iLOOKABOUT Corp.

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

The information set forth below has been prepared as at April 30, 2019, 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, 2018 (the ñReporting Dateò), including the accompanying notes (the ñ2018 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 Companyôs Annual Information Form (ñAIFò) can also be found on SEDAR at www.sedar.com.

The 2018 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.

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™

GeoViewPortÊ (ñGVPò) is a real property focused web-based platform 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 StreetScapeÊ imagery 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 customer needs 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 add-on application to the GVP platform. The Company has also launched the GVP Mobile Appraiser application, rounding out the GVP platform add-on applications. 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 platform that facilitates property assessment analytics by combining data attributes of more than 5.2 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 to ensure they are not losing tax revenues nor overcharging thus creating future liabilities. Regarded as a leading tool to support assessment-based management programs, this evolving offering benefits both large and small municipalities. Recently, integration of the Realty Tax Management software (now referred to as the Appeals Management module), previously purchased by the Company, was completed and is now being offered as an additional application available for licensing and use on the RPTA platform. Appeals Management was developed to assist municipalities in the management of Municipal Act and Assessment Act appeals.

Other Applications

The Company has developed and/or supports web-based map applications, which leverage much of the architecture and data rendering techniques utilized within 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. The Company utilizes the RPTA platform, including the Appeals Management application, to support its delivery of professional services to clients. These services are now provided exclusively through MTAG Paralegal Professional Corporation, an entity indirectly controlled by the Company.

New Product Development

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.

ReBloc Platform:

In the second quarter of 2018, the Company commenced a joint initiative with Cherre Inc. for the research and development of a decentralized real estate data validation marketplace enabled by innovative technology to be built on three main components: (i) an independent data validation layer that provides buyers with a data quality confidence regardless of the source of the data; (ii) state of the art privacy mechanism to give providers of data confidence that their data will not be exposed to other data providers or the general public; and (iii) a data indexing protocol to prevent the need for data to be uploaded to a central repository. The ReBloc platform is expected to be utilized by public and private real property data holders including, but not limited to, data aggregators, lenders, insurance companies, asset managers, software companies and real property owners. The ReBloc platform is in the early stages of development.

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

Significant developments in 2017 and 2018 include:

2017

In January 2017, the Company issued 1,481,000 Common Shares to Mr. Gary Yeoman, the then Executive Chair 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 ñOfferingò), 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 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. iLOOKABOUT used the net proceeds of the 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 with respect to the provision of digital imagery, spatial information and software application services. The Company was awarded this contract as a result of iLOOKABOUTôs successful response to MPACôs request for proposal, re-establishing the Company as MPACôs 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 monthly compensation of $5,000 for market making services designed to promote market stability and natural liquidity; mitigate price volatility and enhance the trading experience for investors.

In August 2017, the Company executed a multi-year services contract renewal with MPAC under which the Company will continue 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 Company terminated and replaced a Data Distributor Agreement with respect to real property related data licensed for use by the Company.

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 December 2017, the Company announced that Mr. Laurence Rose had left the Company in his position as Chief Executive Officer and Director to pursue other interests. Mr. Gary Yeoman was appointed as the new Chief Executive Officer, transitioning from his role as Executive Chair, which position was then eliminated. Mr. Yeoman continues in his role as Chair of the Board for iLOOKABOUT.

In December 2017, the Company appointed Mr. Phillip Millar as a Director of the Company.

2018

In January 2018, the Company issued 1,481, 000 Common Shares to Mr. Gary Yeoman, 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 entered into a consulting agreement with Cherre Inc., the developer of an inter-connected market platform that provides residential real estate data to investors and brokerage firms. Under this initiative, Cherre has been engaged as a consultant of iLOOKABOUT to work collaboratively in the development of the ReBloc platform, a decentralized real estate data validation marketplace.

In June 2018, iLOOKABOUT reappointed Venture Liquidity Providers Inc. to provide its market making services, which services will be provided through a registered broker, W.D. Latimer Co. Ltd.

In July 2018, following TSXV approval, the Company initiated a Normal Course Issuer Bid, under which it was authorized to purchase up to 5,674,609 common shares of its own capital stock during the period from July 16, 2018 to July 15, 2019. As at the date of the MD&A, the Company has purchased and cancelled 84,000 of its common shares.

In July 2018, the Company also announced the appointment of Mr. Jordan Ross as the Companyôs Chief Operating Officer.

In September 2018, the Company entered into a multi-year Data Collection and Street-Level Imagery Software Agreement with Lexur Appraisal for services to Montgomery County, Ohio (Dayton).

In October 2018, the Company announced that it had made a $1,000,000 USD investment in Cherre Inc., the consulting company that iLOOKABOUT is working with in the development of the ReBloc platform, a real estate data validation marketplace.

In November 2018, iLOOKABOUT entered into a non-binding letter of intent with Clarocity Corporation (TSXV:CLY; OTCQB:CLRYF) and StableView Asset Management Inc., to purchase certain assets of Clarocity, including the Valuation Vision Inc. and Clarocity Valuation Services LLC businesses. Concurrent with signing the letter of intent, the Company provided Clarocity with a $700,000 USD loan to be used by Clarocity to reduce its operational working capital deficiency, and agreed to provide up to $200,000 USD per month in further funding (with an initial expectation of $800,000 USD), to help fund Clarocityôs monthly net operational cash flow shortfall, which advances will rank in priority to Clarocityôs existing secured debenture holders. The consideration to be paid by iLOOKABOUT will be the issuance of convertible debentures, common shares and share purchase warrants.

Significant developments subsequent to the reporting period include:

In February 2019, the Company engaged Adelaide Capital Markets Inc. to provide investor relations services.

In April 2019, the Company announced the termination of the non-binding term sheet with Clarocity and StableView, which was entered in November 2018 (see above). In April 2019, StableView, as the principal holder of debentures and the lender representative under the several trust indentures, announced its intent to begin enforcement proceedings of its debentures to enforce the security underlying the operating assets of Clarocity. As a result, iLOOKABOUT and StableView signed a letter agreement for the acquisition by iLOOKABOUT of Clarocityôs operating assets which include Clarocity Inc., Valuation Vision Inc. and Clarocity Valuation Services, LLC businesses. The security documents supporting the loan that iLOOKABOUT agreed to advance to Clarocity in November 2018 remain in effect and will provide for security in excess of the originally expected advance amounts.

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. 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 earnings (loss) before interest, taxes, depreciation/amortization of equipment and intangible assets, share-based compensation expense and other costs or income that are: (i) non-operating; (ii) non-recurring; and/or related to strategic initiatives. 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 2018, the Company defined and calculated Adjusted EBITDA as comprehensive income (loss) before interest, taxes, depreciation/amortization of equipment and intangible assets, share-based compensation expense and other costs or income that are of a non-operating and/or non-recurring nature.

The table below presents Adjusted EBITDA as previously presented for prior periods and as restated.

	Three months ended				Year ended
	March 31	**June 30**	**Sept 30**	**Dec 31**	**Dec 31**
Fiscal 2018 (Reported under IFRS 15)					
Adjusted EBITDA[1], as previously reported	$ 197,695	$ 85,440	$ 116,725	$ 102,539	$ 502,399
Adjusted EBITDA[1], as restated	$ 326,424	$ 224,637	$ 170,778	$ 351,067	$ 1,072,906
Fiscal 2017 (Restated under IFRS 15)					
Adjusted EBITDA[1], as previously reported	$ 87,935	$ 62,632	$ 297,487	$ 411,155	$ 859,209
Adjusted EBITDA[1], as restated	$ 82,052	$ 276,368	$ 271,419	$ 505,313	$ 1,135,153
Fiscal 2017 (Reported under IAS 18)					
Adjusted EBITDA[1], as previously reported	$ 70,008	$ (992)	$ 273,908	$ 319,646	$ 662,570
Adjusted EBITDA[1], as restated	$ 64,125	$ 212,742	$ 247,840	$ 413,806	$ 938,514
Fiscal 2016 (Reported under IAS 18)					
Adjusted EBITDA[1], as previously reported	$ 51,504	$ (82,250)	$ 305,697	$ 44,134	$ 319,085
Adjusted EBITDA[1], as restated	$ 8,847	$ (82,488)	$ 309,880	$ 62,127	$ 298,366

(1) Adjusted EBITDA is Unaudited

Management believes Adjusted EBITDA provides meaningful information with respect to the financial performance and value of the Company, as items that may obscure the underlying trends in the business performance are excluded. The Company revised its definition of Adjusted EBITDA to better achieve this objective.

A reconciliation of earnings (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. iLOOKABOUTôs non-GAAP measures may not be comparable to those of other reporting issuers.

Selected Annual Information

	Audited			
Years ended December 31	**2018**	**2017**	**2017**	**2016**
	Reported under IFRS 15	**Reported under IFRS 15**	**Reported under IAS 18**	**Reported under IAS 18**
Revenue	$ 9,212,157	$ 9,167,231	$ 9,403,347	$ 8,790,956
Loss	(370,113)	(238,097)	(434,736)	(497,359)
Comprehensive loss	(397,188)	(174,171)	(370,810)	(476,640)
Loss per share (basic and diluted)	-	-	(0.01)	(0.01)
Total assets	11,080,233	10,504,040	10,126,621	5,343,511
Total liabilities	3,482,946	3,126,342	2,713,256	2,745,956
	Unaudited			
Adjusted EBITDA*	$ 1,072,906	$ 1,135,153	$ 938,514	$ 298,366

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

Effective January 1, 2018, the Company adopted IFRS 15 which introduces a single model for recognizing revenue from contracts with customers. 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. See the "Changes in Accounting Policies" section herein for further discussion of the adoption of IFRS 15.

Comparison of the twelve months ended December 31, 2018 and 2017 (as reported under IFRS 15)

Revenue remained relatively stable at $9,212,000 for the year ended December 31, 2018, as compared to $9,167,000 for the year ended December 31, 2017. See the *"Discussion of Results of Operations"* section, herein.

Comprehensive loss increased to $397,000 for the year ended December 31, 2018, as compared to $174,000 for the year ended December 31, 2017. See *"Discussion of Results of Operations"* section, herein.

Total assets increased 5% to $11,080,000 at December 31, 2018, as compared to $10,504,000 as at December 31, 2017. The most significant changes within assets were the following:

- An increase in trade and other receivables of approximately $1,152,000 which was primarily attributable to the recognition of approximately $829,000 with respect to Ontario Interactive Digital Media Tax Credits receivable in 2018 with no comparable amount in 2017, which tax credits receivable relate to expenditures incurred in prior years.
- Changes within the asset class, primarily being a decrease in cash of approximately $2,887,000 which was primarily attributable to:
  - A note receivable of approximately $973,000 which represents a loan made by the Company in 2018 to an acquisition target of the Company, with no comparable item in 2017; and
  - An equity investment of $1,000,000 USD (approximately $1,292,000 CAD as at the date of the investment), made by the Company in a US-based software company, with no comparable item in 2017.

Effective January 1, 2018, the Company adopted IFRS 15 ï Revenue from Contracts with Customers, with full retrospective application, subject to certain practical expedients. 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. Prior to the adoption of IFRS 15, the Company did not record any contract assets. As at December 31, 2018 and 2017 (as restated under the adoption of IFRS 15) the Company had contract assets of $276,000 and $397,000, respectively.

Total liabilities increased 11% to $3,483,000 as at December 31, 2018, as compared to $3,126,000 as at December 31, 2017. The most significant changes on a year over year basis were (i) an increase in unearned revenue of approximately $951,000, primarily due to (a) payments which had been received from two customers in advance of the provision of the related services by the Company, and (b) the recognition of unearned revenue upon the Company agreeing upon a non-monetary transaction to settle an amount payable to a vendor through the provision of services by the Company, and (ii) a decrease in accounts payable and accrued liabilities of approximately $583,000 primarily due to (a) the draw down of $337,500 in 2018 of an accrual of employee termination related costs which were initially recorded in the fourth quarter of 2017 as payments were made; (b) the draw down of a $250,000 accrual for an amount owed to a vendor, as discussed above, for which an arrangement was made for the Company to provide services to satisfy the liability, at which point the accrued liability was eliminated and the corresponding amount recorded as unearned revenue; and (c) payment timing differences as compared to the prior year.

Comparison of the twelve months ended December 31, 2017 and 2016 (as reported under IAS 18)

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 Companyôs web-based real property focused software and StreetScape imagery;
- Increased subcontracted-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 activities;
- 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 expenses in the fourth quarter of 2017 with no comparable accrual in the prior year.

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, iLOOKABOUTôs 2018 Consolidated Financial Statements for the year ended December 31, 2018 (the ñReporting Dateò), 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	$ 2,323,085	$ 2,226,453	$ 2,270,681	$ 9,212,157
Earnings (loss)	146,518	(389,875)	(520,464)	393,708	(370,113)
Comprehensive income (loss)	116,606	(405,023)	(506,117)	397,346	(397,188)
Earnings (loss) per share - basic	-	-	(0.01)	-	-
Earnings (loss) per share - diluted	-	-	(0.01)	-	-
Adjusted EBITDA, Unaudited*	$ 326,424	$ 224,637	$ 170,778	$ 351,067	$ 1,072,906
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)	(178,232)	134,418	(136,012)	(238,097)
Comprehensive income (loss)	(52,389)	(156,984)	175,485	(140,283)	(174,171)
Earnings (loss) per share - basic	-	-	-	-	-
Earnings (loss) per share - diluted	-	-	-	-	-
Adjusted EBITDA, Unaudited*	$ 82,052	$ 276,368	$ 271,419	$ 505,313	$ 1,135,153
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*	$ 64,125	$ 212,742	$ 247,840	$ 413,806	$ 938,514
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*	$ 8,847	$ (82,488)	$ 309,880	$ 62,127	$ 298,366

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

While there are certain quarter-over-quarter variations in the Companyôs financial results during the periods presented in the above table, the overall characteristics in the Companyôs financial performance have been (i) stable revenue; (ii) fluctuating comprehensive income (loss); (iii) fluctuating Adjusted EBITDA; and (iii) nominal change in basic and diluted earnings (loss) per share. Variations in revenue on a quarter-over-quarter basis are primarily due to 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 primarily driven by transactional sales volumes; (ii) the seasonal timing of image capture and post-collection processing; and (iii) fluctuating professional service and human resource related expenses to support strategic initiatives. Fluctuations in comprehensive income (loss) and adjusted EBITDA are primarily attributable to costs or income related to non-operating items, non-recurring items and/or strategic initiatives.

Adjusted EBITDA Reconciliation

The following tables present reconciliations of Earnings (loss) to Adjusted EBITDA, for the periods presented.

	Three months ended				Year ended
	March 31	June 30	September 30	December 31	December 31
Fiscal 2018 (Reported under IFRS 15)					
Earnings (loss)	$ 146,518	$ (389,875)	$ (520,464)	$ 393,708	$ (370,113)
Add back:					
Amortization of equipment	22,458	23,981	25,659	30,973	103,071
Amortization of intangible assets	58,500	58,180	57,358	57,358	231,396
Finance income, net	(14,573)	(15,470)	(14,767)	(11,182)	(55,992)
Share-based compensation expense	14,704	173,611	128,626	92,680	409,621
Costs or income related to non-operating items, non-recurring items and/or strategic initiatives	98,817	374,210	494,366	(212,470)	754,923
Adjusted EBITDA, Unaudited*	$ 326,424	$ 224,637	$ 170,778	$ 351,067	$ 1,072,906
Fiscal 2017 (Restated under IFRS 15)					
Earnings (loss)	$ (58,271)	$ (178,232)	$ 134,418	$ (136,012)	$ (238,097)
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
Costs or income related to non-operating items, non-recurring items and/or strategic initiatives	-	234,982	15,000	427,387	677,370
Adjusted EBITDA, Unaudited*	$ 82,052	$ 276,368	$ 271,419	$ 505,313	$ 1,135,153
Fiscal 2017 (Reported under IAS 18)					
Earnings (loss)	$ (76,198)	$ (241,858)	$ 110,839	$ (227,519)	$ (434,736)
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
Costs or income related to non-operating items, non-recurring items and/or strategic initiatives	-	234,982	15,000	427,387	677,370
Adjusted EBITDA, Unaudited*	$ 64,125	$ 212,742	$ 247,840	$ 413,806	$ 938,514
Fiscal 2016 (Reported under IAS 18)					
Earnings (loss)	$ (154,814)	$ (295,592)	$ 125,902	$ (172,855)	$ (497,359)
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
Costs or income related to non-operating items, non-recurring items and/or strategic initiatives	-	-	-	-	-
Adjusted EBITDA, Unaudited*	$ 8,847	$ (82,488)	$ 309,880	$ 62,127	$ 298,366

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

Discussion of Results of Operations

	Unaudited		Audited	
	Three months ended		Year ended	
	December 31, 2018	December 31, 2017 Restated[1]	December 31, 2018	December 31, 2017 Restated[1]
Revenue	**$ 2,270,681**	**$ 2,336,533**	**$ 9,212,157**	**$ 9,167,231**
Direct operating expenses	744,422	639,976	2,990,069	2,799,075
Gross margin	**1,526,259**	**1,696,557**	**6,222,088**	**6,368,156**
Other operating expenses:				
Technology	731,232	403,149	2,437,115	1,707,114
Selling and business development	248,302	200,096	983,268	892,601
General and administration	1,042,901	1,253,699	4,171,473	3,918,850
	2,022,435	1,856,944	7,591,856	6,518,565
Loss from operations	**(496,176)**	**(160,387)**	**(1,369,768)**	**(150,409)**
Other income	829,343	-	829,343	-
Finance income, net	11,182	13,578	55,992	24,201
Foreign exchange gain (loss)	49,359	10,798	114,320	(111,889)
Income (loss) for the period	**$ 393,708**	**$ (136,011)**	**$ (370,113)**	**$ (238,097)**
Other comprehensive income (loss):				
Items that will not be reclassified to income (loss) for the period:				
Change in fair value of investment	72,600	-	72,600	-
Foreign exchange gain (loss) on the translation of foreign operations	(68,962)	(4,272)	(99,675)	63,926
Comprehensive income (loss) for the period	**$ 397,346**	**$ (140,283)**	**$ (397,188)**	**$ (174,171)**
Adjusted EBITDA, Unaudited[2]	**$ 351,067**	**$ 505,313**	**$ 1,072,906**	**$ 1,135,153**

[1] Restated upon the adoption of IFRS 15, effective January 1, 2018, with full retrospective application.
[2] 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, 2018	December 31, 2017 Restated[1]	December 31, 2018	December 31, 2017 Restated[1]
Visual and data services	$ 2,066,164	$ 2,134,886	$ 8,312,948	$ 8,373,488
Consulting services	204,517	201,647	899,209	793,743
Total	$ 2,270,681	$ 2,336,533	$ 9,212,157	$ 9,167,231

[1] Restated upon the adoption of IFRS 15, effective January 1, 2018, with full retrospective application.

Revenue decreased to $2,271,000 from $2,337,000 for the three months ended December 31, 2018 and 2017, respectively. While the combination of managed services and consulting revenue for the fourth quarter of 2018 increased by approximately $22,000 as compared to the same period of the prior year, this increase was offset by the following:

- Software custom development revenue decrease of $41,000;
- Third-party data licensing revenue decrease of $25,000; and
- Software and StreetScape licensing revenue decrease of $22,000.

Revenue increased to $9,212,000 from $9,167,000 for the years ended December 31, 2018 and 2017, respectively. This increase is attributable to the following approximate increases and decreases in revenue:

- Software and StreetScape licensing, excluding software custom development, increase of $231,000;
- Consulting services increase of $105,000;
- Managed services increase of $44,000;
- Software custom development revenue decrease of $250,000; and
- Third-party data licensing decrease of $86,000.

Geographic Information:

	Three months ended		Year ended	
	December 31, 2018	December 31, 2017 Restated[1]	December 31, 2018	December 31, 2017 Restated[1]
Canada	$ 1,853,068	$ 1,903,570	$ 7,306,971	$ 7,415,934
United States	417,613	432,963	1,905,186	1,751,297
Total	$ 2,270,681	$ 2,336,533	$ 9,212,157	$ 9,167,231

[1] *Restated upon the adoption of IFRS 15, effective January 1, 2018, with full retrospective application.*

The Companyôs US-based revenue decreased nominally to $418,000 from $433,000 for the three months ended December 31, 2018 and 2017, respectively. This decrease is primarily due to the timing of delivery of services.

The Companyôs US-based revenue increased to $1,905,000 from $1,751,000 for the years ended December 31, 2018 and 2017, respectively. This increase is primarily attributable to a sales contract for the provision of StreetScape imagery, access to the Companyôs GeoViewPort application, data verification and change detection services, for which service delivery commenced in the second quarter of 2017.

Remaining Performance Obligations:

Revenue allocated to remaining performance obligations represents contracted revenue that has not yet been recognized (ñcontracted unrecognized revenueò) and includes both unearned revenue and amounts that will be invoiced and recognized as revenue in future periods. Contracted unrecognized revenue does not include future expected revenue that is transactional in nature. As at December 31, 2018, contracted unrecognized revenue was approximately $16.1 million, of which we expect to recognize an estimated 39% over the next 12 months and the remainder thereafter.

Significant Customers:

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

For the three months ended December 31, 2018, the Company had one significant customer; representing 56% of total revenue. For the three months ended December 31, 2017, the Company had one significant customer; representing 54% of total revenue.

For the year ended December 31, 2018, the Company had one significant customer; representing 53% of total revenue. For the year ended December 31, 2017, the Company had one significant customer; representing 52% of total revenue.

Gross margin

Direct operating expenses included in the calculation of gross margin primarily include image capture and processing costs, fees for subcontracted services to generate revenue, third-party data licensing fees, royalties and commissions.

Gross margin decreased to $1,526,000 from $1,697,000 for the three months ended December 31, 2018 and 2017, respectively, primarily due to a decrease in revenue and an increase in direct operating expense for the three months ended December 31, 2018 as compared to the same period of the prior year. Gross margin as a percentage of revenue was 67% for the three months ended December 31, 2018, as compared to 73% for the prior year.

Gross margin decreased to $6,222,000 from $6,368,000 for the years ended December 31, 2018 and 2017, respectively. While revenue increased for the fiscal year of 2018 as compared to the prior year, this increase was offset by an increase in direct operating expense. Gross margin as a percentage of revenue was 68% for the year ended December 31, 2018, as compared to 70% for the prior year.

Comprehensive income (loss)

Comprehensive income for the three months ended December 31, 2018, was $397,000, as compared to a comprehensive loss of $140,000 for the three months ended December 31, 2017. This improvement is primarily attributable to the following:

- Increase in other income related to the recognition of Ontario Interactive Digital Media tax credits, for amounts receivable related to prior reporting periods, in the amount of approximately $829,000;
- Decrease in general and administrative related human resource costs of approximately $390,000, see Note 2 below; and
- Decrease in stock-based compensation expense of approximately $60,000.

The above noted increase in other income and decreases in expenditures were offset by the following for the three months ended December 31, 2018, as compared to the same period of the prior year:

- Increase in human resource related costs related to technology development of approximately $329,000, see Note 1 below;
- Increase in legal and other professional fees of approximately $173,000, see Note 1 below;
- Decrease in gross margin of approximately $170,000 as noted in the ñ*Gross margin*ò section above;
- Increase in promotion and travel costs of approximately $67,000, see Note 1 below; and
- Various other fluctuations having a net impact of an increase of approximately $1,500 in expenditures.

Comprehensive loss increased to $397,000 from $174,000 for the years ended December 31, 2018 and 2017, respectively. This change is primarily attributable to the following:

- Increase in legal and other professional fees of approximately $811,000, see Note 1 below;
- Increase in human resource related costs related to technology development of approximately $638,000, see Note 1 below;
- Increase in promotion and travel costs of approximately $178,000, see Note 1 below;
- Decrease in gross margin of approximately $146,000 as noted in the ñ*Gross margin*ò section above; and
- Increase in stock-based compensation expense of approximately $29,000.

The above noted increase in expenditures were offset to some extent by the following for the year ended December 31, 2018, as compared to the prior year:

- Increase in other income related to the recognition of Ontario Interactive Digital Media tax credits, for amounts receivable related to prior reporting periods, in the amount of approximately $829,000;
- Decrease in general and administrative related human resource costs of approximately $587,000, see Note 2 below;
- Positive foreign exchange impact of approximately $135,000, attributable to the impact of fluctuating U.S. exchange on U.S. dollar denominated items and the translation of foreign operations; and
- Various other fluctuations having a net impact of a decrease of approximately $27,000 in expenditures.

In the second quarter of 2018, a significant increase in expenditures to support the development of a decentralized real estate data validation marketplace (the ñReBloc Platformò) and related infrastructure commenced. Such expenses primarily include (i) legal fees with respect to development of an appropriate corporate structure and supporting contractual agreements related to the ReBloc Platform; (ii) consulting fees with respect to development of the ReBloc Platform; and (iii) human resource related costs to support product development. These expenses totalled approximately $365,000 and $1,041,000 for the three months and year ended December 31, 2018, respectively, and have been included as costs related to non-operating items, non-recurring items and/or strategic initiatives in the calculation of Adjusted EBITDA (see the *"Adjusted EBITDA"* section herein).

Note 1: The increases in legal and other professional fees, technology development related human resource costs and travel and promotion are primarily attributable to strategic initiatives launched in early 2018, including commencement of the development of the ReBloc Platform. Increases in legal and other professional fees were also attributable to the support and advancement of opportunities for growth through acquisition and/or strategic partnerships, and related corporate initiatives.

Note 2: The decrease in general and administrative related human resource costs are primarily attributable to (i) employment termination expenses which were incurred in the fourth quarter of 2017 with comparable expenses not incurred in 2018; and (ii) changes in the composition of the senior management team in 2018.

Adjusted EBITDA

	Unaudited		Audited	
	Three months ended		Year ended	
	December 31, 2018	December 31, 2017 Restated[1]	December 31, 2018	December 31, 2017 Restated[1]
Earnings (loss) for the period	**$ 393,708**	**$ (136,012)**	**$ (370,113)**	**$ (238,097)**
Add back:				
Amortization of equipment	30,973	16,406	103,071	107,814
Amortization of intangible assets	57,358	58,610	231,396	231,993
Finance income, net	(11,182)	(13,578)	(55,992)	(24,201)
Share-based compensation expense	92,680	152,500	409,621	380,274
Costs or income related to non-operating items, non-recurring items and/or strategic initiatives	(212,470)	427,387	754,923	677,370
Adjusted EBITDA, Unaudited[2]	**$ 351,067**	**$ 505,313**	**$ 1,072,906**	**$ 1,135,153**

[1] Restated upon the adoption of IFRS 15, effective January 1, 2018, with full retrospective application.
[2] Adjusted EBITDA is a non-GAAP measure and is defined herein.

Adjusted EBITDA decreased to $351,000 from $505,000 for the three months ended December 31, 2018 and 2017, respectively; and decreased to $1,073,000 from $1,135,000 for the years ended December 31, 2018 and 2017, respectively.

Explanations for the changes in Revenue, Gross Margin and Comprehensive Loss, which drove the changes in Adjusted EBITDA, are described in the sections above.

Included in the calculation of Adjusted EBITDA for the three months and year ended December 31, 2018 are income or costs related to non-operating items, non-recurring items and/or strategic initiatives totaling approximately $212,000 of deductions, and $755,000 of additions, respectively. These additions to income (loss) in the calculation of Adjusted EBITDA relate primarily to costs incurred to support development of the ReBloc Platform as described above. Such expenses primarily include (i) legal fees with respect to development of an appropriate corporate structure and supporting contractual agreements; (ii) consulting fees with respect to technology development; and (iii) human resource related costs to support product development. In the fourth quarter of 2018, these additions were offset by a deduction of approximately $829,000 with respect to other income related to Ontario Interactive Digital Media Tax Credits receivable, which tax credits relate to expenditures incurred in prior periods.

Included in the calculation of Adjusted EBITDA for the three months and year ended December 31, 2017 are costs related to non-operating items, non-recurring items and/or strategic initiatives totaling approximately $427,000 and $677,000 of additions, respectively. These additions to income (loss) in the calculation of Adjusted EBITDA relate primarily to (i) legal costs related to a public offering completed by the Company in the second quarter of 2017; and (ii) termination related expenses totaling approximately $337,500 incurred in the fourth quarter of 2017, which costs are not expected to be recurring.

Outstanding Share Data and Dividends

As at December 31, 2018, iLOOKABOUT had the following outstanding:

- 85,011,784 Common Shares;
- 3,883,237 Deferred Share Units convertible into an equal number of Common Shares;
- Warrants to purchase 2,044,000 Common Shares, exercisable at prices ranging from $0.25 to $0.40 per share; and
- Options to purchase 7,637,725 Common Shares, exercisable at prices ranging from $0.145 to $0.335 per share.

The Company did not declare any dividends in the Period.

Subsequent to December 31, 2018, the following capital-related events occurred:

- In January 2019, options to purchase 150,000 Common Shares were granted to the Companyôs Chief Operating Officer at an exercise price of $0.20, which options will expire five years from the date that they vest, being July 30, 2025, if unexercised; and
- In February 2019, options to purchase 25,000 Common Shares were granted to a contractor at an exercise price of $0.175, which options will expire five years from the date of grant if unexercised.

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.

	December 31, 2018	December 31, 2017 Restated[1]
Working Capital (GAAP measure)	$ 4,470,929	$ 5,653,568
Less: Prepaid expenses and other current assets	(372,637)	(184,755)
Less: Contract assets, current portion	(110,359)	(306,240)
Add: Unearned revenue, current portion	2,197,857	1,196,988
Adjusted Working Capital (Non-GAAP measure)	**$ 6,185,790**	**$ 6,359,561**

[1] *Restated upon the adoption of IFRS 15, effective January 1, 2018, with full retrospective application.*

The decrease in Adjusted Working Capital from December 31, 2017 to December 31, 2018 was primarily attributable to:

- A decrease in cash of approximately $2,887,000 primarily attributable to (i) an advance of approximately $973,000 made to an entity that is an acquisition target of the Company, which amount is included in Adjusted Working Capital as a note receivable; and (ii) an equity investment of $1,000,000 USD in a US-based software company, which amount is not included in Adjusted Working Capital as it is a non-current asset;
- An increase in trade and other receivables of approximately $1,152,000 primarily due to the inclusion of Ontario Interactive Digital Media Tax Credits receivable of approximately $829,000 as at December 31, 2018 with no comparative amount for the prior year, and timing differences with respect to the collection of payment from customers; and
- A decrease in accounts payable and accrued liabilities of approximately $583,000 primarily due to (i) the draw down in 2018 of an accrual of employee termination related costs which was initially recorded in the fourth quarter of 2017 as payments were made; (ii) the draw down of an amount owed to a vendor for which an arrangement was made for the Company to provide services to satisfy the liability, at which point the accrued liability was eliminated and the corresponding amount recorded as unearned revenue; and (c) payment timing differences as compared to the prior year.

Cash Flows

Cash flows provided by and used in operating, financing and investing activities for the year ended December 31, 2018 and 2017 are presented below.

	Year ended	
Cash flow provided by (used in)	**December 31, 2018**	**December 31, 2017**
Operating activities	$ (621,179)	$ 266,809
Financing activities	195,533	4,795,399
Investing activities	(2,507,696)	(86,645)
Effect of exchange rate fluctuations on cash	46,431	(57,381)
	$ (2,886,911)	**$ 4,918,182**

The changes in cash sources and uses of cash for the year ended December 31, 2018 as compared to prior year are explained below.

- While cash flow from core operating activities increased in fiscal 2018 as compared to the prior year, these increases were offset by an increased use of cash to support various strategic initiatives.
- Cash flow provided by financing activities for the year ended December 31, 2018, primarily related to proceeds of $222,150 resulting from the exercise of warrants, offset to some extent by the repurchase of common shares of the Company under its normal course issuer bid and vehicle financing payments. For the year ended December 31, 2017, cash flow provided by financing activities primarily resulted from the completion of a public offering for net proceeds of $4,557,196, and the exercise of warrants for net proceeds of $222,150.
- The increase in cash used in investing activities in fiscal 2018 is largely attributable to (i) an equity investment of $1,000,000 USD ($1,291,710 CAD at the date the investment was made) in a US-based software company; (ii) an advance of $972,862, as at December 31, 2018, made to an entity that is an acquisition target of the Company; and (iii) increased capital expenditures related to leasehold improvements and the purchase of furniture, fixtures and equipment.

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

		Contractual cash outflows				
As at December 31, 2018	**Carrying Amounts**	**Total**	**within 1 year**	**1 - 2 years**	**2 - 5 years**	**More than 5 years**
Accounts payable and accrued liabilities	$ 983,668	$ 983,668	$ 983,668	$ -	$ -	$ -
Debt financing of vehicles	6,443	6,443	6,443	-	-	-
Operating leases	-	722,348	187,475	242,521	292,352	-
Purchase commitments	-	4,668,256	239,137	310,516	906,548	3,212,055
	$ 990,111	$ 6,380,715	$1,416,723	$ 553,037	$ 1,198,900	$ 3,212,055

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"*, which continue until December 2034. Committed payments for the period of January 2019 to December 2034 total $4,568,256.

In addition to the above-noted contractual cash outflows, 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.

Off-Balance Sheet Arrangements

As at December 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, note receivable, investment, accounts payable and accrued liabilities, and long-term debt. Management does not believe that these financial instruments expose iLOOKABOUT to any significant interest, currency, market or credit risks.

Transactions with Related Parties

Consulting services:

To provide for ongoing support and development of certain software 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, with annual increases in line with any increases in the Consumer Price Index, plus 15% of revenue received by the Company from end customers (the ñYCP Feesò) for use of this software. For the year ended December 31, 2018, the Company paid $393,473 (2017 ï $391,467) to YCP under the Consulting Agreement, 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:

Until 2018, YCP relicensed and/or utilized the Companyôs software in order to provide certain services to YCPôs end customers. Included in revenue for the year ended December 31, 2018 are software licence fees of $nil (2017 - $45,575).

Real Property Rental:

One of the premises occupied by the Company is rented on an annual basis from a company owned, in part, by a director of the Company. For the year ended December 31, 2018, the Company paid rent to this related company of $12,000 (2017 - $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, which undertakes the Companyôs tax assessment and paralegal consulting services, is not owned directly by iLOOKABOUT Corp. Rather, the Chair and Chief Executive Officer of the Company, a paralegal licensed in the Province of Ontario, is the sole shareholder of this professional corporation. The Company controls the entity through contractual arrangements, which, among other things, provide that all economic benefit or loss resulting from this entityôs operations will be received by the Company. In September 2017, MTAG Paralegal Professional Corporation commenced the delivery of paralegal services.

Equity Transactions:

In January 2018, 1,481,000 Series J purchase warrants, previously issued in connection with a private placement to the Chair of the Board and 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 gross proceeds of $222,150.

In January 2017, 1,481,000 Series I purchase warrants previously issued under a private placement to 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 gross proceeds of $222,150.

All of 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

New accounting pronouncements adopted

IFRS 2 – Share Based Payments

On June 20, 2016, the IASB issued amendments to IFRS 2 Share-based Payment, clarifying how to account for certain types of share-based payment transactions. The amendments apply for annual periods beginning on or after January 1, 2018. As a practical simplification, the amendments can be applied prospectively. Retrospective, or early, application is permitted if information is available without the use of hindsight. The amendments provide requirements on the accounting for: 1) the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments; 2) share-based payment transactions with a net settlement feature for withholding tax obligations; and 3) a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The Company has adopted the amendments on a prospective basis with no impact on the consolidated financial statements.

IFRS 9 - Financial Instruments

Effective January 1, 2018, the Company adopted IFRS 9, which sets out requirements for recognition and measurement, impairment, derecognition of financial instruments 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.

Upon initial adoption, the Company has applied IFRS 9 on a retrospective basis, without restatement of prior periods. 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 of 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 customer takes control of the asset (i.e. the point at which the Company has no current or future obligations to the customer). 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.

Contract acquisition assets of the Company are typically comprised of royalties and commissions, and contract fulfillment assets are typically comprised of imagery capture and processing costs.

Primary changes on adoption of IFRS 15:

A. Bundled products and services

IFRS 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 Companyôs 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 Companyôs 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 Companyôs 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 an agent with respect to a specific sales arrangement, 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 Companyôs previously reported Consolidated Financial Statements as at January 1, 2017 and December 31, 2017 and for the year ended 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

	Year ended December 31, 2017		
	As previously reported	Adjustments	Restated
Revenue	$ 9,403,347	(236,116)	$ 9,167,231
Direct operating expenses	3,231,830	(432,755)	2,799,075
Gross margin	6,171,517	196,639	6,368,156
Other operating expenses:			
Technology	1,707,114	-	1,707,114
Selling and business development	892,601	-	892,601
General and administration	3,918,850	-	3,918,850
	6,518,565	-	6,518,565
Loss from operations	(347,048)	196,639	(150,409)
Finance costs	24,201	-	24,201
Foreign exchange loss	(111,889)	-	(111,889)
Loss for the period	$ (434,736)	196,639	$ (238,097)
Other comprehensive loss:			
Items that will not be reclassified to loss for the period:			
Foreign exchange loss on the translation of foreign operations	63,926	-	63,926
Comprehensive income (loss) for the period	$ (370,810)	196,639	$ (174,171)
Weighted average number of common shares			
Basic and diluted	76,576,367		76,576,367
Loss per share			
Basic and diluted	$ (0.01)		$ -

IFRIC 22 Foreign Currency Translation and Advance Consideration

On December 8, 2016, the IASB issued IFRIC Interpretation 22 Foreign Currency Transactions and Advance Consideration. The interpretation is applicable for annual periods beginning on or after January 1, 2018. Early application is permitted. The Interpretation clarifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) is the date on which an entity initially recognizes the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration. The adoption of the interpretation has not impacted the consolidated financial statements.

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, 2018 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 believes that on adoption, the Company will be required to record a right of use asset and a lease liability related to the Companyôs leased premises. Management is assessing the impact of this standard on the consolidated financial statements and is not currently in a position to reliably quantify the full impact of IFRS 16.

IFRIC 23 Uncertainty over Income Tax Treatments

On June 7, 2017, the IASB issued IFRIC Interpretation 23 Uncertainty over Income Tax Treatments. The Interpretation is applicable for annual periods beginning on or after January 1, 2019. Early application is permitted. The interpretation clarifies the accounting for income tax treatments (current and deferred tax) that have yet to be accepted by tax authorities. The Company intends to adopt the Interpretation in its financial statements for the annual period beginning on January 1, 2019 and does not expect the Interpretation to have a material impact on the financial statements.

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.

Additional Information

Additional information relating to iLOOKABOUT, including the Companyôs 2018 Annual Consolidated Financial Statements and Annual Information Form for the year ended December 31, 2018, can be found on SEDAR at www.sedar.com.