iLOOKABOUT Corp.

Management’s Discussion and Analysis of Financial Condition and Results of Operations

for the year ended December 31, 2017 (the “Period”)

The information set forth below has been prepared as at April 27, 2018, and is derived from, and should be read in conjunction with, iLOOKABOUT Corp.ôs (ñiLOOKABOUTò or the ñCompanyò) audited consolidated financial statements for the year ended December 31, 2017, including the accompanying notes (the ñ2017 Consolidated Financial Statementsò), which can be found on SEDAR at www.sedar.com. This Management Discussion and Analysis (ñMD&Aò) is intended to assist in understanding the dynamics of the Companyôs business and key factors underlying its financial results.

The 2017 Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (ñIFRSò). All dollar figures referred to herein are Canadian dollars unless otherwise stated. For narrative purposes, all dollar amounts have been rounded to thousands unless otherwise stated.

Forward-Looking Statements

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

Certain factors that could cause actual results to differ materially from those expressed or implied in any forward-looking statements included in this MD&A include, but are not limited to, risks associated with general economic conditions, risks associated with the Companyôs stage of development, operational risks (such as risks involved in developing new products and services, product performance warranties, risks associated with doing business with partners, risks from regulatory and legal proceedings, risks relating to the Companyôs dependence on certain customers, and human resource risks), financing risks (such as risks relating to liquidity and access to capital markets or debt financing) and market risks (including foreign currency fluctuations and changing interest rates). Readers are cautioned that the foregoing list of factors that may affect future growth, results and performance is not exhaustive and undue reliance should not be placed on forward-looking statements. Additional information about some of these risk factors can be found in the Companyôs 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.

Use of Non-GAAP Financial Measures

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

(i) ñAdjusted Working Capitalò, which is defined and calculated by the Company as current assets less current liabilities, excluding items that are not financial assets or financial liabilities. Management believes Adjusted Working Capital provides meaningful information with respect to the liquidity of the Company.

(ii) ñAdjusted EBITDAò, which is defined and calculated by the Company as comprehensive income (loss) before interest, taxes, depreciation/amortization of equipment and intangible assets, share-based compensation expense and other costs or income of a non-operating and/or non-recurring nature. The Company classifies income or costs as non-recurring if income or costs similar in nature are not reasonably expected to occur within the next two years nor have occurred during the prior two years, and such costs are significant. Prior to the fourth quarter of 2017 the Companyôs definition and calculation of Adjusted EBITDA did not include adjustments related to costs or income of a non-operating and/or non-recurring nature. The revision of this calculation had no impact on Adjusted EBITDA for prior periods presented herein. Management believes Adjusted EBITDA provides meaningful information with respect to the financial performance and value of the Company.

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

Company Overview

iLOOKABOUT is a software, data analytics, data aggregation and visual intelligence company focused on real property, serving primarily the property assessment, property taxation, municipal, insurance, and appraisal sectors, both public and private, in Canada and the United States (ñUSò). The Companyôs primary offerings are noted below.

GeoViewPort and StreetScape

GeoViewPort (ñGVPò) is a real property focused web-based application that targets the property assessment and appraisal industry by providing a leading-edge desktop review tool. GVP enables assessment professionals to simultaneously generate customized portals to view multiple elements related to a property, including iLOOKABOUTôs StreetScape and other street-level imagery, aerial imagery, advanced mapping tools, property valuation details, comparable property analysis, and structural characteristics, amongst others. GVP has developed into one of iLOOKABOUT's core product offerings, upon which a software architecture has been built to support a full suite of add-on tools and services.

To support the Companyôs customersô need to monitor the progress of assessment initiatives, the productivity of individual staff, and to audit activities, iLOOKABOUT has developed the GVP Management Module as an addition to the GVP suite of product offerings. GVP Management Module has now been implemented by a number of customers in the US responsible for property assessments.

The Company has also launched a beta version of GVP Mobile Appraiser, rounding out the GVP suite. Designed to facilitate physical property inspections, the GVP Mobile Appraiser provides automated task management for data collection, optimized routing, real-time navigation to support data entry, sketch review and photo capture capabilities. In combination with the additional features of geo-location recording, geo-controlled data entry and user labeling and notation, GVP Mobile Appraiser offers productivity enhancements to the workflow of the infield appraiser. GVP Mobile Appraiser is both cross-browser and cross-device compatible.

Since 2007, iLOOKABOUT has been collecting and processing street-level images from public streets in targeted geographic areas to create a database of images and associated metadata (data about data or content items). Through the utilization of proprietary hardware and software systems for the capturing, processing and geo-coding of image data from a moving vehicle, each high-resolution StreetScape image is captured with a digital camera and geo-coded using publicly available Global Positioning Systems (ñGPSò). The iLOOKABOUT StreetScape image database is accessible via GVP, as well as all major mapping applications, including, but not limited to, Google, Bing, Pictometry, ESRI, Intergraph, Bentley and Autodesk, through a secure web service.

To support the integration of its technology into customersô existing enterprise applications, the Company delivers professional programming and software development services in connection with its products to aid in customer implementation. This includes custom configuration and user interface modifications to suit the needs of the customerôs user groups and tailoring of the application to the particular end-user's needs.

Real Property Tax Analytics

Real Property Tax Analytics (ñRPTAò) is a web-based application that facilitates property assessment analytics by combining data attributes of more than 5.1 million properties in Ontario, integrating mapping, imagery and census data to deliver insightful comparable modeling and predictive valuations using proprietary algorithms. RPTA is currently being used primarily by municipal finance and taxation departments across Ontario. Regarded as a leading tool to support assessment-based management programs, this evolving offering is strategic for both large and small municipalities.

Other Applications

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

Data Commercialization

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

Professional Services

To support users that require a facilitated experience to the Company's technology, iLOOKABOUT provides municipal property tax consulting and support services focused on the property and valuation sectors. These services are provided through Municipal Tax Advisory Group Inc. (ñMTAGò), a wholly-owned subsidiary of iLOOKABOUT Corp., and MTAG Paralegal Professional Corporation, an entity indirectly controlled by the Company.

iLOOKABOUT is actively researching new product development opportunities through both leveraging its existing technologies and developing new products that serve a broader audience including, but not limited to, private sector end users.

iLOOKABOUTôs Common Shares are traded on the TSX Venture Exchange (ñTSXVò) under the symbol ILA.

Selected Annual Information

	Audited		
Years ended December 31	**2017**	**2016**	**2015**
Revenue	$ 9,403,347	$ 8,790,956	$ 7,481,725
Loss	(434,736)	(497,359)	(959,836)
Comprehensive loss	(370,810)	(476,640)	(1,111,212)
Loss per share (basic and diluted)	(0.01)	(0.01)	(0.02)
Total assets	10,126,621	5,343,511	5,758,481
Total liabilities	2,713,256	2,745,956	3,300,294
	Unaudited		
Adjusted EBITDA*	$ 662,570	$ 319,085	$ 53,005

**Adjusted EBITDA is a non-GAAP measure and is defined herein.*

Comparison of the twelve months ended December 31, 2017 and 2016

Revenue increased 7% to $9,403,000 from $8,791,000 for the years ended December 31, 2017 and 2016, respectively. This increase was primarily attributable to:

- Increased licensing of the Companyȏs web-based real property focused software and StreetScape imagery;
- Increased sub-contracted related revenue with respect to certain data verification and processing services to support a multi-year, US-based services agreement for which services commenced in the second quarter of 2017; and
- Increased custom software development.

These increases were partially offset by:

- Decreased revenue related to the re-licensing of certain third party data; and
- Decreased revenue related to consulting services.

Comprehensive loss decreased 22% to $371,000 from $477,000 for the years ended December 31, 2017 and 2016, respectively. This improvement was primarily attributable to:

- Increase in Revenue for the reasons noted above;
- Decrease in third-party data and software licensing costs;
- Decrease in data capture costs and image processing costs, primarily due to fluctuations in the timing and extent of StreetScape imagery capture projects;
- Decrease in expense related to legal services to support a consulting agreement for which such services were not required in fiscal 2017; and
- The recovery of an account previously assessed as uncollectible.

The positive impacts of the above-noted items on Comprehensive loss were partially offset by:

- Increase in human resource and related costs;
- Increase in insurance and professional fees; and
- Increase in travel and promotion expense.

Included in the increase in human resources and related costs were (i) termination related expenses totaling approximately $337,500, which costs are not expected to be recurring and have been included as an adjustment in the calculation of Adjusted EBITDA; and (ii) increased expense related to resources required to support development and promotion of new product and service offerings and strategic initiatives.

Total assets increased 90% to $10,127,000 at December 31, 2017, as compared to $5,344,000 at December 31, 2016. This increase was primarily attributable to an increase in cash resulting from a public offering completed in May 2017 which provided net cash proceeds of approximately $4,557,000.

Total liabilities decreased 1% to $2,713,000 at December 31, 2017, as compared to $2,746,000 at December 31, 2016. The most significant changes on a year over year basis were (i) a decrease in unearned revenue of $383,000 due to the timing of receipt of payments by customers in advance of provision of the related services by the Company, and (ii) an increase in accounts payable and accrued liabilities of $361,000 primarily due to an accrual of employee termination related costs in the fourth quarter of 2017 with no comparable accrual in the prior year.

Comparison of the twelve months ended December 31, 2016 and 2015:

Revenue increased 17% to $8,791,000 from $7,482,000 for the years ended December 31, 2016 and 2015, respectively. This increase was primarily attributable to:

- Commencement in February 2016 of a services agreement with the Municipal Property Assessment Corporation (ñMPACò) with respect to the channel delivery of the Municipal Connect 2.0 platform to MPACôs municipal clients in the Province of Ontario for which corresponding revenue was not recognized in 2015;
- Increased licensing of third party real property related data and increased sales of derivative reports; and
- Increased licensing of the Companyôs RPTA software and related data analytics reports.

This increase in revenue was partially offset by:

- Decreased US-based revenue due to a combination of the timing of initial deliveries and the expiry of several US contracts;
- Custom development work completed in 2015 for which there was not comparable work completed in 2016; and
- Decreased revenue from consulting services.

Comprehensive loss decreased 57% to $477,000 from $1,111,000 for the years ended December 31, 2016 and 2015, respectively. This improvement is primarily attributable to:

- Increased revenue as discussed above;
- Decreased share-based compensation expense resulting from fewer stock options being granted in 2016 as compared to 2015; and
- Decreased finance costs resulting from the repayment of the Companyôs secured term credit facility in April 2016.

The positive impacts of the above-noted items on comprehensive loss were partially offset by:

- Increased third party data licensing expense required to (i) support the generation of revenue related to derivative reports and re-licensing of data to end customers, and (ii) accrue for a minimum purchase commitment under a value-added reseller agreement, which commitment was greater for 2016 than for 2015;
- Increased human resource costs and professional fees to support development and promotion in support of certain sales and strategic initiatives;
- The receipt of Ontario Interactive Digital Media Tax Credits in 2015 with no comparative receipt in 2016; and
- Changes in foreign exchange gains and losses attributable to fluctuating US foreign exchange rates and US dollar denominated items.

Total assets decreased 7% to $5,343,000 at December 31, 2016 as compared to $5,758,000 at December 31, 2015. This decrease is primarily attributable to a decrease in cash, primarily due to the repayment of the Companyôs $600,000 secured term credit facility and related bonus interest in the amount of $165,550 in 2016, and a decrease in intangible assets due primarily to amortization of certain software purchased in 2015.

Total liabilities decreased 17% to $2,746,000 at December 31, 2016, as compared to $3,300,000 at December 31, 2015. The most significant change on a year-over-year basis was the repayment of the Companyôs secured term credit facility and related bonus interest in 2016.

Significant developments in 2016 and 2017 included:

- In February 2016, the Company executed a services agreement with MPAC with respect to the channel delivery of the Municipal ConnectÊ 2.0 platform to MPACðs municipal clients in the Province of Ontario. The Municipal ConnectÊ 2.0 platform provides Ontario municipalities with access to an assessment-based management tool.

- In April 2016, the Company repaid in full its $600,000 secured term credit facility, and in May 2016 it paid the related bonus interest in the amount of $165,550.

- In September 2016, the Board appointed Mr. Laurence Rose as Chief Executive Officer of iLOOKABOUT Corp. Mr. Rose was granted options to purchase up to 1,000,000 Common Shares of the Company for an exercise price of $0.30, which options expired unexercised in March 2018 following his departure from the Company.

- In October 2016, the Company closed a non-brokered private placement of 1,000,000 Units. Each Unit consisted of one Common Share and one Common Share Purchase Warrant. Each whole Warrant entitles the holder to purchase one Common Share for a period of five years from the date of issuance at an exercise price of $0.40. The subscription price of each Unit was $0.21, for aggregate gross proceeds of $210,000. Net proceeds were used to help fund the Companyðs working capital requirements. All of the Units were purchased by Mr. Laurence Rose, the Companyðs Chief Executive Officer at the time, and his spouse.

- In November 2016, the Company executed a multi-year Verification Services Agreement with the Miami-Dade County Property Appraiserðs Office, which has primary responsibility to identify and appraise all real and tangible personal property within Miami-Dade County and certify the annual tax roll with the Florida Department of Revenue in accordance with state law.

- In January 2017, the Company issued 1,481,000 Common Shares to Mr. Gary Yeoman, Chair of the Board and Chief Executive Officer of iLOOKABOUT, following the exercise of all his Series I Warrants. The exercise price of these warrants was $0.15 per share, resulting in gross proceeds to the Company of $222,150. These warrants were issued to Mr. Yeoman in connection with a private placement completed in January 2013 when Mr. Yeoman joined the Company.

- In May 2017, the Company completed a public offering (the ñ2017 Offeringò), resulting in the issuance of 20,520,000 Common Shares of the Company for gross proceeds of $5,130,000, and net proceeds of $4,557,196. In addition to cash compensation, the Company issued 1,044,000 common share purchase warrants (the ñBroker Compensation Warrantsò) to the underwriters of the 2017 Offering. Each Broker Compensation Warrant entitles the holder to purchase one Common Share of the Company at an exercise price of $0.25, and expire on May 16, 2019. The Company intends to use the net proceeds of the 2017 Offering to accelerate new product development, position the Company for new opportunities, including potential acquisitions, and for general corporate purposes.

- In June 2017, the Company successfully executed the renewal of a multi-year services contract with MPAC for the provision of digital imagery, spatial information and software application services. The Company was awarded this contract as a result of the Companyðs successful response to MPACðs request for proposal, re-establishing the Company as its preferred supplier of street-level and ortho-imagery, as well as spatial data.

- In July 2017, the Company entered into a market making services agreement with Independent Trading Group Inc. (ñITGò). Under this agreement, the Company pays ITG a monthly retainer for market making services designed to promote market stability and natural liquidity, mitigate price volatility, and enhance the trading experience for the Companyðs investors.

- In August 2017, the Company executed an early multi-year services contract renewal with MPAC for the Company to host and manage the Municipal Connect™ platform which is used by Ontario municipalities to access detailed property and assessment-related information in their jurisdictions.

- In September 2017, the GeoViewPort Mobile Appraiser application, aimed at the property assessment marketplace, was launched in beta version by the Company at the International Association of Assessing Officers 2017 Conference held in Las Vegas, Nevada.

- In September 2017, the Company terminated and replaced a Data Distributor Agreement with respect to real property related data licensed from a third party for use by the Company.
- In September 2017, MTAG Paralegal Professional Corporation commenced the delivery of the Companyӽs paralegal services to support Ontario municipalities. As required under the Law Society Act (Ontario) and applicable regulations, MTAG Paralegal Professional Corporation is a separate professional corporation. The Chair of the Board and Chief Executive Officer of the Company, a paralegal licensed in the Province of Ontario, is the sole shareholder of this professional corporation; however, the Company controls the entity through contractual arrangements, which also provide that all economic benefit or loss resulting from the entity will be received by the Company.
- In September 2017, the Company executed a multi-year service delivery contract renewal with MPAC for the provision of hosted application services to enable delivery of real property data to MPACӽs clients within the real estate vertical.
- In December 2017, the Company announced that Mr. Laurence Rose had left the Company and his positions as the Chief Executive Officer and a Director, to pursue other interests. Mr. Gary Yeoman was appointed as the new Chief Executive Officer, transitioning from his role as Executive Chair, which role was then eliminated. Mr. Yeoman continues to act as Chair of the Board.

Significant developments completed subsequent to the reporting period:

- In January 2018, the Company announced the appointment of Mr. Phillip Millar as a Director of the Company.
- In January 2018, the Company issued 1,481, 000 Common Shares to Mr. Gary Yeoman, Chair of the Board and Chief Executive Officer of the Company, following the exercise of all of his Series J Warrants. The exercise price of these warrants was $0.15 per share, resulting in gross proceeds to the Company of $222,150. These warrants were issued to Mr. Yeoman in connection with a private placement completed in January 2013 when Mr. Yeoman joined the Company.
- In April 2018, the Company executed a non-binding letter of intent to acquire Stratus Data Systems Inc, a US-based MLS software provider with a technology platform used by real estate boards and brokers in Canada and the US.
- In April 2018, the Company executed a Consulting Agreement with Cherre, Inc. (ñCherreò), a US-based developer of an inter-connected market platform that provides residential real estate data to investors and brokerage firms. The nature of the consulting services to be provided are with respect to the development of blockchain technology to address needs of the real estate-related marketplace, and the execution of a related initial coin offering. Under the terms of the Consulting Agreement, Cherre will receive a fixed monthly fee as well as 1,000,000 stock options, such options having an exercise price of $0.30 and vesting on mutually agreed upon milestones. This agreement also contains certain participation rights for each party should the joint initiative result in an initial coin offering, with iLOOKABOUT retaining 70% ownership of such an initiative.
- In April 2018, in accordance with an Executive Employment Agreement, the Company issued 1,000,000 stock options to the Companyӽs new Chief Executive Officer, Mr. Gary Yeoman, such options having an exercise price of $0.20 and vesting 25% upon grant and 25% on each of the three anniversaries of grant thereafter in accordance with the Companyӽs standard stock option grants.

Overall Performance and Results of Operations

The financial information set forth below is derived from, and should be read in conjunction with, iLOOKABOUT's 2017 Consolidated Financial Statements for the year ended December 31, 2017 (the "Reporting Date"), which can be found on SEDAR at www.sedar.com.

	Three months ended				Year ended
	March 31	**June 30**	**Sept 30**	**Dec 31**	**Dec 31**
Fiscal 2017	Unaudited				Audited
Revenue	$ 2,080,615	$ 2,476,217	$ 2,461,007	$ 2,385,508	$ 9,403,347
Earnings (loss)	(76,198)	(241,858)	110,839	(227,519)	(434,736)
Comprehensive income (loss)	(70,315)	(220,610)	151,907	(231,790)	(370,810)
Earnings (loss) per share - basic	-	-	-	-	(0.01)
Earnings (loss) per share - diluted	-	-	-	-	(0.01)
Adjusted EBITDA, Unaudited*	$ 70,008	$ (992)	$ 273,908	$ 319,646	$ 662,570
Fiscal 2016	Unaudited				Audited
Revenue	$ 2,149,704	$ 2,192,692	$ 2,255,283	$ 2,193,277	$ 8,790,956
Earnings (loss)	(154,814)	(295,592)	125,902	(172,855)	(497,359)
Comprehensive income (loss)	(112,157)	(295,354)	121,719	(190,848)	(476,640)
Earnings (loss) per share - basic	-	-	-	-	(0.01)
Earnings (loss) per share - diluted	-	-	-	-	(0.01)
Adjusted EBITDA, Unaudited*	$ 51,504	$ (82,250)	$ 305,697	$ 44,134	$ 319,085

**Adjusted EBITDA is a non-GAAP measure and is defined herein.*

While there are certain quarter-over-quarter variations in the Company's financial results during the periods presented in the above table, the overall trends in the Company's financial performance have been (i) increasing revenue; (ii) improvements in comprehensive income (loss) and Adjusted EBITDA; and (iii) nominal change in basic and diluted earnings (loss) per share.

These improved trend results with respect to revenue are primarily attributable to (i) new sales contracts awarded to the Company, and (ii) the growth of certain transactional revenue due to increased client usage.

Variations in revenue on a quarter-over-quarter basis are primarily due to the timing of the delivery of products and services.

Variations in expenses on a quarter-over-quarter basis are generally due to (i) increases or decreases in the direct expense of licensing third-party data, which is driven by transactional sales volumes; and (ii) the seasonal timing of image capture and post-collection processing.

In the fourth quarter of 2017, the Company incurred out of the ordinary employment termination related costs of approximately $337,500. Had this expense not been incurred, the Company would have reported Comprehensive income of approximately $106,000 and Comprehensive loss of approximately $33,000 for the three months and year ended December 31, 2017, respectively. These termination related costs were included as a Non-operating and/or non-recurring item in the calculation of Adjusted EBITDA for the three months and year ended December 31, 2017, respectively.

Adjusted EBITDA Reconciliation

The following tables present reconciliations of Comprehensive Income (Loss) to Adjusted EBITDA, for the periods presented in the tables above.

	Three months ended				Year ended
	March 31	**June 30**	**September 30**	**December 31**	**December 31**
Fiscal 2017	Unaudited				Audited
Comprehensive income (loss)	$ (70,315)	$ (220,610)	$ 151,907	$ (231,792)	$ (370,810)
Add back:					
Amortization of equipment	34,891	28,260	28,257	16,406	107,814
Amortization of intangible assets	58,175	57,230	57,978	58,610	231,993
Finance (income) costs	259	(39)	(10,843)	(13,578)	(24,201)
Share-based compensation expense	46,998	134,167	46,609	152,500	380,274
Non-operating and/or non-recurring items	-	-	-	337,500	337,500
Adjusted EBITDA, Unaudited*	$ 70,008	$ (992)	$ 273,908	$ 319,646	$ 662,570
Fiscal 2016	Unaudited				Audited
Comprehensive income (loss)	$ (112,157)	$ (295,354)	$ 121,719	$ (190,848)	$ (476,640)
Add back:					
Amortization of equipment	33,101	33,218	45,072	37,958	149,349
Amortization of intangible assets	57,552	58,052	58,282	58,283	232,169
Finance costs	11,449	3,131	308	412	15,300
Share-based compensation expense	61,559	118,703	80,316	138,329	398,907
Non-operating and/or non-recurring items	-	-	-	-	-
Adjusted EBITDA, Unaudited*	$ 51,504	$ (82,250)	$ 305,697	$ 44,134	$ 319,085

**Adjusted EBITDA is a non-GAAP measure and is defined herein.*

Discussion of Results of Operations

	Unaudited		Audited	
	Three months ended December 31, 2017	**Three months ended December 31, 2016**	**Year ended December 31, 2017**	**Year ended December 31, 2016**
Revenue	$ **2,385,508**	$ **2,193,277**	$ **9,403,347**	$ **8,790,956**
Direct operating expenses	780,459	802,790	3,231,830	3,608,699
Gross margin	**1,605,049**	**1,390,487**	**6,171,517**	**5,182,257**
Other operating expenses:				
Technology	403,149	431,644	1,707,114	1,564,395
Selling and business development	200,096	244,442	892,601	1,074,666
General and administration	1,253,699	918,408	3,918,850	3,006,167
	1,856,944	1,594,494	6,518,565	5,645,228
Loss from operations	**(251,895)**	**(204,007)**	**(347,048)**	**(462,971)**
Finance income (costs)	13,578	(412)	24,201	(15,300)
Foreign exchange gain (loss)	10,800	31,564	(111,889)	(19,088)
Loss for the period	$ **(227,517)**	$ **(172,855)**	$ **(434,736)**	$ **(497,359)**
Other comprehensive income:				
Items that will not be reclassified to loss for the year:				
Foreign exchange gain (loss) on the translation of foreign operations	(4,272)	(17,993)	63,926	20,719
Comprehensive loss for the period	$ **(231,789)**	$ **(190,848)**	$ **(370,810)**	$ **(476,640)**
Loss per share, basic and diluted	$ **-**	$ **-**	$ **(0.01)**	$ **(0.01)**
Adjusted EBITDA, Unaudited*	$ **319,649**	$ **44,134**	$ **662,570**	$ **319,085**

**Adjusted EBITDA is a non-GAAP measure and is defined herein.*

Revenue

Nature of Services:

The Company generates revenue from the provision of visual and data services and from consulting services. See ñ*Company Overview"* section above for further details.

	Three months ended		Year ended	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
	(Unaudited)		(Audited)	
Visual and data services	$ 2,183,860	$ 1,974,209	$ 8,609,604	$ 7,902,129
Consulting services	201,648	219,068	793,743	888,827
Total	$ 2,385,508	$ 2,193,277	$ 9,403,347	$ 8,790,956

Revenue increased 9% to $2,386,000 from $2,193,000 for the three months ended December 31, 2017 and 2016, respectively. This increase was primarily attributable to (i) an increase of approximately $175,000 in revenue generated from the licensing of the Companyŏs web-based real property focused software and StreetScape imagery; and (ii) an increase of approximately $142,000 related to the sub-contracting of certain data verification and processing services to support a multi-year, US-based services agreement for which services commenced in the second quarter of 2017. These increases were partially offset by (i) a decrease of approximately $74,000 in revenue related to the re-licensing of certain third party data; and (ii) a decrease in revenue of approximately $17,000 related to consulting services.

Included in the Revenue variances noted above for the three month period ended December 31, 2017 and 2016, was visual and data services revenue of approximately $148,000 and $nil, respectively, generated from the provision of services to a vendor in exchange for data licensed from the vendor.

Revenue increased 7% to $9,403,000 from $8,791,000 for the years ended December 31, 2017 and 2016, respectively. This increase was primarily attributable to (i) an increase of approximately $558,000 in revenue generated from the licensing of the Companyŏs web-based real property focused software and StreetScape imagery; (ii) an increase of approximately $364,000 related to the sub-contracting of certain data verification and processing services to support a multi-year, US-based services agreement for which services commenced in the second quarter of 2017; and (iii) an increase of approximately $105,000 related to custom software development. These increases were partially offset by (i) a decrease of approximately $328,000 in revenue related to the re-licensing of certain third party data; and (ii) a decrease in revenue of approximately $95,000 related to consulting services.

Included in the Revenue variances noted above for the years ended December 31, 2017 and 2016, was visual and data services revenue of approximately $160,000 and $nil, respectively, generated from the provision of services to a vendor in exchange for data licensed from the vendor.

Geographic Information:

The Companyŏs US-based revenue increased 7% to $353,000 from $331,000 for the three months ended December 31, 2017 and 2016, respectively. This increase is primarily attributable to an increase of approximately $126,000 in revenue generated from new contracts. Partially offsetting this increase were (i) a decrease in revenue of approximately $89,000 due to the timing of project deliveries; and (ii) a decrease of approximately $11,000 due to contract expiries.

The Companyŏs US-based revenue increased 28% to $1,417,000 from $1,107,000 for the years ended December 31, 2017 and 2016, respectively. This increase is primarily attributable to an increase of approximately $593,000 in revenue related to new contracts. Partially offsetting this increase were (i) a decrease in revenue of approximately $215,000 due to the timing of project deliveries; and (ii) a decrease of approximately $85,000 due to contract expiries.

Significant Customers:

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

For the three months ended December 31, 2017, the Company had one significant customer who represented 58% of total revenue. For the three months ended December 31, 2016, the Company had two significant customers: one represented 53% and the other represented 12% of total revenue.

For the year ended December 31, 2017, the Company had one significant customer who represented 57% of total revenue. For the year ended December 31, 2016, the Company had two significant customers: one represented 53%, and the other represented 15% of total revenue.

Gross Margin

In accordance with applicable accounting standards, direct operating costs, including but not limited to, image capture and processing, sub-contractor fees, royalties and commissions, are recognized as they are incurred, while revenue is recognized over the period that the service is delivered. The nature of many of the Companyȸs sales agreements is that a substantial amount of costs are incurred at the outset of the arrangement over a period of a few months, while at least a portion of the related revenue is recognized over a period of years. This can result in significant variances in gross margin on a period over period basis.

Gross margin increased 15% to $1,605,000 from $1,390,000 for the three months ended December 31, 2017 and 2016, respectively. This increase is mainly attributable to (i) increased revenue of approximately $192,000, for the reasons noted in the ñ*Revenue*ò section above; and (ii) a decrease in third-party data and software licensing expense of approximately $124,000. These increases were partially offset by an increase in subcontracted expense of approximately $148,000 to support a multi-year, US-based services agreement for which services commenced in the second quarter of 2017. In accordance with applicable accounting standards, certain expenses related to this agreement are recognized in advance of the recognition of the related revenue, resulting in a negative or less positive impact on gross margin in a given period than would be reported if direct expense was recognized over the same periods as the related revenue.

Gross margin increased 19% to $6,172,000 from $5,182,000 for the years ended December 31, 2017 and 2016, respectively. This increase is mainly attributable to (i) increased revenue of approximately $612,000, for the reasons noted in the ñ*Revenue*ò section above; (ii) a decrease in third-party data and software licensing expense of approximately $534,000; (iii) decreased data capture costs and image processing costs of approximately $160,000, primarily due to fluctuations in the timing and extent of StreetScape imagery based projects; and (iv) a decrease in subcontracted expense of approximately $106,000 related to legal services to support a consulting agreement which services were largely not required in fiscal 2017. These increases were partially offset by an increase in third party subcontracted expense of approximately $459,000 to support a multi-year, US-based services agreement for which services commenced in the second quarter of the current year.

Comprehensive Loss

Comprehensive loss increased 21% to $232,000 from $191,000 for the three months ended December 31, 2017 and 2016, respectively. Gross Margin increased approximately $215,000, for the reasons noted in the *"Gross Margin"* section above and the recovery of approximately $69,000 related to an account previously assessed as uncollectible, but was offset by increases in (i) human resource and related costs, other than those classified as direct operating costs, of approximately $232,000, (ii) insurance and professional fees of approximately $88,000; and (iii) travel and promotion expense of approximately $13,000.

Comprehensive loss decreased 22% to $371,000 from $477,000 for the years ended December 31, 2017 and 2016, respectively. Gross Margin increased approximately $989,000, for the reasons noted in the *"Gross Margin"* section above and the recovery of approximately $69,000 related to an account previously assessed as uncollectible, but was offset by increases in (i) human resource and related costs, other than those classified as direct operating costs, of approximately $474,000, (ii) insurance and professional fees of approximately $298,000; and (iii) travel and promotion expense of approximately $88,000.

Included in the increase in human resources and related costs in the fourth quarter of 2017 were (i) out of the ordinary employment termination related costs totaling approximately $337,500; and (ii) additional human resources required to support the development and promotion of new product and service offerings and strategic initiatives.

Adjusted EBITDA

	Unaudited		Audited	
	Three months ended December 31, 2017	Three months ended December 31, 2016	Year ended December 31, 2017	Year ended December 31, 2016
Comprehensive loss for the period	**$ (231,789)**	**$ (190,848)**	**$ (370,810)**	**$ (476,640)**
Add back:				
Amortization of equipment	16,406	37,958	107,814	149,349
Amortization of intangible assets	58,610	58,283	231,993	232,169
Finance (income) costs	(13,578)	412	(24,201)	15,300
Share-based compensation expense	152,500	138,329	380,274	398,907
Non-operating and/or non-recurring items	337,500	-	337,500	-
Adjusted EBITDA, Unaudited*	**$ 319,649**	**$ 44,134**	**$ 662,570**	**$ 319,085**

**Adjusted EBITDA is a non-GAAP measure and is defined herein.*

Adjusted EBITDA increased to $320,000 from $44,000 for the three months ended December 31, 2017 and 2016, respectively, and increased to $663,000 from $319,000, for the years ended December 31, 2017 and 2016, respectively. Explanations for the changes in Revenue, Gross Margin and Comprehensive Loss are described in the sections above.

In the fourth quarter of 2017, the Company incurred out of the ordinary termination related costs of approximately $337,500. These costs have been classified as a Non-operating and/or non-recurring items and have been included in the calculation of Adjusted EBITDA for the three months and year ended December 31, 2017.

Outstanding Share Data and Dividends

As at December 31, 2017, iLOOKABOUT had:

- 83,614,784 Common Shares issued and outstanding;
- 2,537,341 Deferred Share Units convertible into an equal number of Common Shares;
- Warrants outstanding to purchase 3,525,000 Common Shares, exercisable at prices ranging from $0.15 to $0.40 per share; and
- Options outstanding to purchase 5,754,975 Common Shares, exercisable at prices ranging from $0.145 to $0.335 per share.

Subsequent to December 31, 2017 the following share-related events occurred:

- 1,481,000 Series I Warrants held by the Chair and Chief Executive Officer of the Company were exercised for 1,481,000 Common Shares at an exercise price of $0.15 per share, for total gross proceeds of $222,150;
- 1,012,500 options to purchase Common Shares having exercise prices between $0.17 and $0.30 expired unexercised.
- 1,000,000 options to purchase Common Shares having an exercise price of $0.30 were granted; and
- 1,000,000 options to purchase Common Shares having an exercise price of $0.20 were granted.

No dividends were declared in the Period.

Liquidity and Capital Resources

Public Offering

In May 2017, the Company completed a public offering, resulting in the issuance of 20,520,000 Common Shares of the Company for gross proceeds of $5,130,000 (the ñ2017 Offeringò) and net proceeds of $4,557,196. In addition to cash compensation, the Company issued 1,044,000 common share purchase warrants (the ñBroker Compensation Warrantsò) to the underwriters of the 2017 Offering. Each Broker Compensation Warrant entitles the holder to purchase one Common Share of the Company at an exercise price of $0.25. These warrants have an expiry date of May 16, 2019. The Company intends to use the net proceeds of the 2017 Offering to accelerate new product development, position the Company for new opportunities, including potential future acquisitions, and for general corporate purposes.

Adjusted Working Capital

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

	December 31, 2017	December 31, 2016
Working Capital (GAAP measure)	$ 5,719,552	$ 865,470
Less: Prepaid expenses and other current assets	(204,829)	(163,575)
Add: Unearned revenue, current portion	844,838	980,084
Adjusted Working Capital (Non-GAAP measure)	**$ 6,359,561**	**$ 1,681,979**

The increase in Adjusted Working Capital between December 31, 2016 and 2017 primarily related to: (i) an increase of approximately $4,557,000 attributable to the 2017 Offering completed in the second quarter of 2017; and (ii) an increase of approximately $249,000 attributable to the exercise of options and warrants in the first and second quarters of 2017.

Cash Flows

Cash flows provided by (used in) operating, financing and investing activities for the years ended December 31, 2017 and 2016 are presented below.

Cash flow provided by (used in)	Years ended December 31, 2017	Years ended December 31, 2016
Operating activities	$ 266,809	$ 207,852
Financing activities	4,795,399	(393,212)
Investing activities	(86,645)	(197,578)
Effect of exchange rate fluctuations on cash	(57,381)	4,101
	$ 4,918,182	**$ (378,837)**

The changes in cash sources and uses for the year ended December 31, 2017 as compared to the prior year are explained below.

(i) Cash provided by operations remained relatively stable for the year ended December 31, 2017 as compared to the prior year. Key changes in cash provided by and used in operations include (i) increased inflows from sales in 2017 as compared to 2016, (ii) increased expenditures in 2017 as compared to the prior year to support development and promotion of new product and service offerings and strategic initiatives; and (iii) the payment of interest and bonus interest of approximately $175,000 in 2016 with respect to the Companyôs previous secured term credit facility that was fully repaid in April 2016, with no comparable payments in 2017.

(ii) Cash provided by financing activities for the year ended December 31, 2017 was primarily a result of (i) net proceeds of approximately $4,557,000 resulting from the 2017 Offering completed in May 2017; and (ii) approximately $249,000 generated from the exercise of options and warrants in the first two quarters of 2017. The use of cash in financing activities for the year ended December 31, 2016 was primarily due to the repayment of the Companyôs previous secured term credit facility of $600,000 in April 2016, offset to some extent by proceeds of approximately $208,000 generated from the exercise of warrants in 2016.

Cash used in investing activities, primarily representing the purchase of equipment, was significantly lower in 2017 as compared to 2016 due to the timing of capital projects.

The following are the carrying amounts and the remaining contractual cash outflows of financial liabilities and commitments at December 31, 2017.

		Contractual cash outflows				
As at December 31, 2017	**Carrying Amounts**	**Total**	**within 1 year**	**1 - 2 years**	**2 - 5 years**	**More than 5 years**
Accounts payable and accrued liabilities	$ 1,566,660	$ 1,566,660	$ 1,566,660	$ -	$ -	$ -
Debt financing of vehicles	18,066	18,955	12,390	6,565	-	-
Operating leases	-	980,240	241,223	258,178	473,978	6,861
Purchase commitments	-	4,630,000	290,000	290,000	870,000	3,180,000
	$ 1,584,726	$ 7,195,855	$ 2,110,273	$ 554,743	$ 1,343,978	$ 3,186,861

The purchase commitments included in the table above are composed primarily of annual base fixed fees under a consulting agreement with Yeoman & Company Paralegal Professional Corporation, disclosed in the section below entitled *"Transactions with Related Parties"*, of $265,000, which continue until December 2034. Committed payments for the period of January 2018 to December 2034 total $4,505,000.

In addition to the above-noted contractual cash flows, the Company expects to incur future capital expenditures, primarily with respect to replacement of its image capture equipment; expansion of its computer hardware which hosts the Companyõs imagery; and further leasehold improvements required for the Companyõs London office location. Data capture equipment, which includes vehicles, cameras and lenses, is replaced as this equipment is depleted or the purchase of improved equipment is determined to be appropriate. The extent of these capital expenditures will be based on the Companyõs planned future image capture activities and the age of existing equipment. The Company expects that capital expenditures required in 2018 will be approximately $430,000.

Off-Balance Sheet Arrangements

As at December 31, 2017, iLOOKABOUT had no off-balance sheet arrangements such as guaranteed contracts, contingent interests in assets transferred to an entity, derivative instrument obligations or any instruments that could trigger financing, market or credit risk to the Company, and the Company does not expect to enter into any in the near to mid-term.

Financial Instruments

iLOOKABOUTõs financial instruments consist of cash, trade and other receivables, accounts payable and accrued liabilities, current portion of long-term debt and long-term debt. Management does not believe that these financial instruments expose iLOOKABOUT to any significant interest, currency or credit risks.

Transactions with Related Parties

Consulting services:

To provide for ongoing support and development of certain software initially licensed and then purchased from Yeoman & Company Paralegal Professional Corporation (ñYCPò), in December 2014 the Company entered into a consulting agreement with YCP (ñConsulting Agreementò). The Consulting Agreement has a term of twenty years and provides for an annual fee of $265,000 plus 15% of consideration received by the Company from end customers (the ñYCP Feesò) for use of such software. For the year ended December 31, 2017, the Company paid YCP Fees of $391,467 (2016 ï $356,466), which fees were included in direct operating expense and technology expense. Two of the principals of YCP are the sons of the Chair of the Board of the Company.

Until December 2016, the Company provided business development related consulting services to YCP. For the year ended December 31, 2016, the Company received compensation of $28,372 for these services from YCP.

Software licensing:

YCP relicenses and/or utilizes the Company's software in order to provide certain services to YCP's end customers. Included in revenue for the year ended December 31, 2017 are software licence fees of $45,575 (2016 - $40,406).

Real Property Rental:

One of the premises occupied by the Company is rented on an annual basis from a related company owned, in part, by an officer and director of the Company. For the year ended December 31, 2017, the Company paid rent to the related company of $12,000 (2016 - $12,000), which is included in general and administration expense.

Consolidated Entity:

As required under the Law Society Act (Ontario) and applicable regulations, MTAG Paralegal Professional Corporation is a separate professional corporation. The Chair of the Board of the Company, a paralegal licensed in the Province of Ontario, is the sole shareholder of this professional corporation; however, the Company controls the entity through contractual arrangements, which also provide that all economic benefit or loss resulting from the entity will be received by the Company. In September 2017, MTAG Paralegal Professional Corporation commenced the delivery of paralegal services.

Equity Transactions:

In May 2017, the Company completed a public offering for gross proceeds of $5,130,000. The Company's Chief Executive Officer at the time purchased 700,000 Common Shares at a price of $0.25 per share under this public offering.

In May 2017, the Company's Chief Financial Officer exercised 50,000 stock options at an exercise price of $0.12 per share, resulting in the issuance of 50,000 Common Shares, for gross proceeds of $6,000.

In January 2017, 1,481,000 Series I purchase warrants previously issued under a private placement to the Chair of the Company and Chief Executive Officer, were exercised for 1,481,000 Common Shares at an exercise price of $0.15 per share.

In December 2016, the Company's Chief Financial Officer exercised 50,000 stock options at an exercise price of $0.12 per share, resulting in the issuance of 50,000 Common Shares, for gross proceeds of $6,000.

In October 2016, the Company completed a non-brokered private placement, resulting in the issuance of 1,000,000 Units for $0.21 per Unit. Each Unit consisted of one common share, and one Series L Warrant, with each full warrant entitling the holder to purchase one common share of the Company at an exercise price of $0.40. The warrants expire five years from the date of issuance. In total, 1,000,000 common shares and 1,000,000 common share purchase warrants were issued for gross proceeds of $210,000, or $208,100 net of issuance costs of $1,900. All of the Units were subscribed for by the Company's then-current Chief Executive Officer and his spouse.

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

Changes in Accounting Policies

The Company did not adopt any significant changes in accounting policies in the Period, with the exception of the addition of the following policy.

Non-monetary transactions:

Revenue and expense are recognized by the Company when goods or services are provided in exchange for dissimilar goods or services. Revenue is measured at the fair value of the goods or services received, adjusted by any cash or cash equivalents received or paid, unless the fair value cannot be measured reliably. In such cases, the revenue is measured at the fair value of the goods or services given up, adjusted by any cash or cash equivalents received or paid. These fair value estimates can affect the amount and timing of revenue and expense recognition resulting from non-monetary transactions. The determination of such fair values requires management to apply judgement when making these estimates. Actual results could differ materially from these estimates.

Accounting Pronouncements Not Yet Adopted

The IASB has issued new standards and amendments to existing standards. These changes in accounting were not yet effective at December 31, 2017, and could have an impact on future periods.

IFRS 9 - Financial Instruments

In July 2014, the IASB issued the final publication of the IFRS 9 standard, superseding the current IAS 39 - Financial Instruments: recognition and measurement standard. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and de-recognition of financial instruments from IAS 39. The standard is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted. Management is assessing the impact of this standard on the consolidated financial statements.

IFRS 15 - Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15 which supersedes existing standards and interpretations including but not limited to IAS 11 Construction Contracts, IAS 18 Revenue, and IFRIC 13 - Customer Loyalty Programmes.

IFRS 15 introduces a single model for recognizing revenue from contracts with customers with the exception of certain contracts under other IFRSs such as IAS 17 - Leases. The standard requires revenue to be recognized in a manner that depicts the transfer of promised goods or services to a customer and at an amount that reflects the expected consideration receivable in exchange for transferring those goods or services. This is achieved by applying the following five steps:

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract; and
5. Recognize revenue when (or as) the entity satisfies a performance obligation.

IFRS 15 also provides guidance relating to the treatment of contract acquisition and contract fulfillment costs. The standard is effective for annual periods beginning on or after January 1, 2018.

The Company will have the option to either:
- Apply IFRS 15 with full retrospective effect; or
- Recognize the cumulative effect of initially applying IFRS 15 as an adjustment to opening equity at the date of initial application.

The Company expects that it will apply IFRS 15 with full retrospective effect.

The Company is executing an implementation plan to select and apply the appropriate accounting policies, estimates and judgments required to adopt IFRS 15. The implementation plan includes analysis of the Companyȏs revenue contracts to apply the appropriate accounting treatment and to implement any changes required to business processes, systems and internal controls upon adoption of IFRS 15. Although Management is in the final stages of implementation, a reliable estimate of the final overall impact of IFRS 15 on the Company's consolidated financial statements cannot be made. However, Management has determined that the quantitative impact is likely to be significant. Additional disclosure with respect to the nature of revenue and the status of performance obligations is also expected.

IFRS 16 - Leases

In January 2016, the IASB issued the final publication of the IFRS 16 - Leases standard, which will supersede the current IAS 17 - Leases standard. IFRS 16 introduces a single accounting model for lessees and for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee will be required to recognize a right-of-use asset, representing its right to use the underlying asset, and a lease liability, representing its obligation to make lease payments. The accounting treatment for lessors will remain largely the same as under IAS 17.

The standard is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted, but only if the entity is also applying IFRS 15.

The Company will have the option to either:

- Apply IFRS 16 with full retrospective effect; or
- Recognize the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application.

Management is assessing the impact of this standard on the consolidated financial statements.

Additional Information

Additional information relating to iLOOKABOUT, including the Company's 2017 Consolidated Annual Financial Statements, can be found on SEDAR at www.sedar.com.