iLOOKABOUT Corp.

Management's Discussion and Analysis of Financial Condition and Results of Operations as at November 21, 2008 for the nine month period from January 1 to September 30, 2008 (the "Period")

The information set forth below has been prepared as at November 21, 2008, and is derived from, and should be read in conjunction with, iLOOKABOUT Corp.'s ("iLOOKABOUT", or the "Company") unaudited interim consolidated financial statements for the nine month period from January 1, 2008 to September 30, 2008, including the accompanying notes, 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 financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("*GAAP*"). The significant accounting policies are outlined in Note 2 to the financial statements. These accounting policies have been applied consistently for the period from January 1, 2008 to September 30, 2008 (the "*Period*").

All dollar figures referred to herein are Canadian dollars 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. 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.

Qualifying Transaction

On February 21, 2008, Berkeley Capital Corp 1 ("Berkeley"), a capital pool company, entered into a business combination agreement with iLOOKABOUT Holdings Inc. ("ILAH") pursuant to which Berkeley would effect its Qualifying Transaction ("*QT*") by way of an amalgamation with ILAH. Pursuant to an amalgamation agreement dated March 31, 2008, Berkeley and ILAH amalgamated to form iLOOKABOUT Corp. effective April 1, 2008. On April 4, 2008, the transaction received final approval from the TSX Venture Exchange ("*TSXV*"). The Company is a reporting issuer in the Provinces of Alberta, British Columbia and Ontario, and is listed on the TSXV under the symbol "ILA". iLOOKABOUT's registered office is located at 383 Richmond Street, Suite 408, London, Ontario, N6A 3C4.

Upon the amalgamation, all of the outstanding securities of Berkeley and ILAH were cancelled and exchanged for securities of iLOOKABOUT. Each common share or warrant or option to purchase a common share of Berkeley was exchanged for 0.2083 iLOOKABOUT common shares or warrants or options to purchase iLOOKABOUT common shares, as applicable, and each common share or warrant or option to purchase a common share of ILAH was exchanged for one common share, warrant or option of the Company, as applicable.

Company Background

iLOOKABOUT is a visual knowledge company, with its primary focus being to provide street-level, geo-spatial imaging. iLOOKABOUT uses proprietary hardware and software systems to capture, process and geo-code street-level image data from a moving vehicle. Each high resolution image is captured with a digital camera and geo-coded using public GPS and proprietary technologies to record location specific and other data. iLOOKABOUT collects data from public streets in its targeted geographic areas, creating a database of images and associated metadata (data about data, or content items). The iLOOKABOUT StreetScape ("*StreetScape*") image database is compatible with all major mapping applications (Google, Yahoo, MSN, ESRI, Intergraph, Bentley, etc.) and is accessible through iLOOKABOUT's secure web service. iLOOKABOUT intends to continue to build its image database for major population centres in North America and Europe and to license its image data to governments and related agencies, including emergency services, and businesses in a variety of industries, such as real estate, utilities, property assessment, insurance and financial institutions. Since launching the iLOOKABOUT StreetScape product in October 2007, the Company has secured several agreements with real estate and utilities customers, as well as municipal governments.

iLOOKABOUT also provides Virtual Tour products which it will continue to offer, support and enhance. However, iLOOKABOUT's principal focus will be to provide access to the StreetScape image database.

Current Overview

In February 2008, ILAH completed a private placement for gross proceeds of $5,254,000. Share issue costs, including the fair value of warrants issued to agents, totaled $917,514. These funds have been and will continue to be used to fund the Company's key objectives of enhancing its infrastructure and applications development for the iLOOKABOUT StreetScape product, expanding its sales and marketing capabilities and capturing image data in designated market areas in support of customer contracts.

Utilizing these funds, the Company has made progress toward meeting these key objectives in the second and third quarters of fiscal 2008.

Milestones reached in the first three quarters of fiscal 2008 in relation to infrastructure and applications development for the iLOOKABOUT StreetScape product include the following.

- A new viewer, released in Q3 of 2008, addresses the needs of those vertical markets that require aspects of the StreetScape image in a higher field of view and improved print functionality. These changes enable StreetScape data to be more versatile and enhance its utilization by customers.

- Re-engineering of the Company's legacy photo upload application, DropZone™, was completed and successfully launched in early October 2008. DropZone™ was re-engineered from an OCX control to a Flash-based application, which enhances the ease of implementation for customers.

- In Q3, significant advancement in the Company's quality assurance process and supporting applications were made which are expected to result in savings in this area of approximately 75%. These advancements enable the Company to outsource the first stage of its quality assurance program.

- Advancements continued to be made to the Company's proprietary technology to improve its data capture activities and increase the scalability of its operations for both data capture and post-production processes.

- The beta version of the revised vehicle platform, to be released as version 2.0, has shown even greater accuracy than the current commercial version in post-production, and serves to further address the market need for accuracy of the geo-coding of images. Version 2.0 is expected to be ready for release prior to the Spring 2009 data capture season.

Milestones which have been met in the area of expanding the Company's sales and marketing capabilities include the following.

- In September 2008, the Honourable Ernie Eves, Q.C., former Premier of Ontario, was appointed as a consultant and advisor to the Company and its Board of Directors. Mr. Eves will assist Management with business development and government relations, including the processes surrounding government contract negotiations.

- The Company's recruitment and hiring plan for its US sales team, which commenced in Q2 of 2008, was completed in the third quarter and the Company's focus moved to effectively deploying this new team.

- The development of a fully integrated sales program targeted at the Company's key vertical markets was completed in the third quarter.

- In Q3, new sales agreements and pilot projects were entered into in both Canada and the US in targeted geographic centres and vertical markets, including:

    - Data licensing agreement with Ontario Realty Corporation ("*<u>ORC</u>*"), through Teranet Enterprises Inc. ("*<u>Teranet</u>*"), to provide visual data for ORC properties located throughout Ontario. This agreement is part of a five-year master services agreement between iLOOKABOUT and Teranet, and includes the use of visual data, viewers and software required to use the image database.

- A multi-year services agreement with the City of Hamilton to provide a complete visual data set of images of all property parcels and 3,200 centre line road kilometers within the City boundaries. As part of this agreement, iLOOKABOUT has been granted access to City staff for joint research and development programs.

- With data collection efforts and technology gains made in the first half of 2008, market feedback indicates that the Company's data coverage is adequate to begin pursuing partnerships with organizations that have national service footprints. Strategic benefit of channel partners will be assessed based on the value of incorporation of iLOOKABOUT StreetScape at the product development level, delivery platform extension, and opportunity for reselling with complementary datasets. Identification and relationship development with potential national channel partners, considered strategic in nature, commenced in the second quarter. In the third quarter, identification, evaluation and relationship development with potential national channel partners continued.

With respect to the capture of image data in designated market areas in support of customer contracts, the following advancements have been achieved in the first three quarters of fiscal 2008.

- Throughout 2008, scalability improvements have been identified and implemented in both the Company's operations and business processes, which will be critical to furthering partnership opportunities.

- Data collection operations in Canada, the US and Europe, were on or ahead of schedule for Q2 and Q3 2008. Data capture continued at peak levels for the year during the third quarter, but will decline in the fourth quarter due, in part, to seasonality which impacts Canada, the northern US and the United Kingdom. Future data capture will also be scaled back from the Company's original plans given Management's decision to conserve cash resources, pending increases in sales revenue, as discussed further below within "Current Challenges".

- By the end of September 2008, data capture in Ontario had reached "critical mass" and is approaching "critical mass" for Canada, with two of the three largest urban markets in Canada completed. In Ontario, data capture has been focused on both urban centres as well as major communities representative of Teranet's customer base in order for the Company to leverage its partnership with Teranet.

Current Challenges

The Company's strategic and business plans will not be fully funded with its existing cash resources. Additional funds will have to be generated through new sales and/or additional financing to implement the Company's strategic and businesses plans. The current economic downturn adversely affects the Company's ability to raise equity financing at desirable terms in the foreseeable future, and its ability to secure new sales given current budget and financial constraints of many of its targeted customers. In addition, although the Company's StreetScape product appears to continue to be well received, the sales cycle from the initiation of the sales contact to close is longer than expected, which has a negative impact on the Company's ability to generate needed cash resources on a timely basis.

Management has identified the need to aggressively conserve the Company's cash resources given the current economic downturn and longer than expected sales cycle. This need is balanced with the need to continue to pursue its attainment of key objectives. Immediate and near term cost containment plans have been developed and are being executed. Management is prepared to undertake further measures in the longer term to conserve cash resources, if determined to be necessary.

To date, the most significant reduction in planned spending is in the area of data capture, which has been reduced significantly since the end of September 2008. As the Company has already captured images for what it considers "critical mass" for Ontario, and is approaching "critical mass" for Canada, Management intends to leverage this asset to generate new sales. If and when additional sales and/or financing is obtained, the rate of data capture will be increased.

In early April 2008, funds related to a private placement completed in February 2008 were released from escrow to the Company. The net proceeds of this private placement, excluding the non-cash cost of the fair value of warrants issued to agents, was $4,674,072. Management initially intended to direct approximately 53% (or approximately $2,477,000) of these funds to image data capture; 28% (or approximately $1,309,000) toward sales, marketing and general administration; 13% (or approximately $608,000) to information technology infrastructure; and 6% (or approximately $280,000) to research and development. As discussed above, given the current economic environment and longer than expected sales cycle, Management believes it is prudent to curtail planned spending on data capture costs, which include direct and indirect costs to capture and process image data, and capital expenditures required to support this data. Management will continue to assess the appropriateness of this course of action and will resume planned levels of data capture when feasible.

Outlook

The iLOOKABOUT StreetScape product will continue to be the focus of the Company's research, operations and sales efforts in the near and medium term, and is expected to become the Company's primary revenue source for 2008, with Virtual Tour revenue becoming the secondary revenue source. Key aspects of the iLOOKABOUT StreetScape revenue model which differ significantly from its historic Virtual Tour revenue model are as follows:

- Licenses are expected to be non-exclusive, which means the data can be re-licensed to multiple parties at minimal incremental cost to the Company;

- Licenses are expected to be multi-year agreements, thus providing a stable revenue stream to the Company over time; and

- There is an opportunity to develop further applications and customizations for customers to add additional value to the licensed data.

To assist in forecasting future financial resources, the Company monitors revenue backlog, a non-GAAP financial measure. As at September 30, 2008, the Company had a revenue backlog of approximately $1,446,000, representing a 32% increase over the second quarter revenue backlog of $1,090,000. Of this increase, 1.8% was the result of changes to foreign exchange rates. The Company defines "revenue backlog" as the estimated revenue attributable to the uncompleted portion of signed sales agreements for which future collection is probable, selling price is fixed and determinable, and there is no reason to believe that the Company will be unable to deliver the contracted service. The revenue backlog disclosed herein does not include any revenue expected to arise from sales agreements where the client has no commitment to draw upon services from the Company. To the extent revenue derived from these sales agreements is recognized in future periods for financial reporting purposes, such recognized revenue amount is then removed from the revenue backlog figure. The revenue backlog does not include that portion of revenue associated with sales agreements extending beyond five years, and accordingly, revenue backlog is adjusted to include revenues that then fall within the five year limit with the passage of time at the end of each quarter. Revenue backlog is a non-GAAP financial measure and therefore does not have a standardized meaning as defined by GAAP and may not be consistent with the definition assigned to this measure by other reporting issuers. Revenue backlog is based on Management's current expectations and entails various risks, uncertainties and assumptions which, if not correct, could cause or contribute to actual results that are materially different than those expressed or implied.

Primary expenditures in the first three quarters of fiscal 2008 were as follows:

- Human resource related costs;
- Data capture costs, such as vehicle rentals, temporary driver labour, fuel and indirect overhead costs, which costs will increase and decrease by seasonality, sales agreement requirements and the Company's liquidity constraints;
- Data storage and back-up costs, which are driven by the rate of expansion of the image data library;
- Data hosting and delivery costs, which are driven by sales agreement requirements;
- Data processing and management costs, composed primarily of direct labour, which are driven upward by the rate of data capture and downward by continued increase in automation of these functions;
- Administrative infrastructure development;
- Information technology infrastructure development; and
- Governance, internal control, professional services and regulatory compliance costs.

In the fourth quarter of fiscal 2008 it is expected that (i) human resource and general operating costs will remain stable at third quarter expenditure levels; (ii) data capture costs will decrease significantly given the seasonal impact on data capture and the Company's immediate plans to contain costs; and (iii) capital expenditures will decline compared to third quarter levels.

Certain revenue and expenditures of the Company are denominated in US Dollars, which exposes the Company to fluctuations in foreign exchange rates. To date, the nature of the Company's operations have provided a natural hedge (i.e. US Dollar denominated inflows have approximately matched US Dollar denominated outflows) which Management considers to be sufficient to mitigate exchange rate risk based on the Company's current risk tolerance. The nature, extent and timing of foreign currency denominated cash flows are regularly monitored to identify changes in exposure and to assess the need for active management of this exposure (i.e. the use of foreign exchange contracts). Given the recent significant movements in foreign exchange rates, rates relevant to the Company are monitored daily.

Analysis of Selected Financial Information

Upon the amalgamation of ILAH and Berkeley, the shareholders of ILAH assumed control of the Company. Consequently, the transaction was accounted for as a reverse takeover, with ILAH as the acquirer. As a capital pool company, Berkeley did not constitute a business and the transaction was accounted for as a capital transaction.

The financial information set forth below is derived from, and should be read in conjunction with, iLOOKABOUT's unaudited interim consolidated financial statements for the nine months ended September 30, 2008, including the accompanying notes, which can be found on SEDAR at www.sedar.com.

Quarterly Results Summary

Prepared without audit.

	Three Months Ended March 31	Three Months Ended June 30	Three Months Ended September 30	Three Months Ended December 31	Total
Fiscal 2008					
Revenue	$ 180,703	$ 185,730	$ 213,233		$ 579,666
Loss from operations before interest and other revenue and foreign exchange loss	(487,322)	(1,130,299)	(1,530,132)		(3,147,753)
Loss for the period	(474,494)	(1,123,118)	(1,513,664)		(3,111,276)
Loss per share (basic and fully diluted)	(0.018)	(0.033)	(0.044)		(0.099)
Fiscal 2007					
Revenue	$ 81,289	$ 147,553	$ 92,862	$ 165,129	$ 486,833
Loss from operations before interest and other revenue and foreign exchange loss	(44,959)	(270,462)	(663,254)	(634,748)	(1,613,423)
Loss for the period	(44,959)	(280,306)	(670,525)	(626,936)	(1,622,726)
Loss per share (basic and fully diluted)	(0.003)	(0.013)	(0.027)	(0.024)	(0.072)
Fiscal 2006					
Revenue	$ 95,452	$ 98,733	$ 74,607	$ 67,678	$ 336,470
Earnings (loss) from operations before interest and other revenue and foreign exchange loss	7,753	(28,414)	(42,545)	(87,909)	(151,115)
Earnings (loss) for the period	9,337	(16,520)	(40,589)	(90,002)	(137,774)
Earnings (loss) per share (basic and fully diluted)	0.001	(0.001)	(0.002)	(0.005)	(0.008)

Quarterly Results Summary – (continued)

Prepared without audit.

	Three Months Ended March 31	Six Months Ended June 30	Nine Months Ended September 30	Year Ended December 31
Fiscal 2008				
Revenue	$ 180,703	$ 366,433	$ 579,666	
Loss from operations before interest and other revenue and foreign exchange loss	(487,322)	(1,617,621)	(3,147,753)	
Loss for the period	(474,494)	(1,597,612)	(3,111,276)	
Loss per share (basic and fully diluted)	(0.018)	(0.053)	(0.099)	
Fiscal 2007				
Revenue	$ 81,289	$ 228,842	$ 321,704	$ 486,833
Loss from operations before interest and other revenue and foreign exchange loss	(44,959)	(315,421)	(978,675)	(1,613,423)
Loss for the period	(44,959)	(325,265)	(995,790)	(1,622,726)
Loss per share (basic and fully diluted)	(0.003)	(0.016)	(0.046)	(0.072)
Fiscal 2006				
Revenue	$ 95,452	$ 194,185	$ 268,792	$ 336,470
Earnings (loss) from operations before interest and other revenue and foreign exchange loss	7,753	(20,661)	(63,206)	(151,115)
Earnings (loss) for the period	9,337	(7,183)	(47,772)	(137,774)
Earnings (loss) per share (basic and fully diluted)	0.001	(0.000)	(0.003)	(0.008)

Revenue and Operating Expense Analysis

Prepared without audit.

	Three months ended September 30, 2008	Three months ended September 30, 2007	Nine months ended September 30, 2008	Nine months ended September 30, 2007
Total Revenue	**$ 213,233**	**$ 92,862**	**$ 579,666**	**$ 321,704**
Research, technology & operations	717,272	430,433	1,437,732	643,699
Selling, general & administration	789,543	264,646	1,867,100	531,399
Amortization of equipment	81,921	46,265	189,991	58,669
Amortization of intangible assets	9,236	1,985	15,521	5,377
Stock based compensation	145,393	12,787	217,075	61,235
Total Operating Expenses	**1,743,365**	**756,116**	**3,727,419**	**1,300,379**
Other earnings (loss)	**16,468**	**(7,271)**	**36,477**	**(17,115)**
Net loss	**$ (1,513,664)**	**$ (670,525)**	**$ (3,111,276)**	**$ (995,790)**
Loss per share (basic and diluted)	**(0.044)**	**(0.027)**	**(0.099)**	**(0.046)**

Revenue

Prior to fiscal 2008, sales of the Company's Virtual Tour products were the primary revenue source for iLOOKABOUT, and generated relatively stable revenue streams. While the Company will continue to promote and support its Virtual Tour products, continued development, promotion and support of the StreetScape product will be the Company's primary focus and is anticipated to be its primary revenue generator in the future.

Revenue increased 130% for the three months ended September 30, 2008, as compared to the same period in fiscal 2007. For the nine months ended September 30, 2008, revenue increased 80% as compared to the same period of the prior year. These increases are attributable to the growth in StreetScape-related revenue.

The Company entered into its first commercial agreement in relation to StreetScape effective October 1, 2007. In December 2007, iLOOKABOUT entered into a reseller agreement with Teranet. Teranet is the exclusive provider of access to Ontario's electronic land registration system and provides products and services such as property information, transaction management, collateral risk management, geospatial information and workflow software to real estate and other markets. Teranet will make available to its customers access to iLOOKABOUT StreetScape images. This additional product offering will become available to Teranet customers upon their license renewal amendment. Under its agreement with Teranet, iLOOKABOUT receive royalties directly from Teranet. The first significant Teranet customer license amendment to add iLOOKABOUT StreetScape web service was executed in July 2008. As Teranet customer license renewals occur, revenue derived from the reseller agreement with Teranet is expected to increase.

Research, technology and operations expense

Research, technology and operations expense increased from $430,433 to $717,272 for the three months ended September 30, 2008 as compared to the same period in the prior year, and from $643,699 to $1,437,732 for the nine months ended September 30, 2008 as compared to the same period in the prior year. These costs are primarily composed of direct data capture costs, such as driver labour, vehicle rental, and fuel, and labour costs associated with research, technology and operations staff.

In the first two quarters of fiscal 2007, expenses recorded as research, technology and operations were composed primarily of labour costs and testing related to the data capture process. In the third quarter of fiscal 2007 StreetScape data capture of specific geographic areas commenced and the associated direct data capture costs were recorded as research, technology and operations.

Early in the second quarter of fiscal 2008, the Company began executing its plans to accelerate data capture, further build its information technology infrastructure, and continue its development and enhancement of the StreetScape product. The commencement of the execution of these plans resulted in the significant increase in research, technology and operations expense in fiscal 2008 to date as compared to the first three quarters in fiscal 2007, and on a quarter over quarter basis for the first three quarters in 2008. Research, technology and operations expense was $202,336 for the three months ended March 31, 2008; $518,124 for the three months ended June 30, 2008; and $717,272 for the three months ended September 30, 2008.

Investment tax credits are earned by the Company in relation to its scientific research and experimental development ("*SR&ED*") expenses. SR&ED tax credits claimed up to March 31, 2008 have been recorded as an offset to the expenditures to which they relate, and therefore have the effect of reducing research, technology and operations expense. Subsequent to March 31, 2008, the Company is no longer classified as a Canadian controlled private corporation (a "*CCPC*") for tax purposes and is therefore no longer eligible for cash refunds with respect to federally eligible SR&ED expenditures. Rather, beginning on April 1, 2008, the Company's SR&ED tax credits earned federally may only be used to offset future federal tax liabilities. Until such point in time that it becomes more likely than not that these future tax assets can be utilized by the Company, they will not be recorded as an asset on iLOOKABOUT's financial statements. Provincial investment tax credits in relation to SR&ED will continue to represent a cash refund.

In the first three quarters of fiscal 2007, research, technology and operations expense was reduced by $150,215 to reflect SR&ED credits earned during that period, compared to no reduction in the first three quarters of fiscal 2008. No reduction was recorded in the first three quarters of fiscal 2008 based on the change in tax status discussed above, and Management's assessment of the more likely than not criterion with respect to realization of the benefit of future tax assets.

As at September 30, 2008, the Company had approximately $3,961,000 non-capital losses for tax purposes that expire between 2008 and 2028. At this time it also had undeducted federal and provincial SR&ED expenditures of approximately $1,475,000 and $2,589,000, respectively. These expenditures do not expire. In addition, the Company has unused investment tax credits of approximately $136,500.

Selling, general and administration expense

This category of expenses is composed primarily of human resource costs, expenditures associated with the Company's sales and marketing program, professional and regulatory fees, and facilities and communication costs.

iLOOKABOUT's selling, general and administration expense increased from $264,646 to $789,543 for the three months ended September 30, 2007 and 2008, respectively; and from $531,399 to $1,867,100 for the nine months ended September 30, 2007 and 2008, respectively. This increase is attributable to human resource related costs associated with the recruitment and retention of additional staff and contractors to assist in developing the administrative infrastructure and sales and marketing team required to support the Company's evolution from the research and development to commercialization stage. In addition to the human resource costs required to build a sales and marketing team, costs to support the team's objectives such as travel, promotion and tradeshows have also increased markedly compared to fiscal 2007. In addition, the professional and regulatory fees incurred by the Company have increased significantly due to the increased reporting and governance requirements associated with the transition from being a private company to the reporting issuer.

The 92% increase in selling, general and administration expense from the first to the second quarter of fiscal 2008 reflects the timing of the release of private placement financing funds from escrow in April 2008 and the rapid progression following this to execute Management's plans to build and deploy a sales and marketing team and further develop administrative infrastructure. In the third quarter of 2008, selling, general and administration expense increased 11% over the second quarter, representing a less dramatic increase as compared to the increase experienced from the first to second quarters of 2008. The majority of initial costs to build and deploy its sales and marketing team were incurred in the second quarter, whereas sales and marketing related costs incurred in the third quarter were primarily to sustain the newly deployed sales and marketing team. Professional fees and regulatory and compliance related costs in the third quarter were consistent with those incurred in the second quarter and are expected to remain at these levels for the fourth quarter of 2008.

Amortization of equipment and intangible assets

Equipment additions were $175,312 in the third quarter of 2008, compared to $285,095 for the same period in 2007; and were $415,060 in the nine months ended September 30, 2008 compared to $344,511 for the same period of the prior year. Of the fiscal 2008 additions, $362,775 occurred in the second and third quarters following receipt of the funds from the February 2008 financing. In fiscal 2007, 59% of the equipment additions for the year were incurred in the third quarter. The increased equipment additions in the third quarter of fiscal 2007 and beyond account for the increase in recorded equipment amortization costs in fiscal 2008 over fiscal 2007.

Amortization of intangible assets was not significant for the three and nine month periods ended September 30, 2007 and 2008.

Stock based compensation

Stock options granted under the Company's stock option plan are accounted for using the fair value method. The fair value of options granted was determined at the date of grant using the Black-Scholes option pricing model with the following assumptions.

	2008 Stock Option Plan	2007 Stock Option Plan	2001 Stock Option Plan
Exercise price	$0.375	$0.125 to $0.60	$0.001
Estimated fair value at grant	$0.500	$0.384 to $0.60	$0.108
Risk free interest rate	3.50%	4.50%	4.40%
Expected dividend yield	0%	0%	0%
Expected share volatility	65.5%	100%	100%
Expected average option life	5 years	0 to 2 years	1 year

The following unaudited table presents changes in the Company's option balances:

	Number of Options	**Weighted Average Exercise Price**	**Weighted Average Share Price**	**Weighted Average Years to Expiry**
Outstanding December 31, 2006	349,050	0.001	0.108	4.4
Granted	325,950	0.001	0.108	
Granted	795,000	0.411	0.509	
Exercised	(675,000)	0.001	0.108	
Outstanding December 31, 2007	795,000	0.411	0.509	5.0
Granted	400,000	0.375	0.500	
Granted upon amalgamation	208,300	0.480	0.021	
Exercised	(80,000)	0.251	0.465	
Outstanding Sept 30, 2008	1,323,300	0.421	0.432	4.2

On a year over year basis, stock compensation increased from $12,787 to $145,393 for the three months ended September 30, 2007 and 2008 respectively, and increased from $61,235 to $217,075 for the nine months ended September 30, 2007 and 2008 respectively. Compensation expense is recognized over the period of vesting of options granted, with the counterpart recognized in contributed surplus. The fluctuations in stock compensation expense relate to the extent of options granted, timing of vesting of granted options, and fair value assigned to options granted.

For the nine months ended September 30, 2008, stock based compensation expense was $217,075 as compared to $71,682 for the six months ended June 30, 2008. All of the 400,000 options granted in fiscal 2008 were granted in the third quarter and vested upon being granted, resulting in significantly higher stock compensation expense in the third quarter as compared to the first and second quarters of fiscal 2008.

Other earnings (loss)

Other earnings (loss) is composed of interest revenue, other revenue and foreign exchange gains or losses. Interest revenue was $17,126 and $41,106 for the three and nine months ended September 30, 2008, respectively, and is primarily composed of interest on treasury bills and guaranteed investment certificates. In the first three quarters of fiscal 2007, no interest-earning investments were held. Interest of $5,641 was earned on investment tax credits with respect to SR&ED in the third quarter of fiscal 2007. No interest was earned in the first two quarters of fiscal 2007.

The Company conducts business in the US and therefore regularly generates revenue, incurs expenditures and carries monetary assets and liabilities denominated in US Dollars. The significant decline in the US to Canadian Dollar exchange rate over the first nine months of fiscal 2007 and rate fluctuations over the first nine months of fiscal 2008 resulted in foreign exchange losses. These losses were $12,912 and $658 for the three months ended September 30, 2007 and 2008 respectively; and $22,756 and $4,629 for the nine months ended September 30, 2007 and 2008 respectively.

Assets, Liabilities and Share Capital Analysis

Prepared without audit.

	As at September 30, 2008	As at December 31, 2007
Assets	$ 3,998,807	$ 1,730,700
Liabilities	$ 752,124	$ 347,299
Share and Warrant Capital	$ 7,939,481	$ 3,494,117
Common shares outstanding	34,384,492	25,633,133
Options and warrants outstanding	10,317,907	2,623,387

Assets

Total assets held at September 30, 2008 and December 31, 2007 were composed primarily of cash and cash equivalents, trade and other receivables, investment tax credit receivable and equipment.

Cash and cash equivalents increased from $600,742 to $2,718,518 from December 31, 2007 to September 30, 2008. This increase is primarily the result of the receipt of net proceeds of approximately $4.5 million from the private placement financing completed in February 2008 less increased spending to carry out the Company's key objectives for the private placement funds. As at September 30, 2008, approximately $2.1 million of the cash and cash equivalents balance was invested in treasury bills and guaranteed investment certificates. It is the Company's policy to obtain the highest interest rates possible on excess cash resources without exposing the funds to any significant risk of loss.

Trade and other receivables decreased from $204,853 at December 31, 2007 to $162,866 at September 30, 2008. Investment tax credits receivable which relate to estimated SR&ED investment tax credits for which a cash refund is anticipated, remained stable at September 30, 2008 at $275,000 as compared to December 31, 2007.

Deferred corporate transactions costs reflect costs incurred with respect to the amalgamation of Berkeley and ILAH and the private placement completed in February 2008. Upon completion of the amalgamation and the private placement, the related costs were reclassified and offset against equity. As at December 31, 2007, $100,473 was recorded for deferred corporate transaction costs. By April 1, 2008, both the amalgamation and private placement were complete, and thus the deferred corporate transactions costs were reclassified and offset against equity.

Equipment net of accumulated amortization increased by $226,344 to $638,947 between December 31, 2007 and September 30, 2008. Approximately 55% of this increase related to the net increase in computer hardware required for the storage and backup of the growing library of StreetScape images and their related data. It is anticipated that additions to equipment for the remainder of fiscal 2008 will continue, but at a decreased rate as compared to the first three quarters of fiscal 2008.

Liabilities

As at December 31, 2007, liabilities totaled $347,299 and was composed entirely of accounts payable and accrued liabilities generated in the normal course of operations. As at September 30, 2008, liabilities totaled $752,124, of which $576,182 represented accounts payable and accrued liabilities. The increase in accounts payable and accrued liabilities is attributable to the increased scale of operations in the third quarter of 2008 as compared to the last quarter of 2007. Also included in liabilities as at September 30, 2008, was deferred revenue, current and long term, in the amount of $175,942, which relates to payments received in advance for StreetScape services and for which revenue has not yet been earned.

Share capital

In June of 2007, ILAH completed a private placement of 2,717,392 units for $0.46 per unit. Each unit consisted of one common share of ILAH and one-half of one common share purchase warrant. Each full warrant entitled the subscriber to purchase one common share of ILAH for an exercise price of $0.69 per share. Gross proceeds of this financing were $1,250,000; share issue costs, including agents' fees and the value of broker warrants granted to Agents, totaled $183,937, resulting in net proceeds of $1,066,063. An additional 217,391 warrants to purchase one common share at an exercise price of $0.46 per share were granted to the agents, the fair value of which is included in the share issue costs noted above. Total warrants issued in connection with this placement were 1,576,087. As at September 30, 2008, none of these warrants had been exercised.

The $0.69 warrants issued under the June 2007 private placement were allocated $177,291 of the net proceeds based on their pro-rata share of the calculated fair value of the total unit fair value at issuance using a Black-Scholes pricing model and assuming: a risk free interest rate of 4.5%; an expected volatility of 100%; an expected life of two years and no expected dividend yield. The agent's warrants were valued at $41,521 utilizing Black-Scholes model and the same assumptions.

In August 2007, ILAH completed two additional private placements.

Under the first of these private placements, ILAH issued 435,000 units at a unit price of $0.46. Each unit consisted of one common share and one half of one common share purchase warrant, for a total of 217,500 warrants. Each full warrant entitled the subscriber to purchase one common share of ILAH for an exercise price of $0.69 per share. Gross proceeds of this financing were $200,100. Share issue costs, including agents' fees and the value of broker warrants granted to the agents, totaled $27,853, resulting in net proceeds of $172,246. An additional 34,800 warrants to purchase one common share at an exercise price of $0.46 per share were granted to the agents, the fair value of which is included in share issue costs. Total warrants issued in connection with this placement were 252,300. As at September 30, 2008, none of these warrants had been exercised.

The $0.69 warrants were allocated $28,645 of the net proceeds based on their pro-rata share of the calculated fair value of the total unit fair value at issuance using a Black-Scholes pricing model and assuming: a risk free interest rate of 4.5%; an expected volatility of 100%; an expected life of two years and no expected dividend yield. The agent's warrants were valued at $6,646 utilizing Black-Scholes model and the same assumptions.

Under the second private placement in August of 2007, ILAH issued 1,657,341 common shares at a price of $0.60 per share. Gross proceeds of this financing were $994,405.   Share issue costs totaled $90,577, resulting in net proceeds of $903,828. No warrants were issued in connection with this private placement.

In October 2007, ILAH issued 8,400 common shares at price of $0.60 per share. Gross proceeds of this share issuance were $5,040. There were no share issue costs incurred or warrants issued in connection with this share issue.

In February 2008, ILAH completed a private placement of 6,567,530 units for $0.80 per unit. Each unit consisted of one common share of ILAH and one common share purchase warrant. Each full warrant entitled the subscriber to purchase one common share of ILAH for an exercise price of $1.00 per share. Gross proceeds of this financing were $5,254,000. Share issue costs, including the fair value of warrants issued to agents, totaled $917,514. Agents were issued 515,400 units in connection with this financing. Each unit entitles the agent to purchase one common share and one common share purchase warrant for an exercise price of $0.80. The resulting warrant entitles the agent to purchase an additional common share at an exercise price of $1.00. Total warrants issued to investors and agents in connection with this placement were 7,082,900. As at September 30, 2008, none of these warrants had been exercised.

The $1.00 warrants were allocated $1,235,899 of the net proceeds based on their pro-rata share of the calculated fair value of the total unit fair value at issuance using a Black-Scholes pricing model and assuming: a risk free interest rate of 2.75%; an expected volatility of 100%; an expected life of two years and no expected dividend yield. The Agent's warrants were valued at $337,587 utilizing Black-Scholes model and the same assumptions.

Effective April 1, 2008, ILAH and Berkeley amalgamated to form iLOOKABOUT Corp. Pursuant to the amalgamation, common shares, options and warrants of ILAH were exchanged on a one for one basis for iLOOKABOUT Corp. common shares, options and warrants, and each Berkeley common share, option and warrant was exchanged for 0.2083 common shares, options and warrants of iLOOKABOUT Corp. common shares, options and warrants.

The impact of the amalgamation, private placements and options exercised are reflected in the tables below.

	Expiry date	September 30, 2008 Issued	September 30, 2008 Amount	December 31, 2007 Issued	December 31, 2007 Amount
Authorized:					
Unlimited common shares					
Unlimited preferred shares					
Issued:					
Common shares		34,384,492	$ 6,495,232	25,633,133	$ 3,288,181
Share purchase warrants:					
$0.69 warrants	April 7/09	1,576,196	205,936	1,576,196	205,936
$0.46 agent warrants[1]	June 18/09	252,191	-	252,191	-
$1.00 warrants	Feb 22/09	7,082,900	1,235,899	-	-
$0.48 warrants	Sept 17/09	83,320	2,414	-	-
		8,994,607	1,444,249	1,828,387	205,936
Share capital and warrants		43,379,099	$ 7,939,481	27,461,520	$ 3,494,117

[1] The fair value of warrants issued to agents as compensation with respect to share issuance is accounted for as a capital transaction. The fair value of warrants issued is recorded as a share issuance cost, with the offset recorded as contributed surplus. Upon exercise of these warrants, share capital is recorded at the sum of the proceeds received and the related amount of contributed surplus.

	Nine Months Ended September 30, 2008 Shares	Nine Months Ended September 30, 2008 Amount	Year Ended December 31, 2007 Shares	Year Ended December 31, 2007 Amount
Common shares, beginning of period	25,633,133	$ 3,288,181	17,827,000	$ 1,074,039
Options exercised - private placement	-	-	2,313,000	200,000
Options exercised - other	80,000	45,516	675,000	72,900
Shares issued - private placement	6,567,530	5,254,000	4,818,133	2,449,545
Fair value assigned to warrants	-	(1,497,390)	-	(241,158)
Shares issued - amalgamation	2,103,829	60,948	-	-
Share issue costs	-	(656,023)	-	(267,145)
Common shares, end of period	34,384,492	$ 6,495,232	25,633,133	$ 3,288,181

	Nine Months Ended September 30, 2008 Warrants	Nine Months Ended September 30, 2008 Amount	Year Ended December 31, 2007 Warrants	Year Ended December 31, 2007 Amount
Warrants, beginning of period	1,828,387	$ 205,936	-	$ -
Warrants issued - private placement	7,082,900	1,497,390	1,828,387	241,158
Warrants issued - amalgamation	83,320	2,414	-	-
Warrant issue costs	-	(261,491)	-	(35,222)
Warrants, end of period	8,994,607	$ 1,444,249	1,828,387	$ 205,936

Outstanding Share Data

Effective April 1, 2008, ILAH and Berkeley amalgamated to form iLOOKABOUT, whose authorized share capital consists of an unlimited number of common shares and an unlimited number of preference shares, issuable in series. Pursuant to the amalgamation, common shares, options and warrants of ILAH were exchanged on a one for one basis for iLOOKABOUT common shares, options and warrants, and each Berkeley common share, option and warrant was exchanged for 0.2083 common shares, options and warrants of the Company.

As at November 21, 2008, iLOOKABOUT had 34,384,492 common shares issued and outstanding, and outstanding options and warrants to purchase 10,317,907 common shares, exercisable at prices ranging from $0.125 to $1.00 per share.

Changes in the balance of outstanding common shares, warrants and options are reflected in the tables included in the "Share Capital" and "Stock Based Compensation" sections herein.

Incentive Stock Options

The Company has established a 2008 Stock Option Plan ("*Plan*") whereby the Company may grant options to purchase common shares of the Company to its directors, officers, employees and consultants. Pursuant to the amalgamation of ILAH and Berkeley, this Plan replaced the stock option plans of each of the predecessor entities.

Under the Plan, the number of authorized but unissued common shares that may be issued upon the exercise of options granted under the Plan at any time plus the number of common shares reserved for issuance under outstanding incentive stock options otherwise granted by the Company at such time may not exceed 10% of the then issued and outstanding common shares of the Company on a non-diluted basis, and such aggregate number of options to purchase common shares shall automatically increase or decrease as the number of issued and outstanding common shares changes.

The Board of iLOOKABOUT has authority to determine which eligible persons will be issued options, the number of options to be granted to such persons, the time when options shall be granted, when such options will vest, when such options will expire, and at what price the options may be exercised.

On September 13, 2007, an aggregate of 999,999 options to acquire Berkeley common shares at a price of $0.10 per common share and exercisable for five years from the date of grant, were granted to the directors and officers of Berkeley. These options became options to purchase 208,300 common shares of iLOOKABOUT for $0.48 per share upon the amalgamation of Berkeley and ILAH.

Prior to amalgamation, there were options to purchase 795,000 common shares outstanding to employees and consultants of ILAH or its subsidiaries. Upon amalgamation, these options were exchanged for an equal number of options to purchase common shares of iLOOKABOUT Corp. for exercise prices ranging from $0.125 to $0.60 per share.

Changes in the balance of outstanding stock options are reflected in the table included in the "Stock Based Compensation" section herein.

Liquidity, Financing Activities and Capital Resources

As at September 30, 2008, iLOOKABOUT had working capital, calculated as current assets less current liabilities, of approximately $2,573,278, consisting of cash and cash equivalents of approximately $2,718,518, accounts payable and accrued charges of $576,182, and commitments of $187,487 due between September 2008 and December 2010, indicating the Company's current ability to meet its financial obligations as they fall due.

As addressed in the "Current Challenges" section herein, Management has identified the need to aggressively conserve cash resources given the current economic downturn and longer than expected sales cycle for the iLOOKABOUT StreetScape product, while balancing the need to continue to pursue the Company's key objectives. Immediate and near term cost containment plans have been developed and are being executed. Management is prepared to undertake further measures in the longer term to conserve cash resources if it determines such measures to be necessary or advisable.

In early April 2008, the funds raised in the private placement completed in February 2008 were released from escrow to the Company. The net proceeds of this private placement, excluding the non-cash cost of the fair value of warrants issued to agents, was $4,674,072, of which Management intended to direct approximately 53% (or approximately $2,477,000) to image data capture; 28% (or approximately $1,309,000) toward sales, marketing and general administration; 13% (or approximately $608,000) to its information technology infrastructure; and 6% (or approximately $280,000) to research and development. Given the current economic environment and longer than expected sales cycle, Management believes it is prudent to reduce its planned spending on data capture costs, which includes direct and indirect costs to capture and process image data and related capital expenditures required to support this data. Management will continue to assess the appropriateness of this course of action and will resume planned levels of data capture when feasible.

Changes in Accounting Policies

iLOOKABOUT has not adopted any changes in accounting policy in the quarter ended September 30, 2008 from those employed in the quarter ended June 30, 2008.

The CICA has issued a number of new accounting pronouncements that have not yet come into effect that will need to be considered by Management for subsequent financial reporting periods.

International Financial Reporting Standards

In February 2008, the CICA's Accounting Standards Board confirmed that publicly accountable enterprises will be required to adopt International Financial Reporting Standards ("IFRS") effective in calendar year 2011, with early adoption allowed starting in calendar year 2009. IFRS uses a conceptual framework similar to Canadian GAAP, but there are significant differences relating to recognition, measurement and disclosure. The Company's changeover to IFRS will be required for interim and annual financial statements beginning on January 1, 2011. Changes in accounting policies are likely, but whether their impact on the financial statements will be material has not yet been determined. The Company is currently assessing the impact of adoption of IFRS on its financial statements.

Goodwill and intangible assets

Section 3064 – Goodwill and intangible assets, is effective for fiscal years beginning on or after October 1, 2008 and replaces Section 3062 (Goodwill and other intangible assets) and Section 3450 (Research and development costs). Section 3064 establishes standards for the recognition, measurement and disclosure of goodwill and intangible assets. The Company is currently evaluating the impact of this new standard on its 2009 financial statements.

Commitments and Contractual Obligations

Agency Agreements

In connection with its initial public offering, Berkeley entered into an agency agreement, dated August 31, 2007, with Canaccord Capital Corporation ("*Canaccord*") pursuant to which it agreed to pay Canaccord a commission equal to 10% of the gross proceeds of the offering, an administrative fee of $10,000 and reimbursement of its legal fees and other expenses incurred pursuant to the offering up to a maximum of $20,000. All commissions, fees and expenses due to Canaccord were paid upon the conclusion of this offering in September 2007.

In addition, pursuant to this agency agreement, Berkeley granted to Canaccord non-transferable warrants to purchase 400,000 common shares of Berkely (representing 10% of the total number of common shares sold under the offering) on the closing of this offering at a price of $0.10 per common share, exercisable for a period of 24 months from the date of listing of the common shares on the TSXV. Upon the amalgamation of Berkeley and ILAH, these warrants were converted into warrants to purchase 83,320 common shares of iLOOKABOUT for $0.48.

ILAH engaged Lighthouse Private Client Corporation ("*Lighthouse*") as its agent in respect of three of the four private placements that it completed in 2007. In the first financing, pursuant to the terms of an agency agreement made as of May 8, 2007, Lighthouse was entitled to, and did receive, cash fees equal to 8% of the gross proceeds of the financing and warrants to purchase ILAH common shares equal to 8% of the units sold, at an exercise price of $0.46 per share. In addition, Lighthouse was entitled to reimbursement of its out-of-pocket expenses up to a maximum of $15,000. As permitted under this agency agreement, Lighthouse engaged the services of sub-agents.

Pursuant to the terms of an agency amending agreement made with Lighthouse as of July 25, 2007, in respect of the private placement financing completed on August 13, 2007, Lighthouse was entitled to, and did receive, cash fees equal to 8% of the gross proceeds of the financing, warrants to purchase common shares equal to 8% of the units sold, at an exercise price of $0.46 per share, and reimbursement of its out-of-pocket expenses up to a maximum of $15,000.

In respect of a private placement completed August 24, 2007, ILAH engaged Lighthouse as its agent, pursuant to the terms of an agency agreement made as of August 14, 2007. Under this agreement, Lighthouse was entitled to, and did receive, cash fees equal to 8% of the gross proceeds raised. Lighthouse was not entitled to warrants or reimbursement of any of its expenses under this agreement.

On December 20, 2007, ILAH entered into an agency agreement with Blackmont Capital Inc. ("*Blackmont*") to act as ILAH's agents in respect of the February 2008 private placement. As permitted under this agency agreement, Blackmont engaged the services of sub-agents. Collectively, the agents were entitled to, and did receive, cash commissions equal to 8% of the gross proceeds of the financing. As additional compensation provided for under this agreement, the agents received options to acquire the equivalent of 8% of the units sold in the private placement, for an exercise price of $0.80. Each unit consisted of one common share and one share purchase warrant of ILAH at an exercise price of $1.00. The agents were also entitled to reimbursement of reasonable fees and expenses up to a maximum of $75,000.

Details with respect to the private placements of ILAH are provided in the "Share Capital" section herein.

Escrow Agreement

In connection with its initial public offering, Berekely and its then existing shareholders entered into an escrow agreement dated August 31, 2007 with Equity Transfer & Trust Company ("*Equity*") by which all of the 6,099,999 common shares of Berkeley issued prior to the offering were deposited with Equity to be held in escrow pending the completion of the QT, after which time they are to be released in accordance with the schedule prescribed by the TSXV for Tier 1 Issuers.

Transfer Agent, Registrar and Disbursing Agent Agreement

Also in connection with its initial public offering, Berkeley entered into a Transfer Agent, Registrar and Disbursing Agent Agreement dated August 1, 2007 with Equity by which Equity agreed to act as transfer agent and registrar to Berkeley. Equity continues to act as iLOOKABOUT's transfer agent and registrar following the completion of the QT.

Business Combination Agreement

In furtherance of the QT, Berkeley and ILAH entered into an agreement in principle dated October 1, 2007. A formal business combination agreement was executed February 21, 2008, and the amalgamation of these entities as contemplated thereby to form the Company was completed on April 1, 2008. See "Qualifying Transaction" above.

Transactions with Related Parties

Two of the premises occupied by the Company in 2008 were rented on an annual basis from a related company. The related company is partially owned by an senior officer and director of the Company. The Company paid rent, which is included in selling, general and administration costs, to the related company in the amounts noted below. The rental agreement for one of these premises expired May 2008 and these premises are no longer being rented by the Company.

Three months ended September 30, 2008	$	3,000
Nine months ended September 30, 2008		13,400
Three months ended September 30, 2007	$	3,000
Nine months ended September 30, 2007		9,000

These transactions are in the normal course of operations and are disclosed at the exchange amount (the amount of consideration established and agreed to by the related parties).

In September 2007, the Company purchased computer equipment from a related company owned by two officers and directors of the Company. The equipment was recorded at the exchange amount of $20,000. This transaction was in the normal course of operations.

Off Balance Sheet Arrangements

As at September 30, 2008, 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.

Financial Instruments

iLOOKABOUT's financial instruments consist of cash and cash equivalents, accounts receivable, commodity tax recoverable, investment tax credit receivable and accounts payable and accrued charges. Management does not believe these financial instruments expose iLOOKABOUT to any significant interest, currency or credit risks.

Risk Factors

Significant risks that could materially affect iLOOKABOUT's future financial and/or operational results are summarized below.

Risks related to financial condition

The Company has a history of operating losses, has not generated significant revenues to date, and given the early stage of commercialization of its StreetScape product, expects to continue to experience losses for the foreseeable future. Failure to generate sufficient cash inflows through sales and/or future financing could result in the inability of the Company to continue as a going concern in the future. The Company's ability to generate funds through new sales and additional equity or debt financing in the near term are adversely impacted by the current economic downturn, which further increases the risk of the Company becoming unable to continue as a going concern.

As discussed in the section entitled "Current Challenges" herein, the Company's strategic and business plans will not be fully funded with its existing cash resources. Additional funds will have to be generated through new sales and/or additional financing to implement the Company's strategic and business plans. The current economic downturn adversely affects the Company's ability to raise equity financing at desirable terms in the foreseeable future, and its ability to secure new sales given current budget and financial constraints of many of its targeted customers. In addition, the sales cycle of the Company's StreetScape product from the initiation of the sales contact to close is longer than expected, which has a negative impact on the Company's ability to generate needed cash resources on a timely basis.

Management has identified the need to aggressively conserve the Company's cash resources given the current economic downturn and longer than expected sales cycle, and has developed and is implementing immediate and near term cost containment plans. However, these plans may not be sufficient to ensure the continuing viability of the Company as a going concern in the absence of additional financing or increased sales revenues. Such conservations will require a reduction to the Company's data capturing efforts, reducing the data available for license to potential customers and may delay the signing of new sales contracts or delay the Company's receipt of payments thereunder until data is captured.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient funds to meet its financial obligations. On an ongoing basis, the Company monitors and manages its actual and projected cash flows, with the primary objectives of maintaining liquidity and financial flexibility.

The contractual obligations of the Company as at September 30, 2008, were composed of accounts payable, accrued liabilities and commitments in the amount of $763,669. The Company's immediate cash and cash equivalent resources totaled $2,718,518 as at September 30, 2008, indicating the Company's current ability to meet its financial obligations. Working capital, defined as current assets less current liabilities, was $2,608,479 as at September 30, 2008.

Credit risk

Credit risk is the risk that counterparties will fail to meet their obligations to the Company, resulting in loss of financial benefit to the Company.

Cash and cash equivalents

As at September 30, 2008, the Company held cash in bank accounts in the amount of $614,010 and cash equivalents, such as treasury bills and guaranteed investment certificates, in the amount of $2,104,508. The Company's investment policy requires that the Company only invest in highly rated investment-grade securities in order to minimize its exposure to loss.

Accounts receivable

Credit risk arises from the potential that a customer will fail to meet its contractual obligations to the Company as they fall due and is primarily attributable to accounts receivable and investment tax credit receivable. To reduce iLOOKABOUT's exposure to this risk, the Company has implemented a credit policy which incorporates an approval process for new customers expected to carry significant balances, the establishment of credit limits and the ongoing monitoring of the credit worthiness of customers with significant credit limits. Further, the Company regularly monitors and manages the aging of accounts receivable.

As at September 30, 2008, accounts receivable related to two customers represented approximately 78% of trade accounts receivable at that date. Each of these receivables were fully collected subsequent to September 30, 2008.

General provisions for bad debt are made based on past experience. Specific provisions are made against trade receivables for any customer that is known to be in poor financial condition or for any other reason that Management considers it doubtful that the customer's balance outstanding will be settled in full. Of the Company's accounts receivable at September 30, 2008, $30,592 were greater than 180 days old, and an allowance has been established in full against these receivables. Other amounts are allowed when an account is less than 180 days old but there is a specific reason to believe collection may be doubtful or less than the full amount of the receivable. The Company has not permanently written off any of these receivables as none of these amounts have been challenged by the respective customers(s) and the Company continues to conduct business with them on an ongoing basis.

The change in allowance for doubtful accounts is as follows:

Allowance for doubtful accounts at December 31, 2007	$	47,589
Accounts written off		(18,504)
Foreign exchange change on accounts allowed for		1,392
Increase in allowance		2,267
Allowance for doubtful accounts at September 30, 2008	$	32,744

Market risk

Market risk is the risk of loss that may arise from changes in market prices, such as foreign exchange rates and interest rates, which will affect the Company's operating results or value of its financial instruments.

Foreign currency exchange rate risk

The international operations of the Company expose it to foreign currency exchange risk in the ordinary course of business. The Company is exposed to this risk primarily through its US Dollar denominated cash, accounts receivable and accounts payable. The nature of the Company's operations provides a natural hedge which is considered by Management to be sufficient to mitigate exchange rate risk based on the Company's current risk tolerance. The nature, extent and timing of foreign currency denominated cash flows are regularly monitored to identify changes in exposure and assess the need for active management of such exposure (i.e. the use of foreign exchange contracts).

All other things being equal, based on the US Dollar denominated assets and liabilities of the consolidated Company as at September 30, 2008, the impact of a 5% strengthening (weakening) of the Canadian dollar against the US dollar would have a nominal impact on loss for the period.

Interest rate risk

The Company receives a fixed rate of interest on investments in treasury bills and a variable rate of interest, based on movements in the prime interest rate, on its guaranteed investment certificates. A reduction of 1% in the interest rate received on investments with a variable interest rate would have a nominal impact on loss for the period.

Risks related to the Company's securities

The Company does not intend to pay any cash dividends on its common shares in the short or medium term; therefore, its shareholders may not be able to receive a return on their shares unless they sell them.

The market price and trading volume of iLOOKABOUT's common shares may be volatile.

Other Risks

If the Company fails to hire and/or retain key personnel, implementation of its strategic and business plans could be negatively impacted and future growth could suffer.

iLOOKABOUT's operations could be disrupted if its information systems fail or if it is unsuccessful in implementing necessary upgrades and/or redundancy, which could result in a negative financial impact.

Further risks and uncertainties with respect to iLOOKABOUT Corp. are documented in iLOOKABOUT's Annual Information Form dated April 22, 2008, which can be found on SEDAR at www.sedar.com.