

SECURITIES AND EXCHANGE COMMISSION

FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **2019-05-15** | Period of Report: **2019-03-31**
SEC Accession No. [0001144204-19-026593](#)

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FILER

BIOHITECH GLOBAL, INC.

CIK: [1590383](#) | IRS No.: **462336496** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **10-Q** | Act: **34** | File No.: [001-36843](#) | Film No.: **19828429**
SIC: **8200** Educational services

Mailing Address

*80 RED SCHOOLHOUSE
ROAD
SUITE 101
CHESTNUT RIDGE NY 10977*

Business Address

*80 RED SCHOOLHOUSE
ROAD
SUITE 101
CHESTNUT RIDGE NY 10977
845-262-1081*

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: March 31, 2019

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-36843

biohitech

BIOHITECH GLOBAL, INC.

(Exact name of registrant as specified in its charter)

Delaware

*(State or other jurisdiction of
incorporation or organization)*

46-2336496

*(I.R.S. Employer
Identification No.)*

**80 Red Schoolhouse Road, Suite 101
Chestnut Ridge, New York**

(Address of principal executive offices)

10977

(Zip Code)

(845) 262-1081

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐

Non-accelerated filer ☒

Accelerated filer ☐

Smaller reporting company ☒

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.0001 par value per share	BHTG	NASDAQ Capital Market

The number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding as of May 7, 2019
Common Stock, \$0.0001 par value per share	14,907,956 shares

BioHiTech Global, Inc. and Subsidiaries

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

BioHiTech Global, Inc. and Subsidiaries

Condensed Consolidated Statements of Operations and Comprehensive Loss (Unaudited)

	Three Months Ended March 31,	
	2019	2018
Revenue		
Rental, service and maintenance	\$ 487,701	\$ 440,493
Equipment sales	-	65,850
Management advisory and other fees (related party)	250,000	139,383
Total revenue	737,701	645,726
Operating expenses		
Rental, service and maintenance	304,705	335,962
Equipment sales	-	26,547
Selling, general and administrative	2,326,362	1,579,990
Depreciation and amortization	27,937	30,716
Total operating expenses	2,659,004	1,973,215
Loss from operations	(1,921,303)	(1,327,489)
Other expenses		
Equity loss in affiliate	-	45,413
Interest expense, net	339,864	554,276
Interest expense incurred in warrant valuation and conversions	-	3,293,613
Total other expenses, net	339,864	3,893,302
Net loss	(2,261,167)	(5,220,791)
Net loss attributable to non-controlling interests	(311,701)	-
Net loss attributable to Parent	(1,949,466)	(5,220,791)
Foreign currency translation adjustment	1,253	(33,442)
Comprehensive loss	\$ (1,948,213)	\$ (5,254,233)
Net loss attributable to Parent	\$ (1,949,466)	\$ (5,220,791)
Less – preferred stock dividends	(127,919)	(91,039)
Net loss – common shareholders	(2,077,385)	(5,311,830)
Net loss per common share - basic and diluted	\$ (0.14)	\$ (0.49)
Weighted average number of common shares outstanding - basic and diluted	14,816,734	10,940,183

See accompanying notes to unaudited interim consolidated financial statements.

BioHiTech Global, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets

	March 31, 2019	December 31, 2018
	(Unaudited)	
Assets		
Current Assets		
Cash	\$ 1,374,564	\$ 2,410,709
Restricted cash	2,137,456	4,195,148
Accounts receivable, net	342,276	403,298
Inventory	430,417	499,848
Prepaid expenses and other current assets	126,585	66,425
Total Current Assets	4,411,298	7,575,428
Restricted cash	2,532,933	2,520,523
Equipment on operating leases, net	1,655,963	1,748,887
Equipment, fixtures and vehicles, net	43,544	49,028
HEBioT facility under construction	35,899,019	33,104,007
Operating lease right of use assets	1,021,190	-
Intangible assets, net	61,383	83,933
Investment in unconsolidated affiliates	1,687,383	1,687,383
MBT facility development and license costs	8,076,353	8,475,408
Goodwill	58,000	58,000
Other assets	13,500	13,500
Total Assets	\$ 55,460,566	\$ 55,316,097
Liabilities and Stockholders' Equity		
Current Liabilities:		
Line of credit, net of financing costs of \$29,168 and \$30,670 as of March 31, 2019 and December 31, 2018, respectively	\$ 1,470,832	\$ 1,469,330
Advance from related party	150,000	-
Accounts payable	4,391,816	1,310,998
Accrued interest payable	501,871	959,927
Accrued expenses and liabilities	878,356	3,354,124
Deferred revenue	112,292	98,596
Customer deposits	12,034	7,683
Note Payable	100,000	-
Long-term debt, current portion	8,362	9,165
Total Current Liabilities	7,625,563	7,209,823
Note payable	-	100,000
Junior note due to related party, net of discounts of \$112,928 and \$118,266 as of March 31, 2019 and December 31, 2018, respectively	931,548	926,211
Accrued interest (related party)	1,381,914	1,305,251
WV EDA Senior Secured Bonds payable, net of financing costs of \$1,930,163 and \$1,914,098 as of March 31, 2019 and December 31, 2018, respectively	31,069,837	31,085,902
Senior Secured Note, net of financing costs of \$148,665 and \$160,017 and discounts of \$924,951 and \$988,678, as of March 31, 2019 and December 31, 2018, respectively	3,926,384	3,851,305
Non-current lease liabilities	919,713	-
Long-term debt, net of current portion	11,345	12,806
Total Liabilities	45,866,304	44,491,298
Series A redeemable convertible preferred stock, 333,401 shares designated and issued, and 163,312 outstanding as of March 31, 2019 and December 31, 2018	816,553	816,553
Commitments and Contingencies	-	-
Stockholders' Equity		
Preferred stock, \$0.0001 par value; 10,000,000 shares authorized; 3,179,120 and 3,159,120 designated as of March 31, 2019 and December 31, 2018, 1,911,253 issued and 1,162,833		

outstanding as of March 31, 2019 and 1,903,753 issued and 1,155,333 outstanding as of December 31, 2018:

Series B Convertible preferred stock, 1,111,200 shares designated: 428,333 shares issued, no shares outstanding as of March 31, 2019 and December 31, 2018	-	-
Series C Convertible preferred stock, 1,000,000 shares designated, 427,500 shares issued and outstanding as of March 31, 2019 and December 31, 2018	3,050,142	3,050,142
Series D Convertible preferred stock, 20,000 shares designated: 7,500 shares issued and outstanding as of March 31, 2019 and no shares issued and outstanding as of December 31, 2018	750,000	-
Series E Convertible preferred stock, 714,519 shares designated: 714,519 shares issued, and 564,519 outstanding as of March 31, 2019 and December 31, 2018	1,490,330	1,490,330
Common stock, \$0.0001 par value, 50,000,000 shares authorized, 14,822,956 and 14,802,956 shares issued and outstanding as of March 31, 2019 and December 31, 2018, respectively	1,482	1,480
Additional paid in capital	43,750,710	43,452,963
Accumulated deficit	(46,562,223)	(44,594,385)
Accumulated other comprehensive income	6,274	5,021
Stockholders' equity attributable to Parent	2,486,715	3,405,551
Stockholders' equity attributable to non-controlling interests	6,290,994	6,602,695
Total Stockholders' Equity	8,777,709	10,008,246
Total Liabilities and Stockholders' Equity	\$ 55,460,566	\$ 55,316,097

See accompanying notes to unaudited interim consolidated financial statements.

BioHiTech Global, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows (Unaudited)

	Three Months Ended March 31,	
	2019	2018
Cash flows from operating activities:		
Net loss	\$ (2,261,167)	\$ (5,220,791)
Adjustments to reconcile net loss to net cash used in operations:		
Depreciation and amortization	129,435	115,752
Amortization of operating lease right of use assets	24,565	-
Provision for bad debts	15,000	11,734
Share based employee compensation	297,749	77,640
Interest resulting from amortization of financing costs and discounts	109,793	287,512
Equity loss in affiliate	-	45,413
Interest resulting from warrants valued upon conversion of host debt instruments	-	3,293,613
Loss resulting from abandonment of MBT site	346,654	-
Changes in operating assets and liabilities	125,322	(611,400)
Net cash used in operating activities	(1,212,649)	(2,000,527)
Cash flow from investing activities:		
Purchases of construction in-progress, equipment, fixtures and vehicles	(2,794,824)	(1,602)
MBT facility development costs incurred	(13,600)	(92,764)
MBT facility development costs refunded	66,000	-
Net cash used in investing activities	(2,742,424)	(94,366)
Cash flows from financing activities:		
Proceeds from issuance of senior secured credit facility and common stock	-	5,000,000
Repayment of line of credit facility	-	(2,463,736)
Proceeds from new line of credit facility	-	1,000,000
Proceeds from the sale of Series D convertible preferred stock units	750,000	-
Deferred financing costs incurred	(43,941)	(237,187)
Repayments of long-term debt	(2,264)	(2,192)
Proceeds from the subscription of Series B convertible preferred stock and warrants	-	1,125,000
Related party advance	150,000	-
Net cash provided by financing activities	853,795	4,421,885
Effect of exchange rate on cash	19,851	(4,657)
Net change in cash (restricted and unrestricted)	(3,081,427)	2,322,335
Cash - beginning of period (restricted and unrestricted)	9,126,380	901,112
Cash - end of period (restricted and unrestricted)	\$ 6,044,953	\$ 3,223,447

Note 21 includes supplemental cash flow information, non-cash investing and financing activities and changes in operating assets and liabilities.

See accompanying notes to unaudited interim consolidated financial statements.

BioHiTech Global, Inc. and Subsidiaries
Condensed Consolidated Statements of Changes in Stockholders' Equity (Deficit) (Unaudited)
Statement of Stockholders' Equity Attributable to Parent for the Three Months Ended March 31, 2019:

	Preferred Stock		Common Stock		Additional Paid in Capital	Accumulated Comprehensive Other Loss	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount				
Balance at January 1, 2019	992,019	\$ 4,540,472	14,802,956	\$ 1,480	\$ 43,452,963	\$ 5,021	\$ (44,594,385)	\$ 3,405,551
Series D preferred stock	7,500	750,000						750,000
Share-based employee and director compensation					297,749			297,749
Issuance of restricted stock			20,000	2	(2)			-
Preferred stock dividends							(18,372)	(18,372)
Net loss							(1,949,466)	(1,949,466)
Foreign currency translation adjustment						1,253		1,253
Balance at March 31, 2019	999,519	\$ 5,290,472	14,822,956	\$ 1,482	\$ 43,750,710	\$ 6,274	\$ (46,562,223)	\$ 2,486,715

Statement of Stockholders' Equity Attributable to Non-Controlling Interests in Consolidated Subsidiaries for the Three Months Ended March 31, 2019:

	Non-Controlling Equity Interest	Accumulated Deficit	Total
Balance at January 1, 2019	\$ 6,679,585	\$ (76,890)	\$ 6,602,695
Net loss		(311,701)	(311,701)
Balance at March 31, 2019	\$ 6,679,585	\$ (388,591)	\$ 6,290,994

Statement of Stockholders' Equity Attributable to Parent for the Three Months Ended March 31, 2018:

	Preferred Stock		Common Stock		Additional Paid in Capital	Accumulated Comprehensive Other Loss	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount				
Balance at January 1, 2018	160,000	\$ 699,332	9,598,208	\$ 960	\$ 17,752,990	\$ (38,590)	\$ (29,431,416)	\$ (11,016,724)
Issuance of Series B preferred stock	268,333	1,068,039			273,626			1,341,665
Issuance of Series C preferred stock	427,500	3,050,142			1,360,681			4,410,823
Common stock issued for acquisition of Gold Medal Group			500,000	50	2,249,950			2,250,000
Share-based employee and director compensation					77,640			77,640
Share-based professional services compensation			30,000	3	(3)			-
Conversion of debt into common stock			1,349,577	135	3,715,239			3,715,374
Interest on converted debt in common stock			104,889	10	523,778			523,788
Common stock issued in connection with debt financings			320,000	32	1,212,089			1,212,121
Warrants valued in connection with debt conversions and amendments			23,243	2	3,293,611			3,293,613
Foreign currency translation adjustment						(33,442)		(33,442)
Preferred stock dividends					79,210		(91,039)	(11,829)
Net loss							(5,220,791)	(5,220,791)
Balance at March 31, 2018	855,833	\$ 4,817,513	11,925,917	\$ 1,192	\$ 30,538,811	\$ (72,032)	\$ (34,743,246)	\$ 542,238

See accompanying notes to unaudited interim consolidated financial statements.

BioHiTech Global, Inc. and Subsidiaries

Notes to Unaudited Condensed Consolidated Financial Statements

For the Three Months Ended March 31, 2019 and 2018

Note 1. Basis of Presentation and Going Concern

Nature of Operations - BioHiTech Global, Inc. (the “Company” or “BioHiTech”) through its wholly-owned and its controlled subsidiaries offers cost-effective and technologically innovative advancements integrating technological, biological and mechanical engineering solutions for the control, reduction and / or reuse of organic and municipal waste.

As of March 31, 2019 and December 31, 2018, the Company’s active wholly-owned subsidiaries were BioHiTech America, LLC, BioHiTech Europe Limited, BHT Financial, LLC and E.N.A. Renewables LLC, and its controlled subsidiary was Refuel America LLC (60%) and its wholly-owned subsidiaries Apple Valley Waste Technologies Buyer, Inc., Apple Valley Waste Technologies, LLC, New Windsor Resource Recovery LLC and Rensselaer Resource Recovery LLC and its controlled subsidiary Entsorga West Virginia LLC (78.2%).

As of March 31, 2018, the Company’s active wholly-owned subsidiaries were BioHiTech America, LLC, BioHiTech Europe Limited, BHT Financial, LLC and E.N.A. Renewables LLC, and New Windsor Resource Recovery LLC.

Basis of Presentation - The accompanying unaudited condensed consolidated financial statements include the accounts of the Company and its wholly owned and controlled subsidiaries and have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial information and with the instructions to Form 10-Q and Article 8 of Regulation S-X. Certain information or footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted. Accordingly, they do not include all the information and footnotes necessary for a comprehensive presentation of financial position, results of operations, or cash flows. It is management’s opinion, however, that the accompanying condensed consolidated financial statements include all adjustments, consisting of a normal recurring nature, which are necessary for a fair presentation of the financial position, operating results and cash flows for the periods presented.

The accompanying condensed consolidated financial statements should be read in conjunction with the Company’s financial statements for the year ended December 31, 2018, which contains the audited financial statements and notes thereto, for the years ended December 31, 2018 and 2017 included within the Company’s Form 10-K filed with the Securities and Exchange Commission (“SEC”) on April 1, 2019. The financial information as of December 31, 2018 presented hereto is derived from the audited consolidated financial statements presented in the Company’s audited consolidated financial statements for the year ended December 31, 2018. The interim results for the three months ended March 31, 2019 are not necessarily indicative of the results to be expected for the year ending December 31, 2019 or for any future interim periods.

Reclassifications to certain prior period amounts have been made to conform to current period presentation. These reclassifications have no effect on previously reported net loss.

Going Concern and Liquidity - For the three months March 31, 2019, the Company had a consolidated net loss of \$2,261,167, incurred a consolidated loss from operations of \$1,921,303 and used net cash in consolidated operating activities of \$1,212,649. At March 31, 2019, consolidated total stockholders’ equity amounted to \$8,777,709, consolidated stockholders’ equity attributable to parent amounted to \$2,486,715 and the Company had a consolidated working capital deficit of \$3,214,265. The Company does not yet have a history of financial profitability. Historically the principal source of liquidity has been the issuance of debt and equity securities. Presently, the Company does not have firm commitments to fund its present operational and strategic plans. These factors raise substantial doubt about the Company’s ability to continue as a going concern.

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. These consolidated financial statements do not include any adjustments relating to the recovery of the recorded assets or the classification of the liabilities that might be necessary should the Company be unable to continue as a going concern. The ability of the Company to continue as a going concern is dependent on management’s further implementation of the Company’s on-going and strategic plans, which include continuing to raise funds through debt and/or equity raises. Should the Company be unable to raise adequate funds, certain aspects of the on-going and strategic plans may require modification.

The Company is presently in the process of raising additional debt and capital for general operations and for investment in several strategic initiatives, as well as commercial debt to support its leasing activities. There is no assurance that the Company will be able to raise sufficient debt or capital to sustain operations or to pursue other strategic initiatives or that such financing will be on terms that are favorable to the Company.

BioHiTech Global, Inc. and Subsidiaries

Notes to Unaudited Condensed Consolidated Financial Statements

For the Three Months Ended March 31, 2019 and 2018

Note 2. Summary of Significant Accounting Policies

Use of Estimates — The preparation of consolidated financial statements, in conformity with GAAP requires the extensive use of management's estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from these estimates. Estimates are used when accounting for items and matters including, but not limited to, valuation of deferred tax assets, share based compensation, allowance for uncollectible accounts receivable, obsolete, slow moving and excess inventory, asset valuations, including intangibles, and useful lives and other provisions and contingencies.

Foreign Operations — Assets and liabilities denominated in foreign currencies are translated into U.S. dollars at the exchange rates existing at the respective balance sheet dates. Income and expense items are translated at the average rates during the respective periods. Translation adjustments resulting from fluctuations in exchange rates are recorded as a separate component of other comprehensive income (loss) while transaction gains and losses are recorded in net earnings (loss).

The Company pays Value Added Tax ("VAT") or similar taxes ("input VAT") within the normal course of its business in the United Kingdom on merchandise and/or services it acquires. The Company also collects VAT or similar taxes on behalf of the government ("output VAT") for merchandise and/or services it sells. If the output VAT exceeds the input VAT, then the difference is remitted to the government, usually on a monthly basis. If the input VAT exceeds the output VAT, this creates a VAT receivable. The Company either requests a refund of this VAT receivable or applies the balance to expected future VAT payables.

Product and Services Revenue Recognition — The Company records revenue based on a five-step model in accordance with ASC 606, Revenue from Contracts with Customers, which require that we:

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price of the contract;
4. Allocate the transaction price to the performance obligations in the contract;
5. Recognize revenue when the performance obligations are met or delivered.

The Company's performance obligations are satisfied at the point in time when products are shipped to the customer, which is when the customer has title and control. Therefore, the Company's contracts have a single performance obligation (shipment of product). The Company primarily receives fixed consideration for sales of products.

Management advisory fees are recognized over the term of the agreement.

The Company records taxes collected from customers and remitted to governmental authorities on a net basis.

Lease Revenue Recognition — Rental, service and maintenance revenues relating to the Company's rental agreements involve providing use of the Company's digesters at customer locations, access to our software as a service and preventative maintenance over the term. The agreements generally provide for flat monthly payments that the Company believes are consistent with our costs and obligations underlying the agreements.

The Company selected the practical expedient not to separate non-lease components from lease components. The Company recognizes revenue from the rental of the digester units ratably on a monthly basis over the term of the lease, as it has determined that the rental agreements entered into in connection with its digester units qualify as operating leases, for which the Company is the operating lessor. In order to determine lease classification as operating, the Company evaluates the terms of the rental agreement to determine if the lease includes any of the following provisions which would indicate sales type lease treatment:

- The lease transfers ownership of the underlying asset to the lessee by the end of the lease term,
- The lease grants the lessee an option to purchase the underlying asset that the lessee is reasonably certain to exercise,

- The Lease term is for the major part of the remaining economic life of the underlying asset. However, if the commencement date falls at or near the end of the economic life of the underlying asset, this criterion shall not be used for purposes of classifying the lease,
- The present value of the sum of the lease payments and any residual value guaranteed by the lessee that is not already reflected in the lease payments equals or exceeds substantially all of the fair value of the underlying asset or
 - The underlying asset is of such a specialized nature that it is expected to have no alternative use to the lessor at the end of the lease term.

BioHiTech Global, Inc. and Subsidiaries

Notes to Unaudited Condensed Consolidated Financial Statements

For the Three Months Ended March 31, 2019 and 2018

Restricted Cash — Includes Restricted cash that is restricted as to its use, as it is held by a trustee in accordance with the West Virginia Economic Development Authority bond agreement. These amounts are held by the Company's trustee in various bank accounts segregated for specific uses related to the construction and operation of the resource recovery facility. Amounts required to meet current operations of the Company have been classified as current in the accompanying consolidated balance sheets.

HEBioT Facility under Construction — High Efficiency Biological Treatment ("HEBioT") facility under construction include all costs incurred to bring an asset to the condition and location necessary for its intended use. Included in the capitalized costs are construction, legal, leasehold improvements, and interest. Once placed into service, these costs will be depreciated over their estimated useful lives on a straight-line basis.

MBT Facility Development Costs — The Company defers costs relating to on-going Mechanical Biological Treatment ("MBT") facility development costs commencing upon the Company's determination that the project will be completed. These site specific costs generally include external costs generally relating to legal, engineering and other costs relating to the acquisitions of land, permits and licenses. Upon commencement of construction, to the extent that costs relate to the facility, they are transferred to the construction in progress.

Investments in Unconsolidated Entities — The Company utilizes the equity method of accounting for investments in companies if the investment provides the ability to exercise significant influence, but not control, over operating and financial policies of the investee. The Company's proportionate share of net income or loss is included in the Company's consolidated operations as earning or loss from unconsolidated equity basis investments. In circumstances where the Company does not have the ability to exercise significant influence or control over the operating and financial policies of the investee, the investment is carried at cost, less impairment, adjusted for subsequent changes to estimated fair value.

Deferred Financing Costs — Deferred financing costs relating to issued debt are included as a reduction to the applicable debt and amortized as interest expense over the term of the related debt instruments.

Income Taxes — Deferred income taxes are determined based on the estimated future tax effects of differences between the financial statement and tax bases of assets and liabilities given provisions of enacted laws. Deferred income tax provisions and benefits are based on changes to the asset or liabilities from year to year. In providing for deferred taxes, the Company considers tax regulations of the jurisdictions in which it operates, estimates the future taxable income and available tax planning strategies. If tax regulations, operating results or the ability to implement tax planning and strategies vary, adjustments to the carrying value of deferred tax assets and liabilities may be required. Valuation allowances are recorded related to deferred tax assets based on the "more than likely" criteria.

The Company recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more likely than not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority.

Loss per Share — The Company computes basic loss per share using the weighted-average number of shares of common stock outstanding and diluted loss per share, while the diluted loss per share also includes the effects of dilutive instruments using the "treasury method." Dividends attributable to preferred stock, whether declared or accrued, are deducted from income attributable to common shareholders for purposes of earnings per share.

The Company's potential dilutive instruments include convertible preferred stock, options, convertible debt and warrants. These instruments have not been considered in the calculation of diluted loss per share as they are anti-dilutive for the reported periods.

Note 3. Acquisition and Contribution Agreement

On November 28, 2018, Company entered into a definitive agreement (the "MIPS") with Entsorga USA, Inc. ("EUSA") whereby EUSA agreed to sell, transfer and convey to BioHiTech 2,687 membership units of Entsorga West Virginia, LLC ("EWV") (the "Membership units") in consideration of 714,519 shares of BioHiTech's newly created Series E convertible preferred stock (the "Sr. E CPS"). EWV is a facility under construction that is intended to utilize HEBioT technology to divert municipal solid waste from landfills and to create an EPA recognized alternative commodity fuel.

On December 14, 2018, the EUSA transaction was consummated. The 714,519 shares of Sr. E CPS were valued at \$1,886,630 based on the underlying common shares which the Sr. E CPS is convertible into. The total acquisition price of \$2,863,583 is comprised of the aforementioned transaction, plus \$976,953 of previously held equity in EWV.

Upon consummation of the MIPS agreement BioHiTech owned a total of 4,410.4 membership units of EWV, comprised of the 2,687 units resulting from the MIPS agreement and 1,723.4 units previously acquired by BioHiTech during 2017. The 4,410.4 membership units represented 44.1% of the total membership units issued by EWV, which combined with BioHiTech's control of EWV's board, management and having the largest ownership block of EUSA, with the next largest block, which represents 34.1%, an entity over which BioHiTech has controlling financial interest, results in the investment being recognized in the Company's financial statements on a consolidated basis.

BioHiTech Global, Inc. and Subsidiaries

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Following the consummation of the MIPS, on December 14, 2018, BioHiTech entered into a Contribution and Transaction Agreement (“CTA”) with Gold Medal Group, LLC (“GMG”) and a newly formed subsidiary Refuel America, LLC (“Refuel”) of the Company whereby GMG contributed \$3,500,000 in cash and its 34.1% ownership interest in EVW (owned by GMG’s wholly owned subsidiary Apple Valley Waste Technologies, LLC) into Refuel and BioHiTech contributed its 44.1% interest in EWV, a technology license for a future HEBioT facility that BioHiTech carried at a value of \$6,019,200 and \$316,207 in capitalized costs relating to two separate HEBioT facility on-going projects. In exchange for the assets contributed, BioHiTech and GMG acquired 60% and 40%, respectively, of the membership units of Refuel, which approximate the carrying value of each of the BioHiTech and GMG assets contributed. As a result of there being a continuation in proportional ownership of the significant assets and the affiliate nature BioHiTech and GMG through a non-controlling interest of GMG being owned by BioHiTech and there being a management agreement between GMG’s largest subsidiary, Gold Medal Holdings, LLC (“GMH”) whereby BioHiTech provides executive management of GMH with control over the strategic and operational activities of GMH, the CTA transaction has been accounted for without separate acquisition accounting applied to the CTA elements.

The following presents unaudited pro forma information as if the acquisition had occurred as of January 1, 2018. The pro forma results do not include any anticipated cost synergies or other effects of the integration of the acquired company. Pro forma amounts are not necessarily indicative of the results that actually would have occurred had the acquisition been completed on the dates indicated, nor is it indicative of future operating results of the combined company.

	For the Three Months Ended March 31,	
	2019	2018
Pro forma revenue	\$ 737,701	\$ 645,726
Pro forma net loss	(2,261,167)	(5,256,782)
Proforma earnings per share – basic and diluted	(0.14)	(0.48)

Note 4. Investments in Unconsolidated Entities

Entsorga West Virginia LLC - Effective March 21, 2017, the Company acquired a 17.2% interest in Entsorga West Virginia LLC EWV from the original investors at their original purchase price of \$60,000 for each 1% of interest in EWV (\$1,034,028). From March 21, 2017 through December 14, 2018 the Company recognized the investment utilizing the equity method of accounting due to its investment and its ability to influence operations and activities of EWV. On December 14, 2018, the Company consummated an additional acquisition of 2,687 membership units that resulted in the Company gaining control of EWV. From December 14, 2018, EWV is consolidated in the accompanying condensed consolidated financial statements.

During the three months ended March 31, 2018, the Company had recognized losses through equity method accounting of \$45,413.

Gold Medal Group, LLC – On January 25, 2018, the Company entered into a Membership Interest Purchase Agreement (the “Purchase Agreement”) to acquire 9.2% of the outstanding membership units (the “Units”) of GMG, which is the owner of a traditional waste management entity. Pursuant to the Purchase Agreement, the Company acquired the Units from two unrelated parties in consideration \$2,250,000 paid through the issuance of 500,000 shares of the Company’s common stock.

Additionally, on January 25, 2018, the Company entered into an Advisory Services Agreement (the “ASA”). Under the ASA, the Company provides services relating to corporate development, strategic planning, operational and sales oversight and other general administrative and support services in exchange for fees annually amounting to the greater of \$750,000, which was subsequently changed to \$1,000,000, or 10% of GMG’s ordinary earnings before interest, taxes, depreciation and amortization. As a result of the investment and its ability to influence operations and activities of GMG, the Company initially recognized its investment utilizing the equity method of accounting on a three-month lag in reporting periods, accordingly no income or loss was recognized during the three-months ended March 31, 2018.

During 2018, the Company’s investment in GMG was diluted from 9.2% to 2.9% due to additional GMG acquisitions and investments, including the CTA with the Company. As a result of the reduction in the ownership level and accordingly, a reduction in influence,

effective December 14, 2018 the Company changed its prospective accounting for GMG from the equity method to investment at cost, less impairment, adjusted for subsequent changes to estimated fair value.

Note 5. Accounts Receivable, net

Accounts receivable consists of the following:

	March 31, 2019	December 31, 2018
Accounts receivable	\$ 467,315	\$ 513,336
Less: allowance for doubtful accounts receivable	(125,039)	(110,038)
	<u>\$ 342,276</u>	<u>\$ 403,298</u>

Note 6. Inventory

Inventory, comprised of finished goods and parts or assemblies, consist of the following:

	March 31, 2019	December 31, 2018
Equipment	\$ 120,493	\$ 169,540
Parts and assemblies	309,924	330,308
	<u>\$ 430,417</u>	<u>\$ 499,848</u>

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Note 7. Equipment on Operating Leases, net

Equipment on operating leases consist of the following:

	March 31, 2019	December 31, 2018
Leased equipment	\$ 2,930,065	\$ 3,054,097
Less: accumulated depreciation	(1,274,102)	(1,305,210)
	<u>\$ 1,655,963</u>	<u>\$ 1,748,887</u>

During the three months ended March 31, 2019 and 2018, depreciation expense included in rental, service and maintenance expense, amounted to \$101,502 and \$85,044, respectively.

The Company is a lessor of digester units under non-cancellable operating lease agreements expiring through December 2023. These leases generally have terms of three to five years and do not contain stated extension periods or options for the lessee to purchase the underlying assets. At the end of the leases, the lessee may enter into a new lease or return the asset, which would be available to the Company for releasing. During the three months ended March 31, 2019 and 2018, revenue under the agreements, which is included in rental, service and maintenance revenue, amounted to \$341,665 and \$287,628, respectively.

The minimum future estimated contractual payments to be received under these leases as of March 31, 2019 is as follows:

Year ending December 31,

2019 (remaining)	\$ 1,006,833
2020	1,060,290
2021	752,492
2022	467,394
2023 and thereafter	182,959
Total minimum lease income as of March 31, 2019	<u>\$ 3,469,968</u>

Note 8. Equipment, Fixtures and Vehicles, net

Equipment, fixtures and vehicles consist of the following:

	March 31, 2019	December 31, 2018
Computer software and hardware	\$ 112,480	\$ 112,500
Furniture and fixtures	48,196	48,196
Vehicles	50,319	50,319
	<u>210,995</u>	<u>211,015</u>
Less: accumulated depreciation and amortization	(167,451)	(161,987)
	<u>\$ 43,544</u>	<u>\$ 49,028</u>

During the three months ended March 31, 2019 and 2018, depreciation expense amounted to \$5,387 and \$8,166, respectively.

Note 9. HEBioT Facility Under Construction

The Company is presently constructing a HEBioT facility in Martinsburg, West Virginia that is anticipated to become fully operational in 2019 and accepted its first test loads of solid municipal waste on March 29, 2019 to commence commissioning and equipment calibration. The Company capitalizes all costs incurred to bring an asset to the condition and location necessary for its intended use. Included in the capitalized costs are construction, specialized equipment, legal, leasehold improvements, and interest. Capitalized interest relates to the

State of West Virginia Revenue Bonds and amounted to \$618,706 for the three months ended March 31, 2019. Once placed into service in the second quarter of 2019, these componentized costs will be depreciated over their estimated useful lives on a straight-line basis.

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Note 10. MBT Facility Development and License Costs

MBT Facility Development and License Costs consist of the following:

	March 31, 2019	December 31, 2018
MBT Projects		
New Windsor, New York:		
Land acquisition	\$ -	\$ 66,000
Legal	-	46,030
Survey and engineering	-	300,624
	<u>-</u>	<u>412,654</u>
Rensselaer, New York:		
Survey and engineering	167,153	153,554
Total MBT projects	<u>167,153</u>	<u>566,208</u>
Technology Licenses		
Future site	6,019,200	6,019,200
Martinsburg, West Virginia	1,890,000	1,890,000
Total Technology Licenses	<u>7,909,200</u>	<u>7,909,200</u>
Total MBT Facility Development and License Costs	<u>\$ 8,076,353</u>	<u>\$ 8,475,408</u>

MBT Facility Development Costs*New Windsor, New York*

As of December 31, 2018, the Company was pursuing local and state permits, and other approvals required to continue development of the project. During the three months ended March 31, 2019, the Company elected to rescind an agreement for the purchase of real property with the Town of New Windsor in exchange for a return of the \$66,000 paid by the Company under the rescinded contract and to relocate the project. While the Company is presently investigating several other sites for the project, as a result of abandoning the initial site, the Company has reflected an impairment expense of \$346,654 relating to the site during the three months ended March 31, 2019 in selling, general and administrative expenses in the accompanying condensed consolidated statements of operations and comprehensive loss.

Rensselaer, New York

During 2018, the Company commenced initial development of a project in Rensselaer, NY. As of March 31, 2019, the Company has received local permits and has filed initial state permit applications is responding to the regulator's comments.

HEBioT Technology Licenses*Technology License Agreement – Future Facility*

On November 1, 2017, the Company entered into a Technology License Agreement (the "License Agreement") with Entsorgafin S.p.A. ("Entsorga") whereby the Company acquired a license for the design, development construction, installation and operation of a High Efficiency Biological Treatment ("HEBioT") renewable waste facility with a capacity of 165,000 tons per year. The patented HEBioT technology converts mixed municipal and organic waste to a US Environmental Protection Agency recognized alternative fuel source.

The royalty payment for the license amounted to \$6,019,200, which was comprised of 1,035,905 shares of the Company's common stock, par value \$0.0001 per share and cash payments in an amount up to \$839,678 for Entsorga's withholding taxes in the United States and Italy. The Company also entered into a Registration Rights Agreement with Entsorga whereby the Company granted Entsorga certain piggy-back and demand registration rights with respect to the Shares. This Technology License Agreement can be utilized at a future project and will be amortized once the facility is in operation.

Technology License Agreement – Martinsburg, West Virginia

In connection with the acquisition accounting applied to Entsorga West Virginia acquisition consummated on December 14, 2018, the facility License Agreement was valued at \$1,890,000.

Note 11. Intangibles Assets, net

Intangible assets consist of distribution and intellectual property agreements relating to the Eco-Safe digester line, as follows:

	Useful Lives (Years)	Remaining Weighted Average Life (Years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
March 31, 2019	10	0.7	\$ 902,000	\$ (840,617)	\$ 61,383
December 31, 2018	10	0.9	902,000	(818,067)	83,933

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During the each of the three months ended March 31, 2019 and 2018, amortization expense, included in depreciation and amortization of operating expenses, amounted to \$22,550. Future amortization amounts to \$20,983 during the remained of 2019 and \$20,200 in each of the years ending December 31, 2020 and 2021.

Note 12. Goodwill

As of March 31, 2019 and December 31, 2018, the Company has goodwill of \$58,000 resulting from the Entsorga West Virginia, LLC acquisition on December 14, 2018. Impairment testing is performed annually at the end of the calendar year. It is not anticipated that this goodwill will be tax deductible.

Note 13. Risk Concentrations

The Company operates as a single segment on a worldwide basis through its subsidiaries, resellers and independent sales agents. Gross revenues and net non-current tangible assets on a domestic and international basis are as follows:

	United States	International	Total
2019:			
Revenue, for the three months ended March 31, 2019	\$ 641,646	\$ 96,055	\$ 737,701
Non-current tangible assets, as of March 31, 2019	39,869,032	275,927	40,144,959
2018:			
Revenue, for the three months ended March 31, 2018	\$ 572,384	\$ 73,342	\$ 645,726
Non-current tangible assets, as of December 31, 2018	37,151,501	284,444	37,435,945

Credit risk — Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and accounts receivable.

The Company minimizes credit risk associated with cash by periodically evaluating the credit quality of its primary financial institutions. At times, the Company's cash may be uninsured or in deposit accounts that exceed the Federal Deposit Insurance Corporation ("FDIC") in the USA and the Financial Conduct Authority ("FCA") in the UK insurance limits. Through March 31, 2019, the Company had not experienced losses on these accounts and management believes the Company is not exposed to significant risks on such accounts.

Major customers — During the three months ended March 31, 2019, one customer represented at least 10% of revenues, accounting for 34.6% (Gold Medal Holdings, Inc., an unconsolidated affiliate) of revenues. During the three months ended March 31, 2018, one customer represented at least 10% of revenues, accounting for 22% (Gold Medal Holdings, Inc., an unconsolidated affiliate) of revenues.

As of March 31, 2019, no customers represented at least 10% of accounts receivable. As of December 31, 2018, one customer represented at least 10% of accounts receivable, accounting for 32.8% (Gold Medal Holdings, Inc., an unconsolidated affiliate) of accounts receivable.

Vendor concentration — During the three months ended March 31, 2019, no vendors represented at least 10% of the combined cost of revenues and change in inventory. During the three months ended March 31, 2018, two vendors represented at least 10% of costs of revenue, accounting for 37% and 16% of the combined cost of revenues and change in inventory.

As of March 31, 2019, no vendors represented at least 10% of accounts payable. As of December 31, 2018, one vendor represented at least 10% of accounts payable, accounting for 12.0% (a 1.4% shareholder) of accounts payable.

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Notes to Unaudited Condensed Consolidated Financial Statements

For the Three Months Ended March 31, 2019 and 2018

Note 14. Line of Credit, Notes Payable, Advances, Promissory Note, Convertible Promissory Notes and Long-Term Debt

Notes, lines, advances and long-term debts are comprised of the following:

	March 31, 2019		December 31, 2018	
	Total	Related Party	Total	Related Party
Line of credit	\$ 1,470,832	\$ -	\$ 1,469,330	\$ -
Senior secured promissory note	3,926,384	-	3,851,305	-
Junior promissory note	931,548	931,548	926,211	926,211
Note payable	100,000	-	100,000	-
Advance from related party	150,000	150,000	-	-
Long term debt - current and long-term portion	19,707	-	21,971	-

Line of Credit — On February 2, 2018, the Company's subsidiary, BHT Financial, LLC ("BHTF") entered into a new Credit Agreement (the "Credit Agreement") and a Master Revolving Note (the "Note") with Comerica that provides for a facility of up to \$1,000,000, secured by the assets of BHTF. The Credit Agreement and Note were amended on November 9, 2018 to increase the facility to \$1,500,000. The Note does not have any financial covenants, carries interest at the rate of 3%, plus either the Comerica prime rate or a LIBOR-based rate, (6.49% and 6.52% as of March 31, 2019 and December 31, 2018, respectively) and matures on January 1, 2020. The line of credit is secured by the assets of BHTF and is personally guaranteed by the Company's Chief Executive Officer, Frank E. Celli and James C. Chambers, a director.

As of March 31, 2019 and December 31, 2018, the \$1,500,000 balance outstanding is presented net of \$34,945 in issuance costs associated with the financing, net of \$5,777 and \$4,275 in amortization, respectively, calculated on the effective interest method, which is included in interest expense in the accompanying consolidated statements of operations and comprehensive loss.

Michaelson Senior Secured Term Promissory Financing – On February 2, 2018, the Company and several of the Company's wholly-owned subsidiaries entered into and consummated a Note Purchase and Security Agreement (the "Purchase Agreement") with Michaelson Capital Special Finance Fund II, L.P. ("MCSFF") to issue a senior secured term promissory note in the principal amount of \$5,000,000 (the "Note"). The Note is not convertible and accrues interest at the rate of 10.25% per annum. The Note provides for certain financial covenants that were not met as of March 31, 2019 and December 31, 2018 and a waiver of such was granted by MCSFF. The Note is to be repaid in eight, equal, quarterly installments of \$625,000 commencing on May 15, 2021 and ending February 2, 2023 (the "Maturity Date"). Additionally, the Note is secured by a general security interest in all of the Company's assets as well all of the assets of the Company's subsidiaries, excluding those of Entsorga West Virginia LLC which is subject to superior security interests relating to the Entsorga West Virginia LLC WVEDA bonds. Further, the Company's Chief Executive Officer, guaranteed a portion of the Registrant's obligations to MCSFF. In connection with the issuance of the Note, the Company issued MCSFF 320,000 shares of the Registrant's common stock, par value \$0.0001 per share. As of March 31, 2019 and December 31, 2018, the carrying balance of the Note is comprised of \$5,000,000 face value, less \$1,212,121 allocated to the common stock issued based upon the market value on the date issued, less associated amortization of \$287,169 and \$223,443, respectively, on the stock discount, less deferred financing costs of \$211,187, less \$62,523 and \$51,170, respectively, of associated deferred financing cost amortization. All amortization is computed on the effective interest method and included in interest expense in the accompanying consolidated statements of operations and comprehensive loss.

Junior Promissory Note – On February 2, 2018, the Company entered into a Securities Exchange and Note Purchase Agreement (the "Exchange Agreement") with Frank E. Celli, the Company's Chief Executive Officer, whereby Celli exchanged \$4,500,000 in a note receivable from the Company and \$544,777 in advances made to the Company for \$4,000,000 of the Registrant's Series C Convertible Preferred Stock, par value \$0.0001 (the "Series C Preferred Stock") and a junior promissory note (the "Junior Note") amounting to \$1,044,477, which is carried net of discounts amounting to \$135,823, less associated amortization of \$22,894 and \$17,557 as of March 31, 2019 and December 31, 2018, respectively. The Junior Note, which is subordinated to the senior secured note, is not convertible, accrues interest at the rate of 10.25% per annum and matures on February 2, 2024.

Note Payable — As of March 31, 2019 and December 31, 2018, the note, with interest at 10%, had a remaining balance outstanding of \$100,000 and matures on January 1, 2020 and does not contain any financial covenants.

Long Term Debt — Represents two loans collateralized by vehicles with interest ranging from 1.9% to 4.99%, each with amortizing principal payment requirements through 2020 and 2022, respectively.

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Maturities of Senior Secured, Junior Promissory, Notes Payable and Long Term Debt— as of March 31, 2019, excluding discounts and deferred finance costs, which are being amortized as interest expense, are as follow:

Year Ending December 31,	Amortizing	Non-Amortizing	Total
2019 (remaining)	\$ 6,901	\$ -	\$ 6,901
2020	4,605	100,000	104,605
2021	4,380	1,875,000	1,879,380
2022	3,821	2,500,000	2,503,821
2023 and thereafter	-	1,669,477	1,669,477
Total	\$ 19,707	\$ 6,144,477	\$ 6,164,184

Note 15. Entsorga West Virginia, LLC WVEDA Solid Waste Disposal Revenue Bonds

During 2016, Entsorga West Virginia LLC (the “Borrower”) was issued \$25,000,000 in Solid Waste Revenue Bonds from the West Virginia Economic Development Authority (the “WVEDA Bonds”). The WVEDA Bonds were issued in two series with one for \$7,535,000 bearing interest at 6.75% per annum with a maturity date of February 1, 2026 and the second for \$17,465,000 bearing interest at 7.25% per annum with a maturity of February 1, 2036. Both series were issued at par. The 2026 series was payable with interest-only payments through February 1, 2019 then annual payments of principal and semi-annual payments of interest through maturity. The 2036 series is payable with interest-only payments through February 1, 2019 then annual payments of principal and semi-annual payments of interest through maturity. Repayment of principal is by way of sinking fund.

During 2018, the 2016 Indenture Trust and Loan Agreement were amended and restated effective November 1, 2018. These amendments provided for a third series of bonds amounting to \$8,000,000 bearing interest at 8.75% per annum with a maturity date of February 1, 2036, with special event triggered pre-payment requirements. This series was issued at par. The 2036 series is payable with interest-only payments through February 1, 2020 then annual payments of principal and semi-annual payments of interest through maturity. Repayment is by way of sinking fund.

The outstanding balance of the WVEDA Bonds as of March 31, 2019 and December 31, 2018 is \$33,000,000, which is presented net of unamortized debt issuance costs amounting to \$2,189,549 and \$2,145,608, less associated amortization of \$259,386 and \$231,510, respectively, which includes amortization prior to the Company’s control acquisition in 2018.

The loan agreement and Indenture of trust place restrictions on the Borrower and its members regarding additional encumbrances on the property, disposition of the property, and limitations on equity distributions. The loan agreement also provides for financial covenants that will become effective two quarters following the completion of the facility or two quarters following March 31, 2019, whichever is earlier.

The future sinking fund payments by the Borrower as of March 31, 2019 are as follow:

	2016 Issue 2026 Series	2016 Issue 2036 Series	2018 Issue 2036 Series	Total
2019 (remaining)	\$ -	\$ -	\$ -	\$ -
2020	1,160,000	-	230,000	1,390,000
2021	1,215,000	-	255,000	1,470,000
2022	900,000	-	275,000	1,175,000
2023 and thereafter	4,260,000	17,465,000	7,240,000	28,965,000
Total	\$ 7,535,000	\$ 17,465,000	\$ 8,000,000	\$ 33,000,000

In connection with the November 1, 2018 amendment and restatement of the WVEDA Bonds, Comerica Bank issued a stand by letter of credit in the amount of \$1,250,000 (the “SbyLoC”) for the benefit of the WVEDA Bond trustee that is collateralized by the Company’s

cash. The SbyLoC expires on December 31, 2019 and is drawable should the Company have an unfavorable result in the complaint file by Lemartec Corporation further disclosed in Note 18.

Note 16. Equity and Equity Transactions

The Company has 50,000,000 shares of its \$0.001 par common stock and 10,000,000 shares of blank check preferred stock authorized by its shareholders. As of March 31, 2019 and December 31, 2018, 14,822,956 and 14,802,956 shares of common stock have been issued; and 3,179,120 and 3,159,120 shares, respectively, of preferred stock have been designated in five series of shares, which have a total of \$535,547 in accumulated, but undeclared preferential dividends as of March 31, 2019, as follows:

Designation	Authorized Shares	Par Value	Stated Value	Shares Outstanding	
				March 31, 2019	December 31, 2018
Series A Convertible Preferred Stock	333,401	\$ 0.0001	\$ 5.00	163,312	163,312
Series B Convertible Preferred Stock	1,111,200	0.0001	\$ 5.00	-	-
Series C Convertible Preferred Stock	1,000,000	0.0001	\$ 10.00	427,500	427,500
Series D Convertible Preferred Stock	20,000	0.0001	\$ 100.00	7,500	-
Series E Convertible Preferred Stock	714,519	0.0001	\$ 2.64	564,519	564,519

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Under the terms of the Company's senior lender agreements, the Company is restricted from paying dividends in cash, but is allowed to pay dividends in common stock. The Company, since its merger in 2015, has not paid any cash or stock dividends on common stock.

The consolidated financial statements include less than 100% owned and controlled subsidiaries and include equity attributable to non-controlling interests that take the form of the underlying legal structures of the less than 100% owned subsidiaries. Entsorga West Virginia LLC through its limited liability agreement and the agreements related to its WVEDA Bonds have restrictions on distributions to and loans to owners while the WVEDA Bonds are outstanding.

Series D Convertible Preferred Stock – On February 11, 2019 the Company filed a Certificate of Designation for 20,000 shares of Series D Convertible Preferred Stock that was amended on May 1, 2019 ("Sr. D CPS"). The Sr. D CPS is convertible into shares of the Company's common stock at the price of \$3.50 per share based on the Sr. D CPS's stated value being converted. Each share of the Sr. D CPS has a stated value of \$100 and has dividends at the rate of 9% payable annually in arrears in cash or at the Company's option, in common stock based upon the then in effect conversion price. The Sr. D CPS also has an alternative dividend provision based upon the cash flow distributed to the parent from the Company's next HEBioT facility, excluding the plant in Martinsburg, West Virginia, (the "Next Facility") based upon the Sr. D CPS proportional investment in the facility. The Sr. D CPS also has an alternative conversion based upon a multiple the annualized EBITDA of the Next Facility converted at the higher of the conversion rate in effect or the market price of the Company's common stock if higher.

During the three months ended March 31, 2019, the Company received subscriptions and investments totaling \$750,000, which were issued 7,500 shares of Sr D CPS. In addition to the Sr. D CPS, each holder received warrants to acquire 50% of the shares that the Sr. D CPS is convertible into with an exercise price of \$3.50 per share and an expiration on the fifth year anniversary.

Warrants – In connection with the issuance of convertible debt and preferred stock and in connection with services provided, the Company has the 4,308,881 warrants to acquire the Company's common stock outstanding as of March 31, 2019, as follows:

Expiring During the Year Ending December 31,	Warrant Shares	Exercise Price per Share
2020	22,860	\$3.50
2021	2,035,228	\$3.30 to \$5.00
2022	1,066,231	\$3.30 to \$5.00
2023	1,077,417	\$3.75 to \$5.50
2024	107,145	\$3.50

The following table summarizes the outstanding warrant activity through March 31, 2019:

Outstanding, January 1, 2019	4,201,736
Issued	107,145
Exercised	-
Expired	-
Outstanding, March 31, 2019	4,308,881

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For the Three Months Ended March 31, 2019 and 2018

Note 17. Equity Incentive Plans

The Company has two equity incentive plans:

2015 Equity Incentive Plan — During 2015, the Company established the BioHiTech Global, Inc. 2015 Equity Incentive Plan, which is available to eligible employees, directors, consultants and advisors of the Company and its affiliates. The plan allows for the granting of incentive stock options, nonqualified stock options, reload options, stock appreciation rights, and restricted stock representing up to 750,000 shares. The Plan is administered by the Compensation Committee of the Board of Directors.

2017 Executive Incentive Plan — At the Annual Shareholders Meeting on June 7, 2017 the shareholders approved the 2017 Executive Incentive Plan, which is available to eligible employees, directors, consultants and advisors of the Company and its affiliates. The plan allows for the granting of incentive stock options, nonqualified stock options, reload options, stock appreciation rights, and restricted stock representing up to 1,000,000 shares. The Plan is administered by the Compensation Committee of the Board of Directors.

Compensation expense related to stock options and restricted stock was:

	Three months ended March 31,	
	2019	2018
Stock options	\$ 58,388	\$ 13,772
Restricted stock	239,361	63,868
Total	\$ 297,749	\$ 77,640

Compensation expense related to stock options and restricted stock was reflected in the following captions within operating expenses in the condensed consolidated statements of operations and comprehensive loss:

	Three months ended March 31,	
	2019	2018
Rental, service and maintenance	\$ 5,755	\$ 3,712
Selling, general and administrative	291,994	73,928
Total	\$ 297,749	\$ 77,640

There were no grants of options or restricted stock during the three months ended March 31, 2019.

Unvested restricted stock activity was:

Balance, January 1, 2019	742,741
Grants	-
Vested	(14,167)
Balance, March 31, 2019	728,574

Note 18. Commitments and Contingencies

From time to time, the Company is involved in legal matters arising in the ordinary course of business, as of March 31, 2019 the Company was involved in the following matters.

The Company had accrued their contractual obligations but disputed payment for a consulting services agreement with Tusk Ventures LLC ("Tusk"), in which Tusk claim that it is owed \$250,000 pursuant to an agreement. This matter was filed in the Supreme Court of the State of New York, New York County in April 2017. This matter was settled on April 23, 2019. In connection with the settlement, the Company issued to the plaintiff 75,000 shares of its common stock.

On February 7, 2018, Lemartec Corporation (“Lemartec”) filed a complaint against the Company in the United States District Court for the Northern District of West Virginia arising out of the construction of the Company’s resource recovery facility in Martinsburg, West Virginia alleging breach of contract and unjust enrichment. The Company has filed its answer and counterclaims for damages against Lemartec and cross claims against Lemartec’s performance bond surety, Philadelphia Indemnity Insurance Company. Trial is expected to begin in August 2019 and the Company intends to vigorously defend the complaint.

It is management’s opinion that the resolution of these known claims will not materially effect the Company’s financial position, results of operations, or cash flows. There can be no assurance, however, that unforeseen circumstances will not result in significant costs. While the Company believes that these such matters are currently not a risk material to the Company’s financial position, there can be no assurance that these or other matters arising in the ordinary course of business for which the Company is, or could be, involved in litigation, will not have a material adverse effect on its business, financial condition or results of operations.

Note 19. Leases

Effective January 1, 2019, the Company implemented Accounting Standards Codification 842, Leases. The guidance requires lessees to recognize most leases on the balance sheet but does not change the manner in which expenses are recorded in the income statement. The two permitted transition methods under the guidance are the modified retrospective transition approach, which requires application of the guidance for all comparative periods presented, and the cumulative effect adjustment approach, which requires prospective application at the adoption date.

The Company utilized the optional transition method to assess the impact of this guidance on the Company’s financial statements and related disclosures, including the increase in the assets and liabilities on our balance sheet from lessee perspective. The Company completed a comprehensive review of its leases that were impacted by the new guidance.

BioHiTech Global, Inc. and Subsidiaries

Notes to Unaudited Condensed Consolidated Financial Statements

For the Three Months Ended March 31, 2019 and 2018

As part of the adoption, the Company elected the 'package of practical expedients,' which permits the Company not to reassess under the new standard the Company's prior conclusions about lease identification, lease classification and initial direct costs, therefore the Company did not restate prior comparative periods.

The Company rents its headquarters and attached warehousing space from a related party (see Note 20) and has a land lease relating to the Martinsburg, WV HEBioT facility under operating leases. The HEBioT facility land lease has an initial term of 30 years, plus four 5-year extensions. For purposes of our determination of lease liabilities, extensions were not included. As the leases do not provide an implicit rate, the Company used incremental borrowing rates in determining the present value of lease payments. For the HEBioT facility land lease a rate of 11% was utilized and a rate of 10.25% was used on the other leases. The current portion of the lease liabilities of \$101,477 is included in accrued expenses and liabilities. Total rent expense under all operating leases amounted to \$67,532 and \$33,101 for the three months ended March 31, 2019 and 2018, respectively. Maturities of lease liabilities under these leases, which have a weighted average remaining term of 24.5 years, as of March 31, 2019 is:

Year Ending December 31,

2019 (remaining)	\$ 146,470
2020	150,926
2021	113,000
2022	113,000
2023 and thereafter	3,095,500
Total lease payments	3,618,896
Less imputed interest	(2,597,706)
Present value of lease liabilities	\$ 1,021,190

During the three months ended March 31, 2019, the Company recognized operating lease right of use assets in exchange for lease liabilities amounting to \$1,045,755 and had operating cash flows for operating leases amounting to \$72,765.

Note 20. Related Party Transactions

Related parties include Directors, Senior Management Officers, and shareholders, plus their immediate family, who own a 5% or greater ownership interest at the time of a transaction. The table below presents the face amount of direct related party assets and liabilities and other transactions or conditions as of or during the periods indicated.

		March 31, 2019	December 31, 2018
Assets:			
Accounts receivable	(e and f)	\$ 1,625	\$ 168,588
Intangible assets, net	(a)	61,383	83,933
Liabilities:			
Accounts payable	(a and h)	204,295	160,761
Accrued interest payable		-	46,796
Long term accrued interest	(c)	1,381,914	1,305,251
Advance from related party	(b)	150,000	-
Junior promissory note	(c)	931,548	926,211
Other:			
Line of credit guarantee	(d)	1,470,832	1,469,330

The table below presents direct related party expenses or transactions for the three months ended March 31, 2019 and 2018. Compensation and related costs for employees of the Company are excluded from the table below.

Three Months Ended March 31,
2019
2018

Management advisory fees	(e)	\$ 250,000	\$ 139,383
Project fees	(f)	-	-
Consulting revenue	(g)	-	29,925
S, G & A - Rent expense	(h)	13,545	13,445
Cost of revenues - Rent expense	(h)	10,992	10,973
S, G & A - Consulting expense	(a)	18,750	50,000
Interest expense		63,628	144,242
Debt guarantee fees	(d)	16,875	20,833
Cost of revenue, inventory or equipment on operating leases acquired	(a)	-	5,707

BioHiTech Global, Inc. and Subsidiaries

Notes to Unaudited Condensed Consolidated Financial Statements

For the Three Months Ended March 31, 2019 and 2018

Distribution Agreement - BioHiTech has an exclusive license and distribution agreement (the “License Agreement”) with BioHiTech International, Inc., a company owned by James Koh, a BioHiTech shareholder and other unrelated parties. The License Agreement provides distribution rights to the Eco-Safe Digester through December 31, 2023 (unless extended by mutual agreement) and for annual payments to Mr. Koh in the amount of \$200,000 for the term of the License Agreement and a 2.5% additional commission on all sales closed by Mr. Koh. Effective October 17, 2018, the agreement was amended to reduce the annual payments to \$75,000 and to remove several international locations that the Company does not actively market.

Advance from Related Party - The Company’s Chief Executive Officer (the “Officer”) on occasion advances the Company funds for operating and capital purposes. The advances bear interest at 13% and are unsecured and due on demand. There are no financial covenants related to this advance and there are no formal commitments to extend any further advances.

Junior Promissory Note - On February 2, 2018, the Company entered into a Securities Exchange and Note Purchase Agreement (the “Exchange Agreement”) with Frank E. Celli, the Company’s Chief Executive Officer, whereby Celli exchanged \$4,500,000 in a note receivable from the Company and \$544,777 in advances made to the Company for \$4,000,000 of the Registrant’s Series C Convertible Preferred Stock, par value \$0.0001 (the Series C Preferred Stock”) and a junior promissory note (the “Junior Note”). The Junior Note, which is subordinated to the senior secured note, is not convertible, accrues interest at the rate of 10.25% per annum and matures on February 2, 2024.

Line of Credit - Under the terms of the line of credit, several related parties have personally guaranteed the line and are contingently liable should the Company not meet its obligations under the line. In connection with the new line of credit entered into on February 2, 2018, the Chief Executive Officer and a Director have provided a guarantee of the line of credit in exchange for a fee representing 4.5% of the debt.

Management Advisory Fees - The Company provides management advisory services to Gold Medal Holdings, Inc., an entity that the Company accounted for as an equity investment effective February 2018. The accounting for the investment was changed to cost method in December 2018.

Project Fees – In addition to Management Advisory Fees, the Company also has provided to Gold Medal Holdings, Inc. non-management advisory services related to projects relating to technology and operations.

Consulting Revenue - The Company provided environmental and project consulting to Entsorga West Virginia LLC, an entity that the Company accounted for as an equity investment from March 2017 through December 14, 2018, the date of its control acquisition.

Facility Lease - The Company leases its corporate headquarters and warehouse space from BioHiTech Realty LLC, a company owned by two stockholders of the Company, one of whom is the Chief Executive Officer. The lease expires in 2020, with a renewal option for an additional five-year period. Minimum lease payments as of March 31, 2019 under these operating leases are:

Year ending December 31,

2019 (remaining)	\$	75,220
2020		41,926
Total	\$	117,146

BioHiTech Global, Inc. and Subsidiaries

Notes to Unaudited Condensed Consolidated Financial Statements

For the Three Months Ended March 31, 2019 and 2018

Note 21. Supplemental Consolidated Statement of Cash Flows Information

Changes in non-cash operating assets and liabilities, as well as other supplemental cash flow disclosures, are as follows.

	Three Months Ended March 31,	
	2019	2018
Changes in operating assets and liabilities:		
Accounts and note receivable	\$ 48,266	\$ (93,127)
Inventory	76,930	(350,162)
Prepaid expenses and other assets	(36,508)	3,091
Accounts payable	3,088,732	134,605
Accrued interest payable	(399,764)	192,073
Accrued expenses	(2,668,827)	(470,738)
Deferred revenue	12,142	2,596
Customer deposits	4,351	(29,738)
Net change in operating assets and liabilities	\$ 125,322	\$ (611,400)
Supplementary cash flow information:		
Cash paid during the period for:		
Interest	\$ 1,082,526	\$ 50,816
Income taxes	-	-
Supplementary Disclosure of Non-Cash Investing and Financing Activities:		
Transfer of inventory to leased equipment	\$ 6,884	\$ 164,380
Common stock issued in settlement of accrued interest		523,788
Common stock issued in acquisition of Gold Medal Group, LLC		2,250,000
Conversion of notes into common stock		3,715,374
In-Kind payments by investors for common and preferred stock		216,665
Exchange of related party notes payable and advances for Series C preferred stock, warrants and notes payable		4,275,000
Accrual of Series A preferred stock dividends	18,372	91,039
Reconciliation of Cash and Restricted Cash:		
Cash	\$ 1,374,564	\$ 3,223,447
Restricted cash (short term)	2,137,456	-
Restricted cash (non-current)	2,532,933	-
Total cash and restricted cash at the end of the period	\$ 6,044,953	\$ 3,223,447

Note 22. Recent Accounting Standards

During the three months ended March 31, 2019, the Company adopted the following recent accounting standards:

Leases — In February 2016, the FASB issued new lease accounting guidance (ASU No. 2016-02, *Leases*), which has subsequently been amended by ASU No. 2018-11, *Leases* in July 2018. Under the new guidance, at the commencement date, lessees will be required to recognize a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and a right-of use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. The new guidance is not applicable for leases with a term of 12 months or less. Lessor accounting is largely unchanged. Public business entities should apply the amendments in ASU 2016-02 for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Early application is permitted upon issuance. Lessees (for capital and operating leases) and lessors (for sales-type, direct financing, and operating leases) must apply a modified retrospective transition approach for leases existing at, or entered

into after, the beginning of the earliest comparative period presented in the financial statements. The modified retrospective approach would not require any transition accounting for leases that expired before the earliest comparative period presented. Lessees and lessors may not apply a full retrospective transition approach. ASU 2018-11 provides that under certain instances lessors may not be required to separate the components of the contracts. As a lessor of digester equipment under operating leases, the new guidance did not have a material impact on the financial statements. As a lessee under operating leases the adoption did not have a material impact on our financial statements, resulting in an increase of 2% to each of our total assets and total liabilities on our balance sheet, and had an immaterial impact to retained earnings as of the beginning of 2019. See Note 19.

BioHiTech Global, Inc. and Subsidiaries

Notes to Unaudited Condensed Consolidated Financial Statements

For the Three Months Ended March 31, 2019 and 2018

In March 2019, the FASB issued ASU 2019-01, Leases (Topic 842, *Codification Improvements*), which removed the requirement for an entity to disclose in the interim periods after adoption, the effect of the change on income from continuing operations, net income, any other affected financial statement line item, or per share amount. For lessors, the new leasing standard requires leases to be classified as sales-type, direct financing or operating leases. These criteria focus on the transfer of control of the underlying asset. This standard and related updates were effective for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years. Early adoption is permitted. The Company adopted ASU 2019-01 on January 2019. See Note 19 for disclosures related to this amended guidance.

Note 23. Subsequent Events

The Company evaluates subsequent events and transactions that occur after the balance sheet date up to the date that the financial statements are available to be issued. Any material events that occur between the balance sheet date and the date that the financial statements were available for issuance are disclosed as subsequent events, while the financial statements are adjusted to reflect any conditions that existed at the balance sheet date. Based upon this review, except as disclosed within the footnotes or as discussed below, the Company did not identify any recognized or non-recognized subsequent events that would have required adjustment or disclosure in the financial statements.

Subsequent to March 31, 2019, the Company received \$537,500 in additional subscriptions to its Sr. D CPS offering.

Note 24. Condensed Consolidating Financial Information

The WVEDA Solid Waste Disposal Revenue Bond obligations of Entsorga West Virginia LLC are not guaranteed by its members, including the Company, however the membership interests of Entsorga West Virginia LLC are pledged, and the debt agreements provide restrictions prohibiting distributions to the members, including equity distributions or providing loans or advances to the members.

The following presents the Company's consolidating balance sheet as of March 31, 2019 and December 31, 2018 and its condensed consolidating statement of operations and cash flows for the three months ended March 31, 2019, for Entsorga West Virginia LLC and the Parent and other Company subsidiaries not subject to the WVEDA Solid Waste Disposal Revenue Bond restrictions and the elimination entries necessary to present the Company's financial statements on a consolidated basis. These condensed consolidating financial information should be read in conjunction with the Company's consolidated financial statements.

BioHiTech Global, Inc. and Subsidiaries

Notes to Unaudited Condensed Consolidated Financial Statements

For the Three Months Ended March 31, 2019 and 2018

Condensed Consolidating Balance Sheet as of March 31, 2019

	Parent and other Subsidiaries	Entsorga West Virginia LLC	Eliminations	Consolidated
Assets				
Cash	\$ 1,372,544	\$ 2,020	\$ -	\$ 1,374,564
Restricted cash	-	2,137,456	-	2,137,456
Other current assets	899,278	-	-	899,278
Current assets	2,271,822	2,139,476	-	4,411,298
Restricted cash	-	2,532,933	-	2,532,933
HEBioT facility	-	35,899,019	-	35,899,019
Other fixed assets	1,699,507	-	-	1,699,507
Operating lease right of use assets	115,498	905,692	-	1,021,190
MBT facility development and license costs	6,186,353	1,890,000	-	8,076,353
Intangible assets, net and investment in subsidiaries	11,039,127	-	(9,290,361)	1,748,766
Goodwill	-	58,000	-	58,000
Other assets	13,500	-	-	13,500
Total assets	\$ 21,325,807	\$ 43,425,120	\$ (9,290,361)	\$ 55,460,566
Liabilities and stockholders' equity				
Line of credit	\$ 1,470,832	\$ -	\$ -	\$ 1,470,832
Other current liabilities	2,477,624	3,768,777	(91,670)	6,154,731
Current liabilities	3,948,456	3,768,777	(91,670)	7,625,563
Notes payable and other debts	4,869,277	-	-	4,869,277
Accrued interest	1,381,914	-	-	1,381,914
Non-current lease liabilities	9,583	910,130	-	919,713
WV EDA bonds	-	31,069,837	-	31,069,837
Total liabilities	10,209,230	35,748,744	(91,670)	45,866,304
Redeemable preferred stock	816,553	-	-	816,553
Stockholder's equity:				
Attributable to parent	5,062,430	6,622,976	(9,198,691)	2,486,715
Attributable to non-controlling interests	5,237,594	1,053,400	-	6,290,994
Stockholders' equity	10,300,024	7,676,376	(9,198,691)	8,777,709
Total liabilities and stockholders' equity	\$ 21,325,807	\$ 43,425,120	\$ (9,290,361)	\$ 55,460,566

Condensed Consolidating Statement of Operations for the three months ended March 31, 2019

	Parent and other Subsidiaries	Entsorga West Virginia LLC	Eliminations	Consolidated
Revenue	\$ 737,701	\$ -	\$ -	\$ 737,701
Operating expenses				
Rental, service and maintenance expense	304,705	-	-	304,705
Selling, general and administrative	2,057,247	269,115	-	2,326,362
Depreciation and amortization	27,937	-	-	27,937
Total operating expenses	2,389,889	269,115	-	2,659,004
Loss from operations	(1,652,188)	(269,115)	-	(1,921,303)
Other expenses	311,989	27,875	-	339,864
Net loss	\$ (1,964,177)	\$ (296,990)	\$ -	\$ (2,261,167)

BioHiTech Global, Inc. and Subsidiaries

Notes to Unaudited Condensed Consolidated Financial Statements

For the Three Months Ended March 31, 2019 and 2018

Condensed Consolidating Statement of Cash Flows for the three months ended March 31, 2019

	Parent and other Subsidiaries	Entsorga West Virginia LLC	Eliminations	Consolidated
Cash flows from operating activities:				
Net loss	\$ (1,964,177)	\$ (296,990)	\$ -	\$ (2,261,167)
Adjustments to reconcile net loss to net cash used in operations	892,106	31,090	-	923,196
Changes in operating assets and liabilities	63,732	61,590	-	125,322
Net cash used in operations	(1,008,339)	(204,310)	-	(1,212,649)
Cash flow from investing activities:				
Construction in process and acquisitions of property and equipment	188	(2,795,012)	-	(2,794,824)
Capital contribution to Entsorga West Virginia, LLC	(1,000,000)	-	1,000,000	-
Other investing activities	52,400	-	-	52,400
Net cash used in investing activities	(947,412)	(2,795,012)	1,000,000	(2,742,424)
Cash flows from financing activities:				
Issuances of debt and equity	900,000	1,000,000	(1,000,000)	900,000
Repayments of debt	(2,264)	-	-	(2,264)
Deferred financing costs incurred	-	(43,941)	-	(43,941)
Net cash provided by financing activities	897,736	956,059	(1,000,000)	853,795
Effect of exchange rate on cash	19,851	-	-	19,851
Cash – beginning of period (restricted and unrestricted)	2,410,708	6,715,672	-	9,126,380
Cash – end of period (restricted and unrestricted)	\$ 1,372,544	\$ 4,672,409	\$ -	\$ 6,044,953

Condensed Consolidating Balance Sheet as of December 31, 2018

	Parent and other Subsidiaries	Entsorga West Virginia LLC	Eliminations	Consolidated
Assets				
Cash	\$ 2,410,709	\$ -	\$ -	\$ 2,410,709
Restricted cash	-	4,195,148	-	4,195,148
Other current assets	969,571	-	-	969,571
Current assets	3,380,280	4,195,148	-	7,575,428
Restricted cash	-	2,520,523	-	2,520,523
HEBioT facility under construction	-	33,104,007	-	33,104,007
Other fixed assets	1,797,915	-	-	1,797,915
MBT facility development and license costs	6,585,408	1,890,000	-	8,475,408
Intangible assets, net and investment in subsidiaries	7,626,268	-	(5,854,952)	1,771,316
Goodwill	-	58,000	-	58,000
Other assets	13,500	-	-	13,500
Total assets	\$ 19,403,371	\$ 41,767,678	\$ (5,854,952)	\$ 55,316,097
Liabilities and stockholders' equity				
Line of credit	\$ 1,469,330	\$ -	\$ -	\$ 1,469,330
Other current liabilities	2,032,083	3,708,410	-	5,740,493
Current liabilities	3,501,413	3,708,410	-	7,209,823

Notes payable and other debts	4,890,322	-	-	4,890,322
Accrued interest	1,305,251	-	-	1,305,251
WV EDA bonds	-	31,085,902	-	31,085,902
Total liabilities	9,696,986	34,794,312	-	44,491,298
Redeemable preferred stock	816,553	-	-	816,553
Stockholder's equity				
Attributable to parent	3,405,551	5,854,952	(5,854,952)	3,405,551
Attributable to non-controlling interests	5,484,281	1,118,414	-	6,602,695
Stockholders' equity	8,889,832	6,973,366	(5,854,952)	10,008,246
Total liabilities and stockholders' equity	\$ 19,403,371	\$ 41,767,678	\$ (5,854,952)	\$ 55,316,097

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis should be read in conjunction with our unaudited interim condensed consolidated financial statements and related notes appearing elsewhere in this report on Form 10-Q. In addition to historical information, this discussion and analysis contains forward-looking statements that involve risks, uncertainties, and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to those set forth under "Risk Factors" in our Form 10-K, as filed with the United States Securities and Exchange Commission, or the SEC, on April 1, 2019.

Cautionary Note Regarding Forward-Looking Statements

The information in this report contains forward-looking statements. All statements other than statements of historical fact made in this report are forward looking. In particular, the statements herein regarding industry prospects and future results of operations or financial position are forward-looking statements. These forward-looking statements can be identified by the use of words such as "believes," "estimates," "intends," "plans," "could," "possibly," "probably," "anticipates," "projects," "expects," "may," "will," or "should," "designed to," "designed for," or other variations or similar words or language. No assurances can be given that the future results anticipated by the forward-looking statements will be achieved. Forward-looking statements reflect management's current expectations and are inherently uncertain. Our actual results may differ significantly from management's expectations.

Although these forward-looking statements reflect the good faith judgment of our management, such statements can only be based upon facts and factors currently known to us. Forward-looking statements are inherently subject to risks and uncertainties, many of which are beyond our control. As a result, our actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth below under the caption "Risk Factors." For these statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. You should not unduly rely on these forward-looking statements, which speak only as of the date on which they were made. They give our expectations regarding the future but are not guarantees. We undertake no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by law.

Overview

The Company was incorporated on March 20, 2013 under the laws of the state of Delaware as Swift Start Corp. On August 6, 2015, Swift Start Corp. entered into and consummated an Agreement of Merger and Plan of Reorganization with BioHiTech Global, Inc. and Bio Hi Tech America, LLC, after which it adopted the business plan of Bio Hi Tech, America, LLC, and changed its name to BioHiTech Global, Inc.

The Company's vision since the merger has been to disrupt the waste management industry in North America through the development and utilization of our own practices and proprietary technologies, as well as successful practices and technologies acquired from other worldwide areas, to create the next level of a commercially viable, fully integrated, sustainable waste management company. The Company offers a suite of technologies and services that can be utilized separately or in tandem. The Company provides cost-effective technologies for on-site food waste reduction and elimination, as well as proprietary technology for the processing of solid waste from municipalities and large organizations through a mechanical and biological process that recovers certain recyclables, reduces weight and produces an E.P.A. recognized alternative fuel commodity, with significantly less materials destined for landfill.

After the merger, the Company's initial focus was primarily on its on-going Digester business and related technologies.

During 2016 and 2017, the Company expanded from its technology-digester single product line by starting strategic initiatives in Mechanical Biological Treatment ("MBT") facilities that rely upon High Efficiency Biological Treatment ("HEBioT") to process waste at the municipal or enterprise level converting a significant portion of intake into an United States EPA recognized alternative commodity fuel.

During 2018, the Company made an investment in a traditional waste management company with the view of providing management services and to leveraging its operating base to deploy both our digesters and HEBioT facilities.

Also during 2018, the Company completed a step transaction that allowed the Company to control the first HEBioT facility under construction in the United States. This facility commenced commissioning during the first quarter of 2019 and will commence commercial operation in the second quarter of 2019.

The combination of on-site digester and facility based HEBioT technology results in a unique offering that provides a turn-key solution for customers seeking to achieve zero waste. The Company envisions use of its digesters for disposal of food waste at certain retail customer's locations, with regional disposal services being directed to the Company's HEBioT facilities. The digester cost effective technology can reduce 100% of a customer's food waste at the source and the HEBioT process is a cost effective solution that can result in less than 20% of each customer's waste being directed to landfills, hence resulting in a near-zero footprint.

**Results of operations for the three months ended March 31, 2019
compared to the three months ended March 31, 2018**

The following summarizes our operating results for the three months ended March 31, 2019 and 2018:

	Three Months Ended March 31,			
	2019		2018	
Revenues	\$ 737,701	100%	\$ 645,726	100%
Operating expenses	2,659,004	360	1,973,215	306
Loss from operations	(1,921,303)	(260)	(1,327,489)	(206)
Non-operating expenses	339,864	46	3,893,302	603
Net loss	(2,261,167)	(306)	(5,220,791)	(809)
Net loss attributable to non-controlling interests	(311,701)	(42)	-	-
Net loss attributable to Parent	\$ (1,949,466)	(264)%	\$ (5,220,791)	(809)%

Revenues increased from the three months ended March 31, 2018 to the three months ended March 31, 2019 by \$91,975, or 14.2% primarily due to an increase management fees for Gold Medal Holdings, LLC, which commenced during the first quarter of 2018, and an increase in rental, services and maintenance, offset by a decrease in equipment sales resulting from the Company's change in strategic goals of emphasizing rental units.

Operating expenses increased from the three months ended March 31, 2018 to the three months ended March 31, 2019 by \$685,789, or 34.8% primarily as a result of a write-off of costs associated with a MBT site, which amounted to \$346,654, \$153,454 in start-up costs associated with our Martinsburg, WV HEBioT facility, an increase of \$220,109 in stock based compensation due to 2018 grants, and an increase in professional fees due to the higher level of transactions, offset in part by a reduction in base compensation and related tax and fringe.

Other expenses decreased from the three months ended March 31, 2018 to the three months ended March 31, 2019 by \$3,553,438, or 91.3% primarily due to interest expense relating to the valuation of warrants (a non-cash expense) decreasing by \$3,293,613, combined decreases in interest expense and in equity method based investments in affiliate losses (a non-cash expense).

The following summarizes revenues for the three months ended March 31, 2019 and 2018:

	Three Months Ended March 31,			
	2019		2018	
Revenue:				
Rental, service and maintenance	\$ 487,701	66%	\$ 440,493	68%
Equipment sales	-	-	65,850	10
Management advisory and other fees	250,000	34	139,383	22
Total revenue	\$ 737,701	100%	\$ 645,726	100%

Revenue

Rental, service and maintenance revenue increased from the three months ended March 31, 2018 to the three months ended March 31, 2019 by \$47,208, or 10.7% primarily due to the larger overall number of units deployed. As of March 31, 2019, the Company has 176 units under lease, as compared to 128 as of March 31, 2018. This increase of 48 units is primarily related to the Revolution Series of digesters that have lower customer costs.

Since 2018, the Company has been focusing its digester focus on rental units. During the three months ended March 31, 2019 there were no sales of digester units.

The management fees relate to services provided to Gold Medal Holding, LLC resulting from an Advisory Services Agreement (the "ASA") on January 25, 2018. The increase from the three months ended March 31, 2018 to the three months ended March 31, 2019 is due to a full quarter of revenue in 2019 and an increase in the annual base fee.

Operating expenses

The following table breaks down our operating expenses by type:

	Three Months Ended March 31,			
	2019		2018	
Rental, service and maintenance	\$ 304,705	12%	\$ 335,962	17%
Equipment sales	-	-	26,547	1
Selling, general and administrative expenses				
Personnel related:				
Salaries and non-stock compensation	767,434	29	832,589	42
Stock based compensation	291,994	11	73,928	4
Taxes and fringe benefits	136,080	5	150,933	8
Total personnel related	<u>1,195,508</u>	<u>45</u>	<u>1,057,450</u>	<u>54</u>
Professional fees				
Legal	155,313	6	107,264	5
Accounting	170,272	6	142,621	7
Investor relations and investment banking	54,075	2	35,990	2
Marketing	290	-	987	-
Total professional fees	<u>379,955</u>	<u>14</u>	<u>286,862</u>	<u>14</u>
Marketing	42,457	2	102,977	5
Office operations	164,185	6	111,689	6
Other	544,257	20	21,012	1
Total Selling, general and administrative	2,326,362	87	1,579,990	80
Depreciation and amortization	27,937	1	30,716	2
Total operating expenses	<u>\$ 2,659,004</u>	100%	<u>\$ 1,973,215</u>	100%

Rental, service and maintenance expenses

Rental, service and maintenance expenses mainly consists of the cost of acquiring digester units that are leased and depreciated, warehousing, installation, maintenance, parts and shipping costs, as well as related salary and employee costs related to rental units. Rental, service and maintenance expense decreased from the three months ended March 31, 2018 to the three months ended March 31, 2019 by \$31,257, or 9.3%, primarily due to improved economies of scale resulting from the increase in the number of units under rental, as well as lower maintenance costs associated with the Revolution Series of digesters. The contribution from rental, service and maintenance activities increased by \$78,465, or 75.1% from \$104,531 for the three months ended March 31, 2018 to \$182,996 for the three months ended March 31, 2019, resulting in a contribution margin on related sales of 37.5% for the three months ended March 31, 2019, as compared to 23.7% for the three months ended March 31, 2018. This the increased scale of the activities and the result of less scheduled costs related to the Revolution Series of digesters.

Equipment sales expense

There were no equipment sales or related expenses during the three months ended March 31, 2019 due to the Company's focus on utilizing the rental method of deployment. The Company does anticipate that equipment sales will occur in the future based upon customer requirements.

Selling, general and administrative expenses

Selling, general and administrative expenses increased from the three months ended March 31, 2018 to the three months ended March 31, 2019 by \$743,593, or 46.2% primarily as a result of a write-off of costs associated with a MBT site, which amounted to \$346,654, \$153,454 in start-up costs associated with our Martinsburg, WV HEBioT facility, an increase of \$218,066 in stock based compensation due to 2018 grants, and an increase in professional fees due to the higher level of transactions, offset in part by a reduction in base compensation and related tax and fringe.

Personnel related expenses increased from the three months ended March 31, 2018 to the three months ended March 31, 2019 by \$138,058, or 13.1% in total. Stock based compensation (a non-cash expense) increased by \$218,066 as a result of grants made in the second half of 2018. Base salaries and payroll decreased by \$65,155, or 7.87% due to staff reductions in late 2018, offset by increases in the first quarter of 2019 by Entsorga West Virginia new staffing in connection with the startup of operations. Taxes and fringe expenses decreased by a comparable rate.

Professional fees increased from the three months ending March 31, 2018 to the three months ending March 31, 2019 by \$93,093, or 32.5% in total. Legal and accounting each increased by \$48,049 and \$27,651, 44.8% and 19.4%, respectively, as a result of the level of strategic initiatives and costs associated with litigation.

Marketing and office operations on a combined basis decreased from the three months ended March 31, 2018 to the three months ended March 31, 2019 by \$8,024, or 3.7%.

Other expenses increased from the three months ended March 31, 2018 to the three months ended March 31, 2019 by \$523,245 primarily as a result of a write-off of costs associated with a MBT site, which amounted to \$346,654, start-up expenses incurred at the Martinsburg, WV HEBioT facility and a \$72,496 swing in the foreign currency translation for dollar denominated liabilities of our London unit moving from a negative expense of \$(37,554) in 2018 to an expense of \$34,942 in 2019.

Other (income) expense

	Three Months Ended March 31,			
	2019		2018	
Equity loss in affiliate	\$	-	-%	\$ 45,413 1%
Interest expense, net		339,864	100	554,276 14
Interest expense incurred in warrant valuation and conversions		-	-	3,293,613 85
Total other expense	\$	339,864	100%	\$ 3,893,302 100%

Other expenses decreased from the three months ended March 31, 2018 to the three months ended March 31, 2019 by \$3,553,438, or 91.3% primarily due to interest expense relating to the valuation of warrants (a non-cash expense) decreasing by \$3,293,613, combined decreases in interest expense and in equity method based investments in affiliate losses (a non-cash expense).

Income tax

For the three months ended March 31, 2019 and 2018 there was no net provision for income tax due to the losses incurred and management's evaluation of the recovery of the tax asset resulting in net operating loss carry-forward.

Liquidity and Capital Resources

For the three months March 31, 2019, the Company had a consolidated net loss of \$2,261,167, incurred a consolidated loss from operations of \$1,921,303 and used net cash in consolidated operating activities of \$1,212,649. At March 31, 2019, consolidated total stockholders' equity amounted to \$8,777,709, consolidated stockholders' equity attributable to parent amounted to \$2,486,715 and the Company had a consolidated working capital deficit of \$3,214,265. The Company does not yet have a history of financial profitability. Historically the principal source of liquidity has been the issuance of debt and equity securities. Presently, the Company does not have firm commitments to fund its present operational and strategic plans. These factors raise substantial doubt about the Company's ability to continue as a going concern.

The Company is presently in the process of raising additional debt and capital for general operations and for investment in several strategic initiatives, as well as commercial debt to support its leasing activities. There is no assurance that the Company will be able to raise sufficient debt or capital to sustain operations or to pursue other strategic initiatives or that such financing will be on terms that are favorable to the Company.

Cash

As of March 31, 2019 and December 31, 2018, the Company had unrestricted cash balances of \$1,374,564 and \$2,410,709, respectively.

Borrowings and Debt

Maturities of Senior Secured, Junior Promissory, Notes Payable and Long Term Debt — as of March 31, 2019, excluding discounts and deferred finance costs, which are being amortized as interest expense, are as follow:

Year Ending December 31,	Amortizing	Non- Amortizing	Total
2019 (remaining)	\$ 6,901	\$ -	\$ 6,901
2020	4,605	100,000	104,605
2021	4,380	1,875,000	1,879,380
2022	3,821	2,500,000	2,503,821
2023 and thereafter	-	1,669,477	1,669,477
Total	\$ 19,707	\$ 6,144,477	\$ 6,164,184

Entsorga West Virginia, LLC WVEDA Solid Waste Disposal Revenue Bonds — as of March 31, 2019, the future sinking fund payments by the Company are as follow:

	2016 Issue 2026 Series	2016 Issue 2036 Series	2018 Issue 2036 Series	Total
2019 (remaining)	\$ -	\$ -	\$ -	\$ -
2020	1,160,000	-	230,000	1,390,000
2021	1,215,000	-	255,000	1,470,000
2022	900,000	-	275,000	1,175,000
2023 and thereafter	4,260,000	17,465,000	7,240,000	28,965,000
Total	\$ 7,535,000	\$ 17,465,000	\$ 8,000,000	\$ 33,000,000

Cash Flows

Cash Flows from Operating Activities

We used \$1,212,649 of cash in operating activities during the three months ended March 31, 2019 as compared to a use of \$2,000,527 during the three months ended March 31, 2018. Our net loss during the three months ended March 31, 2019 of \$2,261,167 was reduced by a loss of \$346,654 resulting from the abandonment of a MBT site and \$297,749 of stock based compensation charges. The net loss of 5,220,791 for the three months ended March 31, 2018 was reduced by \$3,293,613 in non-cash interest expense related to the valuation of warrants and \$287,512 in interest associated with the amortization of deferred financing costs and accretion of debt discounts

Cash Flows from Investing Activities

Net Cash used in investing activities for the three months ended March 31, 2019 amounted to \$2,742,427 and is primarily the result of the HEBioT facility construction.

Cash Flows from Financing Activities

Cash provided by financing activities for the three months ended March 31, 2019 amounted to \$853,795 and is primarily the result of our Series D convertible preferred stock offering. During the comparable 2018 period, the Company completed a series of financings that resulted in cash provided by financing activities of \$4,421,885.

Off Balance Sheet Arrangements

We have not entered into any off-balance sheet arrangements during the three months ended March 31, 2019.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are a smaller reporting company as defined by 17 C.F.R. 229 (10)(f)(i) and are not required to provide information under this item.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management carried out an evaluation, with the participation of our Principal Executive Officer and Principal Financial Officer, of the effectiveness of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the “Exchange Act”).

Based upon their evaluation, the Company’s Chief Executive Officer and Chief Financial Officer concluded that material weaknesses existed and that the Company’s disclosure controls and procedures are not effective to ensure that information required to be disclosed by the Company in the reports that the Company files or submits under the Exchange Act, is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated

to the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Because of our limited operations we have a small number of employees which prohibits a segregation of duties. As we grow and expand our operations, we will engage additional employees and experts as needed. However, there can be no assurance that our operations will expand.

Changes in Internal Controls Over Financial Reporting

There have not been any significant changes in our internal control over financial reporting during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, the Company is involved in legal matters arising in the ordinary course of business, as of March 31, 2019 the Company is involved in the following matters.

The Company had accrued their contractual obligations but disputed payment for a consulting services agreement with Tusk Ventures LLC (“Tusk”), in which Tusk claim that it is owed \$250,000 pursuant to an agreement. This matter was filed in the Supreme Court of the State of New York, New York County in April 2017. This matter was settled on April 23, 2019. In connection with the settlement, the Company issued to the plaintiff 75,000 shares of its common stock.

On February 7, 2018, Lemartec Corporation (“Lemartec”) filed a complaint against the Company in the United States District Court for the Northern District of West Virginia arising out of the construction of the Company’s resource recovery facility in Martinsburg, West Virginia alleging breach of contract and unjust enrichment. The Company has filed its answer and counterclaims for damages against Lemartec and cross claims against Lemartec’s performance bond surety, Philadelphia Indemnity Insurance Company. Trial is expected to begin in August 2019 and the Company intends to vigorously defend the complaint.

It is management’s opinion that the resolution of these known claims will not materially effect the Company’s financial position, results of operations, or cash flows. There can be no assurance, however, that unforeseen circumstances will not result in significant costs. While the Company believes that these such matters are currently not a risk material to the Company’s financial position, there can be no assurance that these or other matters arising in the ordinary course of business for which the Company is, or could be, involved in litigation, will not have a material adverse effect on its business, financial condition or results of operations.

Item 1A. Risk Factors.

We are a smaller reporting company as defined by 17 C.F.R. 229 (10)(f)(i) and are not required to provide information under this item.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

On May 10, 2019, BioHiTech Global, Inc. (the “Registrant”) entered into a series of Investor Subscription Agreements with certain accredited investors (the “Investors”), pursuant to which the Registrant agreed to sell and the Investors agreed to purchase units (the “Units”) in the aggregate offering amount of \$1,287,500. Each Unit, in the minimum subscription amount of \$100,000, is comprised of 1,000 Shares of the Registrant’s Series D Convertible Preferred Stock (the “Series D Preferred Shares”) and warrants (the “Warrants”) to purchase a number of shares of the Company’s common stock, \$0.0001 par value per share (the “Common Stock”), up to such 50% of the number of shares of Common Stock issuable upon conversion of the Series D Preferred Share at an exercise price of \$3.50 per share of Common Stock.

Each share of Series D Preferred Shares have a stated value of \$100.00, and is convertible into shares of Common Stock at the price of \$3.50 per share based on the stated value of the Series D Preferred being converted. The Series D Preferred Shares has usual dividends at the rate of 9% payable annually in arrears in cash or, at the Company’s option, in Common Stock based upon the then in effect conversion price. The Series D Preferred Shares also have an alternative dividend provision based upon the cash flow distributed to the parent from the Company’s next HEBioT facility, excluding the Company’s plant in Martinsburg, West Virginia, (“the Next Facility”) based upon the Series D Preferred Shares proportional investment in the facility. The Series D Preferred Shares also has an alternative conversion based upon a multiple the annualized EBITDA of the Next Facility converted at the higher of the conversion rate in effect or the market price of the Company’s common stock if higher.

The Units, the Series D Preferred Shares and the Warrants were offered and sold without registration under the Securities Act of 1933, as amended (the “Securities Act”) in reliance on the exemptions provided by Section 4(a)(2) of the Securities Act as provided in Rule 506(b) of Regulation D promulgated thereunder. The Units, the Series D Preferred Shares and the Warrants and the Common Stock issuable upon conversion of the Series D Preferred Shares and the Warrants have not been registered under the Securities Act or any other applicable securities laws, and unless so registered, may not be offered or sold in the United States except pursuant to an exemption from the registration requirements of the Securities Act.

The Registrant paid a placement agent fee of \$53,700 in cash to Network 1 Financial Securities, Inc. (the “Placement Agent”).

The Company relied on the exemptions from registration under Section 4(2) of the Securities Act of 1933, as amended, and Rule 506 promulgated thereunder. The Purchase Agreements and the Agreement contain representations to support the Company's reasonable belief that the investors had access to information concerning the Company's operations and financial condition, the investors acquired the securities for their own account and not with a view to the distribution thereof in the absence of an effective registration statement or an applicable exemption from registration, and that the investors are sophisticated within the meaning of Section 4(2) of the Securities Act and are "accredited investors" (as defined by Rule 501 under the Securities Act). In addition, the sale of securities did not involve a public offering; the Company made no solicitation in connection with the sale other than communications with the investors; the Company obtained representations from the investors regarding their investment intent, experience and sophistication; and the investors either received or had access to adequate information about the Company in order to make an informed investment decision.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not Applicable.

Item 5. Other Information.

On May 10, 2019, BioHiTech Global, Inc. (the “Registrant”) entered into a series of Investor Subscription Agreements with certain accredited investors (the “Investors”), pursuant to which the Registrant agreed to sell and the Investors agreed to purchase units (the “Units”) in the aggregate offering amount of \$1,287,500. Each Unit, in the minimum subscription amount of \$100,000, is comprised of 1,000 Shares of the Registrant’s Series D Convertible Preferred Stock (the “Series D Preferred Shares”) and warrants (the “Warrants”) to purchase a number of shares of the Company’s common stock, \$0.0001 par value per share (the “Common Stock”), up to such 50% of the number of shares of Common Stock issuable upon conversion of the Series D Preferred Share at an exercise price of \$3.50 per share of Common Stock.

Each share of Series D Preferred Shares have a stated value of \$100.00, and is convertible into shares of Common Stock at the price of \$3.50 per share based on the stated value of the Series D Preferred being converted. The Series D Preferred Shares has usual dividends at the rate of 9% payable annually in arrears in cash or, at the Company’s option, in Common Stock based upon the then in effect conversion price. The Series D Preferred Shares also have an alternative dividend provision based upon the cash flow distributed to the parent from the Company’s next HEBioT facility, excluding the Company’s plant in Martinsburg, West Virginia, (“the Next Facility”) based upon the Series D Preferred Shares proportional investment in the facility. The Series D Preferred Shares also has an alternative conversion based upon a multiple the annualized EBITDA of the Next Facility converted at the higher of the conversion rate in effect or the market price of the Company’s common stock if higher.

The Units, the Series D Preferred Shares and the Warrants were offered and sold without registration under the Securities Act of 1933, as amended (the “Securities Act”) in reliance on the exemptions provided by Section 4(a)(2) of the Securities Act as provided in Rule 506(b) of Regulation D promulgated thereunder. The Units, the Series D Preferred Shares and the Warrants and the Common Stock issuable upon conversion of the Series D Preferred Shares and the Warrants have not been registered under the Securities Act or any other applicable securities laws, and unless so registered, may not be offered or sold in the United States except pursuant to an exemption from the registration requirements of the Securities Act.

The Registrant paid a placement agent fee of \$53,700 in cash to Network 1 Financial Securities, Inc.(the “Placement Agent”).

The securities described herein were offered and sold in reliance upon exemptions from registration pursuant to Section 4(2) under the Securities Act of 1933, as amended (the “Securities Act”), and Rule 506 of Regulation D promulgated thereunder. The offering was made to “accredited investors” (as defined by Rule 501 under the Securities Act). In addition, the sale of securities did not involve a public offering; the Registrant made no solicitation in connection with the sale other than communications with the investor; the Registrant obtained representations from the investor regarding its investment intent, experience and sophistication; and the investor either received or had access to adequate information about the Registrant in order to make an informed investment decision.

Item 6. Exhibits.

See the exhibits listed in the accompanying “Index to Exhibits.”

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BioHiTech Global, Inc.

May 15, 2019

By: /s/ Frank E. Celli

Name: Frank E. Celli

Title: Chief Executive Officer
(Principal Executive Officer)

By: /s/ Brian C. Essman

Name: Brian C. Essman

Title: Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer)

INDEX TO EXHIBITS

Exhibit No.	Exhibit Description	Incorporated by Reference			Filed or Furnished Herewith
		Form	Date	Number	
4.8	Certificate of Designation of Series D Convertible Preferred Stock				Filed
4.9	Certificate of Amendment of Certificate of Designation of Series D Convertible Preferred Stock				Filed
10.25	Form of Investor Subscription Agreement Series D Convertible Preferred Stock				Filed
10.26	Form of Common Stock Warrant Issued with Series D Convertible Preferred Stock				Filed
31.1	Certification of Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a) under the Securities Exchange Act of 1934, as amended				Filed
31.2	Certification of Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a) under the Securities Exchange Act of 1934, as amended				Filed
32.1	Certification of Chief Executive Officer required by Rule 13a-14(b) or Rule 15d-14(b) under the Securities Exchange Act of 1934, as amended, and 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				Furnished*
32.2	Certification of Chief Financial Officer required by Rule 13a-14(b) or Rule 15d-14(b) under the Securities Exchange Act of 1934, as amended, and 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				Furnished*
101.INS	XBRL Instance Document				Filed
101.SCH	XBRL Taxonomy Extension Schema Document				Filed
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document				Filed
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document				Filed
101.LAB	XBRL Taxonomy Extension Label Linkbase Document				Filed
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document				Filed

* This exhibit is being furnished rather than filed and shall not be deemed incorporated by reference into any filing, in accordance with Item 601 of Regulation S-X.

Copies of this report (including the financial statements) and any of the exhibits referred to above will be furnished at no cost to our shareholders who make a written request to our Corporate Secretary at 80 Red Schoolhouse Road, Chestnut Ridge, New York 10977

**CERTIFICATE OF DESIGNATION OF
SERIES D CONVERTIBLE PREFERRED STOCK OF
BIOHITECH GLOBAL, INC.**

BioHiTech Global, Inc., a corporation organized and existing under the laws of the State of Delaware ("**Company**"), hereby certifies that the Board of Directors of the Company (the "**Board of Directors**" or the "**Board**"), pursuant to authority of the Board of Directors as required by applicable corporate law, and in accordance with the provisions of its certificate of incorporation and bylaws, has and hereby authorizes a series of the Company's previously authorized Preferred Stock, par value \$0.0001 per share (the "**Preferred Stock**"), and hereby states the designation and number of shares, and fixes the rights, preferences, privileges, powers and restrictions thereof, as follows:

1. Designation and Number of Shares. There shall hereby be created and established a series of preferred stock of the Company designated as "Series D Convertible Preferred Stock" (the "**Preferred Shares**"). The authorized number of Preferred Shares shall be 20,000 shares. Each Preferred Share shall have a par value of \$0.0001. Capitalized terms not defined herein shall have the meanings as set forth in Section 23 below.

2. Ranking. Except with respect to any other existing or future series of preferred stock of senior rank to the Preferred Shares in respect of the preferences as to dividends, distributions and payments upon the liquidation, dissolution and winding-up of the Company (collectively, the "**Senior Preferred Stock**") or any existing or future series of preferred stock of pari passu rank to the Preferred Shares in respect of the preferences as to dividends, distributions and payments upon the liquidation, dissolution and winding-up of the Company (collectively, the "**Parity Stock**"), all shares of capital stock of the Company shall be junior in rank to all Preferred Shares with respect to the preferences as to dividends, distributions and payments upon the liquidation, dissolution and winding-up of the Company (collectively, the "**Junior Stock**"). The rights of all such shares of capital stock of the Company shall be subject to the rights, powers, preferences and privileges of the Preferred Shares. In the event of the merger or consolidation of the Company with or into another corporation, the Preferred Shares shall maintain their relative rights, powers, preferences, privileges, and designations provided for herein and no such merger or consolidation shall result inconsistent therewith.

3. Dividends.

(a) Commencing on the first day of the next calendar year after the date of issuance (the "**Dividend Commencement Date**") of any Preferred Shares (the "**Initial Issuance Date**"), each holder of such Preferred Shares (each, a "**Holder**" and collectively, the "**Holders**") shall be entitled to receive dividends (the "**Dividends**"), subject to the provisions of Section 3(c) below, at the greater of:

(i) The Dividend Rate in cash or at the sole option of the Company shares of Common Stock as set forth herein (the “**Regular Dividend**”). Regular Dividends shall be payable on each Dividend Date at the sole and exclusive option of the Company, subject to the provisions of Section 3(c) below, in either: (i) cash (a “**Cash Dividend**”); (ii) shares of Common Stock (the “**Dividend Shares**”) so long as the delivery of Dividend Shares would not violate the provisions of Section 4(e); or (iii) in a combination of a Cash Dividend and Dividend Shares. The Company shall deliver a written notice (each, a “**Dividend Election Notice**”) to each Holder on the Dividend Notice Due Date (the date such notice is delivered to all of the Holders, the “**Dividend Notice Date**”), which notice either (A) confirms that Dividends to be paid on such Dividend Date shall be paid entirely in Dividend Shares or (B) elects to pay Dividends as Cash Dividends, (C) or as a combination of Dividend Shares and Cash Dividends and, in any event, specifies the amount of Dividends that shall be paid as Cash Dividends and the amount of Dividends, if any, that shall be paid in Dividend Shares. The Dividend payable to such Holder on such Dividend Date in Dividend Shares shall be paid in a number of fully paid and non-assessable shares (rounded up to the next whole share) of Common Stock equal to the quotient of (1) the amount of Dividends payable to such Holder on such Dividend Date less any Cash Dividends paid and (2) the Conversion Price in effect on the applicable Dividend Date.

(ii) An alternative dividend (the “**Alternative Dividend**”) based on a participation interest formula (“**Participation Interest Formula**”) in the Target Facility. The Participation Interest Formula shall include any distributions of free cash flow (net income, plus amortization and depreciation, less capital expenditures) received by or benefiting the Company from the Target Facility (“**Target Distributions**”), as adjusted for short-term loans and advances for operations, on a pari passu basis with all of the contributed capital by the Company into the Target Facility (“**Committed Capital**”). The Participation Interest Formula shall be represented by the following equation:

$$(Target\ Distributions / Committed\ Capital) \times Stated\ Value$$

[By way of example, if the Target Distributions amount was \$2,000,000, the Company’s Committed Capital was \$8,000,000 (inclusive of the Series D Preferred then outstanding) and the holder’s Series D Preferred Stated Value was \$100,000, the Alternative Dividend would be as follows: (\$2,000,000 / \$8,000,000) x \$100,000=\$25,000.]

(iii) Notwithstanding anything to contrary contained herein, Holder shall only be paid either the Dividends set forth in Section 3(a)(i) or Section 3(a)(ii) hereof, whichever is greater.

(b) Dividends on the Preferred Shares shall commence accumulating on the Initial Issuance Date and shall be computed on the basis of a 365-day year and actual days elapsed. Subject to Section 3(c) and Section 4(c), Dividends shall be payable annually in arrears commencing on the first anniversary of the Dividend Commencement Date and continuing each anniversary of the Dividend Commencement Date thereafter (each, a “**Dividend Date**”). If a Dividend Date is not a Business Day (as defined below), then the Dividend shall be due and payable on the Business Day immediately following such Dividend Date.

(c) The Company may only pay a Cash Dividend or an Alternative Dividend (individually, a “**Cash Payment Dividend**”) to a Holder provided that the payment of such a Cash Payment Dividend would not breach any provision of any agreement or obligation of the Company outstanding on the Initial Issuance Date and still outstanding on the Dividend Date (a “**Company Restriction**”). Cash Payment Dividends shall be paid by the Company out of funds legally available therefor, in cash by wire transfer of immediately available funds, in the amount of any Cash Payment Dividend. If the Company is unable to make a Cash Payment Dividend due to a Company Restriction, such Cash Payment Dividend shall continue to accrue at the respective Dividend Rate until paid by the Company.

(d) The Company may only pay Dividend Shares on a Dividend Date to any Holder provided that the Company has not defaulted under any of the provisions of this Certificate of Designation and the resale of the Dividend Shares and the Warrant Shares (as that term is defined in the Transaction Documents), is available to the Holder under Rule 144 of the Securities Act which availability shall be determined on the Dividend Notice Date. On the applicable Dividend Date the Company shall issue and deliver to the Holder the Dividend Shares either through electronic book entry form with the Transfer Agent or a certificate, registered in the name of such Holder or its designee, for the number of Dividend Shares to which such Holder shall be entitled and with respect to each Dividend Date. The Company shall pay any and all taxes that may be payable with respect to the issuance and delivery of Dividend Shares.

4. Conversion. Each Preferred Share shall be convertible into validly issued, fully paid and non-assessable shares of Common Stock (as defined below) on the terms and conditions set forth in this Section 4.

(a) Holder’s Conversion Right.

(i) Subject to the provisions of Section 4(e) and Section 5, at any time or times after the Initial Issuance Date (the “**Initial Conversion Date**”) each Holder shall be entitled to convert any whole number of Preferred Shares and any accrued but unpaid Dividends into validly issued, fully paid and non-assessable shares of Common Stock in accordance with Section 4(c) at the Conversion Rate (as defined below).

(ii) The number of validly issued, fully paid and non-assessable shares of Common Stock issuable upon conversion (the “**Conversion Shares**”) of each Preferred Share pursuant to Section 4(a) shall be determined according to the following formula (the “**Conversion Rate**”):

$$\frac{\text{Conversion Amount}}{\text{Conversion Price}}$$

No fractional shares of Common Stock are to be issued upon the conversion of any Preferred Shares. If the issuance would result in the issuance of a fraction of a share of Common Stock, the Company shall round such fraction of a share of Common Stock up to the next whole share.

(b) Holder's Alternate Conversion. Subject to the provisions of Section 4(e) and Section 5, at any time or times after the Initial Conversion Date each Holder shall be entitled to convert any whole number of previously unconverted Preferred Shares and any accrued but unpaid Dividends and provided (i) the Target Facility has commenced operations for at least ninety (90) days and (ii) the unaffiliated market capitalization of the Company's Common Stock, on a fully-diluted basis, exceeds One Hundred Million Dollars (\$100,000,000), into validly issued, fully paid and non-assessable shares of Common Stock upon providing an Alternate Conversion Notice in the form attached hereto as Exhibit A, which would include the conversion of Series D Preferred and forfeiture of any future dividends not yet accrued, for a number of shares of Common Stock equal to the "**Alternative Conversion Value**" which shall be determined as follows:

$$\frac{((\text{Annualized EBITDA} \times 8.5) - \text{Outstanding Debt})}{(\text{Total Equity Capital} \times \text{Stated Value})}$$

Where "**Annualized EBITDA**" is calculated on the number of complete calendar months from the commencement of Target Facility's operations to the receipt of the Alternate Conversion Notice in the first year of operations, and on the trailing twelve months thereafter and "**Total Equity Capital**" is defined as cumulative capital invested in the Target Facility by all owners, less any capital redeemed by the Target Facility.

By way of example, if the Stated Value of the Holder's Preferred Shares was \$100,000, representing a 1% interest in the Target Facility which had \$10,000,000 in total equity capital and the Target Facility had annualized EBITDA of \$8 million with total debt outstanding of \$30 million, the Holder's Alternative Exchange Value would equal:

$$(((\$8,000,000 \times 8.5) - \$30,000,000) / \$10,000,000) \times \$100,000 = \$380,000$$

The Alternative Exchange Value may then be converted into shares of Common Stock at the greater of the Conversion Rate or the "**Trading Price**".

(c) Mechanics of Conversion. The conversion of each Preferred Share shall be conducted in the following manner:

(i) Holder's Conversion. Subject to the provisions of Section 4(e) and Section 5, to convert Preferred Shares into validly issued, fully paid and non-assessable shares of Common Stock on any date (a "**Conversion Date**"), a Holder shall deliver (via electronic mail), for receipt on or prior to 11:59 p.m., New York time, on such date, a copy of an executed notice of conversion of Preferred Shares subject to such conversion in the form attached hereto as **Exhibit B** (the "**Conversion Notice**") to the Company, which Conversion Notice shall be subject to adjustment pursuant to Section 8. If required by Section 4(c)(vi), within three (3) Trading Days following a conversion of any such Preferred Shares as aforesaid, such Holder shall surrender to a nationally recognized overnight delivery service for delivery to the Company the original certificates representing the share(s) of Preferred Shares (the "**Preferred Share Certificates**") so converted as aforesaid.

(ii) Company's Response. On or before the first (1st) Trading Day following the date of receipt of a Conversion Notice, the Company shall transmit by facsimile or electronic mail an acknowledgment of confirmation, in the form attached hereto as Exhibit C, of receipt of such Conversion Notice to such Holder and the Transfer Agent, which confirmation shall constitute an instruction to the Transfer Agent to process such Conversion Notice in accordance with the terms herein. On or before the second (2nd) Trading Day following the date of receipt by the Company of such Conversion Notice, the Company shall (1) provided that (x) the Transfer Agent is participating in DTC Fast Automated Securities Transfer Program and (y) such Conversion Shares to be so issued are registered for resale pursuant to the terms of a registration statement or are eligible for resale pursuant to Rule 144 of the Securities Act credit such aggregate number of Conversion Shares to which such Holder shall be entitled to such Holder's or its designee's balance account with DTC through its Deposit/Withdrawal at Custodian system, or (2) if either of the immediately preceding clauses (x) or (y) are not satisfied, issue and deliver the Conversion Shares either through electronic book entry form with the Transfer agent (or via reputable overnight courier) to the address as specified in such Conversion Notice, a certificate, registered in the name of such Holder or its designee, for the number of Conversion Shares to which such Holder shall be entitled. If the number of Preferred Shares represented by the Preferred Share Certificate(s) submitted for conversion pursuant to Section 4(c)(vi) is greater than the number of Preferred Shares being converted, then the Company shall if requested by such Holder, as soon as practicable and in no event later than three (3) Trading Days after receipt of the Preferred Share Certificate(s) and at its own expense, issue and deliver to such Holder (or its designee) a new Preferred Share Certificate representing the number of Preferred Shares not converted.

(iii) Record Holder. The Person or Persons entitled to receive the shares of Common Stock issuable upon a conversion of Preferred Shares shall be treated for all purposes as the record holder or holders of such shares of Common Stock on the Conversion Date.

(iv) Intentionally Omitted.

(v) Pro Rata Conversion; Disputes. In the event the Company receives a Conversion Notice from more than one Holder for the same Conversion Date and the Company can convert some, but not all, of such Preferred Shares submitted for conversion, the Company shall convert from each Holder electing to have Preferred Shares converted on such date a pro rata amount of such Holder's Preferred Shares submitted for conversion on such date based on the number of Preferred Shares submitted for conversion on such date by such Holder relative to the aggregate number of Preferred Shares submitted for conversion on such date. In the event of a dispute as to the number of shares of Common Stock issuable to a Holder in connection with a conversion of Preferred Shares, the Company shall issue to such Holder the number of shares of Common Stock not in dispute and resolve such dispute in accordance with Section 22.

(vi) Book-Entry. Notwithstanding anything to the contrary set forth in this Section 4, upon conversion of any Preferred Shares in accordance with the terms hereof, no Holder thereof shall be required to physically surrender the certificate representing the Preferred Shares to the Company following conversion thereof unless (A) the full or remaining number of Preferred Shares represented by the certificate are being converted (in which event such certificate(s) shall be delivered to the Company as contemplated by this Section 4(c)(vi)) or (B) such Holder has provided the Company with prior written notice (which notice may be included in a Conversion Notice) requesting reissuance of Preferred Shares upon physical surrender of any Preferred Shares. Each Holder and the Company shall maintain records showing the number of Preferred Shares so converted by such Holder and the dates of such conversions or shall use such other method, reasonably satisfactory to such Holder and the Company, so as not to require physical surrender of the certificate representing the Preferred Shares upon each such conversion. In the event of any dispute or discrepancy, such records of the Company establishing the number of Preferred Shares to which the record holder is entitled shall be controlling and determinative in the absence of manifest error. A Holder and any transferee or assignee, by acceptance of a certificate, acknowledge and agree that, by reason of the provisions of this paragraph, following conversion of any Preferred Shares, the number of Preferred Shares represented by such certificate may be less than the number of Preferred Shares stated on the face thereof. Each certificate for Preferred Shares shall bear the following legend:

ANY TRANSFEREE OR ASSIGNEE OF THIS CERTIFICATE SHOULD CAREFULLY REVIEW THE TERMS OF THE COMPANY'S CERTIFICATE OF DESIGNATION RELATING TO THE SHARES OF SERIES D PREFERRED STOCK REPRESENTED BY THIS CERTIFICATE, INCLUDING SECTION 4(c)(vi) THEREOF. THE NUMBER OF SHARES OF SERIES D PREFERRED STOCK REPRESENTED BY THIS CERTIFICATE MAY BE LESS THAN THE NUMBER OF SHARES OF SERIES D PREFERRED STOCK STATED ON THE FACE HEREOF PURSUANT TO SECTION 4(c)(vi) OF THE CERTIFICATE OF DESIGNATION RELATING TO THE SHARES OF SERIES D PREFERRED STOCK REPRESENTED BY THIS CERTIFICATE.

(d) Taxes. The Company shall pay any and all documentary, stamp, transfer (but only in respect of the registered holder thereof), issuance and other similar taxes that may be payable with respect to the issuance and delivery of shares of Common Stock upon the conversion of Preferred Shares.

(e) Limitation on Beneficial Ownership.

(i) Notwithstanding anything to the contrary contained in this Certificate of Designation, the Preferred Shares held by a Holder shall not be convertible by such Holder, and the Company shall not affect any conversion of any Preferred Shares held by such Holder, to the extent (but only to the extent) that such Holder or any of its affiliates would beneficially own in excess of 4.99% (the "**Maximum Percentage**") of the then issued and outstanding shares of Common Stock. To the extent the above limitation applies, the determination of whether the Preferred Shares held by such Holder shall be convertible (vis-à-vis other convertible, exercisable or exchangeable securities owned by such Holder or any of its affiliates) and of which such securities shall be convertible, exercisable or exchangeable (as among all such securities owned by such Holder and its affiliates) shall, subject to such Maximum Percentage limitation, be determined on the basis of the first submission to the Company for conversion, exercise or exchange (as the case may be). No prior inability of a Holder to convert Preferred Shares, or of the Company to issue shares of Common Stock to such Holder, pursuant to this Section 4(e) shall have any effect on the applicability of the provisions of this Section 4(e) with respect to any subsequent determination of convertibility or issuance (as the case may be). For purposes of this Section 4(e), beneficial ownership and all determinations and calculations (including, without limitation, with respect to calculations of percentage ownership) shall be determined in accordance with Section 13(d) of the 1934 Act and the rules and regulations promulgated thereunder. The provisions of this Section 4(e) shall be implemented in a manner otherwise in strict conformity with the terms of this Section 4(e) to correct this Section 4(e) (or any portion hereof) which may be defective or inconsistent with the intended Maximum Percentage beneficial ownership limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such Maximum Percentage limitation. The limitations contained in this Section 4(e) shall apply to a successor holder of Preferred Shares. For any reason at any time, upon the written or oral request of a Holder, the Company shall within one (1) Business Day confirm orally and in writing to such Holder the number of shares of Common Stock then outstanding, including by virtue of any prior conversion or exercise of convertible or exercisable securities into Common Stock, including, without limitation, pursuant to this Certificate of Designation or securities issued pursuant to the other Transaction Documents (as defined in the Securities Purchase Agreement). Notwithstanding anything to the contrary contained herein, by written notice to the Company, any Holder may increase or decrease the Maximum Percentage to any other percentage not in excess of 9.99% specified in such notice; provided that (i) any such increase will not be effective until the 61st day after such notice is delivered to the Company, and (ii) any such increase or decrease will apply only to such Holder sending such notice and not to any other Holder.

Notwithstanding anything contained in this Section 4(e) to the contrary, the Holder may, at its option and in its sole discretion, determine (A) whether the Preferred Shares held by such Holder shall be convertible (vis-à-vis other convertible, exercisable or exchangeable securities owned by such Holder or any of its affiliates) and (B) of which such securities shall be convertible, exercisable or exchangeable (as among all such securities owned by such Holder and its affiliates) on any basis, order, or amounts for conversion, exercise or exchange (as the case may be).

(ii) Principal Market Regulation. Notwithstanding anything herein to the contrary, the Company shall not issue any shares of Common Stock upon conversion of any Preferred Shares or otherwise pursuant to this Certificate of Designation, until the Company obtains the Stockholder Approval, if and to the extent such Stockholder Approval is necessary for such issuance.

(f) Anti-Dilution. If, at any time while the Preferred Shares are outstanding, the Company sells or grants any option to purchase or sells or grants any right to reprice, or otherwise disposes of or issues (or announces any sale, grant or any option to purchase or other disposition), any Common Stock or Common Stock Equivalents entitling any Person to acquire shares of Common Stock at or with a conversion formula that creates an effective price per share that is lower than the then Conversion Price (such lower price or conversion formula, the “Base Conversion Price” and such issuances, collectively, a “Dilutive Issuance”) (if the holder of the Common Stock or Common Stock Equivalents so issued shall at any time, whether by operation of purchase price adjustments, reset provisions, floating conversion, exercise or exchange prices or otherwise, or due to warrants, options or rights per share which are issued in connection with such issuance, be entitled to receive shares of Common Stock at an effective price per share that is lower than the Conversion Price, without the prior written consent of a majority of the Holders of the Preferred Shares, such issuance shall be deemed to have occurred for less than the Conversion Price on such date of the Dilutive Issuance), then the Conversion Price shall be reduced to equal the Base Conversion Price. Such adjustment shall be made whenever such Common Stock or Common Stock Equivalents are issued. Notwithstanding the foregoing, no adjustment will be made under this Section 4(f) in respect of an Exempt Issuance. The Company shall notify the Holders in writing, no later than the Trading Day following the issuance of any Common Stock or Common Stock Equivalents subject to this Section 4(f), indicating therein the applicable issuance price, or applicable reset price, exchange price, conversion price, conversion formula and other pricing terms (such notice, the “Dilutive Issuance Notice”). For the avoidance of doubt, whether or not the Company provides a Dilutive Issuance Notice pursuant to this Section 4(f), upon the occurrence of any Dilutive Issuance, the Holders will be entitled to receive a number of Conversion Shares based upon the Base Conversion Price on or after the date of such Dilutive Issuance, regardless of whether the Holder accurately refers to the Base Conversion Price in the Notice of Conversion.

5. Events of Default. Each of the following events shall constitute an event of default:

- (a) the suspension from trading or failure of the Common Stock to be traded or listed (as applicable) on an Eligible Market for a period of five (5) consecutive Trading Days;
- (b) the Company's written notice to any holder of the Preferred Shares, including, without limitation, by way of public announcement or through any of its agents, at any time, of its intention not to comply, as required, with a request for conversion of any Preferred Shares into shares of Common Stock that is requested in accordance with the provisions of this Certificate of Designation, other than pursuant to Section 4(e) hereof;
- (c) the Company's Board of Directors fails to declare any Dividend to be paid on the applicable Dividend Date in accordance with Section 3;
- (d) the Company's failure to pay to any Holder any Dividend (whether or not declared by the Board of Directors) or any other amount when and as due under this Certificate of Designation (including, without limitation, the Company's failure to pay any redemption payments or amounts hereunder) or any other Transaction Document or any other agreement, document, certificate or other instrument delivered in connection with the transactions contemplated hereby, except, in the case of a failure to pay Dividends and late charges when and as due, in each such case only if such failure remains uncured for a period of at least three (3) Trading Days;
- (e) the occurrence of any default under, redemption of or acceleration prior to maturity of at least an aggregate of \$500,000 of indebtedness of the Company or any Subsidiaries;
- (f) bankruptcy, insolvency, reorganization or liquidation proceedings or other proceedings for the relief of debtors shall be instituted by or against the Company or any Subsidiary and, if instituted against the Company or any Subsidiary by a third party, shall not be dismissed within sixty (60) days of their initiation;

(g) the commencement by the Company or any Subsidiary of a voluntary case or proceeding under any applicable federal, state or foreign bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by it to the entry of a decree, order, judgment or other similar document in respect of the Company or any subsidiary in an involuntary case or proceeding under any applicable federal, state or foreign bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under any applicable federal, state or foreign law, or the consent by it to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or any Subsidiary or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the execution of a composition of debts, or the occurrence of any other similar federal, state or foreign proceeding, or the admission by it in writing of its inability to pay its debts generally as they become due, the taking of corporate action by the Company or any Subsidiary in furtherance of any such action or the taking of any action by any Person to commence a Uniform Commercial Code foreclosure sale or any other similar action under federal, state or foreign law;

(h) the entry by a court of (A) a decree, order, judgment or other similar document in respect of the Company or any Subsidiary of a voluntary or involuntary case or proceeding under any applicable federal, state or foreign bankruptcy, insolvency, reorganization or other similar law or (B) a decree, order, judgment or other similar document adjudging the Company or any Subsidiary as bankrupt or insolvent, or approving as properly filed a petition seeking liquidation, reorganization, arrangement, adjustment or composition of or in respect of the Company or any Subsidiary under any applicable federal, state or foreign law or (C) a decree, order, judgment or other similar document appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or any Subsidiary or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree, order, judgment or other similar document or any such other decree, order, judgment or other similar document unstayed and in effect for a period of thirty (30) consecutive days;

(i) a final judgment or judgments for the payment of money aggregating in excess of \$500,000 are rendered against the Company and/or any of its Subsidiaries and which judgments are not, within sixty (60) days after the entry thereof, bonded, discharged, settled or stayed pending appeal, or are not discharged within sixty (60) days after the expiration of such stay; provided, however, any judgment which is covered by insurance or an indemnity from a credit worthy party shall not be included in calculating the \$500,000 amount set forth above so long as the Company provides each Holder a written statement from such insurer or indemnity provider (which written statement shall be reasonably satisfactory to each Holder) to the effect that such judgment is covered by insurance or an indemnity and the Company or such Subsidiary (as the case may be) will receive the proceeds of such insurance or indemnity within sixty (60) days of the issuance of such judgment;

(j) other than as specifically set forth in another clause of this Section 5, the Company or any Subsidiary breaches any representation or warranty in any material respect (other than representations or warranties subject to material adverse effect or materiality, which may not be breached in any respect) or any covenant or other term or condition of any Transaction Document, except, in the case of a breach of a covenant or other term or condition that is curable, only if such breach remains uncured for a period of five (5) consecutive Trading Days, unless such breach does not have a Material Adverse Effect (as defined below);

(k) any breach or failure in any respect by the Company or any Subsidiary to comply with any covenants of this Certificate of Designation, unless such breach does not have a Material Adverse Effect;

6. Rights Upon Fundamental Transactions. The Company shall not enter into or be party to a Fundamental Transaction unless (i) the Successor Entity assumes in writing all of the obligations of the Company under this Certificate of Designation and the other Transaction Documents in accordance with the provisions of this Section 6 pursuant to written agreements in form and substance satisfactory to the Required Holders and approved by the Required Holders prior to such Fundamental Transaction, including agreements to deliver to each holder of Preferred Shares in exchange for such Preferred Shares a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to this Certificate of Designation, including, without limitation, having a Stated Value and Dividend Rate equal to the stated value and dividend rate of the Preferred Shares held by the Holders and having similar ranking to the Preferred Shares, and reasonably satisfactory to the Required Holders and (ii) the Successor Entity (including its Parent Entity) is a publicly traded corporation whose shares of common stock are quoted on or listed for trading on an Eligible Market. Upon the occurrence of any Fundamental Transaction, the Successor Entity shall succeed to, and be substituted for (so that from and after the date of such Fundamental Transaction, the provisions of this Certificate of Designation and the other Transaction Documents referring to the "Company" shall refer instead to the Successor Entity), and may exercise every right and power of the Company and shall assume all of the obligations of the Company under this Certificate of Designation and the other Transaction Documents with the same effect as if such Successor Entity had been named as the Company herein and therein. In addition to the foregoing, upon consummation of a Fundamental Transaction, the Successor Entity shall deliver to each Holder confirmation that there shall be issued upon conversion of the Preferred Shares at any time after the consummation of such Fundamental Transaction, in lieu of the shares of Common Stock (or other securities, cash, assets or other property) issuable upon the conversion of the Preferred Shares prior to such Fundamental Transaction, such shares of publicly traded common stock (or their equivalent) of the Successor Entity (including its Parent Entity) which each Holder would have been entitled to receive upon the consummation of such Fundamental Transaction had all the Preferred Shares held by each Holder been converted immediately prior to such Fundamental Transaction (without regard to any limitations on the conversion of the Preferred Shares contained in this Certificate of Designation), as adjusted in accordance with the provisions of this Certificate of Designation. The provisions of this Section 6 shall apply similarly and equally to successive Fundamental Transactions and shall be applied without regard to any limitations on the conversion of the Preferred Shares.

7. Certain Covenants.

(a) Without the prior written consent of the majority of the Holders, the Company shall be prohibited from selling or otherwise disposing of its ownership interest in the Target Facility equal to the amount of the aggregate of the Holders' Stated Value outstanding (the "**Measuring Value**") at the time of such sale or disposition (a "**Proposed Transfer**") if such Proposed Transfer is for consideration (i) in cash less than the Measuring Value or (ii) a non-cash form of compensation (including in exchange for repayment of debt).

(b) Cash distributions resulting from the sale of the Target Facility (“**Sale Distributions**”) shall first be credited as return of capital, whereby the Company acquires the holder’s Series D Preferred stock at its stated value and the remaining Distribution is paid as a dividend. In the event that the Target Facility is sold and the proceeds to each investor is less than the stated value of the total of the investor’s Series D Preferred shares, the shares of Series D Preferred with a stated value in excess of the proceeds shall remain outstanding, but not subject to redemption by way of the Alternative Dividend or the Alternative Conversion.

8. Adjustment of Conversion Price upon Subdivision or Combination of Common Stock. Without limiting any provision of Section 12, if the Company at any time on or after the Initial Issuance Date subdivides (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of its outstanding shares of Common Stock into a greater number of shares, the Conversion Price in effect immediately prior to such subdivision will be proportionately reduced. Without limiting any provision of Section 12, if the Company at any time combines (by combination, reverse stock split or otherwise) one or more classes of its outstanding shares of Common Stock into a smaller number of shares, the Conversion Price in effect immediately prior to such combination will be proportionately increased. Any adjustment pursuant to this Section 8 shall become effective immediately after the effective date of such subdivision or combination. If any event requiring an adjustment under this Section 8 occurs during the period that a Conversion Price is calculated hereunder, then the calculation of such Conversion Price shall be adjusted appropriately to reflect such event.

9. Authorized Shares.

(a) Reservation. The Company shall initially reserve out of its authorized and unissued Common Stock a number of shares of Common Stock equal to 100% of the Conversion Rate with respect to the Conversion Amount of each Preferred Share as of the Initial Issuance Date (assuming for purposes hereof, that such Preferred Shares are convertible at the Conversion Price and without taking into account any limitations on the conversion of such Preferred Shares set forth in herein). So long as any of the Preferred Shares are outstanding, the Company shall take all action necessary to reserve and keep available out of its authorized and unissued shares of Common Stock, solely for the purpose of effecting the conversion of the Preferred Shares, as of any given date, 100% of the number of shares of Common Stock as shall from time to time be necessary to effect the conversion of all of the Preferred Shares issued or issuable pursuant to the Transaction Documents assuming for purposes hereof, have been issued and without taking into account any limitations on the issuance of securities set forth herein, provided that at no time shall the number of shares of Common Stock so available be less than the number of shares required to be reserved by the previous sentence (without regard to any limitations on conversions contained in this Certificate of Designation) (the “**Required Amount**”). The initial number of shares of Common Stock reserved for conversions of the Preferred Shares and each increase in the number of shares so reserved shall be allocated pro rata among the Holders based on the number of Preferred Shares held by each Holder on the Initial Issuance Date or increase in the number of reserved shares (as the case may be) (the “**Authorized Share Allocation**”). In the event a Holder shall sell or otherwise transfer any of such Holder’s Preferred Shares, each transferee shall be allocated a pro rata portion of such Holder’s Authorized Share Allocation. Any shares of Common Stock reserved and allocated to any Person which ceases to hold any Preferred Shares shall be allocated to the remaining Holders of Preferred Shares, pro rata based on the number of Preferred Shares then held by such Holders.

(b) Insufficient Authorized Shares. If, notwithstanding Section 9(a) and not in limitation thereof, at any time while any of the Preferred Shares remain outstanding the Company does not have a sufficient number of authorized and unissued shares of Common Stock to satisfy its obligation to have available for issuance upon conversion of the Preferred Shares at least a number of shares of Common Stock equal to the Required Amount (an “**Authorized Share Failure**”), then the Company shall immediately take all action necessary to increase the Company’s authorized shares of Common Stock to an amount sufficient to allow the Company to reserve and have available the Required Amount for all of the Preferred Shares then outstanding. Without limiting the generality of the foregoing sentence, as soon as practicable after the date of the occurrence of an Authorized Share Failure, but in no event later than ninety (90) days after the occurrence of such Authorized Share Failure, the Company shall hold a meeting or obtain written consent of its stockholders for the approval of an increase in the number of authorized shares of Common Stock. In connection with such meeting, the Company shall provide each stockholder with a proxy statement or information statement, as applicable, and shall use its best efforts to solicit its stockholders’ approval of such increase in authorized shares of Common Stock and to cause its Board to recommend to the stockholders that they approve such proposal.

10. Voting Rights. Holders of Preferred Shares shall have no voting rights, except as required by law (including, without limitation, the DGCL) and as expressly provided in this Certificate of Designation. To the extent that under the DGCL the vote of the holders of the Preferred Shares, voting separately as a class or series as applicable, is required to authorize a given action of the Company, the affirmative vote or consent of the holders of all of the Preferred Shares, voting together in the aggregate and not in separate series unless required under the DGCL, represented at a duly held meeting at which a quorum is presented or by written consent of all of the Preferred Shares (except as otherwise may be required under the DGCL), voting together in the aggregate and not in separate series unless required under the DGCL, shall constitute the approval of such action by both the class or the series, as applicable. Subject to Section 4(e), to the extent that under the DGCL holders of the Preferred Shares are entitled to vote on a matter with holders of shares of Common Stock, voting together as one class, each Preferred Share shall entitle the holder thereof to cast that number of votes per share as is equal to the number of shares of Common Stock into which it is then convertible (subject to the ownership limitations specified in Section 4(e) hereof) using the record date for determining the stockholders of the Company eligible to vote on such matters as the date as of which the Conversion Price is calculated. Holders of the Preferred Shares shall be entitled to written notice of all stockholder meetings or written consents (and copies of proxy materials and other information sent to stockholders) with respect to which they would be entitled by vote, which notice would be provided pursuant to the Company’s bylaws and the DGCL).

11. Liquidation, Dissolution, Winding-Up. In the event of a Liquidation Event, the Holders shall be entitled to receive in cash out of the assets of the Company, whether from capital or from earnings available for distribution to its stockholders (the “**Liquidation Funds**”), before any amount shall be paid to the holders of any of shares of Junior Stock, an amount per Preferred Share 110% of the Conversion Amount thereof on the date of such payment, provided that if the Liquidation Funds are insufficient to pay the full amount due to the Holders and holders of shares of Parity Stock, then each Holder and each holder of Parity Stock shall receive a percentage of the Liquidation Funds equal to the full amount of Liquidation Funds payable to such Holder and such holder of Parity Stock as a liquidation preference, in accordance with their respective certificate of designations (or equivalent), as a percentage of the full amount of Liquidation Funds payable to all holders of Preferred Shares and all holders of shares of Parity Stock. To the extent necessary, the Company shall cause such actions to be taken by each of its Subsidiaries so as to enable, to the maximum extent permitted by law, the proceeds of a Liquidation Event to be distributed to the Holders in accordance with this Section 11. All the preferential amounts to be paid to the Holders under this Section 11 shall be paid or set apart for payment before the payment or setting apart for payment of any amount for, or the distribution of any Liquidation Funds of the Company to the holders of shares of Junior Stock in connection with a Liquidation Event as to which this Section 11 applies.

12. Participation. In addition to any adjustments pursuant to Section 8, the Holders shall, as holders of Preferred Shares, be entitled to receive such dividends paid and distributions made to the holders of shares of Common Stock to the same extent as if such Holders had converted each Preferred Share held by each of them into shares of Common Stock (without regard to any limitations on conversion herein or elsewhere) and had held such shares of Common Stock on the record date for such dividends and distributions. Payments under the preceding sentence shall be made concurrently with the dividend or distribution to the holders of shares of Common Stock (provided, however, to the extent that a Holder’s right to participate in any such dividend or distribution would result in such Holder exceeding the Maximum Percentage, then such Holder shall not be entitled to participate in such dividend or distribution to such extent (or the beneficial ownership of any such shares of Common Stock as a result of such dividend or distribution to such extent) and such dividend or distribution to such extent shall be held in abeyance for the benefit of such Holder until such time, if ever, as its right thereto would not result in such Holder exceeding the Maximum Percentage).

13. Vote to Change the Terms of or Issue Preferred Shares. In addition to any other rights provided by law, except where the vote or written consent of the holders of a greater number of shares is required by law or by another provision of the Certificate of Incorporation, without first obtaining the affirmative vote at a meeting duly called for such purpose or the written consent without a meeting of the Required Holders, voting together as a single class, the Company shall not amend or repeal any provision of, or add any provision to, its Certificate of Incorporation or bylaws, or file any certificate of designations or articles of amendment of any series of shares of preferred stock, if such action would adversely alter or change in any respect the preferences, rights, privileges or powers, or restrictions provided for the benefit, of the Preferred Shares, regardless of whether any such action shall be by means of amendment to the Certificate of Incorporation or by merger, consolidation or otherwise; provided, however, the Company shall be entitled, without the consent of the Required Holders unless such consent is otherwise required by the DGCL, to (a) amend the Certificate of Incorporation to effectuate one or more reverse stock splits of its issued and outstanding Common Stock for purposes of maintaining compliance with the rules and regulations of the Principal Market; (b) purchase, repurchase or redeem any shares of capital stock of the Company junior in rank to the Preferred Shares (other than pursuant to equity incentive agreements (that have in good faith been approved by the Board) with employees giving the Company the right to repurchase shares upon the termination of services); or (c) issue any preferred stock that is junior in rank to the Preferred Shares.

14. Lost or Stolen Certificates. Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of any certificates representing Preferred Shares (as to which a written certification and the indemnification contemplated below shall suffice as such evidence), and, in the case of loss, theft or destruction, of an indemnification undertaking by the applicable Holder to the Company in customary and reasonable form and, in the case of mutilation, upon surrender and cancellation of the certificate(s), the Company shall execute and deliver new certificate(s) of like tenor and date.

15. Remedies, Characterizations, Other Obligations, Breaches and Injunctive Relief. The remedies provided in this Certificate of Designation shall be cumulative and in addition to all other remedies available under this Certificate of Designation and any of the other Transaction Documents, at law or in equity (including a decree of specific performance and/or other injunctive relief), and no remedy contained herein shall be deemed a waiver of compliance with the provisions giving rise to such remedy. Nothing herein shall limit any Holder's right to pursue actual and consequential damages for any failure by the Company to comply with the terms of this Certificate of Designation. The Company covenants to each Holder that there shall be no characterization concerning this instrument other than as expressly provided herein. Amounts set forth or provided for herein with respect to payments, conversion and the like (and the computation thereof) shall be the amounts to be received by a Holder and shall not, except as expressly provided herein, be subject to any other obligation of the Company (or the performance thereof). The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Holders and that the remedy at law for any such breach may be inadequate. The Company therefore agrees that, in the event of any such breach or threatened breach, each Holder shall be entitled, in addition to all other available remedies, to an injunction restraining any such breach or any such threatened breach, without the necessity of showing economic loss and without any bond or other security being required, to the extent permitted by applicable law. The Company shall provide all information and documentation to a Holder that is requested by such Holder to enable such Holder to confirm the Company's compliance with the terms and conditions of this Certificate of Designation.

16. Noncircumvention. The Company hereby covenants and agrees that the Company will not, by amendment of its Certificate of Incorporation, bylaws or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Certificate of Designation, and will at all times in good faith carry out all the provisions of this Certificate of Designation and take all action as may be required to protect the rights of the Holders. Without limiting the generality of the foregoing or any other provision of this Certificate of Designation, the Company (i) shall not increase the par value of any shares of Common Stock receivable upon the conversion of any Preferred Shares above the Conversion Price then in effect, (ii) shall take all such actions as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and non-assessable shares of Common Stock upon the conversion of Preferred Shares and (iii) shall, so long as any Preferred Shares are outstanding, take all action necessary to reserve and keep available out of its authorized and unissued shares of Common Stock, solely for the purpose of effecting the conversion of the Preferred Shares, the maximum number of shares of Common Stock as shall from time to time be necessary to effect the conversion of the Preferred Shares then outstanding (without regard to any limitations on conversion contained herein).

17. Failure or Indulgence Not Waiver. No failure or delay on the part of a Holder in the exercise of any power, right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege. No waiver shall be effective unless it is in writing and signed by an authorized representative of the waiving party. This Certificate of Designation shall be deemed to be jointly drafted by the Company and all Holders and shall not be construed against any Person as the drafter hereof.

18. Notices. The Transaction Documents shall provide each Holder of Preferred Shares with prompt written notice of all actions taken pursuant to the terms of this Certificate of Designation, including in reasonable detail a description of such action and the reason therefor. Whenever notice is required to be given under this Certificate of Designation, unless otherwise provided herein, such notice must be in writing and shall be given in accordance with the signature page of the Transaction Documents. Without limiting the generality of the foregoing, the Company shall give written notice to each Holder (i) promptly following any adjustment of the Conversion Price, setting forth in reasonable detail, and certifying, the calculation of such adjustment and (ii) at least fifteen (15) days prior to the date on which the Company closes its books or takes a record (A) with respect to any dividend or distribution upon the Common Stock, (B) with respect to any grant, issuances, or sales of any Options, Convertible Securities or rights to purchase stock, warrants, securities or other property to all holders of shares of Common Stock as a class or (C) for determining rights to vote with respect to any Fundamental Transaction, dissolution or liquidation, provided, in each case, that such information shall be made known to the public prior to, or simultaneously with, such notice being provided to any Holder.

19. Transfer of Preferred Shares. A Holder may transfer some or all of its Preferred Shares without the consent of the Company.

20. Preferred Shares Register. The Company shall maintain at its principal executive offices (or such other office or agency of the Company as it may designate by notice to the Holders), a register for the Preferred Shares, in which the Company shall record the name, address and facsimile number of the Persons in whose name the Preferred Shares have been issued, as well as the name and address of each transferee. The Company may treat the Person in whose name any Preferred Shares is registered on the register as the owner and holder thereof for all purposes, notwithstanding any notice to the contrary, but in all events recognizing any properly made transfers.

21. Amendment. This Certificate of Designation or any provision hereof may be amended by obtaining the affirmative vote at a meeting duly called for such purpose, or written consent without a meeting in accordance with the DGCL, of the Required Holders, voting separate as a single class, and with such other stockholder approval, if any, as may then be required pursuant to the DGCL and the Certificate of Incorporation. Notwithstanding anything to the contrary contained herein, for so long as that certain Senior Secured Term Note made in favor of Michaelson Capital Special Finance Fund II, L.P. (“**Michaelson**”) dated February 2, 2018 in the original principal amount of Five Million Dollars (\$5,000,000) remains outstanding, the Company shall not amend Section 3(c) without the prior, written consent of Michaelson.

22. Dispute Resolution.

The Company shall have three (3) Business Days after receipt of the Conversion Notice to advise the Holder in writing via facsimile or electronic mail that the Company disputes the calculation of the Conversion Shares. The Company shall promptly (no later than two (2) Business Days) issue to the Holder any number of Conversion Shares that is not disputed and shall advise the Holder of the disputed amount within two (2) Business Days following the Company’s receipt of such Holder’s Conversion Notice. If such Holder and the Company are unable to promptly resolve such dispute relating to such Conversion Notice, at any time after the second (2nd) Business Day following such initial notice by the Company of such dispute to the Holder, then such dispute shall be submitted by arbitration according to the Commercial Arbitration Rules of the American Arbitration Association located in New York City before a single arbitrator. Notwithstanding the prior sentence, any other action commenced by either party herein shall be venued in the appropriate court of competent jurisdiction located in the county of New York, State of New York.

23. Certain Defined Terms. For purposes of this Certificate of Designation, the following terms shall have the following meanings:

- (a) “**1934 Act**” means the Securities Exchange Act of 1934, as amended.
- (b) “**Alternative Conversion Rate**” means the greater of the Conversion Price or the Trading Price.
- (c) “**Business Day**” means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed.
- (d) “**Certificate of Designation**” means the Certificate of Designation of Series D Convertible Preferred Stock of BioHiTech Global, Inc.
- (e) “**Common Stock**” means (i) the Company’s shares of common stock, \$0.0001 par value per share, and (ii) any capital stock into which such common stock shall have been changed or any share capital resulting from a reclassification of such common stock.
- (f) “**Common Stock Equivalents**” means any securities of the Company or the Subsidiaries which would entitle the holder thereof to acquire at any time Common Stock, including, without limitation, any debt, preferred stock, right, option, warrant or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

(g) **“Conversion Amount”** means, with respect to each Preferred Share, as of the applicable date of determination, the product of (1) the Stated Value thereof, times (2) the number of Preferred Shares the Holder is attempting to market.

(h) **“Conversion Price”** means \$3.50, subject to adjustment as provided in this Certificate of Designation.

(i) **“Convertible Securities”** means any stock or other security (other than Options) that is at any time and under any circumstances, directly or indirectly, convertible into, exercisable or exchangeable for, or which otherwise entitles the holder thereof to acquire, any shares of Common Stock.

(j) **“Dividend Notice Due Date”** means the eleventh (11th) Trading Day immediately prior to the applicable Dividend Date.

(k) **“Dividend Rate”** means nine percent (9.0%).

(l) **“Eligible Market”** means The New York Stock Exchange, the NYSE American, the Nasdaq Global Select Market, the Nasdaq Global Market, the Nasdaq Capital Market, or the Principal Market.

(m) **“Exempt Issuance”** means any offer, issuance or agreement to issue any Common Stock or securities convertible into or exercisable for shares of common stock (or modify any of the foregoing which may be outstanding) in connection with (i) full or partial consideration in connection with a strategic merger, consolidation or purchase of substantially all of the securities or assets of the Company or other entity, (ii) the Company’s issuance of securities in connection with strategic license agreements and other partnering arrangements so long as such issuances are not for the purpose of raising capital, (iii) the Company’s issuance of Common Stock or the issuance or grants of options to purchase Common Stock pursuant to the Company’s equity incentive and employee stock purchase plans, (iv) issuance of securities to consultants or vendors as payment for services rendered, (v) the conversion of any of the Preferred Shares, (vi) the payment of any dividends on the Preferred Shares, and (vii) the issuance of any Securities and/or other securities exercisable or exchangeable for or convertible into shares of Common Stock issued and outstanding on the Issuance Date, provided that such securities have not been amended since the date of this Agreement to increase the number of such securities or to decrease the exercise price, exchange price or conversion price of such securities or to extend the term of such securities.

(n) **“Fundamental Transaction”** means that (i) the Company or any of its Subsidiaries shall, directly or indirectly, in one or more related transactions, (1) consolidate or merge with or into (whether or not the Company or any of its Subsidiaries is the surviving corporation) any other Person, or (2) sell, lease, license, assign, transfer, convey or otherwise dispose of all or substantially all of the Company’s properties or assets to any other Person, or (3) allow any other Person to make a purchase, tender or exchange offer that is accepted by the holders of more than fifty percent (50%) of the outstanding shares of Voting Stock of the Company (not including any shares of Voting Stock of the Company held by the Person or Persons making or party to, or associated or affiliated with the Persons making or party to, such purchase, tender or exchange offer), or (4) consummate a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with any other Person whereby such other Person acquires more than fifty percent (50%) of the outstanding shares of Voting Stock of the Company (not including any shares of Voting Stock of the Company held by the other Person or other Persons making or party to, or associated or affiliated with the other Persons making or party to, such stock or share purchase agreement or other business combination), or (5) reorganize, recapitalize or reclassify the Common Stock, or (ii) any “person” or “group” (as these terms are used for purposes of Sections 13(d) and 14(d) of the 1934 Act and the rules and regulations promulgated thereunder) is or shall become the “beneficial owner” (as defined in Rule 13d-3 under the 1934 Act), directly or indirectly, of fifty percent (50%) of the aggregate ordinary voting power represented by issued and outstanding Voting Stock of the Company.

(o) **“Liquidation Event”** means, whether in a single transaction or series of transactions, the voluntary or involuntary liquidation, dissolution or winding up of the Company or such Subsidiaries the assets of which constitute all or substantially all of the assets of the business of the Company and its Subsidiaries, taken as a whole.

(p) **“Material Adverse Effect”** means any material adverse effect on (i) the business, properties, assets, liabilities, operations (including results thereof), condition (financial or otherwise) or prospects of the Company or any subsidiary, either individually or taken as a whole, (ii) the transactions contemplated hereunder or (iii) the authority or ability of the Company to perform any of its obligations hereunder.

(q) **“Options”** means any rights, warrants or options to subscribe for or purchase shares of Common Stock or Convertible Securities.

(r) **“Parent Entity”** of a Person means an entity that, directly or indirectly, controls the applicable Person and whose common stock or equivalent equity security is quoted or listed on an Eligible Market, or, if there is more than one such Person or Parent Entity, the Person or Parent Entity with the largest public market capitalization as of the date of consummation of the Fundamental Transaction.

(s) **“Person”** means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity or a government or any department or agency thereof.

(t) **“Principal Market”** means the Eligible Market, OTC PINK, OTCQB, OTCQX, or OTCBB.

- (u) **“Required Holders”** means the holders of at least two-thirds of the outstanding Preferred Shares.
- (v) **“Securities”** means, collectively, the Preferred Shares and the shares of Common Stock issuable upon conversion of the Preferred Shares.
- (w) **“Securities Act”** means the Securities Act of 1933, as amended.
- (x) **“Stated Value”** shall mean \$100.00 per share, subject to adjustment for stock splits, stock dividends, recapitalizations, reorganizations, reclassifications, combinations, subdivisions or other similar events occurring after the Initial Issuance Date with respect to the Preferred Shares.
- (y) **“Stockholder Approval”** means, for the purposes of this Certificate of Designation and any other Transaction Document, the affirmative approval of the stockholders of the Company providing for the Company’s issuance of all of the Securities as described in the Transaction Documents if and to the extent required in accordance with applicable law and the rules and regulations of the Principal Market.
- (z) **“Subsidiary”** or **“Subsidiaries”** means any subsidiary of the Company, including, where applicable, any direct or indirect subsidiary of the Company formed or acquired after the date hereof.
- (aa) **“Successor Entity”** means the Person (or, if so elected by the Required Holders, the Parent Entity) formed by, resulting from or surviving any Fundamental Transaction or the Person (or, if so elected by the Required Holders, the Parent Entity) with which such Fundamental Transaction shall have been entered into.
- (bb) **“Target Facility”** means the next HEBioT facility that the Company constructs or operates specifically excluding the Company’s facility located in Martinsburg, West Virginia.
- (cc) **“Trading Day”** means any day on which the Common Stock is traded on the Principal Market, or, if the Principal Market is not the principal trading market for the Common Stock, then on the principal securities exchange or securities market on which the Common Stock is then traded, provided that “Trading Day” shall not include any day on which the Common Stock is scheduled to trade on such exchange or market for less than 4.5 hours or any day that the Common Stock is suspended from trading during the final hour of trading on such exchange or market (or if such exchange or market does not designate in advance the closing time of trading on such exchange or market, then during the hour ending at 4:00p.m., New York time) unless such day is otherwise designated as a Trading Day in writing by the Required Holders.

(dd) “**Trading Price**” shall mean the dollar volume-weighted average sale price for the Common Stock on the Principal Market over the five (5) consecutive Trading Days immediately following the Company’s receipt of the Alternate Exchange Notice.

(ee) “**Transaction Documents**” means the Certificate of Designation plus the Subscription Agreement and Series D Common Stock Purchase Warrant entered into contemporaneously with the Holder’s subscription of the Preferred Shares.

(ff) “**Voting Stock**” of a Person means capital stock of such Person of the class or classes pursuant to which the holders thereof have the general voting power to elect, or the general power to appoint, at least a majority of the board of directors, managers, trustees or other similar governing body of such Person (irrespective of whether or not at the time capital stock of any other class or classes shall have or might have voting power by reason of the happening of any contingency).

24. Disclosure. Upon receipt or delivery by the Company of any notice in accordance with the terms of this Certificate of Designation, unless the Company has in good faith determined that the matters relating to such notice do not constitute material, non-public information relating to the Company or any of its Subsidiaries, the Company shall simultaneously with any such receipt or delivery publicly disclose such material, non-public information on a Current Report on Form 8-K or otherwise. In the event that the Company believes that a notice contains material, non-public information relating to the Company or any of its Subsidiaries, the Company so shall indicate to each Holder contemporaneously with delivery of such notice, and in the absence of any such indication, each Holder shall be allowed to presume that all matters relating to such notice do not constitute material, non-public information relating to the Company or its Subsidiaries. Nothing contained in this Section 24 shall limit any obligations of the Company, or any rights of any Holder.

(Remainder of the page left intentionally blank.)

IN WITNESS WHEREOF, the Company has caused this Certificate of Designation of Series D Convertible Preferred Stock of Inc. to be signed by its duly authorized officer on this 11th day of February 2019.

BioHiTech Global, Inc.

By: _____

Name: Brian C. Essman

Title: Chief Financial Officer

**CERTIFICATE OF DESIGNATION OF
SERIES D CONVERTIBLE PREFERRED STOCK OF
BIOHITECH GLOBAL, INC.**

BioHiTech Global, Inc., a corporation organized and existing under the laws of the State of Delaware ("**Company**"), hereby certifies that the Board of Directors of the Company (the "**Board of Directors**" or the "**Board**"), pursuant to authority of the Board of Directors as required by applicable corporate law, and in accordance with the provisions of its certificate of incorporation and bylaws, has and hereby authorizes a series of the Company's previously authorized Preferred Stock, par value \$0.0001 per share (the "**Preferred Stock**"), and hereby states the designation and number of shares, and fixes the rights, preferences, privileges, powers and restrictions thereof, as follows:

1. Designation and Number of Shares. There shall hereby be created and established a series of preferred stock of the Company designated as "Series D Convertible Preferred Stock" (the "**Preferred Shares**"). The authorized number of Preferred Shares shall be 20,000 shares. Each Preferred Share shall have a par value of \$0.0001. Capitalized terms not defined herein shall have the meanings as set forth in Section 23 below.

2. Ranking. Except with respect to any other existing or future series of preferred stock of senior rank to the Preferred Shares in respect of the preferences as to dividends, distributions and payments upon the liquidation, dissolution and winding-up of the Company (collectively, the "**Senior Preferred Stock**") or any existing or future series of preferred stock of pari passu rank to the Preferred Shares in respect of the preferences as to dividends, distributions and payments upon the liquidation, dissolution and winding-up of the Company (collectively, the "**Parity Stock**"), all shares of capital stock of the Company shall be junior in rank to all Preferred Shares with respect to the preferences as to dividends, distributions and payments upon the liquidation, dissolution and winding-up of the Company (collectively, the "**Junior Stock**"). The rights of all such shares of capital stock of the Company shall be subject to the rights, powers, preferences and privileges of the Preferred Shares. In the event of the merger or consolidation of the Company with or into another corporation, the Preferred Shares shall maintain their relative rights, powers, preferences, privileges, and designations provided for herein and no such merger or consolidation shall result inconsistent therewith.

3. Dividends.

(a) Commencing on the first day of the next calendar year after the date of issuance (the "**Dividend Commencement Date**") of any Preferred Shares (the "**Initial Issuance Date**"), each holder of such Preferred Shares (each, a "**Holder**" and collectively, the "**Holders**") shall be entitled to receive dividends (the "**Dividends**"), subject to the provisions of Section 3(c) below, at the greater of:

(i) The Dividend Rate in cash or at the sole option of the Company shares of Common Stock as set forth herein (the “**Regular Dividend**”). Regular Dividends shall be payable on each Dividend Date at the sole and exclusive option of the Company, subject to the provisions of Section 3(c) below, in either: (i) cash (a “**Cash Dividend**”); (ii) shares of Common Stock (the “**Dividend Shares**”) so long as the delivery of Dividend Shares would not violate the provisions of Section 4(e); or (iii) in a combination of a Cash Dividend and Dividend Shares. The Company shall deliver a written notice (each, a “**Dividend Election Notice**”) to each Holder on the Dividend Notice Due Date (the date such notice is delivered to all of the Holders, the “**Dividend Notice Date**”), which notice either (A) confirms that Dividends to be paid on such Dividend Date shall be paid entirely in Dividend Shares or (B) elects to pay Dividends as Cash Dividends, (C) or as a combination of Dividend Shares and Cash Dividends and, in any event, specifies the amount of Dividends that shall be paid as Cash Dividends and the amount of Dividends, if any, that shall be paid in Dividend Shares. The Dividend payable to such Holder on such Dividend Date in Dividend Shares shall be paid in a number of fully paid and non-assessable shares (rounded up to the next whole share) of Common Stock equal to the quotient of (1) the amount of Dividends payable to such Holder on such Dividend Date less any Cash Dividends paid and (2) the Conversion Price in effect on the applicable Dividend Date.

(ii) An alternative dividend (the “**Alternative Dividend**”) based on a participation interest formula (“**Participation Interest Formula**”) in the Target Facility. The Participation Interest Formula shall include any distributions of free cash flow (net income, plus amortization and depreciation, less capital expenditures) received by or benefiting the Company from the Target Facility (“**Target Distributions**”), as adjusted for short-term loans and advances for operations, on a pari passu basis with all of the contributed capital by the Company into the Target Facility (“**Committed Capital**”). The Participation Interest Formula shall be represented by the following equation:

$$(Target\ Distributions / Committed\ Capital) \times Stated\ Value$$

[By way of example, if the Target Distributions amount was \$2,000,000, the Company’s Committed Capital was \$8,000,000 (inclusive of the Series D Preferred then outstanding) and the holder’s Series D Preferred Stated Value was \$100,000, the Alternative Dividend would be as follows: (\$2,000,000 / \$8,000,000) x \$100,000=\$25,000.]

(iii) Notwithstanding anything to contrary contained herein, Holder shall only be paid either the Dividends set forth in Section 3(a)(i) or Section 3(a)(ii) hereof, whichever is greater.

(b) Dividends on the Preferred Shares shall commence accumulating on the Initial Issuance Date and shall be computed on the basis of a 365-day year and actual days elapsed. Subject to Section 3(c) and Section 4(c), Dividends shall be payable annually in arrears commencing on the first anniversary of the Dividend Commencement Date and continuing each anniversary of the Dividend Commencement Date thereafter (each, a “**Dividend Date**”). If a Dividend Date is not a Business Day (as defined below), then the Dividend shall be due and payable on the Business Day immediately following such Dividend Date.

(c) The Company may only pay a Cash Dividend or an Alternative Dividend (individually, a “**Cash Payment Dividend**”) to a Holder provided that the payment of such a Cash Payment Dividend would not breach any provision of any agreement or obligation of the Company outstanding on the Initial Issuance Date and still outstanding on the Dividend Date (a “**Company Restriction**”). Cash Payment Dividends shall be paid by the Company out of funds legally available therefor, in cash by wire transfer of immediately available funds, in the amount of any Cash Payment Dividend. If the Company is unable to make a Cash Payment Dividend due to a Company Restriction, such Cash Payment Dividend shall continue to accrue at the respective Dividend Rate until paid by the Company.

(d) The Company may only pay Dividend Shares on a Dividend Date to any Holder provided that the Company has not defaulted under any of the provisions of this Certificate of Designation and the resale of the Dividend Shares and the Warrant Shares (as that term is defined in the Transaction Documents), is available to the Holder under Rule 144 of the Securities Act which availability shall be determined on the Dividend Notice Date. On the applicable Dividend Date the Company shall issue and deliver to the Holder the Dividend Shares either through electronic book entry form with the Transfer Agent or a certificate, registered in the name of such Holder or its designee, for the number of Dividend Shares to which such Holder shall be entitled and with respect to each Dividend Date. The Company shall pay any and all taxes that may be payable with respect to the issuance and delivery of Dividend Shares.

4. Conversion. Each Preferred Share shall be convertible into validly issued, fully paid and non-assessable shares of Common Stock (as defined below) on the terms and conditions set forth in this Section 4.

(a) Holder’s Conversion Right.

(i) Subject to the provisions of Section 4(e) and Section 5, at any time or times after the Initial Issuance Date (the “**Initial Conversion Date**”) each Holder shall be entitled to convert any whole number of Preferred Shares and any accrued but unpaid Dividends into validly issued, fully paid and non-assessable shares of Common Stock in accordance with Section 4(c) at the Conversion Rate (as defined below).

(ii) The number of validly issued, fully paid and non-assessable shares of Common Stock issuable upon conversion (the “**Conversion Shares**”) of each Preferred Share pursuant to Section 4(a) shall be determined according to the following formula (the “**Conversion Rate**”):

$$\frac{\text{Conversion Amount}}{\text{Conversion Price}}$$

No fractional shares of Common Stock are to be issued upon the conversion of any Preferred Shares. If the issuance would result in the issuance of a fraction of a share of Common Stock, the Company shall round such fraction of a share of Common Stock up to the next whole share.

(b) Holder's Alternate Conversion. Subject to the provisions of Section 4(e) and Section 5, at any time or times after the Initial Conversion Date each Holder shall be entitled to convert any whole number of previously unconverted Preferred Shares and any accrued but unpaid Dividends and provided (i) the Target Facility has commenced operations for at least ninety (90) days and (ii) the unaffiliated market capitalization of the Company's Common Stock, on a fully-diluted basis, exceeds One Hundred Million Dollars (\$100,000,000), into validly issued, fully paid and non-assessable shares of Common Stock upon providing an Alternate Conversion Notice in the form attached hereto as Exhibit A, which would include the conversion of Series D Preferred and forfeiture of any future dividends not yet accrued, for a number of shares of Common Stock equal to the "**Alternative Conversion Value**" which shall be determined as follows:

$$\frac{((\text{Annualized EBITDA} \times 8.5) - \text{Outstanding Debt})}{(\text{Total Equity Capital} \times \text{Stated Value})}$$

Where "**Annualized EBITDA**" is calculated on the number of complete calendar months from the commencement of Target Facility's operations to the receipt of the Alternate Conversion Notice in the first year of operations, and on the trailing twelve months thereafter and "**Total Equity Capital**" is defined as cumulative capital invested in the Target Facility by all owners, less any capital redeemed by the Target Facility.

By way of example, if the Stated Value of the Holder's Preferred Shares was \$100,000, representing a 1% interest in the Target Facility which had \$10,000,000 in total equity capital and the Target Facility had annualized EBITDA of \$8 million with total debt outstanding of \$30 million, the Holder's Alternative Exchange Value would equal:

$$(((\$8,000,000 \times 8.5) - \$30,000,000) / \$10,000,000) \times \$100,000 = \$380,000$$

The Alternative Exchange Value may then be converted into shares of Common Stock at the greater of the Conversion Rate or the "**Trading Price**".

(c) Mechanics of Conversion. The conversion of each Preferred Share shall be conducted in the following manner:

(i) Holder's Conversion. Subject to the provisions of Section 4(e) and Section 5, to convert Preferred Shares into validly issued, fully paid and non-assessable shares of Common Stock on any date (a "**Conversion Date**"), a Holder shall deliver (via electronic mail), for receipt on or prior to 11:59 p.m., New York time, on such date, a copy of an executed notice of conversion of Preferred Shares subject to such conversion in the form attached hereto as **Exhibit B** (the "**Conversion Notice**") to the Company, which Conversion Notice shall be subject to adjustment pursuant to Section 8. If required by Section 4(c)(vi), within three (3) Trading Days following a conversion of any such Preferred Shares as aforesaid, such Holder shall surrender to a nationally recognized overnight delivery service for delivery to the Company the original certificates representing the share(s) of Preferred Shares (the "**Preferred Share Certificates**") so converted as aforesaid.

(ii) Company's Response. On or before the first (1st) Trading Day following the date of receipt of a Conversion Notice, the Company shall transmit by facsimile or electronic mail an acknowledgment of confirmation, in the form attached hereto as **Exhibit C**, of receipt of such Conversion Notice to such Holder and the Transfer Agent, which confirmation shall constitute an instruction to the Transfer Agent to process such Conversion Notice in accordance with the terms herein. On or before the second (2nd) Trading Day following the date of receipt by the Company of such Conversion Notice, the Company shall (1) provided that (x) the Transfer Agent is participating in DTC Fast Automated Securities Transfer Program and (y) such Conversion Shares to be so issued are registered for resale pursuant to the terms of a registration statement or are eligible for resale pursuant to Rule 144 of the Securities Act credit such aggregate number of Conversion Shares to which such Holder shall be entitled to such Holder's or its designee's balance account with DTC through its Deposit/Withdrawal at Custodian system, or (2) if either of the immediately preceding clauses (x) or (y) are not satisfied, issue and deliver the Conversion Shares either through electronic book entry form with the Transfer agent (or via reputable overnight courier) to the address as specified in such Conversion Notice, a certificate, registered in the name of such Holder or its designee, for the number of Conversion Shares to which such Holder shall be entitled. If the number of Preferred Shares represented by the Preferred Share Certificate(s) submitted for conversion pursuant to Section 4(c)(vi) is greater than the number of Preferred Shares being converted, then the Company shall if requested by such Holder, as soon as practicable and in no event later than three (3) Trading Days after receipt of the Preferred Share Certificate(s) and at its own expense, issue and deliver to such Holder (or its designee) a new Preferred Share Certificate representing the number of Preferred Shares not converted.

(iii) Record Holder. The Person or Persons entitled to receive the shares of Common Stock issuable upon a conversion of Preferred Shares shall be treated for all purposes as the record holder or holders of such shares of Common Stock on the Conversion Date.

(iv) Intentionally Omitted.

(v) Pro Rata Conversion; Disputes. In the event the Company receives a Conversion Notice from more than one Holder for the same Conversion Date and the Company can convert some, but not all, of such Preferred Shares submitted for conversion, the Company shall convert from each Holder electing to have Preferred Shares converted on such date a pro rata amount of such Holder's Preferred Shares submitted for conversion on such date based on the number of Preferred Shares submitted for conversion on such date by such Holder relative to the aggregate number of Preferred Shares submitted for conversion on such date. In the event of a dispute as to the number of shares of Common Stock issuable to a Holder in connection with a conversion of Preferred Shares, the Company shall issue to such Holder the number of shares of Common Stock not in dispute and resolve such dispute in accordance with Section 22.

(vi) Book-Entry. Notwithstanding anything to the contrary set forth in this Section 4, upon conversion of any Preferred Shares in accordance with the terms hereof, no Holder thereof shall be required to physically surrender the certificate representing the Preferred Shares to the Company following conversion thereof unless (A) the full or remaining number of Preferred Shares represented by the certificate are being converted (in which event such certificate(s) shall be delivered to the Company as contemplated by this Section 4(c)(vi)) or (B) such Holder has provided the Company with prior written notice (which notice may be included in a Conversion Notice) requesting reissuance of Preferred Shares upon physical surrender of any Preferred Shares. Each Holder and the Company shall maintain records showing the number of Preferred Shares so converted by such Holder and the dates of such conversions or shall use such other method, reasonably satisfactory to such Holder and the Company, so as not to require physical surrender of the certificate representing the Preferred Shares upon each such conversion. In the event of any dispute or discrepancy, such records of the Company establishing the number of Preferred Shares to which the record holder is entitled shall be controlling and determinative in the absence of manifest error. A Holder and any transferee or assignee, by acceptance of a certificate, acknowledge and agree that, by reason of the provisions of this paragraph, following conversion of any Preferred Shares, the number of Preferred Shares represented by such certificate may be less than the number of Preferred Shares stated on the face thereof. Each certificate for Preferred Shares shall bear the following legend:

ANY TRANSFEREE OR ASSIGNEE OF THIS CERTIFICATE SHOULD CAREFULLY REVIEW THE TERMS OF THE COMPANY'S CERTIFICATE OF DESIGNATION RELATING TO THE SHARES OF SERIES D PREFERRED STOCK REPRESENTED BY THIS CERTIFICATE, INCLUDING SECTION 4(c)(vi) THEREOF. THE NUMBER OF SHARES OF SERIES D PREFERRED STOCK REPRESENTED BY THIS CERTIFICATE MAY BE LESS THAN THE NUMBER OF SHARES OF SERIES D PREFERRED STOCK STATED ON THE FACE HEREOF PURSUANT TO SECTION 4(c)(vi) OF THE CERTIFICATE OF DESIGNATION RELATING TO THE SHARES OF SERIES D PREFERRED STOCK REPRESENTED BY THIS CERTIFICATE.

(d) Taxes. The Company shall pay any and all documentary, stamp, transfer (but only in respect of the registered holder thereof), issuance and other similar taxes that may be payable with respect to the issuance and delivery of shares of Common Stock upon the conversion of Preferred Shares.

(e) Limitation on Beneficial Ownership.

(i) Notwithstanding anything to the contrary contained in this Certificate of Designation, the Preferred Shares held by a Holder shall not be convertible by such Holder, and the Company shall not affect any conversion of any Preferred Shares held by such Holder, to the extent (but only to the extent) that such Holder or any of its affiliates would beneficially own in excess of 4.99% (the “**Maximum Percentage**”) of the then issued and outstanding shares of Common Stock. To the extent the above limitation applies, the determination of whether the Preferred Shares held by such Holder shall be convertible (vis-à-vis other convertible, exercisable or exchangeable securities owned by such Holder or any of its affiliates) and of which such securities shall be convertible, exercisable or exchangeable (as among all such securities owned by such Holder and its affiliates) shall, subject to such Maximum Percentage limitation, be determined on the basis of the first submission to the Company for conversion, exercise or exchange (as the case may be). No prior inability of a Holder to convert Preferred Shares, or of the Company to issue shares of Common Stock to such Holder, pursuant to this Section 4(e) shall have any effect on the applicability of the provisions of this Section 4(e) with respect to any subsequent determination of convertibility or issuance (as the case may be). For purposes of this Section 4(e), beneficial ownership and all determinations and calculations (including, without limitation, with respect to calculations of percentage ownership) shall be determined in accordance with Section 13(d) of the 1934 Act and the rules and regulations promulgated thereunder. The provisions of this Section 4(e) shall be implemented in a manner otherwise in strict conformity with the terms of this Section 4(e) to correct this Section 4(e) (or any portion hereof) which may be defective or inconsistent with the intended Maximum Percentage beneficial ownership limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such Maximum Percentage limitation. The limitations contained in this Section 4(e) shall apply to a successor holder of Preferred Shares. For any reason at any time, upon the written or oral request of a Holder, the Company shall within one (1) Business Day confirm orally and in writing to such Holder the number of shares of Common Stock then outstanding, including by virtue of any prior conversion or exercise of convertible or exercisable securities into Common Stock, including, without limitation, pursuant to this Certificate of Designation or securities issued pursuant to the other Transaction Documents (as defined in the Securities Purchase Agreement). Notwithstanding anything to the contrary contained herein, by written notice to the Company, any Holder may increase or decrease the Maximum Percentage to any other percentage not in excess of 9.99% specified in such notice; provided that (i) any such increase will not be effective until the 61st day after such notice is delivered to the Company, and (ii) any such increase or decrease will apply only to such Holder sending such notice and not to any other Holder.

Notwithstanding anything contained in this Section 4(e) to the contrary, the Holder may, at its option and in its sole discretion, determine (A) whether the Preferred Shares held by such Holder shall be convertible (vis-à-vis other convertible, exercisable or exchangeable securities owned by such Holder or any of its affiliates) and (B) of which such securities shall be convertible, exercisable or exchangeable (as among all such securities owned by such Holder and its affiliates) on any basis, order, or amounts for conversion, exercise or exchange (as the case may be).

(ii) Principal Market Regulation. Notwithstanding anything herein to the contrary, the Company shall not issue any shares of Common Stock upon conversion of any Preferred Shares or otherwise pursuant to this Certificate of Designation, until the Company obtains the Stockholder Approval, if and to the extent such Stockholder Approval is necessary for such issuance.

(f) Anti-Dilution. If, at any time while the Preferred Shares are outstanding, the Company sells or grants any option to purchase or sells or grants any right to reprice, or otherwise disposes of or issues (or announces any sale, grant or any option to purchase or other disposition), any Common Stock or Common Stock Equivalents entitling any Person to acquire shares of Common Stock at or with a conversion formula that creates an effective price per share that is lower than the then Conversion Price (such lower price or conversion formula, the “Base Conversion Price” and such issuances, collectively, a “Dilutive Issuance”) (if the holder of the Common Stock or Common Stock Equivalents so issued shall at any time, whether by operation of purchase price adjustments, reset provisions, floating conversion, exercise or exchange prices or otherwise, or due to warrants, options or rights per share which are issued in connection with such issuance, be entitled to receive shares of Common Stock at an effective price per share that is lower than the Conversion Price, without the prior written consent of a majority of the Holders of the Preferred Shares, such issuance shall be deemed to have occurred for less than the Conversion Price on such date of the Dilutive Issuance), then the Conversion Price shall be reduced to equal the Base Conversion Price. Such adjustment shall be made whenever such Common Stock or Common Stock Equivalents are issued. Notwithstanding the foregoing, no adjustment will be made under this Section 4(f) in respect of an Exempt Issuance. The Company shall notify the Holders in writing, no later than the Trading Day following the issuance of any Common Stock or Common Stock Equivalents subject to this Section 4(f), indicating therein the applicable issuance price, or applicable reset price, exchange price, conversion price, conversion formula and other pricing terms (such notice, the “Dilutive Issuance Notice”). For the avoidance of doubt, whether or not the Company provides a Dilutive Issuance Notice pursuant to this Section 4(f), upon the occurrence of any Dilutive Issuance, the Holders will be entitled to receive a number of Conversion Shares based upon the Base Conversion Price on or after the date of such Dilutive Issuance, regardless of whether the Holder accurately refers to the Base Conversion Price in the Notice of Conversion.

5. Events of Default. Each of the following events shall constitute an event of default:

- (a) the suspension from trading or failure of the Common Stock to be traded or listed (as applicable) on an Eligible Market for a period of five (5) consecutive Trading Days;
- (b) the Company’s written notice to any holder of the Preferred Shares, including, without limitation, by way of public announcement or through any of its agents, at any time, of its intention not to comply, as required, with a request for conversion of any Preferred Shares into shares of Common Stock that is requested in accordance with the provisions of this Certificate of Designation, other than pursuant to Section 4(e) hereof;
- (c) the Company’s Board of Directors fails to declare any Dividend to be paid on the applicable Dividend Date in accordance with Section 3;
- (d) the Company’s failure to pay to any Holder any Dividend (whether or not declared by the Board of Directors) or any other amount when and as due under this Certificate of Designation (including, without limitation, the Company’s failure to pay any redemption payments or amounts hereunder) or any other Transaction Document or any other agreement, document, certificate or other instrument delivered in connection with the transactions contemplated hereby, except, in the case of a failure to pay Dividends and late charges when and as due, in each such case only if such failure remains uncured for a period of at least three (3) Trading Days;
- (e) the occurrence of any default under, redemption of or acceleration prior to maturity of at least an aggregate of \$500,000 of indebtedness of the Company or any Subsidiaries;
- (f) bankruptcy, insolvency, reorganization or liquidation proceedings or other proceedings for the relief of debtors shall be instituted by or against the Company or any Subsidiary and, if instituted against the Company or any Subsidiary by a third party, shall not be dismissed within sixty (60) days of their initiation;

(g) the commencement by the Company or any Subsidiary of a voluntary case or proceeding under any applicable federal, state or foreign bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by it to the entry of a decree, order, judgment or other similar document in respect of the Company or any subsidiary in an involuntary case or proceeding under any applicable federal, state or foreign bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under any applicable federal, state or foreign law, or the consent by it to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or any Subsidiary or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the execution of a composition of debts, or the occurrence of any other similar federal, state or foreign proceeding, or the admission by it in writing of its inability to pay its debts generally as they become due, the taking of corporate action by the Company or any Subsidiary in furtherance of any such action or the taking of any action by any Person to commence a Uniform Commercial Code foreclosure sale or any other similar action under federal, state or foreign law;

(h) the entry by a court of (A) a decree, order, judgment or other similar document in respect of the Company or any Subsidiary of a voluntary or involuntary case or proceeding under any applicable federal, state or foreign bankruptcy, insolvency, reorganization or other similar law or (B) a decree, order, judgment or other similar document adjudging the Company or any Subsidiary as bankrupt or insolvent, or approving as properly filed a petition seeking liquidation, reorganization, arrangement, adjustment or composition of or in respect of the Company or any Subsidiary under any applicable federal, state or foreign law or (C) a decree, order, judgment or other similar document appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or any Subsidiary or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree, order, judgment or other similar document or any such other decree, order, judgment or other similar document unstayed and in effect for a period of thirty (30) consecutive days;

(i) a final judgment or judgments for the payment of money aggregating in excess of \$500,000 are rendered against the Company and/or any of its Subsidiaries and which judgments are not, within sixty (60) days after the entry thereof, bonded, discharged, settled or stayed pending appeal, or are not discharged within sixty (60) days after the expiration of such stay; provided, however, any judgment which is covered by insurance or an indemnity from a credit worthy party shall not be included in calculating the \$500,000 amount set forth above so long as the Company provides each Holder a written statement from such insurer or indemnity provider (which written statement shall be reasonably satisfactory to each Holder) to the effect that such judgment is covered by insurance or an indemnity and the Company or such Subsidiary (as the case may be) will receive the proceeds of such insurance or indemnity within sixty (60) days of the issuance of such judgment;

(j) other than as specifically set forth in another clause of this Section 5, the Company or any Subsidiary breaches any representation or warranty in any material respect (other than representations or warranties subject to material adverse effect or materiality, which may not be breached in any respect) or any covenant or other term or condition of any Transaction Document, except, in the case of a breach of a covenant or other term or condition that is curable, only if such breach remains uncured for a period of five (5) consecutive Trading Days, unless such breach does not have a Material Adverse Effect (as defined below);

(k) any breach or failure in any respect by the Company or any Subsidiary to comply with any covenants of this Certificate of Designation, unless such breach does not have a Material Adverse Effect;

6. Rights Upon Fundamental Transactions. The Company shall not enter into or be party to a Fundamental Transaction unless (i) the Successor Entity assumes in writing all of the obligations of the Company under this Certificate of Designation and the other Transaction Documents in accordance with the provisions of this Section 6 pursuant to written agreements in form and substance satisfactory to the Required Holders and approved by the Required Holders prior to such Fundamental Transaction, including agreements to deliver to each holder of Preferred Shares in exchange for such Preferred Shares a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to this Certificate of Designation, including, without limitation, having a Stated Value and Dividend Rate equal to the stated value and dividend rate of the Preferred Shares held by the Holders and having similar ranking to the Preferred Shares, and reasonably satisfactory to the Required Holders and (ii) the Successor Entity (including its Parent Entity) is a publicly traded corporation whose shares of common stock are quoted on or listed for trading on an Eligible Market. Upon the occurrence of any Fundamental Transaction, the Successor Entity shall succeed to, and be substituted for (so that from and after the date of such Fundamental Transaction, the provisions of this Certificate of Designation and the other Transaction Documents referring to the "Company" shall refer instead to the Successor Entity), and may exercise every right and power of the Company and shall assume all of the obligations of the Company under this Certificate of Designation and the other Transaction Documents with the same effect as if such Successor Entity had been named as the Company herein and therein. In addition to the foregoing, upon consummation of a Fundamental Transaction, the Successor Entity shall deliver to each Holder confirmation that there shall be issued upon conversion of the Preferred Shares at any time after the consummation of such Fundamental Transaction, in lieu of the shares of Common Stock (or other securities, cash, assets or other property) issuable upon the conversion of the Preferred Shares prior to such Fundamental Transaction, such shares of publicly traded common stock (or their equivalent) of the Successor Entity (including its Parent Entity) which each Holder would have been entitled to receive upon the consummation of such Fundamental Transaction had all the Preferred Shares held by each Holder been converted immediately prior to such Fundamental Transaction (without regard to any limitations on the conversion of the Preferred Shares contained in this Certificate of Designation), as adjusted in accordance with the provisions of this Certificate of Designation. The provisions of this Section 6 shall apply similarly and equally to successive Fundamental Transactions and shall be applied without regard to any limitations on the conversion of the Preferred Shares.

7. Certain Covenants.

(a) Without the prior written consent of the majority of the Holders, the Company shall be prohibited from selling or otherwise disposing of its ownership interest in the Target Facility equal to the amount of the aggregate of the Holders' Stated Value outstanding (the "**Measuring Value**") at the time of such sale or disposition (a "**Proposed Transfer**") if such Proposed Transfer is for consideration (i) in cash less than the Measuring Value or (ii) a non-cash form of compensation (including in exchange for repayment of debt).

(b) Cash distributions resulting from the sale of the Target Facility ("**Sale Distributions**") shall first be credited as return of capital, whereby the Company acquires the holder's Series D Preferred stock at its stated value and the remaining Distribution is paid as a dividend. In the event that the Target Facility is sold and the proceeds to each investor is less than the stated value of the total of the investor's Series D Preferred shares, the shares of Series D Preferred with a stated value in excess of the proceeds shall remain outstanding, but not subject to redemption by way of the Alternative Dividend or the Alternative Conversion.

8. Adjustment of Conversion Price upon Subdivision or Combination of Common Stock. Without limiting any provision of Section 12, if the Company at any time on or after the Initial Issuance Date subdivides (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of its outstanding shares of Common Stock into a greater number of shares, the Conversion Price in effect immediately prior to such subdivision will be proportionately reduced. Without limiting any provision of Section 12, if the Company at any time combines (by combination, reverse stock split or otherwise) one or more classes of its outstanding shares of Common Stock into a smaller number of shares, the Conversion Price in effect immediately prior to such combination will be proportionately increased. Any adjustment pursuant to this Section 8 shall become effective immediately after the effective date of such subdivision or combination. If any event requiring an adjustment under this Section 8 occurs during the period that a Conversion Price is calculated hereunder, then the calculation of such Conversion Price shall be adjusted appropriately to reflect such event.

9. Authorized Shares.

(a) Reservation. The Company shall initially reserve out of its authorized and unissued Common Stock a number of shares of Common Stock equal to 100% of the Conversion Rate with respect to the Conversion Amount of each Preferred Share as of the Initial Issuance Date (assuming for purposes hereof, that such Preferred Shares are convertible at the Conversion Price and without taking into account any limitations on the conversion of such Preferred Shares set forth in herein). So long as any of the Preferred Shares are outstanding, the Company shall take all action necessary to reserve and keep available out of its authorized and unissued shares of Common Stock, solely for the purpose of effecting the conversion of the Preferred Shares, as of any given date, 100% of the number of shares of Common Stock as shall from time to time be necessary to effect the conversion of all of the Preferred Shares issued or issuable pursuant to the Transaction Documents assuming for purposes hereof, have been issued and without taking into account any limitations on the issuance of securities set forth herein, provided that at no time shall the number of shares of Common Stock so available be less than the number of shares required to be reserved by the previous sentence (without regard to any limitations on conversions contained in this Certificate of Designation) (the “**Required Amount**”). The initial number of shares of Common Stock reserved for conversions of the Preferred Shares and each increase in the number of shares so reserved shall be allocated pro rata among the Holders based on the number of Preferred Shares held by each Holder on the Initial Issuance Date or increase in the number of reserved shares (as the case may be) (the “**Authorized Share Allocation**”). In the event a Holder shall sell or otherwise transfer any of such Holder’s Preferred Shares, each transferee shall be allocated a pro rata portion of such Holder’s Authorized Share Allocation. Any shares of Common Stock reserved and allocated to any Person which ceases to hold any Preferred Shares shall be allocated to the remaining Holders of Preferred Shares, pro rata based on the number of Preferred Shares then held by such Holders.

(b) Insufficient Authorized Shares. If, notwithstanding Section 9(a) and not in limitation thereof, at any time while any of the Preferred Shares remain outstanding the Company does not have a sufficient number of authorized and unissued shares of Common Stock to satisfy its obligation to have available for issuance upon conversion of the Preferred Shares at least a number of shares of Common Stock equal to the Required Amount (an “**Authorized Share Failure**”), then the Company shall immediately take all action necessary to increase the Company’s authorized shares of Common Stock to an amount sufficient to allow the Company to reserve and have available the Required Amount for all of the Preferred Shares then outstanding. Without limiting the generality of the foregoing sentence, as soon as practicable after the date of the occurrence of an Authorized Share Failure, but in no event later than ninety (90) days after the occurrence of such Authorized Share Failure, the Company shall hold a meeting or obtain written consent of its stockholders for the approval of an increase in the number of authorized shares of Common Stock. In connection with such meeting, the Company shall provide each stockholder with a proxy statement or information statement, as applicable, and shall use its best efforts to solicit its stockholders’ approval of such increase in authorized shares of Common Stock and to cause its Board to recommend to the stockholders that they approve such proposal.

10. Voting Rights. Holders of Preferred Shares shall have no voting rights, except as required by law (including, without limitation, the DGCL) and as expressly provided in this Certificate of Designation. To the extent that under the DGCL the vote of the holders of the Preferred Shares, voting separately as a class or series as applicable, is required to authorize a given action of the Company, the affirmative vote or consent of the holders of all of the Preferred Shares, voting together in the aggregate and not in separate series unless required under the DGCL, represented at a duly held meeting at which a quorum is presented or by written consent of all of the Preferred Shares (except as otherwise may be required under the DGCL), voting together in the aggregate and not in separate series unless required under the DGCL, shall constitute the approval of such action by both the class or the series, as applicable. Subject to Section 4(e), to the extent that under the DGCL holders of the Preferred Shares are entitled to vote on a matter with holders of shares of Common Stock, voting together as one class, each Preferred Share shall entitle the holder thereof to cast that number of votes per share as is equal to the number of shares of Common Stock into which it is then convertible (subject to the ownership limitations specified in Section 4(e) hereof) using the record date for determining the stockholders of the Company eligible to vote on such matters as the date as of which the Conversion Price is calculated. Holders of the Preferred Shares shall be entitled to written notice of all stockholder meetings or written consents (and copies of proxy materials and other information sent to stockholders) with respect to which they would be entitled by vote, which notice would be provided pursuant to the Company’s bylaws and the DGCL).

11. Liquidation, Dissolution, Winding-Up. In the event of a Liquidation Event, the Holders shall be entitled to receive in cash out of the assets of the Company, whether from capital or from earnings available for distribution to its stockholders (the “**Liquidation Funds**”), before any amount shall be paid to the holders of any of shares of Junior Stock, an amount per Preferred Share 110% of the Conversion Amount thereof on the date of such payment, provided that if the Liquidation Funds are insufficient to pay the full amount due to the Holders and holders of shares of Parity Stock, then each Holder and each holder of Parity Stock shall receive a percentage of the Liquidation Funds equal to the full amount of Liquidation Funds payable to such Holder and such holder of Parity Stock as a liquidation preference, in accordance with their respective certificate of designations (or equivalent), as a percentage of the full amount of Liquidation Funds payable to all holders of Preferred Shares and all holders of shares of Parity Stock. To the extent necessary, the Company shall cause such actions to be taken by each of its Subsidiaries so as to enable, to the maximum extent permitted by law, the proceeds of a Liquidation Event to be distributed to the Holders in accordance with this Section 11. All the preferential amounts to be paid to the Holders under this Section 11 shall be paid or set apart for payment before the payment or setting apart for payment of any amount for, or the distribution of any Liquidation Funds of the Company to the holders of shares of Junior Stock in connection with a Liquidation Event as to which this Section 11 applies.

12. Participation. In addition to any adjustments pursuant to Section 8, the Holders shall, as holders of Preferred Shares, be entitled to receive such dividends paid and distributions made to the holders of shares of Common Stock to the same extent as if such Holders had converted each Preferred Share held by each of them into shares of Common Stock (without regard to any limitations on conversion herein or elsewhere) and had held such shares of Common Stock on the record date for such dividends and distributions. Payments under the preceding sentence shall be made concurrently with the dividend or distribution to the holders of shares of Common Stock (provided, however, to the extent that a Holder’s right to participate in any such dividend or distribution would result in such Holder exceeding the Maximum Percentage, then such Holder shall not be entitled to participate in such dividend or distribution to such extent (or the beneficial ownership of any such shares of Common Stock as a result of such dividend or distribution to such extent) and such dividend or distribution to such extent shall be held in abeyance for the benefit of such Holder until such time, if ever, as its right thereto would not result in such Holder exceeding the Maximum Percentage).

13. Vote to Change the Terms of or Issue Preferred Shares. In addition to any other rights provided by law, except where the vote or written consent of the holders of a greater number of shares is required by law or by another provision of the Certificate of Incorporation, without first obtaining the affirmative vote at a meeting duly called for such purpose or the written consent without a meeting of the Required Holders, voting together as a single class, the Company shall not amend or repeal any provision of, or add any provision to, its Certificate of Incorporation or bylaws, or file any certificate of designations or articles of amendment of any series of shares of preferred stock, if such action would adversely alter or change in any respect the preferences, rights, privileges or powers, or restrictions provided for the benefit, of the Preferred Shares, regardless of whether any such action shall be by means of amendment to the Certificate of Incorporation or by merger, consolidation or otherwise; provided, however, the Company shall be entitled, without the consent of the Required Holders unless such consent is otherwise required by the DGCL, to (a) amend the Certificate of Incorporation to effectuate one or more reverse stock splits of its issued and outstanding Common Stock for purposes of maintaining compliance with the rules and regulations of the Principal Market; (b) purchase, repurchase or redeem any shares of capital stock of the Company junior in rank to the Preferred Shares (other than pursuant to equity incentive agreements (that have in good faith been approved by the Board) with employees giving the Company the right to repurchase shares upon the termination of services); or (c) issue any preferred stock that is junior in rank to the Preferred Shares.

14. Lost or Stolen Certificates. Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of any certificates representing Preferred Shares (as to which a written certification and the indemnification contemplated below shall suffice as such evidence), and, in the case of loss, theft or destruction, of an indemnification undertaking by the applicable Holder to the Company in customary and reasonable form and, in the case of mutilation, upon surrender and cancellation of the certificate(s), the Company shall execute and deliver new certificate(s) of like tenor and date.

15. Remedies, Characterizations, Other Obligations, Breaches and Injunctive Relief. The remedies provided in this Certificate of Designation shall be cumulative and in addition to all other remedies available under this Certificate of Designation and any of the other Transaction Documents, at law or in equity (including a decree of specific performance and/or other injunctive relief), and no remedy contained herein shall be deemed a waiver of compliance with the provisions giving rise to such remedy. Nothing herein shall limit any Holder's right to pursue actual and consequential damages for any failure by the Company to comply with the terms of this Certificate of Designation. The Company covenants to each Holder that there shall be no characterization concerning this instrument other than as expressly provided herein. Amounts set forth or provided for herein with respect to payments, conversion and the like (and the computation thereof) shall be the amounts to be received by a Holder and shall not, except as expressly provided herein, be subject to any other obligation of the Company (or the performance thereof). The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Holders and that the remedy at law for any such breach may be inadequate. The Company therefore agrees that, in the event of any such breach or threatened breach, each Holder shall be entitled, in addition to all other available remedies, to an injunction restraining any such breach or any such threatened breach, without the necessity of showing economic loss and without any bond or other security being required, to the extent permitted by applicable law. The Company shall provide all information and documentation to a Holder that is requested by such Holder to enable such Holder to confirm the Company's compliance with the terms and conditions of this Certificate of Designation.

16. Noncircumvention. The Company hereby covenants and agrees that the Company will not, by amendment of its Certificate of Incorporation, bylaws or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Certificate of Designation, and will at all times in good faith carry out all the provisions of this Certificate of Designation and take all action as may be required to protect the rights of the Holders. Without limiting the generality of the foregoing or any other provision of this Certificate of Designation, the Company (i) shall not increase the par value of any shares of Common Stock receivable upon the conversion of any Preferred Shares above the Conversion Price then in effect, (ii) shall take all such actions as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and non-assessable shares of Common Stock upon the conversion of Preferred Shares and (iii) shall, so long as any Preferred Shares are outstanding, take all action necessary to reserve and keep available out of its authorized and unissued shares of Common Stock, solely for the purpose of effecting the conversion of the Preferred Shares, the maximum number of shares of Common Stock as shall from time to time be necessary to effect the conversion of the Preferred Shares then outstanding (without regard to any limitations on conversion contained herein).

17. Failure or Indulgence Not Waiver. No failure or delay on the part of a Holder in the exercise of any power, right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege. No waiver shall be effective unless it is in writing and signed by an authorized representative of the waiving party. This Certificate of Designation shall be deemed to be jointly drafted by the Company and all Holders and shall not be construed against any Person as the drafter hereof.

18. Notices. The Transaction Documents shall provide each Holder of Preferred Shares with prompt written notice of all actions taken pursuant to the terms of this Certificate of Designation, including in reasonable detail a description of such action and the reason therefor. Whenever notice is required to be given under this Certificate of Designation, unless otherwise provided herein, such notice must be in writing and shall be given in accordance with the signature page of the Transaction Documents. Without limiting the generality of the foregoing, the Company shall give written notice to each Holder (i) promptly following any adjustment of the Conversion Price, setting forth in reasonable detail, and certifying, the calculation of such adjustment and (ii) at least fifteen (15) days prior to the date on which the Company closes its books or takes a record (A) with respect to any dividend or distribution upon the Common Stock, (B) with respect to any grant, issuances, or sales of any Options, Convertible Securities or rights to purchase stock, warrants, securities or other property to all holders of shares of Common Stock as a class or (C) for determining rights to vote with respect to any Fundamental Transaction, dissolution or liquidation, provided, in each case, that such information shall be made known to the public prior to, or simultaneously with, such notice being provided to any Holder.

19. Transfer of Preferred Shares. A Holder may transfer some or all of its Preferred Shares without the consent of the Company.

20. Preferred Shares Register. The Company shall maintain at its principal executive offices (or such other office or agency of the Company as it may designate by notice to the Holders), a register for the Preferred Shares, in which the Company shall record the name, address and facsimile number of the Persons in whose name the Preferred Shares have been issued, as well as the name and address of each transferee. The Company may treat the Person in whose name any Preferred Shares is registered on the register as the owner and holder thereof for all purposes, notwithstanding any notice to the contrary, but in all events recognizing any properly made transfers.

21. Amendment. This Certificate of Designation or any provision hereof may be amended by obtaining the affirmative vote at a meeting duly called for such purpose, or written consent without a meeting in accordance with the DGCL, of the Required Holders, voting separate as a single class, and with such other stockholder approval, if any, as may then be required pursuant to the DGCL and the Certificate of Incorporation. Notwithstanding anything to the contrary contained herein, for so long as that certain Senior Secured Term Note made in favor of Michaelson Capital Special Finance Fund II, L.P. (“**Michaelson**”) dated February 2, 2018 in the original principal amount of Five Million Dollars (\$5,000,000) remains outstanding, the Company shall not amend Section 3(c) without the prior, written consent of Michaelson.

22. Dispute Resolution.

The Company shall have three (3) Business Days after receipt of the Conversion Notice to advise the Holder in writing via facsimile or electronic mail that the Company disputes the calculation of the Conversion Shares. The Company shall promptly (no later than two (2) Business Days) issue to the Holder any number of Conversion Shares that is not disputed and shall advise the Holder of the disputed amount within two (2) Business Days following the Company’s receipt of such Holder’s Conversion Notice. If such Holder and the Company are unable to promptly resolve such dispute relating to such Conversion Notice, at any time after the second (2nd) Business Day following such initial notice by the Company of such dispute to the Holder, then such dispute shall be submitted by arbitration according to the Commercial Arbitration Rules of the American Arbitration Association located in New York City before a single arbitrator. Notwithstanding the prior sentence, any other action commenced by either party herein shall be venued in the appropriate court of competent jurisdiction located in the county of New York, State of New York.

23. Certain Defined Terms. For purposes of this Certificate of Designation, the following terms shall have the following meanings:

- (a) “**1934 Act**” means the Securities Exchange Act of 1934, as amended.
- (b) “**Alternative Conversion Rate**” means the greater of the Conversion Price or the Trading Price.
- (c) “**Business Day**” means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed.

(d) **“Certificate of Designation”** means the Certificate of Designation of Series D Convertible Preferred Stock of BioHiTech Global, Inc.

(e) **“Common Stock”** means (i) the Company’s shares of common stock, \$0.0001 par value per share, and (ii) any capital stock into which such common stock shall have been changed or any share capital resulting from a reclassification of such common stock.

(f) **“Common Stock Equivalents”** means any securities of the Company or the Subsidiaries which would entitle the holder thereof to acquire at any time Common Stock, including, without limitation, any debt, preferred stock, right, option, warrant or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

(g) **“Conversion Amount”** means, with respect to each Preferred Share, as of the applicable date of determination, the product of (1) the Stated Value thereof, times (2) the number of Preferred Shares the Holder is attempting to market.

(h) **“Conversion Price”** means \$3.50, subject to adjustment as provided in this Certificate of Designation.

(i) **“Convertible Securities”** means any stock or other security (other than Options) that is at any time and under any circumstances, directly or indirectly, convertible into, exercisable or exchangeable for, or which otherwise entitles the holder thereof to acquire, any shares of Common Stock.

(j) **“Dividend Notice Due Date”** means the eleventh (11th) Trading Day immediately prior to the applicable Dividend Date.

(k) **“Dividend Rate”** means nine percent (9.0%).

(l) **“Eligible Market”** means The New York Stock Exchange, the NYSE American, the Nasdaq Global Select Market, the Nasdaq Global Market, the Nasdaq Capital Market, or the Principal Market.

(m) **“Exempt Issuance”** means any offer, issuance or agreement to issue any Common Stock or securities convertible into or exercisable for shares of common stock (or modify any of the foregoing which may be outstanding) in connection with (i) full or partial consideration in connection with a strategic merger, consolidation or purchase of substantially all of the securities or assets of the Company or other entity, (ii) the Company’s issuance of securities in connection with strategic license agreements and other partnering arrangements so long as such issuances are not for the purpose of raising capital, (iii) the Company’s issuance of Common Stock or the issuance or grants of options to purchase Common Stock pursuant to the Company’s equity incentive and employee stock purchase plans, (iv) issuance of securities to consultants or vendors as payment for services rendered, (v) the conversion of any of the Preferred Shares, (vi) the payment of any dividends on the Preferred Shares, and (vii) the issuance of any Securities and/or other securities exercisable or exchangeable for or convertible into shares of Common Stock issued and outstanding on the Issuance Date, provided that such securities have not been amended since the date of this Agreement to increase the number of such securities or to decrease the exercise price, exchange price or conversion price of such securities or to extend the term of such securities.

(n) **“Fundamental Transaction”** means that (i) the Company or any of its Subsidiaries shall, directly or indirectly, in one or more related transactions, (1) consolidate or merge with or into (whether or not the Company or any of its Subsidiaries is the surviving corporation) any other Person, or (2) sell, lease, license, assign, transfer, convey or otherwise dispose of all or substantially all of the Company’s properties or assets to any other Person, or (3) allow any other Person to make a purchase, tender or exchange offer that is accepted by the holders of more than fifty percent (50%) of the outstanding shares of Voting Stock of the Company (not including any shares of Voting Stock of the Company held by the Person or Persons making or party to, or associated or affiliated with the Persons making or party to, such purchase, tender or exchange offer), or (4) consummate a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with any other Person whereby such other Person acquires more than fifty percent (50%) of the outstanding shares of Voting Stock of the Company (not including any shares of Voting Stock of the Company held by the other Person or other Persons making or party to, or associated or affiliated with the other Persons making or party to, such stock or share purchase agreement or other business combination), or (5) reorganize, recapitalize or reclassify the Common Stock, or (ii) any “person” or “group” (as these terms are used for purposes of Sections 13(d) and 14(d) of the 1934 Act and the rules and regulations promulgated thereunder) is or shall become the “beneficial owner” (as defined in Rule 13d-3 under the 1934 Act), directly or indirectly, of fifty percent (50%) of the aggregate ordinary voting power represented by issued and outstanding Voting Stock of the Company.

(o) **“Liquidation Event”** means, whether in a single transaction or series of transactions, the voluntary or involuntary liquidation, dissolution or winding up of the Company or such Subsidiaries the assets of which constitute all or substantially all of the assets of the business of the Company and its Subsidiaries, taken as a whole.

(p) **“Material Adverse Effect”** means any material adverse effect on (i) the business, properties, assets, liabilities, operations (including results thereof), condition (financial or otherwise) or prospects of the Company or any subsidiary, either individually or taken as a whole, (ii) the transactions contemplated hereunder or (iii) the authority or ability of the Company to perform any of its obligations hereunder.

(q) **“Options”** means any rights, warrants or options to subscribe for or purchase shares of Common Stock or Convertible Securities.

(r) **“Parent Entity”** of a Person means an entity that, directly or indirectly, controls the applicable Person and whose common stock or equivalent equity security is quoted or listed on an Eligible Market, or, if there is more than one such Person or Parent Entity, the Person or Parent Entity with the largest public market capitalization as of the date of consummation of the Fundamental Transaction.

(s) **“Person”** means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity or a government or any department or agency thereof.

(t) **“Principal Market”** means the Eligible Market, OTC PINK, OTCQB, OTCQX, or OTCBB.

(u) **“Required Holders”** means the holders of at least two-thirds of the outstanding Preferred Shares.

(v) **“Securities”** means, collectively, the Preferred Shares and the shares of Common Stock issuable upon conversion of the Preferred Shares.

(w) **“Securities Act”** means the Securities Act of 1933, as amended.

(x) **“Stated Value”** shall mean \$100.00 per share, subject to adjustment for stock splits, stock dividends, recapitalizations, reorganizations, reclassifications, combinations, subdivisions or other similar events occurring after the Initial Issuance Date with respect to the Preferred Shares.

(y) **“Stockholder Approval”** means, for the purposes of this Certificate of Designation and any other Transaction Document, the affirmative approval of the stockholders of the Company providing for the Company’s issuance of all of the Securities as described in the Transaction Documents if and to the extent required in accordance with applicable law and the rules and regulations of the Principal Market.

(z) **“Subsidiary”** or **“Subsidiaries”** means any subsidiary of the Company, including, where applicable, any direct or indirect subsidiary of the Company formed or acquired after the date hereof.

(aa) **“Successor Entity”** means the Person (or, if so elected by the Required Holders, the Parent Entity) formed by, resulting from or surviving any Fundamental Transaction or the Person (or, if so elected by the Required Holders, the Parent Entity) with which such Fundamental Transaction shall have been entered into.

(bb) **“Target Facility”** means the next HEBioT facility that the Company constructs or operates specifically excluding the Company’s facility located in Martinsburg, West Virginia.

(cc) **“Trading Day”** means any day on which the Common Stock is traded on the Principal Market, or, if the Principal Market is not the principal trading market for the Common Stock, then on the principal securities exchange or securities market on which the Common Stock is then traded, provided that “Trading Day” shall not include any day on which the Common Stock is scheduled to trade on such exchange or market for less than 4.5 hours or any day that the Common Stock is suspended from trading during the final hour of trading on such exchange or market (or if such exchange or market does not designate in advance the closing time of trading on such exchange or market, then during the hour ending at 4:00p.m., New York time) unless such day is otherwise designated as a Trading Day in writing by the Required Holders.

(dd) **“Trading Price”** shall mean the dollar volume-weighted average sale price for the Common Stock on the Principal Market over the five (5) consecutive Trading Days immediately following the Company’s receipt of the Alternate Exchange Notice.

(ee) **“Transaction Documents”** means the Certificate of Designation plus the Subscription Agreement and Series D Common Stock Purchase Warrant entered into contemporaneously with the Holder’s subscription of the Preferred Shares.

(ff) **“Voting Stock”** of a Person means capital stock of such Person of the class or classes pursuant to which the holders thereof have the general voting power to elect, or the general power to appoint, at least a majority of the board of directors, managers, trustees or other similar governing body of such Person (irrespective of whether or not at the time capital stock of any other class or classes shall have or might have voting power by reason of the happening of any contingency).

24. Disclosure. Upon receipt or delivery by the Company of any notice in accordance with the terms of this Certificate of Designation, unless the Company has in good faith determined that the matters relating to such notice do not constitute material, non-public information relating to the Company or any of its Subsidiaries, the Company shall simultaneously with any such receipt or delivery publicly disclose such material, non-public information on a Current Report on Form 8-K or otherwise. In the event that the Company believes that a notice contains material, non-public information relating to the Company or any of its Subsidiaries, the Company so shall indicate to each Holder contemporaneously with delivery of such notice, and in the absence of any such indication, each Holder shall be allowed to presume that all matters relating to such notice do not constitute material, non-public information relating to the Company or its Subsidiaries. Nothing contained in this Section 24 shall limit any obligations of the Company, or any rights of any Holder.

(Remainder of the page left intentionally blank.)

IN WITNESS WHEREOF, the Company has caused this Certificate of Designation of Series D Convertible Preferred Stock of Inc. to be signed by its duly authorized officer on this 11th day of February 2019.

BioHiTech Global, Inc.

By: _____
Name: Brian C. Essman
Title: Chief Financial Officer

EXHIBIT A

BioHiTech Global, Inc.

ALTERNATIVE CONVERSION NOTICE

Reference is made to the Certificate of Designation of Series D Convertible Preferred Stock of BioHiTech Global, Inc. (the “**Certificate of Designation**”). In accordance with and pursuant to the Certificate of Designation, the undersigned hereby elects in accordance with Section 4.(b) to convert the number of shares of Series D Convertible Preferred Stock (the “**Preferred Shares**”), of BioHiTech Global, Inc., a Delaware corporation (the “**Company**”), indicated below into shares of common stock of the Company, as of the date specified below.

Date of Conversion: _____

Number of Preferred Shares to be converted: _____

Share certificate no(s). of Preferred Shares to be converted: _____

Tax ID Number (If applicable): _____

Conversion value determined in accordance with
Section 4. (b) of this Certificate of
Designation: _____

Number of shares of Common Stock to be issued: _____

Please issue the shares of Common Stock into which the Preferred Shares are being converted in the following name and to the following address:

Issue to: _____

Address: _____

Telephone Number: _____

Facsimile Number: _____

Holder: _____

By: _____

Title: _____

Dated: _____

Account Number (if electronic book entry transfer):

Transaction Code Number (if electronic book entry transfer):

EXHIBIT B

BioHiTech Global, Inc.

CONVERSION NOTICE

Reference is made to the Certificate of Designation of Series D Convertible Preferred Stock of BioHiTech Global, Inc. (the “**Certificate of Designation**”). In accordance with and pursuant to the Certificate of Designation, the undersigned hereby elects to convert the number of shares of Series D Convertible Preferred Stock (the “**Preferred Shares**”), of BioHiTech Global, Inc., a Delaware corporation (the “**Company**”), indicated below into shares of common stock of the Company, as of the date specified below.

Date of Conversion: _____

Number of Preferred Shares to be converted: _____

Share certificate no(s). of Preferred Shares to be converted: _____

Tax ID Number (If applicable): _____

Conversion Price: _____

Number of shares of Common Stock to be issued: _____

Please issue the shares of Common Stock into which the Preferred Shares are being converted in the following name and to the following address:

Issue to: _____

Address: _____

Telephone Number: _____

Facsimile Number: _____

Holder: _____

By: _____

Title: _____

Dated: _____

Account Number (if electronic book entry transfer):

Transaction Code Number (if electronic book entry transfer):

EXHIBIT C

ACKNOWLEDGMENT

The Company hereby acknowledges this Conversion Notice and hereby directs Vstock Transfer, LLC to issue the above indicated number of shares of Common Stock in accordance with its Transfer Agent Instructions dated _____ from the Company and acknowledged and agreed to by Vstock Transfer, LLC.

BioHiTech Global Inc.

By: _____
Name: _____
Title: _____
Date: _____

BIOHITECH GLOBAL, INC.

INVESTOR SUBSCRIPTION AGREEMENT (the “Subscription Agreement”) between **BIOHITECH GLOBAL, INC.**, a Delaware corporation (the “Company”) and the person or persons executing this Agreement on the execution page hereof (the “Subscriber”). All documents mentioned herein are incorporated by reference.

1. Description of the Offering. This Subscription Agreement is for an offering (the “Offering”) of units (each a “Unit” and collectively, the “Units”), with each Unit consisting of: (i) 1,000 shares of Series D Convertible Preferred Stock (the “Series D Preferred”), and (ii) one five-year warrant (each a “Warrant” and collectively, the “Warrants”) to purchase up to such number of shares of the Company’s common stock, \$0.0001 par value per share (the “Common Stock”), equal to 50% of the number of shares of Common Stock issuable upon conversion of each share of Series D Preferred, at an exercise price of \$3.50 per share of Common Stock. Each share of Series D Preferred shall have a stated value of \$100.00, as adjusted for stock dividends, combinations, splits and certain other events. Each share of Series D Preferred and each Warrant shall have the rights, preferences, privileges and restrictions set forth in the Offering Materials (as defined below).

The Offering is a “best efforts” offering with no minimum offering amount and the maximum number of Units to be sold pursuant to the Offering is 16 Units, for an aggregate offering of \$1,600,000 (the “Maximum Offering”). The Company reserves the right to increase the size of the Offering by an additional four Units or \$400,000 without notice to subscribers or investors. The Company is offering the Units on a “best efforts” basis. The minimum subscription amount the Company will accept is \$100,000, however, the Company reserves the right, in its sole discretion, to accept fractional subscriptions.

The Company may engage the services of a non-exclusive placement agent or agents. It is anticipated that if so engaged, the Company may pay cash fees on funds that the placement agent(s) actually raise for the sale of the Units of commissions equal to approximately ten percent (10%).

The Offering is being made solely to accredited investors who qualify as accredited investors pursuant to the suitability standards for investors described under Regulation D of the Securities Act of 1933, as amended (the “Securities Act”) and who have no need for liquidity in their investments. Prior to this Offering there was only a limited public market for the Units and no assurance can be given that a market will develop, or if developed, that it will be maintained so that any subscribers in this Offering may avail any benefit from the same.

THE SECURITIES OFFERED HEREBY ARE SPECULATIVE AND INVOLVE A HIGH DEGREE OF RISK AND SHOULD NOT BE PURCHASED BY ANYONE WHO CANNOT AFFORD THE LOSS OF THEIR ENTIRE INVESTMENT. THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE, OR OTHER JURISDICTION AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. THESE SECURITIES MAY NOT BE TRANSFERRED, SOLD, PLEDGED, HYPOTHECATED OR ASSIGNED EXCEPT AS PERMITTED UNDER SUCH ACT OR SUCH LAWS PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM.

2. Other Terms of the Offering; Acceptance of Subscription. The Offering is for a minimum subscription of \$100,000 and is being made solely to accredited investors who qualify as accredited investors pursuant to the suitability standards for investors described under Regulation D of the Securities Act and who have no need for liquidity in their investments. The execution of this Subscription Agreement shall constitute an offer by the Subscriber to subscribe for the Units in the amount and on the terms specified herein. The Subscriber must also complete and execute the Subscriber Questionnaire attached hereto. The Company reserves the right, in its sole discretion, to reject in whole or in part, any subscription offer. If the Subscriber's offer is accepted, the Company will execute a copy of this Subscription Agreement and return it to the Subscriber. The Subscriber understands and agrees that pursuant to Rule 506(c) of Regulation D promulgated under the Securities Act, the Company needs to take reasonable steps to verify that the Subscribers are accredited investors directly or by a third party service and, in its sole discretion, may (i) reject the subscription of any Subscriber, whether or not qualified, in whole or in part, and (ii) may withdraw the Offering at any time prior to the termination of the Offering. The Company shall have no obligation to accept subscriptions in the order received. This subscription shall become binding only if accepted by the Company.

3. Subscription Procedures. To subscribe, the Subscriber must send a completed and executed copy of each this **Subscription Agreement and the Subscriber Questionnaire** to:

BioHiTech Global, Inc.
Attention: Brian C. Essman, CFO
80 Red Schoolhouse Road
Suite 101
Chestnut Ridge, New York 10972

along with, either

- payment of the Subscriber's subscribed amount by wire transfer as follows:

Comerica Bank
ABA No: _____
SWIFT No: _____

For the benefit of:
Account Name: BioHiTech Global, Inc.
Account No: _____

Memo: BHTG Units of Sr D PS and Warrants

or

- payment of the Subscriber's subscribed amount by check payable to "BioHiTech Global, Inc."

4. Representations and Warranties.

The Subscriber hereby represents and warrants to, and agrees with, the Company as follows:

(a) The Subscriber is either (i) an “accredited investor” as that term is defined in Regulation D promulgated under the Securities Act and as set forth in Exhibit A-1 attached hereto and made a part hereof, or (ii) outside the United States when receiving and executing this Subscription Agreement and the Subscriber is not a U.S. Person as defined in Rule 902 of Regulation S promulgated under the Securities Act and as set forth in Exhibit A-2 attached hereto and made a part hereof;

(b) The Subscriber is a “sophisticated investor” as that term is defined in Rule 506(b)(2)(ii) of Regulation D promulgated under the Securities Act.

(c) For California and Massachusetts individuals: If the subscriber is a California resident, such subscriber’s investment in the Company will not exceed 10% of such subscriber’s net worth (or joint net worth with his or her spouse). If the subscriber is a Massachusetts resident, such subscriber’s investment in the Company will not exceed 25% of such subscriber’s joint net worth with such subscriber’s spouse (exclusive of principal residence and its furnishings).

(d) If a natural person, the Subscriber is a bona fide resident of the state or non-United States jurisdiction contained in the address set forth on the Signature Page of this Agreement as the Subscriber’s home address, at least 21 years of age, and legally competent to execute this Agreement. If an entity, the Subscriber has its principal offices or principal place of business in the state or non-United States jurisdiction contained in the address set forth on the Signature Page of this Agreement, the individual signing on behalf of the Subscriber is duly authorized to execute this Agreement and this Agreement constitutes the legal, valid and binding obligation of the Subscriber enforceable against the Subscriber in accordance with its terms.

(e) The Subscriber recognizes that the purchase of the Units involves a high degree of risk including, but not limited to, the following: (a) the Company remains an early stage business with limited operating history and requires substantial funds in addition to the proceeds of the Offering; (b) an investment in the Company is highly speculative, and only investors who can afford the loss of their entire investment should consider investing in the Company and the Units; (c) the Subscriber may not be able to liquidate its investment; (d) transferability of the Units is extremely limited; (e) in the event of a disposition, the Subscriber could sustain the loss of its entire investment; (f) the Company has not paid any dividends on its Common Stock since its inception and does not anticipate paying any dividends in the foreseeable future; and (g) the Company may issue additional securities in the future which have rights and preferences that are senior to those of the Units.

(f) The Subscriber hereby acknowledges receipt and careful review of this Agreement and any documents which may have been made available upon request as reflected therein (collectively referred to as the “Offering Materials”) and hereby represents that the Subscriber has been furnished by the Company during the course of the Offering with all information regarding the Company, the terms and conditions of the Offering and any additional information that the Subscriber has requested or desired to know, and has been afforded the opportunity to ask questions of and receive answers from duly authorized officers or other representatives of the Company concerning the Company and the terms and conditions of the Offering. The Subscriber has had access to all additional information necessary to verify the accuracy of the information set forth in this Agreement and any other materials furnished herewith, and have taken all the steps necessary to evaluate the merits and risks of an investment as proposed hereunder.

(g) The Subscriber (or the Subscriber's representative) has such knowledge and experience in finance, securities, taxation, investments and other business matters so as to be able to protect the interests of the Subscriber in connection with this transaction, and the Subscriber's investment in the Company hereunder is not material when compared to the Subscriber's total financial capacity.

(h) The Subscriber understands the various risks of an investment in the Company as proposed herein and can afford to bear such risks, including, without limitation, the risks of losing the entire investment.

(i) The Subscriber acknowledges that there has been limited trading in the Company's common stock and there can be no assurance that an active trading market in the Company's common stock will either develop or be maintained and that the Subscriber may find it impossible to liquidate the investment at a time when it may be desirable to do so, or at any other time.

(j) The Subscriber has been advised by the Company that none of the Units have been registered under the Securities Act, that the Units will be issued on the basis of the statutory exemption provided by Rule 506(c) of the Securities Act or Regulation D promulgated thereunder or Regulation S promulgated under the Securities Act, or both, relating to transactions by an issuer not involving any public offering and under similar exemptions under certain state securities laws; that this transaction has not been reviewed by, passed on or submitted to any federal or state agency or self-regulatory organization where an exemption is being relied upon; and that the Company's reliance thereon is based in part upon the representations made by the Subscriber in this Agreement.

(k) The Subscriber acknowledges that the Subscriber has been informed by the Company of or is otherwise familiar with, the nature of the limitations imposed by the Securities Act and the rules and regulations thereunder on the transfer of the Units. In particular, the Subscriber agrees that no sale, assignment or transfer of any of the Units shall be valid or effective, and the Company shall not be required to give any effect to such a sale, assignment or transfer, unless (i) the sale, assignment or transfer of such Units is registered under the Securities Act, it being understood that the Units are not currently registered for sale and that the Company has no obligation or intention to so register the Units, except as contemplated by the terms of this Agreement or (ii) such Units are sold, assigned or transferred in accordance with all the requirements and limitations of Rule 144 under the Securities Act (it being understood that Rule 144 is not available at the present time for the sale of the Units), or (iii) such sale, assignment or transfer is otherwise exempt from registration under the Securities Act. The Subscriber further understands that an opinion of counsel and other documents may be required to transfer the Units.

(l) The Subscriber acknowledges that the Units shall be subject to a stop transfer order and the certificate or certificates evidencing any Units shall bear the following or a substantially similar legend or such other legend as may appear on the forms of Units and such other legends as may be required by state blue sky laws:

For U.S. Persons:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL TO THE HOLDER (IF REQUESTED BY THE COMPANY), IN A FORM REASONABLY ACCEPTABLE TO THE COMPANY, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD OR ELIGIBLE TO BE SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

THE SALE, ASSIGNMENT, GIFT, BEQUEST, TRANSFER, DISTRIBUTION, PLEDGE, HYPOTHECATION OR OTHER ENCUMBRANCE OR DISPOSITION OF THE SHARES REPRESENTED BY THIS CERTIFICATE IS RESTRICTED BY AND MAY BE MADE ONLY IN ACCORDANCE WITH THE TERMS OF A SUBSCRIPTION AGREEMENT DATED APRIL __, 2019.

For Non-U.S. Persons:

THESE SECURITIES WERE ISSUED IN AN OFFSHORE TRANSACTION TO PERSONS WHO ARE NOT U.S. PERSONS (AS DEFINED HEREIN) PURSUANT TO REGULATION S UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"). ACCORDINGLY, NONE OF THE SECURITIES TO WHICH THIS CERTIFICATE RELATES HAVE BEEN REGISTERED UNDER THE 1933 ACT, OR ANY U.S. STATE SECURITIES LAWS, AND, UNLESS SO REGISTERED, NONE MAY BE OFFERED OR SOLD IN THE UNITED STATES (AS DEFINED HEREIN) OR, DIRECTLY OR INDIRECTLY, TO U.S. PERSONS (AS DEFINED HEREIN) EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE 1933 ACT AND IN EACH CASE ONLY IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS. IN ADDITION, HEDGING TRANSACTIONS INVOLVING THE SECURITIES MAY NOT BE CONDUCTED UNLESS IN ACCORDANCE WITH THE 1933 ACT. "UNITED STATES" AND "U.S. PERSON" ARE AS DEFINED BY REGULATION S UNDER THE 1933 ACT.

THE SALE, ASSIGNMENT, GIFT, BEQUEST, TRANSFER, DISTRIBUTION, PLEDGE, HYPOTHECATION OR OTHER ENCUMBRANCE OR DISPOSITION OF THE SHARES REPRESENTED BY THIS CERTIFICATE IS RESTRICTED BY AND MAY BE MADE ONLY IN ACCORDANCE WITH THE TERMS OF A SUBSCRIPTION AGREEMENT DATED APRIL __, 2019.

(m) The Subscriber will acquire the Units for the Subscriber's own account (or for the joint account of the Subscriber and the Subscriber's spouse either in joint tenancy, tenancy by the entirety or tenancy in common) for investment and not with a view to the sale or distribution thereof or the granting of any participation therein, and has no present intention of distributing or selling to others any of such interest or granting any participation therein.

(n) No representation, guarantee or warranty has been made to the Subscriber by any broker, the Company, any of the officers, directors, stockholders, employees or agents of either of them, or any other persons, whether expressly or by implication, that: (I) the Company or the Subscriber will realize any given percentage of profits and/or amount or type of consideration, profit or loss as a result of the Company's activities or the Subscriber's investment in the Company; or (II) the past performance or experience of the management of the Company, or of any other person, will in any way indicate the predictable results of the ownership of the Units or of the Company's activities.

(o) In making the decision to invest in the Units the Subscriber has relied solely upon the information provided by the Company in the Offering Materials. The Subscriber disclaims reliance on any statements made or information provided by any person or entity in the course of Subscriber's consideration of an investment in the Units other than the Offering Materials.

(p) The Subscriber is not subscribing for the Units as a result of or subsequent to any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over television or radio, or presented at any seminar or meeting, or any solicitation of a subscription by a person other than a representative of the Company with which the Subscriber had a pre-existing relationship in connection with investments in securities generally.

(q) The Subscriber is not relying on the Company with respect to the tax and other economic considerations of an investment.

(r) The Subscriber acknowledges that the representations, warranties and agreements made by the Subscriber herein shall survive the execution and delivery of this Agreement and the purchase of the Units.

(s) The Subscriber has consulted his own financial, legal and tax advisors with respect to the economic, legal and tax consequences of an investment in the Units and has not relied on the Offering Materials or the Company, its officers, directors or professional advisors for advice as to such consequences.

(t) If the Subscriber is a non-U.S. Person, the Subscriber has not acquired the Units as a result of, and will not itself engage in, any "directed selling efforts" (as defined in Regulation S under the Securities Act) in the United States in respect of the Units which would include any activities undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the resale of the Units or the securities underlying the Units; provided, however, that the Subscriber may sell or otherwise dispose of the Units or the securities underlying the Units pursuant to registration thereof under the Securities Act and any applicable state and provincial securities laws or under an exemption from such registration requirements;

(u) If the Subscriber is a non-U.S. Person, the Subscriber acknowledges that the statutory and regulatory basis for the exemption from U.S registration requirements claimed for the offer of the Units, although in technical compliance with Regulation S, would not be available if the offering is part of a plan or scheme to evade the registration provisions of the Securities Act or any applicable state or provincial securities laws;

5. Indemnification.

The Subscriber understands the meaning and legal consequences of the representations and warranties contained in Section 4, and agrees to indemnify and hold harmless the Company and each, officer, director, shareholder, employee, agent or representative thereof against any and all loss, damage or liability due to or arising out of a breach of any representation or warranty, or breach or failure to comply with any covenant, of the Subscriber, contained in this Agreement. Notwithstanding any of the representations, warranties, acknowledgments or agreements made herein by the Subscriber, the Subscriber does not thereby or in any other manner waive any rights granted to the Subscriber under federal or state securities laws.

6. Provisions of Certain State Laws.

IN MAKING AN INVESTMENT DECISION, SUBSCRIBERS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

7. Additional Information.

The Subscriber hereby acknowledges and agrees that the Company may make or cause to be made such further inquiry and obtain such additional information, as they may deem appropriate, with regard to the suitability of the Subscriber.

8. Risk Factors.

The Company is in the early stage of development of the Company and is therefore subject to risks and uncertainties. The occurrence of any one or more of these risks or uncertainties could have a material adverse effect on the value of any investment in the Company and the business, prospects, financial position, financial condition or operating results of the Company. Investors should carefully consider these risk factors, together with all of the other information about the Company available in its filings with the Securities and Exchange Commission (<https://www.sec.gov/>) which are hereby incorporated by reference. Investors are encourage to review the risk factors in the most current 10K filing at <https://www.sec.gov/cgi-bin/browse-edgar?company=biohitech&match=&filenum=&State=&Country=&SIC=&myowner=exclude&action=getcompany>.

9. Miscellaneous.

(a) Irrevocability; Binding Effect. The Subscriber hereby acknowledges and agrees that the subscription hereunder is irrevocable, subject to applicable state securities laws, that the Subscriber is not entitled to cancel, terminate or revoke this Agreement or any agreements of the Subscriber thereunder, and that this Agreement and such other agreements shall survive the death or disability of the Subscriber and shall be binding upon and inure to the benefit of the parties and their heirs, executors, administrators, successors, legal representatives and assigns. If the Subscriber is more than one person, the obligations of the Subscriber hereunder shall be joint and several and the agreements, representations, warranties and acknowledgments herein contained shall be deemed to be made by and be binding upon each such person and his heirs, executors, legal representatives and assigns.

(b) Modification. Neither this Agreement nor any provisions hereof shall be waived, modified, discharged or terminated except by an instrument in writing signed by the party against whom any such waiver, modification, discharge or termination is sought.

(c) Notices. Any notice, demand or other communication which any party hereto may be required, or may elect, to give to any other party hereunder shall be sufficiently given if (a) deposited, postage prepaid, in a United States mail box, stamped registered or certified mail, return receipt requested, addressed to such address as may be listed on the books of the Company, or (b) delivered personally at such address.

(d) Counterparts. This Agreement may be executed through the use of separate signature pages or in any number of counterparts, and each such counterpart shall, for all purposes, constitute one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart.

(e) Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the subject matter hereof and there are no representations, covenants or other agreements except as stated or referred to herein.

(f) Severability. Each provision of this Agreement is intended to be severable from every other provision, and the invalidity or illegality of any portion hereof shall not affect the validity or legality of the remainder hereof.

(g) Assignability. This Agreement is not transferable or assignable by the Subscriber.

(h) Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to conflict of laws principles, as applied to residents of that State executing contracts wholly to be performed in that State.

(i) Choice of Jurisdiction. The parties agree that any action or proceeding arising, directly, indirectly or otherwise, in connection with, out of or from this Agreement, any breach hereof or any transaction covered hereby shall be resolved within the State of New York. Accordingly, the parties consent and submit to the jurisdiction of the United States federal and state courts located within the County of New York, New York.

(Remainder of page intentionally left blank.)

IN WITNESS THEREOF, the Subscriber exercises and agrees to be bound by this Agreement by executing the Signature Page attached hereto on the date therein indicated.

SUBSCRIPTION AGREEMENT - SIGNATURE PAGE

By executing this Signature Page, the Subscriber hereby executes, adopts and agrees to all terms, conditions and representations of this Subscription Agreement and acknowledges all requirements are met by the Subscriber to purchase Units in the Company.

The Subscriber hereby offers to purchase [] Units at \$100,000.00 per Unit for an aggregate investment of \$_____.

Type of ownership:

_____ Individual	_____ Joint Tenants
_____ Tenants by the Entirety	_____ Tenants in Common
_____ Subscribing as Corporation or Partnership	_____ Other

IN WITNESS WHEREOF, the Subscriber has executed this Subscription Agreement this ____ day of _____, 2019.

Exact Name in which Units are to be Registered

Exact Name in which Units are to be Registered

Signature

Signature

Print Name _____

Print Name

Tax/Passport/ID Number

Tax/Passport/ID Number

Mailing Address

Mailing Address

Residence Phone Number

Residence Phone Number

Work Phone Number

Work Phone Number

E-Mail Address

E-Mail Address

BioHiTech Global, Inc. hereby accepts the subscription of [_____] Units as of the ____ day of _____, 2019.

BIOHITECH GLOBAL, INC.

By: _____

Name:

Title:

EXHIBIT A-1 - ACCREDITED INVESTOR PAGE FOR U.S. PURCHASERS

The undersigned Subscriber is an “accredited investor” as that term is defined in Regulation D promulgated under the Securities Act and amended by the Dodd-Frank Wall Street Reform and Consumer Protection Act by virtue of being (initial all applicable responses):

- ☐ A small business investment company licensed by the U.S. Small Business Administration under the *Small Business Investment Company Act of 1958*,
- ☐ A business development company as defined in the *Investment Company Act of 1940*,
- ☐ A national or state-chartered commercial bank, whether acting in an individual or fiduciary capacity,
- ☐ An insurance company as defined in Section 2(13) of the Securities Act,
- ☐ An investment company registered under the *Investment Company Act of 1940*,
- ☐ An employee benefit plan within the meaning of Title I of the *Employee Retirement Income Security Act of 1974*, where the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, insurance company, or registered investment advisor, or an employee benefit plan which has total assets in excess of \$5,000,000,
- ☐ A private business development company as defined in Section 202(a)(22) of the *Investment Advisors Act of 1940*,
- ☐ An organization described in Section 501(c)(3) of the *Internal Revenue Code*, a corporation or a partnership with total assets in excess of \$5,000,000,
- ☐ A natural person whose individual net worth, or joint net worth with that person's spouse, at the time of purchase exceeds \$1,000,000. For purposes of this Exhibit A-1, “net worth” means the excess of total assets at fair market value over total liabilities. For purposes of calculating net worth under this section, (i) the primary residence shall not be included as an asset, (ii) to the extent that the indebtedness that is secured by the primary residence is in excess of the fair market value of the primary residence, the excess amount shall be included as a liability, and (iii) if the amount of outstanding indebtedness that is secured by the primary residence exceeds the amount outstanding 60 days prior to the execution of this questionnaire, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability.
- ☐ Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Section 506(b)(2)(ii) of Regulation D,

— A natural person who had an individual income in excess of \$200,000 in each of the two most recent calendar years, and has a reasonable expectation of reaching the same income level in the current calendar year. For purposes of this Exhibit A-1, “income” means annual adjusted gross income, as reported for federal income tax purposes, plus (i) the amount of any tax-exempt interest income received; (ii) the amount of losses claimed as a limited partner in a limited partnership; (iii) any deduction claimed for depletion; (iv) amounts contributed to an IRA or Keogh retirement plan; (v) alimony paid; and (vi) any amount by which income from long-term capital gains has been reduced in arriving at adjusted gross income pursuant to the provisions of Section 1202 of the Internal Revenue Code of 1986, as amended.

— A corporation, partnership, trust or other legal entity (as opposed to a natural person) and all of such entity's equity owners fall into one or more of the categories enumerated above. **(Note: additional documentation may be requested).**

Name of Subscriber (Print)

Name of Joint Subscriber (if any) (Print)

Signature of Subscriber

Signature of Joint Subscriber (if any)

Capacity of Signatory (for entities)

Date

**EXHIBIT A-2 - REGULATION S PAGE
FOR NON-U.S. SUBSCRIBERS**

The undersigned Subscriber (a “Reg S Person”) is not a U.S. Person as defined in Section 902 of Regulation S promulgated under the Securities Act, and hereby represents that the representations in paragraphs (1) through (9) are true and correct with respect to such Reg S Person.

(1) Such Reg S Person acknowledges and warrants that (i) the issuance and sale to such Reg S Person of the Securities is intended to be exempt from the registration requirements of the Securities Act, pursuant to the provisions of Regulation S; (ii) it is not a “U.S. Person,” as such term is defined in Regulation S and herein, and is not acquiring the Securities for the account or benefit of any U.S. Person; and (iii) the offer and sale of the Securities has not taken place, and is not taking place, within the United States of America or its territories or possessions. Such Reg S Person acknowledges that the offer and sale of the Securities has taken place, and is taking place in an “offshore transaction,” as such term is defined in Regulation S.

(2) Such Reg S Person acknowledges and agrees that, pursuant to the provisions of Regulation S, the Securities cannot be sold, assigned, transferred, conveyed, pledged or otherwise disposed of to any U.S. Person or within the United States of America or its territories or possessions for a period of one year from and after the Closing, unless such Securities are registered for sale in the United States pursuant to an effective registration statement under the Securities Act or another exemption from such registration is available. Such Reg S Person acknowledges that it has not engaged in any hedging transactions with regard to the Securities.

(3) Such Reg S Person consents to the placement of a legend on any certificate, note or other document evidencing the Securities and understands that the Company shall be required to refuse to register any transfer of Securities not made in accordance with applicable U.S. securities laws.

(4) Such Reg S Person is not a “distributor” of securities, as that term is defined in Regulation S, nor a dealer in securities. Such Reg S Person is purchasing the Securities as principal for its own account, for investment purposes only and not with an intent or view towards further sale or distribution (as such term is used in Section 2(11) of the Securities Act) thereof, and has not pre-arranged any sale with any other Subscriber and has no plans to enter into any such agreement or arrangement.

(5) Such Reg S Person is not an Affiliate of the Company nor is any Affiliate of such Reg S Person an Affiliate of the Company. An “Affiliate” is an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind (each of the foregoing, a “Person”) that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person as such terms are used in and construed under Rule 405 under the Securities Act. With respect to a Reg S Person, any investment fund or managed account that is managed on a discretionary basis by the same investment manager as such Reg S Person will be deemed to be an Affiliate of such Reg S Person.

(6) Such Reg S Person understands that the Securities have not been registered under the Securities Act or the securities laws of any state and are subject to substantial restrictions on resale or transfer. The Securities are “restricted securities” within the meaning of Regulation S and Rule 144, promulgated under the Securities Act.

(7) Such Reg S Person acknowledges that the Securities may only be sold offshore in compliance with Regulation S or pursuant to an effective registration statement under the Securities Act or another exemption from such registration, if available. In connection with any resale of the Securities pursuant to Regulation S, the Company will not register a transfer not made in accordance with Regulation S, pursuant to an effective registration statement under the Securities Act or in accordance with another exemption from the Securities Act.

- (8) Such Reg S Person represents that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with the offering of the Securities, including: (a) the legal requirements within its jurisdiction for the purchase of the Securities; (b) any foreign exchange restrictions applicable to such purchase; (c) any governmental or other consents that may need to be obtained; and (d) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale or transfer of the Securities. Such Reg S person's subscription and payment for, and its continued beneficial ownership of the Securities, will not violate any applicable securities or other laws of the jurisdiction of its residence.
- (9) Such Reg S Person makes the representations, declarations and warranties as contained in this Exhibit A-2 with the intent that the same shall be relied upon by the Company in determining its suitability as a Subscriber of such Securities.

Name of Subscriber (Print)

Name of Joint Subscriber (if any) (Print)

Signature of Subscriber

Signature of Joint Subscriber (if any)

Capacity of Signatory (for entities)

Date

NEITHER THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE EXERCISABLE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL (WHICH COUNSEL SHALL BE SELECTED BY THE HOLDER), IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

Warrant Shares: [_____]

Issue Date: January __, 2019

COMMON STOCK PURCHASE WARRANT

BioHiTech Global, Inc., a corporation organized under the laws of the State of Delaware (the “**Company**”), hereby certifies that, for value received, [_____] or its assigns (the “**Holder**”), is entitled, subject to the terms and limitations on exercise and conditions hereinafter set forth below, to purchase from the Company at any time after the Issue Date until 5:00 p.m., E.S.T on the fifth anniversary of the Issue Date (the “**Termination Date**”), up to [_____] fully paid and nonassessable shares of Common Stock at a per share purchase price of \$3.50 (the “**Exercise Price**”). The number and character of such shares of Common Stock and the Exercise Price are subject to adjustment as provided herein. The Company may reduce the Exercise Price for some or all of the Warrants, temporarily or permanently, provided such reduction is made as to all outstanding Warrants for all Holders of such Warrants

As used herein the following terms, unless the context otherwise requires, have the following respective meanings:

- (a) The term “**Company**” shall mean BioHiTech Global, Inc., a Delaware corporation, and any corporation which shall succeed or assume the obligations of BioHiTech Global, Inc. hereunder.
- (b) The term “**Common Stock**” includes (i) the Company's Common Stock, \$0.0001 par value per share, as authorized as of the date hereof, and (ii) any other securities into which or for which any of the securities described in (i) may be converted or exchanged pursuant to a plan of recapitalization, reorganization, merger, sale of assets or otherwise.
- (c) The term “**Other Securities**” refers to any stock (other than Common Stock) and other securities of the Company or any other person (corporate or otherwise) which the holder of the Warrant at any time shall be entitled to receive, or shall have received, on the exercise of the Warrant, in lieu of or in addition to Common Stock, or which at any time shall be issuable or shall have been issued in exchange for or in replacement of Common Stock or Other Securities pursuant to Section 3 or otherwise.

(d) The term “**Warrant Shares**” shall mean the Common Stock issuable upon exercise of this Warrant.

1. Exercise of Warrant.

1.1. Number of Shares Issuable upon Exercise. From and after the Issue Date through and including the Termination Date, the Holder hereof shall be entitled to receive, upon exercise of this Warrant in whole in accordance with the terms of subsection 1.2 or upon exercise of this Warrant in part in accordance with subsection 1.3, shares of Common Stock of the Company, subject to adjustment pursuant to Section 3.

1.2. Full Exercise. This Warrant may be exercised in full by the Holder hereof by delivery of an original or facsimile copy of the form of exercise notice attached as Exhibit A hereto (the “**Notice of Exercise**”) duly executed by such Holder and delivery within two days thereafter of payment, in cash, wire transfer or by certified or official bank check payable to the order of the Company, in the amount obtained by multiplying the number of shares of Common Stock for which this Warrant is then exercisable by the Exercise Price then in effect. The original Warrant is not required to be surrendered to the Company until it has been fully exercised.

1.3. Partial Exercise. This Warrant may be exercised in part (but not for a fractional share) by delivery of a Notice of Exercise in the manner and at the place provided in subsection 1.2 except that the amount payable by the Holder on such partial exercise shall be the amount obtained by multiplying (a) the number of whole shares of Common Stock designated by the Holder in the Notice of Exercise by (b) the Exercise Price then in effect. On any such partial exercise provided the Holder has surrendered the original Warrant, the Company, at its expense, will forthwith issue and deliver to or upon the order of the Holder hereof a new Warrant of like tenor, in the name of the Holder hereof or as such Holder (upon payment by such Holder of any applicable transfer taxes) may request, the whole number of shares of Common Stock for which such Warrant may still be exercised.

1.4. Company Acknowledgment. The Company will, at the time of the exercise of the Warrant, upon the request of the Holder hereof, acknowledge in writing its continuing obligation to afford to such Holder any rights to which such Holder shall continue to be entitled after such exercise in accordance with the provisions of this Warrant. If the Holder shall fail to make any such request, such failure shall not affect the continuing obligation of the Company to afford to such Holder any such rights.

1.5. Delivery of Stock Certificates, etc. on Exercise. The Company agrees that, provided the full Exercise Price listed in the Notice of Exercise is received as specified in Section 1.2 or Section 1.3, the shares of Common Stock purchased upon exercise of this Warrant shall be deemed to be issued to the Holder hereof as the record owner of such shares as of the close of business on the date on which delivery of a Notice of Exercise shall have occurred and payment (if applicable) made for such shares as aforesaid. As soon as practicable after the exercise of this Warrant in full or in part, and in any event within three (3) business days thereafter (“**Warrant Share Delivery Date**”), the Company at its expense (including the payment by it of any applicable issue taxes) will cause to be issued in the name of and delivered to the Holder hereof, or as such Holder (upon payment by such Holder of any applicable transfer taxes) may direct in compliance with applicable securities laws, (1) provided that (x) the Transfer Agent is participating in DTC Fast Automated Securities Transfer Program and (y) such Warrant Shares to be so issued are eligible for resale pursuant to Rule 144, such aggregate number of Warrant Shares to which such Holder shall be entitled to such Holder’s or its designee’s balance account with DTC through its Deposit/Withdrawal at Custodian system, or (2) if either of the immediately preceding clauses (x) or (y) are not satisfied, a certificate or certificates for the number of duly and validly issued, fully paid and non-assessable shares of Common Stock (or Other Securities) to which such Holder shall be entitled on such exercise, plus, in lieu of any fractional share to which such Holder would otherwise be entitled, at the Company’s option an additional share of Common Stock by rounding up to the next whole share or cash equal to such fraction multiplied by the then Fair Market Value of one full share of Common Stock, together with any other stock or other securities and property (including cash, where applicable) to which such Holder is entitled upon such exercise pursuant to Section 1 or otherwise. The Company understands that a delay in the delivery of the Warrant Shares after the Warrant Share Delivery Date could result in economic loss to the Holder.

2. Adjustment for Reorganization, Consolidation, Merger, etc.

2.1. Fundamental Transaction. If, at any time while this Warrant is outstanding, (A) the Company effects any Fundamental Transaction (as defined in the Certificate of Designation of the Series D Cumulative Convertible Preferred Stock of the Company) then, upon any subsequent exercise of this Warrant, the Holder shall have the right to receive, for each Warrant Share that would have been issuable upon such exercise immediately prior to the occurrence of such Fundamental Transaction, at the option of the Holder, upon exercise of this Warrant, the number of shares of Common Stock of the successor or acquiring corporation or of the Company, if it is the surviving corporation, and any additional consideration (the "Alternate Consideration") receivable upon or as a result of such reorganization, reclassification, merger, consolidation or disposition of assets by a Holder of the number of shares of Common Stock for which this Warrant is exercisable immediately prior to such event. For purposes of any such exercise, the determination of the Exercise Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such fundamental Transaction, and the Company shall apportion the Exercise Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Consideration it receives upon any exercise of this Warrant following such Fundamental Transaction. To the extent necessary to effectuate the foregoing provisions, any successor to the Company or surviving entity in such Fundamental Transaction shall issue to the Holder a new warrant consistent with the foregoing provisions and evidencing the Holder's right to exercise such warrant into Alternate Consideration. The terms of any agreement pursuant to which a Fundamental Transaction is effected shall include terms requiring any such successor or surviving entity to comply with the provisions of this Section 2.1 and insuring that this Warrant (or any such replacement security) will be similarly adjusted upon any subsequent transaction analogous to a Fundamental Transaction.

2.2. Continuation of Terms. Upon any reorganization, consolidation, merger or transfer (and any dissolution following any transfer) referred to in Section 2.1, this Warrant shall continue in full force and effect and the terms hereof shall be applicable to the Other Securities and property receivable on the exercise of this Warrant after the consummation of such reorganization, consolidation or merger or the effective date of dissolution following any such transfer, as the case may be, and shall be binding upon the issuer of any Other Securities, including, in the case of any such transfer, the person acquiring all or substantially all of the properties or assets of the Company, whether or not such person shall have expressly assumed the terms of this Warrant as provided in Section 2.1.

2.3 Share Issuance. If, at any time while this Warrant is outstanding, the Company or any Subsidiary, as applicable, sells or grants any option to purchase or sells or grants any right to reprice, or otherwise disposes of or issues (or announces any sale, grant or any option to purchase or other disposition), any Common Stock or Common Stock Equivalents (as defined in the Certificate of Designation of the Series D Cumulative Convertible Preferred Stock of the Company) entitling any Person to acquire shares of Common Stock at or with a conversion formula that creates an effective price per share that is lower than the then Exercise Price (such lower price or conversion formula, the “Base Exercise Price” and such issuances, collectively, a “Dilutive Issuance”) (if the holder of the Common Stock or Common Stock Equivalents so issued shall at any time, whether by operation of exercise price adjustments, reset provisions, floating conversion, exercise or exchange prices or otherwise, or due to warrants, options or rights per share which are issued in connection with such issuance, be entitled to receive shares of Common Stock at an effective price per share that is lower than the Exercise Price, such issuance shall be deemed to have occurred for less than the Exercise Price on such date of the Dilutive Issuance), then the Exercise Price shall be reduced to equal the Base Exercise Price. Such adjustment shall be made whenever such Common Stock or Common Stock Equivalents are issued. Notwithstanding the foregoing, no adjustment will be made under this Section 2.3 in respect of an Exempt Issuance (as defined in the Certificate of Designation of the Series D Cumulative Convertible Preferred Stock of the Company).

3. Extraordinary Events Regarding Common Stock. In the event that the Company shall (a) issue additional shares of the Common Stock as a dividend or other distribution on outstanding Common Stock, (b) subdivide its outstanding shares of Common Stock, or (c) combine its outstanding shares of the Common Stock into a smaller number of shares of the Common Stock, then, in each such event, the Exercise Price shall, simultaneously with the happening of such event, be adjusted by multiplying the then Exercise Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such event and the denominator of which shall be the number of shares of Common Stock outstanding immediately after such event, and the product so obtained shall thereafter be the Exercise Price then in effect. The Exercise Price, as so adjusted, shall be readjusted in the same manner upon the happening of any successive event or events described herein in this Section 3. The number of shares of Common Stock that the Holder of this Warrant shall thereafter, on the exercise hereof, be entitled to receive shall be adjusted to a number determined by multiplying the number of shares of Common Stock that would otherwise (but for the provisions of this Section 3) be issuable on such exercise by a fraction of which (a) the numerator is the Exercise Price that would otherwise (but for the provisions of this Section 3) be in effect, and (b) the denominator is the Exercise Price in effect on the date of such exercise.

4. Certificate as to Adjustments. In each case of any adjustment or readjustment in the shares of Common Stock (or Other Securities) issuable on the exercise of the Warrants, the Company at its expense will promptly cause its Chief Financial Officer or other appropriate designee to compute such adjustment or readjustment in accordance with the terms of the Warrant and prepare a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based, including a statement of (a) the consideration received or receivable by the Company for any additional shares of Common Stock (or Other Securities) issued or sold or deemed to have been issued or sold, (b) the number of shares of Common Stock (or Other Securities) outstanding or deemed to be outstanding, and (c) the Exercise Price and the number of shares of Common Stock to be received upon exercise of this Warrant, in effect immediately prior to such adjustment or readjustment and as adjusted or readjusted as provided in this Warrant. The Company will forthwith mail a copy of each such certificate to the Holder of the Warrant and any Warrant Agent of the Company (appointed pursuant to Section 8 hereof).

5. Reservation of Stock, etc. Issuable on Exercise of Warrant; Financial Statements. The Company will at all times reserve and keep available, solely for issuance and delivery on the exercise of the Warrants, all shares of Common Stock (or Other Securities) from time to time issuable on the exercise of the Warrant.

6. Assignment; Exchange of Warrant. Subject to compliance with applicable securities laws, this Warrant, and the rights evidenced hereby, may be transferred by any registered holder hereof (a “**Transferor**”). On the surrender for exchange of this Warrant, with the Transferor's endorsement in the form of Exhibit B attached hereto (the “**Transferor Endorsement Form**”) and together with an opinion of counsel reasonably satisfactory to the Company that the transfer of this Warrant will be in compliance with applicable securities laws, the Company will issue and deliver to or on the order of the Transferor thereof a new Warrant or Warrants of like tenor, in the name of the Transferor and/or the transferee(s) specified in such Transferor Endorsement Form (each a “**Transferee**”), calling in the aggregate on the face or faces thereof for the number of shares of Common Stock called for on the face or faces of the Warrant so surrendered by the Transferor.

7. Replacement of Warrant. On receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and, in the case of any such loss, theft or destruction of this Warrant, on delivery of an indemnity agreement or security reasonably satisfactory in form and amount to the Company or, in the case of any such mutilation, on surrender and cancellation of this Warrant, the Company at its expense, twice only, will execute and deliver, in lieu thereof, a new Warrant of like tenor.

8. Warrant Agent. The Company may, by written notice to the Holder of the Warrant, appoint an agent (a “**Warrant Agent**”) for the purpose of issuing Common Stock (or Other Securities) on the exercise of this Warrant pursuant to Section 1, exchanging this Warrant pursuant to Section 6, and replacing this Warrant pursuant to Section 7, or any of the foregoing, and thereafter any such issuance, exchange or replacement, as the case may be, shall be made at such office by such Warrant Agent.

9. Transfer on the Company's Books. Until this Warrant is transferred on the books of the Company, the Company may treat the registered holder hereof as the absolute owner hereof for all purposes, notwithstanding any notice to the contrary.

10. Notices. All notices, demands, requests, consents, approvals, and other communications required or permitted hereunder shall be in writing and, unless otherwise specified herein, shall be (i) personally served, (ii) deposited in the mail, registered or certified, return receipt requested, postage prepaid, (iii) delivered by reputable air courier service with charges prepaid, or (iv) transmitted by hand delivery, telegram, or facsimile, addressed as set forth in the Securities Exchange Agreement or to such other address as such party shall have specified most recently by written notice. Any notice or other communication required or permitted to be given hereunder shall be deemed effective (a) upon hand delivery or delivery by facsimile, with accurate confirmation generated by the transmitting facsimile machine, at the address or number designated below (if delivered on a business day during normal business hours where such notice is to be received), or the first business day following such delivery (if delivered other than on a business day during normal business hours where such notice is to be received) or (b) on the second business day following the date of mailing by express courier service, fully prepaid, addressed to such address, or upon actual receipt of such mailing, whichever shall first occur.

11. Law Governing This Warrant. This Warrant shall be governed by and construed in accordance with the laws of the State of Delaware without regard to principles of conflicts of laws. Any action brought by either party against the other concerning the transactions contemplated by this Warrant shall be brought only in the state courts of New York or in the federal courts located in the state and county of New York. The parties to this Warrant hereby irrevocably waive any objection to jurisdiction and venue of any action instituted hereunder and shall not assert any defense based on lack of jurisdiction or venue or based upon forum non conveniens. The Company and Holder waive trial by jury. The prevailing party shall be entitled to recover from the other party its reasonable attorney's fees and costs. In the event that any provision of this Warrant or any other agreement delivered in connection herewith is invalid or unenforceable under any applicable statute or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such statute or rule of law. Any such provision which may prove invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision of any agreement. Each party hereby irrevocably waives personal service of process and consents to process being served in any suit, action or proceeding in connection with this Agreement or any other Transaction Document by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law.

(Signature page to follow.)

IN WITNESS WHEREOF, the Company has executed this Warrant as of the date first written above.

BIOHITECH GLOBAL, INC.

By: _____

Name:

Title:

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, Frank E. Celli, certify that:

1. I have reviewed this quarterly report on Form 10-Q of BioHiTech Global, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 15, 2019

By: /s/ Frank E. Celli

Name: Frank E. Celli

Title: Chief Executive Officer

(Principal Executive Officer)

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, Brian C. Essman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of BioHiTech Global, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 15, 2019

By: /s/ Brian C. Essman

Name: Brian C. Essman

Title: Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer)

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the quarterly report of BioHiTech Global, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2019, as filed with the Securities and Exchange Commission on the date hereof, I, Frank E. Celli, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The quarterly report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and
2. The information contained in the quarterly report fairly presents, in all material respects, the financial condition and results of operations of the Company.

May 15, 2019

By: /s/ Frank E. Celli

Name: Frank E. Celli

Title: Chief Executive Officer
(Principal Executive Officer)

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and is not being "filed" as part of the Form 10-Q or as a separate disclosure document for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to liability under that section. This certification shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act except to the extent that this Exhibit 32.1 is expressly and specifically incorporated by reference in any such filing.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the quarterly report of BioHiTech Global, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2019, as filed with the Securities and Exchange Commission on the date hereof, I, Brian C. Essman, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The quarterly report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and
2. The information contained in the quarterly report fairly presents, in all material respects, the financial condition and results of operations of the Company.

May 15, 2019

By: /s/ Brian C. Essman

Name: Brian C. Essman

Title: Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer)

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and is not being "filed" as part of the Form 10-Q or as a separate disclosure document for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to liability under that section. This certification shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act except to the extent that this Exhibit 32.2 is expressly and specifically incorporated by reference in any such filing.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**Document and Entity
Information - shares**

**3 Months Ended
Mar. 31, 2019**

May 07, 2019

Document and Entity Information [Abstract]

<u>Document Type</u>	10-Q	
<u>Amendment Flag</u>	false	
<u>Document Period End Date</u>	Mar. 31, 2019	
<u>Document Fiscal Year Focus</u>	2019	
<u>Document Fiscal Period Focus</u>	Q1	
<u>Entity Registrant Name</u>	BIOHITECH GLOBAL, INC.	
<u>Entity Central Index Key</u>	0001590383	
<u>Current Fiscal Year End Date</u>	--12-31	
<u>Entity Filer Category</u>	Non-accelerated Filer	
<u>Trading Symbol</u>	BHTG	
<u>Entity Common Stock, Shares Outstanding</u>		14,907,956
<u>Entity Emerging Growth Company</u>	false	
<u>Entity Small Business</u>	true	

**Condensed Consolidated
Statements of Operations
and Comprehensive Loss -
USD (\$)**

3 Months Ended

Mar. 31, 2019 Mar. 31, 2018

Revenue

<u>Total revenue</u>	\$ 737,701	\$ 645,726
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Operating expenses

<u>Selling, general and administrative</u>	2,326,362	1,579,990
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<u>Depreciation and amortization</u>	27,937	30,716
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<u>Total operating expenses</u>	2,659,004	1,973,215
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<u>Loss from operations</u>	(1,921,303)	(1,327,489)
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Other expenses

<u>Equity loss in affiliate</u>	0	45,413
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<u>Interest expense, net</u>	339,864	554,276
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<u>Interest expense incurred in warrant valuation and conversions</u>	0	3,293,613
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<u>Total other expenses, net</u>	339,864	3,893,302
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<u>Net loss</u>	(2,261,167)	(5,220,791)
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<u>Net loss attributable to non-controlling interests</u>	(311,701)	0
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<u>Net loss attributable to Parent</u>	(1,949,466)	(5,220,791)
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<u>Foreign currency translation adjustment</u>	1,253	(33,442)
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<u>Comprehensive loss</u>	(1,948,213)	(5,254,233)
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<u>Net loss attributable to Parent</u>	(1,949,466)	(5,220,791)
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<u>Less – preferred stock dividends</u>	(127,919)	(91,039)
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<u>Net loss – common shareholders</u>	\$ (2,077,385)	\$ (5,311,830)
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<u>Net loss per common share - basic and diluted</u>	\$ (0.14)	\$ (0.49)
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<u>Weighted average number of common shares outstanding - basic and diluted</u>	14,816,734	10,940,183
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Rental, service and maintenance [Member]

Revenue

<u>Revenue</u>	\$ 487,701	\$ 440,493
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Operating expenses

<u>Cost of revenue</u>	304,705	335,962
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Equipment sales [Member]

Revenue

<u>Revenue</u>	0	65,850
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Operating expenses

<u>Cost of revenue</u>	0	26,547
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Management advisory and other fees [Member]

Revenue

<u>Revenue</u>	\$ 250,000	\$ 139,383
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Condensed Consolidated Balance Sheets - USD (\$)	Mar. 31, 2019	Dec. 31, 2018
<u>Current Assets</u>		
<u>Cash</u>	\$ 1,374,564	\$ 2,410,709
<u>Restricted cash</u>	2,137,456	4,195,148
<u>Accounts receivable, net</u>	342,276	403,298
<u>Inventory</u>	430,417	499,848
<u>Prepaid expenses and other current assets</u>	126,585	66,425
<u>Total Current Assets</u>	4,411,298	7,575,428
<u>Restricted cash</u>	2,532,933	2,520,523
<u>Equipment on operating leases, net</u>	1,655,963	1,748,887
<u>Equipment, fixtures and vehicles, net</u>	43,544	49,028
<u>HEBioT facility under construction</u>	35,899,019	33,104,007
<u>Operating lease right of use assets</u>	1,021,190	0
<u>Intangible assets, net</u>	61,383	83,933
<u>Investment in unconsolidated affiliates</u>	1,687,383	1,687,383
<u>MBT facility development and license costs</u>	8,076,353	8,475,408
<u>Goodwill</u>	58,000	58,000
<u>Other assets</u>	13,500	13,500
<u>Total Assets</u>	55,460,566	55,316,097
<u>Current Liabilities:</u>		
<u>Line of credit, net of financing costs of \$29,168 and \$30,670 as of March 31, 2019 and December 31, 2018, respectively</u>	1,470,832	1,469,330
<u>Advance from related party</u>	150,000	0
<u>Accounts payable</u>	4,391,816	1,310,998
<u>Accrued interest payable</u>	501,871	959,927
<u>Accrued expenses and liabilities</u>	878,356	3,354,124
<u>Deferred revenue</u>	112,292	98,596
<u>Customer deposits</u>	12,034	7,683
<u>Note Payable</u>	100,000	0
<u>Long-term debt, current portion</u>	8,362	9,165
<u>Total Current Liabilities</u>	7,625,563	7,209,823
<u>Note payable</u>	0	100,000
<u>Junior note due to related party, net of discounts of \$112,928 and \$118,266 as of March 31, 2019 and December 31, 2018, respectively</u>	931,548	926,211
<u>Accrued interest (related party)</u>	1,381,914	1,305,251
<u>WV EDA Senior Secured Bonds payable, net of financing costs of \$1,930,163 and \$1,914,098 as of March 31, 2019 and December 31, 2018, respectively</u>	31,069,837	31,085,902
<u>Senior Secured Note, net of financing costs of \$148,665 and \$160,017 and discounts of \$924,951 and \$988,678, as of March 31, 2019 and December 31, 2018, respectively</u>	3,926,384	3,851,305
<u>Non-current lease liabilities</u>	919,713	0
<u>Long-term debt, net of current portion</u>	11,345	12,806
<u>Total Liabilities</u>	45,866,304	44,491,298

Series A redeemable convertible preferred stock, 333,401 shares designated and issued, and 163,312 outstanding as of March 31, 2019 and December 31, 2018	816,553	816,553
Commitments and Contingencies		
Stockholders' Equity		
Preferred Stock, Value, Issued		
Common stock, \$0.0001 par value, 50,000,000 shares authorized, 14,822,956 and 14,802,956 shares issued and outstanding as of March 31, 2019 and December 31, 2018, respectively	1,482	1,480
Additional paid in capital	43,750,710	43,452,963
Accumulated deficit	(46,562,223)	(44,594,385)
Accumulated other comprehensive income	6,274	5,021
Stockholders' equity attributable to Parent	2,486,715	3,405,551
Stockholders' equity attributable to non-controlling interests	6,290,994	6,602,695
Total Stockholders' Equity	8,777,709	10,008,246
Total Liabilities and Stockholders' Equity	55,460,566	55,316,097
Series B Convertible Preferred Stock [Member]		
Stockholders' Equity		
Preferred Stock, Value, Issued	0	0
Series C Convertible Preferred Stock [Member]		
Stockholders' Equity		
Preferred Stock, Value, Issued	3,050,142	3,050,142
Series E Convertible Preferred Stock [Member]		
Stockholders' Equity		
Preferred Stock, Value, Issued	1,490,330	1,490,330
Series D Convertible Preferred Stock [Member]		
Stockholders' Equity		
Preferred Stock, Value, Issued	\$ 750,000	\$ 0

**Condensed Consolidated
Balance Sheets
(Parenthetical) - USD (\$)**

Mar. 31, 2019 Dec. 31, 2018

<u>Preferred Stock, par value (in dollars per share)</u>	\$ 0.0001	\$ 0.0001
<u>Preferred Stock, Shares Authorized</u>	10,000,000	10,000,000
<u>Preferred stock, Designated shares</u>	3,179,120	3,159,120
<u>Preferred Stock, Shares Issued</u>	1,911,253	1,903,753
<u>Preferred Stock, Shares Outstanding</u>	1,162,833	1,155,333
<u>Common Stock, par value (in dollars per share)</u>	\$ 0.0001	\$ 0.0001
<u>Common stock, shares authorized</u>	50,000,000	50,000,000
<u>Common stock, shares issued</u>	14,822,956	14,802,956
<u>Common stock, shares outstanding</u>	14,822,956	14,802,956
<u>Debt Issuance Costs, Current, Net</u>	\$ 29,168	\$ 30,670
<u>Junior Notes [Member]</u>		
<u>Due to Related Parties, Noncurrent</u>	112,928	118,266
<u>Senior Notes [Member]</u>		
<u>Debt Issuance Costs, Noncurrent, Net</u>	148,665	160,017
<u>Debt Instrument, Unamortized Discount, Noncurrent</u>	924,951	988,678
<u>WV EDA SENIOR NOTES [Member]</u>		
<u>Debt Issuance Costs, Noncurrent, Net</u>	\$ 1,930,163	\$ 1,914,098
<u>Series A Redeemable Convertible Preferred [Member]</u>		
<u>Preferred stock, Designated shares</u>	333,401	333,401
<u>Preferred Stock, Shares Issued</u>	163,312	163,312
<u>Preferred Stock, Shares Outstanding</u>	163,312	163,312
<u>Series B Convertible Preferred Stock [Member]</u>		
<u>Preferred stock, Designated shares</u>	1,111,200	1,111,200
<u>Preferred Stock, Shares Issued</u>	428,333	428,333
<u>Preferred Stock, Shares Outstanding</u>	0	0
<u>Series C Convertible Preferred Stock [Member]</u>		
<u>Preferred stock, Designated shares</u>	1,000,000	1,000,000
<u>Preferred Stock, Shares Issued</u>	427,500	427,500
<u>Preferred Stock, Shares Outstanding</u>	427,500	427,500
<u>Series E Convertible Preferred Stock [Member]</u>		
<u>Preferred stock, Designated shares</u>	714,519	714,519
<u>Preferred Stock, Shares Issued</u>	714,519	714,519
<u>Preferred Stock, Shares Outstanding</u>	564,519	564,519
<u>Series D Convertible Preferred Stock [Member]</u>		
<u>Preferred stock, Designated shares</u>	20,000	20,000
<u>Preferred Stock, Shares Issued</u>	7,500	0
<u>Preferred Stock, Shares Outstanding</u>	7,500	0

**Condensed Consolidated
Statements of Cash Flows -
USD (\$)**

**3 Months Ended
Mar. 31, 2019 Mar. 31, 2018**

Cash flows from operating activities:

Net loss \$ (2,261,167) \$ (5,220,791)

Adjustments to reconcile net loss to net cash used in operations:

<u>Depreciation and amortization</u>	129,435	115,752
<u>Amortization of operating lease right of use assets</u>	24,565	0
<u>Provision for bad debts</u>	15,000	11,734
<u>Share based employee compensation</u>	297,749	77,640
<u>Interest resulting from amortization of financing costs and discounts</u>	109,793	287,512
<u>Equity loss in affiliate</u>	0	45,413
<u>Interest resulting from warrants valued upon conversion of host debt instruments</u>	0	3,293,613
<u>Loss resulting from abandonment of MBT site</u>	346,654	0
<u>Changes in operating assets and liabilities</u>	125,322	(611,400)
<u>Net cash used in operating activities</u>	(1,212,649)	(2,000,527)

Cash flow from investing activities:

<u>Purchases of construction in-progress, equipment, fixtures and vehicles</u>	(2,794,824)	(1,602)
<u>MBT facility development costs incurred</u>	(13,600)	(92,764)
<u>MBT facility development costs refunded</u>	66,000	0
<u>Net cash used in investing activities</u>	(2,742,424)	(94,366)

Cash flows from financing activities:

<u>Proceeds from issuance of senior secured credit facility and common stock</u>	0	5,000,000
<u>Repayment of line of credit facility</u>	0	(2,463,736)
<u>Proceeds from new line of credit facility</u>	0	1,000,000
<u>Proceeds from the sale of Series D convertible preferred stock units</u>	750,000	0
<u>Deferred financing costs incurred</u>	(43,941)	(237,187)
<u>Repayments of long-term debt</u>	(2,264)	(2,192)
<u>Proceeds from the issuance of preferred stock and warrants</u>	0	1,125,000
<u>Related party advance</u>	150,000	0

Related party:

<u>Net cash provided by financing activities</u>	853,795	4,421,885
<u>Effect of exchange rate on cash</u>	19,851	(4,657)
<u>Net change in cash (restricted and unrestricted)</u>	(3,081,427)	2,322,335
<u>Cash - beginning of period (restricted and unrestricted)</u>	9,126,380	901,112
<u>Cash - end of period (restricted and unrestricted)</u>	\$ 6,044,953	\$ 3,223,447

Condensed Consolidated Statements of Changes in Stockholders' Equity (Deficit) - USD (\$)	Total	Series B Preferred Stock [Member]	Series C Preferred Stock [Member]	Series D Preferred Stock [Member]	Preferred Stock [Member]	Preferred Stock [Member] Series B	Preferred Stock [Member] Series C	Preferred Stock [Member] Series D	Common Stock [Member]	Additional Paid in Capital [Member]	Additional Paid in Capital [Member] Series B	Additional Paid in Capital [Member] Series C	Accumulated Comprehensive Other Loss [Member]	Accumulated Deficit [Member]	Non- Controlling Equity Interest [Member]	Non- Controlling Equity Interest Accumulated Deficit [Member]
Balance at Dec. 31, 2017	\$ (11,016,724)				\$ 699,332				\$ 960	\$ 17,752,990			\$ (38,590)	\$ (29,431,416)		
Balance (in shares) at Dec. 31, 2017					160,000				9,598,208							
Issuance of preferred stock		\$ 1,341,665	\$ 4,410,823			\$ 1,068,039	\$ 3,050,142				\$ 273,626	\$ 1,360,681				
Issuance of preferred stock (in shares)					268,333	427,500										
Common stock issued for acquisition of Gold Medal Group	2,250,000								\$ 50	2,249,950						
Common stock issued for acquisition of Gold Medal Group (in shares)									500,000							
Share-based employee and director compensation	77,640									77,640						
Share-based professional services compensation	0								\$ 3	(3)						
Share-based professional services compensation (in shares)									30,000							
Conversion of debt into common stock	3,715,374								\$ 135	3,715,239						
Conversion of debt into common stock (in shares)									1,349,577							
Interest on converted debt in common stock	523,788								\$ 10	523,778						
Interest on converted debt in common stock (in shares)									104,889							
Common stock issued in connection with debt financings	1,212,121								\$ 32	1,212,089						
Common stock issued in connection with debt financings (in shares)									320,000							
Warrants valued in connection with debt conversions and amendments	3,293,613								\$ 2	3,293,611						
Warrants valued in connection with debt conversions and amendments (in shares)									23,243							
Foreign currency translation adjustment	(33,442)												(33,442)			
Preferred stock dividends	(11,829)									79,210				(91,039)		
Net loss	(5,220,791)													(5,220,791)		
Net loss from December 14, 2018 to December 31, 2018	0															
Balance at Mar. 31, 2018	542,238				\$ 4,817,513				\$ 1,192	30,538,811			(72,032)	(34,743,246)		
Balance (in shares) at Mar. 31, 2018					855,833				11,925,917							
Balance at Dec. 31, 2018	3,405,551				\$ 4,540,472				\$ 1,480	43,452,963			5,021	(44,594,385)		
Balance (in shares) at Dec. 31, 2018					992,019				14,802,956							
Issuance of preferred stock			\$ 750,000					\$ 750,000								
Issuance of preferred stock (in shares)								7,500								
Share-based employee and director compensation	297,749									297,749						
Issuance of restricted stock	0								\$ 2	(2)						
Issuance of restricted stock (shares)									20,000							
Foreign currency translation adjustment	1,253												1,253			
Preferred stock dividends	(18,372)													(18,372)		
Net loss	(1,949,466)													(1,949,466)		
Balance at Dec. 31, 2018	6,602,695														\$ 6,679,585	\$ (76,890)
Net loss from December 14, 2018 to December 31, 2018	(311,701)															(311,701)
Balance at Mar. 31, 2019	6,290,994														\$ 6,679,585	\$ (388,591)
Balance at Mar. 31, 2019	\$ 2,486,715				\$ 5,290,472				\$ 1,482	\$ 43,750,710			\$ 6,274	\$ (46,562,223)		
Balance (in shares) at Mar. 31, 2019					999,519				14,822,956							

**Basis of Presentation and
Going Concern**

**3 Months Ended
Mar. 31, 2019**

[Basis Of Presentation And
Going Concern \[Abstract\]](#)
[Basis Of Presentation And
Going Concern Disclosure](#)
[\[Text Block\]](#)

Note 1. Basis of Presentation and Going Concern

Nature of Operations - BioHiTech Global, Inc. (the “Company” or “BioHiTech”) through its wholly-owned and its controlled subsidiaries technologically innovative advancements integrating technological, biological and mechanical engineering solutions for the control, reduction and municipal waste.

As of March 31, 2019 and December 31, 2018, the Company’s active wholly-owned subsidiaries were BioHiTech America, LLC, BioHiTech Euro LLC and E.N.A. Renewables LLC, and its controlled subsidiary was Refuel America LLC (60%) and its wholly-owned subsidiaries Apple Valley Inc., Apple Valley Waste Technologies, LLC, New Windsor Resource Recovery LLC and Rensselaer Resource Recovery LLC and its controlled Virginia LLC (78.2%).

As of March 31, 2018, the Company’s active wholly-owned subsidiaries were BioHiTech America, LLC, BioHiTech Europe Limited, BHT Renewables LLC, and New Windsor Resource Recovery LLC.

Basis of Presentation - The accompanying unaudited condensed consolidated financial statements include the accounts of the Company and its controlled subsidiaries and have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) and with the instructions to Form 10-Q and Article 8 of Regulation S-X. Certain information or footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted. Accordingly, they do not include all the information and footnotes necessary for a full presentation of financial position, results of operations, or cash flows. It is management’s opinion, however, that the accompanying condensed consolidated financial statements include all adjustments, consisting of a normal recurring nature, which are necessary for a fair presentation of the financial position and cash flows for the periods presented.

The accompanying condensed consolidated financial statements should be read in conjunction with the Company’s financial statements for the year ended December 31, 2018, which contains the audited financial statements and notes thereto, for the years ended December 31, 2018 and 2017 included within the Company’s Annual Report on Form 10-K filed with the Securities and Exchange Commission (“SEC”) on April 1, 2019. The financial information as of December 31, 2018 presented hereto is derived from the consolidated financial statements presented in the Company’s audited consolidated financial statements for the year ended December 31, 2018. The condensed consolidated financial statements for the three months ended March 31, 2019 are not necessarily indicative of the results to be expected for the year ending December 31, 2019 or for any other period.

Reclassifications to certain prior period amounts have been made to conform to current period presentation. These reclassifications have no effect on the consolidated net loss.

Going Concern and Liquidity - For the three months March 31, 2019, the Company had a consolidated net loss of \$2,261,167, incurred a consolidated net loss of \$1,921,303 and used net cash in consolidated operating activities of \$1,212,649. At March 31, 2019, consolidated total stockholders’ equity of \$2,486,715 and the Company had a consolidated working capital deficit of \$1,212,649. The Company does not yet have a history of financial profitability. Historically the principal source of liquidity has been the issuance of debt and equity securities. The Company does not have firm commitments to fund its present operational and strategic plans. These factors raise substantial doubt about the Company’s ability to continue as a going concern.

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and liabilities in the normal course of business. These consolidated financial statements do not include any adjustments relating to the recovery or the classification of the liabilities that might be necessary should the Company be unable to continue as a going concern. The ability of the Company to continue as a going concern is dependent on management’s further implementation of the Company’s on-going and strategic plans, which include continuing to raise capital through equity raises. Should the Company be unable to raise adequate funds, certain aspects of the on-going and strategic plans may require modification.

The Company is presently in the process of raising additional debt and capital for general operations and for investment in several strategic initiatives. There is no assurance that the Company will be able to raise sufficient debt or capital to sustain operations or that such financing will be on terms that are favorable to the Company.

Summary of Significant Accounting Policies

3 Months Ended
Mar. 31, 2019

[Accounting Policies](#)

[\[Abstract\]](#)

[Significant Accounting Policies \[Text Block\]](#)

Note 2. Summary of Significant Accounting Policies

Use of Estimates — The preparation of consolidated financial statements, in conformity with GAAP requires the extensive use of management's estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenue and expenses during the reporting periods. Actual results could differ from these estimates. Estimates are used when accounting for items not limited to, valuation of deferred tax assets, share based compensation, allowance for uncollectible accounts receivable, obsolete, slow moving inventory, valuations, including intangibles, and useful lives and other provisions and contingencies.

Foreign Operations — Assets and liabilities denominated in foreign currencies are translated into U.S. dollars at the exchange rates existing at the balance sheet dates. Income and expense items are translated at the average rates during the respective periods. Translation adjustments resulting from fluctuations in exchange rates are recorded as a separate component of other comprehensive income (loss) while transaction gains and losses are recorded in net earnings (loss).

The Company pays Value Added Tax ("VAT") or similar taxes ("input VAT") within the normal course of its business in the United Kingdom on the services it acquires. The Company also collects VAT or similar taxes on behalf of the government ("output VAT") for merchandise and/or services it sells. If the input VAT exceeds the output VAT, then the difference is remitted to the government, usually on a monthly basis. If the input VAT exceeds the output VAT, the Company either requests a refund of this VAT receivable or applies the balance to expected future VAT payables.

Product and Services Revenue Recognition — The Company records revenue based on a five-step model in accordance with ASC 606, Revenue from Contracts with Customers, which require that we:

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price of the contract;
4. Allocate the transaction price to the performance obligations in the contract;
5. Recognize revenue when the performance obligations are met or delivered.

The Company's performance obligations are satisfied at the point in time when products are shipped to the customer, which is when the customer obtains control of the product. Therefore, the Company's contracts have a single performance obligation (shipment of product). The Company primarily receives fixed consideration for the sale of its products.

Management advisory fees are recognized over the term of the agreement.

The Company records taxes collected from customers and remitted to governmental authorities on a net basis.

Lease Revenue Recognition — Rental, service and maintenance revenues relating to the Company's rental agreements involve providing use of our facilities, customer locations, access to our software as a service and preventative maintenance over the term. The agreements generally provide for flat fees. The Company believes are consistent with our costs and obligations underlying the agreements.

The Company selected the practical expedient not to separate non-lease components from lease components. The Company recognizes revenue from its leases on a ratable basis over the term of the lease, as it has determined that the rental agreements entered into in connection with its digesters are leases, for which the Company is the operating lessor. In order to determine lease classification as operating, the Company evaluates the terms and conditions of the lease to determine if the lease includes any of the following provisions which would indicate sales type lease treatment:

- The lease transfers ownership of the underlying asset to the lessee by the end of the lease term,
- The lease grants the lessee an option to purchase the underlying asset that the lessee is reasonably certain to exercise,
- The Lease term is for the major part of the remaining economic life of the underlying asset. However, if the commencement date falls within the last 12 months of the economic life of the underlying asset, this criterion shall not be used for purposes of classifying the lease,
- The present value of the sum of the lease payments and any residual value guaranteed by the lessee that is not already reflected in the lease payments exceeds substantially all of the fair value of the underlying asset or
- The underlying asset is of such a specialized nature that it is expected to have no alternative use to the lessor at the end of the lease term.

Restricted Cash — Includes Restricted cash that is restricted as to its use, as it is held by a trustee in accordance with the West Virginia Economic Development and Bond Agreement. These amounts are held by the Company's trustee in various bank accounts segregated for specific uses related to the construction of the resource recovery facility. Amounts required to meet current operations of the Company have been classified as current in the accompanying consolidated balance sheet.

HEBioT Facility under Construction — High Efficiency Biological Treatment ("HEBioT") facility under construction include all costs incurred to construct the facility in the condition and location necessary for its intended use. Included in the capitalized costs are construction, legal, leasehold improvements, and interest. These costs will be depreciated over their estimated useful lives on a straight-line basis.

MBT Facility Development Costs — The Company defers costs relating to on-going Mechanical Biological Treatment ("MBT") facility development until the Company's determination that the project will be completed. These site specific costs generally include external costs generally relating to the acquisition of land, permits and licenses. Upon commencement of construction, to the extent that costs relate to the facility, the construction in progress.

Investments in Unconsolidated Entities — The Company utilizes the equity method of accounting for investments in companies if the investor has significant influence, but not control, over operating and financial policies of the investee. The Company's proportionate share of net income or loss is recorded as income or loss from unconsolidated equity basis investments. In circumstances where the Company exercises significant influence or control over the operating and financial policies of the investee, the investment is carried at cost, less impairment, and adjusted for changes to estimated fair value.

Deferred Financing Costs — Deferred financing costs relating to issued debt are included as a reduction to the applicable debt and amortized over the term of the related debt instruments.

Income Taxes — Deferred income taxes are determined based on the estimated future tax effects of differences between the financial statement amounts and the tax bases of assets and liabilities given provisions of enacted laws. Deferred income tax provisions and benefits are based on changes to the asset or liabilities from year to year. In determining deferred taxes, the Company considers tax regulations of the jurisdictions in which it operates, estimates the future taxable income and available tax credits, and considers tax regulations, operating results or the ability to implement tax planning and strategies vary, adjustments to the carrying value of deferred tax assets and liabilities are required. Valuation allowances are recorded related to deferred tax assets based on the “more than likely” criteria.

The Company recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not be successful in its position following an audit. For tax positions meeting the more likely than not threshold, the amount recognized in the financial statements is the largest amount that has a 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority.

Loss per Share — The Company computes basic loss per share using the weighted-average number of shares of common stock outstanding and the diluted loss per share also includes the effects of dilutive instruments using the “treasury method.” Dividends attributable to preferred stock, warrants and options are deducted from income attributable to common shareholders for purposes of earnings per share.

The Company’s potential dilutive instruments include convertible preferred stock, options, convertible debt and warrants. These instruments have no effect on the calculation of diluted loss per share as they are anti-dilutive for the reported periods.

Note 3. Acquisition and Contribution Agreement

On November 28, 2018, Company entered into a definitive agreement (the “MIPS”) with Entsorga USA, Inc. (“EUSA”) whereby EUSA agreed to BioHiTech 2,687 membership units of Entsorga West Virginia, LLC (“EWV”) (the “Membership units”) in consideration of 714,519 shares of Series E convertible preferred stock (the “Sr. E CPS”). EWV is a facility under construction that is intended to utilize HEBioT technology to divert landfills and to create an EPA recognized alternative commodity fuel.

On December 14, 2018, the EUSA transaction was consummated. The 714,519 shares of Sr. E CPS were valued at \$1,886,630 based on the underlying the Sr. E CPS is convertible into. The total acquisition price of \$2,863,583 is comprised of the aforementioned transaction, plus \$976,953 of pre-

Upon consummation of the MIPS agreement BioHiTech owned a total of 4,410.4 membership units of EWV, comprised of the 2,687 units resulting and 1,723.4 units previously acquired by BioHiTech during 2017. The 4,410.4 membership units represented 44.1% of the total membership units combined with BioHiTech’s control of EWV’s board, management and having the largest ownership block of EUSA, with the next largest block, entity over which BioHiTech has controlling financial interest, results in the investment being recognized in the Company’s financial statements as

Following the consummation of the MIPS, on December 14, 2018, BioHiTech entered into a Contribution and Transaction Agreement (“CTA”) with GMG, LLC (“GMG”) and a newly formed subsidiary Refuel America, LLC (“Refuel”) of the Company whereby GMG contributed \$3,500,000 in cash interest in EVW (owned by GMG’s wholly owned subsidiary Apple Valley Waste Technologies, LLC) into Refuel and BioHiTech contributed its technology license for a future HEBioT facility that BioHiTech carried at a value of \$6,019,200 and \$316,207 in capitalized costs relating to two on-going projects. In exchange for the assets contributed, BioHiTech and GMG acquired 60% and 40%, respectively, of the membership units of the carrying value of each of the BioHiTech and GMG assets contributed. As a result of there being a continuation in proportional ownership of the affiliate nature BioHiTech and GMG through a non-controlling interest of GMG being owned by BioHiTech and there being a management agreement subsidiary, Gold Medal Holdings, LLC (“GMH”) whereby BioHiTech provides executive management of GMH with control over the strategic and GMH, the CTA transaction has been accounted for without separate acquisition accounting applied to the CTA elements.

The following presents unaudited pro forma information as if the acquisition had occurred as of January 1, 2018. The pro forma results do not include synergies or other effects of the integration of the acquired company. Pro forma amounts are not necessarily indicative of the results that actually the acquisition been completed on the dates indicated, nor is it indicative of future operating results of the combined company.

	For the End 2019
Pro forma revenue	\$ 737,
Pro forma net loss	(2,261,
Proforma earnings per share – basic and diluted	(0)

Note 4. Investments in Unconsolidated Entities

Entsorga West Virginia LLC - Effective March 21, 2017, the Company acquired a 17.2% interest in Entsorga West Virginia LLC EWV from their original purchase price of \$60,000 for each 1% of interest in EWV (\$1,034,028). From March 21, 2017 through December 14, 2018 the investment utilizing the equity method of accounting due to its investment and its ability to influence operations and activities of EWV. On December 14, 2018, the Company consummated an additional acquisition of 2,687 membership units that resulted in the Company gaining control of EWV. From December 14, 2018 through March 31, 2019, the accompanying condensed consolidated financial statements.

During the three months ended March 31, 2018, the Company had recognized losses through equity method accounting of \$45,413.

Gold Medal Group, LLC – On January 25, 2018, the Company entered into a Membership Interest Purchase Agreement (the “Purchase Agreement”) to acquire the outstanding membership units (the “Units”) of GMG, which is the owner of a traditional waste management entity. Pursuant to the Purchase Agreement, the Company acquired the Units from two unrelated parties in consideration \$2,250,000 paid through the issuance of 500,000 shares of the Company’s common stock.

Additionally, on January 25, 2018, the Company entered into an Advisory Services Agreement (the “ASA”). Under the ASA, the Company provided corporate development, strategic planning, operational and sales oversight and other general administrative and support services in exchange for the greater of \$750,000, which was subsequently changed to \$1,000,000, or 10% of GMG’s ordinary earnings before interest, taxes, depreciation and amortization of the investment and its ability to influence operations and activities of GMG, the Company initially recognized its investment utilizing the equity method of accounting. As a result of the reduction in the ownership level and accordingly, a reduction in influence, effective December 14, 2018 the Company changed its accounting for GMG from the equity method to investment at cost, less impairment, adjusted for subsequent changes to estimated fair value.

During 2018, the Company’s investment in GMG was diluted from 9.2% to 2.9% due to additional GMG acquisitions and investments, including the acquisition of GMG’s subsidiary, GMG Waste Management, LLC. As a result of the reduction in the ownership level and accordingly, a reduction in influence, effective December 14, 2018 the Company changed its accounting for GMG from the equity method to investment at cost, less impairment, adjusted for subsequent changes to estimated fair value.

Accounts Receivable, net

3 Months Ended
Mar. 31, 2019

[Receivables \[Abstract\]](#)

[Loans, Notes, Trade and Other](#)

[Receivables Disclosure \[Text Block\]](#)

Note 5. Accounts Receivable, net

Accounts receivable consists of the following:

	March 31, 2019
Accounts receivable	\$ 467,31
Less: allowance for doubtful accounts receivable	(125,03
	<u>\$ 342,27</u>

Inventory

**3 Months Ended
Mar. 31, 2019**

[Inventory Disclosure](#)

[\[Abstract\]](#)

[Inventory Disclosure \[Text
Block\]](#)

Note 6. Inventory

Inventory, comprised of finished goods and parts or assemblies, consist of the following:

	March 31, 2019
Equipment	\$ 120,49
Parts and assemblies	309,92
	\$ 430,41

**Equipment on Operating
Leases, net**

**3 Months Ended
Mar. 31, 2019**

[Equipment on Operating
leases \[Abstract\]](#)

[Capital Leases in Financial
Statements of Lessor](#)

[Disclosure \[Text Block\]](#)

Note 7. Equipment on Operating Leases, net

Equipment on operating leases consist of the following:

	March 31, 2019
Leased equipment	\$ 2,930,065
Less: accumulated depreciation	(1,274,102)
	\$ 1,655,963

During the three months ended March 31, 2019 and 2018, depreciation expense included in rental, service and maintenance expense, amounted to \$341,665 and \$287,628, respectively.

The Company is a lessor of digester units under non-cancellable operating lease agreements expiring through December 2023. These leases generally have a term of five years and do not contain stated extension periods or options for the lessee to purchase the underlying assets. At the end of the leases, the lessee may either purchase the asset, extend the lease, or return the asset, which would be available to the Company for releasing. During the three months ended March 31, 2019 and 2018, revenue under these leases is included in rental, service and maintenance revenue, amounted to \$341,665 and \$287,628, respectively.

The minimum future estimated contractual payments to be received under these leases as of March 31, 2019 is as follows:

Year ending December 31,
2019 (remaining)
2020
2021
2022
2023 and thereafter
Total minimum lease income as of March 31, 2019

Equipment, Fixtures and
Vehicles, net

3 Months Ended
Mar. 31, 2019

[Property, Plant and
Equipment \[Abstract\]](#)

[Property, Plant and Equipment
Disclosure \[Text Block\]](#)

Note 8. Equipment, Fixtures and Vehicles, net

Equipment, fixtures and vehicles consist of the following:

	March 31, 2019
Computer software and hardware	\$ 112,480
Furniture and fixtures	48,196
Vehicles	50,319
	210,995
Less: accumulated depreciation and amortization	(167,451)
	\$ 43,544

During the three months ended March 31, 2019 and 2018, depreciation expense amounted to \$5,387 and \$8,166, respectively.

**HEBioT Facility Under
Construction**

**3 Months Ended
Mar. 31, 2019**

[Facility Under Construction](#)

[\[Abstract\]](#)

[Facility Under Construction](#)

[Disclosure \[Text Block\]](#)

Note 9. HEBioT Facility Under Construction

The Company is presently constructing a HEBioT facility in Martinsburg, West Virginia that is anticipated to become fully operational in 2019 and will begin processing of solid municipal waste on March 29, 2019 to commence commissioning and equipment calibration. The Company capitalizes all costs incurred during the construction period and location necessary for its intended use. Included in the capitalized costs are construction, specialized equipment, legal, leasehold improvements, and interest. Capitalized interest relates to the State of West Virginia Revenue Bonds and amounted to \$618,706 for the three months ended March 31, 2019. In the second quarter of 2019, these componentized costs will be depreciated over their estimated useful lives on a straight-line basis.

**MBT Facility Development
and License Costs**

**3 Months Ended
Mar. 31, 2019**

[Facility Development](#)

[\[Abstract\]](#)

[Facility Development \[Text
Block\]](#)

Note 10. MBT Facility Development and License Costs

MBT Facility Development and License Costs consist of the following:

	March 31, 2019
MBT Projects	
New Windsor, New York:	
Land acquisition	\$ -
Legal	-
Survey and engineering	-
	-
Rensselaer, New York:	
Survey and engineering	167,153
Total MBT projects	167,153
Technology Licenses	
Future site	6,019,200
Martinsburg, West Virginia	1,890,000
Total Technology Licenses	7,909,200
Total MBT Facility Development and License Costs	\$ 8,076,353

MBT Facility Development Costs

New Windsor, New York

As of December 31, 2018, the Company was pursuing local and state permits, and other approvals required to continue development of the project. As of March 31, 2019, the Company elected to rescind an agreement for the purchase of real property with the Town of New Windsor in exchange for \$66,000 paid by the Company under the rescinded contract and to relocate the project. While the Company is presently investigating several alternative sites, as a result of abandoning the initial site, the Company has reflected an impairment expense of \$346,654 relating to the site during the three months ended March 31, 2019 in selling, general and administrative expenses in the accompanying condensed consolidated statements of operations and comprehensive loss.

Rensselaer, New York

During 2018, the Company commenced initial development of a project in Rensselaer, NY. As of March 31, 2019, the Company has received initial state permit applications and is responding to the regulator's comments.

HEBioT Technology Licenses

Technology License Agreement – Future Facility

On November 1, 2017, the Company entered into a Technology License Agreement (the "License Agreement") with Entsorgafin S.p.A. ("Entsorga"). Entsorga acquired a license for the design, development construction, installation and operation of a High Efficiency Biological Treatment ("HEBioT") reactor with a capacity of 165,000 tons per year. The patented HEBioT technology converts mixed municipal and organic waste to a US Environmental Protection Agency approved alternative fuel source.

The royalty payment for the license amounted to \$6,019,200, which was comprised of 1,035,905 shares of the Company's common stock, par value \$0.005, and cash payments in an amount up to \$839,678 for Entsorga's withholding taxes in the United States and Italy. The Company also entered into a Registration Rights Agreement with Entsorga whereby the Company granted Entsorga certain piggy-back and demand registration rights with respect to the Shares. This Technology License Agreement will be utilized at a future project and will be amortized once the facility is in operation.

Technology License Agreement – Martinsburg, West Virginia

In connection with the acquisition accounting applied to Entsorga West Virginia acquisition consummated on December 14, 2018, the facility License Agreement was valued at \$1,890,000.

Intangibles Assets, net

3 Months Ended
Mar. 31, 2019

[Goodwill and Intangible
Assets Disclosure \[Abstract\]](#)
[Intangible Assets Disclosure
\[Text Block\]](#)

Note 11. Intangibles Assets, net

Intangible assets consist of distribution and intellectual property agreements relating to the Eco-Safe digester line, as follows:

	Useful Lives (Years)	Remaining Weighted Average Life (Years)	Gross Carrying Amount	Accumulated Amortization
March 31, 2019	10	0.7	\$ 902,000	\$ (840,000)
December 31, 2018	10	0.9	902,000	(818,000)

During the each of the three months ended March 31, 2019 and 2018, amortization expense, included in depreciation and amortization of operating assets, was \$22,550. Future amortization amounts to \$20,983 during the remained of 2019 and \$20,200 in each of the years ending December 31, 2020 and 2021.

Goodwill

3 Months Ended
Mar. 31, 2019

[Goodwill and Intangible
Assets Disclosure \[Abstract\]](#)

[Goodwill Disclosure \[Text
Block\]](#)

Note 12. Goodwill

As of March 31, 2019 and December 31, 2018, the Company has goodwill of \$58,000 resulting from the Entsorga West Virginia, LLC acquisition in 2018. Impairment testing is performed annually at the end of the calendar year. It is not anticipated that this goodwill will be tax deductible.

Risk Concentrations

**3 Months Ended
Mar. 31, 2019**

[Risks and Uncertainties](#)

[\[Abstract\]](#)

[Concentration Risk Disclosure](#) **Note 13. Risk Concentrations**

[\[Text Block\]](#)

The Company operates as a single segment on a worldwide basis through its subsidiaries, resellers and independent sales agents. Gross revenues and assets on a domestic and international basis are as follows:

	United States	International
2019:		
Revenue, for the three months ended March 31, 2019	\$ 641,646	\$ 96,384
Non-current tangible assets, as of March 31, 2019	39,869,032	275,451
2018:		
Revenue, for the three months ended March 31, 2018	\$ 572,384	\$ 73,451
Non-current tangible assets, as of December 31, 2018	37,151,501	284,451

Credit risk — Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and accounts receivable.

The Company minimizes credit risk associated with cash by periodically evaluating the credit quality of its primary financial institutions. At times, the Company may have cash balances that are uninsured or in deposit accounts that exceed the Federal Deposit Insurance Corporation (“FDIC”) in the USA and the Financial Conduct Authority (“FCA”) in the UK insurance limits. Through March 31, 2019, the Company had not experienced losses on these accounts and management believes the Company is not exposed to significant credit risks on such accounts.

Major customers — During the three months ended March 31, 2019, one customer represented at least 10% of revenues, accounting for 34.6% (Gold Medal Holdings, Inc., an unconsolidated affiliate) of revenues. During the three months ended March 31, 2018, one customer represented at least 10% of revenues, accounting for 32.8% (Gold Medal Holdings, Inc., an unconsolidated affiliate) of revenues.

As of March 31, 2019, no customers represented at least 10% of accounts receivable. As of December 31, 2018, one customer represented at least 10% of accounts receivable, accounting for 32.8% (Gold Medal Holdings, Inc., an unconsolidated affiliate) of accounts receivable.

Vendor concentration — During the three months ended March 31, 2019, no vendors represented at least 10% of the combined cost of revenue. During the three months ended March 31, 2018, two vendors represented at least 10% of costs of revenue, accounting for 37% and 16% of the combined cost of revenue, change in inventory.

As of March 31, 2019, no vendors represented at least 10% of accounts payable. As of December 31, 2018, one vendor represented at least 10% of accounts payable, accounting for 12.0% (a 1.4% shareholder) of accounts payable.

Line of Credit, Notes
Payable, Advances,
Promissory Note,
Convertible Promissory
Notes and Long-Term Debt
[Debt Disclosure \[Abstract\]](#)
[Debt Disclosure \[Text Block\]](#)

3 Months Ended

Mar. 31, 2019

Note 14. Line of Credit, Notes Payable, Advances, Promissory Note, Convertible Promissory Notes and Long-Term Debt

Notes, lines, advances and long-term debts are comprised of the following:

	March 31, 2019		December 31, 2018
	Total	Related Party	Total
Line of credit	\$ 1,470,832	\$ -	\$ 1,469,375
Senior secured promissory note	3,926,384	-	3,851,384
Junior promissory note	931,548	931,548	926,384
Note payable	100,000	-	100,000
Advance from related party	150,000	150,000	-
Long term debt - current and long-term portion	19,707	-	21,500

Line of Credit — On February 2, 2018, the Company's subsidiary, BHT Financial, LLC ("BHTF") entered into a new Credit Agreement (the "Credit Agreement") with Comerica that provides for a facility of up to \$1,000,000, secured by the assets of BHTF. The Credit Agreement was amended on November 9, 2018 to increase the facility to \$1,500,000. The Note does not have any financial covenants, carries interest at the Comerica prime rate or a LIBOR-based rate, (6.49% and 6.52% as of March 31, 2019 and December 31, 2018, respectively) and matures on January 1, 2024. The credit is secured by the assets of BHTF and is personally guaranteed by the Company's Chief Executive Officer, Frank E. Celli and James C. Chaffin.

As of March 31, 2019 and December 31, 2018, the \$1,500,000 balance outstanding is presented net of \$34,945 in issuance costs associated with the Credit Agreement and \$4,275 in amortization, respectively, calculated on the effective interest method, which is included in interest expense in the accompanying consolidated statements of operations and comprehensive loss.

Michaelson Senior Secured Term Promissory Financing — On February 2, 2018, the Company and several of the Company's wholly-owned subsidiaries consummated a Note Purchase and Security Agreement (the "Purchase Agreement") with Michaelson Capital Special Finance Fund II, L.P. ("MCSFF") to secure a senior secured term promissory note in the principal amount of \$5,000,000 (the "Note"). The Note is not convertible and accrues interest at the rate of 10.25% per annum. The Note provides for certain financial covenants that were not met as of March 31, 2019 and December 31, 2018 and a waiver of such was granted by MCSFF. The Note is repaid in eight, equal, quarterly installments of \$625,000 commencing on May 15, 2021 and ending February 2, 2023 (the "Maturity Date"). Additionally, the Note is secured by a general security interest in all of the Company's assets as well all of the assets of the Company's subsidiaries, excluding those of Entsoirga West Virginia LLC subject to superior security interests relating to the Entsoirga West Virginia LLC WVEDA bonds. Further, the Company's Chief Executive Officer, Frank E. Celli, has personally guaranteed the Registrant's obligations to MCSFF. In connection with the issuance of the Note, the Company issued MCSFF 320,000 shares of the Registrant's common stock at \$0.0001 per share. As of March 31, 2019 and December 31, 2018, the carrying balance of the Note is comprised of \$5,000,000 face value, less unamortized financing costs of \$211,187, less \$62,523 and \$51,170, respectively, of associated deferred financing cost amortization. All amortization is computed on the straight-line method and included in interest expense in the accompanying consolidated statements of operations and comprehensive loss.

Junior Promissory Note — On February 2, 2018, the Company entered into a Securities Exchange and Note Purchase Agreement (the "Exchange Agreement") with Frank E. Celli, the Company's Chief Executive Officer, whereby Celli exchanged \$4,500,000 in a note receivable from the Company and \$544,777 in advance of the Company for \$4,000,000 of the Registrant's Series C Convertible Preferred Stock, par value \$0.0001 (the "Series C Preferred Stock") and a junior promissory note in the principal amount of \$1,044,477, which is carried net of discounts amounting to \$135,823, less associated amortization of \$22,894 and \$17,557 as of March 31, 2019 and December 31, 2018, respectively. The Junior Note, which is subordinated to the senior secured note, is not convertible, accrues interest at the rate of 10.25% per annum and matures on February 2, 2024.

Note Payable — As of March 31, 2019 and December 31, 2018, the note, with interest at 10%, had a remaining balance outstanding of \$100,000 and does not contain any financial covenants.

Long Term Debt — Represents two loans collateralized by vehicles with interest ranging from 1.9% to 4.99%, each with amortizing principal payments over 2020 and 2022, respectively.

Maturities of Senior Secured, Junior Promissory, Notes Payable and Long Term Debt — as of March 31, 2019, excluding discounts and deferred financing costs, being amortized as interest expense, are as follow:

Year Ending December 31,	Amortizing	Non-Amortizing
2019 (remaining)	\$ 6,901	\$ -
2020	4,605	100,000
2021	4,380	1,875,000
2022	3,821	2,500,000
2023 and thereafter	-	1,669,375
Total	\$ 19,707	\$ 6,144,375

**Entsorga West Virginia,
LLC WVEDA Solid Waste
Disposal Revenue Bonds**

3 Months Ended

Mar. 31, 2019

[Disclosure Of Entsorga West
Virginia LLC WVEDA Solid
Waste Disposal Revenue
Bonds \[Abstract\]](#)

[Entsorga West Virginia LLC
WVEDA Solid Waste
Disposal Revenue Bonds \[Text
Block\]](#)

Note 15. Entsorga West Virginia, LLC WVEDA Solid Waste Disposal Revenue Bonds

During 2016, Entsorga West Virginia LLC (the "Borrower") was issued \$25,000,000 in Solid Waste Revenue Bonds from the West Virginia Economic Development Corporation (the "WVEDA Bonds"). The WVEDA Bonds were issued in two series with one for \$7,535,000 bearing interest at 6.75% per annum with a maturity date of February 1, 2036 and the second for \$17,465,000 bearing interest at 7.25% per annum with a maturity of February 1, 2036. Both series were issued at par. The 2016 Series provides for interest-only payments through February 1, 2019 then annual payments of principal and semi-annual payments of interest through maturity. The 2036 Series provides for interest-only payments through February 1, 2019 then annual payments of principal and semi-annual payments of interest through maturity. Repayment is by way of sinking fund.

During 2018, the 2016 Indenture Trust and Loan Agreement were amended and restated effective November 1, 2018. These amendments provide for the issuance of a new series of bonds amounting to \$8,000,000 bearing interest at 8.75% per annum with a maturity date of February 1, 2036, with special event triggered pre-payment option. The 2036 Series was issued at par. The 2036 Series is payable with interest-only payments through February 1, 2020 then annual payments of principal and semi-annual payments of interest through maturity. Repayment is by way of sinking fund.

The outstanding balance of the WVEDA Bonds as of March 31, 2019 and December 31, 2018 is \$33,000,000, which is presented net of unamortized premium amounting to \$2,189,549 and \$2,145,608, less associated amortization of \$259,386 and \$231,510, respectively, which includes amortization prior to the acquisition in 2018.

The loan agreement and Indenture of trust place restrictions on the Borrower and its members regarding additional encumbrances on the property, and limitations on equity distributions. The loan agreement also provides for financial covenants that will become effective two quarters following the closing of the facility or two quarters following March 31, 2019, whichever is earlier.

The future sinking fund payments by the Borrower as of March 31, 2019 are as follow:

	2016 Issue 2026 Series	2016 Issue 2036 Series	2018 Issue 2036 Series
2019 (remaining)	\$ -	\$ -	\$ -
2020	1,160,000	-	230,000
2021	1,215,000	-	255,000
2022	900,000	-	275,000
2023 and thereafter	4,260,000	17,465,000	7,240,000
Total	\$ 7,535,000	\$ 17,465,000	\$ 8,000,000

In connection with the November 1, 2018 amendment and restatement of the WVEDA Bonds, Comerica Bank issued a stand by letter of credit in the amount of \$8,000,000 (the "SbyLoC") for the benefit of the WVEDA Bond trustee that is collateralized by the Company's cash. The SbyLoC expires on December 31, 2020. Should the Company have an unfavorable result in the complaint file by Lemartec Corporation further disclosed in Note 18.

Equity and Equity Transactions

[Disclosure Text Block](#)
[Supplement \[Abstract\]](#)
[Shareholders' Equity and](#)
[Share-based Payments \[Text](#)
[Block\]](#)

3 Months Ended
Mar. 31, 2019

Note 16. Equity and Equity Transactions

The Company has 50,000,000 shares of its \$0.001 par common stock and 10,000,000 shares of blank check preferred stock authorized by its shareholders. As of March 31, 2019 and December 31, 2018, 14,822,956 and 14,802,956 shares of common stock have been issued; and 3,179,120 and 3,159,120 shares, respectively, have been designated in five series of shares, which have a total of \$535,547 in accumulated, but undeclared preferential dividends as of March 31, 2019.

Designation	Authorized Shares	Par Value	Stated Value	Shares Outstanding	
				March 31, 2019	December 31, 2018
Series A Convertible Preferred Stock	333,401	\$ 0.0001	\$ 5.00	163,312	163,312
Series B Convertible Preferred Stock	1,111,200	0.0001	\$ 5.00	-	-
Series C Convertible Preferred Stock	1,000,000	0.0001	\$ 10.00	427,500	427,500
Series D Convertible Preferred Stock	20,000	0.0001	\$ 100.00	7,500	7,500
Series E Convertible Preferred Stock	714,519	0.0001	\$ 2.64	564,519	564,519

Under the terms of the Company's senior lender agreements, the Company is restricted from paying dividends in cash, but is allowed to pay dividends in kind. The Company, since its merger in 2015, has not paid any cash or stock dividends on common stock.

The consolidated financial statements include less than 100% owned and controlled subsidiaries and include equity attributable to non-controlling interests. The consolidated financial statements of the underlying legal structures of the less than 100% owned subsidiaries. Entsorga West Virginia LLC through its limited liability agreement and its WVEDA Bonds have restrictions on distributions to and loans to owners while the WVEDA Bonds are outstanding.

Series D Convertible Preferred Stock – On February 11, 2019 the Company filed a Certificate of Designation for 20,000 shares of Series D Convertible Preferred Stock. The Certificate was amended on May 1, 2019 ("Sr. D CPS"). The Sr. D CPS is convertible into shares of the Company's common stock at the price of \$3.50 per share, the Sr. D CPS's stated value being converted. Each share of the Sr. D CPS has a stated value of \$100 and has dividends at the rate of 9% payable annually or in arrears at the Company's option, in common stock based upon the then in effect conversion price. The Sr. D CPS also has an alternative dividend provision that provides for cash flow distributed to the parent from the Company's next HEBioT facility, excluding the plant in Martinsburg, West Virginia, (the "Next Facility") proportional investment in the facility. The Sr. D CPS also has an alternative conversion based upon a multiple the annualized EBITDA of the Next Facility, whichever is higher of the conversion rate in effect or the market price of the Company's common stock if higher.

During the three months ended March 31, 2019, the Company received subscriptions and investments totaling \$750,000, which were issued for Series D Convertible Preferred Stock. In addition to the Sr. D CPS, each holder received warrants to acquire 50% of the shares that the Sr. D CPS is convertible into with an exercise price of \$3.50 per share and expiration on the fifth year anniversary.

Warrants – In connection with the issuance of convertible debt and preferred stock and in connection with services provided, the Company has issued warrants to acquire the Company's common stock outstanding as of March 31, 2019, as follows:

Expiring During the Year Ending December 31,	Warrant Shares	Exercise Price per Share
2020	22,860	\$3.50
2021	2,035,228	\$3.30 to \$5.00
2022	1,066,231	\$3.30 to \$5.00
2023	1,077,417	\$3.75 to \$5.50
2024	107,145	\$3.50

The following table summarizes the outstanding warrant activity through March 31, 2019:

Outstanding, January 1, 2019	4,201,736
Issued	107,145
Exercised	-
Expired	-
Outstanding, March 31, 2019	4,308,881

Equity Incentive Plans

**3 Months Ended
Mar. 31, 2019**

[Disclosure of Compensation
Related Costs, Share-based
Payments \[Abstract\]](#)

[Disclosure of Compensation
Related Costs, Share-based
Payments \[Text Block\]](#)

Note 17. Equity Incentive Plans

The Company has two equity incentive plans:

2015 Equity Incentive Plan — During 2015, the Company established the BioHiTech Global, Inc. 2015 Equity Incentive Plan, which is available to eligible employees, directors, consultants and advisors of the Company and its affiliates. The plan allows for the granting of incentive stock options, nonqualified stock options, stock appreciation rights, and restricted stock representing up to 750,000 shares. The Plan is administered by the Compensation Committee of the Board of Directors.

2017 Executive Incentive Plan — At the Annual Shareholders Meeting on June 7, 2017 the shareholders approved the 2017 Executive Incentive Plan, which is available to eligible employees, directors, consultants and advisors of the Company and its affiliates. The plan allows for the granting of incentive stock options, reload options, stock appreciation rights, and restricted stock representing up to 1,000,000 shares. The Plan is administered by the Compensation Committee of the Board of Directors.

Compensation expense related to stock options and restricted stock was:

		Three months ended Mar. 31, 2019
Stock options	\$	58,388
Restricted stock		239,361
Total	\$	297,749

Compensation expense related to stock options and restricted stock was reflected in the following captions within operating expenses in the condensed statements of operations and comprehensive loss:

		Three months ended Mar. 31, 2019
Rental, service and maintenance	\$	5,755
Selling, general and administrative		291,994
Total	\$	297,749

There were no grants of options or restricted stock during the three months ended March 31, 2019.

Unvested restricted stock activity was:

Balance, January 1, 2019

Grants

Vested

Balance, March 31, 2019

**Commitments and
Contingencies**

[Commitments and
Contingencies Disclosure
\[Abstract\]](#)

[Commitments and
Contingencies Disclosure
\[Text Block\]](#)

**3 Months Ended
Mar. 31, 2019**

Note 18. Commitments and Contingencies

From time to time, the Company is involved in legal matters arising in the ordinary course of business, as of March 31, 2019 the Company was involved in the following legal matters.

The Company had accrued their contractual obligations but disputed payment for a consulting services agreement with Tusk Ventures LLC ("Tusk") that it is owed \$250,000 pursuant to an agreement. This matter was filed in the Supreme Court of the State of New York, New York County in August 2018 and settled on April 23, 2019. In connection with the settlement, the Company issued to the plaintiff 75,000 shares of its common stock.

On February 7, 2018, Lemartec Corporation ("Lemartec") filed a complaint against the Company in the United States District Court for the Northern District of West Virginia arising out of the construction of the Company's resource recovery facility in Martinsburg, West Virginia alleging breach of contract and unjust enrichment. The Company filed its answer and counterclaims for damages against Lemartec and cross claims against Lemartec's performance bond surety, Philadelphia Indemnity Company. Trial is expected to begin in August 2019 and the Company intends to vigorously defend the complaint.

It is management's opinion that the resolution of these known claims will not materially effect the Company's financial position, results of operations or cash flows. There can be no assurance, however, that unforeseen circumstances will not result in significant costs. While the Company believes that these such matters are not material to the Company's financial position, there can be no assurance that these or other matters arising in the ordinary course of business for the Company could be, involved in litigation, will not have a material adverse effect on its business, financial condition or results of operations.

Leases

3 Months Ended
Mar. 31, 2019

[Leases, Operating \[Abstract\]](#)

[Lessor, Operating Leases \[Text](#)

[Block\]](#)

Note 19. Leases

Effective January 1, 2019, the Company implemented Accounting Standards Codification 842, Leases. The guidance requires lessees to recognize lease liabilities on the balance sheet but does not change the manner in which expenses are recorded in the income statement. The two permitted transition methods under the new guidance are the retrospective transition approach, which requires application of the guidance for all comparative periods presented, and the cumulative effect adjustment approach, which requires prospective application at the adoption date.

The Company utilized the optional transition method to assess the impact of this guidance on the Company's financial statements and related disclosures. The Company recognized an increase in the assets and liabilities on our balance sheet from lessee perspective. The Company completed a comprehensive review of its leases and implemented the new guidance.

As part of the adoption, the Company elected the 'package of practical expedients,' which permits the Company not to reassess under the new standard its conclusions about lease identification, lease classification and initial direct costs, therefore the Company did not restate prior comparative periods.

The Company rents its headquarters and attached warehousing space from a related party (see Note 20) and has a land lease relating to the Martin Marietta facility under operating leases. The HEBioT facility land lease has an initial term of 30 years, plus four 5-year extensions. For purposes of our determination of lease classification, the extensions were not included. As the leases do not provide an implicit rate, the Company used incremental borrowing rates in determining the present value of lease liabilities. For the HEBioT facility land lease a rate of 11% was utilized and a rate of 10.25% was used on the other leases. The current portion of the lease liabilities is included in accrued expenses and liabilities. Total rent expense under all operating leases amounted to \$67,532 and \$33,101 for the three months ended March 31, 2019 and 2018, respectively. Maturities of lease liabilities under these leases, which have a weighted average remaining term of 24.5 years, as of March 31, 2019, are as follows:

Year Ending December 31,

2019 (remaining)

2020

2021

2022

2023 and thereafter

Total lease payments

Less imputed interest

Present value of lease liabilities

During the three months ended March 31, 2019, the Company recognized operating lease right of use assets in exchange for lease liabilities amounting to \$72,765. Operating cash flows for operating leases amounting to \$72,765.

Related Party Transactions

3 Months Ended

Mar. 31, 2019

[Related Party Transactions](#)

[\[Abstract\]](#)

[Related Party Transactions](#)

[Disclosure \[Text Block\]](#)

Note 20. Related Party Transactions

Related parties include Directors, Senior Management Officers, and shareholders, plus their immediate family, who own a 5% or greater ownership interest in the Company. The table below presents the face amount of direct related party assets and liabilities and other transactions or conditions as of or during the three months ended March 31, 2019.

		March 31, 2019
Assets:		
Accounts receivable	(e and f)	\$ 1,000,000
Intangible assets, net	(a)	61,000
Liabilities:		
Accounts payable	(a and h)	204,000
Accrued interest payable		
Long term accrued interest	(c)	1,381,000
Advance from related party	(b)	150,000
Junior promissory note	(c)	931,000
Other:		
Line of credit guarantee	(d)	1,470,000

The table below presents direct related party expenses or transactions for the three months ended March 31, 2019 and 2018. Compensation and benefits for the Company are excluded from the table below.

		Three Months Ended March 31, 2019
Management advisory fees	(e)	\$ 250,000
Project fees	(f)	
Consulting revenue	(g)	
S, G & A - Rent expense	(h)	13,000
Cost of revenues - Rent expense	(h)	10,000
S, G & A - Consulting expense	(a)	18,000
Interest expense		63,000
Debt guarantee fees	(d)	16,000
Cost of revenue, inventory or equipment on operating leases acquired	(a)	

- (a) **Distribution Agreement** - BioHiTech has an exclusive license and distribution agreement (the "License Agreement") with BioHiTech International, Inc. owned by James Koh, a BioHiTech shareholder and other unrelated parties. The License Agreement provides distribution rights to the Company for the term ending December 31, 2023 (unless extended by mutual agreement) and for annual payments to Mr. Koh in the amount of \$200,000 for the term of the agreement. In addition, the Company will pay a 2.5% additional commission on all sales closed by Mr. Koh. Effective October 17, 2018, the agreement was amended to reduce the annual payments to \$100,000 and to remove several international locations that the Company does not actively market.
- (b) **Advance from Related Party** - The Company's Chief Executive Officer (the "Officer") on occasion advances the Company funds for operating expenses. The advances bear interest at 13% and are unsecured and due on demand. There are no financial covenants related to this advance and there are no restrictions on the Company to extend any further advances.
- (c) **Junior Promissory Note** - On February 2, 2018, the Company entered into a Securities Exchange and Note Purchase Agreement (the "Exchange Agreement") with E. Celli, the Company's Chief Executive Officer, whereby Celli exchanged \$4,500,000 in a note receivable from the Company and \$544,700 in cash with the Company for \$4,000,000 of the Registrant's Series C Convertible Preferred Stock, par value \$0.0001 (the Series C Preferred Stock) and a Junior Note. The Junior Note, which is subordinated to the senior secured note, is not convertible, accrues interest at the rate of 10.25% per annum and matures on February 2, 2024.
- (d) **Line of Credit** - Under the terms of the line of credit, several related parties have personally guaranteed the line and are contingently liable should the Company fail to meet its obligations under the line. In connection with the new line of credit entered into on February 2, 2018, the Chief Executive Officer and several other related parties have provided a personal guarantee of the line of credit in exchange for a fee representing 4.5% of the debt.
- (e) **Management Advisory Fees** - The Company provides management advisory services to Gold Medal Holdings, Inc., an entity that the Company acquired through its equity investment effective February 2018. The accounting for the investment was changed to cost method in December 2018.
- (f) **Project Fees** - In addition to Management Advisory Fees, the Company also has provided to Gold Medal Holdings, Inc. non-management advisory services relating to projects relating to technology and operations.
- (g) **Consulting Revenue** - The Company provided environmental and project consulting to Entsorga West Virginia LLC, an entity that the Company acquired through its equity investment from March 2017 through December 14, 2018, the date of its control acquisition.
- (h) **Facility Lease** - The Company leases its corporate headquarters and warehouse space from BioHiTech Realty LLC, a company owned by the Company, one of whom is the Chief Executive Officer. The lease expires in 2020, with a renewal option for an additional five-year period. The following table presents the terms of March 31, 2019 under these operating leases are:

Year ending December 31,

2019 (remaining)

2020

Total

**Supplemental Consolidated
Statement of Cash Flows
Information**

3 Months Ended

Mar. 31, 2019

[Supplemental Cash Flow](#)

[Elements \[Abstract\]](#)

[Cash Flow, Supplemental](#)

[Disclosures \[Text Block\]](#)

Note 21. Supplemental Consolidated Statement of Cash Flows Information

Changes in non-cash operating assets and liabilities, as well as other supplemental cash flow disclosures, are as follows.

		Three Months Ended 2019
Changes in operating assets and liabilities:		
Accounts and note receivable	\$	48,26
Inventory		76,93
Prepaid expenses and other assets		(36,50)
Accounts payable		3,088,73
Accrued interest payable		(399,76)
Accrued expenses		(2,668,82)
Deferred revenue		12,14
Customer deposits		4,35
Net change in operating assets and liabilities	\$	125,32
Supplementary cash flow information:		
Cash paid during the period for:		
Interest	\$	1,082,52
Income taxes		
Supplementary Disclosure of Non-Cash Investing and Financing Activities:		
Transfer of inventory to leased equipment	\$	6,88
Common stock issued in settlement of accrued interest		
Common stock issued in acquisition of Gold Medal Group, LLC		
Conversion of notes into common stock		
In-Kind payments by investors for common and preferred stock		
Exchange of related party notes payable and advances for Series C preferred stock, warrants and notes payable		
Accrual of Series A preferred stock dividends		18,37
Reconciliation of Cash and Restricted Cash:		
Cash	\$	1,374,56
Restricted cash (short term)		2,137,45
Restricted cash (non-current)		2,532,93
Total cash and restricted cash at the end of the period	\$	6,044,95

Recent Accounting Standards

3 Months Ended
Mar. 31, 2019

[New Accounting Pronouncements and Changes in Accounting Principles \[Abstract\]](#)

[New Accounting Pronouncements and Changes in Accounting Principles \[Text Block\]](#)

Note 22. Recent Accounting Standards

During the three months ended March 31, 2019, the Company adopted the following recent accounting standards:

Leases — In February 2016, the FASB issued new lease accounting guidance (ASU No. 2016-02, *Leases*), which has subsequently been amended in July 2018. Under the new guidance, at the commencement date, lessees will be required to recognize a lease liability, which is a liability to make lease payments arising from a lease, measured on a discounted basis; and a right-of use asset, which is an asset that represents the lessee's right to use, of a specified asset for the lease term. The new guidance is not applicable for leases with a term of 12 months or less. Lessor accounting is not affected. All business entities should apply the amendments in ASU 2016-02 for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Application is permitted upon issuance. Lessees (for capital and operating leases) and lessors (for sales-type, direct financing, and operating leases) may elect a retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. The modified retrospective approach would not require any transition accounting for leases that expired before the earliest comparative period presented. ASU 2018-11 provides that under certain instances lessors may not be required to separate the components of a lease contract. As a lessor of digester equipment under operating leases, the new guidance did not have a material impact on the financial statements. As a lessee, the adoption did not have a material impact on our financial statements, resulting in an increase of 2% to each of our total assets and total liabilities or an immaterial impact to retained earnings as of the beginning of 2019. See Note 19.

In March 2019, the FASB issued ASU 2019-01, *Leases (Topic 842, Codification Improvements)*, which removed the requirement for an entity to disclose the effect of the change on income from continuing operations, net income, any other affected financial statement line item, or cash flows. For lessors, the new leasing standard requires leases to be classified as sales-type, direct financing or operating leases. These criteria focus on the underlying asset. This standard and related updates were effective for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years. Adoption is permitted. The Company adopted ASU 2019-01 on January 2019. See Note 19 for disclosures related to this amended guidance.

Subsequent Events

3 Months Ended
Mar. 31, 2019

[Subsequent Events](#)

[\[Abstract\]](#)

[Subsequent Events \[Text
Block\]](#)

Note 23. Subsequent Events

The Company evaluates subsequent events and transactions that occur after the balance sheet date up to the date that the financial statements are issued. Material events that occur between the balance sheet date and the date that the financial statements were available for issuance are disclosed as such. If the financial statements are adjusted to reflect any conditions that existed at the balance sheet date. Based upon this review, except as disclosed within the financial statements, below, the Company did not identify any recognized or non-recognized subsequent events that would have required adjustment or disclosure in the financial statements.

Subsequent to March 31, 2019, the Company received \$537,500 in additional subscriptions to its Sr. D CPS offering.

**Condensed Consolidating
Financial Information**

[Condensed Financial
Information Disclosure
\[Abstract\]](#)

[Condensed Financial
Information of Parent
Company Only Disclosure
\[Text Block\]](#)

**3 Months Ended
Mar. 31, 2019**

Note 24. Condensed Consolidating Financial Information

The WVEDA Solid Waste Disposal Revenue Bond obligations of Entsorga West Virginia LLC are not guaranteed by its members, including membership interests of Entsorga West Virginia LLC are pledged, and the debt agreements provide restrictions prohibiting distributions to the distributions or providing loans or advances to the members.

The following presents the Company's consolidating balance sheet as of March 31, 2019 and December 31, 2018 and its condensed consolidating income statement and cash flows for the three months ended March 31, 2019, for Entsorga West Virginia LLC and the Parent and other Company subsidiaries not subject to Waste Disposal Revenue Bond restrictions and the elimination entries necessary to present the Company's financial statements on a consolidated basis. This consolidating financial information should be read in conjunction with the Company's consolidated financial statements.

Condensed Consolidating Balance Sheet as of March 31, 2019

	Parent and other Subsidiaries	Entsorga West Virginia LLC	Elimination
Assets			
Cash	\$ 1,372,544	\$ 2,020	\$ -
Restricted cash	-	2,137,456	-
Other current assets	899,278	-	-
Current assets	2,271,822	2,139,476	-
Restricted cash	-	2,532,933	-
HEBioT facility	-	35,899,019	-
Other fixed assets	1,699,507	-	-
Operating lease right of use assets	115,498	905,692	-
MBT facility development and license costs	6,186,353	1,890,000	-
Intangible assets, net and investment in subsidiaries	11,039,127	-	(9,290,000)
Goodwill	-	58,000	-
Other assets	13,500	-	-
Total assets	\$ 21,325,807	\$ 43,425,120	\$ (9,290,000)
Liabilities and stockholders' equity			
Line of credit	\$ 1,470,832	\$ -	\$ -
Other current liabilities	2,477,624	3,768,777	(91,000)
Current liabilities	3,948,456	3,768,777	(91,000)
Notes payable and other debts	4,869,277	-	-
Accrued interest	1,381,914	-	-
Non-current lease liabilities	9,583	910,130	-
WV EDA bonds	-	31,069,837	-
Total liabilities	10,209,230	35,748,744	(91,000)
Redeemable preferred stock	816,553	-	-
Stockholder's equity:			
Attributable to parent	5,062,430	6,622,976	(9,198,000)
Attributable to non-controlling interests	5,237,594	1,053,400	-
Stockholders' equity	10,300,024	7,676,376	(9,198,000)
Total liabilities and stockholders' equity	\$ 21,325,807	\$ 43,425,120	\$ (9,290,000)

Condensed Consolidating Statement of Operations for the three months ended March 31, 2019

	Parent and other Subsidiaries	Entsorga West Virginia LLC	Eliminations
Revenue	\$ 737,701	\$ -	\$ -
Operating expenses			
Rental, service and maintenance expense	304,705	-	-
Selling, general and administrative	2,057,247	269,115	-
Depreciation and amortization	27,937	-	-
Total operating expenses	2,389,889	269,115	-
Loss from operations	(1,652,188)	(269,115)	-
Other expenses	311,989	27,875	-
Net loss	\$ (1,964,177)	\$ (296,990)	\$ -

Condensed Consolidating Statement of Cash Flows for the three months ended March 31, 2019

	Parent and other Subsidiaries	Entsorga West Virginia LLC	Eliminations
Cash flows from operating activities:			
Net loss	\$ (1,964,177)	\$ (296,990)	\$
Adjustments to reconcile net loss to net cash used in operations	892,106	31,090	
Changes in operating assets and liabilities	63,732	61,590	
Net cash used in operations	(1,008,339)	(204,310)	
Cash flow from investing activities:			
Construction in process and acquisitions of property and equipment	188	(2,795,012)	
Capital contribution to Entsorga West Virginia, LLC	(1,000,000)	-	1,000,000
Other investing activities	52,400	-	
Net cash used in investing activities	(947,412)	(2,795,012)	1,000,000
Cash flows from financing activities:			
Issuances of debt and equity	900,000	1,000,000	(1,000,000)
Repayments of debt	(2,264)	-	
Deferred financing costs incurred	-	(43,941)	
Net cash provided by financing activities	897,736	956,059	(1,000,000)
Effect of exchange rate on cash	19,851	-	
Cash – beginning of period (restricted and unrestricted)	2,410,708	6,715,672	
Cash – end of period (restricted and unrestricted)	\$ 1,372,544	\$ 4,672,409	\$

Condensed Consolidating Balance Sheet as of December 31, 2018

	Parent and other Subsidiaries	Entsorga West Virginia LLC	Eliminations
Assets			
Cash	\$ 2,410,709	\$ -	\$
Restricted cash	-	4,195,148	
Other current assets	969,571	-	
Current assets	3,380,280	4,195,148	
Restricted cash	-	2,520,523	
HEBioT facility under construction	-	33,104,007	
Other fixed assets	1,797,915	-	
MBT facility development and license costs	6,585,408	1,890,000	
Intangible assets, net and investment in subsidiaries	7,626,268	-	(5,854,952)
Goodwill	-	58,000	
Other assets	13,500	-	
Total assets	\$ 19,403,371	\$ 41,767,678	\$ (5,854,952)
Liabilities and stockholders' equity			
Line of credit	\$ 1,469,330	\$ -	\$
Other current liabilities	2,032,083	3,708,410	
Current liabilities	3,501,413	3,708,410	
Notes payable and other debts	4,890,322	-	
Accrued interest	1,305,251	-	
WV EDA bonds	-	31,085,902	
Total liabilities	9,696,986	34,794,312	
Redeemable preferred stock	816,553	-	
Stockholder's equity			
Attributable to parent	3,405,551	5,854,952	(5,854,952)
Attributable to non-controlling interests	5,484,281	1,118,414	
Stockholders' equity	8,889,832	6,973,366	(5,854,952)
Total liabilities and stockholders' equity	\$ 19,403,371	\$ 41,767,678	\$ (5,854,952)

Summary of Significant Accounting Policies (Policies)

3 Months Ended
Mar. 31, 2019

[Accounting Policies](#)

[\[Abstract\]](#)

[Use of Estimates, Policy](#)

[\[Policy Text Block\]](#)

Use of Estimates — The preparation of consolidated financial statements, in conformity with GAAP requires the extensive use of management's estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the revenue and expenses during the reporting periods. Actual results could differ from these estimates. Estimates are used when accounting for items not limited to, valuation of deferred tax assets, share based compensation, allowance for uncollectible accounts receivable, obsolete, slow moving inventory, valuations, including intangibles, and useful lives and other provisions and contingencies.

[Foreign Currency Transactions](#)

[and Translations Policy](#)

[\[Policy Text Block\]](#)

Foreign Operations — Assets and liabilities denominated in foreign currencies are translated into U.S. dollars at the exchange rates existing at the balance sheet dates. Income and expense items are translated at the average rates during the respective periods. Translation adjustments resulting from fluctuations in exchange rates are recorded as a separate component of other comprehensive income (loss) while transaction gains and losses are recorded in net earnings (loss).

The Company pays Value Added Tax ("VAT") or similar taxes ("input VAT") within the normal course of its business in the United Kingdom. The Company also collects VAT or similar taxes on behalf of the government ("output VAT") for merchandise and/or services it acquires. If the output VAT exceeds the input VAT, then the difference is remitted to the government, usually on a monthly basis. If the input VAT exceeds the output VAT, the Company either requests a refund of this VAT receivable or applies the balance to expected future VAT payables.

[Revenue Recognition, Policy](#)

[\[Policy Text Block\]](#)

Product and Services Revenue Recognition — The Company records revenue based on a five-step model in accordance with ASC 606, Revenue from Contracts with Customers, which require that we:

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price of the contract;
4. Allocate the transaction price to the performance obligations in the contract;
5. Recognize revenue when the performance obligations are met or delivered.

The Company's performance obligations are satisfied at the point in time when products are shipped to the customer, which is when the customer obtains control of the product. Therefore, the Company's contracts have a single performance obligation (shipment of product). The Company primarily receives fixed consideration for the sale of its products.

Management advisory fees are recognized over the term of the agreement.

The Company records taxes collected from customers and remitted to governmental authorities on a net basis.

[Revenue Recognition, Leases](#)

[\[Policy Text Block\]](#)

Lease Revenue Recognition — Rental, service and maintenance revenues relating to the Company's rental agreements involve providing use of our facilities, customer locations, access to our software as a service and preventative maintenance over the term. The agreements generally provide for flat fees. The Company believes are consistent with our costs and obligations underlying the agreements.

The Company selected the practical expedient not to separate non-lease components from lease components. The Company recognizes revenue from its lease agreements ratably on a monthly basis over the term of the lease, as it has determined that the rental agreements entered into in connection with its digesters and bioreactors are leases, for which the Company is the operating lessor. In order to determine lease classification as operating, the Company evaluates the terms and conditions of the lease to determine if the lease includes any of the following provisions which would indicate sales type lease treatment:

- The lease transfers ownership of the underlying asset to the lessee by the end of the lease term,
- The lease grants the lessee an option to purchase the underlying asset that the lessee is reasonably certain to exercise,
- The Lease term is for the major part of the remaining economic life of the underlying asset. However, if the commencement date falls before the end of the economic life of the underlying asset, this criterion shall not be used for purposes of classifying the lease,
- The present value of the sum of the lease payments and any residual value guaranteed by the lessee that is not already reflected in the lease payments exceeds substantially all of the fair value of the underlying asset or
- The underlying asset is of such a specialized nature that it is expected to have no alternative use to the lessor at the end of the lease term.

[Restricted Cash, Policy \[Policy Text Block\]](#)

Restricted Cash — Includes Restricted cash that is restricted as to its use, as it is held by a trustee in accordance with the West Virginia Economic Development Authority bond agreement. These amounts are held by the Company's trustee in various bank accounts segregated for specific uses related to the construction of a resource recovery facility. Amounts required to meet current operations of the Company have been classified as current in the accompanying consolidated balance sheet.

[HEBioT Facility under Construction \[Policy Text Block\]](#)

HEBioT Facility under Construction — High Efficiency Biological Treatment ("HEBioT") facility under construction include all costs incurred to develop the condition and location necessary for its intended use. Included in the capitalized costs are construction, legal, leasehold improvements, and interest. If the facility is not completed by the end of the useful life of the asset, these costs will be depreciated over their estimated useful lives on a straight-line basis.

[MBT Facility Development Cost, Policy \[Policy Text Block\]](#)

MBT Facility Development Costs — The Company defers costs relating to on-going Mechanical Biological Treatment ("MBT") facility development until the Company's determination that the project will be completed. These site specific costs generally include external costs generally relating to the other costs relating to the acquisitions of land, permits and licenses. Upon commencement of construction, to the extent that costs relate to the facility under construction in progress.

[Investment, Policy \[Policy Text Block\]](#)

Investments in Unconsolidated Entities — The Company utilizes the equity method of accounting for investments in companies if the investment gives the Company the ability to exercise significant influence, but not control, over operating and financial policies of the investee. The Company's proportionate share of net income or loss is recorded in the Company's consolidated operations as earnings or loss from unconsolidated equity basis investments. In circumstances where the Company does not exercise significant influence or control over the operating and financial policies of the investee, the investment is carried at cost, less impairment, and adjusted for subsequent changes to estimated fair value.

[Deferred Offering Costs \[Policy Text Block\]](#)

Deferred Financing Costs — Deferred financing costs relating to issued debt are included as a reduction to the applicable debt and amortized as interest expense over the term of the related debt instruments.

[Income Tax, Policy \[Policy Text Block\]](#)

Income Taxes — Deferred income taxes are determined based on the estimated future tax effects of differences between the financial statement carrying amounts and the tax bases of assets and liabilities given provisions of enacted laws. Deferred income tax provisions and benefits are based on changes to the asset or liabilities from year to year. In the absence of deferred taxes, the Company considers tax regulations of the jurisdictions in which it operates, estimates the future taxable income and available tax credits.

[Earnings Per Share, Policy](#)
[\[Policy Text Block\]](#)

tax regulations, operating results or the ability to implement tax planning and strategies vary, adjustments to the carrying value of deferred tax assets and liabilities are required. Valuation allowances are recorded related to deferred tax assets based on the “more than likely” criteria.

The Company recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not accept the position following an audit. For tax positions meeting the more likely than not threshold, the amount recognized in the financial statements is the largest benefit that is more than a 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority.

Loss per Share — The Company computes basic loss per share using the weighted-average number of shares of common stock outstanding and the diluted loss per share also includes the effects of dilutive instruments using the “treasury method.” Dividends attributable to preferred stock, which are deducted from income attributable to common shareholders for purposes of earnings per share.

The Company’s potential dilutive instruments include convertible preferred stock, options, convertible debt and warrants. These instruments have no effect on the calculation of diluted loss per share as they are anti-dilutive for the reported periods.

Acquisition and
Contribution Agreement
(Tables)

3 Months Ended
Mar. 31, 2019

[Business Combinations](#)

[\[Abstract\]](#)

[Business Acquisition, Pro](#)

[Forma Information \[Table Text](#)
[Block\]](#)

The following presents unaudited pro forma information as if the acquisition had occurred as of January 1, 2018. The pro forma results do not include synergies or other effects of the integration of the acquired company. Pro forma amounts are not necessarily indicative of the results that actually would have been realized had the acquisition been completed on the dates indicated, nor is it indicative of future operating results of the combined company.

		For th End
		2019
Pro forma revenue	\$	737,
Pro forma net loss		(2,261,
Proforma earnings per share – basic and diluted		(0

Accounts Receivable, net
(Tables)

3 Months Ended
Mar. 31, 2019

[Receivables \[Abstract\]](#)

[Schedule of Accounts, Notes,](#)

[Loans and Financing](#)

[Receivable \[Table Text Block\]](#)

Accounts receivable consists of the following:

	March 31, 2019
Accounts receivable	\$ 467,31
Less: allowance for doubtful accounts receivable	(125,03
	<u>\$ 342,27</u>

Inventory (Tables)

3 Months Ended
Mar. 31, 2019

[Inventory Disclosure](#)
[\[Abstract\]](#)

[Schedule of Inventory, Current](#) Inventory, comprised of finished goods and parts or assemblies, consist of the following:
[\[Table Text Block\]](#)

	March 31, 2019
Equipment	\$ 120,49
Parts and assemblies	309,92
	<u>\$ 430,41</u>

**Equipment on Operating
Leases, net (Tables)**

**3 Months Ended
Mar. 31, 2019**

[Equipment on Operating
Leases, Net \[Abstract\]](#)
[Schedule of Property Subject
to or Available for Operating
Lease \[Table Text Block\]](#)

Equipment on operating leases consist of the following:

	March 31, 2019
Leased equipment	\$ 2,930,065
Less: accumulated depreciation	(1,274,102)
	\$ 1,655,963

[Schedule Of Future Minimum
Rental Payments Receivable
For Operating Leases \[Table
Text Block\]](#)

The minimum future estimated contractual payments to be received under these leases as of March 31, 2019 is as follows:

Year ending December 31,
2019 (remaining)
2020
2021
2022
2023 and thereafter
Total minimum lease income as of March 31, 2019

Equipment, Fixtures and
Vehicles, net (Tables)

3 Months Ended
Mar. 31, 2019

[Property, Plant and
Equipment \[Abstract\]](#)

[Property, Plant and Equipment](#) Equipment, fixtures and vehicles consist of the following:
[\[Table Text Block\]](#)

	March 31, 2019
Computer software and hardware	\$ 112,480
Furniture and fixtures	48,196
Vehicles	50,319
	210,995
Less: accumulated depreciation and amortization	(167,451)
	\$ 43,544

**MBT Facility Development
and License Costs (Tables)**

**3 Months Ended
Mar. 31, 2019**

[Facility Development](#)

[\[Abstract\]](#)

[MBT Facility Development
And License Costs table \[Text
Block\]](#)

MBT Facility Development and License Costs consist of the following:

	March 31, 2019
MBT Projects	
New Windsor, New York:	
Land acquisition	\$ -
Legal	-
Survey and engineering	-
Rensselaer, New York:	
Survey and engineering	167,153
Total MBT projects	167,153
Technology Licenses	
Future site	6,019,200
Martinsburg, West Virginia	1,890,000
Total Technology Licenses	7,909,200
Total MBT Facility Development and License Costs	\$ 8,076,353

**Intangibles Assets, net
(Tables)**

**3 Months Ended
Mar. 31, 2019**

[Goodwill and Intangible
Assets Disclosure \[Abstract\]
Schedule of Intangible Assets
and Goodwill \[Table Text
Block\]](#)

Intangible assets consist of distribution and intellectual property agreements relating to the Eco-Safe digester line, as follows:

	Useful Lives (Years)	Remaining Weighted Average Life (Years)	Gross Carrying Amount	Accumulated Amortization
March 31, 2019	10	0.7	\$ 902,000	\$ (840,000)
December 31, 2018	10	0.9	902,000	(818,000)

Risk Concentrations (Tables)

3 Months Ended
Mar. 31, 2019

[Risks and Uncertainties](#)
[\[Abstract\]](#)

[Revenue from External](#)
[Customers by Geographic](#)
[Areas \[Table Text Block\]](#)

The Company operates as a single segment on a worldwide basis through its subsidiaries, resellers and independent sales agents. Gross revenues and assets on a domestic and international basis are as follows:

	United States	International
2019:		
Revenue, for the three months ended March 31, 2019	\$ 641,646	\$ 96,000
Non-current tangible assets, as of March 31, 2019	39,869,032	275,000
2018:		
Revenue, for the three months ended March 31, 2018	\$ 572,384	\$ 73,000
Non-current tangible assets, as of December 31, 2018	37,151,501	284,000

**Line of Credit, Notes
Payable, Advances,
Promissory Note,
Convertible Promissory
Notes and Long-Term Debt
(Tables)**

3 Months Ended

Mar. 31, 2019

[Debt Instruments \[Abstract\]](#)
[Schedule of Long-term Debt](#)
[Instruments \[Table Text Block\]](#)

Notes, lines, advances and long-term debts are comprised of the following:

	March 31, 2019		December 31, 2018
	Total	Related Party	Total
Line of credit	\$ 1,470,832	\$ -	\$ 1,469,384
Senior secured promissory note	3,926,384	-	3,851,384
Junior promissory note	931,548	931,548	926,384
Note payable	100,000	-	100,000
Advance from related party	150,000	150,000	-
Long term debt - current and long-term portion	19,707	-	21,907

Maturities of Senior Secured, Junior Promissory, Notes Payable and Long Term Debt— as of March 31, 2019, excluding discounts and deferred interest, being amortized as interest expense, are as follow:

	Year Ending December 31,	Amortizing	Non-Amortizing
2019 (remaining)	\$	6,901	\$
2020		4,605	100,000
2021		4,380	1,875,000
2022		3,821	2,500,000
2023 and thereafter		-	1,669,384
Total	\$	19,707	\$ 6,144,369

[Schedule of Maturities of
Long-term Debt \[Table Text
Block\]](#)

**Entsorga West Virginia,
LLC WVEDA Solid Waste
Disposal Revenue Bonds
(Tables)**

3 Months Ended

Mar. 31, 2019

[Disclosure Of Entsorga West
Virginia LLC WVEDA Solid
Waste Disposal Revenue
Bonds \[Abstract\]](#)

[Debt Instrument Redemption
\[Table Text Block\]](#)

The future sinking fund payments by the Borrower as of March 31, 2019 are as follow:

	2016 Issue 2026 Series	2016 Issue 2036 Series	2018 Issue 2036 Series
2019 (remaining)	\$ -	\$ -	\$ -
2020	1,160,000	-	230,000
2021	1,215,000	-	255,000
2022	900,000	-	275,000
2023 and thereafter	4,260,000	17,465,000	7,240,000
Total	\$ 7,535,000	\$ 17,465,000	\$ 8,000,000

**Equity and Equity
Transactions (Tables)**

**3 Months Ended
Mar. 31, 2019**

[Disclosure Text Block
Supplement \[Abstract\]](#)
[Schedule of Preferred Units
\[Table Text Block\]](#)

As of March 31, 2019 and December 31, 2018, 14,822,956 and 14,802,956 shares of common stock have been issued; and 3,179,120 and 3,159, preferred stock have been designated in five series of shares, which have a total of \$535,547 in accumulated, but undeclared preferential dividends as follows:

Designation	Authorized Shares	Par Value	Stated Value	Shares Outstanding	
				March 31, 2019	December 31, 2018
Series A Convertible Preferred Stock	333,401	\$ 0.0001	\$ 5.00	163,312	-
Series B Convertible Preferred Stock	1,111,200	0.0001	\$ 5.00	-	-
Series C Convertible Preferred Stock	1,000,000	0.0001	\$ 10.00	427,500	-
Series D Convertible Preferred Stock	20,000	0.0001	\$ 100.00	7,500	-
Series E Convertible Preferred Stock	714,519	0.0001	\$ 2.64	564,519	-

[Share-based Compensation,
Activity \[Table Text Block\]](#)

the Company has the 4,308,881 warrants to acquire the Company's common stock outstanding as of March 31, 2019, as follows:

Expiring During the Year Ending December 31,	Warrant Shares	Exercise Price per Share
2020	22,860	\$3.50
2021	2,035,228	\$3.30 to \$5.00
2022	1,066,231	\$3.30 to \$5.00
2023	1,077,417	\$3.75 to \$5.50
2024	107,145	\$3.50

[Schedule of Warrants or
Rights Outstanding \[Table
Text Block\]](#)

The following table summarizes the outstanding warrant activity through March 31, 2019:

Outstanding, January 1, 2019	4,201,736
Issued	107,145
Exercised	-
Expired	-
Outstanding, March 31, 2019	<u>4,308,881</u>

**Equity Incentive Plans
(Tables)**

**3 Months Ended
Mar. 31, 2019**

**Disclosure of Compensation
Related Costs, Share-based
Payments [Abstract]**

**Schedule of Compensation
Cost for Share-based Payment
Arrangements, Allocation of
Share-based Compensation
Costs by Plan [Table Text
Block]**

**schedule Of Stock Based
Compensation Components In
Statement Of Operation Table
Text Block**

**Schedule of Unvested
Restricted Stock Units Roll
Forward [Table Text Block]**

Compensation expense related to stock options and restricted stock was:

		Three months ended 2019
Stock options	\$	58,388
Restricted stock		239,361
Total	\$	297,749

Compensation expense related to stock options and restricted stock was reflected in the following captions within operating expenses in the condensed statements of operations and comprehensive loss:

		Three months ended 2019
Rental, service and maintenance	\$	5,755
Selling, general and administrative		291,994
Total	\$	297,749

There were no grants of options or restricted stock during the three months ended March 31, 2019.

Unvested restricted stock activity was:

Balance, January 1, 2019

Grants

Vested

Balance, March 31, 2019

Leases (Tables)

3 Months Ended
Mar. 31, 2019

[Research And Development
Lease \[Member\]](#)

[Schedule of Future Minimum
Rental Payments for Operating
Leases \[Table Text Block\]](#)

Maturities of lease liabilities under these leases, which have a weighted average remaining term of 24.5 years, as of March 31, 2019	
Year Ending December 31,	
2019 (remaining)	
2020	
2021	
2022	
2023 and thereafter	
Total lease payments	
Less imputed interest	
Present value of lease liabilities	

**Related Party Transactions
(Tables)**

[Schedule of Related Party Transactions \[Table Text Block\]](#)

**3 Months Ended
Mar. 31, 2019**

The table below presents the face amount of direct related party assets and liabilities and other transactions or conditions periods indicated.

		March 31, 2019
Assets:		
Accounts receivable	(e and f)	\$ 1,000,000
Intangible assets, net	(a)	61,000
Liabilities:		
Accounts payable	(a and h)	204,000
Accrued interest payable		
Long term accrued interest	(c)	1,381,000
Advance from related party	(b)	150,000
Junior promissory note	(c)	931,000
Other:		
Line of credit guarantee	(d)	1,470,000

The table below presents direct related party expenses or transactions for the three months ended March 31, 2019 and 2018. Compensation and related expenses of the Company are excluded from the table below.

		Three Months Ended March 31, 2019
Management advisory fees	(e)	\$ 250,000
Project fees	(f)	
Consulting revenue	(g)	
S, G & A - Rent expense	(h)	13,000
Cost of revenues - Rent expense	(h)	10,000
S, G & A - Consulting expense	(a)	18,000
Interest expense		63,000
Debt guarantee fees	(d)	16,000
Cost of revenue, inventory or equipment on operating leases acquired	(a)	

- (a) **Distribution Agreement** - BioHiTech has an exclusive license and distribution agreement (the "License Agreement") with BioHiTech International, Inc. owned by James Koh, a BioHiTech shareholder and other unrelated parties. The License Agreement provides distribution rights to the Company for the term ending December 31, 2023 (unless extended by mutual agreement) and for annual payments to Mr. Koh in the amount of \$200,000 for the term of the agreement. In addition, the Company will pay a 2.5% additional commission on all sales closed by Mr. Koh. Effective October 17, 2018, the agreement was amended to reduce the annual payments to \$100,000 and to remove several international locations that the Company does not actively market.
- (b) **Advance from Related Party** - The Company's Chief Executive Officer (the "Officer") on occasion advances the Company funds for operating expenses. The advances bear interest at 13% and are unsecured and due on demand. There are no financial covenants related to this advance and there are no restrictions on the Officer to extend any further advances.
- (c) **Junior Promissory Note** - On February 2, 2018, the Company entered into a Securities Exchange and Note Purchase Agreement (the "Exchange Agreement") with E. Celli, the Company's Chief Executive Officer, whereby Celli exchanged \$4,500,000 in a note receivable from the Company and \$544,700 in cash with the Company for \$4,000,000 of the Registrant's Series C Convertible Preferred Stock, par value \$0.0001 (the Series C Preferred Stock) and a Junior Note. The Junior Note, which is subordinated to the senior secured note, is not convertible, accrues interest at the rate of 10.25% per annum from February 2, 2018 to February 2, 2024.
- (d) **Line of Credit** - Under the terms of the line of credit, several related parties have personally guaranteed the line and are contingently liable should the Company fail to meet its obligations under the line. In connection with the new line of credit entered into on February 2, 2018, the Chief Executive Officer and several other related parties have provided a personal guarantee of the line of credit in exchange for a fee representing 4.5% of the debt.
- (e) **Management Advisory Fees** - The Company provides management advisory services to Gold Medal Holdings, Inc., an entity that the Company acquired through its equity investment effective February 2018. The accounting for the investment was changed to cost method in December 2018.
- (f) **Project Fees** - In addition to Management Advisory Fees, the Company also has provided to Gold Medal Holdings, Inc. non-management advisory services for projects relating to technology and operations.
- (g) **Consulting Revenue** - The Company provided environmental and project consulting to Entsorga West Virginia LLC, an entity that the Company acquired through its equity investment from March 2017 through December 14, 2018, the date of its control acquisition.
- (h) **Facility Lease** - The Company leases its corporate headquarters and warehouse space from BioHiTech Realty LLC, a company owned by James Koh, a BioHiTech shareholder and other unrelated parties. The Company, one of whom is the Chief Executive Officer. The lease expires in 2020, with a renewal option for an additional five-year period. The following table presents the terms of March 31, 2019 under these operating leases are:

[Facility Lease \[Member Schedule of Future Minimum Rental Payments for Operating Leases \[Table Text Block\]](#)

Year ending December 31,
2019 (remaining)
2020
Total

**Supplemental Consolidated
Statement of Cash Flows
Information (Tables)**

3 Months Ended

Mar. 31, 2019

[Supplemental Cash Flow
Elements \[Abstract\]
Schedule of Cash Flow,
Supplemental Disclosures
\[Table Text Block\]](#)

Changes in non-cash operating assets and liabilities, as well as other supplemental cash flow disclosures, are as follows.

	Three Months 2019
Changes in operating assets and liabilities:	
Accounts and note receivable	\$ 48,26
Inventory	76,93
Prepaid expenses and other assets	(36,50)
Accounts payable	3,088,73
Accrued interest payable	(399,76)
Accrued expenses	(2,668,82)
Deferred revenue	12,14
Customer deposits	4,35
Net change in operating assets and liabilities	\$ 125,32
Supplementary cash flow information:	
Cash paid during the period for:	
Interest	\$ 1,082,52
Income taxes	
Supplementary Disclosure of Non-Cash Investing and Financing Activities:	
Transfer of inventory to leased equipment	\$ 6,88
Common stock issued in settlement of accrued interest	
Common stock issued in acquisition of Gold Medal Group, LLC	
Conversion of notes into common stock	
In-Kind payments by investors for common and preferred stock	
Exchange of related party notes payable and advances for Series C preferred stock, warrants and notes payable	
Accrual of Series A preferred stock dividends	18,37
Reconciliation of Cash and Restricted Cash:	
Cash	\$ 1,374,56
Restricted cash (short term)	2,137,45
Restricted cash (non-current)	2,532,93
Total cash and restricted cash at the end of the period	\$ 6,044,95

Condensed Consolidating
Financial Information
(Tables)

[Condensed Financial
Information Disclosure
\[Abstract\]](#)

[Condensed Financial
Statements \[Table Text Block\]](#)

3 Months Ended

Mar. 31, 2019

Condensed Consolidating Balance Sheet as of March 31, 2019

	Parent and other Subsidiaries	Entsorga West Virginia LLC	Elimination
Assets			
Cash	\$ 1,372,544	\$ 2,020	\$
Restricted cash	-	2,137,456	
Other current assets	899,278	-	
Current assets	2,271,822	2,139,476	
Restricted cash	-	2,532,933	
HEBioT facility	-	35,899,019	
Other fixed assets	1,699,507	-	
Operating lease right of use assets	115,498	905,692	
MBT facility development and license costs	6,186,353	1,890,000	
Intangible assets, net and investment in subsidiaries	11,039,127	-	(9,290,000)
Goodwill	-	58,000	
Other assets	13,500	-	
Total assets	\$ 21,325,807	\$ 43,425,120	\$ (9,290,000)
Liabilities and stockholders' equity			
Line of credit	\$ 1,470,832	\$ -	\$
Other current liabilities	2,477,624	3,768,777	(91,000)
Current liabilities	3,948,456	3,768,777	(91,000)
Notes payable and other debts	4,869,277	-	
Accrued interest	1,381,914	-	
Non-current lease liabilities	9,583	910,130	
WV EDA bonds	-	31,069,837	
Total liabilities	10,209,230	35,748,744	(91,000)
Redeemable preferred stock	816,553	-	
Stockholder's equity:			
Attributable to parent	5,062,430	6,622,976	(9,198,000)
Attributable to non-controlling interests	5,237,594	1,053,400	
Stockholders' equity	10,300,024	7,676,376	(9,198,000)
Total liabilities and stockholders' equity	\$ 21,325,807	\$ 43,425,120	\$ (9,290,000)

Condensed Consolidating Balance Sheet as of December 31, 2018

	Parent and other Subsidiaries	Entsorga West Virginia LLC	Elimination
Assets			
Cash	\$ 2,410,709	\$ -	\$
Restricted cash	-	4,195,148	
Other current assets	969,571	-	
Current assets	3,380,280	4,195,148	
Restricted cash	-	2,520,523	
HEBioT facility under construction	-	33,104,007	
Other fixed assets	1,797,915	-	
MBT facility development and license costs	6,585,408	1,890,000	
Intangible assets, net and investment in subsidiaries	7,626,268	-	(5,854,000)
Goodwill	-	58,000	
Other assets	13,500	-	
Total assets	\$ 19,403,371	\$ 41,767,678	\$ (5,854,000)
Liabilities and stockholders' equity			
Line of credit	\$ 1,469,330	\$ -	\$
Other current liabilities	2,032,083	3,708,410	
Current liabilities	3,501,413	3,708,410	
Notes payable and other debts	4,890,322	-	
Accrued interest	1,305,251	-	
WV EDA bonds	-	31,085,902	
Total liabilities	9,696,986	34,794,312	

Redeemable preferred stock	816,553	-	
Stockholder's equity			
Attributable to parent	3,405,551	5,854,952	(5,854,952)
Attributable to non-controlling interests	5,484,281	1,118,414	
Stockholders' equity	8,889,832	6,973,366	(5,854,952)
Total liabilities and stockholders' equity	\$ 19,403,371	\$ 41,767,678	\$ (5,854,952)

[Condensed Income Statement](#)
[\[Table Text Block\]](#)

Condensed Consolidating Statement of Operations for the three months ended March 31, 2019

	Parent and other Subsidiaries	Entsorga West Virginia LLC	Eliminations
Revenue	\$ 737,701	\$ -	\$ -
Operating expenses			
Rental, service and maintenance expense	304,705	-	
Selling, general and administrative	2,057,247	269,115	
Depreciation and amortization	27,937	-	
Total operating expenses	2,389,889	269,115	
Loss from operations	(1,652,188)	(269,115)	
Other expenses	311,989	27,875	
Net loss	\$ (1,964,177)	\$ (296,990)	\$ -

[Condensed Cash Flow](#)
[Statement \[Table Text Block\]](#)

Condensed Consolidating Statement of Cash Flows for the three months ended March 31, 2019

	Parent and other Subsidiaries	Entsorga West Virginia LLC	Eliminations
Cash flows from operating activities:			
Net loss	\$ (1,964,177)	\$ (296,990)	\$ -
Adjustments to reconcile net loss to net cash used in operations	892,106	31,090	
Changes in operating assets and liabilities	63,732	61,590	
Net cash used in operations	(1,008,339)	(204,310)	-
Cash flow from investing activities:			
Construction in process and acquisitions of property and equipment	188	(2,795,012)	
Capital contribution to Entsorga West Virginia, LLC	(1,000,000)	-	1,000,000
Other investing activities	52,400	-	
Net cash used in investing activities	(947,412)	(2,795,012)	1,000,000
Cash flows from financing activities:			
Issuances of debt and equity	900,000	1,000,000	(1,000,000)
Repayments of debt	(2,264)	-	
Deferred financing costs incurred	-	(43,941)	
Net cash provided by financing activities	897,736	956,059	(1,000,000)
Effect of exchange rate on cash	19,851	-	
Cash – beginning of period (restricted and unrestricted)	2,410,708	6,715,672	
Cash – end of period (restricted and unrestricted)	\$ 1,372,544	\$ 4,672,409	\$ -

Basis of Presentation and Going Concern (Details Textual) - USD (\$)	3 Months Ended			
	Mar. 31, 2019	Mar. 31, 2018	Dec. 31, 2018	Dec. 31, 2017
<u>Basis Of Presentation And Going Concern [Line Items]</u>				
<u>Net Income (Loss), Including Portion Attributable to Noncontrolling Interest</u>	\$ (2,261,167)	\$ (5,220,791)		
<u>Operating Income (Loss)</u>	(1,921,303)	(1,327,489)		
<u>Net Cash Provided by (Used in) Operating Activities</u>	(1,212,649)	(2,000,527)		
<u>Working Capital Deficit</u>	3,214,265			
<u>Stockholders' Equity, Including Portion Attributable to Noncontrolling Interest</u>	8,777,709		\$ 10,008,246	
<u>Stockholders' Equity Attributable to Parent</u>	\$ 2,486,715	\$ 542,238	\$ 3,405,551	\$ (11,016,724)
<u>Refuel America LLC [Member]</u>				
<u>Basis Of Presentation And Going Concern [Line Items]</u>				
<u>Equity Method Investment, Ownership Percentage</u>	60.00%			
<u>Entsorgia West Virginia LLC [Member]</u>				
<u>Basis Of Presentation And Going Concern [Line Items]</u>				
<u>Equity Method Investment, Ownership Percentage</u>	78.20%			

**Acquisition and
Contribution Agreement
(Details) - USD (\$)**

3 Months Ended

Mar. 31, 2019 Mar. 31, 2018

Pro forma revenue	\$ 737,701	\$ 645,726
Pro forma net loss	\$ (2,261,167)	\$ (5,256,782)
Proforma earnings per share – basic and diluted	\$ (0.14)	\$ (0.48)

Acquisition and Contribution Agreement (Detail Textual) - USD (\$)	1 Months Ended Dec. 14, 2018	3 Months Ended Nov. 28, 2018	12 Months Ended Mar. 31, 2019	12 Months Ended Dec. 31, 2017	Mar. 21, 2017
Royalty Guarantees, Commitments, Amount	\$				
	6,019,200				
Interest Costs Capitalized	316,207				
Gold Medal Group, LLC [Member]					
Cash Contribution	\$				
	3,500,000				
Entsorga West Virginia LLC [Member]					
Business Acquisition, Equity Interest Issued or Issuable, Number of Shares	714,519				
Business Combination, Consideration Transferred, Equity Interests Issued and Issuable	\$				
	1,886,630				
Business Combination, Consideration Transferred, Including Equity Interest in Acquiree Held Prior to Combination	2,863,583				
Business Combination, Step Acquisition, Equity Interest in Acquiree, Fair Value	\$ 976,953				
Subsidiary or Equity Method Investee, Cumulative Number of Shares Issued for All Transactions		4,410.4			
Sale of Stock, Number of Shares Issued in Transaction	2,687	2,687	1,723.4		
Equity Method Investment, Ownership Percentage		44.10%			
Business Acquisition, Percentage of Voting Interests Acquired Entsorga West Virginia LLC [Member] Gold Medal Group, LLC [Member]					17.20%
Equity Method Investment, Ownership Percentage		34.10%			
Refuel America LLC [Member]					
Business Acquisition, Percentage of Voting Interests Acquired Refuel America LLC [Member] Gold Medal Group, LLC [Member]	60.00%				
Business Acquisition, Percentage of Voting Interests Acquired Entsorga USA Inc [Member]	40.00%				
Business Acquisition, Equity Interest Issued or Issuable, Number of Shares	714,519				
Sale of Stock, Number of Shares Issued in Transaction	2,687				
Equity Method Investment, Ownership Percentage	44.10%				
Entsorga USA Inc [Member] Gold Medal Group, LLC [Member]					
Equity Method Investment, Ownership Percentage	34.10%				

Investments in Unconsolidated Entities (Details Textual) - USD (\$)	1 Months Ended		3 Months Ended		12 Months Ended	
	Dec. 14, 2018	Jan. 25, 2018	Mar. 31, 2019		Dec. 31, 2017	Dec. 13, 2018 Mar. 21, 2017
Service Fees Description			Under the ASA, the Company provides services relating to corporate development, strategic planning, operational and sales oversight and other general administrative and support services in exchange for fees annually amounting to the greater of \$750,000, which was subsequently changed to \$1,000,000, or 10% of GMG'S ordinary earnings before interest, taxes, depreciation and amortization.			
Entsorga West Virginia LLC						
[Member]						
Equity Method Investments						\$ (1,034,028)
Business Acquisition,						
Percentage of Voting Interests						17.20%
Acquired						
Business Acquisition Purchase						
Price For One Percentage						\$ 60,000
Interest						
Business Acquisition, Equity						
Interest Issued or Issuable,	714,519					
Number of Shares						
Sale of Stock, Number of						
Shares Issued in Transaction	2,687		2,687		1,723.4	
Equity Method Investment,						
Summarized Financial						
Information, Net Income			\$ 45,413			
(Loss)						
Gold Medal Group, LLC						
[Member]						
Business Acquisition,						
Percentage of Voting Interests	2.90%	9.20%				9.20%
Acquired						
Business Combination,						
Consideration Transferred		\$ 2,250,000				

Business Acquisition, Equity
Interest Issued or Issuable,
Number of Shares

500,000

Accounts Receivable, net (Details) - USD (\$)	Mar. 31, 2019	Dec. 31, 2018
<u>Accounts receivable</u>	\$ 467,315	\$ 513,336
<u>Less: allowance for doubtful accounts receivable</u>	(125,039)	(110,038)
<u>Accounts Receivable, Net, Current, Total</u>	\$ 342,276	\$ 403,298

Inventory (Details) - USD (\$) Mar. 31, 2019 Dec. 31, 2018

[Inventory \[Line Items\]](#)

<u>Inventory, Net, Total</u>	\$ 430,417	\$ 499,848
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[Equipment \[Member\]](#)

[Inventory \[Line Items\]](#)

<u>Inventory, Net, Total</u>	120,493	169,540
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[Parts and assemblies \[Member\]](#)

[Inventory \[Line Items\]](#)

<u>Inventory, Net, Total</u>	\$ 309,924	\$ 330,308
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**Equipment on Operating
Leases, net (Details) - USD
(\$)**

Mar. 31, 2019 Dec. 31, 2018

Leased equipment	\$ 2,930,065	\$ 3,054,097
Less: accumulated depreciation	(1,274,102)	(1,305,210)
Property Subject to or Available for Operating Lease, Net, Total	\$ 1,655,963	\$ 1,748,887

Equipment on Operating Leases, net (Details 1)	Mar. 31, 2019 USD (\$)
<u>2019 (remaining)</u>	\$ 1,006,833
<u>2020</u>	1,060,290
<u>2021</u>	752,492
<u>2022</u>	467,394
<u>2023 and thereafter</u>	182,959
<u>Total minimum lease income</u>	\$ 3,469,968

**Equipment on Operating
Leases, net (Details Textual)
- USD (\$)**

**3 Months Ended
Mar. 31, 2019 Mar. 31, 2018**

[Depreciation](#)

\$ 101,502 \$ 85,044

[Eco Safe digester \[Member\]](#)

[Operating Leases, Income Statement, Lease Revenue, Total](#) \$ 341,665 \$ 287,628

**Equipment, Fixtures and
Vehicles, net (Details) - USD
(\$)**

Mar. 31, 2019 Dec. 31, 2018

Property, Plant and Equipment [Line Items]

<u>Property, Plant and Equipment, Gross</u>	\$ 210,995	\$ 211,015
<u>Less: accumulated depreciation and amortization</u>	(167,451)	(161,987)
<u>Property, Plant and Equipment, Net, Total</u>	43,544	49,028

Computer Software And Hardware [Member]

Property, Plant and Equipment [Line Items]

<u>Property, Plant and Equipment, Gross</u>	112,480	112,500
<u>Furniture and Fixtures [Member]</u>		

Property, Plant and Equipment [Line Items]

<u>Property, Plant and Equipment, Gross</u>	48,196	48,196
<u>Vehicles [Member]</u>		

Property, Plant and Equipment [Line Items]

<u>Property, Plant and Equipment, Gross</u>	\$ 50,319	\$ 50,319
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**Equipment, Fixtures and
Vehicles, net (Details
Textual) - USD (\$)**

**3 Months Ended
Mar. 31, 2019 Mar. 31, 2018**

Property, Plant and Equipment [Line Items]

Depreciation, Depletion and Amortization, Nonproduction, Total \$ 27,937 \$ 30,716

Equipment Fixtures And Vechicles [Member]

Property, Plant and Equipment [Line Items]

Depreciation, Depletion and Amortization, Nonproduction, Total \$ 5,387 \$ 8,166

HEBioT Facility Under Construction (Details) - USD (\$)	3 Months Ended	
	Dec. 14, 2018	Mar. 31, 2019
Interest Costs Capitalized	\$ 316,207	
HEBioT Facility WV [Member]		
Interest Costs Capitalized		\$ 618,706

**MBT Facility Development
and License Costs (Details) -
USD (\$)**

Mar. 31, 2019 Dec. 31, 2018

Land and Land Improvements	\$ 8,076,353	\$ 8,475,408
New Windsor Site [Member]		
Land and Land Improvements	0	412,654
MBT Projects Member [Member]		
Land and Land Improvements	167,153	566,208
land Acquisition Costs [Member] New Windsor Site [Member]		
Land and Land Improvements	0	66,000
Legal Cost [Member] New Windsor Site [Member]		
Land and Land Improvements	0	46,030
Survey and Engineering Costs [Member] New Windsor Site [Member]		
Land and Land Improvements	0	300,624
Survey and Engineering Costs [Member] Rensselaer [Member]		
Land and Land Improvements	167,153	153,554
Technology Licenses Cost [Member]		
Land and Land Improvements	7,909,200	7,909,200
Technology Licenses Cost [Member] Future Site [Member]		
Land and Land Improvements	6,019,200	6,019,200
Technology Licenses Cost [Member] Martinsburg West Virginia [Member]		
Land and Land Improvements	\$ 1,890,000	\$ 1,890,000

MBT Facility Development and License Costs (Details Textual)	1 Months Ended	3 Months Ended	
	Dec. 14, 2018 USD (\$)	Nov. 01, 2017 USD (\$) t \$ / shares shares	Mar. 31, 2019 USD (\$) \$ / shares
Royalty Guarantees, Commitments, Amount	\$ 6,019,200		
Common Stock, Par or Stated Value Per Share \$ / shares		\$ 0.0001	\$ 0.0001
Biological Treatment Waste Capacity t		165,000	
Payments For Rescinded Contract			\$ 66,000
Intellectual Property [Member] Entsorgafin S.p.A [Member]			
Royalty Guarantees, Commitments, Amount		\$ 6,019,200	
Payments for Royalties		\$ 839,678	
Stock Issued During Period, Shares, New Issues shares		1,035,905	
Lease Agreements [Member]			
Finite-lived Intangible Assets Acquired	\$ 1,890,000		
Selling, General and Administrative Expenses [Member] Land [Member]			
Asset Impairment Charges			\$ 346,654

Intangibles Assets, net (Details) - USD (\$)	3 Months Ended 12 Months Ended	
	Mar. 31, 2019	Dec. 31, 2018
Finite-Lived Intangible Asset, Useful Life	10 years	10 years
Finite-Lived Intangible Asset, Remaining Weighted Average Life	8 months 12 days	10 months 24 days
Finite-Lived Intangible Assets, Gross	\$ 902,000	\$ 902,000
Finite-Lived Intangible Assets, Accumulated Amortization	(840,617)	(818,067)
Total	\$ 61,383	\$ 83,933

Intangibles Assets, net
(Details Textual) - USD (\$)

3 Months Ended
Mar. 31, 2019 Mar. 31, 2018

<u>Amortization of Intangible Assets</u>	\$ 22,550	\$ 22,550
<u>Finite-Lived Intangible Assets, Amortization Expense, Remainder of Fiscal Year</u>	20,983	
<u>Finite-Lived Intangible Assets, Amortization Expense, Year Two</u>	20,200	
<u>Finite-Lived Intangible Assets, Amortization Expense, Year Three</u>	\$ 20,200	

Goodwill (Details Textual) - Mar. 31, 2019 Dec. 31, 2018 Dec. 14, 2018
USD (\$)

Goodwill	\$ 58,000	\$ 58,000	\$ 58,000
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Risk Concentrations (Details) - USD (\$)	3 Months Ended		
	Mar. 31, 2019	Mar. 31, 2018	Dec. 31, 2018
Concentration Risk [Line Items]			
<u>Revenue, for the three months ended March 31, 2019</u>	\$ 737,701	\$ 645,726	
<u>Non-current tangible assets, as of March 31, 2019</u>	40,144,959		\$ 37,435,945
<u>United States [Member]</u>			
Concentration Risk [Line Items]			
<u>Revenue, for the three months ended March 31, 2019</u>	641,646	572,384	
<u>Non-current tangible assets, as of March 31, 2019</u>	39,869,032		37,151,501
<u>International [Member]</u>			
Concentration Risk [Line Items]			
<u>Revenue, for the three months ended March 31, 2019</u>	96,055	\$ 73,342	
<u>Non-current tangible assets, as of March 31, 2019</u>	\$ 275,927		\$ 284,444

Risk Concentrations (Details Textual)	3 Months Ended		12 Months Ended
	Mar. 31, 2019	Mar. 31, 2018	Dec. 31, 2018
Sales Revenue, Net [Member]			
Concentration Risk [Line Items]			
Concentration Risk, Percentage		10.00%	
Sales Revenue, Net [Member] Gold Medal Holdings [Member]			
Concentration Risk [Line Items]			
Concentration Risk, Percentage	34.60%	22.00%	
Sales Revenue, Net [Member] Customer One [Member]			
Concentration Risk [Line Items]			
Concentration Risk, Percentage	10.00%		
Accounts Receivable [Member]			
Concentration Risk [Line Items]			
Concentration Risk, Percentage	10.00%		
Accounts Receivable [Member] Gold Medal Holdings [Member]			
Concentration Risk [Line Items]			
Concentration Risk, Percentage			32.80%
Accounts Receivable [Member] Major Customer [Member]			
Concentration Risk [Line Items]			
Concentration Risk, Percentage			10.00%
Accounts Payable [Member]			
Concentration Risk [Line Items]			
Concentration Risk, Percentage	10.00%		10.00%
Accounts Payable [Member] Shareholder One [Member]			
Concentration Risk [Line Items]			
Concentration Risk, Percentage			1.40%
Accounts Payable [Member] Vendor One [Member]			
Concentration Risk [Line Items]			
Concentration Risk, Percentage			12.00%
Cost Of Revenue [Member]			
Concentration Risk [Line Items]			
Concentration Risk, Percentage	10.00%	10.00%	
Cost Of Revenue [Member] Vendor One [Member]			
Concentration Risk [Line Items]			
Concentration Risk, Percentage		37.00%	
Cost Of Revenue [Member] Vendor Two [Member]			
Concentration Risk [Line Items]			
Concentration Risk, Percentage		16.00%	

**Line of Credit, Notes
Payable, Advances,
Promissory Note,
Convertible Promissory
Notes and Long-Term Debt
(Details) - USD (\$)**

	Mar. 31, 2019	Dec. 31, 2018
<u>Debt Instrument [Line Items]</u>		
<u>Line of credit</u>	\$ 1,470,832	\$ 1,469,330
<u>Senior secured promissory note</u>	3,926,384	3,851,305
<u>Junior promissory note</u>	931,548	926,211
<u>Notes payable</u>	100,000	100,000
<u>Advance from related party</u>	150,000	0
<u>Long term debt - current and long-term portion</u>	19,707	21,971
<u>Related Party [Member]</u>		
<u>Debt Instrument [Line Items]</u>		
<u>Line of credit</u>	0	0
<u>Senior secured promissory note</u>		0
<u>Junior promissory note</u>	931,548	926,211
<u>Notes payable</u>	0	0
<u>Advance from related party</u>	[1] 150,000	0
<u>Long term debt - current and long-term portion</u>	\$ 0	\$ 0

[1] Advance from Related Party - The Company's Chief Executive Officer (the "Officer") on occasion advances the Company funds for operating and capital purposes. The advances bear interest at 13% and are unsecured and due on demand. There are no financial covenants related to this advance and there are no formal commitments to extend any further advances.

**Line of Credit, Notes
Payable, Advances,
Promissory Note,
Convertible Promissory
Notes and Long-Term Debt
(Details 1)**

**Mar. 31, 2019
USD (\$)**

<u>2019 (remaining)</u>	\$ 6,901
<u>2020</u>	104,605
<u>2021</u>	1,879,380
<u>2022</u>	2,503,821
<u>2023 and thereafter</u>	1,669,477
<u>Total</u>	6,164,184

[Amortizing \[Member\]](#)

<u>2019 (remaining)</u>	6,901
<u>2020</u>	4,605
<u>2021</u>	4,380
<u>2022</u>	3,821
<u>2023 and thereafter</u>	0
<u>Total</u>	19,707

[Non-Amortizing \[Member\]](#)

<u>2019 (remaining)</u>	0
<u>2020</u>	100,000
<u>2021</u>	1,875,000
<u>2022</u>	2,500,000
<u>2023 and thereafter</u>	1,669,477
<u>Total</u>	\$ 6,144,477

Line of Credit, Notes Payable, Advances, Promissory Note, Convertible Promissory Notes and Long-Term Debt (Details Textual) - USD (\$)	3 Months Ended				12 Months Ended	
	Nov. 09, 2018	Feb. 02, 2018	Mar. 31, 2019	Mar. 31, 2018	Dec. 31, 2018	Dec. 31, 2017
Debt Instrument, Face Amount			\$ 100,000		\$ 33,000,000	\$ 100,000
Debt Instrument, Interest Rate, Effective Percentage			5.00%			
Amortization of Debt Issuance Costs			\$ 259,386		231,510	
Long-term Line of Credit			\$ 1,470,832		\$ 1,469,330	
Stock Issued During Period, Value, Debt Financings				\$ 1,212,121		
Preferred Stock, Par or Stated Value Per Share		\$ 0.0001	\$ 0.0001		\$ 0.0001	
Junior note payable			\$ 931,548		\$ 926,211	
Debt Issuance Costs, Net			\$ 2,189,549		\$ 2,145,608	
Line of Credit Facility, Increase (Decrease), Net	\$ 1,500,000					
Comerica Line of Credit [Member]						
Line of Credit Facility, Maximum Borrowing Capacity		\$ 1,000,000				
Debt Instrument, Interest Rate, Effective Percentage			6.49%		6.52%	
Amortization of Debt Issuance Costs			\$ 5,777		\$ 4,275	
Debt Instrument, Basis Spread on Variable Rate			3.00%			
Line of Credit Facility, Expiration Date			Jan. 01, 2020			
Long-term Line of Credit			\$ 1,500,000		1,500,000	
Debt Issuance Costs, Gross			34,945			
Unsecured Promissory Notes One [Member]						
Debt Instrument, Face Amount		4,500,000				
Miichaelson Senior Secured Term Promissory [Member]						
Debt Instrument, Face Amount		\$ 5,000,000	\$ 5,000,000			
Debt Instrument, Interest Rate, Stated Percentage		10.25%				
Debt Instrument, Maturity Date			Feb. 02, 2023			

<u>Debt Instrument, Unamortized Discount, Noncurrent</u>	\$ 287,169	223,443
<u>Amortization of Debt Issuance Costs</u>	62,523	51,170
<u>Debt Issuance Costs, Gross</u>	211,187	
<u>Stock Issued During Period, Shares, Debt Financings</u>	320,000	
<u>Stock Issued During Period, Value, Debt Financings</u>	1,212,121	
<u>Debt Instrument, Periodic Payment, Principal</u>	\$ 625,000	
<u>Junior Promissory Note [Member]</u>		
<u>Amortization of Debt Issuance Costs</u>	\$ 22,894	\$ 17,557
<u>Junior note payable</u>	1,044,477	
<u>Debt Issuance Costs, Net</u>	135,823	
<u>Maximum [Member]</u>		
<u>Debt Instrument, Interest Rate, Effective Percentage</u>	4.99%	
<u>Minimum [Member]</u>		
<u>Debt Instrument, Interest Rate, Effective Percentage</u>	1.90%	
<u>Unsecured Debt [Member]</u>		
<u>Debt Instrument, Interest Rate, Stated Percentage</u>	10.00%	
<u>Debt Instrument, Maturity Date</u>	Jan. 01, 2020	
<u>Series C Preferred Stock [Member]</u>		
<u>Debt Instrument, Face Amount</u>	544,777	
<u>Debt Conversion, Original Debt, Amount</u>	\$ 4,000,000	
<u>Preferred Stock, Par or Stated Value Per Share</u>	\$ 0.0001	
<u>Preferred Stock, Dividend Rate, Percentage</u>	10.25%	

**Entsorga West Virginia,
LLC WVEDA Solid Waste
Disposal Revenue Bonds
(Details)**

**3 Months Ended
Mar. 31, 2019
USD (\$)**

Debt Instrument, Sinking Fund Payment	\$ 33,000,000
Debt Instrument, Redemption, Period One [Member]	
Debt Instrument, Sinking Fund Payment	0
Debt Instrument, Redemption, Period Two [Member]	
Debt Instrument, Sinking Fund Payment	1,390,000
Debt Instrument, Redemption, Period Three [Member]	
Debt Instrument, Sinking Fund Payment	1,470,000
Debt Instrument, Redemption, Period Four [Member]	
Debt Instrument, Sinking Fund Payment	1,175,000
Debt Instrument, Redemption, Period Five [Member]	
Debt Instrument, Sinking Fund Payment	28,965,000
2016 Issue 2026 Series [Member]	
Debt Instrument, Sinking Fund Payment	7,535,000
2016 Issue 2026 Series [Member] Debt Instrument, Redemption, Period One [Member]	
Debt Instrument, Sinking Fund Payment	0
2016 Issue 2026 Series [Member] Debt Instrument, Redemption, Period Two [Member]	
Debt Instrument, Sinking Fund Payment	1,160,000
2016 Issue 2026 Series [Member] Debt Instrument, Redemption, Period Three [Member]	
Debt Instrument, Sinking Fund Payment	1,215,000
2016 Issue 2026 Series [Member] Debt Instrument, Redemption, Period Four [Member]	
Debt Instrument, Sinking Fund Payment	900,000
2016 Issue 2026 Series [Member] Debt Instrument, Redemption, Period Five [Member]	
Debt Instrument, Sinking Fund Payment	4,260,000
2016 Issue 2036 Series [Member]	
Debt Instrument, Sinking Fund Payment	17,465,000
2016 Issue 2036 Series [Member] Debt Instrument, Redemption, Period One [Member]	
Debt Instrument, Sinking Fund Payment	0
2016 Issue 2036 Series [Member] Debt Instrument, Redemption, Period Two [Member]	
Debt Instrument, Sinking Fund Payment	0
2016 Issue 2036 Series [Member] Debt Instrument, Redemption, Period Three [Member]	
Debt Instrument, Sinking Fund Payment	0
2016 Issue 2036 Series [Member] Debt Instrument, Redemption, Period Four [Member]	
Debt Instrument, Sinking Fund Payment	0
2016 Issue 2036 Series [Member] Debt Instrument, Redemption, Period Five [Member]	
Debt Instrument, Sinking Fund Payment	17,465,000
2018 Issue 2036 Series [Member]	
Debt Instrument, Sinking Fund Payment	8,000,000
2018 Issue 2036 Series [Member] Debt Instrument, Redemption, Period One [Member]	
Debt Instrument, Sinking Fund Payment	0
2018 Issue 2036 Series [Member] Debt Instrument, Redemption, Period Two [Member]	

Debt Instrument, Sinking Fund Payment	230,000
2018 Issue 2036 Series [Member] Debt Instrument, Redemption, Period Three [Member]	
Debt Instrument, Sinking Fund Payment	255,000
2018 Issue 2036 Series [Member] Debt Instrument, Redemption, Period Four [Member]	
Debt Instrument, Sinking Fund Payment	275,000
2018 Issue 2036 Series [Member] Debt Instrument, Redemption, Period Five [Member]	
Debt Instrument, Sinking Fund Payment	\$ 7,240,000

Entsorga West Virginia, LLC WVEDA Solid Waste Disposal Revenue Bonds (Details Textual) - USD (\$)	3 Months Ended		12 Months Ended	
	Mar. 31, 2019	Dec. 31, 2018	Dec. 31, 2016	Nov. 01, 2018 Dec. 31, 2017
Debt Instrument, Face Amount	\$ 100,000	\$ 33,000,000		\$ 100,000
Debt Instrument, Redemption, Description			Repayment of principal is by way of sinking fund	
Unamortized Debt Issuance Expense	2,189,549	2,145,608		
Amortization of Debt Issuance Costs	259,386	231,510		
Debt Issuance Costs, Net	\$ 2,189,549	2,145,608		
Financial Standby Letter of Credit [Member]				
Debt Instrument, Collateral Amount				\$ 1,250,000
WVEDA Bonds [Member]				
Debt Instrument, Face Amount Series One [Member] WVEDA Bonds [Member]			\$ 25,000,000	
Debt Instrument, Face Amount			\$ 7,535,000	
Debt Instrument, Interest Rate, Stated Percentage			6.75%	
Debt Instrument, Maturity Date Series Two [Member] WVEDA Bonds [Member]			Feb. 01, 2026	
Debt Instrument, Face Amount			\$ 17,465,000	
Debt Instrument, Interest Rate, Stated Percentage			7.25%	
Debt Instrument, Maturity Date Series Three [Member] WVEDA Bonds [Member]			Feb. 01, 2036	
Debt Instrument, Face Amount		\$ 8,000,000		
Debt Instrument, Interest Rate, Stated Percentage		8.75%		
Debt Instrument, Maturity Date		Feb. 01, 2036		

**Equity and Equity
Transactions (Details) - \$ /
shares**

Dec. 31, 2019 Mar. 31, 2019 Dec. 31, 2018

<u>Preferred stock, Designated shares</u>		3,179,120	3,159,120
<u>Preferred Stock, Shares Outstanding</u>		1,162,833	1,155,333
<u>Series A Convertible Preferred Stock [Member]</u>			
<u>Preferred stock, Designated shares</u>		333,401	
<u>Preferred Stock, Par Value Per Share</u>		\$ 0.0001	
<u>Preferred Stock, Stated Value Per Share</u>		\$ 5.00	
<u>Preferred Stock, Shares Outstanding</u>	163,312	163,312	
<u>Series B Convertible Preferred Stock [Member]</u>			
<u>Preferred stock, Designated shares</u>		1,111,200	
<u>Preferred Stock, Par Value Per Share</u>		\$ 0.0001	
<u>Preferred Stock, Stated Value Per Share</u>		\$ 5.00	
<u>Preferred Stock, Shares Outstanding</u>	0	0	
<u>Series C Convertible Preferred Stock [Member]</u>			
<u>Preferred stock, Designated shares</u>		1,000,000	1,000,000
<u>Preferred Stock, Par Value Per Share</u>		\$ 0.0001	
<u>Preferred Stock, Stated Value Per Share</u>		\$ 10.00	
<u>Preferred Stock, Shares Outstanding</u>	427,500	427,500	427,500
<u>Series D Convertible Preferred Stock [Member]</u>			
<u>Preferred stock, Designated shares</u>		20,000	20,000
<u>Preferred Stock, Par Value Per Share</u>		\$ 0.0001	
<u>Preferred Stock, Stated Value Per Share</u>		\$ 100.00	
<u>Preferred Stock, Shares Outstanding</u>	0	7,500	0
<u>Series E Convertible Preferred Stock [Member]</u>			
<u>Preferred stock, Designated shares</u>		714,519	714,519
<u>Preferred Stock, Par Value Per Share</u>		\$ 0.0001	
<u>Preferred Stock, Stated Value Per Share</u>		\$ 2.64	
<u>Preferred Stock, Shares Outstanding</u>	564,519	564,519	564,519

**Equity and Equity
Transactions (Details 1) - \$ /
shares**

Mar. 31, 2019 Dec. 31, 2018

Class of Warrant or Right, Exercise Price of Warrants or Rights	\$ 3.50	
Class of Warrant or Right, Outstanding	4,308,881	4,201,736
2020		
Class of Warrant or Right, Exercise Price of Warrants or Rights	\$ 3.50	
Class of Warrant or Right, Outstanding	22,860	
2021		
Class of Warrant or Right, Outstanding	2,035,228	
2021 Maximum [Member]		
Class of Warrant or Right, Exercise Price of Warrants or Rights	\$ 5.00	
2021 Minimum [Member]		
Class of Warrant or Right, Exercise Price of Warrants or Rights	\$ 3.30	
2022		
Class of Warrant or Right, Outstanding	1,066,231	
2022 Maximum [Member]		
Class of Warrant or Right, Exercise Price of Warrants or Rights	\$ 5.00	
2022 Minimum [Member]		
Class of Warrant or Right, Exercise Price of Warrants or Rights	\$ 3.30	
2023		
Class of Warrant or Right, Outstanding	1,077,417	
2023 Maximum [Member]		
Class of Warrant or Right, Exercise Price of Warrants or Rights	\$ 5.50	
2023 Minimum [Member]		
Class of Warrant or Right, Exercise Price of Warrants or Rights	3.75	
2024		
Class of Warrant or Right, Exercise Price of Warrants or Rights	\$ 3.50	
Class of Warrant or Right, Outstanding	107,145	

**Equity and Equity
Transactions (Details 2)**

**3 Months Ended
Mar. 31, 2019
shares**

Disclosure Text Block Supplement [Abstract]

<u>Outstanding Beginning Balance</u>	4,201,736
<u>Issued</u>	107,145
<u>Exercised</u>	0
<u>Expired</u>	0
<u>Outstanding Ending Balance</u>	4,308,881

Equity and Equity Transactions (Details Textual) - USD (\$)	May 10, 2019	3 Months Ended	
		Mar. 31, 2019	Dec. 31, 2018 Nov. 01, 2017
Class of Warrant or Right, Exercise Price of Warrants or Rights	\$ 3.50		
Preferred Stock, Shares Authorized	10,000,000		10,000,000
Class of Warrant or Right, Outstanding	4,308,881		4,201,736
Dividends Payable	\$ 535,547		
Common Stock, Shares Authorized	50,000,000		50,000,000
Common Stock, Par or Stated Value Per Share	\$ 0.0001		\$ 0.0001 \$ 0.0001
Common Stock, Shares, Issued	14,822,956		14,802,956
Description of Equity Method Investment Ownership Percentage	The consolidated financial statements include less than 100% owned and controlled subsidiaries		
Equity Method Investment, Description of Principal Activities	include equity attributable to non-controlling interests that take the form of the underlying legal structures of the less than 100% owned subsidiaries		
Preferred stock, Designated shares	3,179,120		3,159,120
Preferred Stock, Value, Subscriptions	\$ 750,000		
Class of Warrant or Right Percentage of Securities Called by Each Warrant or Right	50.00%		
Series D Convertible Preferred Stock [Member]			
Preferred Stock, Stated Value	\$ 100		
Debt Instrument, Convertible, Conversion Price	\$ 3.50		
Preferred Stock, Dividend Rate, Percentage	9.00%		
Preferred stock, Designated shares	20,000		20,000
Preferred Stock, Value, Subscriptions	\$ 537,500		
Series D Convertible Preferred Stock [Member] Subsequent Event [Member]			
Stock Issued During Period, Shares, New Issues	7,500		

Equity Incentive Plans (Details) - USD (\$)	3 Months Ended	
	Mar. 31, 2019	Mar. 31, 2018
Stock options	\$ 58,388	\$ 13,772
Restricted stock	239,361	63,868
Total	\$ 297,749	\$ 77,640

Equity Incentive Plans (Details 1) - USD (\$)	3 Months Ended	
	Mar. 31, 2019	Mar. 31, 2018
Share-based Compensation	\$ 297,749	\$ 77,640
Rental Service And Maintenance [Member]		
Share-based Compensation	5,755	3,712
Selling, General and Administrative Expenses [Member]		
Share-based Compensation	\$ 291,994	\$ 73,928

Equity Incentive Plans (Details 2)	3 Months Ended Mar. 31, 2019 shares
<u>Unvested balance at beginning</u>	742,741
<u>Grants</u>	0
<u>Vested</u>	(14,167)
<u>Unvested balance at end</u>	728,574

Equity Incentive Plans (Details Textual) - USD (\$)	3 Months Ended		
	Mar. 31, 2019	Dec. 31, 2017	Dec. 31, 2015
Restricted Stock Units (RSUs) [Member]			
Stock Issued During Period, Value, Stock Options Exercised	\$ 20,000		
Equity Incentive Plan 2015 [Member]			
Share-based Compensation Arrangement by Share-based Payment Award, Number of Shares Authorized			750,000
Executive Incentive Plan 2017 [Member]			
Share-based Compensation Arrangement by Share-based Payment Award, Number of Shares Authorized		1,000,000	

**Commitments and
Contingencies (Details
Textual) - Consulting
Services Related Matters
[Member] - USD (\$)**

3 Months Ended

Apr. 23, 2019 Mar. 31, 2019

Stock Issued During Period, Shares, Other 75,000

Tusk Ventures LLC [Member]

Loss Contingency, Damages Sought, Value \$ 250,000

Leases (Details)	Dec. 31, 2018 USD (\$)
<u>Operating Leased Assets [Line Items]</u>	
<u>2019</u>	\$ 146,470
<u>2020</u>	150,926
<u>2021</u>	113,000
<u>2022</u>	113,000
<u>2023 and thereafter</u>	3,095,500
<u>Total</u>	3,618,896
<u>Less imputed interest</u>	(2,597,706)
<u>Present value of lease liabilities</u>	\$ 1,021,190

Leases (Details Textual) - USD (\$)	3 Months Ended	
	Mar. 31, 2019	Mar. 31, 2018
<u>Operating Leased Assets [Line Items]</u>		
<u>Operating Leases, Rent Expense</u>	[1] \$ 13,545	\$ 13,445
<u>Operating Lease, Liability, Current</u>	101,477	
<u>Right-of-Use Asset Obtained in Exchange for Operating Lease Liability</u>	1,045,755	
<u>Operating Lease, Payments</u>	\$ 72,765	
<u>Land Lease [Member]</u>		
<u>Operating Leased Assets [Line Items]</u>		
<u>Leases Utilization Percentage</u>	11.00%	
<u>Other Lease [Member]</u>		
<u>Operating Leased Assets [Line Items]</u>		
<u>Leases Utilization Percentage</u>	10.25%	
<u>Research And Development Lease [Member]</u>		
<u>Operating Leased Assets [Line Items]</u>		
<u>Operating Leases, Rent Expense</u>	\$ 67,532	\$ 33,101
<u>Operating Lease, Weighted Average Remaining Lease Term</u>	24 years 6 months	

[1] Facility Lease - The Company leases its corporate headquarters and warehouse space from BioHiTech Realty LLC, a company owned by two stockholders of the Company, one of whom is the Chief Executive Officer.

Related Party Transactions (Details) - USD (\$)	3 Months Ended		
	Mar. 31, 2019	Mar. 31, 2018	Dec. 31, 2018
<u>Assets:</u>			
Accounts receivable	\$ 342,276		\$ 403,298
Intangible assets, net	61,383		83,933
<u>Liabilities:</u>			
Accounts payable	4,391,816		1,310,998
Accrued interest payable	501,871		959,927
Long term accrued interest	1,381,914		1,305,251
Advance from related party	150,000		0
<u>Other:</u>			
Project fees	[1] 0	\$ 0	
Consulting revenue	[2] 0	29,925	
S, G & A - Rent expense	[3] 13,545	13,445	
Cost of revenues - Rent expense	[3] 10,992	10,973	
Interest expense		63,628	144,242
Cost of revenue, inventory or equipment on operating leases acquired	[4] 0	5,707	
Management Advisory Fees [Member]			
<u>Other:</u>			
Revenue from Contract with Customer, Including Assessed Tax	[5] 250,000	139,383	
S, G & A - Consulting expense [Member]			
<u>Other:</u>			
S, G & A - Consulting expense	[4] 18,750	50,000	
Debt guarantee fees [Member]			
<u>Other:</u>			
Revenue from Contract with Customer, Including Assessed Tax	[6] 16,875	\$ 20,833	
Related Party [Member]			
<u>Assets:</u>			
Accounts receivable	[1],[5] 1,625		168,588
Intangible assets, net	[4] 61,383		83,933
<u>Liabilities:</u>			
Accounts payable	[3],[4] 204,295		160,761
Accrued interest payable	0		46,796
Long term accrued interest	[7] 1,381,914		1,305,251
Advance from related party	[8] 150,000		0
Junior promissory note	[7] 931,548		926,211
<u>Other:</u>			
Line of credit guarantee	[6] \$ 1,470,832		\$ 1,469,330

- [1] Project Fees – In addition to Management Advisory Fees, the Company also has provided to Gold Medal Holdings, Inc. non-management advisory services related to projects relating to technology and operations.
- [2] Consulting Revenue - The Company provided environmental and project consulting to Entsorga West Virginia LLC, an entity that the Company accounted for as an equity investment from March 2017 through December 14, 2018, the date of its control acquisition.
- [3] Facility Lease - The Company leases its corporate headquarters and warehouse space from BioHiTech Realty LLC, a company owned by two stockholders of the Company, one of whom is the Chief Executive Officer.
- [4] Distribution Agreement - BioHiTech has an exclusive license and distribution agreement (the “License Agreement”) with BioHiTech International, Inc., a company owned by James Koh, a BioHiTech shareholder and other unrelated parties. The License Agreement provides distribution rights to the Eco-Safe Digester through December 31, 2023 (unless extended by mutual agreement) and for annual payments to Mr. Koh in the amount of \$200,000 for the term of the License Agreement and a 2.5% additional commission on all sales closed by Mr. Koh. Effective October 17, 2018, the agreement was amended to reduce the annual payments to \$75,000 and to remove several international locations that the Company does not actively market.
- [5] Management Advisory Fees - The Company provides management advisory services to Gold Medal Holdings, Inc., an entity that the Company accounted for as an equity investment effective February 2018. The accounting for the investment was changed to cost method in December 2018.
- [6] Line of Credit - Under the terms of the line of credit, several related parties have personally guaranteed the line and are contingently liable should the Company not meet its obligations under the line. In connection with the new line of credit entered into on February 2, 2018, the Chief Executive Officer and a Director have provided a guarantee of the line of credit in exchange for a fee representing 4.5% of the debt.
- [7] Junior Promissory Note - On February 2, 2018, the Company entered into a Securities Exchange and Note Purchase Agreement (the “Exchange Agreement”) with Frank E. Celli, the Company’s Chief Executive Officer, whereby Celli exchanged \$4,500,000 in a note receivable from the Company and \$544,777 in advances made to the Company for \$4,000,000 of the Registrant’s Series C Convertible Preferred Stock, par value \$0.0001 (the Series C Preferred Stock”) and a junior promissory note (the “Junior Note”). The Junior Note, which is subordinated to the senior secured note, is not convertible, accrues interest at the rate of 10.25% per annum and matures on February 2, 2024.
- [8] Advance from Related Party - The Company’s Chief Executive Officer (the “Officer”) on occasion advances the Company funds for operating and capital purposes. The advances bear interest at 13% and are unsecured and due on demand. There are no financial covenants related to this advance and there are no formal commitments to extend any further advances.

Related Party Transactions
(Details 1) - USD (\$) **Mar. 31, 2019** **Dec. 31, 2018**

2020		\$ 150,926
Total		\$ 3,618,896
Facility Lease [Member]		
2019 (remaining)	\$ 75,220	
2020	41,926	
Total	\$ 117,146	

Related Party Transactions (Details Textual) - USD (\$)	3 Months Ended				
	Oct. 17, 2018	Feb. 02, 2018	Mar. 31, 2019	Mar. 31, 2018	Dec. 31, 2018
Related Party Transaction [Line Items]					
Debt Instrument, Interest Rate, Effective Percentage			5.00%		
Line of Credit Fee Percentage		4.50%			
Debt Conversion, Converted Instrument, Amount			\$	3,715,374	
Preferred Stock, Par or Stated Value Per Share	\$ 0.0001		\$ 0.0001		\$ 0.0001
Series C Preferred Stock [Member]					
Related Party Transaction [Line Items]					
Debt Conversion, Original Debt, Amount			\$		
			4,000,000		
Preferred Stock, Dividend Rate, Percentage			10.25%		
Preferred Stock, Par or Stated Value Per Share			\$ 0.0001		
Securities Exchange and Note Purchase Agreement [Member] 					
Series C Convertible Preferred Stock [Member]					
Related Party Transaction [Line Items]					
Debt Conversion, Converted Instrument, Amount			\$		
			4,000,000		
Notes Payable [Member] Securities Exchange and Note					
Purchase Agreement [Member]					
Related Party Transaction [Line Items]					
Debt Conversion, Original Debt, Amount			4,500,000		
Related Party Advances [Member] Securities Exchange and					
Note Purchase Agreement [Member]					
Related Party Transaction [Line Items]					
Debt Conversion, Original Debt, Amount			\$ 544,777		
Amended [Member]					
Related Party Transaction [Line Items]					
Debt Instrument, Periodic Payment	\$		75,000		
Chief Executive Officer [Member]					
Related Party Transaction [Line Items]					
Debt Instrument, Interest Rate, Effective Percentage			13.00%		
Mr. Koh [Member]					
Related Party Transaction [Line Items]					
Percentage Of Commission On Sale Price Of Machinery			2.50%		
Debt Instrument, Periodic Payment			\$		
			200,000		

**Supplemental Consolidated
Statement of Cash Flows
Information (Details) - USD
(\$)**

3 Months Ended

Mar. 31, 2019 Mar. 31, 2018 Dec. 31, 2018 Dec. 31, 2017

Changes in operating assets and liabilities:

Accounts and note receivable

\$ 48,266 \$ (93,127)

Inventory

76,930 (350,162)

Prepaid expenses and other assets

(36,508) 3,091

Accounts payable

3,088,732 134,605

Accrued interest payable

(399,764) 192,073

Accrued expenses

(2,668,827) (470,738)

Deferred revenue

12,142 2,596

Customer deposits

4,351 (29,738)

Net change in operating assets and liabilities

125,322 (611,400)

Supplementary cash flow information:

Interest

1,082,526 50,816

Income taxes

0 0

Supplementary Disclosure of Non-Cash Investing and Financing Activities:

Transfer of inventory to leased equipment

6,884 164,380

Common stock issued in settlement of accrued interest

523,788

Common stock issued in acquisition of Gold Medal Group, LLC

2,250,000

Conversion of notes into common stock

3,715,374

In-Kind payments by investors for common and preferred stock

216,665

Exchange of related party notes payable and advances for Series C preferred stock, warrants and notes payable

4,275,000

Accrual of Series A preferred stock dividend

18,372 91,039

Reconciliation of Cash and Restricted Cash:

Cash

1,374,564 3,223,447 \$ 2,410,709

Restricted cash (short term)

2,137,456 0 4,195,148

Restricted cash (non-current)

2,532,933 0

Total cash and restricted cash at the end of the period

\$ 6,044,953 \$ 3,223,447 \$ 9,126,380 \$ 901,112

**Recent Accounting
Standards (Details Textual)**

Jan. 01, 2019

Percentage Of Changes In Assets And Liabilities On Adoption Of New Accounting Principle 2.00%

**Subsequent Events (Details
Textual)**

**Mar. 31, 2019
USD (\$)**

Subsequent Event [Line Items]

Preferred Stock, Value, Subscriptions

\$ 750,000

Series D Convertible Preferred Stock [Member]

Subsequent Event [Line Items]

Preferred Stock, Value, Subscriptions

\$ 537,500

Condensed Consolidating Financial Information (Details) - USD (\$)	Mar. 31, 2019	Dec. 31, 2018	Dec. 14, 2018	Mar. 31, 2018	Dec. 31, 2017
<u>Current Assets</u>					
<u>Cash</u>	\$ 1,374,564	\$ 2,410,709			
<u>Restricted Cash</u>	2,137,456	4,195,148			
<u>Other Assets, Current</u>	899,278	969,571			
<u>Current Assets</u>	4,411,298	7,575,428			
<u>Restricted cash</u>	2,532,933	2,520,523			
<u>HEBioT facility under construction</u>	35,899,019	33,104,007			
<u>Other fixed assets</u>	1,699,507	1,797,915			
<u>Operating lease right of use assets</u>	1,021,190	0			
<u>MBT facility development and license costs</u>	8,076,353	8,475,408			
<u>Intangible assets, net and investment in subsidiaries</u>	1,748,766	1,771,316			
<u>Goodwill</u>	58,000	58,000	\$ 58,000		
<u>Other Assets</u>	13,500	13,500			
<u>Total Assets</u>	55,460,566	55,316,097			
<u>Liabilities, Current [Abstract]</u>					
<u>Line of credit</u>	1,470,832	1,469,330			
<u>Other current liabilities</u>	6,154,731	5,740,493			
<u>Current Liabilities</u>	7,625,563	7,209,823			
<u>Notes payable and other debts</u>	4,869,277	4,890,322			
<u>Accrued interest</u>	1,381,914	1,305,251			
<u>Non-current lease liabilities</u>	919,713	0			
<u>WV EDA bonds</u>	31,069,837	31,085,902			
<u>Total Liabilities</u>	45,866,304	44,491,298			
<u>Redeemable preferred stock</u>	816,553	816,553			
<u>Stockholders' equity [Abstract]</u>					
<u>Attributable to parent</u>	2,486,715	3,405,551		\$ 542,238	\$ (11,016,724)
<u>Attributable to non-controlling interests</u>	6,290,994	6,602,695			
<u>Stockholders' equity</u>	8,777,709	10,008,246			
<u>Total liabilities and stockholders' equity</u>	55,460,566	55,316,097			
<u>Consolidation, Eliminations [Member]</u>					
<u>Current Assets</u>					
<u>Cash</u>	0	0			
<u>Restricted Cash</u>	0	0			
<u>Other Assets, Current</u>	0	0			
<u>Current Assets</u>	0	0			
<u>Restricted cash</u>	0	0			
<u>HEBioT facility under construction</u>	0	0			
<u>Other fixed assets</u>	0	0			
<u>MBT facility development and license costs</u>	0	0			

Intangible assets, net and investment in subsidiaries	(9,290,361)	(5,854,952)
Goodwill	0	0
Other Assets	0	0
Total Assets	(9,290,361)	(5,854,952)
Liabilities, Current [Abstract]		
Line of credit	0	0
Other current liabilities	(91,670)	0
Current Liabilities	(91,670)	0
Notes payable and other debts	0	0
Accrued interest	0	0
Non-current lease liabilities	0	
WV EDA bonds	0	0
Total Liabilities	(91,670)	0
Redeemable preferred stock	0	0
Stockholders' equity [Abstract]		
Attributable to parent	(9,198,691)	(5,854,952)
Attributable to non-controlling interests	0	0
Stockholders' equity	(9,198,691)	(5,854,952)
Total liabilities and stockholders' equity	(9,290,361)	(5,854,952)
Entsorga West Virginia LLC [Member]		
Current Assets		
Cash	2,020	0
Restricted Cash	2,137,456	4,195,148
Other Assets, Current	0	0
Current Assets	2,139,476	4,195,148
Restricted cash	2,532,933	2,520,523
HEBioT facility under construction	35,899,019	33,104,007
Other fixed assets	0	0
Operating lease right of use assets	905,692	
MBT facility development and license costs	1,890,000	1,890,000
Intangible assets, net and investment in subsidiaries	0	0
Goodwill	58,000	58,000
Other Assets	0	0
Total Assets	43,425,120	41,767,678
Liabilities, Current [Abstract]		
Line of credit	0	0
Other current liabilities	3,768,777	3,708,410
Current Liabilities	3,768,777	3,708,410
Notes payable and other debts	0	0
Accrued interest	0	0
Non-current lease liabilities	910,130	
WV EDA bonds	31,069,837	31,085,902

<u>Total Liabilities</u>	35,748,744	34,794,312
<u>Redeemable preferred stock</u>	0	0
<u>Stockholders' equity [Abstract]</u>		
<u>Attributable to parent</u>	6,622,976	5,854,952
<u>Attributable to non-controlling interests</u>	1,053,400	1,118,414
<u>Stockholders' equity</u>	7,676,376	6,973,366
<u>Total liabilities and stockholders' equity</u>	43,425,120	41,767,678
<u>Parent Company [Member]</u>		
<u>Current Assets</u>		
<u>Cash</u>	1,372,544	2,410,709
<u>Restricted Cash</u>	0	0
<u>Other Assets, Current</u>	899,278	969,571
<u>Current Assets</u>	2,271,822	3,380,280
<u>Restricted cash</u>	0	0
<u>HEBioT facility under construction</u>	0	0
<u>Other fixed assets</u>	1,699,507	1,797,915
<u>Operating lease right of use assets</u>	115,498	
<u>MBT facility development and license costs</u>	6,186,353	6,585,408
<u>Intangible assets, net and investment in subsidiaries</u>	11,039,127	7,626,268
<u>Goodwill</u>	0	0
<u>Other Assets</u>	13,500	13,500
<u>Total Assets</u>	21,325,807	19,403,371
<u>Liabilities, Current [Abstract]</u>		
<u>Line of credit</u>	1,470,832	1,469,330
<u>Other current liabilities</u>	2,477,624	2,032,083
<u>Current Liabilities</u>	3,948,456	3,501,413
<u>Notes payable and other debts</u>	4,869,277	4,890,322
<u>Accrued interest</u>	1,381,914	1,305,251
<u>Non-current lease liabilities</u>	9,583	
<u>WV EDA bonds</u>	0	0
<u>Total Liabilities</u>	10,209,230	9,696,986
<u>Redeemable preferred stock</u>	816,553	816,553
<u>Stockholders' equity [Abstract]</u>		
<u>Attributable to parent</u>	5,062,430	3,405,551
<u>Attributable to non-controlling interests</u>	5,237,594	5,484,281
<u>Stockholders' equity</u>	10,300,024	8,889,832
<u>Total liabilities and stockholders' equity</u>	\$ 21,325,807	\$ 19,403,371

**Condensed Consolidating
Financial Information
(Details 1) - USD (\$)**

	3 Months Ended	
	Mar. 31, 2019	Mar. 31, 2018
<u>Revenues</u>	\$ 737,701	\$ 645,726
<u>Operating Expenses [Abstract]</u>		
<u>Selling, general and administrative</u>	2,326,362	1,579,990
<u>Depreciation and amortization</u>	27,937	
<u>Total operating expenses</u>	2,659,004	1,973,215
<u>Loss from operations</u>	(1,921,303)	(1,327,489)
<u>Other expenses</u>	(339,864)	(3,893,302)
<u>Net loss</u>	(2,261,167)	(5,220,791)
<u>Consolidation, Eliminations [Member]</u>		
<u>Operating Expenses [Abstract]</u>		
<u>Selling, general and administrative</u>	0	
<u>Depreciation and amortization</u>	0	
<u>Total operating expenses</u>	0	
<u>Loss from operations</u>	0	
<u>Other expenses</u>	0	
<u>Net loss</u>	0	
<u>Entsorga West Virginia LLC [Member]</u>		
<u>Revenues</u>	0	
<u>Operating Expenses [Abstract]</u>		
<u>Selling, general and administrative</u>	269,115	
<u>Depreciation and amortization</u>	0	
<u>Total operating expenses</u>	269,115	
<u>Loss from operations</u>	(269,115)	
<u>Other expenses</u>	27,875	
<u>Net loss</u>	(296,990)	
<u>Parent Company [Member]</u>		
<u>Revenues</u>	737,701	
<u>Operating Expenses [Abstract]</u>		
<u>Selling, general and administrative</u>	2,057,247	
<u>Depreciation and amortization</u>	27,937	
<u>Total operating expenses</u>	2,389,889	
<u>Loss from operations</u>	(1,652,188)	
<u>Other expenses</u>	311,989	
<u>Net loss</u>	(1,964,177)	
<u>Rental, service and maintenance [Member]</u>		
<u>Cost of revenue</u>	304,705	\$ 335,962
<u>Rental, service and maintenance [Member] Consolidation, Eliminations [Member]</u>		
<u>Cost of revenue</u>	0	
<u>Rental, service and maintenance [Member] Entsorga West Virginia LLC [Member]</u>		

Cost of revenue	0
Rental, service and maintenance [Member] Parent Company [Member]	
Cost of revenue	\$ 304,705

**Condensed Consolidating
Financial Information
(Details 2) - USD (\$)**

**3 Months Ended
Mar. 31, 2019 Mar. 31, 2018**

Cash flows from operating activities:

<u>Net loss</u>	\$ (1,949,466)	\$ (5,220,791)
<u>Adjustments to reconcile net loss to net cash used in operations</u>	923,196	
<u>Changes in operating assets and liabilities</u>	125,322	(611,400)
<u>Net cash used in operations</u>	(1,212,649)	(2,000,527)

Cash flow from investing activities:

<u>Construction in process and acquisitions of property and equipment</u>	(2,794,824)	
<u>Capital contribution to Entsorga West Virginia, LLC</u>	0	
<u>Other investing activities</u>	52,400	
<u>Net cash used in investing activities</u>	(2,742,424)	(94,366)

Cash flows from financing activities:

<u>Issuances of debt and equity</u>	900,000	
<u>Repayments of debt</u>	(2,264)	
<u>Deferred financing costs incurred</u>	(43,941)	(237,187)
<u>Net cash provided by financing activities</u>	853,795	4,421,885
<u>Effect of exchange rate on cash</u>	19,851	(4,657)
<u>Cash - beginning of period (restricted and unrestricted)</u>	9,126,380	901,112
<u>Cash - end of period (restricted and unrestricted)</u>	6,044,953	\$ 3,223,447

Consolidation, Eliminations [Member]

Cash flows from operating activities:

<u>Net loss</u>	0	
<u>Adjustments to reconcile net loss to net cash used in operations</u>	0	
<u>Changes in operating assets and liabilities</u>	0	
<u>Net cash used in operations</u>	0	

Cash flow from investing activities:

<u>Construction in process and acquisitions of property and equipment</u>	0	
<u>Capital contribution to Entsorga West Virginia, LLC</u>	1,000,000	
<u>Other investing activities</u>	0	
<u>Net cash used in investing activities</u>	1,000,000	

Cash flows from financing activities:

<u>Issuances of debt and equity</u>	(1,000,000)	
<u>Repayments of debt</u>	0	
<u>Deferred financing costs incurred</u>	0	
<u>Net cash provided by financing activities</u>	(1,000,000)	
<u>Effect of exchange rate on cash</u>	0	
<u>Cash - beginning of period (restricted and unrestricted)</u>	0	
<u>Cash - end of period (restricted and unrestricted)</u>	0	

Entsorga West Virginia LLC [Member]

Cash flows from operating activities:

<u>Net loss</u>	(296,990)	
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<u>Adjustments to reconcile net loss to net cash used in operations</u>	31,090
<u>Changes in operating assets and liabilities</u>	61,590
<u>Net cash used in operations</u>	(204,310)
<u>Cash flow from investing activities:</u>	
<u>Construction in process and acquisitions of property and equipment</u>	(2,795,012)
<u>Capital contribution to Entsorga West Virginia, LLC</u>	0
<u>Other investing activities</u>	0
<u>Net cash used in investing activities</u>	(2,795,012)
<u>Cash flows from financing activities:</u>	
<u>Issuances of debt and equity</u>	1,000,000
<u>Repayments of debt</u>	0
<u>Deferred financing costs incurred</u>	(43,941)
<u>Net cash provided by financing activities</u>	956,059
<u>Effect of exchange rate on cash</u>	0
<u>Cash - beginning of period (restricted and unrestricted)</u>	6,715,672
<u>Cash - end of period (restricted and unrestricted)</u>	4,672,409
<u>Parent Company [Member]</u>	
<u>Cash flows from operating activities:</u>	
<u>Net loss</u>	(1,964,177)
<u>Adjustments to reconcile net loss to net cash used in operations</u>	892,106
<u>Changes in operating assets and liabilities</u>	63,732
<u>Net cash used in operations</u>	(1,008,339)
<u>Cash flow from investing activities:</u>	
<u>Construction in process and acquisitions of property and equipment</u>	188
<u>Capital contribution to Entsorga West Virginia, LLC</u>	(1,000,000)
<u>Other investing activities</u>	52,400
<u>Net cash used in investing activities</u>	(947,412)
<u>Cash flows from financing activities:</u>	
<u>Issuances of debt and equity</u>	900,000
<u>Repayments of debt</u>	(2,264)
<u>Deferred financing costs incurred</u>	0
<u>Net cash provided by financing activities</u>	897,736
<u>Effect of exchange rate on cash</u>	19,851
<u>Cash - beginning of period (restricted and unrestricted)</u>	2,410,708
<u>Cash - end of period (restricted and unrestricted)</u>	\$ 1,372,544