iLOOKABOUT Corp.

Management's Discussion and Analysis of Financial Condition and Results of Operations for the three months ended March 31, 2018 (the "*Period*")

The information set forth below has been prepared as at May 30, 2018, and is derived from, and should be read in conjunction with, iLOOKABOUT Corp.ôs (ñiLOOKABOUTò or the ñCompanyò) unaudited condensed interim consolidated financial statements for the three months ended March 31, 2018 (the ñReporting Dateò), including the accompanying notes (the ñInterim 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 Companyôs Annual Information Form (ñAIFò) can also be found on SEDAR at www.sedar.com.

The Interim Financial Statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (ñIAS 34ò) using accounting policies consistent with International Financial Reporting Standards (ñIFRSò). By their nature, the Interim Financial Statements do not include all the information required for full annual financial statements, and so should be read in conjunction with the Companyôs 2017 audited annual consolidated financial statements prepared in accordance with IFRS, which can be found on SEDAR at www.sedar.com. With the exception of new accounting policies that were adopted January 1, 2018, see ñ*Changes in Accounting Policies*ò section below, the Interim Financial Statements were prepared using the accounting policies disclosed in our annual financial statements.

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

Company 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.

Managed Services

The Company provides various real property related data processing, analysis and validation services, both directly and through the use of sub-contracted resources.

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.

Significant developments in the first quarter of 2018 include:

- 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 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 total 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.

Significant developments subsequent to the first quarter of 2018 include:

- 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 upon the attainment of 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 the resulting entity.
- In April 2018, in accordance with his Executive Employment Agreement as iLOOKABOUTôs new Chief Executive Officer, the Company issued 1,000,000 stock options to 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 Companyôs standard stock option grants.

Changes in Accounting Policies

IFRS 9 - Financial Instruments

Effective January 1, 2018, the Company adopted IFRS 9, which sets out requirements for recognition and measurement, impairment, derecognition and general hedge accounting. This standard simplifies the classification of a financial asset as either at amortized cost or at fair value as opposed to the multiple classifications which were permitted under IAS 39. This standard also requires the use of a single impairment method as opposed to the multiple methods in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The standard also adds guidance on the classification and measurement of financial liabilities.

Cash and trade and other receivables that were classified as loans and receivables under IAS 39 are classified as financial assets measured at amortized cost. There is no change to the initial measurement of the Companyôs financial assets. Impairment of financial assets is based on an expected credit loss (ñECLò) model under IFRS 9, rather than the incurred loss model under IAS 39. ECLs are a probability-weighted estimate of credit losses. The Company calculated ECLs based on consideration of customer-specific factors and actual credit loss experience. As a percentage of revenue, the Companyôs actual credit loss experience has not been significant.

The adoption of IFRS 9 has not had an effect on the Companyôs accounting policies related to financial liabilities.

There was no material impact of transition to IFRS 9 on the Companyôs statement of financial position at January 1, 2018.

IFRS 15 - Revenue from Contracts with Customers

Effective January 1, 2018, the Company adopted IFRS 15 which introduces a single model for recognizing revenue from contracts with customers. Under the standard, revenue is recognized when a customer obtains control of promised goods or services in an amount that reflects the consideration the entity expects to receive in exchange for those goods or services. In addition, the standard requires disclosure of the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. IFRS 15 also provides guidance relating to the treatment of contract acquisition and contract fulfillment costs.

Upon initial adoption, the Company has applied IFRS 15 with full retrospective application, subject to certain practical expedients. Therefore, the comparative information has been restated as if IFRS 15 had been in effect since January 1, 2017.

The Company used the practical expedients on adoption of IFRS 15 as follows:

- Did not restate completed contracts, including completed contracts at the beginning of the earliest period presented and those that commenced and ended within the same annual reporting period;
- Did not recognize the incremental costs of obtaining contracts as an asset if the amortization period of the assets would have been one year or less;
- Did not adjust the total consideration over the contract term for effects of a financing component, if the period between the transfer a promised good or service to the customer and the customerôs payment for the good or service would be one year or less; and
- Did not disclose the amount of consideration allocated to the remaining performance obligations and an explanation of when the Company expects to recognize that amount as revenue for all reporting periods presented before the date of initial application.

The Companyôs revenue recognition accounting policy in accordance with IFRS 15 is as follows:

Revenue is 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.

Revenue from contracts with customers:

The Company earns revenue primarily from providing access to real property related data and imagery, access to real property related web-based applications and other related services, on either a subscription or usage basis. The Company also generates revenue from the provision of professional and other services on either a time and materials or fixed fee basis.

Subscription-based revenue is recognized ratably over the contract period commencing on the date an executed contract exists and the customer has the right and ability to access the application. Billing terms of such subscriptions are typically in advance of service on a monthly, quarterly or annual basis. Revenue from subscription-based arrangements that involve complex implementation or customization that is not distinct, is recognized as a combined performance obligation and recognized ratably over the remaining contract term, including any expected renewal periods.

Usage-based revenue is recorded at a point in time, being when the buyer takes control of the asset (i.e. the point at which the Company has no current or future obligations to the buyer). Generally, usage-based revenue is billed monthly in arrears.

Professional and other services revenue is typically billed monthly in arrears of services provided on a time and material basis, and revenue is recognized over time as the services are performed. For professional and other services contracts billed on a fixed price basis, revenue is recognized over time based on the proportion of services performed.

The services and products offered by the Company can be sold on a stand-alone basis or in a sales arrangement containing multiple performance obligations. Revenue from sales arrangements that include multiple performance obligations is allocated based on an estimated stand-alone selling price of each performance obligation in the contract. The best evidence of a stand-alone selling price is the observable price of a service or product when it is sold separately in similar circumstances and to similar customers. If a stand-alone selling price is not directly observable, the stand-alone selling price is estimated taking into account reasonably available information relating to market conditions and entity-specific factors.

At each reporting period, there are unfulfilled performance obligations for which the Company has collected funds and deposits. These amounts relate to various licenses and services and are recorded as current and non-current unearned revenues.

Contract acquisition and fulfillment costs:

Acquisition costs that are incremental to obtaining the contract and contract fulfillment costs that are directly attributable to a sales contract, that enhance the resources of the Company to satisfy performance obligations of the sales contract in the future, and that are expected to be recovered are recorded as a contract asset. Contract assets are recognized as an expense on a systematic basis that is consistent with the transfer to the customer of the goods and services to which the asset relates.

Such contract acquisitions assets of the Company are typically comprised of royalties and commissions, and such contract fulfillment assets are typically comprised of imagery capture and processing costs.

Critical estimates and judgements in applying IFRS 15:

The initial adoption and ongoing application of IFRS 15 requires management to make estimates and judgements. These estimates and judgements can have an effect on the amounts recognized in the financial statements.

Management is required to make judgements as to whether multiple products or services sold in a contract are considered distinct and should be accounted as separate performance obligations, or together as a combined performance obligation.

Revenue from sales arrangements that include multiple performance obligations is allocated based on an estimated stand-alone selling price of each performance obligation in the contract. Stand-alone selling price is established based on observable prices for the same or similar service when sold separately, or estimated using a cost plus margin approach.

For arrangements recognized over a period of time, management uses judgement as to the pattern of recording the revenue and expected renewal options in the contract.

In certain sales arrangements, Management must also use judgement in determining whether the Company is acting as an agent or principal in a transaction based on an evaluation of which party controls the asset before it is transferred to the buyer. Judgement is required in each applicable sales arrangement and all relevant facts and circumstances must be considered.

Primary changes on adoption of IFRS 15:

A. Bundled products and services

IAS 15 allows for judgement in establishing a suitable method for estimating the stand-alone selling price of elements (i.e. performance obligations) within multiple element arrangements when the stand-alone selling price is not directly observable. Typical multiple element arrangements of the Company include a combination of the licensing of a web-based application, web-based access for a period of time to the Company's StreetScape imagery database for a defined geographic area, and selection of preferred property images for each property in the defined geographic area. For these arrangements, the Company's methodology for allocating the transaction price under IFRS 15 will result in less revenue being allocated to delivery of the preferred property images, which is at a point in time, and more revenue being recognized over time, being the term of access to the street level imagery database and the web-based application.

B. Costs to obtain and fulfill a sales contract

Prior to adopting IFRS 15, contract acquisition and fulfillment costs were expensed as they were incurred. Under IFRS 15, contract acquisition and fulfillment costs, that meet certain criteria, are capitalized as contract assets and are recognized as an expense on a systematic basis that is consistent with the transfer to the customer of the goods and services to which the asset relates. Such contract assets of the Company are typically comprised of image capture costs, sub-contractor fees, royalties and commissions. The nature of some of the Company's 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 a portion of the related revenue is recognized over a period of years. Adoption of IFRS 15 will provide for greater alignment between the periods in which revenues and directly attributable expenses are recorded.

C. Principal and agent assessment

Prior to adopting IFRS 15, the evaluation of whether an entity is performing as a principal or an agent was focused on assessing the transfer of risks and rewards. IFRS 15 focuses the evaluation on which party controls the asset before it is transferred to the customer. As a result of applying IFRS 15, the Company has concluded it is performing as the agent, whereas under previous IFRS it was acting as a principal, which results in the reporting of revenue at the net amount as opposed to the gross amount.

The following tables summarize the impacts of adopting IFRS 15 on the Company's previously reported Condensed Interim Consolidated Financial Statements for the three months ended March 31, 2017 and as at December 31, 2017.

	As at January 1, 2017			As at December 31, 2017		
	As previously reported	Adjustments	Restated	As previously reported	Adjustments	Restated
Assets						
Current Assets:						
Cash	$ 2,221,432	-	$ 2,221,432	$ 7,139,614	$ -	$ 7,139,614
Trade and other receivables, net	677,125	-	677,125	798,130	-	798,130
Contract assets	-	266,606	266,606	-	306,240	306,240
Prepaid expenses and other current assets	163,575	(20,074)	143,501	204,829	(20,074)	184,755
	3,062,132	246,532	3,308,664	8,142,573	286,166	8,428,739
Non-current Assets:						
Contract assets	-	268,885	268,885	-	91,253	91,253
Equipment	429,736	-	429,736	355,564	-	355,564
Intangible assets	1,851,643	-	1,851,643	1,628,484	-	1,628,484
	2,281,379	268,885	2,550,264	1,984,048	91,253	2,075,301
Total Assets	$ 5,343,511	$ 515,417	$ 5,858,928	$ 10,126,621	$ 377,419	$ 10,504,040
Liabilities and Shareholders' Equity						
Current Liabilities:						
Accounts payable and accrued liabilities	$ 1,205,631	-	$ 1,205,631	$ 1,566,660	$ -	$ 1,566,660
Unearned revenue	980,084	345,129	1,325,213	844,838	352,150	1,196,988
Current portion of long-term debt	10,947	-	10,947	11,523	-	11,523
	2,196,662	345,129	2,541,791	2,423,021	352,150	2,775,171
Non-current Liabilities:						
Unearned revenue	531,228	402,594	933,822	283,692	60,936	344,628
Long-term debt	18,066	-	18,066	6,543	-	6,543
	549,294	402,594	951,888	290,235	60,936	351,171
Shareholders' Equity	2,597,555	(232,306)	2,365,249	7,413,365	(35,667)	7,377,698
Total Liabilities and Shareholders' Equity	$ 5,343,511	$ 515,417	$ 5,858,928	$ 10,126,621	$ 377,419	$ 10,504,040

		Three months ended March 31, 2017			
		As previously reported	Adjustments		Restated
Revenue	$	2,080,615	(106,296)	$	1,974,319
Direct operating expenses		726,993	(124,222)		602,771
Gross margin		1,353,622	17,926		1,371,548
Other operating expenses:					
Technology		439,265	-		439,265
Selling and business development		213,196	-		213,196
General and administration		764,024	-		764,024
		1,416,485	-		1,416,485
Loss from operations		(62,863)	17,926		(44,937)
Finance costs		(259)	-		(259)
Foreign exchange loss		(13,075)	-		(13,075)
Loss for the period	$	(76,197)	17,926	$	(58,271)
Other comprehensive income (loss):					
Items that will not be reclassified to loss for the period:					
Foreign exchange loss on the translation of foreign operations		5,882	-		5,882
Comprehensive loss for the period	$	(70,315)	17,926	$	(52,389)
Weighted average number of common shares					
Basic and diluted		62,376,117			62,376,117
Loss per share					
Basic and diluted	$	-		$	-

Accounting Pronouncements Not Yet Adopted

The IASB has issued new standards and amendments to existing standards. These changes are not yet adopted by us and could have an impact on future periods.

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.

Use of Non-GAAP Financial Measures

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

(i) 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. A reconciliation of working capital to Adjusted Working Capital is provided in the section entitled *"Liquidity and Capital Resources – Adjusted Working Capital"*.

(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 Companyõs 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. A reconciliation of comprehensive income (loss) to Adjusted EBITDA is provided in the section entitled *"Overall Performance and Results of Operations – Adjusted EBITDA Reconciliation."*

These measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of financial performance prepared in accordance with IFRS. Our non-GAAP measures may not be comparable to those of other reporting issuers.

Overall Performance and Results of Operations

Summary of Quarterly Results

The financial information set forth below is derived from, and should be read in conjunction with, iLOOKABOUT's Interim Financial Statements for the three months ended March 31, 2018 (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 2018 (Reported under IFRS 15)					
Revenue	$ 2,391,938				
Earnings	146,518				
Comprehensive income	116,606				
Earnings per share - basic	-				
Earnings per share - diluted	-				
Adjusted EBITDA, Unaudited*	$ 197,695				
Fiscal 2017 (Restated under IFRS 15)					
Revenue	$ 1,974,319	$ 2,424,243	$ 2,432,136	$ 2,336,533	$ 9,167,231
Earnings (loss)	(58,271)	(178,233)	134,418	(136,011)	(238,097)
Comprehensive income (loss)	(52,389)	(156,985)	175,486	(140,283)	(174,171)
Earnings (loss) per share - basic	-	-	-	-	-
Earnings (loss) per share - diluted	-	-	-	-	-
Adjusted EBITDA, Unaudited*	$ 87,934	$ 62,633	$ 297,487	$ 411,155	$ 859,209
Fiscal 2017 (Reported under IAS 18)					
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 (Reported under IAS 18)					
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 above.*

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 an 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 $197,000 and Comprehensive income of approximately $163,000 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 2018 (Reported under IFRS 15)					
Comprehensive income (loss)	$ 116,606				
Add back:					
Amortization of equipment	22,458				
Amortization of intangible assets	58,500				
Finance (income) costs	(14,573)				
Share-based compensation expense	14,704				
Non-operating and/or non-recurring items	-				
Adjusted EBITDA, Unaudited*	$ 197,695				
Fiscal 2017 (Restated under IFRS 15)					
Comprehensive income (loss)	$ (52,389)	$(156,985)	$ 175,486	$ (140,283)	$ (174,171)
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*	$ 87,934	$ 62,633	$ 297,487	$ 411,155	$ 859,209
Fiscal 2017 (Reported under IAS 18)					
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*	$ 70,009	$ (992)	$ 273,908	$ 319,646	$ 662,570
Fiscal 2016 (Reported under IAS 18)					
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 above.*

Discussion of Results of Operations

		Three months ended		
		March 31, 2018		March 31, 2017 (Restated)
Revenue	$	**2,391,938**	$	**1,974,319**
Direct operating expenses		747,356		602,771
Gross margin		**1,644,582**		**1,371,548**
Other operating expenses:				
Technology		459,443		439,265
Selling and business development		209,835		213,196
General and administration		906,885		764,024
		1,576,163		1,416,485
Income (loss) from operations		**68,419**		**(44,937)**
Finance income (costs)		14,573		(259)
Foreign exchange gain (loss)		63,526		(13,075)
Income (loss) for the period	$	**146,518**	$	**(58,271)**
Other comprehensive income:				
Items that will not be reclassified to income (loss) for the period:				
Foreign exchange gain (loss) on the translation of foreign operations		(29,912)		5,882
Comprehensive income (loss) for the period	$	**116,606**	$	**(52,389)**
Income (loss) per share, basic and diluted				
Basic	$	-	$	-
Diluted	$	-	$	-
Adjusted EBITDA, Unaudited*	$	**197,695**	$	**87,934**

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

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		
		March 31, 2018		March 31, 2017 (Restated)
Visual and data services	$	2,103,344	$	1,748,462
Consulting services		288,595		225,857
Total	$	2,391,938	$	1,974,319

Revenue increased 21% to $2,392,000 from $1,974,000 for the three months ended March 31, 2018 and 2017, respectively. This increase was primarily attributable to (i) an increase of approximately $187,000 in revenue generated from the licensing of the Companyǿs web-based real property focused applications and StreetScape imagery; (ii) an increase of approximately $136,000 of revenue generated from managed services including data verification, change detection and property related data processing; and (iii) an increase of approximately $63,000 related to consulting services.

<u>Geographic Information:</u>

The Companyǿs US-based revenue increased to $506,000 from $287,000 for the three months ended March 31, 2018 and 2017, respectively. This increase is attributable to a sales contract for the provision of StreetScape imagery, access to the Companyǿs GeoViewPort application, data verification and change detection services, for which service delivery commenced in the second quarter of 2017.

<u>Significant Customers:</u>

Customers representing more than 10% of the Companyǿs revenue are classified as significant customers. For the three months ended March 31, 2018, the Company had one significant customer; representing 50% of total revenue. Revenue related to this customer is generated from several independent agreements for multiple service offerings. None of these agreements individually provided for more than 25% of the Companyǿs revenue for the three months ended March 31, 2018.

For the three months ended March 31, 2017, the Company had two significant customers; one that represented 52% and, and the other represented 10% of total revenue.

Gross margin

Gross margin increased 20% to $1,645,000 from $1,372,000 for the three months ended March 31, 2018 and 2017, respectively. This increase is mainly attributable to increased revenue of approximately $418,000, for the reasons noted in the ñ*Revenue*ò section above. This increase was partially offset by (i) an increase in subcontracted expense of approximately $90,000 to support a multi-year, US-based services agreement for which services commenced in the second quarter of 2017; and (ii) an increase of approximately $30,000 in human resource related costs to support new sales contracts.

Comprehensive income (loss)

Comprehensive income of approximately $117,000 was generated for the three months ended March 31, 2018, as compared to a Comprehensive loss of $52,000 for the three months ended March 31, 2017. This improvement is attributable to improved Gross Margin of approximately $273,000, for the reasons noted in the *"Gross Margin"* section above; and (ii) increased foreign exchange gains of approximately $41,000, attributable to fluctuating U.S. foreign exchange rates and U.S. dollar denominated items. These changes were offset to some extent by increased professional fees of approximately $208,000 to support strategic initiatives.

Adjusted EBITDA

	Three months ended			
	March 31, 2018		March 31, 2017 (Restated)	
Comprehensive loss for the period	**$**	**116,606**	**$**	**(52,389)**
Add back:				
Amortization of equipment		22,458		34,891
Amortization of intangible assets		58,500		58,175
Finance (income) costs		(14,573)		259
Share-based compensation expense		14,704		46,998
Non-operating and/or non-recurring items		-		-
Adjusted EBITDA, Unaudited*	**$**	**197,695**	**$**	**87,934**

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

Adjusted EBITDA increased to $198,000 from $88,000 for the three months ended March 31, 2018 and 2017, respectively. Explanations for the changes in Revenue, Gross Margin and Comprehensive Loss, which drove the improvement in Adjusted EBITDA, are described in the sections above.

Outstanding Share Data and Dividends

As at March 31, 2018, iLOOKABOUT had:

- 85,095,784 Common Shares issued and outstanding;
- 2,537,341 Deferred Share Units convertible into an equal number of common shares;
- Warrants outstanding to purchase 2,044,000 Common Shares, exercisable at prices ranging from $0.25 to $0.40 per share; and
- Options outstanding to purchase 4,742,475 Common Shares, exercisable at prices ranging from $0.145 to $0.335 per share.

Subsequent to March 31, 2018 the following share-related events occurred:

- In April 2018, the Company granted 1,000,000 stock options to a consultant of the Company, such options having an exercise price of $0.30 and vesting upon the attainment of mutually agreed upon milestones.
- In April 2018, in accordance with an Executive Employment Agreement, the Company issued 1,000,000 stock options to the Companyҫs new Chief Executive Officer, 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.

The Company did not declare any dividends in the Period.

Liquidity and Capital Resources

Adjusted Working Capital

Adjusted Working Capital (a non-GAAP measure; see section entitled *"Use of Non-GAAP Financial Measures" above*) 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.

		March 31, 2018		December 31, 2017 (Restated)
Working Capital (GAAP measure)	$	6,050,603	$	5,653,568
Less: Prepaid expenses and other current assets		(170,949)		(184,755)
Less: Contract assets, current portion		(274,498)		(306,240)
Add: Unearned revenue, current portion		1,384,823		1,196,988
Adjusted Working Capital (Non-GAAP measure)	**$**	**6,989,979**	**$**	**6,359,561**

The increase in Adjusted Working Capital between December 31, 2017 and March 31, 2018, primarily related to the following items: (i) an increase of approximately $407,000 of net cash inflows for the reasons described in the ñ*Cash Flows*ò section below, and (ii) an increase of approximately $281,000 in receivable balances due to the timing of billings. These increases were reduced by an increase of approximately $57,000 in accounts payable and accrued liabilities due primarily to the timing of payments.

Cash Flows

Cash flows used in operating, financing and investing activities for the three months ended March 31, 2018 and 2017 are presented below.

		Three months ended		
Cash flow provided by (used in)		**March 31, 2018**		**March 31, 2017 (Restated)**
Operating activities	$	263,649	$	1,874
Financing activities		219,309		225,474
Investing activities		(116,424)		(17,540)
Effect of exchange rate fluctuations on cash		40,335		(8,408)
	$	**406,869**	**$**	**201,400**

The changes in cash sources and uses for the three months ended March 31, 2018 as compared to the same period in the prior year are explained below.

(i) The increase in cash provided by operations in the first quarter of 2018 compared to the same period of the prior year is attributable to improved operating results due primarily to increased sales.

(ii) For both the first quarter of 2018 and the first quarter of 2017, cash provided by financing activities is primarily attributable to proceeds resulting from the exercise of warrants.

(iii) The increase in cash used in investing activities is largely attributable to leasehold improvements completed in the first quarter of 2018.

The following are the carrying amounts and the remaining contractual cash outflows of financial liabilities and commitments at March 31, 2018.

As at March 31, 2018	Carrying Amounts	Contractual cash outflows Total	within 1 year	1 - 2 years	2 - 5 years	More than 5 years
Accounts payable and accrued liabilities	$ 1,623,551	$ 1,623,551	$1,623,551	$ -	$ -	$ -
Debt financing of vehicles	15,225	15,857	12,390	3,467	-	-
Operating leases	-	903,461	251,179	246,991	405,291	-
Purchase commitments	-	4,563,750	290,000	290,000	870,000	3,113,750
	$ 1,638,776	$ 7,106,619	$2,177,120	$ 540,458	$ 1,275,291	$ 3,113,750

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 April 2018 to December 2034 total $4,438,750.

In addition to the above-noted contractual cash flows, the Company expects to incur future capital expenditures, primarily with respect to replacement of its image capture equipment and expansion of its computer hardware which hosts the Companyôs imagery. Image 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 Companyôs planned future image capture activities and the age of existing equipment. The Company expects that capital expenditures required in the remainder of 2018 will be approximately $315,000.

Off-Balance Sheet Arrangements

As at March 31, 2018, 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

iLOOKABOUTôs 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

Equity transaction:

In January 2018, 1,481,000 Series J purchase warrants previously issued in connection with a private placement to the Chair and current Chief Executive Officer of the Company were exercised for 1,481,000 Common Shares at an exercise price of $0.15 per share, resulting in proceeds of $222,150.

Consulting services:

To provide for ongoing support and development of certain software initially licensed 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 the Software. For the three months ended March 31, 2018, the Company paid YCP Fees of $138,441 (three months ended March 31, 2017 - $118,420) to YCP, which were included in direct operating expense and technology expense. Two of the principals of YCP are the sons of the Chair and Chief Executive Officer of the Company.

Software licensing:

YCP relicenses and/or utilizes the Companyǿs software in order to provide certain services to YCPǿs end customers. Included in revenue for the three months ended March 31, 2018 are software licence fees of $16,400 (three months ended March 31, 2017 ï $9,188).

Real property rental:

One of the premises occupied by the Company is rented on an annual basis from a related company owned by an officer and director of the Company. For the three months ended March 31, 2018, the Company paid rent to the related company of $3,000, (three months ended March 31, 2017 - $3,000), 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.

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.

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 Managementǿs expectations as at the date of this MD&A and are subject to various known and unknown risks and uncertainties that may cause the Companyǿs 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 Companyǿs 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 Companyǿs 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 Companyǿs 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 Companyǿs 2017 Annual Consolidated Financial Statements and Annual Information Form for the year ended December 31, 2017, can be found on SEDAR at www.sedar.com.