milk all year round. Rolling Meadow Dairy sources its milk from small farming operations that have smaller herds and strive to produce minimal amounts of potentially harmful pollutants. The Corporation pasteurizes Rolling Meadow milk using technology focused on maintaining flavour and high levels of nutrition. Milk is then packaged and/or used in other dairy products, including yogurt, kefir and butter.

Kiwi Pure
Kiwi Pure is a premium grass-fed butter brand that is imported from New Zealand. Similar to the Rolling Meadow brand, Kiwi Pure butter is free of any antibiotics and is made using grass fed milk.

Love Child
On October 19, 2015, the Company completed the acquisition of Love Child (Brands) Inc. ("Love Child"). Love Child is a Canadian-based producer of 100% organic food for infants and toddlers. Love Child's mission is to bring to market only the purest, most natural and nutritionally-rich food, without the addition of any synthetic preservatives, refined sugars or other additives.

Love Child develops and sells organic, nutritionally-focused food products targeted at infants, toddlers and small children. Love Child always seeks to go "beyond organic" in the products it develops: specifically, it has a strong focus on using clean, simple ingredients, avoids the use of refined sugars and preservatives, and includes recognized superfood ingredients in the majority of its product range. Love Child's core target market is the parents of infants and small children, aged six months to six years, who are increasingly prioritizing organic, nutritious food for their children.

Central Roast
On February 25, 2016, the Company completed the 70% share acquisition of Central Roast Inc. ("Central Roast"). Central Roast is a leading all-natural, functional snack company that manufactures, markets, and distributes healthy snacks to major consumer retail customers in Canada. On October 7, 2016, as part of finalizing the terms on a new three-year, $7.5 million revolving senior secured asset-based lending facility ("ABL Facility") the Company acquired the remaining 30% of the issued and outstanding shares of Central Roast.

Central Roast is a leading all-natural functional snacking company in Canada, producing and distributing all natural, simple snack foods mainly consisting of raw and roasted nuts, seeds and dried fruits in various functional assortments, with a focus on quality, taste and nutrition. Central Roast began operations in 2011, and since inception increased its product distribution to be in most of the major grocery retailers across Canada. Central Roast produces an assortment of branded and private label products in tubs, branded bags, single serve bags and scoop bulk bags in a range of product lines.

Kiju
On January 18, 2017, the Company completed the acquisition of Nothing But Nature Inc. ("Nothing But Nature") which owns the Kiju brand. Nothing But Nature is a brand leader in the Canadian shelf stable organic juice segment. Nothing But Nature markets and distributes a variety of organic juices through major distributors and consumer retail channels in Canada and to a number of select U.S. customers. The brand focuses on providing consumers with sustainable, healthy drinks without compromising quality and taste.

Nothing But Nature develops and sells the Kiju organic juice and iced tea. Kiju Organic 100% juices are premium, certified organic juice blends with no added sugar. The juices are grown and processed naturally for maximum health and great taste: that means no artificial colours, flavours or preservatives. The juices are non-GMO project verified. Kiju Organic Iced Teas are blends of

health-promoting teas infused with fruits, flowers and just a hint of sweetness. They are 100% certified organic with real brewed teas.

CEDAR

On August 23, 2017, the Company acquired all the outstanding shares of The Cold Press Corp. which owns the CEDAR brand. The CEDAR brand is a leader in selling a wide variety of premium cold pressed juice-based products and probiotic enriched juices and provides unique flavor combinations that deliver premium superfood nutrition through major consumer retail channels in Canada.

The Cold Press Corp. develops and sells the CEDAR cold press juice. CEDAR juice uses fresh fruits and vegetables to make the juices and undergoes a High Pressure Processing (“HPP”) method to maximize the living enzymes, nutrients and vitamins from the juices. This process is unlike traditional pasteurized products that uses heat to extends shelf life of drinks, which kills the nutrients and vitamins. CEDAR has recently expanded their product lines to spreads (snacks) and kombucha (gut health drink).

GO VEGGIE

On January 24, 2018, the Company acquired all the outstanding shares of Galaxy Nutritional Foods, Inc., (“Galaxy Foods”) which owns the GO Veggie brand.

Over 40 years ago Galaxy Nutritional Foods Inc. created the cheese alternative category for health-conscious consumers and is proud to remain America’s leading provider of great tasting cheese-free products. Today, under Galaxy’s GO VEGGIE brand, the company continues to innovate and offer consumers more healthy dairy-free choices. Across its portfolio – Vegan, Lactose Free, and Lactose & Soy Free – GO VEGGIE offers 55 products across the United States in a wide variety of formats.

Meatbar

Meatbar was internally developed by the Company and launched in April 2018, and is gaining distribution nationwide. Meatbar features grass fed meats with assorted spices, nuts and seeds in a convenient and familiar ‘bar’ format, feeding very well into the macro trends of high protein, simple ingredients and convenience snacking. Early indications appear to be for a very favorable response from the industry, particularly in the Gas and Convenience channel. The current flavours include Sriracha which features grass fed beef, antibiotic free pork and nitrate free bacon; Sweet and Savory which features grass fed beef, cranberries and pumpkin seeds; and Original, simply featuring grass fed beef and assorted spices.

OPERATING STRATEGY

The Company’s operating strategy is designed to create value for customers and shareholders through increased distribution for its brands, innovative product development, increased same store sales volume with customers, market and channel expansion and diversification of the brand and product portfolio.

Over the last 3 years, GreenSpace has consistently executed against its operating strategy to strengthen and grow its brands, particularly as it relates to distribution and launching innovative new products. GreenSpace has been heavily focused on taking advantage of opportunities to win shelf space with its retail partners. The Company has taken advantage of opportunities to obtain additional shelf space, to launch new products with key retailers and to launch new brands that meet market demands. GreenSpace believes the value of the business is based in large part on the shelf space dedicated to its brands, as that is an indication not only of the success of the operating strategy, but the attractiveness and authenticity of the brand portfolio.
GreenSpace’s key operating priorities are:

i) Always do the right thing for our consumers;
ii) Be the best partner possible for our retail customers;
iii) Be the innovation leader in all the categories in which we compete;
iv) Ensure that our products are widely distributed so more people have access to better quality food;
v) Launch new brands or make selective acquisitions on an opportunistic basis to diversify product offerings; and
vi) Maintain high internal operating efficiencies by maintaining a customer-focused, collaborative culture.

GreenSpace has grown rapidly, increasing revenue by close to 20x since going public in May 2015. With increased revenue and scale, the business is well positioned to drive improvements in gross margin rates and EBITDA dollars in the future.

FIRST QUARTER AND YEAR TO DATE CONSOLIDATED RESULTS

The following is a table and description of the first quarter and year to date consolidated operational results for the Company.

Consolidated Interim and Annual Statements of Operations and Comprehensive Loss

	For the 3-month period ended June 30, 2018			
(expressed in thousands of Canadian dollars)	**2018**	2017	Inc/(Dec)	Inc/(Dec)
	$	$	$	%
Gross revenue	**20,985**	14,233	6,752	47.4%
Less: rebates and discounts	**(2,344)**	(1,674)	(670)	(40.0%)
Less: listing fees	**(70)**	(130)	60	46.2%
Net revenue	**18,571**	12,429	6,142	49.4%
Cost of goods sold	**14,256**	9,694	4,562	47.06%
Gross profit	**4,315**	2,735	1,580	57.8%
Gross profit percentage	**23.2%**	22.0%		
Adjusted gross profit[1]	**4,413**	2,865	1,548	54.0%
Adjusted gross profit percentage	**23.7%**	22.8%		
General and administrative	**2,407**	673	1,734	257.7%
Storage and delivery	**1,444**	551	892	162.1%
Salaries and benefits	**1,885**	1,016	869	85.5%
Advertising and promotion	**806**	266	540	203.0%
Professional fees	**203**	122	81	66.4%
Stock-based compensation	**28**	29	(1)	(3.4%)
Amortization of intangible assets	**692**	353	339	96.0%
Net income (loss) before interest expense, accretion expense and income taxes	**(3,150)**	(275)	(2,875)	(1045.5%)
Interest expense	**392**	81	311	384.0%
Accretion expense	**30**	47	(17)	(36.0%)
Foreign exchange loss	**234**	-	234	100%
Net loss before income taxes	**(3,806)**	(403)	(3,403)	(844.4%)
Deferred income taxes (recovery)	**(193)**	(93)	(100)	(107.5%)
Net loss	**(3,613)**	(310)	(3,303)	(1065.5%)
EBITDA[1]	**(2,335)**	123	(2,460)	(1998.4%)
As a percentage of net revenue	**(12.6%)**	1.0%		
Adjusted EBITDA[1]	**(388)**	444	(832)	(187.4%)
As a percentage of net revenue, excluding listing fees	**(2.1%)**	3.5%		

[1] See Non-IFRS Measures

Use of Non-IFRS Measures, Measures of Operating Performance and Reconciliation of Net (Loss) Earnings to Adjusted EBITDA

The Company's consolidated financial statements are prepared in accordance with IFRS. Management uses IFRS, non-IFRS and operating performance measures as key performance indicators to better assess the Company's underlying performance and provides this additional information in this MD&A.

Adjusted Gross Profit is a non-IFRS measure which represents gross profit adjusted to exclude non-recurring, one-time listing fees which would not be considered part of on-going, normal operations. The Company's management believes that in addition to gross profit, adjusted gross profit is a useful supplemental measure of gross profit prior to one-time expense items such as listing fees. Adjusted gross profit allows management to compare the Company's margin over time on a consistent basis. However, adjusted gross profit is not a recognized measure under IFRS. Investors are cautioned that Adjusted gross profit should not be construed as an alternative to gross profit determined in accordance with IFRS. The Company's method of calculating Adjusted gross profit may differ from the method used by other issuers, and accordingly, the Company's Adjusted gross profit calculation may not be comparable to similarly titled measures used by other issuers.

Adjusted EBITDA is a non-IFRS measure and excludes finance costs, interest income, income tax expense or recovery, depreciation and amortization and income or expenses of a non-recurring, unusual or one-time nature. Adjusted EBITDA is a measure used by management, the food and beverage industry and investors as an indicator of the Company's operating performance, ability to incur and service debt, and as a valuation metric. The Company uses Adjusted EBITDA to evaluate the operating performance of its business as well as an executive compensation metric. While Adjusted EBITDA is a non-IFRS measure, management believes that it is an important indicator of operating performance because it excludes the effect of financing and investing activities by eliminating the effects of interest and depreciation and removes the impact of certain non-recurring items that are not indicative of our ongoing operating performance. Therefore, management believes Adjusted EBITDA gives investors greater transparency in assessing the Company's results of operations. The Company's method of calculating Adjusted EBITDA may differ from the method used by other issuers and, accordingly, the Company's Adjusted EBITDA calculation may not be comparable to similarly titled measures used by other issuers.

A reconciliation of the Company's Gross Profit to Adjusted gross profit is outlined in the following table:

Reconciliation of Gross profit to Adjusted gross profit
(expressed in thousands of Canadian dollars)

	3-months ended June 30, 2018	3-months ended June 30, 2017
	$	$
Gross profit	**4,315**	2,735
Add back non-recurring expenses		
Listing fees	**70**	130
Loss on discontinued product	**28**	-
Adjusted gross profit	**4,413**	2,865
Adjusted gross profit percentage	**23.7%**	22.8%

Reconciliation of Net loss from continuing operations to EBITDA and Adjusted EBITDA from continuing operations
(expressed in thousands of Canadian dollars)
A reconciliation of the Company's net loss to Adjusted EBITDA is outlined in the following table:

	3-months ended June 30, 2018	3-months ended June 30, 2017
	$	$
Net loss	**(3,613)**	(310)
Interest and accretion expense	**422**	128
Depreciation and amortization	**815**	398
Unrealized foreign exchange loss	**234**	-
Deferred income tax recovery	**(193)**	(93)
EBITDA	**(2,335)**	123
Add back non-cash and non-recurring expenses		
Stock based compensation	**28**	29
Recall expense	**1,476**	-
Listing fees	**71**	130
Restructure cost	**372**	162
Adjusted EBITDA	**(388)**	444

Revenue
Gross revenue, for the first quarter ended June 30, 2018, was the highest gross revenue amount earned by the Company in a single quarter. Gross revenue for the quarter ended June 30, 2018 increased 47.5% and net revenue, which is gross revenue net of deductions for rebates, discounts and one-time listing fees, increased 49.4% over the same period in prior year..

The gross and net revenue increases in the quarter were the result of the inclusion of sales of our GO VEGGIE brands through the acquisition of Galaxy Nutritional Foods, Inc. effective January 28, 2018, as well as continued growth from the internally launched brands including Life Choices, Rolling Meadow, Kiwi Pure and Meatbar. Additionally, there was growth in the acquired brands of Love Child, Central Roast, Kiju and Cedar. The revenue growth was partially offset by the discontinuation of Nudge and Holistic Choice whose results had appeared in previous quarters.

Gross Profit and Adjusted Gross Profit (see Non-IFRS Measures)
The Company's adjusted gross profit margin for the first quarter ended June 30, 2018 increased by 0.9% over the same period last year. The increase was primarily due to a larger proportion of revenue being earned through the relatively higher margin CEDAR and GO VEGGIE brands, which were acquired during the third and fourth quarters of fiscal 2018, respectively.

Consistent with prior periods, listing fees incurred in the current quarter (considered one-time, non-recurring costs) have been added back to gross profit by the Company in calculating Adjusted gross profit. Please see the non-IFRS measures section of the MD&A above for details on these adjustments.

Love Child Voluntary Recall
In May 2018, select Love Child brand baby food pouches were voluntarily recalled due to packaging defects that may have allowed premature spoilage; the recall had no impact on product safety. The Company estimates that the sales impact to the affected SKU's, as well as the indirect effect on non-affected SKU's in the first quarter was approximately $0.9 million. The total non-recurring costs recorded to date is $1.476 million. The Company expects to recover a significant amount of this cost through its suppliers and insurers. Since the completion of the recall, Love Child sales have returned to pre-recall levels.

Selling, General and Administrative ("SG&A") Expenses
Overall, SG&A expenses for the first quarter ended June 30, 2018 increased from 21.4% of net revenue in the first quarter of fiscal 2018 to 36.5% of net revenue in the current quarter. The increase was primarily due to non-recurring costs associated with the

Love Child recall of $1.475 million and restructuring costs associated the hiring of key staff in the Toronto office, as well as costs related to the Meatbar launch.

General and administrative expenses for the first quarter ended June 30, 2018 increased from 5.4% of net revenue in the first quarter of fiscal 2018 to 13.0% of net revenue in the current quarter. The increase was primarily due to the incrementally higher costs that Galaxy foods currently runs as a percentage of revenue, as well as the Love Child recall of $1.475M discussed above. The Company continues to closely monitor its consolidated fixed costs and improve margins by spreading those fixed costs over a larger revenue base. General and administrative expenses for the current quarter are 5.0% of net revenue after adjusting for non-recurring items.

Storage and delivery expenses for the first quarter ended June 30, 2018 increased from 4.4% of net revenue in the first quarter of fiscal 2018 to 7.8% of net revenue in the current quarter. This is largely due to the higher costs incurred by Galaxy for storage and delivery as a percentage of revenue compared to the rest of the GreenSpace business. GreenSpace is aiming to drive efficiencies in storage and delivery costs through fiscal 2019 as it evaluates the transfer of products from third party warehouses to its self managed warehousing facility.

Salaries and benefits expense for the first quarter ended June 30, 2018 increased from 8.2% of net revenue in the first quarter of fiscal 2018 to 10.1% of net revenue in the current quarter. The Company expects salaries and benefits as a percentage of revenue to decrease as the revenue base grows. The increased expense as a percentage of sales is primarily due to higher salary costs in Galaxy, which are additionally impacted as a result of the lower $CAD, as well as investment in talent in the Toronto office to drive future growth.

Advertising and promotional expenses for the first quarter ended June 30, 2018 increased from 2.1% of net revenue in the first quarter of fiscal 2018 to 4.3% of net revenue in the current quarter. This was in part due to the influence of Galaxy foods which has historically spent significantly more on advertising and promotion, as well as the timing of marketing, trade shows and promotional campaigns. Costs associated with the Go Veggie rebrand have also significantly contributed towards higher advertising and promotional expenses.

Professional fees expenses for the first quarter ended June 30, 2018 increased from 1.0% of net revenue in the first quarter of fiscal 2018 to 1.1% of net revenue in the current quarter. The majority of these fees are non-recurring, relating to the restructuring of the Toronto office, and are not be considered part of normal on-going operations. Professional fees expenses for the current quarter are 0.4% of net revenue after adjusting for non-recurring items.

Consistent with previous quarters, the Company continues to recognize stock option expenses associated with the option awards grant by the Company's Board of Directors to all employees. As the grants are amortized using a graded vesting method, stock-based compensation expense often fluctuates from quarter to quarter.

Interest and Accretion Expense

The Company incurred interest and accretion charges of $421,359 in the first quarter ended June 30, 2018 compared to $127,678 in the prior year. At the end of the first quarter, the Company had a vendor take-back loan ("VTB") payable of $7.4 million associated with the Galaxy acquisition, which was completed in the fourth quarter of fiscal 2018, and which has an interest rate of 8.5% per annum. The Company also finished the first quarter with $13.8 million outstanding on it's asset-based credit facility as compared to $4.5 million for the same period last year. Proceeds from the loan were used to fund the Galaxy acquisition in addition to facilitating working capital investment for the growth in sales.

Accretion expense is the result of updating the present value of related party loans associated with the Love Child and Central Roast acquisitions. The Company is expecting accretion expense going forward to continue at these lower levels.

Foreign Exchange Loss

Unrealized foreign exchange loss of $0.2 million was recorded due to the revaluation of the VTB from the Galaxy Foods acquisition. The USD $5.72 million VTB amount is re-valued at each of the period end date using the period end date spot rate.

Adjusted EBITDA (see Non-IFRS Measures)

For the quarter ended June 30, 2018, the Company reported a loss in Adjusted EBITDA of ($0.4 million) ((2.1%) of net revenue, excluding listing fees) compared to an Adjusted EBITDA of $0.4 million (3.3% of net revenue, excluding listing fees) over the same period in prior year. Adjusted EBITDA was lower than expected due to the expense increases discussed above, specifically marketing costs associated with the re-branding of Go Veggie in the US and associated other product launch costs..

SELECTED QUARTERLY INFORMATION FROM CONTINUING OPERATIONS
(expressed in Canadian dollars)

Unaudited quarterly financial data for fiscal 2019 and fiscal 2018 are summarized as follows. The sum of the net income per share from continuing operations for the four quarters in both fiscal 2018 and fiscal 2017 may not equal the net income per share for the full year, as presented, due to rounding.

(Expressed in thousands of Canadian Dollars, except per share amounts)

Three months ended	**30-Jun-18**	**31-Mar-18**	**31-Dec-17**	**30-Sep-17**	**30-Jun-17**	**31-Mar-17**	**31-Dec-16**	**30-Sep-16**	**30-Jun-16**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Gross revenue	20,985	19,132	16,348	15,370	14,233	12,945	10,078	9,792	9,145
Less: rebates and discounts	(2,344)	(2,116)	(1,798)	(1,820)	(1,674)	(1,485)	(985)	(951)	(655)
Less: listing fees	(70)	(543)	(284)	(412)	(130)	(354)	(60)	(254)	(128)
Net revenue	18,571	16,473	14,266	13,138	12,428	11,106	9,033	8,587	8,362
Gross profit	4,315	2,935	3,064	2,701	2,735	2,227	2,024	1,958	2,109
Gross profit %	23.2%	17.8%	21.5%	20.6%	22.0%	20.1%	22.4%	22.8%	25.2%
Adjusted gross profit[1]	**4,413**	**3,478**	**3,348**	**3,113**	**2,865**	**2,580**	**2,084**	**2,212**	**2,237**
Adjusted gross profit %	**23.7%**	**20.4%**	**23.0%**	**23.0%**	**23.0%**	**22.5%**	**22.9%**	**25.0%**	**26.3%**
Net loss from continuing operations	(3,613)	(2,875)	(734)	(524)	(310)	(741)	(530)	(953)	(536)
Net loss per share from continuing operations – basic and diluted	(0.05)	(0.04)	(0.01)	(0.01)	(0.00)	(0.01)	(0.01)	(0.03)	(0.01)
EBITDA[1]	(2,335)	(1,530)	(213)	(44)	123	(278)	142	5	162
EBITDA % of net revenue	(12.6%)	(9.3%)	(1.5%)	(0.3%)	1.0%	(2.5%)	1.6%	0.1%	1.9%
Adjusted EBITDA[1]	**(388)**	**(262)**	**528**	**475**	**444**	**344**	**290**	**394**	**360**
Adjusted EBITDA, as a percentage of net revenue excluding listing fees	**(2.1%)**	**(1.5%)**	**3.6%**	**3.5%**	**3.5%**	**3.0%**	**3.2%**	**4.5%**	**4.2%**

[1]See Non-IFRS Measures

The results of operations and cash-flows for any particular quarter are not indicative of the results expected for the full fiscal year.

CASH FLOWS

Summary Statement of Cash Flows

(thousands of Canadian dollars)

	For the period ended June 30,	
	2018	**2017**
Cash provided by (used for)	**$**	$
Operating activities	**(1,259)**	(1,959)
Investing activities	**(413)**	(89)
Financing activities	**1,672**	2,048
Net increase (decrease) in cash	**-**	-
Cash - beginning of period	**-**	-
Cash – end of period	**-**	-

Cash flow from operations consumed $1.3 million for the first quarter ended June 30, 2018 (2017 - $2.0 million). The negative operating cash-flow was primarily the result of reduced the cash from collection of accounts receivable from a few key customers due to fines and deductions related to the recall of Love Child product. Cash was utilized in investing activities to acquire equipment and to invest in product development. The Company financed its working capital and investing cash needs by additional debt financing and obtaining funds through a number of outstanding options and warrants being exercised.

LIQUIDITY AND CAPITAL RESOURCES

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, taking on debt, acquiring cash through acquisitions or disposing of assets. The capital structure is reviewed by Management and the Board of Directors on an ongoing basis. At June 30, 2018, the Company was not in compliance with its fixed charge coverage covenant with its lender. The bank has provided a waiver for the default.

The Company considers its capital to be share capital and long-term debt.

The Company manages capital through forecasting processes whereby working capital and operational cashflow are forecasted on a weekly basis to proactively identify any capital shortfall or surplus. The Company's budget is updated on a regular basis based on actual experience. The annual budget is reforecast quarterly.

The Company will continue to make significant up-front investments in research and development, sales and marketing, and general and administrative expenses in order to rapidly develop and expand its business. Because the Company continues to incur significant expenditures for research and development, sales and marketing, and general and administrative expenses, the Company may experience negative cash flow in certain quarters where substantial investments are required until it reaches a higher level of sales with positive gross margins. The inability to generate consistent positive cash flow is a risk to the Company's business and could lead to the need to obtain additional financing in the future by way of debt or equity.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has a non-material vehicle lease agreement expiring in January 2019.

On July 4, 2016, the Company entered into a 10-year lease agreement for a 50,000 square foot warehouse facility. The lease agreement commenced on November 1, 2016 and the Company believes the space will be sufficient to accommodate the current year inventory build as a result of new revenue opportunities, and the new facility also gives the Company adequate space for growth. The new leased facility has an annual rent of $0.4 million.

In October 2016, under its new ABL Facility, the Company issued a stand-by letter of credit for $0.2 million to one of its Canadian suppliers for extended credit terms.

TRANSACTIONS BETWEEN RELATED PARTIES

Loans from Related Parties

The Cedar VTB of $40,500 is unsecured, non-interest bearing and repayable over twelve equal monthly installments from the closing of the Cedar acquisition in August 2017.

Cedar Earn-out consideration will be settled in common shares before December 31, 2018. Accretion expense recognized for the period ended June 30, 2018 is $29,732 (2017 - $nil). At June 30, 2018, the probability of achieving those targets was determined not to be likely and the amount was reversed and was recorded as a recovery in general and administrative expense during the quarter ended June 30, 2018.

The Galaxy VTB of $7.412 million is with a principal amount of USD$5.714 million and bears interest at a rate of 8.5% per annum. The loan matures on January 24, 2020 with no set repayment schedule. Interest expense accrued for the period ended June 30, 2018 is approximately $155,180 (2017 - $nil).

Transactions with Related Parties

The Company has a lease arrangement for office space with a shareholder of the Company, at market rents. The Company paid rent expense of $45,649 during the period ended June 30, 2018 (2017 – $42,000).

The Company has an outstanding balance of $0.149 million at June 30, 2018 (June 30, 2017 - $0.149 million) due to the CEO included in accounts payable and accrued liabilities. These amounts relate to unpaid compensation, accordingly, there are no specified repayment terms and this amount does not bear interest.

Key management includes the Company's directors and officers. Compensation awarded to key management includes a salary, stock-based compensation and director fees. The following table presents key management compensation:

(Expressed in thousands of Canadian dollars)	**Periods ended**	
	June 30, 2018	**June 30, 2017**
Salary and director fees	$193	$163

SUBSEQUENT EVENTS

Partnership with Emblem Corp.

On August 2nd, the Company and Emblem Corp. ("Emblem") announced a strategic partnership to develop and commercialize cannabidiol ("CBD") infused health and beauty products for the adult-use market. Emblem made a $2 million investment in GreenSpace consisting of $1 million in common shares at $0.98 per share, and $1 million in unsecured convertible debentures.

The debentures will mature five years from the closing date, August 9, 2018, and will automatically convert into common shares upon the satisfaction of certain conditions (each, a "Milestone") at a conversion price equal to the lesser of: (i) $1.05; and (ii) the twenty (20) day volume-weighted average price of the common shares on the TSX Venture Exchange (the "Exchange") on the date the applicable Milestone is achieved, provided that the conversion price shall not be less than $0.94 and that the automatic conversion will be deferred if the market price is less than $0.75 at the time the Milestone is met. Emblem will earn a 4% royalty on all hemp-based CBD product sales and a 7% royalty on all cannabis-based CBD product sales.

In addition to the Emblem investment, the Company has also received a $1 million strategic equity investment from a key supplier who will assist with maximizing commodity purchasing. The investment will be used for general working capital purposes.

Stock Option Grant

In June 2018, the Board of Directors of the Company approved the granting of incentive stock options (the "Options") pursuant to the terms of the Corporation's stock option plan to a number of employees to acquire up to an aggregate of 511,000 common shares in the capital of the Company. These options were issued on July 24, 2018.

All Options granted to the employees are exercisable for a period of ten years at a price of $0.94 per common share. These options vest over a five-year period with 20.0% of the Options vesting one year after the date of the grant and the remainder vesting 20.0% annually thereafter.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Management's discussion and analysis of its financial condition and results of operations, including the discussion on liquidity and capital resources, is based upon the Company's unaudited condensed consolidated interim financial statements, which have

been prepared in accordance with IFRS unless otherwise noted.

The preparation of these condensed consolidated interim financial statements requires management to make estimates and judgements that affect the reported amounts of assets, liabilities, revenue, expenses and related disclosure of contingent assets and liabilities. On an ongoing basis, management evaluates its estimates and judgements, particularly those related to the determination of the estimated recoverable amount of accounts receivable, inventory, provisions, financial instruments and share based compensation. Management bases its estimates on historical experience and on various other assumptions, which are believed to be reasonable under the circumstances, the results of which form the basis for making judgements about the carrying value of assets and liabilities that are not readily apparent from other sources.

No known trends, commitments, events or other uncertainties are currently believed to materially affect the assumptions used. Critical accounting estimates and judgements are described in greater detail in the Company's annual MD&A for the year ended March 31, 2018 and the audited annual consolidated financial statements for the year ended March 31, 2018.

CHANGES IN ACCOUNTING POLICIES / FUTURE ACCOUNTING POLICY CHANGES

The Company's accounting policies are set out in the Company's annual consolidated financial statements for the year ended March 31, 2018 and were consistently applied to all the periods presented unless otherwise noted below.

Future Changes in Accounting Policies

The Company is currently evaluating the adoption of the following new and revised standards. Any changes will be made in accordance with the applicable transitional provisions.

IFRS 16 – Leases

In January 2016, the IASB issued IFRS 16 – Leases (IFRS 16), its new leases standard that requires lessees to recognize assets and liabilities for most leases on their balance sheets. Lessees applying IFRS 16 will have a single accounting model for all leases, with certain exemptions. Lessor accounting is substantially unchanged. The new standard will be effective from January 1, 2019 with limited early application permitted. The Company is in the process of reviewing the standard to determine the impact on the consolidated financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued, but have future effective dates, are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

The Company does not intend to adopt any of these standards before their respective effective dates.

RISKS AND UNCERTAINTIES

The Company is subject to certain risks and uncertainties that could have a material adverse effect on the Company's results of operations, business prospects, financial condition and the trading price of the common shares. These risks and uncertainties include: cyclicality, reduction in demand, seasonality, competition, information management, foreign exchange, labour, income tax matters, customer concentration, relationships with suppliers, product liability, capital and liquidity risk, collections from customers, interest rates, distribution agreements, lack of long term customer sales agreements, dependence on key personnel, and growth challenges. All of these factors remain substantially unchanged from those described in the Company's 2018 Annual Information Form and the Company's March 31, 2018 year-end MD&A.

OUTSTANDING SHARE DATA

As of June 30, 2018, the Company had 72,740,372 common shares issued and outstanding, 6,618,552 warrants convertible into 6,618,552 common shares of the Company and 1,606,293 stock options, convertible into 1,606,293 common shares of the Company.

OUTLOOK

This section contains certain forward-looking statements. Please refer to the disclosure under the heading "Forward-Looking Statements" for a discussion of risks and uncertainties related to such statements.

GreenSpace continues to believe that there are a number of fundamental trends occurring within both the Global and North American food industries. These trends will continue to drive consumer demand for GSB brands and customers will continue to be attracted by the Company's innovation within the natural and organic marketplace.

As a result of this the Company continues to be optimistic that anticipated market growth will continue to drive demand for the Company's acquired and developed brands and provides a lot of opportunity for further expansion into new product offerings. This has been evidenced by several distribution wins announced over the last three quarters. In particular GreenSpace expects that it will continue to execute on a two-pronged growth strategy. Firstly, the Company expects to have a strong and on-going internal brand and product development program. There are currently a number of new product offerings in various stages of development that the Company expects to release strategically, to fill gaps in the Canadian natural and organic marketplace, over the next few quarters. Secondly, the tripling in size of the Canadian natural and organic food market over the last decade has been driven by a number of new entrants, creating a highly fragmented competitive landscape. The Company hopes to take advantage of this and expects to continue to grow through acquisition by making strategic investments in strong, simple ingredient businesses which would have positive and immediate impacts on revenue, gross margins and profitability.

With its increasing revenue base and numerous new distribution wins, management expects to continue to generate positive adjusted EBITDA margins. The Company continues to feel it is in a strong position to be one of the principle consolidators in the North American natural and organic food market, due to its industry position and accumulated reputational goodwill.

FORWARD-LOOKING STATEMENTS

Certain statements in this press release constitute forward-looking statements within the meaning of applicable securities laws. Forward-looking statements include, but are not limited to, statements made under the heading "Outlook" and other statements concerning the Company's 2019 objectives, strategies to achieve those objectives, as well as statements with respect to management's beliefs, plans, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "should", "plans" or "continue", or similar expressions suggesting future outcomes or events. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those contemplated by such statements and there can be no assurance that actual results will be consistent with these forward-looking statements. Factors that could cause such differences include the cyclical nature of the construction and agriculture industries, changes in general economic conditions and interest rates, adverse weather, cost and availability of materials used to manufacture the Company's products, competitive developments, legislative and government policy changes, as well as other risk factors included in the Company's Annual Information Form dated August 22, 2018 under the heading "Risks and Uncertainties Related to the Business" and as described from time to time in the reports and disclosure documents filed by the Company with Canadian securities regulatory agencies and commissions. This list is not exhaustive of the factors that may impact the Company's forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on the Company's forward-looking statements. As a result of the foregoing and other factors, no assurance can be given as to any such future results, levels of activity or achievements or levels of dividends and neither the Company nor any other person assumes responsibility for the accuracy and completeness of these forward-looking statements. The factors underlying current expectations are dynamic and subject to change. Certain statements included in this press release may be considered "financial outlook" for purposes of applicable securities laws, and such financial outlook may not be appropriate for all purposes. All forward-looking statements in this press release are qualified by these cautionary statements. The forward-looking statements contained herein are made as of the date of this press release and except as required by applicable law, the Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

ADDITIONAL INFORMATION

Additional information, including the Company's annual information form, is on SEDAR at www.sedar.com.