



Greenlane Renewables Announces First Deployment of Development Capital for Renewable Natural Gas Project

~Convertible loan provided to a development company focused on dairy cluster RNG projects in California~

Vancouver, British Columbia, Canada – June 2, 2022 Greenlane Renewables Inc. (“Greenlane”) (TSX: GRN / FSE: 52G) through its subsidiary, Greenlane Renewables Capital Inc., is pleased to announce its first deployment of development capital to a company focused on developing renewable natural gas (“RNG”) projects in California, based on the dairy cluster model.

Greenlane is deploying pre-construction development capital in the form of a convertible note loan agreement with funds to be advanced on a milestone achievement basis up to US\$0.9 million. The funds will be used to progress the development company’s dairy cluster project to construction financing, expected in Q4 2022, as well as to advance their pipeline of project development opportunities. Under the terms of the loan agreement, Greenlane has the option to convert the note into an equity interest in the development company in addition to realizing a return of capital.

For background, in a dairy cluster project, a digester and biogas upgrading system is installed at a host farm to which manure is transported from other farms nearby. The initial project planned by the development company is located in California and is estimated to generate over 80,000 MMBtu annually using a Greenlane-supplied biogas upgrading system. Project revenue is expected to be generated from the sale of D3 Renewable Identification Numbers (D3 RINs) under the US Renewable Fuel Standard (RFS) program, credits under California’s Low Carbon Fuel Standard (LCFS) program, and physical gas commodity. The total project capital expenditure to be provided by third parties is expected to be approximately US\$15 million.

“Closing our first deployment of development capital opportunity is a major milestone for Greenlane after formally launching our program last year,” said Brad Douville, President and CEO of Greenlane. “We launched this program with the aim of adding incremental value to the community of project developers around the world to help de-risk projects and to build scale in RNG origination. This is the first of what we expect to be many opportunities to provide specialized RNG project development capital to accelerate RNG projects to the ready-for-construction phase, securing Greenlane system sales, and providing on-going services for each project. Our vision has always been to leverage our decades of experience in biogas upgrading to create new opportunities for our expanding portfolio of products while acquiring minority equity interests in RNG producing projects adding long term value in recurring revenue and profits for the Company and its shareholders.”

About Greenlane Renewables

Greenlane Renewables is a pioneer in the rapidly growing renewable natural gas (“RNG”) industry. As a leading global provider of biogas upgrading systems, we are helping to clean up two of the largest and most difficult-to-decarbonize sectors of the global energy system: the natural gas grid and the commercial transportation sector. Our systems produce clean, low-carbon and carbon-negative RNG from organic waste sources such as landfills, wastewater treatment plants, dairy farms, and food waste streams. To the company’s knowledge, Greenlane is the only biogas upgrading company offering the three main technologies: waterwash, pressure swing adsorption, and membrane separation. Greenlane’s business has been built on over 30 years of industry experience, patented and proprietary technology, over 100 hydrogen sulfide treatment systems sold, and over 135 biogas upgrading systems sold into 19 countries, including some of the largest RNG production facilities in the world. For further information, please visit www.greenlanerenewables.com.

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FORWARD LOOKING INFORMATION – This news release contains “forward-looking information” within the meaning of applicable securities laws. All statements contained herein that are not historical in nature contain forward-looking information. Forward-looking information can be identified by words or phrases such as “may”, “is expected”, “likely”, “should”, “would”, “plan”, “anticipate”, “intend”, “potential”, “proposed”, “estimate”, “believe” or the negative of these terms, or other similar words, expressions and grammatical variations thereof, or statements that certain events or conditions “can”, “may” or “will” happen. In particular, this news release contains forward looking information relating to the convertible note loan agreement to a development company with funds to be advanced on a milestone basis up to US\$0.9 million; that the funds will primarily be used to progress the development company’s dairy cluster project to construction financing, expected in Q4, 2022, as well as to advance its development opportunities; that this project is estimated to generate over 80,000 MMBtu annually using a Greenlane-supplied biogas upgrading system; that project revenue is expected to be generated from the sale of D3 RINs, LCFS credits and physical gas commodity; that total construction financing for the project is expected to be approximately US\$15 million; that there will be many opportunities to provide development capital to accelerate RNG projects; that Greenlane will be able to create new opportunities leveraging its experience in biogas upgrading; that Greenlane’s product portfolio is expanding; that Greenlane will be acquiring minority equity interests in RNG producing projects. The forward-looking information contained herein is made as of the date of this press release and is based on assumptions management believed to be reasonable at the time such statements were made, including management’s perceptions of future growth and expected future developments, as well as other considerations that are believed to be appropriate in the circumstances. While management considers these assumptions to be reasonable based on information currently available to management, there is no assurance that such expectations will prove to be correct. By their nature, forward-looking information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A variety of factors, including known and unknown risks, many of which are beyond the Company’s control, could cause actual results to differ materially from the forward-looking information in this press release. Such factors include, without limitation, risks relating to the ability of the development company to achieve milestones and secure construction financing for its initial project; risks relating to the ability to sell D3 RINs and LCFS credits and physical gas commodity, and the market prices thereof; risks relating to the estimated RNG generation of the initial project; the availability of other opportunities for Greenlane to deploy specialized development capital and acquire minority equity interests in RNG producing projects; and risks identified in the Company’s annual information form and in other documents filed with Canadian securities regulatory authorities on the Company’s SEDAR profile at www.sedar.com. Readers are cautioned not to put undue reliance on forward-looking information. Actual results may differ materially from those anticipated. The Company undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable law. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

