iLOOKABOUT Corp.

Management's Discussion and Analysis of Financial Condition and Results of Operations for the nine months ended September 30, 2016 (the "*Period*")

The information set forth below has been prepared as at November 25, 2016, 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 and nine months ended September 30, 2016 (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 2015 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.

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.

Changes in Accounting Policies

IAS 1 - Presentation of Financial Statements

In December 2014, the IASB issued amendments to IAS 1 - Presentation of Financial Statements as part of its initiative to improve presentation and disclosure in financial reports. The amendments are effective for annual periods beginning on or after January 1, 2016. These amendments did not require any significant change to current practice, but facilitate improved financial statement disclosures. The adoption of these amendments did not have a material impact on the financial statements.

Use of Non-GAAP Financial Measures

Management has included two non-GAAP financial measures to supplement information contained in the 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:

(i) "Adjusted Working Capital", 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.

(ii) "Adjusted EBITDA", which is defined and calculated as comprehensive income (loss) before interest, tax, depreciation, amortization and share-based compensation expenses. Management believes Adjusted EBITDA provides meaningful information with respect to the financial performance and value of the Company.

These measures are 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.

Company Overview

iLOOKABOUT is a software, data analytics, and visual 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"). The Company's primary offerings are noted below.

StreetScape:
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.

GeoViewPort ("GVP"):
GVP is a proprietary web-based Geographic Information System ("GIS") software application that enables the aggregation of property related data such as street level imagery, aerial imagery, validated addresses, property values, and property attributes. The Company generates its own property related data and also licenses third party data for consumption by GVP clients. The GVP project management module was developed for use by GVP clients to enable further efficiency and effectiveness in the performance of the desktop review of properties. As well, a municipal data exchange interface has been implemented within the GVP platform.

Real Property Tax Analytics ("RPTA"):
The RPTA software application, when integrated with comprehensive property related data made available to iLOOKABOUT pursuant to a property data license agreement, yields a detailed property comparison and valuation engine.

Realty Tax Management ("RTM"):
The RTM software application automates the preparation and filing of the Request for Reconsideration, Appeal, and Statement of Issues documentation, being the principal elements of the Ontario municipal tax assessment appeal process. The automation exercise yields tax appeal efficiencies.

Property Tax and Valuation Consulting Services:
Municipal Tax Advisory Group Inc., a wholly-owned subsidiary of iLOOKABOUT Corp., provides consulting services which focus on the Ontario municipal property tax and valuation sectors.

Headquartered in London, Ontario, Canada, iLOOKABOUT's common shares are traded on the TSX Venture Exchange ("TSXV") under the symbol ILA.

Results of Operations

The financial information set forth below is derived from, and should be read in conjunction with, iLOOKABOUT's Interim Financial Statements, 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 2016	Unaudited				Audited
Revenue	$ 2,149,704	$ 2,192,692	$ 2,255,283		
Earnings (loss)	(154,814)	(295,592)	125,902		
Comprehensive income (loss)	(112,157)	(295,354)	121,719		
Earnings (loss) per share - basic	-	-	-		
Earnings (loss) per share - diluted	-	-	-		
Fiscal 2015	Unaudited				Audited
Revenue	$ 1,516,419	$ 2,059,810	$ 2,277,269	$ 1,628,227	$ 7,481,725
Earnings (loss)	(537,446)	(541,959)	421,377	(301,808)	(959,836)
Comprehensive income (loss)	(618,964)	(519,666)	352,524	(325,106)	(1,111,212)
Earnings (loss) per share - basic	(0.01)	(0.01)	0.01	(0.01)	(0.02)
Earnings (loss) per share - diluted	(0.01)	(0.01)	0.01	(0.01)	(0.02)
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)
Earnings (loss) per share - diluted	-	(0.01)	-	(0.01)	(0.02)

Significant developments in the third quarter of 2016 include:

There were no significant developments to note for the third quarter of 2016.

Significant developments subsequent to the third quarter of 2016 include:

The Company closed a non-brokered private placement of 1,000,000 Units. Each Unit consisted of one common share of the Company and one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company for a period of five years from the date of issuance at an exercise price of $0.40. The subscription price of each Unit was $0.21, for aggregate gross proceeds of $210,000. Net proceeds will be used to help fund the Company's working capital requirements. All of the Units were subscribed for by the Chief Executive Officer of the Company and his spouse.

Summary of the comparative three and nine month periods ended September 30, 2016 and 2015:

	Unaudited		Unaudited	
	Three months ended Septmeber 30, 2016	Three months ended September 30, 2015	Nine months ended Septmeber 30, 2016	Nine months ended September 30, 2015
Revenue	**$ 2,255,283**	**$ 2,277,269**	**$ 6,597,679**	**$ 5,853,498**
Direct operating expenses	860,807	911,822	2,805,909	2,674,811
Gross margin	**1,394,476**	**1,365,447**	**3,791,770**	**3,178,687**
Other operating expenses:				
Technology	366,572	205,127	1,132,751	873,873
Selling and business development	223,520	273,152	830,224	933,034
General and administration	689,048	570,009	2,087,759	2,141,282
	1,279,140	1,048,288	4,050,734	3,948,189
Earnings (loss) from operations	**115,336**	**317,159**	**(258,964)**	**(769,502)**
Finance costs	(308)	(28,691)	(14,888)	(106,170)
Foreign exchange gain (loss)	10,874	132,909	(50,652)	217,644
Loss for the period	**$ 125,902**	**$ 421,377**	**$ (324,504)**	**$ (658,028)**
Other comprehensive income (loss):				
Items that will not be reclassified to earnings (loss) for the period:				
Foreign exchange gain (loss) on the translation of foreign operations	(4,183)	(68,853)	38,712	(128,078)
Comprehensive income (loss) for the period	**$ 121,719**	**$ 352,524**	**$ (285,792)**	**$ (786,106)**
Earnings (loss) per share				
Basic and diluted	**$ -**	**$ 0.01**	**$ (0.01)**	**$ (0.01)**
Adjusted EBITDA*	**$ 305,697**	**$ 562,481**	**$ 274,951**	**$ 91,201**

**This is a non-GAAP measure and is defined in the “Adjusted EBITDA” section below.*

Revenue

Revenue was essentially flat for the three months ended September 30, 2016 at $2,255,000 as compred to $2,277,000 for the same period in 2015. The Company’s revenue in the current quarter included an increase due to the commencement in February 2016 of a services agreement with the Municipal Property Assessment Corporation (“*MPAC*”) with respect to the channel delivery of the Municipal Connect 2.0 platform to MPAC’s municipal clients in the Province of Ontario for which corresponding revenue was not recognized in 2015. This increased revenue was offset by (i) a decrease in the Company’s consulting services revenue, and (ii) a decrease in initial deliveries with respect to U.S.-based sales contracts in the third quarter of 2016 as compared to the same period in the prior year.

Revenue increased 13% to $6,598,000 for the nine months ended September 30, 2016 compared to the same period in 2015. This increase is primarily attributable to (i) commencement in February 2016 of the services agreement with MPAC discussed above with respect to delivery of the Municipal Connect 2.0 platform; (ii) increased licensing of third party real property related data and increased sales of derivative reports; and (iii) increased licensing of the Company’s Real Property Tax Analytics software and related data analytics reports. This increase in revenue was partially offset by (i) a decrease in U.S.-based revenue due to a combination of the timing of initial deliveries as discussed above, the expiry of several US contracts and custom development work completed in 2015 for which there was not comparable work completed in 2016; and (ii) a decline in revenue from consulting services.

Customers representing more than 10% of revenue are classified as significant customers. For the three months ended September 30, 2016, the Company had two significant customers of which; one represented 53%, and the other represented 12% of total revenue. For the three months ended September 30, 2015, the Company had two significant customers of which one represented 40% and the other represented 13% of its total revenue.

For the nine months ended September 30, 2016, the Company had two significant customers of which; one represented 54%, and the other represented 16% of total revenue. For the nine months ended September 30, 2015, the Company had two significant customers; one represented 47%, and the other represented 13% of total revenue.

Gross margin

Gross margin increased nominally from $1,365,000 to $1,394,000 for the three months ended September 30, 2015 and 2016, respectively. While there was an increase in third party data licensing costs required to support the generation of revenue related to derivative reports and re-licensing of data to end customers, this was more than offset by a decrease in human resource related direct operating expense, primarily due to fluctuations in the nature of services performed by employees.

Gross margin increased 19% to $3,792,000 for the nine months ended September 30, 2016, compared to the same period in the prior year. This increase is mainly attributable to (i) increased revenue, for the reasons noted in the *"Revenue"* section above; and (ii) decrease in human resources related costs included in the Company's direct operating expense primarily due to fluctuations in the nature of services performed by employees and decreases in image processing needed to support U.S. sales.

The positive impact of the above noted items on gross margin were offset to some extent by increased third party data licensing expense required to (i) support the generation of revenue related to derivative reports and re-licensing of data to end customers, and (ii) accrue for a minimum purchase commitment under a value added reseller agreement, which commitment is greater for 2016 than for 2015.

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 some 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 can result in significant variances in gross margin on a period over period basis.

Comprehensive income (loss)

Comprehensive income for the three months ended September 30, 2016 decreased to $122,000, or 65%, as compared to the three months ended September 30, 2015. In September 2015, the Company recorded a reduction in expense of approximately $197,000 in relation to Ontario Interactive Digital Media Tax Credits received for a prior period, whereas similar tax credits have not been received in 2016. This was the primary driver of the decline in comprehensive income in the third quarter of 2016 as compared to the same period in the prior year.

Comprehensive loss decreased 64% to a loss of $286,000 for the nine months ended September 30, 2016, compared to the same period of the prior year. This improvement in results is largely attributable to (i) increases in revenue and gross margin for the reasons noted in the "*Revenue*" and "*Gross Margin*" sections above, (ii) a decrease in share-based compensation expense (while a one time grant of 1,000,000 options to purchase common shares of the Company were granted in accordance with the newly appointed Chief Executive Officer's Employment Agreement in 2016, the related shared-based compensation expense was less than that recorded with respect to a one time grant of 2,233,000 options to purchase common shares of the Company which were granted in accordance with the Executive Chair Employment Agreement in 2015); and (iii) a decrease in the Company's finance costs resulting from the repayment of its secured term credit facility early in 2016.

These improvements in results were offset to some extent by the following items: (i) as discussed above, the Company recorded expense reductions in 2015 with respect to Ontario Interactive Digital Media Tax Credits received for a prior period, whereas similar tax credits have not been received in 2016; (ii) increased human resource related costs within technology expense due to the addition of resources to support development of the Company's product offerings; (iii) changes in foreign exchange gains and losses attributable to fluctuating U.S. foreign exchange rates and U.S. dollar denominated items; and (iv) increased professional fees to support certain sales initiatives.

Adjusted EBITDA

Adjusted EBITDA (a non-GAAP measure; see section entitled *"Use of Non-GAAP Financial Measures"*) is defined and calculated by the Company as comprehensive income (loss) before interest, tax, depreciation, amortization and share-based compensation expenses. Management believes Adjusted EBITDA provides meaningful information with respect to the financial performance and value of the Company.

	Unaudited		Unaudited	
	Three months ended Septmeber 30, 2016	Three months ended September 30, 2015	Nine months ended Septmeber 30, 2016	Nine months ended September 30, 2015
Comprehensive income (loss) for the period	**$ 121,719**	**$ 352,524**	**$ (285,792)**	**$ (786,106)**
Add back:				
Amortization of equipment	45,072	45,071	111,391	131,822
Amortization of intangible assets	58,282	56,999	173,886	170,702
Finance costs	308	28,691	14,888	106,170
Share-based compensation expense	80,316	79,196	260,578	468,613
Adjusted EBITDA	**$ 305,697**	**$ 562,481**	**$ 274,951**	**$ 91,201**

For the three months ended September 30, 2016 and 2015, Adjusted EBITDA decreased to $306,000 from $562,000 respectively, due primarily to the reduction in expense recorded in September 2015 in relation to the Ontario Interactive Digital Media Tax Credits as noted above. For the nine months ended September 30, 2016 and 2015, Adjusted EBITDA increased to $275,000 from $91,000, respectively.

Outstanding Share Data and Dividends

As at the date of this MD&A, iLOOKABOUT had:

- 61,313,784 common shares issued and outstanding;
- 1,519,665 deferred share units convertible to an equal number of common shares;
- Warrants outstanding to purchase 7,871,944 common shares, exercisable at prices ranging from $0.15 to $0.60 per share; and
- Options outstanding to purchase 5,802,475 common shares, exercisable at prices ranging from $0.12 to $0.335 per share.

Liquidity and Capital Resources

Adjusted Working Capital

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.

	September 30, 2016	December 31, 2015
Working Capital (GAAP measure)	$ 665,668	$ 686,863
Less: Prepaid expenses and other current assets	(206,096)	(158,902)
Add: Unearned revenue, current portion	1,243,558	746,584
Adjusted Working Capital (Non-GAAP measure)	**$ 1,703,130**	**$ 1,274,545**

The primary changes in components of Adjusted Working Capital between December 31, 2015 and September 30, 2016 are: (i) decrease in cash due to the repayment of the Company's secured term credit facility and associated bonus interest payment and increased cash used for operations and capital expenditures; (ii) increase in trade and other receivables due to the timing of billings and collections; and (iii) decrease in current portion of long term debt due to the repayment of the Company's secured term credit facility.

Cash Flows

Cash flows used in operating, financing and investing activities for the nine months ended September 30, 2016 and 2015 are presented below.

Cash flow provided by (used in)		Nine months ended September 30, 2016		Nine months ended September 30, 2015
Operating activities	$	(356,593)	$	91,545
Financing activities		(607,676)		(417,118)
Investing activities		(187,592)		(84,010)
Effect of exchange rate fluctuations on cash		(14,872)		116,670
	$	**(1,166,733)**	**$**	**(292,913)**

The changes in cash sources and uses for the nine months ended September 30, 2016 as compared to the same period in the prior year are explained below:

(i) The increase in cash used in operations is primarily attributable to the timing of collection of certain significant accounts receivable and the payment of bonus interest of $165,550 in respect to the Company's secured term credit facility in the second quarter of 2016.

(ii) The increase in cash used for financing activities is due to the repayment of the $600,000 principal of the Company's secured term credit facility in the second quarter 2016, compared to the redemption of 392,500 Preference Shares and accrued dividends for an aggregate redemption amount of approximately $406,000 that occurred in the second quarter of 2015.

(iii) Cash used in investing activities increased for the nine months ended September 30, 2016 as compared to the same period in the prior year, primarily due to expenditures related to leasehold improvements, as the Company exercised its option to expand its leased premises of the Company's primary office in London, Ontario.

The following are the carrying amounts and the remaining contractual cash outflows, including estimated interest payments, of financial liabilities and commitments at September 30, 2016.

			Contractual cash outflows									
As at September 30, 2016		**Carrying Amounts**		**Total**		**within 1 year**		**1 - 2 years**		**2 - 5 years**		**More than 5 years**
Accounts payable and accrued liabilities	$	1,082,652	$	1,082,652	$	1,082,652	$	-	$	-	$	-
Debt financing of vehicles		31,649		34,443		12,390		12,390		9,663		-
Operating leases		-		1,019,276		247,006		249,082		523,188		-
Purchase commitments		-		7,786,250		615,000		765,000		2,895,000		3,511,250
	$	1,114,301	$	9,922,621	$	1,957,048	$	1,026,472	$	3,427,851	$	3,511,250

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, upgrades of or additions to its computer software and hardware which hosts the Company's imagery, and leasehold improvements to support expansion. 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 amount and timing 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 2016 will be approximately $50,000, but may differ depending on whether the Company decides to pursue certain capital projects prior to the end of fiscal 2016.

In order to fund its day-to-day operations and repay the Company's 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.

Off-Balance Sheet Arrangements

As at September 30, 2016, 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, and long-term debt. Management does not believe that these financial instruments expose iLOOKABOUT to any significant interest, currency or credit risks.

Transactions with Related Parties

Consulting services:
Pursuant to a written consulting agreement dated December 2014 (the "Consulting Agreement"), the Company receives consulting services from Yeoman & Company Paralegal Professionals Corp. ("YCP") with respect to the ongoing development and support of the Company's Real Property Tax Analytics software and the Realty Tax Management software purchased by the Company from YCP in February 2015. Two of the principals of YCP are the sons of Mr. Gary Yeoman, the Executive Chair of the Company. The Consulting Agreement has a term of twenty years and provides for an annual fee of $265,000 plus 15% of revenue recognized and received by the Company from end customers (the "YCP Fees") for use of such software. For the three and nine months ended September 30, 2016, the Company incurred consulting fees and related expenses of $84,439 and $268,948 (three and nine months ended September 30, 2015 – $56,224 and $212,118) from YCP, which is included in technology and direct operating expenses.

YCP relicenses and/or utilizes the Company's software in order to provide services to YCP's clients. Included in revenue are software licence sales of $6,088 and $23,319 for the three and nine months ended September 30, 2016 (three and nine months ended September 30, 2015 – $4,000 and $4,000).

The Company also provides business development related consulting services to YCP. For the three and nine months ended September 30, 2016, the Company earned fees of $9,043 and $14,992 for these services (three and nine months ended September 30, 2015 – $2,400 and $2,400).

Real property rental:
One of the premises occupied by the Company is rented on an annual basis from a related company owned, in part, by Mr. Jeff Young, President and a Director of the Company. For the three and nine months ended September 30, 2016, the Company paid rent to the related company of $3,000 and $9,000, respectively (three and nine months ended September 30, 2015 - $3,000 and $9,000, respectively), 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.

Private placement:
Subsequent to the Reporting Date, the Company closed a non-brokered private placement (the "Private Placement") of 1,000,000 Units. Each Unit consisted of one common share of the Company and one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company for a period of five years from the date of issuance at an exercise price of $0.40. The subscription price of each Unit was $0.21, for aggregate gross proceeds of $210,000. Net proceeds will be used to help fund the Company's working capital requirements. All of the Units were subscribed for by Mr. Laurence Rose, the Chief Executive Officer of the Company, and his spouse.

Additional Information

Additional information relating to iLOOKABOUT, including the Company's 2015 Annual Consolidated Financial Statements and Annual Information Form for the year ended December 31, 2015, can be found on SEDAR at www.sedar.com.