Introduction

This Management's Discussion and Analysis ("MD&A") is dated July 29, 2019 unless otherwise indicated and should be read in conjunction with the audited consolidated financial statements of GreenPower Motor Company Inc. ("GreenPower", "the Company", "we", "our" or "us") for the three months and year ended March 31, 2019 and the related notes. This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. Results are reported in US dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results presented for the three months and year ended March 31, 2019 are not necessarily indicative of the results that may be expected for any future period. The consolidated financial statements are prepared in compliance with International Financial Reporting Standards.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations can be obtained from the offices of the Company or from **www.sedar.com**.

Cautionary Note Regarding Forward-Looking Information

Certain statements contained in the following MD&A constitute forward-looking statements. Such forward looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements.

Description of Business

GreenPower designs, builds and distributes a full suite of high-floor and low-floor vehicles, including transit buses, school buses, shuttles, cargo vans and double deckers. GreenPower employs a clean-sheet design to manufacture all-electric buses that are purpose built to be battery powered with zero emissions. GreenPower integrates global suppliers for key components, such as Siemens or TM4 for the drive motors, Knorr for the brakes, ZF for the axles and Parker for the dash and control systems. This OEM platform allows GreenPower to meet the specifications of various operators while providing standard parts for ease of maintenance and accessibility for warranty requirements. For further information go to **www.greenpowerbus.com.**

Operations

The following is a description of GreenPower's business activities during the year ended March 31, 2019. During the year, the Company completed and delivered a total of 11 buses, including 5 EV Stars and 6 EV 350s. In addition, the Company entered into lease agreements for three buses with a customer operating the airport passenger shuttle service at LAX airport, including one EV 250 and 2 EV 350s.

GreenPower delivered a total of 6 EV 350s to the City of Porterville during the year ended March 31, 2019. 3 buses were delivered in June 2018 and the other 3 buses were delivered in March 2019. As of March 31, 2019, GreenPower has delivered a total of 8 buses to the City, with another 2 buses remaining to be delivered under the initial contract.

During the first quarter, the Company announced an order for 100 buses from Creative Bus Sales, the U.S.'s largest bus dealer for sales, parts and service. With this order, GreenPower also announced that Creative Bus Sales would become the Company's exclusive authorized factory representative, offering sales, parts and service for the Company's buses. GreenPower also attended the Advanced Clean Transportation Expo in Long Beach, CA where it provided demonstrations of a Synapse shuttle and an EV 350.

In November GreenPower was awarded an initial contract for six EV Stars from Sacramento Regional Transit ("SacRT") for deployment on its SmaRT Ride service. SacRT provides public transportation for the City of Sacramento and most of Northern Sacramento County. Last year, SacRT launched SmaRT Ride, a new on-demand service where customers use a smartphone app to request shuttle rides within a designated service area. Following the success of its debut, SacRT received a $12 million grant from the Sacramento Transportation Authority to expand this service. SacRT plans on operating its SmaRT Ride shuttle service in 12 Sacramento communities, including the first disadvantaged community to receive the service. 2 EV Stars had been delivered to SacRT as at March 31, 2019.

GreenPower received an order for 3 EV Stars from Green Commuter for deployment for Vanpooling and Ride-Sharing services in November. Green Commuter is an all-electric vanpool provider based in California that combines vanpooling, car sharing and fleet replacement.

During November, GreenPower received an order for 5 EV250 thirty-foot all-electric buses. San Joaquin Valley Equipment Leasing Inc., a subsidiary of GreenPower, provided lease financing for an existing EV 250 and entered into two separate lease financing arrangements with the same customer for two EV350 40-foot electric buses. Under the terms of the leases on the EV 350s, the customer has the option to return either of the EV 350s to GreenPower in exchange for a new EV250.

GreenPower received an order for 2 EV Stars from the University of California San Francisco in June and completed and delivered the buses to UCSF in December. During December, management from GreenPower also attended the LD Micro Conference where they met with potential investors and investment banks.

In January GreenPower delivered an EV Star to the Port of Oakland, which is being used as an employee and executive shuttle for on-property transportation.

During the year, GreenPower entered into a lease and completed preparation of a 50,000 square foot facility in the City of Porterville, California. This facility is set up as a manufacturing and assembly center with an initial focus on the production of EV Stars and EV Star Plus buses.

During the year the Company obtained an operating Line of Credit which had a limit of $5,000,000 as at March 31, 2019. The operating line of credit is secured by the assets of GreenPower and two of the Company's directors have also provided personal guarantees. The Line of Credit bears interest at the bank's US Base Rate (6.0% at March 31, 2019) plus a margin of 1.5%. The Line of Credit is being used to finance the production costs for the Company's all-electric buses and for ongoing working capital requirements.

As at March 31, 2019, GreenPower had thirty EV Stars in pre-production to satisfy existing orders. GreenPower has also substantially completed production of the final two EV350 vehicles for the City of Porterville and one additional EV 350. In addition, GreenPower is finalizing production of six Synapse 72 school buses.

As at March 31, 2019, the Company had:

- Three EV350's and a Synapse shuttle classified as equipment on the balance sheet totaling approximately $750,000
- Work in process inventory and production supplies representing EV350's, EV Star's, and Synapse 72 school buses totaling approximately $5.0 million and;
- Finished goods inventory representing charging stations totaling $50,000.

Trends

The Company does not know of any trends, commitments, events, or uncertainty that are expected to have a material effect on the Company's business, financial condition, or results of operations other than as disclosed herein under "Risk Factors" and the paragraph below.

Results of Operations

Year ended March 31, 2019

For the year ended March 31, 2019 the Company generated revenue of $6,082,561 and cost of revenues of $4,224,419 yielding a gross profit of $1,858,142. Revenue for the year relates primarily to the sale of 6 EV 350s to the City of Porterville, the sale of 2 EV Stars to Sacramento Regional Transit, the sale of 2 EV Stars to the University of California San Francisco, and the Sale of one EV Star to the Port of Oakland. The remaining revenue for the year was generated from lease income, accretion on the Promissory Note, and sales of vehicle chargers and other products which relate to income generated from the lease of two EV550's, one EV 350 and one EV 250. Operating costs consists of administrative fees of $2,144,423 relating to salaries, project management, accounting, and administrative services; transportation costs of $263,164 which relate to the use of trucks, trailers, tractors as well as other operational costs needed to transport company products around North America; travel, accommodation, meals and entertainment costs of $298,328 related to travel for project management, demonstration of company products, and trade shows; product development costs of $437,208; sales and marketing costs of $417,111; interest and accretion of $1,400,923; professional fees of $324,577 consisting of legal and audit fees; as well as $332,741 of non-cash share-based compensation expense and depreciation of $516,208. The remaining operating costs for the period amounted to $189,379 in general corporate expenses and a write down of assets of $78,231 resulting in a consolidated net loss of $4,544,151.

The consolidated total comprehensive income for the year was impacted by $23,691 of other comprehensive loss as a result of the translation of the entities with a different functional currency than presentation currency.

Year ended March 31, 2018

For the year ended March 31, 2018 the Company generated revenue of $3,516,156 and cost of revenues of $2,267,765 yielding a gross profit of $1,248,391 which relate to income generated from the lease of the EV550, sales of two EV550's and two EV 350's. Operating costs consists of administrative fees of $1,231,041 relating to salaries, project management, accounting, and administrative services; transportation costs of $229,637 which relate to the use of trucks, trailers, tractors as well as other operational costs needed to transport company products around North America; travel, accommodation, meals and entertainment costs of $315,556 related to travel for project management, demonstration of company products, and trade shows; product development costs of $251,826; sales and marketing costs of $404,610; interest and accretion on the convertible debentures and promissory note of $563,411; professional fees of $170,153 consisting of legal and audit fees; as well as $744,801 of non-cash share-based compensation expense and depreciation of $525,228. The remaining operating costs for the period amounted to $167,451 in general corporate expenses and a write down of exploration assets of $28,817. The Company also recorded an income tax recovery of $610,000 to recognize previously unrecognized deferred income tax benefits to offset the deferred income tax liability that arose from the issuance of convertible debentures. A deferred income tax liability was created on the issuance of the convertible debentures as the tax base of the convertible debentures differs from the carrying value. The carrying value was reduced to record the value of the conversion feature as equity and record the fair value of the warrants issued as financing costs to be amortized over the term of the convertible debentures. These reductions in the carrying value of the convertible debentures are not recognized for tax purposes resulting in a consolidated net loss of $2,774,140.

The consolidated total comprehensive income for the year was impacted by $21,314 of other comprehensive income as a result of the translation of the entities with a different functional currency than presentation currency.

Year ended March 31, 2017

For the year ended March 31, 2017 the Company incurred administrative fees of $598,850 relating to salaries, project management, accounting, and administrative services; transportation costs of $257,352 which related to the use of trucks, trailers, contractors as well as other operational costs needed to transport company products around North America; travel, accommodation, meals and entertainment costs of $430,821 related to travel for project management, demonstration of company products, and trade shows; product development costs of $312,278; sales and marketing costs of $234,395; interest and accretion on the convertible debentures and promissory note of $95,629; professional fees of $176,563 consisting of legal and audit fees; as well as $391,769 of share-based compensation expense and depreciation of $177,498. The remaining operating costs for the period amounted to $138,062 in general corporate expenses resulting in a consolidated net loss of $2,813,217.

The consolidated total comprehensive loss for the year was impacted by $4,788 of other comprehensive income as a result of the translation of the entities with a different functional currency than presentation currency.

A summary of selected information for each of the quarters presented below is as follows:

	Three Months Ended			
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018
Financial results				
Revenues	$ 2,486,611	$ 1,106,530	$ 9,008	$ 2,480,412
Net income (loss) for the period	(1,553,824)	(915,734)	(1,445,472)	(629,179)
Basic and diluted earnings/(loss) per share*	$ (0.02)	$ (0.01)	$ (0.02)	$ (0.01)
Balance sheet data				
Working capital (deficit)	(155,176)	(80,804)	824,357	1,892,871
Total assets	11,910,299	12,843,812	11,698,365	8,814,984
Shareholders' equity	(85,636)	414,804	1,264,228	1,662,694

	Three Months Ended			
	March 31, 2018	December 31, 2017	September 30, 2017	June 30, 2017
Financial results				
Revenues	$ 3,435,990	$ 20,453	$ 30,948	$ 28,765
Net income (loss) for the period	665,059	(1,081,095)	1,001,066	(1,328,221)
Basic and diluted earnings/(loss) per share*	$ 0.01	$ (0.01)	$ (0.01)	$ (0.01)
Balance sheet data				
Working capital (deficit)	2,180,184	2,056,090	1,158,588	901,578
Total assets	7,490,466	6,952,374	6,222,668	5,392,234
Shareholders' equity	2,167,745	1,877,410	1,935,380	2,174,280

* Based upon the weighted average number of shares issued and outstanding for the period

The following table summarizes cash expenses for the last four quarters:

		For the three months ended March 31			
		March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018
Total Expenses		$ 1,866,235	$ 1,506,043	$ 1,454,480	$ 1,497,362
Less:					
	Depreciation	(172,607)	(114,239)	(114,672)	(114,690)
	Accretion and accrued interest	(127,002)	(127,320)	(120,371)	(97,821)
	Share-based payments	(93,750)	(57,282)	(88,903)	(92,806)
	Warranty Accrual	(88,589)	(38,420)	-	(86,497)
Total Cash Expenses		$ 1,384,287	$ 1,168,782	$ 1,130,534	$ 1,105,548

The following table summarizes vehicle deliveries pursuant to vehicle leases and vehicle sales for the last four quarters:

	For the three months ended March 31			
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018
Vehicle Sales				
EV 350	3			3
EV Star	3	2		
Total	6	2	-	3
Vehicle Leases				
EV 350		2		
EV 250		1		
Total	-	3	-	-
Total Deliveries	**6**	**5**	**-**	**3**

Three months ended March 31, 2019

For the three-month period ended March 31, 2019 the Company generated revenues of $2,486,611, cost of revenues of $2,095,969 yielding a gross profit of $390,642, primarily related to the sales of 3 EV 350s to the City of Porterville, 2 EV Stars to Sacramento Regional Transit, and one EV Star to the Port of Oakland. Gross profit for the quarter was negatively impacted by $566,768 due to a change in accounting estimates for expected timing of testing of an EV 350 and application of HVIP vouchers to reduce the carrying amount of property plant and equipment. Operating costs consists of administrative fees of $618,564 relating to salaries, project management, accounting, and administrative services; transportation costs of $75,020 which related to the use of trucks, trailers, contractors as well as other operational costs needed to transport company products around North America; travel, accommodation, meals and entertainment costs of $103,231 related to travel for project management, demonstration of company products, and trade shows; product development costs of $158,792; sales and marketing costs of $106,409; interest and accretion of $428,668; professional fees of $136,695 consisting of legal and audit fees; as well as $93,750 of non-cash share-based compensation expense and depreciation of $172,607. Excluding a foreign exchange gain of $34,684, the remaining operating costs for the period amounted to $7,183 in general corporate expenses resulting and a write down of assets of $78,231, resulting in a consolidated net loss of $1,553,766.

Three months ended March 31, 2018

For the three months ended March 31, 2018 the Company generated revenue of $3,435,990, cost of revenues of $2,267,765 yielding a gross profit of $1,168,225 related to the sales of two EV 550's and two EV 350's. Operating costs consists of administrative fees of $391,675 relating to salaries, project management, accounting, and administrative services; transportation costs of $56,991 which related to the use of trucks, trailers, contractors as well as other operational costs needed to transport company products around North America; travel, accommodation, meals and entertainment costs of $6,829 related to travel for project management, demonstration of company products, and trade shows; product development recovery of $51,573; sales and marketing costs of $127,313; interest and accretion on the convertible debentures and promissory note of $217,463; professional fees of $82,489 consisting of legal and audit fees; as well as $67,526 of non-cash share-based compensation expense and depreciation of $126,659. The remaining operating costs for the period amounted to $87,794 in general corporate expenses. The Company also recorded an income tax recovery of $610,000 to recognize previously unrecognized deferred income tax benefits to offset the deferred income tax liability that arose from the issuance of convertible debentures resulting in Net income of $665,059.

Three months ended March 31, 2017

Operating costs consists of administrative fees of $236,286 relating to salaries, project management, accounting, and administrative services; transportation costs of $30,892 which related to the use of trucks, trailers, contractors as well as other operational costs needed to transport company products around North America; travel, accommodation, meals and entertainment costs of $83,925 related to travel for project management, demonstration of company products, and trade shows; product development costs of $70,712; sales and marketing costs of $47,821; interest and accretion on the convertible debentures and promissory note of $25,799; professional fees of $103,739 consisting of legal and audit fees; as well as $149,781 of share-based compensation expense and depreciation of $97,043. The remaining operating costs for the period amounted to $42,794 in general corporate expenses resulting in a consolidated net loss of $888,792.

Liquidity

At March 31, 2019, the Company had a cash and restricted cash balance of $198,920, available funds on its Line of Credit of $580,093 and a working capital deficit of $155,176. The Company manages its capital structure and makes adjustments to it, based on available funds to the Company. The Company will continue to rely on additional financings and the sale of its inventory to further its operations and meet its capital requirements to manufacture EV vehicles, complete the Altoona test, initiate construction of the manufacturing facility, and further develop its sales and marketing, engineering, and technical resources.

Capital Resources

Year ended March 31, 2019 and up to the date of this report

Authorized: Unlimited number of common shares without par value
Authorized: Unlimited number of preferred shares without par value

As at March 31, 2019, the Company had the following outstanding convertible debentures all with an 8% interest rate and a term of four years. The Convertible Debentures have effective rates ranging from 28.6% - 38.5%.

Issue Date	Amount ($CDN)	Converted Amount ($CDN)	Matured Amount ($CDN)	Outstanding Amount ($CDN)	Conversion Price ($CDN)	Shares on Conversion
Dec 11, 2015	777,000	(60,000)	717,000	-	0.40	n/a
May 17, 2017	1,900,000	-		1,900,000	0.65	2,923,077
May 31, 2017	250,000	-		250,000	0.65	384,615
Sep 25, 2017	1,476,000	-		1,476,000	0.40	3,690,000
Oct 16, 2017	2,220,000	(200,000)		2,020,000	0.40	5,050,000
Total	6,623,000	(260,000)	717,000	5,646,000		12,047,692

On February 27, 2018, CDN$100,000 worth of debentures (issued on October 16, 2017) were converted into 250,000 common shares with a conversion price of CDN$0.40.

On June 18, 2018, CDN$100,000 worth of debentures (issued on October 16, 2017) were converted into 250,000 common shares at a conversion price of CDN$0.40.

On December 11, 2018, the convertible debentures issued on December 11, 2015, with a remaining balance prior to maturity of CDN $717,000 matured. Prior to maturity, CDN $40,000 worth of debentures from this series were converted into 100,000 common shares at a conversion price of CDN $0.40 per share. CDN $37,000 of the debentures were repaid during December 2018. The remaining balance of CDN $680,000 was transferred to a Note Payable, CDN $300,000 of which were repaid during January 2019. The remaining investors have agreed to be repaid their investments in December 2019. The Note Payable accrues interest at 12% per annum, payable in quarterly instalments, and matures on December 11, 2019.

During the twelve-month period ended March 31, 2019, the Company incurred share-based compensation expense with a measured fair value of $332,741. The fair value of the options granted and vested were recorded as share-based payments on the Consolidated Condensed Interim Statements of Operations.

As at March 31, 2019, there were 2,624,025 options available for issuance under the 2016 Stock Option Plan.

On May 4, 2018, the Company granted:

- 500,000 options to directors with an exercise price of CDN$0.50 per share which vest 25% after 4 months and then 25% after 6 months, 9 months, and 12 months and with a term of five years.

- 130,000 options to employees with an exercise price of CDN$0.50 per share which vest 25% after 4 months and then 25% after years 1, 2 & 3, and with a term of five years.

On November 30, 2018 the Company granted 350,000 options to the Chief Financial Officer with an exercise price of CDN$0.43 per share which vest 25% after 4 months, 25% after year 1 and 50% after year 2, and with a term of 5 years.

On February 12, 2019 the Company granted:

- 600,000 options to directors and an officer of the Company with an exercise price of CDN$0.50 per share which vest 25% after 4 months and then 25% after 6 months, 9 months, and 12 months and with a term of five years.

- 50,000 options to employees with an exercise price of CDN$0.50 per share which vest 25% after 4 months and then 25% after years 1, 2 & 3, and with a term of five years.

The following table summarizes stock options exercised by year for each of the last 3 fiscal years:

	March 31, 2019	March 31, 2018	March 31, 2017
Options Exercised	670,000	1,495,000	1,338,750
Proceeds (C$)	$167,500	$388,750	$331,000
Proceeds (US$)	$127,654	$296,468	$248,882
Range of Exercise Price (C$)	$0.25	$0.25 to $0.40	$0.19 to $0.25
Weighted Average Share Price on Exercise Date	$0.49	$0.50	$0.70
Options Expired Unexercised or Forfeited	825,000	50,000	521,750

Investing Activities

For the year ended March 31, 2019

See the Operations and Capital Resources sections above for a summary of the Company activities during the year ended March 31, 2019.

Off-Balance Sheet Arrangements

As of the date of this filing, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company including, without limitation, such considerations as liquidity and capital resources that have not previously been discussed, other than payments on two leases that are classified as short term leases , which totaled $83,962 for the year, and were recognized in rent and maintenance expense. These leases will terminate during the year ended March 31, 2020, and the remaining minimum lease payments for the next fiscal year is $42,356.

Related Party Transactions

A summary of compensation for directors, officers and key management personnel is as follows:

	For the Year Ended		
	March 31, 2019	**March 31, 2018**	**March 31, 2017**
Salaries and Benefits (1)	$ 289,840	$ 225,000	$ 93,750
Consulting fees (2)	382,875	293,400	259,150
Accommodation (3)	49,895	64,085	22,328
Truck and Trailer Rentals (4)	140,722	144,807	174,756
Options Vested (5)	252,804	571,130	275,196
Total	$ 1,116,136	$ 1,298,422	$ 825,180

1) Salaries and benefits incurred with directors, officers, and a former director and officer are included in Administrative fees on the Consolidated Statements of Operations.

2) Consulting fees included in professional fees and in Sales and marketing expense on Consolidated Statements of Operations are paid to the directors, the Chairman, and to the CEO of the Company to provide accounting, management consulting and director services.

3) Accommodation expense paid to Stage Coach Landing, Inc., a company that the Chairman of GreenPower is an officer and director. These costs are expensed on the Consolidated Statements of Operations.

4) Truck and trailer rental fees paid to Maple Leaf Equipment Aircraft and Recovery Inc., a company that the Chairman of GreenPower is an officer and director. These costs are included in Transportation costs on the Consolidated Statements of Operations.

5) Amounts recognized for related party stock-based compensation are included in Share-based payments on the Consolidated Statements of Operations.

Accounts payable and accrued liabilities at March 31, 2019 included $38,768 (March 31, 2018 - $57,755, and March 31, 2017 - $115,464) owed to officers, directors, and companies controlled by officers and directors, and shareholders, which is non-interest bearing, unsecured and has no fixed terms of repayment.

Notes payable as at March 31, 2019 includes $172,259 (March 31, 2018 – nil) owed to a company beneficially owned by the Chairman of the Company.

As at March 31, 2019, two companies beneficially owned by the Chairman of the Company had loans outstanding to the Company with a total value of CDN $1,430,000 and USD $120,000 (2018 – CDN $650,000). On March 31, 2019, the two companies renewed loans to the Company for CDN $1,050,000 and USD $120,000. The principal and interest on the loans is repayable on the earlier of the date that (i) the Company completes an equity financing of more than US$5,000,000, (ii) from receipt of proceeds on the sale of buses in excess of US$5,000,000, or (iii) July 1, 2020. The remaining loans outstanding with one company beneficially owned by the Chairman totaling CAD $380,000 plus accrued interest were repaid on May 31, 2019.

New and Amended Standards

Adoption of accounting standards

The following new or amended standards were adopted during the year ended March 31, 2019:

IFRS 15 Revenue from Contracts with Customers provides a single principle-based framework to be applied to all contracts with customers. IFRS 15 replaces the previous revenue standard IAS 18, Revenue, and the related Interpretations on revenue recognition. The standard scopes out contracts that are considered to be lease contracts, insurance contracts and financial instruments. The new standard is a control-based model as compared to the existing revenue standard which is primarily focused on risks and rewards. Under the new standard, revenue is recognized when a customer obtains control of a good or service. Transfer of control occurs when the customer has the ability to direct the use of and obtain the benefits of the good or service. This standard is effective for reporting periods beginning on or after January 1, 2018.

IFRS 9 Financial Instruments replaces the current standard IAS 39 Financial Instruments: Recognition and Measurement, replacing the current classification and measurement criteria for financial assets and liabilities with only two classification categories: amortized cost and fair value. This standard has an effective date of January 1, 2018.

IFRS 16 Leases was issued in January 2016 and specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. This standard is effective for reporting periods beginning on or after January 1, 2019.

The adoption of the above accounting policies impacted the consolidated financial statements for the year ended March 31, 2019 as described in the respective notes.

Future accounting pronouncements

Certain new accounting standards and interpretations have been published by the IASB or the IFRS Interpretations Committee that are not mandatory for the March 31, 2019 reporting period.

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its consolidated financial statements.

Critical Accounting Estimates

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the inputs used in the Black-Scholes option pricing model to measure stock-based compensation and warrants, determination of the liability portion of convertible debentures, determination of the useful life of equipment, net realizable value of inventory, provision for warranty expense, and the $nil provision for income taxes. Critical estimates used in the preparation of these accounting statements include but are not limited to the following:

Critical accounting judgments

i. the determination of the discount rate to use to discount the promissory note receivable, finance lease receivable and lease liabilities;
ii. the determination of the functional currency of each entity within the consolidated Company;
iii. the Company's ability to continue as a going concern (Note 1).
iv. The classification of leases as either financial leases or operating leases; and
v. The identification of performance obligations in revenue contracts and the determination of when they are satisfied.

Financial Instruments

The Company's financial instruments consist of cash and restricted cash, accounts receivable, finance lease receivable, promissory note receivable, line of credit, accounts payable and accrued liabilities, note payable, loans payable to related parties, promissory note payable, convertible debentures and lease liabilities. As at March 31, 2019, the Company had a working capital deficit of $155,176. The Company's continuing operations are dependent upon its ability to raise capital and generate cash flows from operations.

The Company has exposure to the following financial instrument related risks.

Credit risk
The Company's exposure to credit risk is on its cash, finance lease, and promissory note receivable. Cash consists of cash bank balances held in major financial institutions in Canada and the United States with a high credit quality and therefore the Company is exposed to minimal risk. The Company assesses the credit risk of its promissory note receivable counterparty and lease counterparty on an annual basis and believes it is exposed to minimal credit risk.

Liquidity risk
The Company tries to ensure that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's cash balances and available liquidity on the Company's $5 million operating line of credit. The Company's cash is invested in bank accounts at major financial institutions in Canada and the United States and is available on demand. The Company will continue to rely on additional financings to further its operations and meet its capital requirements.

Trade Tariffs
The Company manufactures and imports key components from overseas that may be subject to tariffs on importation into the United States.

Market risks
Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange. The Company believes interest rate risk is not material.

The Company is exposed to foreign exchange risk as it conducts business in both the United States and Canada. Management monitors its foreign currency balances, but the Company does not engage in any hedging activities to reduce its foreign currency risk.

At March 31, 2019, the Company was exposed to currency risk through the following monetary assets and liabilities in CDN Dollars.

Cash	$	2,067
Accounts Receivable	$	38,091
Promissory Notes Receivable	$	1,000,000
Accounts Payable and Accrued Liabilities	$	(176,197)
Loans Payable to Related Parties	$	(1,430,000)
Convertible Debentures	$	(5,646,000)
Note Payable	$	(380,000)

Based on the net exposure and assuming all other variables remain constant, a 10% change in the appreciation or depreciation of the Canadian dollar relative to the US dollar would result in a change of approximately $494,000 to other comprehensive income/loss.

Capital Management

The capital structure of the Company consists of cash, operating line of credit, secured and unsecured promissory notes and convertible debentures and equity attributable to common shareholders, consisting of issued share capital and deficit. There was no change to the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

Outlook
For the immediate future, the Company intends to:

- Complete production and delivery of 75 EV Stars currently in various stages of production
- Deliver the remaining EV350 to the City of Porterville
- Deliver Synapse school buses to various customers
- Conduct the Altoona test
- Expand assembly and manufacturing capabilities in the Company's leased facility in Porterville, including "Complete Knock Down" assembly of an EV Star
- Uplist the Company's shares to Nasdaq
- Initiate the construction of the manufacturing facility in Porterville, California
- Further develop its sales and marketing, engineering and technical resources

Capitalization and Outstanding Security Data

The total number of common shares issued and outstanding is 94,207,453 as of March 31, 2019. There are no preferred shares issued and outstanding.

An incentive stock option plan was established for the benefit of directors, officers, employees and consultants of the Company. As of March 31, 2019, there are 8,632,217 options granted and outstanding. The total number of common share warrants outstanding as of the same date is 22,058,197.

As at July 29, 2019, the company had 107,572,207 issued shares, 6,890,357 options outstanding, and 28,490,568 warrants outstanding.

Disclosure of Internal Controls

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to

make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements, and (ii) the financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

i. controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii. a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Risk Factors

Investing in the common shares of the Company involves risk. Prospective investors should carefully consider the risks described below, together with all of the other information included in this MD&A before making an investment decision. If any of the following risks actually occurs, the business, financial condition or results of operations of the Company could be harmed. In such an event, the trading price of the common shares could decline and prospective investors may lose part or all of their investment.

No Operating History

The Company has not paid any dividends and may not produce earnings or pay dividends in the immediate or foreseeable future.

Reliance on Management

The Company is relying solely on the past business success of its directors and officers. The success of the Company is dependent upon the efforts and abilities of its directors, officers and employees. The loss of any of its directors, officers or employees could have a material adverse effect upon the business and prospects of the Company.

Operational Risk

The Company is exposed to many types of operational risks that affect all companies. Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and/or systems. Operational risk is present in all of the Company's business activities, and incorporates exposure relating to fiduciary breaches, product liability claims, product recalls, regulatory compliance failures, legal disputes, business disruption, technology failures, business integration, damage to physical assets, employee safety, dependence on suppliers, foreign exchange fluctuations, insurance coverage and rising insurance costs. Such risks also include the risk of misconduct, theft or fraud by employees or others, unauthorized transactions by employees, operational or human error or not having sufficient levels or quality of staffing resources to successfully achieve the Company's strategic or operational objectives.

As a result of the acquisition of land in Porterville described in the Investing Activities section, the Company is subject to the risks normally associated with the construction of a manufacturing facility, including, but not limited to, construction delays, natural disasters, labour disputes, cost overruns, insufficient financing and requirements for governmental permits or approvals.

The occurrence of an event caused by an operational risk that is material could have a material adverse effect on the Company's business, financial condition, liquidity and operating results.

Volatile Operating Results

Our orders with our customers generally require time-consuming customization and specification. We incur significant operating expenses when we are building a bus prior to sale or designing and testing a new bus. If there are delays in the sale of buses to customers, such delays may lead to significant fluctuations in results of operations from quarter to quarter, making it difficult to predict our financial performance on a quarterly basis.

Competition in the industry

The Company competes against a number of existing manufacturers of all-electric buses, traditional diesel buses and other buses with various models based on size, purpose or performance features. The Company competes in the non-diesel or alternative fuel segment of this market. There are existing competitors in the various market segments with the potential for future competitors.

Provision for Warranty Costs

The Company offers warranties on the transit, charter and school buses it sells. Management estimates the related provision for future warranty claims based on historical warranty claim information as well as recent trends that might suggest past cost information may differ from future claims. Factors that could impact the estimated claim information include the success of the Company's productivity and quality initiatives as well as parts and labour costs. Actual warranty expense will differ from the provisions which are estimated by management.

Sales and Marketing

Presently, the initial price of the Company's products are higher than a traditional diesel bus and certain grants and subsidies are available to offset these higher prices. Sales of Company products may also be impacted by the current market price of diesel fuel, along with the values placed on avoiding other ancillary costs such as noise and vehicle emissions. The Company's products are based on emerging technologies which seek to provide operators and users with vehicles that are all-electric, emission free, and with reduced noise. A reduction or cancellation of these grants would negatively impact our sales program.

Current requirements and regulations may change or become more onerous

The Company's products must comply with local regulatory and safety requirements in order to be allowed to operate within the relevant jurisdiction or to qualify for funding. These requirements are subject to change and one regulatory environment is not indicative of another.

Additional Disclosure for Venture Issuers Without Significant Revenue

Expenses:

	March 31, 2019	March 31, 2018	March 31, 2017
Research and development costs	$ 437,208	$ 251,826	$ 312,278
General and administrative expenses	2,144,423	1,231,041	598,850
Other material costs *	$ 332,741	$ 744,801	$ 391,769

* Share-based payments

Annual Information:

	March 31, 2019	March 31, 2018	March 31, 2017
Revenues	$ 6,082,561	$ 3,516,156	$ -
Total net loss for the year	$ (4,544,151)	$ (2,774,140)	$ (2,813,217)
Basic and diluted loss per share	$ (0.05)	$ (0.03)	$ (0.03)
Total comprehensive loss	$ (4,567,842)	$ (2,752,826)	$ (2,808,429)
Total assets	$ 11,910,299	$ 7,490,466	$ 4,519,597
Total long-term financial liabilities	$ 4,657,588	$ 2,796,058	$ 1,022,553

Further information about the Company and its operations can be obtained from **www.sedar.com**