iLOOKABOUT Corp.

Management's Discussion and Analysis of Financial Condition and Results of Operations for the three months ended March 31, 2015 (the "*Period*")

The information set forth below has been prepared as at May 21, 2015, and is derived from, and should be read in conjunction with, iLOOKABOUT Corp.'s ("iLOOKABOUT" or the "Company") unaudited condensed interim consolidated financial statements for the three months ended March 31, 2015 (the "Reporting Date"), including the accompanying notes (the "Interim Financial Statements"), which can be found on SEDAR at www.sedar.com. This Management Discussion and Analysis ("MD&A") is intended to assist in understanding the dynamics of the Company's business and key factors underlying its financial results. The Company's Annual Information Form ("AIF") can also be found on SEDAR at www.sedar.com.

The Interim Financial Statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS"). 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 Company's 2014 audited annual consolidated financial statements prepared in accordance with IFRS, which can be found on SEDAR at www.sedar.com.

All dollar figures referred to herein are Canadian dollars unless otherwise stated. For narrative purposes, all dollar amounts have been rounded to thousands unless otherwise stated.

Company Background

iLOOKABOUT is a visual and data intelligence company focused on real property, serving primarily the property assessment, property taxation, municipal, insurance, and appraisal sectors, both public and private, in Canada and the United States ("US").

iLOOKABOUT's origins are with its StreetScape™ imagery. StreetScape™ is a proprietary visual and data intelligence product for the geo-spatial market, providing panoramic, comprehensive, street-level perspective visual data, geo-coded with latitude and longitude coordinates for accuracy and supported by patented software processes and proprietary security and storage systems.

The Company has also developed and markets GeoViewPort™, a proprietary web-based Geographic Information System ("GIS") application that enables the aggregation of property related data, such as street level imagery, aerial imagery, validated addresses, property values, property attributes, etc.

To augment the Company's technology based offerings, real estate consulting services were added to the Company's suite of products and services in December 2014, with a focus on the municipal property tax and valuation sectors.

In February 2015, the Company completed a software asset purchase which integrates powerful new data analytics and workflow management applications into the Company's existing applications. These new offerings include Real Property Tax Analytics ("RPTA") and Realty Tax Management ("RTM").

Headquartered in London, Ontario, Canada, iLOOKABOUT's common shares are traded on the TSX Venture Exchange ("TSXV") under the symbol ILA. Its Series 1 Preference Shares, which were fully converted into common shares and common share warrants or redeemed in April 2015, were not listed on any exchange. See *"Outstanding Share Data and Dividends"* section below for further detail.

Current Overview and Outlook

The financial information set forth below is derived from, and should be read in conjunction with, iLOOKABOUT's Interim Financial Statements for the three months ended March 31, 2015 (the "Reporting Date"), which can be found on SEDAR at www.sedar.com.

Summary of quarterly results:

	Three months ended				Year ended
	March 31	**June 30**	**Sept 30**	**Dec 31**	**Dec 31**
Fiscal 2015	Unaudited				
Revenue	$ 1,516,419				
Loss	(537,446)				
Comprehensive loss	(618,964)				
Loss per share (basic and diluted)	(0.01)				
Fiscal 2014	Unaudited				Audited
Revenue	$ 1,122,136	$ 1,399,427	$ 1,753,670	$ 1,381,934	$ 5,657,167
Earnings (loss)	(224,166)	(456,416)	240,460	(502,927)	(943,049)
Comprehensive income (loss)	(272,219)	(406,846)	182,159	(551,707)	(1,048,613)
Earnings (loss) per share - basic	-	(0.01)	0.01	(0.01)	(0.02)
Loss per share - diluted	-	(0.01)	-	(0.01)	(0.02)
Fiscal 2013	Unaudited				Audited
Revenue	$ 813,710	$ 881,128	$ 1,054,583	$ 813,148	$ 3,562,569
Loss	(78,608)	(318,023)	(113,147)	(408,479)	(918,257)
Comprehensive loss	(117,326)	(381,588)	(76,796)	(464,570)	(1,040,280)
Loss per share (basic and diluted)	-	(0.01)	-	(0.01)	(0.02)

Significant developments in the first quarter of 2015 include:

- Pending the negotiation and closing of a definitive technology asset purchase agreement, in December 2014, the Company entered into an exclusive license agreement with YCP and 2025832 Ontario Inc. (collectively, the "Vendors") in respect of certain technology assets to augment the Company's existing software platforms, namely a property tax analytics platform referred to as RPTA and a property tax workflow management platform known as RTM (collectively, the "Software"). To provide for ongoing support and development of the Software, the Company also entered into a twenty-year consulting agreement with YCP under which YCP has agreed to maintain and update the Software on an ongoing basis (the "YCP Consulting Agreement"). In December 2014, the Company entered into a technology asset purchase agreement (the "Purchase Agreement") to purchase the Software from the Vendors. The transaction was a non-arm's length transaction. As the purchase was a non-arm's length transaction, shareholder approval (by way of written consent of the holders of more than 50% of the Company's voting shares) and TSXV approval were required. These approvals were obtained February 4 and 5, 2015, respectively. The transaction closed on February 11, 2015. As the closing share price on February 11, 2015, when 6,000,000 common shares of the Company were issued to the vendors in exchange for the Software, was $0.38, the fair value of the consideration, and thus the cost of the asset, was determined to be $2,280,000.

Significant developments subsequent to the first quarter of 2015 include:

- In March 2015, the Company received notices to convert 357,500 Series 1 Preference Shares ("Preference Shares") Units at the pre-established conversion rate of 1/0.31 (being approximately 3.226) Units per Preference Share. Each Unit consisted of one common share and one-half of a warrant to purchase one common share at an exercise price of $0.31 per full warrant. Upon conversion, which was completed in April 2015, the Company issued 1,153,223 common shares and 576,611.5 warrants to settle such requests. In April 2015, the Company redeemed the remaining 392,500 Preference Shares at a price of $1.00 each plus accrued dividends, for a total payout of $405,991 to the holders thereof. Further detail with respect to the conversion and redemption of the Preference Shares is provided in the *"Outstanding Share Data and Dividends"* section below.

Discussion of Results from Operations

		Unaudited		
		Three months ended March 31, 2015		**Three months ended March 31, 2014**
Revenue	$	**1,516,419**	$	**1,122,136**
Direct operating expenses		687,682		525,035
Gross margin		**828,737**		**597,101**
Other operating expenses:				
Technology		323,852		254,494
Selling and business development		303,623		213,135
General and administration		786,282		335,952
		1,413,757		803,581
Loss from operations		**(585,020)**		**(206,480)**
Finance costs		(55,788)		(65,781)
Foreign exchange gain		103,362		48,095
Loss for the period	$	**(537,446)**	$	**(224,166)**
Other comprehensive loss:				
Items that will not be reclassified to loss for the period:				
Foreign exchange loss on the translation of foreign operations		(81,518)		(48,053)
Comprehensive loss for the period	$	**(618,964)**	$	**(272,219)**
Loss per share (basic and diluted)	$	**(0.01)**	$	**-**

Revenue

Revenue increased 35% to $1,516,000 for the three months ended March 31, 2015, compared to the same period in the prior year. This increase is primarily attributable to (i) the delivery of imagery for a significant US-based sales contract for which there was not a comparable delivery in the first quarter of the prior year, (ii) launch of municipal property tax consulting services for which revenue commenced in January 2015, and (iii) three months of revenue recognized in the first quarter of 2015 with respect to a multi-year services contract for the provision of hosted application services to enable the delivery of geo-spatial and real property related data, for which only two months of revenue was recognized in the first quarter of the prior year, as the production phase of this agreement commenced in February 2014.

The Company's US-based revenue increased from $118,000 to $249,000 for the three months ended March 31, 2014 and 2015, respectively. This increase is due to the timing of the delivery of services.

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

For the three months ended March 31, 2015, the Company had two significant customers; one represented 48%, and the other represented 13% of total revenue. For the three months ended March 31, 2014, the Company had two significant customers; one represented 54%, and the other represented 18% of total revenue.

Gross margin

Gross margin increased from $597,000 to $828,000 for the three months ended March 31, 2014 and 2015, respectively. This increase is mainly attributable to increased revenue, for the reasons noted in the "*Revenue*" section above and a significant decrease in royalty expense as two significant sales contracts were signed, at which point royalty expense is recognized, in the first quarter of 2014, while no similar contracts, which would require recognition of royalty fees, were entered in the first quarter of the current year. The following items offset the gross margin increase significantly:

- Increase in third party property related data licensing fees to support the re-licencing of this data to end customers; and
- Increase in human resource related costs with respect to the development of new product and service offerings.

In accordance with accounting standards, direct operating costs are recognized as they are incurred, while revenue is recognized over the period that service is delivered. The nature of many of the Company's sales agreements is that costs are incurred at the outset of the arrangement over a period of a few months, while at least a portion of the related revenue is recognized over a period of years. This results in material variances in gross margin on a period over period basis.

Comprehensive loss

Comprehensive loss increased from $272,000 to $619,000 for the three months ended March 31, 2014 and 2015, respectively. While gross margin for the comparative periods increased, for the reasons noted in the "*Gross Margin*" section above, this increase was more than offset by the following:

- Increase in sales and business development related expenses incurred to support new product and service offerings being launched by the Company;
- Increase in share based compensation expense due to the one time grant of 2,233,000 options to purchase common shares of the Company, which options were granted in accordance with the Executive Chair Employment Agreement which became effective January 1, 2015; and
- Increase in software development consulting fees to support software acquired by the Company, as discussed in the "*Current Overview and Outlook*" section above.

Outstanding Share Data and Dividends

As at the date of this MD&A, iLOOKABOUT had 60,313,784 common shares issued and outstanding, and outstanding options and warrants to purchase a further 13,205,420 common shares, exercisable at prices ranging from $0.12 to $0.60 per share.

In March 2012, the Company issued 750,000 Series 1 Preference Shares ("Preference Shares") at a subscription price of $1.00 per share. These Preference Shares carried a cumulative dividend rate of 12% per annum and were convertible at the option of the holder into Units at a rate of 1/0.31 (being approximately 3.226) Units per share. Each Unit consisted of one common share and one half of a common share purchase warrant having an exercise price of $0.31 for each whole warrant.

The Preference Shares' accrued but unpaid dividends could be converted to Common Shares at the option of the holder. To the date of this MD&A, the following such conversions have occurred:

- In October 2012, accrued dividends of $39,442 were converted to 219,188 common shares;
- In January 2013, accrued dividends of $19,509 were converted to 130,056 common shares;
- In April 2013, accrued dividends of $23,320 were converted to 141,323 common shares;
- In July 2013, accrued dividends of $16,031 were converted to 61,651 common shares;
- In October 2013, accrued dividends of $18,673 were converted to 77,800 common shares;
- In January 2014, accrued dividends of $26,775 were converted to 133,865 common shares;
- In April 2014, accrued dividends of $19,897 were converted to 99,482 common shares;
- In July 2014, accrued dividends of $17,652 were converted to 110,316 common shares;
- In October 2014, accrued dividends of $13,309 were converted to 38,019 common shares;
- In January 2015, accrued dividends of $21,888 were converted to 75,474 common shares; and
- In April 2015, accrued dividends of $41,432 were converted to 118,375 common shares.

As at March 31, 2015, the liability component of the Preference Shares , being $750,000, was included in current portion of long-term debt.

In March 2015 the Company received notices from the holders of 357,500 Preference Shares to convert these shares into Units, which includes 232,500 Preference Shares held by Directors and senior officers of the Company. As a result, in April 2015, the Company issued 1,153,223 Common Shares and 576,611.5 warrants.

The Company also received notices from certain holders of the Preference Shares to redeem 335,000 Preference Shares, including accrued dividends, held by them for an aggregate redemption amount of $346,952. The Preference Shares were redeemable at the option of the holder on at least 30 days' notice at a Redemption Amount of $1.00 per Preference Share, plus accrued but unpaid dividends. The Preference Shares were also redeemable at the option of the Company on at least 2 business days' notice at a Redemption Amount of $1.00 per Preference Share, plus accrued but unpaid dividends. The Company chose to redeem the remaining 57,500 Preference Shares and related accrued dividends for a total of $59,039. The Company completed such redemptions on April 10, 2015.

Liquidity and Capital Resources

Adjusted Working Capital (a non-GAAP measure; see section entitled *"Use of Non-GAAP Financial Measures"*) 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. Further, one of the covenants under the Credit Facility is based on Adjusted Working Capital, therefore, it is considered a key metric for Management to monitor.

		March 31, 2015		**December 31, 2014**
Working Capital (GAAP measure)	$	650,235	$	941,199
Less: Prepaid expenses and other current assets		(214,091)		(155,574)
Add: Unearned revenue, current portion		911,992		808,403
Adjusted Working Capital (Non-GAAP measure)	**$**	**1,348,136**	**$**	**1,594,028**

There were no material changes in Adjusted Working Capital between December 31, 2014 and March 31, 2015.

Cash flows used in operating, financing and investing activities for the three months ended March 31, 2015 and 2014 are presented below.

Cash flow provided by (used in)		Three months ended March 31, 2015		Three months ended March 31, 2014
Operating activities	$	(170,339)	$	(46,545)
Financing activities		(4,482)		(49,331)
Investing activities		(24,352)		(35,368)
	$	**(199,173)**	**$**	**(131,244)**

The changes in cash uses for the three months ended March 31, 2015 as compared to the same period in the prior year are explained below:

- The increase in cash used in operations is primarily attributable to an increase in total operating expense, primarily due to costs incurred to support new product and service offerings by the Company in late 2014 and early 2015, for which material associated inflows had not commenced in the first quarter of 2015.

- The decrease in cash used from financing activities is due to the repayment of a software licence finance arrangement in 2014, with no comparable financing arrangement requiring repayment in 2015.

- Cash used in investing activities, representing the purchase of equipment, remained stable for the first three months of 2014 and 2015.

The following are the carrying amounts and the remaining contractual cash outflows, including estimated interest payments, of financial liabilities at March 31, 2015.

			Contractual cash outflows								
As at March 31, 2015		**Carrying Amounts**		**Total**		**within 1 year**		**1 - 2 years**		**2 - 5 years**		**More than 5 years**
Accounts payable and accrued liabilities	$	965,536	$	965,536	$	965,536	$	-	$	-	$	-
Secured term credit facility		587,390		799,250		30,000		769,250		-		-
Preference Shares		803,505		803,505		803,505		-		-		-
Debt financing of vehicles		46,663		53,028		12,390		12,390		28,248		-
Operating leases		-		545,489		199,652		100,346		245,491		-
Purchase commitments		-		8,433,750		465,000		665,000		2,595,000		4,708,750
	$	2,403,094	$	11,600,558	$	2,476,083	$	1,546,986	$	2,868,739	$	4,708,750

The Company is obligated to pay a bonus interest amount with respect to the secured term Credit Facility at the maturity of the loan. An estimated bonus interest amount of $168,000 has been included in the above-noted contractual cash flows. A degree of uncertainty exists with respect to Management’s estimates of the future financial results upon which this bonus interest amount will be calculated. Actual results could differ materially from these estimates.

The fair value and carrying amount of the Preference Shares presented in the above contractual cash flows include accrued dividends, whereas the financial statements report the accrued dividends as accounts payable and accrued liabilities.

In addition to the above-noted contractual cash flows, the Company expects to incur future capital expenditures, primarily with respect to replacement of its image capture equipment and upgrades of or additions to its computer hardware which hosts the Company's imagery. Data capture equipment, which includes vehicles, cameras and lenses, is replaced as this equipment is depleted or the purchase of improved equipment is determined to be appropriate. The extent of these capital expenditures will largely be driven by the extent of the Company's future image capture activities and the age of existing equipment. The Company expects that capital expenditures required over the remainder of 2015 will be approximately $135,000.

In order to fund its day-to-day operations and repay the Company's longer term obligations as they become due, the Company must increase its net operating cash inflows, raise additional funds through debt and/or equity financing, or some combination thereof.

The Company must continue to maintain predetermined financial ratios under the Credit Facility to keep it in good standing. As at March 31, 2015 and the date of this MD&A, the Company was in compliance with these financial ratios.

Off-Balance Sheet Arrangements

As at March 31, 2015, iLOOKABOUT 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

iLOOKABOUT's financial instruments consist of cash, trade and other receivables, accounts payable and accrued liabilities, current portion of long-term debt and long-term debt. Management does not believe that these financial instruments expose iLOOKABOUT to any significant interest, currency or credit risks, other than the bonus interest under the Credit Facility, referred to under "*Liquidity and Capital Resources*".

Transactions with Related Parties

Software asset purchase:

In December 2014, the Company entered into a technology asset purchase agreement to purchase certain technology assets (the "Software") from YCP and 2025832 Ontario Inc. Two of the principals of YCP are the sons of Mr. Gary Yeoman, the Executive Chair of the Company. The Software included the Realty Tax Management Platform and the Real Property Tax Analytics Platform. The purchase constituted a non-arm's length transaction under TSX-V regulations and, as such, it required regulatory and shareholder approval. Upon receiving such approvals in February 2015, the transaction closed. As consideration for the Software, upon closing of the transaction, the Company issued 6,000,000 common shares at a share price of $0.38, being the closing share price on the date prior to the share issuance.

Consulting services:

The Company receives consulting services from YCP with respect to the ongoing development and support of the Software. Two of the principals of YCP are the sons of Mr. Gary Yeoman, the Executive Chair of the Company. For the three months ended March 31, 2015, the Company paid consulting fees of $70,587 (2014 – $nil) to YCP, which is included in technology expense. 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.

Preference Share and dividend conversion:

Directors and/or Officers of the Company participated in the March 2012 private placement of Preference Shares. Where dividends on these Preference Shares have accrued, the holder had the option to convert these unpaid dividends into common shares. For the three months ended March 31, 2015, current Directors and Officers (including Mr. John C. Drake, Director; Ms. Robin Dyson, Chief Financial Officer; Mr. Peter Hyde, Director; Mr. Mark Sheppard, Chief Operating Officer; and, Mr. Jeff Young, Chief Executive Officer and Director) converted a total of $7,109 (2014 – $7,797) accrued dividends into 24,511 common shares (2014 – 38,979 common shares).

In March 2015, the Company received notices from Preference Shareholders who are Directors and/or Officers of the Company (including Mr. John C. Drake, Director; Ms. Robin Dyson, Chief Financial Officer; Mr. Peter Hyde, Director; Mr. Mark Sheppard, Chief Operating Officer; and, Mr. Jeff Young, Chief Executive Officer and Director) to convert 232,500 Preference Shares into Units. As a result, in April 2015, the Company issued 749,998 Common Shares and 374,999 warrants to Directors and/or Officers.

The terms of these Preference Shares are the same as those issued to non-related parties. See *"Outstanding Share Data and Dividends"* section above for further detail.

Real property rental:

One of the premises occupied by the Company is rented on an annual basis from a related company owned by Mr. Jeff Young, Chief Executive Officer and a Director of the Company. For the three months ended March 31, 2015, the Company paid rent to the related company of $3,000 (2014 - $3,000), which is included in general and administration expense. 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.

Changes in Accounting Policies

The Company did not change any accounting policies during the period.

Use of Non-GAAP Financial Measures

Management has included a non-GAAP financial measure, "Adjusted Working Capital", to supplement information contained in the MD&A. This non-GAAP measure does not have any standardized meaning prescribed under IFRS and therefore it may not be comparable to similar measures employed by other issuers. Adjusted Working Capital is defined and calculated by the Company as current assets less current liabilities, excluding items that are not financial assets or financial liabilities. The measure is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Management believes that Adjusted Working Capital, calculated as current financial assets less current financial liabilities, provides more meaningful information with respect to the liquidity of the Company.

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 "may", "will", "expect", "intend", "anticipate", "plan", "foresee", "believe" or "continue" or the negatives of these terms or variations of them or similar terminology. Forward-looking statements are based on Management's expectations as at the date of this MD&A and are subject to various known and unknown risks and uncertainties that may cause the Company's 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 Company's 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 Company's 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. Additional information about some of these risk factors can be found in the Company's Annual Information Form which is incorporated herein by reference and can be found at www.sedar.com. 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 iLOOKABOUT, including the Company's 2014 Annual Consolidated Financial Statements and Annual Information Form for the year ended December 31, 2014, can be found on SEDAR at www.sedar.com.