iLOOKABOUT Corp.

Management's Discussion and Analysis of Financial Condition and Results of Operations for the nine months from January 1, 2009 to September 30, 2009 (the "*Period*")

The information set forth below has been prepared as at November 25, 2009, 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 months ended September 30, 2009, 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 Company's Annual Information Form ("AIF") can also be found on SEDAR at www.sedar.com .

The unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("*GAAP*") for interim financial statements, and follow the same policies and methods of their application as the Company's most recent annual financial statements, except with respect to the accounting policy changes disclosed herein. By their nature, the unaudited interim consolidated financial statements do not conform in all respects with disclosures for annual financial statements and should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2008.

All dollar figures referred to herein are Canadian dollars unless otherwise stated.

A cautionary note regarding forward-looking statements follows the section "Risk Factors" below.

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. 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 its StreetScape image database.

Current Overview

During 2009, the Company evolved its business by completing the capture of a "critical mass" of data for the Canadian market, maturing its StreetScape technology platform, implementing aggressive cost containment measures, and recently completing an equity private placement yielding gross cash proceeds of $2,198,700 and net proceeds of $1,921,023. The Company is now in a position to shift its primary focus to sales, channel and partnership activities with the goal of driving significant revenue over the next year. In the first three quarters of 2009, the Company entered into numerous agreements to provide StreetScape imagery in the real estate, municipal, assessment, insurance and utility verticals. These agreements include direct sales, pilot projects and channel partnerships that form the base to build and grow a strong sales platform. The Company's success to date in 2009 in securing new sales agreements has driven revenue from $579,666 for the nine months ended September 30, 2008 to $1,551,927 for the same period in 2009, representing 168% growth. For the third quarter, revenue increased from $213,233 in 2008 to $569,526 in 2009.

While the Company has achieved significant sales growth in 2009, the overall economic environment coupled with an extended sales cycle for its StreetScape product has led Management to continue its aggressive cost containment measures developed and initialized in the latter part of 2008 to preserve the Company's cash resources. Continuing assessment of the Company's three-year strategic plan identifies a less than fully funded position with its anticipated cash resources. Additional funds will need to be generated to meet the objectives of its strategic plan. On a regular and on-going basis, Management assesses the need to balance the preservation of cash resources with the pursuit of strategic objectives critical to the Company's long-term success.

Outlook

To assist in forecasting future financial resources, the Company monitors revenue backlog[1], a non-GAAP financial measure. As at September 30, 2009, the Company had a revenue backlog of approximately $7,225,000 compared to its revenue backlog of approximately $6,330,000 as at June 30, 2009. This represents an approximate 14.1% increase, net of decreases attributable to foreign exchange rate changes. Had foreign exchange rates remained unchanged as compared to the second quarter, revenue backlog would have increased approximately 15.3%. As at November 25, 2009, the Company's revenue backlog is approximately $6,900,000. The revenue backlog disclosed herein does not include any revenue expected to arise from sales agreements where the customer has no commitment to draw upon services from the Company. Therefore, potential future transactional based revenue resulting from existing agreements is not included in revenue backlog.

[1] 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 customer 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 deducted 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 at the end of each quarter to include only revenues that fall within the five year limit with the passage of time. 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.

Overall Performance and Results of Operations

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, 2009, including the accompanying notes, which can be found on SEDAR at www.sedar.com.

Summary of Quarterly Results

	Unaudited				Audited
	Three months ended				Year ended
	March 31	**June 30**	**Sept 30**	**Dec 31**	**Dec 31**
Fiscal 2009					
Revenue	$ 431,062	$ 551,339	$ 569,526		
Loss from operations before interest and other income and foreign exchange gain (loss)	(503,203)	(562,492)	(424,394)		
Loss for the period	(514,494)	(573,089)	(408,684)		
Loss per share (basic and diluted)	(0.01)	(0.02)	(0.01)		
Fiscal 2008					
Revenue	$ 180,703	$ 185,730	$ 213,233	$ 239,211	$ 818,877
Loss from operations before interest and other income and foreign exchange gain (loss)	(487,324)	(1,130,299)	(1,530,132)	(1,027,062)	(4,174,817)
Loss for the period	(474,496)	(1,123,118)	(1,513,664)	(991,685)	(4,102,963)
Loss per share (basic and diluted)	(0.02)	(0.03)	(0.04)	(0.03)	(0.13)
Fiscal 2007					
Revenue	$ 81,290	$ 147,553	$ 92,862	$ 165,129	$ 486,834
Loss from operations before interest and other income and foreign exchange gain (loss)	(44,962)	(270,462)	(663,254)	(634,748)	(1,613,426)
Loss for the period	(44,962)	(280,306)	(670,525)	(626,936)	(1,622,729)
Loss per share (basic and diluted)	(0.003)	(0.01)	(0.03)	(0.02)	(0.07)

Cumulative Quarterly Results Summary

	Unaudited			Audited
	Three Months Ended Mar 31	Six Months Ended June 30	Nine Months Ended Sept 30	Year Ended Dec 31
Fiscal 2009				
Revenue	$ 431,062	$ 982,401	$ 1,551,927	
Loss from operations before interest and other income and foreign exchange gain (loss)	(503,203)	(1,065,695)	$ (1,490,089)	
Loss for the period	(514,494)	(1,087,583)	$ (1,496,267)	
Loss per share (basic and diluted)	(0.01)	(0.03)	(0.04)	
Fiscal 2008				
Revenue	$ 180,703	$ 366,433	$ 579,666	$ 818,877
Loss from operations before interest and other income and foreign exchange gain (loss)	(487,324)	(1,617,623)	(3,147,753)	(4,174,817)
Loss for the period	(474,496)	(1,597,614)	(3,111,276)	(4,102,963)
Loss per share (basic and diluted)	(0.02)	(0.05)	(0.10)	(0.13)
Fiscal 2007				
Revenue	$ 81,290	$ 228,843	$ 321,705	$ 486,834
Loss from operations before interest and other income and foreign exchange gain (loss)	(44,962)	(315,424)	(978,678)	(1,613,426)
Loss for the period	(44,962)	(325,268)	(995,793)	(1,622,729)
Loss per share (basic and diluted)	(0.00)	(0.02)	(0.05)	(0.07)

Revenue and Operating Expense Analysis

	Unaudited		Unaudited	
	Three months ended Sept. 30, 2009	Three months ended Sept. 30, 2008	Nine months ended Sept. 30, 2009	Nine months ended Sept. 30, 2008
Total Revenue	**$ 569,526**	**$ 213,233**	**$ 1,551,927**	**$ 579,666**
Research, technology & operations	420,596	717,272	1,058,168	1,437,732
Selling, general & administration	703,543	789,543	1,888,929	1,867,100
Investment tax credits refundable	(148,201)	-	(148,201)	-
Amortization of equipment	523	81,921	154,750	189,991
Amortization of intangible assets	6,033	9,236	16,396	15,521
Stock based compensation	11,426	145,393	71,974	217,075
Total Operating Expenses	**$ 993,920**	**$ 1,743,365**	**$ 3,042,016**	**$ 3,727,419**
Other earnings (loss)	15,710	16,468	(6,178)	36,477
Net loss	**$ (408,684)**	**$ (1,513,664)**	**$ (1,496,267)**	**$ (3,111,276)**
Loss per share (basic and diluted)	**$ (0.01)**	**$ (0.04)**	**$ (0.04)**	**$ (0.10)**

Revenue

Revenue increased 167% to $569,526 for the three months ended September 30, 2009, compared to the same period in fiscal 2008. For the nine months ended September 30, 2009, revenue increased 168% to $1,551,927, as compared to the same period of the prior year. These increases are primarily attributable to the sales growth of the Company's StreetScape product. In the first three quarters of 2009, StreetScape revenue increased to approximately 90% of total revenue, as compared to approximately 71% in the same period of 2008. Virtual Tour related revenue decreased approximately 40% in the first three quarters of 2009 as compared to the same period in 2008. This decrease is attributable to a combination of the Company's shift in focus and resources to the StreetScape product and a general weakening of the real estate industry, which is the target market for Virtual Tours, particularly in the United States.

As a percentage of total revenue, revenue related to the Company's US-based customers for the three month and nine month periods ended September 30, 2009, decreased from 74% to 24% and from 71% to 30% respectively, as compared to the same periods of 2008. This change is primarily attributable to the increase in sales agreements with Canadian based customers for the StreetScape product coupled with the objective to leverage collected data in this geographic space.

As a result of the extent of StreetScape imagery coverage that the Company has now captured in Canada, the Company was able to enter agreements in the third quarter with two new strategic partners. To date, the nature of StreetScape related revenue has been license based. These new strategic partnerships will enable the Company to begin generating transactional based revenue in the future, in addition to license based revenue. As at September 30, 2009, the Company had not yet generated any transactional-based revenue and does not expect such revenue to commence until 2010.

Research, technology and operations expense

This expense category is composed primarily of direct data capture costs, such as driver labour, vehicle operating costs, and labour costs associated with research, technology and operations staff.

The Company's research, technology and operations expense decreased from $1,437,732 to $1,058,168 for the nine months ended September 30, 2009 as compared to the same period in the prior year, representing a decrease of approximately 26%; and decreased from $717,272 to $420,596 for the three months ended September 30, 2008 and 2009 respectively. These decreases are primarily related to decreased data capture activity in 2009 as compared to 2008. In 2008, data capture was focused on building critical mass in the Company's target markets, while in 2009, the Company's data capture efforts have been focused on capturing data required to service existing and new sales agreements. As part of the Company's cost containment plans adopted in the latter part of 2008, speculative data capture was significantly reduced in 2009 in order to conserve cash resources. In addition, human resource related costs in the area of research, technology and operations were rationalized, consistent with the Company's cost containment plans.

Data capture costs in the third quarter of 2009 increased approximately 65% compared to the second quarter of 2009. In the third quarter of 2009, several sales agreements were signed which required additional data capture to service, thus causing data capture costs to be higher in the third quarter than the second quarter. Due to the seasonal impact on data capture in Canada, the northern regions of the United States, and the United Kingdom, being the Company's current areas of focus, peak levels of data capture are typically in the second and third quarters of the year, with the third quarter being the most optimal for data capture in the noted regions.

Selling, general and administration expense

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

For the three months ended September 30, 2009, selling, general and administration expense decreased to $703,543 from $789,543 for the same period in the prior year. In this three month period in 2009, royalty and commission expense was significantly greater than in the prior year due to increased sales in 2009; which increase was more than offset by Management initiated cost containment measures. Selling, general and administration expense for the nine months ended September 30, 2009 was $1,888,929, compared to $1,867,100 for the same period of the prior year. Significant fluctuations for these nine month periods were of the same nature as for the three month periods ended September 30th, increased royalty and commission expense and decreased human resource and sales support related items due to cost containment efforts; however, for the nine month period, cost reductions did not serve to offset the increased royalty and commission expense in 2009 driven by increased sales levels.

Other

In the third quarter, the Company received notification from the Canada Revenue Agency with respect to Scientific Research and Experimental Development (*"SR&ED")* tax credits for the periods of January 1 to December 31, 2007 and January 1 to March 31, 2008 (being the last date that the Company's predecessor, iLOOKABOUT Holdings Inc., qualified as a Canadian Controlled Private Corporation). As a result of this confirmation, a further $270,633 of research and development tax credits were accrued as a receivable and have been recognized as a reduction of capital items or operating expenses. In the reporting period, $148,201 was recorded as a reduction to operating expenses, other than amortization.

Amortization expense was reduced by $81,211 to adjust for amortization recorded in previous periods related to the capital assets which were confirmed in the reporting period to be eligible capital expenditures for SR&ED tax credits. Had this adjustment not been required, amortization expense for the three months ended September 20, 2009 would be nearly unchanged compared to the same period in the prior year. Increased amortization of equipment in the first two quarters of 2009 compared to the same period in 2008 were the result of significant equipment additions in the second and third quarters of 2008, which were needed to develop the infrastructure required for the Company's move from the research and development phase to the commercialization phase of the Company's lifecycle.

See the section "Assets, Liabilities and Share Capital Analysis" below for further detail regarding the SR&ED tax credits and their accounting treatment.

Stock compensation expense is recognized over the vesting period of options granted, with the counterpart recognized as contributed surplus. The fluctuations in stock compensation expense relate to the grant of options, the timing of vesting of granted options, and the fair value assigned to options granted. In the first quarter of 2009, 120,000 options were granted and vested immediately. In the second quarter of 2009, 125,000 options were granted, of which 50% vested immediately. No options were granted in the third quarter of 2009.

In 2009, the combination of lower interest rates on investments, including treasury bills and guaranteed investment certificates, a reduced cash position available for investment, and foreign exchange losses were the primary cause of the change in Other Income (Loss) from a gain of $36,477 for the nine months ended September 30, 2008 to a loss of $6,178 for the same period in 2009.

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 at this time to mitigate significant 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 through the use of foreign exchange contracts.

Assets, Liabilities and Share Capital Analysis

		Sept 30, 2009 Unaudited		**Dec 31, 2008 Audited**
Assets	$	3,505,496	$	2,787,290
Liabilities	$	722,814	$	523,596
Share and warrant capital	$	9,496,530	$	7,939,481
Contributed surplus	$	1,165,995	$	707,789
Common shares outstanding		39,966,042		34,384,492
Options and warrants outstanding		11,789,315		10,317,907

Assets

Total assets held at September 30, 2009 and December 31, 2008 were composed primarily of cash and cash equivalents, trade and other receivables, investment tax credits receivable and equipment.

Cash and cash equivalents increased from $1,581,938 to $2,152,133 from December 31, 2008 to September 30, 2009. In July 2009, the Company raised net cash proceeds of $1,921,023. While sales levels have increased substantially, year-over-year the Company has not yet achieved sales levels sufficient to generate sustaining net cash inflows from operations, and continues to seek additional cash inflows through new sales, government grants and/or equity financing.

Trade and other receivables decreased from $168,121 at December 31, 2008 to $118,035 at September 30, 2009. As at September 30, 2009, of trade receivables totaling $85,884, 84% was attributed to one customer and was fully collected subsequent to the reporting period.

In the third quarter, the Company received notification from the Canada Revenue Agency with respect to SR&ED tax credits for the periods of January 1 to December 31, 2007 and January 1 to March 31, 2008. As a result of this confirmation, a further $270,633 of research and development tax credits were accrued as a receivable. Subsequent to the reporting period, the full amount of investment tax credits receivable was collected.

Equipment, net of accumulated amortization, decreased from $582,577 at December 31, 2008 to $475,478 at September 30, 2009. Additional equipment requirements in 2009 have been significantly less than in 2008 when the Company was in the initial stages of building its required infrastructure as it moved to the commercialization stage of its development. In the first nine months of 2009 additions were $171,650 compared to $415,060 for the same period in 2008. There were no significant disposals or write downs in either year. As noted above, in the third quarter of fiscal 2009, confirmation was received that the Company would receive SR&ED refunds for the periods of January 1 to December 31, 2007 and January 1 to March 31, 2008. Of the $122,432 tax credits related to equipment, $41,221 was recorded as a reduction of equipment and $81,211 was recorded against amortization expense for amortization previously taken on the related assets.

Liabilities

As at September 30, 2009, the Company’s liabilities totaled $722,814, of which $392,843 represented accounts payable and accrued liabilities and $329,971 represented deferred revenue. As at December 31, 2008, liabilities totaled $523,596, of which $378,527 represented accounts payable and accrued liabilities and $145,069 represented deferred revenue. Deferred revenue relates to payments received from customers in advance of providing services and for which revenue has not yet been earned. The increase in deferred revenue as at September 30, 2009 is attributable to the increase in sales agreements entered into in 2009 and receipt of associated up-front payments.

Commitments for the remainder of 2009 and 2010 related to leasing of premises and vehicles were in the amount of $65,790. The Company does not currently hold any traditional financing debt.

Share capital, warrant capital and contributed surplus

In January 2009, the Company granted 120,000 options at an exercise price of $0.22. These options vested upon grant and expire five years from the grant date.

In May 2009, the Company granted 125,000 options at an exercise price of $0.38. These options vest over a seven month period and expire five years from the grant date.

On April 7, 2009, 1,576,196 of the warrants previously issued for the purchase of 1,576,196 common shares, at a price of $0.69 per share, expired unexercised.

On June 19, 2009, 217,391 of the agent warrants previously issued for the purchase of 217,391 common shares, at a price of $0.46, expired unexercised.

In July 2009, the Company completed a private placement resulting in the issue of 5,496,750 common shares, 2,748,375 warrants, and 439,740 agent warrants. Each whole warrant entitles the holder to purchase one common share of the Company for an exercise price of $0.55 per share, during the twelve months following the closing of the private placement. Each agent warrant entitles the holder to purchase one common share and one-half of one common share purchase warrant for an exercise price of $0.40, for twenty-four months following the closing of the private placement. Each resulting whole purchase warrant entitles the holder to purchase an additional common share at an exercise price of $0.55, during the twelve months following the closing of the private placement. See the "Liquidity, Financing Activities and Capital Resources" section below for further details related to the private placement.

In August 2009, all of the 34,800 agent warrants previously issued for the purchase of 34,800 common shares, at a price of $0.46 per share, were exercised.

On September 17, 2009, 83,320 of the warrants previously issued for the purchase of 83,320 common shares, at a price of $0.48 per share, expired unexercised.

Subsequent to the period end, 250,000 stock options were granted for an exercise price of $0.48 per share. These options vest over a period of three years, and expire five years following the grant date.

The details of changes in share capital, warrant capital and contributed surplus are summarized in the tables below.

Table - Summary - Share and Warrant Capital

		September 30, 2009			December 31, 2008		
	Expiry date	**Issued**		**Amount**	**Issued**		**Amount**
Authorized:							
Unlimited common shares							
Unlimited preferred shares							
Issued:							
Common shares		39,966,042	$	7,936,201	34,384,492	$	6,495,232
Share purchase warrants:							
$0.40 agent warrants	July 13/10	208,640		-	-		-
$0.55 warrants	July 13/10	1,304,000		150,585	-		-
$0.40 agent warrants	July 3/10	231,100		-	-		-
$0.55 warrants	July 3/10	1,444,375		173,845	-		-
$1.00 agent warrants	Feb 21/10	515,400		-	515,400		-
$1.00 warrants	April 1/10	6,567,500		1,235,899	6,567,500		1,235,899
$0.48 warrants	Sept 17/09	-		-	83,320		2,414
$0.46 agent warrants	Aug 13/09	-		-	34,800		-
$0.46 agent warrants	June 19/09	-		-	217,391		-
$0.69 warrants	April 7/09	-		-	1,576,196		205,936
		10,271,015		1,560,329	8,994,607		1,444,249
Share capital and warrant capital		50,237,057	$	9,496,530	43,379,099	$	7,939,481

Table - Share Capital

	Number of shares		Amount
Balance, December 31, 2008	34,384,492	$	6,495,232
Shares issued, private placement	5,496,750		1,761,708
Share issue costs	-		(364,431)
Warrants exercised	34,800		22,654
Options exercised	50,000		21,038
Balance, September 30, 2009	39,966,042	$	7,936,201

Table - Warrant Capital

	Number of warrants		Amount
Balance, December 31, 2008	8,994,607	$	1,444,249
Warrants issued, private placement	3,188,115		436,992
Warrant issue costs	-		(112,562)
Warrants exercised	(34,800)		-
Warrants expired	(1,876,907)		(208,350)
Balance, September 30, 2009	10,271,015	$	1,560,329

Table – Contributed Surplus

Balance, December 31, 2008	$	707,789
Stock compensation expense		71,974
Fair value of warrants granted to agents		199,316
Exercise of stock options		(14,788)
Exercise of warrants		(6,646)
Expiry of warrants		208,350
Balance, September 30, 2009	$	1,165,995

Outstanding Share Data

As at September 30, 2009, iLOOKABOUT had 39,966,042 common shares issued and outstanding, and outstanding options and warrants to purchase 11,789,315 common shares, exercisable at prices ranging from $0.125 to $1.00 per share.

Subsequent to September 30, 2009, 250,000 stock options were granted at an exercise price of $0.48 per share, in accordance with the Company's Stock Option Plan. These options vest over a period of three years, and expire five years following the grant date.

See the "Share capital, warrant capital and contributed surplus" section above for further detail related to the issuance of common shares and warrants, exercise of warrants and options, and expiry of warrants.

Liquidity, Financing Activities and Capital Resources

As at September 30, 2009, iLOOKABOUT had working capital, calculated as current assets less current liabilities, of $2,247,926 consisting of cash and cash equivalents of approximately $2,152,133, trade and other receivables of $118,035, investment tax credits receivable of $529,210, prepaid and other current assets of $157,598, accounts payable and accrued charges of $392,843, and current deferred revenue of $316,207. The Company also has commitments of $65,790 due between October 2009 and December 2010. The Company's current level of working capital, after considering commitments, indicates that the Company is presently able to meet its financial obligations as they fall due.

In July 2009, iLOOKABOUT completed a private placement, consisting of two closings, resulting in the issuance of 5,496,750 units for $0.40 per unit. Each unit consisted of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company for an exercise price of $0.55 per share, during the twelve months following the closing of the private placement. Gross proceeds of this financing were $2,198,700. Unit issue costs, including the fair value of warrants issued to agents, totaled $476,994. Agents were issued 439,740 units in connection with this financing. Each unit entitles the holder to purchase one common share and one-half of one common share purchase warrant for an exercise price of $0.40, during the twenty-four months following the closing of the private placement. Each resulting whole warrant entitles the holder to purchase an additional common share at an exercise price of $0.55, during the twelve months following the closing of the private placement.

Commitments and Contractual Obligations

There has been no significant change in commitments and contractual obligations from those disclosed in Management's Discussion and Analysis for the year ended December 31, 2008, with the exception of the private placement completed in July 2009 discussed above. In connection with this private placement, the Company engaged an agent, pursuant to an agency agreement made as of July 3, 2009. As permitted under the agency agreement, the agent 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 and a work fee of $20,000. 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 $0.40 for a period of twenty-four months from the closing date of the private placement. The agents were also entitled to reimbursement of reasonable fees and expenses, including legal fees, which totaled $39,130.

Off Balance Sheet Arrangements

As at September 30, 2009, 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, trade and other receivables, investment tax credits receivable and accounts payable and accrued charges. Management does not believe these financial instruments expose iLOOKABOUT to any significant interest, currency or credit risks.

Transactions with Related Parties

One of the premises occupied by the Company is rented on an annual basis from a related company which is owned by an officer and director of the Company. The Company paid rent of $9,000 to the related company in the period. These transactions are in the normal course of operations and are disclosed at the exchange amount, being the amount of consideration established and agreed to by the related parties.

Changes in Accounting Policies

Effective January 1, 2009, the Company adopted the Canadian Institute of Chartered Accountants ("CICA") revised Handbook Section 3064, Goodwill and Intangible Assets. This Section establishes new standards for the recognition and measurement of intangible assets. Adoption of this standard had no impact on the Company's financial statements.

On January 20, 2009, the CICA issued Emerging Issues Committee Abstract – 173 ("EIC-173"), Credit Risk and the Fair Value of Financial Assets and Liabilities. This abstract concludes that an entity's own credit risk and the credit risk of the counterparty should be taken into account when determining the fair value of financial assets and financial liabilities, including derivative instruments. This abstract is to apply to all financial assets and liabilities measured at fair value in interim and annual financial statements for periods ending on or after January 20, 2009. The adoption of this abstract had no impact on the Company's financial statements.

Future Accounting Policy Changes

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

Financial Instruments - Disclosures

In June 2009, the CICA amended Section 3862, Financial Instruments – Disclosures, to include additional disclosure requirements about fair value measurement for financial instruments and liquidity risk disclosures. These amendments require a three-level hierarchy that reflects the significance of the inputs used in making the fair value measurements. Fair value of assets and liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Assets and liabilities in Level 2 include valuations using inputs other than the quoted prices for which all significant inputs are based on observable market data, either directly or indirectly. Level 3 valuations are based on inputs that are not based on observable market data. The amendments to Section 3862 apply for annual financial statements relating to fiscal years ending after September 30, 2009. The Company is assessing the impact of these amendments on its consolidated financial statements.

International Financial Reporting Standards

In February 2008, the CICA's Accounting Standards Board confirmed that publicly accountable enterprises will 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 with respect to recognition, measurement and disclosures. 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 the adoption of IFRS on its financial statements and has developed and is implementing a conversion plan which includes, but is not limited to, the following:

- Comparison of the Company's significant accounting policies under Canadian GAAP to IFRS and quantification of the expected impact of IFRS adoption on its financial statements;
- Assessment of the impact of conversion on financial and business processes (i.e. internal control, data gathering and management, internal reporting, etc.);
- Assessment of the information technology and reporting systems required to support conversion to IFRS;
- Assessment of the financial reporting expertise required for conversion and expected training needs; and
- Identification of external resources and expertise required to facilitate an effective conversion.

Progress with respect to the above noted items include:

- Key finance personnel have completed initial IFRS training.
- Assessment of the expected extent of need for external resources and expertise has been completed and appropriate service providers selected.
- Internal analysis of accounting standards expected to impact the Company has commenced.
- A preliminary assessment of information technology requirements has been completed, and appropriate steps are being taken to ensure these requirements are met.
- Regular status meetings have commenced to provide the opportunity for Management to keep the Audit Committee apprised of the status of the conversion plan and address any significant issues that may arise.

Risk Factors

Significant risks that could materially affect iLOOKABOUT's future financial and/or operating results are contained in the Company's Annual Information Form that can be found on SEDAR at www.sedar.com. Those risks remain in effect and unchanged as at November 25, 2009.

Forward-Looking Statements

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

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

Additional Information

Additional information relating to iLOOKABOUT, including the Company's Annual Information Form, may be found on SEDAR at www.sedar.com.