iLOOKABOUT Corp.

Management's Discussion and Analysis of Financial Condition and Results of Operations for the three months ended March 31, 2020 (the "*Period*")

The information set forth below has been prepared as at July 13, 2020, and is derived from, and should be read in conjunction with, iLOOKABOUT Corp.ôs (ñILAò or the ñCompanyò) unaudited condensed interim consolidated financial statements for the three months ended March 31, 2020 (the ñReporting Dateò), including the accompanying notes (the ñInterim Financial Statementsò), which can be found on SEDAR at www.sedar.com. This Management Discussion and Analysis (ñMD&Aò) is intended to assist in understanding the dynamics of the Companyôs business and key factors underlying its financial results.

The Interim Financial Statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (ñIAS 34ò) using accounting policies consistent with International Financial Reporting Standards (ñIFRSò). By their nature, the Interim Financial Statements do not include all the information required for full annual financial statements, and so should be read in conjunction with the Companyôs 2019 audited annual consolidated financial statements prepared in accordance with IFRS, which can be found on SEDAR at www.sedar.com. The Interim Financial Statements were prepared using the accounting policies disclosed in the annual financial statements.

All dollar figures referred to herein are Canadian dollars unless otherwise stated. For narrative purposes, all dollar amounts, with the exception of per share amounts, have been presented in thousands of dollars.

Company Overview

ILA is a transformational data analytics organization that provides transparency to the valuation of real estate assets.

ILA provides software and data licenses and technology managed services to the real estate industry, serving primarily the property lending and property tax sectors, both public and private, in the United States (ñUSò) and Canada.

The Companyôs primary offerings are noted below.

Software and Data Licenses:

FusionOMS

Fusion OMS is a web-based platform that enables collaborative next-generation real property valuation solutions to enterprises by leveraging a US nationwide repository of public record and multiple listing service data and providing high velocity automated workflows and interactive reporting.

FusionOMS was developed by Clarocity Inc. and its subsidiaries (collectively, ñClarocity Groupò), which were acquired by ILA in July 2019.

GeoViewPort™

GeoViewPortÊ (ñGVPò) is a web-based platform that empowers the real property assessment industry with a leading-edge desktop review tool. GVP enables assessment professionals to simultaneously generate customized portals to view multiple elements related to a property, including street level imagery, aerial imagery, advanced mapping tools, property valuation details, comparable property analysis, and structural characteristics, amongst others. GVPôs architecture has been built to support a full suite of add-on tools and services including workflow management and mobile functionality.

Real Property Tax Analytics

Real Property Tax Analytics (ñRPTAò) is a web-based platform that analyzes property assessments by leveraging real property data to deliver insightful comparable modeling and predictive valuations using proprietary algorithms. Integration with ILAôs Appeals Management module, which assists public entities in the management of property assessment appeals, has been completed and is now being offered as an additional application available for licensing on the RPTA platform.

Other Software Applications

The Company has developed and/or supports web-based map applications, which leverage much of the architecture and data rendering techniques utilized within GVP, to service constituents of the property tax assessment and appraisal process, including property assessors/appraisers, taxpayers and other public stakeholders.

Data Commercialization

ILA has developed products and services for clients looking to commercialize their data through the delivery of reports and individual data requests to users through secure ecommerce transactions or by account. In addition to standardized reports, the Company also provides customized reports through an assisted fulfillment process.

Technology Managed Services:

Valuation Management Solutions

The Company provides real estate valuation solutions by leveraging its proprietary technology, FusionOMS, to deliver full-spectrum appraisal and broker price opinion services. This offering commenced upon ILAós acquisition of Clarocity Group in July 2019.

Property Tax Solutions

The Company provides property tax solutions utilizing the RPTA platform, including the Appeals Management module, to support clients that require a facilitated experience with the Company's technology, and support services focused on the real property assessment sector.

Other Services

The Company also provides services to clients seeking to outsource real property related services to benefit from the efficiencies the Company can provide using its proprietary technology.

ILAós Common Shares are traded on the TSX Venture Exchange (ñTSXVò) under the symbol ILA and on the US OTCQB under the symbol ILATF.

Significant developments in the first quarter of 2020:

- In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This has resulted in governments worldwide, including the Canadian and US governments, enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally and have resulted in an economic slowdown. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions however the success of these interventions is not currently determinable. See the *Liquidity and Capital Resources* section below for further detail.

Significant developments subsequent to the first quarter of 2020:

- To date, the Companyós US-based technology-managed services revenues have been materially adversely effected as a result of the current US moratoriums on certain foreclosures, currently expected to remain in place until August 31, 2020. This line of business facilitates, through a technology-based platform, real property valuations with a client concentration in the default and foreclosure segment.

  The most significant impact to the Companyós Canadian-based revenue has been requests from clients for the deferral of payment for services, moderate transactional revenue decreases and delays of new initiatives that would otherwise have progressed at a more rapid pace.

  Given the negative impact on operating cash inflows due to the global pandemic, the Company has leveraged additional financial resources and government-based programs to compensate for this temporary downturn. Specifically, in the second quarter of fiscal 2020, the Company has obtained funding of $252 under the Canada Emergency Wage Subsidy (ñCEWSò) program, and $488 USD under the US-based Paycheck Protection Program (ñPPPò) under the Coronavirus Aid, Relief, and Economic Security Act (the ñCARES Actò). The CEWS funding is not required to be repaid by the Company. The PPP funding is in the form of a forgivable loan, with forgiveness to be granted provided that the Company uses the funds for approved uses, staff levels based on prescribed calculations are maintained and wage levels are not reduced beyond 25% for the prescribed measurement period. Based on current interpretations of the legislation, the Company expects that the majority, if not all, of amounts received under the PPP loan will be forgiven.

The current challenging economic climate may lead to adverse changes in the Companyôs cash flows, working capital levels, and/or debt balances, which may also have a direct impact on the Companyôs operating results and financial position in the future. Decreases in cash flows and results of operations may have an impact on the inputs and assumptions used in significant accounting estimates, including Managementôs assessment of future compliance with financial covenants, and potential impairments of goodwill, long-lived assets and investment. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and our business are not known at this time.

Use of Non-GAAP Financial Measures

Management has included two non-GAAP financial measures to supplement information contained in this MD&A. These non-GAAP measures do not have any standardized meaning prescribed under IFRS and therefore may not be comparable to similar measures employed by other reporting issuers. The non-GAAP measures contained in this MD&A are:

(a) ñAdjusted Working Capitalò, which is defined and calculated by the Company as current assets less current liabilities, excluding items that are not financial assets or financial liabilities. Management believes Adjusted Working Capital provides meaningful information with respect to the liquidity of the Company. A reconciliation of working capital to Adjusted Working Capital is provided in the section entitled *"Liquidity and Capital Resources – Adjusted Working Capital"*.

(b) ñAdjusted EBITDAò, which is defined and calculated by the Company as earnings (loss) before interest, taxes, depreciation/amortization of property and equipment, intangible assets and right-of-use assets, share-based compensation expense, foreign exchange gains (losses) recorded through profit and loss, and other costs or income that are: (i) non-operating; (ii) non-recurring; and/or (iii) related to strategic initiatives. The Company classifies income or costs as non-recurring if income or costs similar in nature are not reasonably expected to occur within the next two years nor have occurred during the prior two years, and such costs are significant.

Prior to the fourth quarter of 2019, foreign exchange gains (losses) recorded through profit and loss were not included in the Companyôs definition of Adjusted EBITDA.

The table below presents Adjusted EBITDA as calculated under the prior definition and as calculated under the revised definition adopted in the fourth quarter of 2019.

	Three months ended [1]				Year ended
	March 31	**June 30**	**Sept 30**	**Dec 31**	**Dec 31**
Fiscal 2019					
Adjusted EBITDA[2], as previously defined	$ 476	$ 258	$ 143	$ (872)	$ 5
Adjusted EBITDA[2], under revised	$ 502	$ 289	$ (52)	$ (641)	$ 98
Fiscal 2018 [3]					
Adjusted EBITDA[2], as previously defined	$ 326	$ 225	$ 171	$ 351	$ 1,073
Adjusted EBITDA[2], under revised	$ 263	$ 185	$ 209	$ 302	$ 959

[1] Results are Unaudited.
[2] Adjusted EBITDA is a non-GAAP measure and is defined above in *"Use of Non-GAAP Financial Measures"*.
[3] Effective January 1, 2019, the Company adopted IFRS 16 using the modified retrospective method. Under this method, the comparative information is not restated.

Management believes Adjusted EBITDA provides meaningful information with respect to the financial performance and value of the Company, as items that may obscure the underlying trends in the business performance are excluded. A reconciliation of earnings (loss) to Adjusted EBITDA is provided in the section entitled *"Overall Performance and Results of Operations – Adjusted EBITDA Reconciliation."*

These measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of financial performance prepared in accordance with IFRS.

Overall Performance and Results of Operations

Summary of Quarterly Results

The financial information set forth below is derived from, and should be read in conjunction with, ILAôs Interim Financial Statements for the three months ended March 31, 2020 (the ñReporting Dateò), which can be found on SEDAR at www.sedar.com.

	Three months ended[1]				Year ended
(In thousands of Canadian dollars, except per share amounts)	**March 31**	**June 30**	**Sept 30**	**Dec 31**	**Dec 31**
Fiscal 2020					
Revenue	$ 5,111				
Loss	(261)				
Comprehensive loss	(221)				
Earnings (loss) per share - basic	-				
Earnings (loss) per share - diluted	-				
Adjusted EBITDA, Unaudited[2]	$ (665)				
Fiscal 2019					
Revenue	$ 2,634	$ 2,512	$ 4,810	$ 4,978	$ 14,934
Loss	(26)	(359)	(799)	(699)	(1,883)
Comprehensive loss	(23)	(344)	(164)	(638)	(1,169)
Earnings (loss) per share - basic	-	-	(0.01)	(0.01)	(0.02)
Earnings (loss) per share - diluted	-	-	(0.01)	(0.01)	(0.02)
Adjusted EBITDA, Unaudited[2]	$ 502	$ 289	$ (52)	$ (641)	$ 98
Fiscal 2018[3]					
Revenue	$ 2,392	$ 2,323	$ 2,226	$ 2,271	$ 9,212
Earnings (loss)	147	(390)	(521)	394	(370)
Comprehensive income (loss)	117	(405)	(506)	397	(397)
Earnings (loss) per share - basic	-	-	(0.01)	-	-
Earnings (loss) per share - diluted	-	-	(0.01)	-	-
Adjusted EBITDA, Unaudited[2]	$ 263	$ 185	$ 209	$ 302	$ 959

[1] Results are Unaudited.
[2] Adjusted EBITDA is a non-GAAP measure and is defined above in *"Use of Non-GAAP Financial Measures"*.
[3] Effective January 1, 2019, the Company adopted IFRS 16 using the modified retrospective method. Under this method, the comparative information is not restated.

Adjusted EBITDA Reconciliation

The following tables present reconciliations of Earnings (loss) to Adjusted EBITDA, for the periods presented.

(In thousands of Canadian dollars)	Three months ended[1] March 31	June 30	September 30	December 31	Year ended December 31
Fiscal 2020					
Loss	$ (261)				
Add back (deduct):					
Amortization of property and equipment	45				
Amortization of intangible assets	450				
Amortization of right-of-use assets	93				
Finance costs, net	285				
Income tax recovery	(25)				
Share-based compensation expense	17				
Foreign exchange loss (gain) through profit and loss	(1,389)				
Costs (income) related to non-operating items, non-recurring items and/or strategic initiatives[1]	120				
Adjusted EBITDA, Unaudited[2]	$ (665)				
Fiscal 2019					
Loss	$ (26)	$ (359)	$ (799)	$ (699)	$ (1,883)
Add back (deduct):					
Amortization of property and equipment	26	27	47	52	152
Amortization of intangible assets	57	61	436	372	926
Amortization of right-of-use assets	45	46	95	49	235
Loss (gain) on derivative asset	-	-	(213)	213	-
Finance costs, net	10	10	134	218	372
Income tax recovery	-	-	-	(645)	(645)
Share-based compensation expense	46	125	20	118	309
Foreign exchange loss (gain) through profit and loss	26	30	(195)	232	93
Costs (income) related to non-operating items, non-recurring items and/or strategic initiatives[1]	317	349	422	(550)	538
Adjusted EBITDA, Unaudited[2]	$ 502	$ 289	$ (52)	$ (641)	$ 98
Fiscal 2018[3]					
Earnings (loss)	$ 147	$ (390)	$ (520)	$ 394	$ (370)
Add back (deduct):					
Amortization of property and equipment	22	24	26	31	103
Amortization of intangible assets	59	58	57	57	231
Finance income	(15)	(15)	(15)	(11)	(56)
Share-based compensation expense	15	174	129	93	410
Foreign exchange loss (gain) through profit and loss	(63)	(40)	38	(49)	(114)
Costs (income) related to non-operating items, non-recurring items and/or strategic initiatives[1]	99	374	494	(212)	755
Adjusted EBITDA, Unaudited[2]	$ 263	$ 185	$ 209	$ 302	$ 959

[1] Results are Unaudited.
[2] Adjusted EBITDA is a non-GAAP measure and is defined above in *"Use of Non-GAAP Financial Measures"*.
3 Effective January 1, 2019, the Company adopted IFRS 16 using the modified retrospective method. Under this method, the comparative information is not restated.

Discussion of Results of Operations

(In thousands of Canadian dollars)	Unaudited Three months ended March 31, 2020		Unaudited Three months ended March 31, 2019	
Revenue	**$**	**5,111**	**$**	**2,634**
Direct operating expenses		2,688		709
Gross margin		**2,423**		**1,925**
Other operating expenses:				
Technology and operations		1,499		681
Selling and business development		506		198
General and administration		1,809		1,036
		3,814		1,915
Income (loss) from operations		**(1,391)**		**10**
Finance costs, net		(285)		(10)
Foreign exchange gain (loss)		1,389		(26)
Loss before income tax recovery	**$**	**(286)**	**$**	**(26)**
Income tax recovery		25		-
Loss for the period	**$**	**(261)**	**$**	**(26)**
Other comprehensive income (loss):				
Items that will not be reclassified to income (loss) for the period:				
Change in fair value of investment		160		(29)
Foreign exchange gain (loss) on the translation of foreign operations		(120)		32
Comprehensive loss for the period	**$**	**(221)**	**$**	**(23)**
Adjusted EBITDA, Unaudited[1]	**$**	**(665)**	**$**	**502**

[1] Adjusted EBITDA is an unaudited non-GAAP measure and is defined above in *"Use of Non-GAAP Financial Measures"*.

Revenue

(In thousands of Canadian dollars)	Unaudited Three months ended March 31, 2020 United States	Canada	Total	Unaudited Three months ended March 31, 2019 United States	Canada	Total
Software and data licenses	$ 378	$ 1,610	$ 1,988	$ 361	$ 1,820	$ 2,181
Technology managed services	2,706	417	3,123	104	349	453
Total	$ 3,084	$ 2,027	$ 5,111	$ 465	$ 2,169	$ 2,634

Nature of Services and Geographic Information:

The Company generates revenue from the provision of software and data licenses and technology-managed services in the US and Canada.

Revenue increased to $5,111 from $2,634 for the three months ended March 31, 2020 and 2019, respectively. This increase is primarily attributable to an increase in technology-managed services, which is composed primarily of valuation management solutions provided by Clarocity Group which was acquired by the Company in July 2019.

US-based revenue increased to $3,084 from $465 for the three months ended March 31, 2020 and 2019, respectively. This increase is primarily due to the acquisition of Clarocity Group in July 2019, whose revenues are primarily US-based.

Significant Customers:

Customers representing more than 10% of revenue are classified as significant customers.

For the three months ended March 31, 2020, the Company had three significant customers; one represented 25%, one represented 14% and the other represented 12% of total revenue. For the three months ended March 31, 2019, the Company had two significant customers; one represented 52% and the other represented 11% of total revenue.

Gross margin

Direct operating expenses included in the calculation of gross margin primarily include fees for subcontracted services to generate revenue, third-party data licensing fees, image capture and processing costs, and human resource costs, including commissions, which are directly attributable to specific sales.

Gross margin increased to $2,423 from $1,925 for the three months ended March 31, 2020 and 2019, respectively. This increase is primarily attributable to the increase in revenue noted in the *"Revenue"* section above, offset to some extent by increases in direct operating expenses required to support the related revenue.

Comprehensive loss

Comprehensive loss increased to $221 from $23 for the three months ended March 31, 2020 and 2019, respectively. The increase in comprehensive loss of approximately $199 is attributable to the changes noted below:

- Increase in human resource related costs of approximately $977 attributable primarily to the acquisition of Clarocity Group in July 2019, of which the most significant operating expenses are human resource related, and increased human resource related costs to support new product development and strategic initiatives;
- Increase in amortization expense of approximately $459 primarily attributable to the commencement of amortization of intangible assets recorded upon the acquisition of Clarocity Group;
- Increase in finance costs of approximately $275 attributable primarily to (i) accretion of the equity discount with respect to the convertible debentures issued in connection with the acquisition of Clarocity Group, (ii)

interest on the Term Facility obtained in October 2019, and (iii) amortization of debt issuance costs with respect to the Convertible Debentures and Term Facility;

- Increase in licensing fees not included in cost of sales of approximately $235 related primarily to data, software and regulatory compliance fees required by Clarocity Group for the delivery of services;
- Increase in travel and promotional expenses of approximately $111 primarily attributable to costs related to the Clarocity Group business; and
- Various other fluctuations represented a net increase in operating expense of approximately $92.

The above noted increases in expenses were reduced to some extent by the changes noted below:

- Fluctuating exchange on U.S. dollar denominated items and the translation of foreign operations generated an increase in foreign exchange gain of approximately $1,264. This foreign exchange gain is primarily attributable to the weakening of the Canadian to US dollar exchange rate in the Period, and the material increase in US dollar denominated foreign operations, including intangible assets and goodwill, due to the acquisition of Clarocity Group in July 2019;
- Increase in gross margin of approximately $498 for the reasons noted in the *"Gross Margin"* section above; and
- Increase in fair value of a US dollar denominated investment of approximately $189 related to changes in foreign exchange rates.

Adjusted EBITDA

	Unaudited			
	Three months ended			
(In thousands of Canadian dollars)		**March 31, 2020[1]**		**March 31, 2019[1]**
Loss for the period	**$**	**(261)**	**$**	**(26)**
Add back (deduct):				
Amortization of property and equipment		45		26
Amortization of intangible assets		450		57
Amortization of right-of-use assets		93		45
Finance (income) costs		285		10
Income tax recovery		(25)		-
Share-based compensation expense		17		46
Foreign exchange gain (loss) through profit and loss		(1,389)		26
Costs (income) related to non-operating items, non-recurring items and/or strategic initiatives		120		317
Adjusted EBITDA, Unaudited[2]	**$**	**(665)**	**$**	**502**

[1] Results are Unaudited.
[2] Adjusted EBITDA is a non-GAAP measure and is defined above in *"Use of Non-GAAP Financial Measures"*.

Adjusted EBITDA decreased to ($665) from $502 for the three months ended March 31, 2020 and 2019, respectively. Explanations for the changes in Revenue, Gross Margin and Comprehensive Loss, which drove much of the change in Adjusted EBITDA, are described in the sections above. Included in the calculation of Adjusted EBITDA for the three months ended March 31, 2020 and 2019, are costs related to non-operating items, non-recurring items and/or strategic initiatives totaling additions of approximately $120 and $317, respectively. The additions to income (loss) in the calculation of Adjusted EBITDA relate primarily to costs incurred with respect to new product development, corporate marketing initiatives and other strategic initiatives.

Outstanding Share Data and Dividends

As at March 31, 2020, the Company had the following securities issued and outstanding:

- 108,651,784 Common Shares;
- 4,877,278 Deferred Share Units convertible into an equal number of Common Shares;
- Warrants to purchase 20,000,000 Common Shares, exercisable at prices ranging from $0.20 to $0.40 per share;
- Options to purchase 4,075,000 Common Shares, exercisable at prices ranging from $0.13 to $0.30 per share; and
- $8,700 convertible debentures, with a conversion price of $0.30 per share.

The Company did not declare any dividends in the Period.

There were no share-related transactions subsequent to the Period.

Liquidity and Capital Resources

Adjusted Working Capital

Adjusted Working Capital (a non-GAAP measure; see section entitled *"Use of Non-GAAP Financial Measures" above*) is defined and calculated by the Company as current assets less current liabilities (as shown on the consolidated Statement of Financial Position), excluding items that are not financial assets or financial liabilities. Management believes Adjusted Working Capital provides more meaningful information with respect to the liquidity of the Company than does Working Capital.

Changes in Adjusted Working Capital (in thousands of Canadian dollars) are presented in the table below.

(In thousands of Canadian dollars)		March 31, 2020[1]		December 31, 2019
Working Capital (GAAP measure)	$	(74)	$	895
Less: Prepaid expenses and other current assets		(606)		(640)
Less: Contract assets, current portion		(144)		(70)
Add: Unearned revenue, current portion		1,136		1,389
Adjusted Working Capital (Non-GAAP measure)	**$**	**312**	**$**	**1,574**

[1] Quarterly results are Unaudited.

The most significant changes in Adjusted Working Capital were as follows:

- A decrease in cash of approximately $1,459 which was primarily attributable to (i) operating losses of the Companyǿs US-based technology managed services operations, and (ii) expenditures made with respect to strategic initiatives;
- An increase in trade and other receivables of approximately $590 primarily attributable to differences related to timing of billing and collection of client invoices;
- An increase in accounts payable and accrued liabilities of approximately $183 primarily attributable to differences related to timing of invoicing and payment of vendor invoices; and
- An increase of approximately $187 related to the current portion of long term debt which is attributable to the requirement for the Company to commence principal repayment with respect to the Term Loan obtained in October 2020.

Cash Flows

Cash flows provided by and used in operating, financing and investing activities for the three months ended March 31, 2020 and 2019 are presented below.

	Unaudited	
(In thousands of Canadian dollars)	**Three months ended**	
Cash flow provided by (used in)	**March 31, 2020**	**March 31, 2019**
Operating activities	$ (1,351)	$ (146)
Financing activities	(103)	(42)
Investing activities	(5)	(773)
Effect of exchange rate fluctuations on cash	-	1
	$ (1,459)	**$ (960)**

The changes in cash sources and uses for the three months ended March 31, 2020 as compared to the same period in the prior year are explained below.

- The increase in cash used in operating activities of approximately $1,205 is primarily attributable to operating losses of the Companyǿs US-based technology managed services.
- The increase in cash used for financing activities of approximately $61 is primarily attributable to an increase in the repayment of lease obligations due to the increase in real property lease obligations upon the acquisition of Clarocity Group in July 2019.
- The decrease in cash used for investing activities of approximately $768 is primarily attributable to advance being made under a secured note receivable in the first quarter of 2019, whereas no such advances were made by the Company in the first quarter of 2020, as this note receivable related to the acquisition of Clarocity Group that was completed in July 2019.

Contractual cash outflows:

The following are the carrying amounts and the remaining contractual cash outflows of financial liabilities and commitments at March 31, 2020.

		Contractual cash outflows				
As at March 31, 2020	**Carrying Amounts**	**Total**	**within 1 year**	**1 - 2 years**	**2 - 5 years**	**More than 5 years**
Accounts payable and accrued liabilities	$ 3,920	$ 3,920	$ 3,920	$ -	$ -	$ -
Long-term debt	1,321	1,745	472	847	426	-
Lease obligations	1,771	1,971	425	438	1,104	4
Purchase commitments	-	5,460	451	454	1,231	3,324
	$ 7,012	$ 13,096	$ 5,268	$ 1,739	$ 2,761	$ 3,328

[1] Contractual cash flows in relation to leases are undiscounted, include non-lease components (i.e. common area maintenance expenses) and include periods covered by an option to extend if the Company is reasonably certain to exercise that option.

The Company also has obligations related to convertible debentures and related interest which have been excluded from the above table as the Company has the option to settle the convertible debentures and related interest by the issuance of the Companyǿs Common Shares.

The purchase commitments included in the table above are comprised primarily of annual, base-fixed fees under a consulting agreement with Yeoman & Company Paralegal Professional Corporation, disclosed in the section below entitled *"Transactions with Related Parties"*. Committed payments for the period of April 2020 to December 2034 total $4,949.

Credit facilities:

Term Loan:

The Company has a three year Term Loan of $1,500 which has a maturity date of October 11, 2022. The Company is required to pay interest only for the first twelve months of the term, and thereafter pay equal monthly instalments of principal and interest over the final two years of the loan. The Company may, at its discretion, repay the balance of the Term Loan in whole or in part at any time after twenty-four (24) months following the closing date without penalty or obligation for future interest payments otherwise payable had the Term Loan not been repaid. Interest is set at Bank of Montrealôs Prime Rate plus 4.0% per annum.

Operating Facility:

The Company has a $1,500 revolving credit facility. Availability of funds under this facility is limited to the lesser of $1,500 and the sum of 75% of eligible Canadian domiciled accounts receivable and 60% of eligible U.S. domiciled accounts receivable, less priority payables. As at March 31, 2020, the Company has not drawn on the Operating Facility. Interest is set at Bank of Montrealôs Prime Rate plus 2.5% per annum.

The Facilities are secured by assets of ILA, which primarily consist of intellectual property and accounts receivable. The Facilities contain customary financial and restrictive covenants. The Company was in compliance with the required covenants as at March 31, 2020.

Other:

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This has resulted in governments worldwide, including the Canadian and US governments, enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally and have resulted in an economic slowdown. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions however the success of these interventions is not currently determinable.

To date, the Companyôs US-based technology-managed services revenues have been negatively impacted the most significantly due to the current US moratoriums on certain foreclosures, currently expected to remain in place until August 31, 2020. This line of business facilitates, through a technology-based platform, real property valuations with client concentration in the default and foreclosure segment.

The most significant impact to the Companyôs Canadian-based revenue has been requests from clients for the deferral of payment for services, moderate transactional revenue decreases and delays of new initiatives that would otherwise have progressed at a more rapid pace.

Given the negative impact on operating cash inflows for the reasons noted above, the Company has leveraged additional financial resources and government-based programs to compensate for this temporary downturn. Specifically, in the second quarter of fiscal 2020, the Company has obtained funding of $252 under the Canada Emergency Wage Subsidy (ñCEWSò) program, and $488 USD under the U.S. based Paycheck Protection Program (ñPPPò) under the Coronavirus Aid, Relief, and Economic Security Act (the ñCARES Actò). The CEWS funding is not required to be repaid by the Company. The PPP funding is in the form of a forgivable loan, with forgiveness to be granted provided that the Company uses the funds for approved uses, staff levels based on prescribed calculations are maintained and wage levels are not reduced beyond 25% for the prescribed measurement period. Based on current interpretations of the legislation, the Company expects that the majority, if not all, of amounts received under the PPP loan will be forgiven.

The current challenging economic climate may lead to adverse changes in cash flows, working capital levels, and/or debt balances, which may also have a direct impact on the Companyôs operating results and financial position in the future. Decreases in cash flows and results of operations may have an impact on the inputs and assumptions used in significant accounting estimates, including Managementôs assessment of future compliance with financial covenants, and potential impairments of goodwill, long-lived assets and investment. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and our business are not known at this time.

Transactions with Related Parties

Consulting services:

To provide for ongoing support and development of certain software purchased from Yeoman & Company Paralegal Professional Corporation (ñYCPò), the Company entered into a consulting agreement with YCP (ñConsulting Agreementò) that expires in December 2034. The Consulting Agreement provides for an annual fee of $265, with annual increases in line with any increases in the Consumer Price Index, plus 15% of consideration received by the Company from end customers (the ñYCP Feesò) for use of this software. For the three months ended March 31, 2020, the Company paid $123 (three months ended March 31, 2019 ï $138) to YCP under the Consulting Agreement, which was included in direct operating expense and technology expense. Two of the principals of YCP are the sons of the Chair and Chief Executive Officer of the Company.

Real Property Rental:

One of the premises occupied by the Company is rented on a month-to-month basis from a company owned, in part, by a director and officer of the Company. For the three months ended March 31, 2020, the Company paid rent to this company of $3 (three months ended March 31, 2019 - $3), which is included in general and administration expense.

Consolidated Entity:

As required under the *Law Society Act* (Ontario) and applicable regulations, MTAG Paralegal Professional Corporation is a separate professional corporation. The Chair and Chief Executive Officer of the Company, a paralegal licensed in the Province of Ontario, is the sole shareholder of this professional corporation; however, the Company controls the entity through contractual arrangements, which provide, among other things, that all economic benefit or loss resulting from the entity will be received or borne by the Company.

These transactions are in the normal course of operations and are measured at the transaction amount, being the amount of consideration established and agreed to by the related parties.

Off-Balance Sheet Arrangements

As at March 31, 2020, the Company had no off-balance sheet arrangements, such as guaranteed contracts, contingent interests in assets transferred to an entity, derivative instrument obligations or any instruments that could trigger financing, market or credit risk to the Company, and the Company does not expect to enter into any in the near to mid-term.

Financial Instruments

The Companyôs financial instruments consist of cash, trade and other receivables, equity investment, accounts payable and accrued liabilities and convertible debentures. Management does not believe that these financial instruments expose the Company to any significant interest, currency or credit risks.

Risk Factors

Risks Related to Business and Industry

The Company is dependent on its key customers/partners and if it is unable to maintain and renew its existing agreements with these customers/partners on commercially favourable terms, its revenue will be materially adversely affected.

Customers representing more than 10% of the Companyôs revenue are classified as significant customers. For the three months ended March 31, 2020, the Company had two significant customers; one represented 25% and the other represented 14% of total revenue. It is expected that these customers will continue to represent a material concentration of the Companyôs total revenue. If the Company is unable to maintain and/or renew its existing agreements with these customers on commercially favourable terms, its revenue will be materially adversely affected.

Competitive products and technologies may reduce demand for the Company's products and technologies.

The Companyøs success depends upon maintaining its competitive position in the commercialization of products and technologies in its area of expertise. Additional competitors to the Company may arise as a result of developing similar technology and products/related products. Some of the Companyøs existing competitors have substantially greater research and development capabilities, experience and distribution networks, and/or financial and managerial resources than the Company and represent a significant competitive threat. There is no assurance that developments by others will not render the Companyøs products or technologies non-competitive or obsolete, or that the Companyøs products will be able to maintain the level of acceptance within the targeted market sectors necessary to compete successfully. The success of the Companyøs competitors and their products may have a material adverse impact on the Companyøs business, financial condition and results of operations.

If the Company fails to hire or retain key personnel, the implementation of its business plan could slow its business and future growth could suffer.

The Companyøs success depends in large part upon its ability to attract and retain highly qualified personnel, particularly in the areas of engineering, programming, geo-spatial information systems, database development, database administration and sales and marketing. Competition for such resources from other companies, academic institutions, government entities and other organizations is intense, and the Companyøs financial resources may place the Company at a competitive disadvantage in respect to compensation and benefit matters. In particular, the Company depends on its senior management team. There is no assurance that the Company will retain its current key personnel or will be able to continue to attract additional qualified personnel as required, and any failure to do so could slow implementation of its business plan or future growth. Should certain key management positions need to be replaced, there would likely be a significant adverse financial impact to the Company.

The Company's operations could be disrupted if it is unable to retain certain licenses required to operate.

The Company requires certain licenses to operate in the US property appraisal market, which licenses are provided on a state-by-state basis. If such licenses are suspended or are unable to be renewed, the Companyøs operating results could be materially impacted.

The Company's operations could be disrupted if its information systems fail or if it is unsuccessful in implementing necessary technical upgrades.

The Companyøs business depends on the operation and connectivity of its servers, which store and process the imagery and associated data collected with its proprietary technology. Although the Company has implemented numerous redundancy initiatives to protect its image library, due to resource constraints, the Company has not yet fully implemented its planned comprehensive redundancy program for its systems. If some of its systems were to fail or the Company was unable to successfully expand the capacity of these systems or integrate new technologies into its existing systems as required, the Companyøs operations and financial results could suffer. For example, any connectivity or operation failure of its servers may result in the Companyøs customers being unable to access image data, which may result in the Company being in default of its contractual obligations to certain existing customers or negatively impact its ability to obtain new ones. Furthermore, any catastrophic failure to its servers could result in the partial or complete loss of image data collected by the Company to date. While the Company maintains a comprehensive insurance program to mitigate these and other potential losses, it cannot be guaranteed to what extent such insurance coverage would address this risk.

Much of the Company's potential success and value lies in its ownership and use of intellectual property and its failure or inability to protect its intellectual property could negatively affect its business.

The Company has a number of patents and has filed a number of patent applications, primarily in Canada and the US. The patent positions of technology companies can be highly uncertain and involve complex legal and factual questions. Therefore, there can be no assurance that any patent applications made by or on behalf of the Company will result in the issuance of patents, that it will develop additional proprietary products that are patentable, that any patents issued or licensed to the Company will provide iLOOKABOUT with any competitive advantage or will not be challenged by third parties, or that the intellectual property of others will not be able to circumvent the patents issued to the Company. Furthermore, there can be no assurance that others will not independently develop similar products, duplicate any of iLOOKABOUTøs products or, if patents are issued to the Company, design around the Companyøs patented products.

Since patent applications are maintained in secrecy for a period of time after filing, and since publication of discoveries in the scientific or patent literature often lag behind actual discoveries, the Company cannot be certain that its inventor of its patents was the first creator of inventions covered by pending applications, or that it was the first to file patent applications for such inventions. There can be no assurance that the Companyφs patents, as or if issued, will be held valid or enforceable by a court or that a competitorφs technology or product would be found to infringe such patents.

As the development of the Companyφs products continue, the potential uses of such products may overlap with those of other products and, as a result, may increasingly become subject to claims of infringement. There can be no assurance that third parties will not assert infringement claims against the Company in the future or require the Company to obtain a license for the intellectual property rights of third parties. There can be no assurance that such licenses, if required, will be available on reasonable terms or at all. If the Company does not obtain such licenses, it could encounter delays in the delivery or fulfilment of its contractual obligations or could find that the licensing of its intellectual property to customers is prohibited or materially limited.

Much of the Companyφs know-how and technology may not be patentable, and to protect its rights, the Company requires employees, consultants, advisors and collaborators to enter into confidentiality agreements. There can be no assurance that these agreements will provide meaningful protection for the Companyφs trade secrets, know-how or other proprietary information in the event of any unauthorized use or disclosure.

Litigation may be necessary to enforce the Companyφs rights in its intellectual property or to determine the scope and validity of a third partyφs proprietary rights. The Company could incur substantial costs if litigation is required to defend itself in any intellectual property rights suit brought by third parties or if it initiates a patent infringement claim against a third party, and there can be no assurance that the Company would prevail in any such actions. An adverse outcome in litigation or in an interference or other proceeding in a court or patent office could subject the Company to significant liabilities, require disputed rights to be licensed from other parties or require the Company to cease using certain technology or products, any of which may have a material adverse effect on the Company and its operations.

The iLOOKABOUT StreetScape™ product may capture images that are made available to third parties in violation of applicable privacy laws.

Most jurisdictions have laws relating to personal privacy rights that may or may not be infringed when a personφs face or other personal identifying information is captured and forms part of the Companyφs image data, including that collected using iLOOKABOUTφs StreetScapeÊ technology. If such image data is determined to violate such rights or laws, the Company could face costly litigation, penalties or fines and the diversion of Managementφs attention and resources to deal with such issues. Certain customer agreements entered into by the Company require that the images provided under such agreement comply with all applicable privacy legislation. While the Company has developed algorithms that automate the scanning for personal identifying images and blurring such information, the ability of such algorithms to identify all offending images has yet to be determined. As a response, the Company may have to develop additional or alternative operational or technical means to avoid any such infringement, which will require additional resources and may delay or prevent the Company from meeting its business objectives.

Risks Related to Financial Condition

The Company's quarterly revenues and operating results may fluctuate.

Factors which may cause our revenues and operating results to fluctuate include:

- the demand for our software and other products and the market conditions for technology spending;
- patterns of capital spending and changes in budgeting cycles by our customers;
- our ability to acquire or develop (independently or through strategic relationships with third parties), to introduce and to market new and enhanced versions of our software products on a timely basis;
- the number, timing and significance of new software product announcements and releases by us or our competitors;
- the level of software product and price competition;
- the geographical mix of our sales, together with fluctuations in foreign currency exchange rates;
- market acceptance of new and enhanced versions of our software products;
- changes in personnel and related costs;
- the amount and timing of operating costs and capital expenditures relating to the expansion of our business;
- changes in the pricing and the mix of software and other solutions that we sell and that our customers demand;
- timing of the receipt and recognition of funding obtained under various government programs and tax credits; and
- seasonal variations in our sales cycles.

In addition, potential new customer related revenue may fluctuate significantly on a quarterly and annual basis in the future, as a result of a number of factors, many of which are outside of our control. Attracting new customers requires them to make decisions on selecting from different providers that is a significant decision process that is not made quickly or without significant due diligence.

The Company has a history of operating losses and negative cash flow from operations. If the Company does not achieve sufficient revenues or profitability in the future to be self-sustaining, the Company may require additional financing. The Company cannot assure that such additional financing will be available on terms acceptable to it, if at all.

Since the inception of the Company and its predecessors, the business has incurred significant losses and negative cash flow from operations. The Company cannot assure that it will achieve sufficient revenues from sales of its products to achieve profitability or positive cash flow from operations.

Should the Company be unable to generate sufficient cash resources through its operating activities on a consistent basis, the Company would need to raise additional funds to be utilized for general working capital purposes, marketing and business development activities, additional data capture and continued research and development activities. These funds may be raised through public or private equity or debt financings, collaborative arrangements with third parties and/or from other sources. The Company cannot assure that additional financing will be available on terms acceptable to it, if at all. Any such financing may have a dilutive effect on the holdings of shareholders.

If adequate funds are not available as required, the Company may be required to reduce its investment in strategic initiatives, reduce the scope of its image data capture initiatives, significantly scale back or cease operations, sell or license some of its proprietary technology on terms that are less favourable than it otherwise might have been if it were in a better financial position, or consider merging with another company or positioning itself to be acquired by a third party.

The Company's operating results may be subject to currency fluctuations.

Prior to the acquisition of Clarocity Group in July 2019, the Companyǿs operations have largely been based in Canada and/or are compensated in Canadian dollars. However, given the recent expansion and planned continued expansion in the US, the Company expects that a significant portion of its future revenues and expenses will be denominated in US dollars. The exchange rate between the Canadian dollar and the US dollar, or other foreign currencies, is subject to day-to-day fluctuations in the currency markets and these fluctuations in market exchange rates are expected to continue in the future. The Company does not engage in currency hedging activities at this time. The Company may be subject to risks associated with these currency fluctuations, which may, from time to time, impact its financial position and results.

The Company's intangible assets and goodwill may be subject to impairment losses.

The Company periodically reviews the estimated value of acquired intangibles and goodwill to determine whether any impairment exists and we could write-down a portion of our intangible assets and goodwill as part of any such future review, which occurs when impairment indicators exist or, in the case of goodwill, at least once annually. Any write-down of intangible assets or goodwill in the future could affect our results of operations materially and adversely and as a result our share price may decline.

The Company may have exposure to unforeseen tax liabilities.

The Company is subject to federal, provincial and state taxes as well as non-income based taxes, in Canada and the US and our tax structure is subject to review by numerous taxation authorities. Significant judgment is required in determining our provision for income taxes and other tax liabilities. There are many intercompany transactions and calculations where the ultimate tax determination is uncertain. Although we strive to ensure that our tax estimates are reasonable, we cannot assure you that the final determination of any tax audits and litigation will not be different from what is reflected in our historical income tax provisions, accruals and/or disclosures, and any such differences may materially affect our operating results for the affected period or periods. We also have exposure to additional non-income tax liabilities. We are subject to non-income taxes, such as payroll, sales, use, property and goods and services taxes, in Canada and the US.

Risks Related to the Company's Securities

The market price and trading volume of the Company's securities may be volatile.

The market price of the Companyôs Common Shares may experience significant volatility, which could be in response to numerous factors, including quarterly variations in results of operations; announcements of new customer contracts and data capture progress or technological innovations or new products by it, its customers or competitors; government regulations; developments concerning proprietary rights; litigation; announcements of acquisitions or dispositions; general fluctuations in the stock market; or actual revenues and results of operations being below the expectations of the public market. Any of these, or other factors, could result in significant fluctuations in the market price of the Companyôs securities.

The market capitalization for the Companyôs listed Common Shares is relatively small and as a result, the trading in such shares may be subject to limitations in liquidity and greater price volatility. As a result, holders of the Companyôs Common Shares may be required to hold their shares for an indefinite period of time or sell them at a loss.

The Company does not intend to pay any cash dividends in the short or medium term.

The Company does not expect to pay cash dividends in the foreseeable future. If the Company generates earnings in the short to medium term, these funds will be retained to finance further growth and, when appropriate, retire its outstanding debt. The Companyôs Board of Directors will determine if and when dividends should be declared and paid in the future based on the Companyôs financial position at the relevant time and its future cash requirements.

Forward-Looking Statements

This MD&A contains certain forward-looking statements within the meaning of applicable securities laws and regulations, related to, amongst other things, expected future events and anticipated financial and operating results of the Company. Forward-looking statements generally can be identified by the use of forward-looking terminology such as ñmayò, ñwillò, ñexpectò, ñintendò, ñanticipateò, ñplanò, ñforeseeò, ñbelieveò or ñcontinueò or the negatives of these terms or variations of them or similar terminology. Forward-looking statements are based on Managementôs expectations as at the date of this MD&A and are subject to various known and unknown risks and uncertainties that may cause the Companyôs actual results in future periods to differ materially from those expressed or implied in this MD&A. While Management considers the assumptions upon which such forward-looking statements are based to be reasonable and appropriate in light of the current information available to it, there is risk that such assumptions may not be correct or complete.

Certain factors that could cause actual results to differ materially from those expressed or implied in any forward-looking statements included in this MD&A include, but are not limited to, risks associated with general economic conditions, risks associated with the Companyôs stage of development, operational risks (such as risks involved in developing new products and services, product performance warranties, risks associated with doing business with partners, risks from regulatory and legal proceedings, risks relating to the Companyôs dependence on certain customers, and human resource risks), financing risks (such as risks relating to liquidity and access to capital markets or debt financing) and market risks (including foreign currency fluctuations and changing interest rates). Readers are cautioned that the foregoing list of factors that may affect future growth, results and performance is not exhaustive and undue reliance should not be placed on forward-looking statements. Unless otherwise required by applicable securities laws, the Company expressly disclaims any intention, and assumes no obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Additional Information

Additional information relating to ILA, including the Companyôs 2019 Annual Consolidated Financial Statements and 2019 Managementôs Discussion and Analysis, can be found on SEDAR at www.sedar.com.