Condensed Consolidated Interim Financial Statements of

INTERMAP TECHNOLOGIES CORPORATION

Third Quarter ended September 30, 2021

Management's Discussion and Analysis

For the three and nine months ended September 30, 2021

For purposes of this discussion, "Intermap®" or the "Company" refers to Intermap Technologies® Corporation and its subsidiaries.

This management's discussion and analysis (MD&A) is provided as of November 15, 2021, and should be read together with the Company's unaudited condensed consolidated interim financial statements and the accompanying notes for the three and nine months ended September 30, 2021 (the "Condensed Consolidated Interim Financial Statements") and the audited consolidated financial statements as at December 31, 2020 and 2019, together with accompanying notes(the "Annual Consolidated Financial Statements"), our 2020 annual MD&A (the "Annual MD&A"), and our annual information form for the fiscal year ended December 31, 2020 (the "AIF"), which may be found on SEDAR at www.sedar.com. The results reported herein have been prepared in accordance with International Financial Reporting Standards (IFRS) and, unless otherwise noted, are expressed in United States dollars.

The Condensed Consolidated Interim Financial Statements have been prepared on a going concern basis in accordance with IFRS. The going concern basis of presentation assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

The Condensed Consolidated Interim Financial Statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis were not appropriate for these financial statements, then adjustments would be necessary to the carrying amounts of assets and liabilities, the reported expenses and the classifications used in the statements of financial position.

Additional information relating to the Company, including the Company's AIF, can be found on the Company's website at www.intermap.com and on SEDAR at www.sedar.com.

FORWARD-LOOKING STATEMENTS

In the interest of providing the shareholders and potential investors of Intermap Technologies® Corporation ("Intermap" or the "Company") with information about the Company and its subsidiaries, including management's assessment of Intermap's and its subsidiaries' future plans, operations and financing alternatives, certain statements and information provided in this MD&A constitute forward-looking statements or information (collectively, "forward-looking statements"). Forward-looking statements are typically identified by words such as "may", "will", "should", "could", "anticipate", "expect", "project", "estimate", "forecast", "plan", "intend", "target", "believe", and similar expressions suggesting future outcomes, and includes statements that actions, events, or conditions "may," "would," "could," or "will" be taken or occur in the future. These forward-looking statements may be based on assumptions that the Company believes to be reasonable based on the information available on the date such statements are made, such statements are not guarantees of future performance and readers are cautioned against placing undue reliance on forward-looking statements. By their nature, these statements involve a variety of assumptions, known and unknown risks and uncertainties, and other factors which may cause actual results, levels of activity, and achievements to differ materially from those expressed or implied by such statements. The forward-looking information contained in this MD&A is based on certain assumptions and analysis by management of the Company in light of its experience and perception of historical trends, current conditions and expected future development and other factors that it believes are appropriate.

Forward-looking information and statements in this MD&A include, but are not limited to the following:

- the Company will begin to recognize a large portion of the acquisition services contract in the fourth quarter of 2021;
- the Company remains well-positioned to withstand COVID-19-related slowdowns and remains confident in the pipeline;
- continued revenue generation from future updates related to two new government program awards in South America and the US;
- all trade receivable balances are highly likely to be paid in full by the customer;
- the factors noted under "Liquidity and Capital Resources" may be exacerbated by the ongoing COVID-19 pandemic and in the aggregate indicate there are material uncertainties which may cast significant doubt about the Company's ability to continue as a going concern;
- Management's belief that an improved capital structure, including the August 2021 private placement raising gross proceeds of $2.2 million will provide much needed investment in revenue growth; and
- failure to achieve certain requirements could have a material adverse effect on the Company's financial condition and/or results of operations.

The material factors and assumptions used to develop the forward-looking statements herein include, but are not limited to, the following: (i) there will be adequate liquidity available to the Company to carry out its operations; (ii) payments on material contracts will occur within a reasonable period of time after contract completion; (iii) the continued sales success of Intermap's products and services; (iv) the continued success of business development activities; (v) there will be no significant delays in the development and commercialization of the Company's products; (vi) the Company will continue to maintain sufficient and effective production and software development capabilities to compete on the attributes and cost of its products; (vii) there will be no significant reduction in the availability of qualified and cost-effective human resources; (viii) the continued existence and productivity of subsidiary operations; (ix) demand for geospatial related products and services will continue to grow in the foreseeable future; (x) there will be no significant barriers to the integration of the Company's products and services into customers' applications; (xi) the Company will be able to maintain compliance with applicable contractual and regulatory obligations and requirements, (xii) superior technologies/products do not develop that would render the Company's current product offerings obsolete, and (xiii) expected impact of the novel coronavirus (COVID-19) pandemic on the Company's future operations and performance.

Intermap's forward-looking statements are subject to risks and uncertainties pertaining to, among other things, cash available to fund operations, availability of capital, revenue fluctuations, nature of government contracts, economic conditions, loss of key customers, retention and availability of executive talent, competing technologies, continued listing of its common shares on the Toronto Stock Exchange or equivalent exchange, common share price volatility, loss of proprietary information, software functionality, internet and system infrastructure functionality, information technology security, breakdown of strategic alliances, and international and political considerations, including but not limited to those risks and uncertainties discussed under the heading "Risk Factors" in the annual MD&A and the Company's other filings with securities regulators. Any one or more of the foregoing factors may be exacerbated by the ongoing COVID-19 pandemic and may have a significantly more severe impact on the Company's business, results of operations and financial condition than in the absence of such pandemic.

We are closely monitoring the ongoing and future potential effects of the COVID-19 pandemic on our operations and financial performance; however, the impacts of the pandemic continue to develop and evolve, and their full extent is difficult to predict at this time. We are conducting business with substantial modifications to employee work locations and travel, along with substantially modified interactions with customers. Proceeds from the government assistance programs in the United States and Canada have helped the Company to retain critical talent during this challenging time. We will continue to monitor the impact of the COVID-19 pandemic on all aspects of our business, including customer purchasing decisions, and may take further actions that alter our business operations. The impact of the COVID-19 pandemic on our operational and financial performance will depend on certain developments, including the duration and spread of the virus, the further impact on our customers and our sales cycles, the impact on business development and marketing activities, and further delays in customer projects and activities, all of which are uncertain and cannot be predicted. Due to our subscription-based business model for commercial customers and long sales cycle for government customers, the impact may not be fully reflected in our operations until future periods.

The impact of any one risk, uncertainty, or factor on a particular forward-looking statement is not determinable with certainty as these are interdependent, and the Company's future course of action depends on Management's assessment of all information available at the relevant time. Except to the extent required by law, the Company assumes no obligation to publicly update or revise any forward-looking statements made in this MD&A, whether as a result of new information, future events, or otherwise. All subsequent forward-looking statements, whether written or oral, attributable to the Company or persons acting on the Company's behalf, are expressly qualified in their entirety by these cautionary statements.

BUSINESS OVERVIEW

Intermap is a global geospatial intelligence company, creating a wide variety of geospatial solutions and analytics for its customers. Intermap is a premier worldwide provider of geospatial data solutions.

Intermap currently generates revenue from three primary business activities, composed of (i) data acquisition and collection, using proprietary radar sensor technologies; (ii) value-added data products and services, which leverage the Company's proprietary NEXTMap® database, together with proprietary software and fusion technologies; and (iii) commercial applications and solutions, including a webstore and software sales targeting selected industry verticals that rely on accurate high resolution elevation data.

These geospatial solutions are used in a wide range of applications including, but not limited to, location-based information, risk assessment, geographic information systems (GIS), engineering, utilities, global positioning systems (GPS) maps, oil and gas, renewable energy, hydrology, environmental planning, land management, wireless communications, transportation, advertising, and 3D visualization.

Intermap has the ability to create its own digital 3D geospatial data using its proprietary multi-frequency radar mounted in Learjet aircraft. Intermap's radar-based technology allows it to collect data at any time of the day, including under conditions such as cloud and tree cover, or darkness, which are conditions that limit most competitive technologies. The Company's proprietary radar also enables data to be collected over larger areas, at higher collection speeds, and at accuracy levels that are difficult to achieve with competitive technologies.

In addition to data collection, the Company is a world leader in data fusion, analytics, and orthorectification, and has decades of experience aggregating data derived from a number of different sensor technologies and data sources. The Company processes raw digital elevation and image data from its own and other sources to create three high resolution geospatial datasets that provide a ground-true foundation layer upon which accurate value-added products and services can be developed. The three high resolution data sets include digital surface models (DSM), digital terrain models (DTM), and orthorectified radar images (ORI). These datasets are further augmented with additional elevation and resolution data layers and served to customers by web service to create other value-added products, such as viewsheds, line of sight maps, and orthorectified mosaic tiles.

Unlike many geospatial companies, because of its unique acquisition and processing capability, Intermap retains exclusive ownership of its high resolution NEXTMap® database, which covers the entire globe. Intermap's NEXTMap database, together with third party data and our in-house analytics team, provide a variety of applications and geospatial solutions for its customers. The NEXTMap database contains a fusion of proprietary multi-frequency radar imagery and data, including unique Interferometric Synthetic Aperture Radar (IFSAR)-derived data, proprietary data models, and purchased third-party data, collected from multiple commodity sensor technologies, such as light detection and ranging (LiDAR), photogrammetry, satellite, and other available sources. The NEXTMap database also includes proprietary information developed by our analytical teams such as 3D city models, census data, real-time traffic, 3D road vectors, outdoor advertising assets, weather related hazards, points of interest, cellular towers, flood models and wildfire models.

The Company generates revenue by licensing its geospatial products using its proprietary data, analytics, and applications for specific industries.

FINANCIAL INFORMATION AND DISCUSSION OF OPERATIONS

The following table sets forth selected financial information for the periods indicated.

Selected Annual Information

U.S. $ millions, except per share data	Three months ended September 30,				Nine months ended September 30,			
	2021		2020 [1]		2021		2020 [1]	
Revenue:								
Acquisition services	**$**	**0.2**	$	0.3	**$**	**0.2**	$	1.4
Value-added data		**0.5**		0.2		**1.3**		0.6
Software and solutions		**0.7**		0.5		**2.0**		1.8
Total revenue	**$**	**1.4**	$	1.0	**$**	**3.5**	$	3.8
Operating loss	**$**	**(1.2)**	$	(1.4)	**$**	**(4.7)**	$	(3.8)
Financing costs	**$**	**-**	$	-	**$**	**-**	$	(1.3)
Net (loss) income	**$**	**(1.0)**	$	(1.4)	**$**	**(3.7)**	$	27.8
EPS basic	**$**	**(0.04)**	$	(0.07)	**$**	**(0.14)**	$	1.54
EPS diluted	**$**	**(0.04)**	$	(0.07)	**$**	**(0.14)**	$	1.46
Adjusted EBITDA	**$**	**(0.5)**	$	(1.0)	**$**	**(1.9)**	$	(1.9)

	September 30, 2021		September 30, 2020	
Assets:				
Cash, amounts receivable, unbilled revenue	**$**	**2.7**	$	1.1
Total assets	**$**	**7.3**	$	6.7
Liabilities:				
Long-term liabilities (including lease obligations)	**$**	**1.0**	$	0.8
Total liabilities	**$**	**6.8**	$	6.3

[1] Operating loss, net (loss) income, and Adjusted EBITDA has been recast. See Note 18 to the Condensed Consolidated Interim Financial Statements.

Revenue

Quarterly Revenue

Consolidated revenue for the quarters ended September 30, 2021 and 2020 totaled $1.4 million and $1.0 million, respectively. Approximately 54% of consolidated revenue was generated outside the United States, compared to 74% for 2020. When compared to the first and second quarters of 2021, consolidated revenue for the quarter ended September 30, 2021 grew sequentially by 35% and 19% each quarter, respectively.

<u>Acquisition Services</u>

Acquisition services revenue for the quarter ended September 30, 2021 totaled $0.2 million, compared to $0.3 million for 2020. The decrease is due to the nature and timing of government contracting, which was delayed starting in 2020 due to the impact of uncertainty surrounding the COVID-19 pandemic.

Value-added Data

Value-added data revenue increased to $0.5 million for the quarter ended September 30, 2021 as compared to $0.2 million for 2020. The increase was primarily due to a new strategic contract award with the National Geospatial-Intelligence Agency to provide continually updated elevation and feature datasets.

Software and Solutions

Software and solutions revenue increased to $0.7 million for the quarter ended September 30, 2021, compared to $0.5 million for the same period in 2020. The Company recognized a 137% increase in subscription-based revenue, during a year that included disruption in sales efforts for new subscriptions caused by COVID-19.

Year-to-date Revenue

On a year-to-date basis, consolidated revenue decreased to $3.5 million during the nine months ended September 30, 2021 from $3.8 million for the nine months ended September 30, 2020, reflecting the continued disruption from COVID-19. The decline was expected, given the economic environment resulting from the COVID-19 pandemic. The Company remains well-positioned to withstand the slowdown and remains confident in the pipeline. Approximately 64% of consolidated revenue was generated outside the United States, compared to 70% for 2020.

Acquisition Services

Acquisition services revenue for the nine-month period ended September 30, 2021 totaled $0.2 million, compared to $1.4 million for the same period in 2020. The decrease is due to the nature and timing of government contracting, which was delayed during 2020 due to the impact of uncertainty surrounding the COVID-19 pandemic. In addition, the deployment of an acquisition services contract that closed at the beginning of the third quarter has been delayed to beginning of the fourth quarter, due to COVID-19 related immigration rules. The Company will begin to deliver on the contract during the fourth quarter of 2021.

Value-added Data

Value-added data revenue increased to $1.3 million for the nine-month period ended September 30, 2021 as compared to $0.6 million for 2020. The increase is mostly due to two new government program awards in South America and the US, which will continue to generate revenue from future updates.

Software and Solutions

Software and solutions revenue increased to $2.0 million for the nine-month period ended September 30, 2021, compared to $1.8 million for 2020. The Company recognized a 30% increase in subscription-based revenue, during a year that included disruption in sales efforts for new subscriptions caused by COVID-19.

Classification of Operating Costs

The composition of the operating costs on the Consolidated Statements of Loss and Other Comprehensive Loss is as follows:

U.S. $ millions	For the three months ended September 30, **2021**	2020	For the nine months ended September 30, **2021**	2020
Personnel	**$ 1.4**	$ 1.4	**$ 4.2**	$ 4.2
Purchased services & materials	**0.6**	0.5	**1.9**	1.7
Facilities and other expenses	**0.2**	0.1	**0.5**	0.4
Travel	**-**	-	**-**	0.1
	$ 2.2	$ 2.0	**$ 6.6**	$ 6.4

Personnel

Personnel expense includes direct labor, employee compensation, employee benefits, and commissions. Personnel expense for the quarters ended September 30, 2021 and 2020 remained flat at $1.4 million for each quarter. For the nine-month periods ended September 30, 2021 and 2020, personnel expense also remained flat at $4.2 million for each period.

Non-cash compensation expense is included in operating costs and relates to the Company's omnibus incentive plan, share options, and shares granted to employees and non-employees. Non-cash share-based compensation for the quarters ended September 30, 2021 and 2020, increased to $47 thousand from $27 thousand, respectively. For the nine-month periods ended September 30, 2021 and 2020, non-cash compensation expense was $102 thousand and $85 thousand, respectively. The change in compensation for non-cash share-based compensation period over period resulted from the issuance of 188,159 restricted share units to both employees and directors and advisors (see note 13(e) to the Condensed Consolidated Interim Financial Statements).

Purchased Services and Materials

Purchased services and materials (PS&M) includes (i) aircraft and radar related costs, including jet fuel; (ii) insurance, professional and consulting costs; (iii) third-party support services related to the collection, processing and editing of the Company's airborne radar data collection activities; (iv) third-party data collection activities (i.e., LiDAR, satellite imagery, air photo, etc.); and (v) third-party software expenses (including maintenance and support).

For the quarters ended September 30, 2021 and 2020, PS&M expense was $0.6 million and $0.5 million, respectively. For the nine-month periods ended September 30, 2021 and 2020, PS&M expense was $1.9 million and $1.7 million, respectively. The increase is primarily related to a more than 30% increase in general liability, directors and officers and aviation insurance premiums, which is understood to be related to general market conditions and loss experiences by the insurance providers.

Facilities and Other Expenses

For the quarters ended September 30, 2021 and 2020, facilities and other expenses increased slightly to $0.2 million from $0.1 million. For the nine-month period ended September 30, 2021 and 2020, facilities and other expenses also increased slightly to $0.5 million from $0.4 million. The increase is due to Scientific Research and Experimental Development (SR&ED) tax credits received during 2020 that were not received in 2021.

Travel

For the quarters ended September 30, 2021 and 2020, travel expense was $10 thousand and $6 thousand, respectively. For the nine months ended September 30, 2021 and 2020, travel expense was $20 thousand and $81 thousand, respectively.

Government Grants

The Company participated in four government grant programs during the first nine months of 2021 and 2020 related to COVID-19 support and was eligible to receive $1.1 million during 2021 and $0.7 million during 2020 from these programs (see Note 12 of the condensed consolidated interim financial statements).

Adjusted EBITDA

Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA) is not a recognized performance measure under IFRS. The term EBITDA consists of net income (loss) and excludes interest (financing costs), taxes, and depreciation. Adjusted EBITDA also excludes share-based compensation and other non-operating gains or losses. Adjusted EBITDA is included as a supplemental disclosure because Management believes that such measurement provides a better assessment of the Company's operations on a continuing basis by eliminating certain non-cash charges or gains that are nonrecurring. The most directly comparable measure to Adjusted EBITDA calculated in accordance with IFRS is net income (loss). The following is a reconciliation of the Company's net loss to Adjusted EBITDA.

U.S. $ millions	Three months ended September 30, 2021	Three months ended September 30, 2020[(1)]	Nine months ended September 30, 2021	Nine months ended September 30, 2020[(1)]
Net income (loss)	**$ (1.0)**	$ (1.4)	**$ (3.7)**	$ 27.8
Financing costs	**0.1**	-	**0.1**	1.3
Depreciation of property and equipment	**0.4**	0.2	**1.1**	0.8
Depreciation of right of use assets	**-**	0.1	**0.2**	0.3
EBITDA	**$ (0.5)**	$ (1.1)	**$ (2.3)**	$ 30.2
Share-based compensation	**-**	-	**0.1**	0.1
Restructuring costs	**-**	-	**0.3**	-
Loss on foreign currency translation	**-**	0.1	**-**	0.1
Gain on modification of debt	**-**	-	**-**	(32.1)
Gain on disposal of equipment	**-**	-	**-**	(0.2)
Adjusted EBITDA	**$ (0.5)**	$ (1.0)	**$ (1.9)**	$ (1.9)

(1) Net loss, depreciation of property and equipment, EBITDA and Adjusted EBITDA amounts have been recast. See Note 18 to the Condensed Consolidated Interim Financial Statements.

Adjusted EBITDA for the quarter ended September 30, 2021 was negative $0.5 million, compared to negative $1.0 million for 2020. The improvement in Adjusted EBITDA is primarily attributable to the increase in revenue. Adjusted EBITDA for the nine-month periods ending September 30, 2021 and 2020 were negative $1.9 million for both periods.

Financing Costs

Financing costs for the quarter ended September 30, 2021 totaled $16 thousand (nine-month period $48 thousand) compared to $11 thousand (nine-month period $1.3 million) for the same period in 2020. Financing costs during 2020 related mostly to the accretion of the notes payable interest using the effective interest method. The note was paid in full on August 12, 2020.

Depreciation of Property and Equipment

Depreciation expense for property and equipment for the quarters ended September 30, 2021 and 2020 were $0.4 million and $0.2 million, respectively. Depreciation expense for property and equipment for the nine-months ended September 30, 2021 and 2020 were $1.1 million and $0.8 million, respectively.

Depreciation of Right of Use Assets

Depreciation expense for right of use assets for the quarters ended September 30, 2021 and 2020 was $79 thousand and $77 thousand, respectively. Depreciation expense for right of use assets decreased slightly to $0.2 million for the nine-month period ending September 30, 2021 from $0.3 million for the nine-month period ending September 30, 2020.

Gain on Disposal of Equipment

Gain on disposal of equipment was $Nil for the quarters ended September 30, 2021 and 2020. Gain on disposal of equipment was $6 and $150 thousand for the nine-month periods ended September 30, 2021 and 2020, respectively. In both years, the Company disposed of assets with a net book value of $Nil and received cash proceeds equal to the recognized gains during the periods reported.

Amounts Receivable and Unbilled Revenue

Work is performed on contracts that provide invoicing upon the completion of identified contract milestones. Revenue on certain of these acquisition services contracts is recognized using the percentage-of-completion method of accounting based on the ratio of costs incurred to date over the estimated total costs to complete the contract. While an effort is made to align payments on contracts with work performed, the completion of milestones does not always coincide with the costs incurred on a contract, resulting in revenue being recognized in excess of billings. These amounts are recorded in the consolidated balance sheets as unbilled revenue.

Amounts receivable and unbilled revenue increased to $1.3 million at September 30, 2021 from $0.6 million at December 31, 2020. The Company reviews the amounts receivable aging monthly and monitors the payment status of each invoice. The Company also communicates with slow paying or delinquent customers on a regular basis regarding the schedule of future payments. At the balance sheet date, $Nil has been reserved as uncollectible as all trade receivable balances greater than 90 days are highly likely to be paid in full by the customer.

Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities generally include trade payables, project-related accruals and personnel-related costs. Accounts payable and accrued liabilities increased to $3.2 million at September 30, 2021 from $3.1 million at December 31, 2020.

U.S. $ millions		**September 30, 2021**		December 31, 2020
Accounts payable	$	1.4	$	1.6
Accrued liablities		1.8		1.5
	$	3.2	$	3.1

Unearned Revenue and Deposits

The unearned revenue balance at September 30, 2021 increased to $2.3 million from $1.6 million at December 31, 2020. This balance consists of payments received from customers for contracts that are in progress and have not yet fulfilled the necessary revenue recognition criteria. At September 30, 2021 and December 31, 2020, 77% and 86% of the total balance, respectively, is related to software and solutions license revenue, in which the license fee is paid upfront for the term of the license. The balance relates to the collection of milestone billings on acquisition services contracts.

QUARTERLY FINANCIAL INFORMATION

Selected Quarterly Information

The following table sets forth selected quarterly financial information for Intermap's eight most recent fiscal quarters. This information is unaudited, but reflects all adjustments of a normal, recurring nature that are, in the opinion of management, necessary to present a fair statement of Intermap's consolidated results of operations for the periods presented. Quarter-to-quarter comparisons of Intermap's financial results are not necessarily meaningful and should not be relied on as an indication of future performance.

For the last eight quarters, the Company has been severely undercapitalized and was therefore required to self-finance the advancement of high-growth opportunities in the insurance, aviation and telecommunications verticals. As a result, revenue has been delayed. Management believes an improved capital structure, including the Q3 2021 private placements raising gross proceeds of $2.5 million, will provide much needed investment in revenue growth.

U.S. $ millions, except per share data		Q4 2019[(1)]		Q1 2020[(1)]		Q2 2020[(1)]		Q3 2020[(1)]		Q4 2020[(1)]		Q1 2021		Q2 2021[(2)]		**Q3 2021**
Total revenue	$	3.2	$	1.6	$	1.2	$	1.0	$	0.9	$	0.9	$	1.2	**$**	**1.4**
Depreciation	$	0.2	$	0.3	$	0.3	$	0.3	$	0.2	$	0.3	$	0.4	**$**	**0.4**
Financing costs	$	0.8	$	0.8	$	0.5	$	-	$	-	$	-	$	-	**$**	**0.1**
Operating (loss) income	$	0.1	$	(1.1)	$	(1.4)	$	(1.3)	$	(1.4)	$	(1.8)	$	(1.7)	**$**	**(1.2)**
Net (loss) income	$	0.3	$	(1.8)	$	30.9	$	(1.3)	$	(1.3)	$	(1.1)	$	(1.6)	**$**	**(1.0)**
Net (loss) income per share																
- basic	$	0.02	$	(0.10)	$	1.79	$	(0.07)	$	(0.06)	$	(0.04)	$	(0.06)	**$**	**(0.04)**
- diluted	$	0.02	$	(0.10)	$	1.71	$	(0.07)	$	(0.06)	$	(0.04)	$	(0.06)	**$**	**(0.04)**
Adjusted EBITDA	$	0.5	$	(0.6)	$	(0.3)	$	(0.9)	$	(0.8)	$	(0.6)	$	(0.8)	**$**	**(0.5)**

(1) Depreciation, operating income (loss), and net income (loss) amounts have been recast. See Note 18 to the Condensed Consolidated Interim Financial Statements.

(2) Operating income (loss) and net income (loss) amounts have been adjusted as a result of an adjustment identified in connection with issuing our condensed consolidated financial statements for the period ended September 30, 2021.

During the periods in the above table, Intermap's results were impacted by the following factors and trends:

- Starting in Q1 2020, the COVID-19 pandemic created disruption to both the government and commercial market segments as governments focused resources on response to the virus and commercial aviation was reduced over 90% globally;
- Intermap experienced immediate delays in government contracting, and closed its first government contract in 5 quarters in Q2 2021;
- With additional government contract awards announced in Q3 2021, the Company is beginning to experience improvements in revenue;
- With the support of the COVID-19 wages subsidy programs in the United States and Canada, Intermap was able to retain key talent to build automation and process improvements, resulting in increased fixed assets and depreciation, beginning in Q1 2021

USE OF PROCEEDS

The Company completed the following Private Placements with the proposed use of proceeds for working capital to fund continuing operations.

U.S. $ millions	Proposed use of net proceeds	Actual use of net proceeds: Use of proceeds	Actual use of net proceeds: Remaining
August 2020 Private Placement			
Continuing operations	$ 1.6	$ 1.6	$ -
Net proceeds	**$ 1.6**	**$ 1.6**	**$ -**
November 2020 Private Placement			
Continuing operations	$ 2.6	$ 2.6	$ -
Net proceeds	**$ 2.6**	**$ 2.6**	**$ -**
April 2021 Private Placement			
Continuing operations	$ 0.4	$ 0.4	$ -
Net proceeds	**$ 0.4**	**$ 0.4**	**$ -**
July 2021 Private Placement			
Continuing operations	$ 1.3	$ 0.9	$ 0.4
Net proceeds	**$ 1.3**	**$ 0.9**	**$ 0.4**
August 2021 Private Placement			
Continuing operations	$ 0.7	$ -	$ 0.7
Net proceeds	**$ 0.7**	**$ -**	**$ 0.7**
September 2021 Private Placement			
Continuing operations	$ 0.3	$ -	$ 0.3
Net proceeds	**$ 0.3**	**$ -**	**$ 0.3**

The Company has cash of $1.4 million at September 30, 2021.

LIQUIDITY AND CAPITAL RESOURCES

Management continually assesses liquidity in terms of the ability to generate sufficient cash flow to fund the business. Net cash flow is affected by the following items: (i) operating activities, including the level of trade receivables, unbilled receivables, accounts payable, accrued liabilities and unearned revenue; (ii) investing activities, including the purchase of property and equipment; and (iii) financing activities, including debt financing and the issuance of capital stock.

Operating Activities

During the quarter ended September 30, 2021, the Company generated an operating loss of $1.2 million (nine-month period loss $4.7 million) and incurred negative adjusted EBITDA of $0.5 million (nine-month period negative $1.9 million). Revenue for the nine-month period ended September 30, 2021 was $3.5 million, which is a $0.3 million decrease as compared to the same period in 2020. At September 30, 2021, the Company has a shareholders' equity of $0.5 million.

Cash used in operations during the nine-months ended September 30, 2021 totaled $1.6 million, compared to $0.3 million during the same period in 2020. The year-over-year increase in cash used is due primarily to the decrease in revenue and increases in amounts receivable and unearned revenue.

At September 30, 2021, the Company has a working capital deficit of $2.8 million. Of that balance, $2.3 million relates to unearned revenue, which is the accounting treatment for contracts in which the revenue recognition criteria have not been met at the time of payment. The Company has the obligation to deliver the required services (software) over the term of the license, and there is no incremental cash cost or payment. At the end of the third quarter the Company began executing on new contract awards exceeding $4.1 million to be recognized over the next 12 months, in addition to the recurring revenue base of $4.7 million recognized during 2020, while contracting was delayed due to COVID-19, along with significant government and commercial pipeline, and as such, management expects to meet the obligations as they come due through operations.

Investing Activities

Net cash used in investing activities totaled $1.1 million and $0.3 million for the nine-month periods ended September 30, 2021 and 2020, respectively. Net cash used in investing activities for both periods related to the purchase of computer related equipment and the capitalization of labor and materials to build the data archive, processing capabilities, and software assets. For the nine-months ended September 31, 2020, this was offset by proceeds from the sale of property and equipment of $0.2 million.

Financing Activities

Net cash provided by financing activities totaled $2.4 million for the nine-months ended September 30, 2021, as compared to cash provided by financing activities netting to $Nil for the same period in 2020. The net cash provided during the nine-months ended September 30, 2021 resulted from proceeds from a private placement of $3.0 million offset by private placement issuance costs of $0.4 million and the payment of lease obligations of $0.2 million. The net cash used during the nine-months ended September 30, 2020 resulted from payment of lease obligations of $0.4 million, repayment of project financing of $0.3 million, issuance cost of $0.2 million and repayment of notes payable of $1.0 million. This, was offset by proceeds from the Small Business Administration loan of $0.1 million, and private placement proceeds of $1.8 million.

The Company is dependent upon its cash flow from operations to fund its business as it currently has no line of credit or credit facility in place.

The above factors may be exacerbated by the ongoing COVID-19 pandemic and in the aggregate indicate there are material uncertainties which may cast significant doubt about the Company's ability to continue as a going concern. In response to the COVID-19 pandemic the Company has taken actions to adapt to the current environment using teleconference platforms for trainings, customer meetings and conferences, and manage liquidity by participating in various government support programs, where applicable, including wage subsidies, tax payment deferrals and favorable credit facilities. The Company's ability to continue as a going concern is dependent on management's ability to successfully secure sales with upfront payments, and / or obtain additional financing. Failure to achieve one or more of these requirements could have a materially adverse effect on the Company's financial condition and / or results of operations. The Board of Directors and management continue to take actions to address these issues including raising capital through a private placement, exploring options for additional capital and material contracts executed during the third quarter, exceeding $4.1 million to be recognized over the next twelve months and during the fourth quarter, expected to exceed $3.0 million to be recognized over the next twenty-four months.

For a discussion of the risks associated with the Company's liquidity, please refer to "*Risks and Uncertainties – Availability of Capital*" in the Annual MD&A.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Intermap's significant accounting policies are set out in Note 3 of the Consolidated Condensed Interim Financial Statements. The Condensed Consolidated Interim Financial Statements have been prepared in accordance with International Accounting Standard 34 (IAS 34) as issued by the International Accounting Standards Board (IASB). Certain of these accounting policies, as well as estimates made by management in applying such policies, are recognized as critical because they require management to make subjective or complex judgements about matters that are inherently uncertain. As detailed in Intermap's Annual MD&A, these critical accounting estimates relate to: depreciation and amortization rates, accounts receivables, share-based compensation, government loans, revenue and impairment. For additional details, see Note 2 of the Consolidated Condensed Interim Financial Statements.

Revenue Recognition

Revenue is recognized when a customer obtains control of the good or services. Determining the timing of the transfer of control, at a point in time or overtime, requires judgement.

Acquisition Service Contracts

Revenue from acquisition service contracts is recognized overtime based on the ratio of costs incurred to estimated final contract costs. The use of this method of measuring progress towards complete satisfaction of the performance obligations requires estimates to determine the cost to complete each contract. These estimates are reviewed monthly and adjusted as necessary. Provisions for estimated losses, if any, are recognized in the period in which the loss is determined. Invoices are issued according to contractual terms and are usually payable within 30 days. Revenue recognized in advance of billings are presented as unbilled revenue.

Data Licenses
Revenue from the sale of data licenses in the ordinary course of business is measured at the fair value of the consideration received or receivable. Customers obtain control of data products upon receipt of a physical hard drive or download of the data from a web link provided. Invoices are generated, and revenue is recognized at that point in time. Invoices are generally paid within 30 days.

Software Subscriptions
Software subscriptions are paid at the beginning of the license term. Revenue is recognized overtime, and payments for future months of service are recognized in unearned revenue. While the license agreements are for a fixed term, some agreements also contain a limited number of clicks or uses. If the limit is reached prior to the end of the term, the license ends early.

OFF-BALANCE SHEET ARRANGEMENTS

As at November 15, 2021 and December 31, 2020, the Company did not have any material off-balance sheet arrangements.

OUTSTANDING SHARE DATA

The Company's authorized capital consists of an unlimited number of Class A common shares without par value and an unlimited number of Class A participating preferred shares without par value. At the close of business on November 15, 2021, 29,415,422 Class A common shares were issued and outstanding. There are currently no Class A participating preferred shares issued and outstanding.

As of November 15, 2021, potential dilutive securities include (i) 823,943 outstanding share options with a weighted average exercise price of C$0.77, (ii) 1,330,884 restricted share units, and (iii) 413,834 warrants outstanding with a weighted average exercise price of USD$0.65. Each option and warrant entitles the holder to purchase one Class A common share. The following warrants expire on the dates listed below:

- 139,284 warrants expire on July 31, 2022;
- 19,718 warrants expire on August 14, 2022;
- 60,000 warrants expire on April 27, 2023;
- 131,166 warrants expire on July 29, 2023;
- 45,000 warrants expire on August 8, 2023;
- 12,000 warrants expire on August 17, 2023; and
- 6,666 warrants expire on September 19, 2023.

Other than as listed above, the Company does not currently have any material financial instruments which can be converted into additional common shares.

INTERNAL CONTROLS AND DISCLOSURE CONTROLS AND PROCEDURES

Internal Control Over Financial Reporting

The Company's Chairman and Chief Executive Officer and the Company's Chief Financial Officer have designed, or have caused to be designed under their supervision, internal control over financial reporting as defined under National Instrument 52-109 – *Certification of Disclosure in Issuer's Annual and Interim Filings*, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Changes in Internal Control Over Financial Reporting

There have been no significant changes in the design of internal control over financial reporting during the period beginning on January 1, 2021 and ending on September 30, 2021 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Disclosure Controls and Procedures

The Company's Chairman and Chief Executive Officer and the Company's Chief Financial Officer have designed, or have caused to be designed under their supervision, disclosure controls and procedures to provide reasonable assurance that material information relating to the Company has been made known to them and that information required to be disclosed in the Company's annual filings, interim filings or other reports filed by it or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified by applicable securities legislation.

RISKS AND UNCERTAINTIES

The risks and uncertainties relating to the business and affairs of the Company are described in the Company's 2020 Annual Report and the Annual Information Form.

Additional Information

Additional risk factors may be detailed in the Company's Annual Information Form, which can be found on the Company's Web site at www.intermap.com and on SEDAR at www.sedar.com.

INTERMAP TECHNOLOGIES CORPORATION

Condensed Consolidated Interim Balance Sheets
(In thousands of United States dollars)
(Unaudited)

		September 30, 2021		December 31, 2020
Assets				
Current assets:				
Cash	$	1,391	$	1,778
Amounts receivable		1,116		579
Unbilled revenue		209		47
Prepaid expenses		317		769
		3,033		3,173
Prepaid expenses		53		41
Property and equipment (Note 4)		2,600		2,731
Intangible assets (Note 5)		1,099		921
Right of use assets (Note 6)		543		778
Total assets	$	7,328	$	7,644
Liabilities and Shareholders' Equity				
Current liabilities:				
Accounts payable and accrued liabilities (Note 7)	$	3,232	$	3,102
Current portion of government loans (Note 8(b))		9		4
Lease obligations (Note 9)		271		271
Unearned revenue		2,315		1,607
Income taxes payable		8		5
		5,835		4,989
Long-term project financing (Note 8(a))		189		188
Long-term government loans (Note 8(b))		474		460
Lease obligations (Note 9)		308		521
Total liabilities		6,806		6,158
Shareholders' equity:				
Share capital (Note 13(a))		206,102		203,642
Warrants		232		93
Accumulated other comprehensive loss		(123)		(115)
Contributed surplus (Note 13(b))		26,100		26,007
Deficit		(231,789)		(228,141)
Total shareholders' equity		522		1,486
Going concern (Note 2(a))				
Total liabilities and shareholders' equity	$	7,328	$	7,644

See accompanying notes to condensed consolidated interim financial statements.

INTERMAP TECHNOLOGIES CORPORATION

Condensed Consolidated Interim Statements of Income (Loss) and Other Comprehensive Income (Loss)
(In thousands of United States dollars, except per share information)
(Unaudited)

	For the three months ended September 30, 2021	For the three months ended September 30, 2020 (Recast, Note 18)	For the nine months ended September 30, 2021	For the nine months ended September 30, 2020 (Recast, Note 18)
Revenue (Note 10)	**$ 1,391**	$ 1,002	**$ 3,421**	$ 3,795
Expenses:				
Operating costs (Note 11(a))	**2,192**	2,002	**6,595**	6,455
Restructuring costs (Note 11(b))	**-**	-	**238**	-
Depreciation of property and equipment	**354**	276	**1,018**	825
Amortization of intangible assets	**11**	-	**36**	-
Depreciation of right of use assets	**79**	77	**237**	333
	2,636	2,355	**8,124**	7,613
Operating loss	**(1,245)**	(1,353)	**(4,703)**	(3,818)
Gain on modification of debt (Note 8(a))	**-**	-	**-**	32,138
Government grants (Note 12)	**219**	25	**1,129**	689
Gain on disposal of equipment	**-**	-	**6**	150
Financing costs (Note 11(c))	**(16)**	(11)	**(48)**	(1,310)
Gain (loss) on foreign currency translation	**13**	(36)	**(14)**	(41)
Income (loss) before income taxes	**(1,029)**	(1,375)	**(3,630)**	27,808
Income tax expense:				
Current	**-**	-	**(18)**	(21)
	-	-	**(18)**	(21)
Income (loss) for the period	**$ (1,029)**	$ (1,375)	**$ (3,648)**	$ 27,787
Other comprehensive income (loss):				
Items that are or may be reclassified subsequently to profit or loss:				
Foreign currency translation differences	**(11)**	6	**(8)**	(1)
Comprehensive income (loss) for the period	**$ (1,040)**	$ (1,369)	**$ (3,656)**	$ 27,786
Basic income (loss) earnings per share	**$ (0.04)**	$ (0.07)	**$ (0.14)**	$ 1.54
Diluted income (loss) earnings per share	**$ (0.04)**	$ (0.07)	**$ (0.14)**	$ 1.46
Weighted average number of Class A common				
shares - basic (Note 13(c))	27,695,227	20,674,391	26,246,488	18,092,611
shares - diluted (Note 13(c))	27,695,227	20,674,391	26,246,488	19,034,405

See accompanying notes to condensed consolidated interim financial statements.

INTERMAP TECHNOLOGIES CORPORATION

Consolidated Statements of Changes in Shareholders' Equity
(In thousands of United States dollars)
(Unaudited)

	Share Capital	Warrants	Contributed Surplus	Accumulated Other Comprehensive (Loss) Income	Deficit	Total (Recast, Note 18)
Balance at December 31, 2019	$ 199,532	$ 385	$ 25,527	$ (154)	$ (254,673)	$ (29,383)
Comprehensive (loss) income for the period	-	-	-	(1)	27,787	27,786
Share-based compensation	-	-	85	-	-	85
Expiration of warrants	-	(385)	385	-	-	-
Private placement proceeds (Note 13(a))	1,779	-	-	-	-	1,779
Issuance costs	(300)	93	-	-	-	(207)
Balance at September 30, 2020	$ 201,011	$ 93	$ 25,997	$ (155)	$ (226,886)	$ 60
Comprehensive income (loss) for the period	$ -	$ -	$ -	$ 40	$ (1,255)	(1,215)
Share-based compensation	-	-	19	-	-	19
RSU conversion	9	-	(9)	-	-	-
Private placement proceeds (Note 13(a))	2,880	-	-	-	-	2,880
Issuance costs	(301)	-	-	-	-	(301)
Shares issued as compensation	43	-	-	-	-	43
Balance at December 31, 2020	$ 203,642	$ 93	$ 26,007	$ (115)	$ (228,141)	$ 1,486
Comprehensive loss for the period	$ -	$ -	$ -	$ (8)	$ (3,648)	(3,656)
Share-based compensation	-	-	102	-	-	102
Private placement proceeds (Note 13(a))	2,976	-	-	-	-	2,976
Issuance costs	(525)	139	-	-	-	(386)
RSU conversion	9	-	(9)	-	-	-
Balance at September 30, 2021	$ 206,102	$ 232	$ 26,100	$ (123)	$ (231,789)	$ 522

See accompanying notes to condensed consolidated interim financial statements.

INTERMAP TECHNOLOGIES CORPORATION

Condensed Consolidated Interim Statements of Cash Flows
(In thousands of United States dollars)
(Unaudited)

For the nine months ended September 30,	2021	2020 (Recast, Note 18)
Operating activities:		
Net (loss) income for the period	**$ (3,648)**	$ 27,787
Interest paid	**(19)**	(20)
Income tax paid	**(15)**	(10)
Adjustments for:		
Gain on modification of debt	**-**	(32,138)
Depreciation of property and equipment	**1,018**	825
Amortization of intangible assets	**36**	-
Depreciation of right of use assets	**237**	333
Share-based compensation expense	**102**	85
Gain on disposal of equipment	**(6)**	(150)
Financing costs	**48**	1,310
Current income tax expense	**18**	21
Changes in working capital:		
Amounts receivable	**(540)**	343
Unbilled revenue and prepaid expenses	**278**	444
Accounts payable and accrued liabilities	**143**	267
Unearned revenue	**708**	586
(Gain) Loss on foreign currency translation	**(9)**	37
Cash flows used in operating activities	**(1,649)**	(280)
Investing activities:		
Purchase of property and equipment	**(887)**	(167)
Additions to intangible assets	**(214)**	(247)
Proceeds from sale of property and equipment	**6**	150
Cash flows used in investing activities	**(1,095)**	(264)
Financing activities:		
Proceeds from private placement	**2,976**	1,779
Issuance costs	**(386)**	(207)
Payment of lease obligations	**(239)**	(402)
Proceeds from SBA loan	**-**	150
Repayment of project financing	**-**	(270)
Repayment of notes payable	**-**	(1,000)
Cash flows provided by financing activities	**2,351**	50
Effect of foreign exchange on cash	**6**	(1)
Decrease in cash	**(387)**	(495)
Cash, beginning of period	**1,778**	1,230
Cash, end of period	**$ 1,391**	$ 735

See accompanying notes to condensed consolidated interim financial statements.

1. Reporting entity:

Intermap Technologies® Corporation (the Company) is incorporated under the laws of Alberta, Canada. The head office of Intermap is located at 8310 South Valley Highway, Suite 240, Englewood, Colorado, USA 80112. Its registered office is located at 400, 3rd Avenue SW, Suite 3700, Calgary, Alberta, Canada T2P 4H2.

Intermap is a global location-based geospatial intelligence company, creating a wide variety of geospatial solutions and analytics for its customers. Intermap's geospatial solutions and analytics can be used in a wide range of applications including, but not limited to, location-based information, geospatial risk assessment, geographic information systems, engineering, utilities, global positioning systems maps, oil and gas, renewable energy, hydrology, environmental planning, wireless communications, transportation, advertising, and 3D visualization.

2. Basis of preparation:

(a) Going concern:

These condensed consolidated interim financial statements have been prepared assuming the Company will continue as a going concern. The going concern basis of presentation assumes the Company will continue in operation for the foreseeable future and can realize its assets and discharge its liabilities and commitments in the normal course of business. During the nine months ended September 30, 2021, the Company reported an operating loss of $4,703 , net loss of $3,648, and negative cash flows from operating activities of $1,649. In addition, the Company has a shareholders' equity of $522 and negative working capital of $2,802 at September 30, 2021.

The above factors may be exacerbated by the ongoing COVID-19 pandemic and in the aggregate indicate there are material uncertainties which may cast significant doubt about the Company's ability to continue as a going concern. In response to the COVID-19 pandemic the Company has taken actions to adapt to the current environment using teleconference platforms for trainings, customer meetings and conferences, and to manage liquidity by participating in various government support programs, where applicable, including wage subsidies, tax payment deferrals and favorable credit facilities. The Company's ability to continue as a going concern is dependent on management's ability to successfully secure sales with upfront payments, and / or obtain additional financing. Failure to achieve one or more of these requirements could have a materially adverse effect on the Company's financial condition and / or results of operations. The Board of Directors and management continue to take actions to address these issues including raising capital through a private placement, exploring options for additional capital and the announcement of contract wins exceeding $4,100 to be recognized over the next twelve months.

The condensed consolidated interim financial statements do not reflect adjustments that would be necessary if the going concern assumption was not appropriate. If the going concern basis was not appropriate for these condensed consolidated interim financial statements, then adjustments would be necessary to the carrying value of assets and liabilities, the reported revenues and expenses, and the balance sheet classifications used.

(b) Statement of compliance:

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 (IAS 34) as issued by the International Accounting Standards Board (IASB).

The notes presented in these unaudited condensed consolidated interim financial statements include in general only significant changes and transactions occurring since the Company's last year-end and are not fully inclusive of all disclosures required by IFRS for annual financial statements. These unaudited condensed consolidated interim financial statements should be read in conjunction with the annual audited consolidated financial statements, including the notes thereto, for the year ended December 31, 2020 (the "2020 Annual Consolidated Financial Statements").

The policies applied in these condensed consolidated interim financial statements are based on IFRS issued and effective as of November 15, 2021, the date the Board of Directors approved the condensed consolidated interim financial statements.

(c) Measurement basis:

The condensed consolidated interim financial statements have been prepared mainly on the historical cost basis. Other measurement bases used are described in the applicable notes.

(d) Use of estimates:

Preparing condensed consolidated interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

(In thousands of United States dollars, except per share information)

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

The continuing uncertainty around the COVID-19 pandemic required the use of judgments and estimates in the preparation of the unaudited condensed consolidated interim financial statements for the period ended September 30, 2021. The future effects of COVID-19 uncertainties could generate, in future reporting periods, a significant impact to the reported amounts of assets, liabilities, revenue and expenses in these and any future consolidated financial statements. Examples of accounting estimates and judgments that may be impacted by the pandemic include, but are not limited to revenue recognition, impairment of property and equipment and intangible assets, and allowance for expected credit losses.

3. Summary of significant accounting policies:

These condensed consolidated interim financial statements have been prepared using the same accounting policies and methods that were used to prepare the Company's 2020 Annual Consolidated Financial Statements. There are no new accounting standards or amendments effective January 1, 2021 that would have had a material impact on the condensed consolidated interim financial statements.

4. Property and equipment:

	Aircraft and engines	Radar and mapping equipment	Furniture and fixtures	Leasehold improvements	Under construction	Total
Balance at December 31, 2020	$ 187	$ 2,094	$ 11	$ 9	$ 430	$ 2,731
Additions	52	500	1	-	334	887
Transfer from under construction	-	455	-	-	(455)	-
Depreciation	(74)	(932)	(3)	(9)	-	(1,018)
Balance at September 30, 2021	$ 165	$ 2,117	$ 9	$ -	$ 309	$ 2,600

(In thousands of United States dollars, except per share information)

	Aircraft and engines	Radar and mapping equipment	Furniture and fixtures	Leasehold improvements	Under construction	Total
Cost	$ 10,176	$ 32,267	$ 396	$ 1,074	$ 430	$ 44,343
Accumulated depreciation	(9,989)	(30,173)	(385)	(1,065)	-	(41,612)
Balance at December 31, 2020	$ 187	$ 2,094	$ 11	$ 9	$ 430	$ 2,731
Cost	$ 10,228	$ 33,222	$ 345	$ 1,074	$ 309	$ 45,178
Accumulated depreciation	(10,063)	(31,105)	(336)	(1,074)	-	(42,578)
Balance at September 30, 2021	$ 165	$ 2,117	$ 9	$ -	$ 309	$ 2,600

During the nine months ended September 30, 2021, the Company disposed of assets with an original cost of $54 (nine months ended September 30, 2020 - $1,102), a net book value of $Nil (nine months ended September 30, 2020 - $Nil), recognized a gain of $6 (nine months ended September 30, 2020 - $150) on those assets and received cash proceeds of $6 (nine months ended September 30, 2020 - $150).

5. Intangible assets:

	Data library	Data library not yet available for use	Total
Balance at December 31, 2020	$ 220	$ 701	$ 921
Additions	-	214	214
Amortization	(36)	-	(36)
Balance at September 30, 2021	$ 184	$ 915	$ 1,099

	Data library	Data library not yet available for use	Total
Cost	$ 220	$ 701	$ 921
Accumulated amortization	-	-	-
Balance at December 31, 2020	$ 220	$ 701	$ 921
Cost	220	915	1,135
Accumulated amortization	(36)	-	(36)
Balance at September 30, 2021	$ 184	$ 915	$ 1,099

(In thousands of United States dollars, except per share information)

6. Right of use assets:

		September 30, 2021		December 31, 2020
Beginning Balance	**$**	**778**	$	406
Depreciation		**(237)**		(399)
New leases		**-**		800
Adjustment		**-**		(29)
Foreign Exchange		**2**		-
Ending Balance	**$**	**543**	$	778

7. Accounts payable and accrued liabilities:

		September 30, 2021		December 31, 2020
Accounts payable	**$**	**1,427**	$	1,556
Accrued liablities		**1,805**		1,546
	$	**3,232**	$	3,102

8. Financial liabilities:

The following table provides a reconciliation of movements of liabilities to cash flows arising from financing activities and balances at September 30, 2021:

		Project Financing		Government Loans		Lease Obligations (Note 9)		Total
Balance at December 31, 2020	$	188	$	464	$	792	$	1,444
Changes from financing activities:								
Payment of lease obligations		-		-		(239)		(239)
Total changes from financing activities		-		-		(239)		(239)
Foreign exchange		1		-		17		18
Other changes:								
Financing costs		-		19		25		44
Interest paid		-		-		(16)		(16)
Balance at September 30, 2021	$	189	$	483	$	579	$	1,251

(a) Project financing:

Reimbursable project development funds provided by a corporation designed to enable the development and commercialization of geomatics solutions in Canada. The funding is repayable upon the completion of a specific development project and the first sale of any of the resulting product(s). Repayment is to be made in quarterly installments equal to the lesser of 20% of the funding amount or 25% of the prior quarter's sales.

(In thousands of United States dollars, except per share information)

(b) Government loans:

	September 30, 2021	December 31, 2020
SBA loan	**$ 155**	$ 152
Western Development Canada loan	**328**	312
	483	464
Less current portion	**(9)**	(4)
Long-term portion of project financing	**$ 474**	$ 460

i. SBA loan:

On July 17, 2020, the Company received a $150 long-term loan from the Small Business Administration (SBA). Interest will accrue at the rate of 3.75% per annum and payments of $0.7 monthly began twelve months from the date the funds were received. The balance of principal and interest will be payable thirty years from the date of the note.

ii. Western Development Canada loan:

On December 29, 2020, the Company received a $385 (C$494) long-term loan from Western Economic Diversification in Canada. The loan will be repaid in 36 monthly installments starting in January 2023. The loan is non-interest bearing, and therefore the fair value at inception must be estimated to account for an imputed interest factor. The value at inception was determined to be $312, based on the estimated discount rate of 6.07%, and is subject to estimation uncertainty. The resulting discount of $73 was recognized in government grants at December 31, 2020 and will be accreted through interest expense over the term of the loan using the effective interest method.

9. Lease obligations:

The following table presents the contractual undiscounted cash flows for right of use asset lease obligations which require the following payments for each period ending September 30:

2022	$ 300
2023	173
2024	64
2025	72
2026	7
	$ 616

Interest expense on lease obligations for the three months ended September 30, 2021 was $7 (three months ended September 30, 2020 – $8) and $25 for the nine months ended September 30, 2021 (nine months ended September 30, 2020 –$21). Total cash outflow for leases was $239 (nine months ended September 30, 2020 – $402), and $192 for short-term and low-value operating leases for equipment and office spaces (nine months ended September 30, 2020 – $279).

The Company also has contractual undiscounted cash flows for short-term and low-value operating leases for equipment and maintenance that are not on the balance sheet which require the payments of $113 for the twelve months ending September 30, 2022.

(In thousands of United States dollars, except per share information)

10. Revenue:

Details of revenue are as follows:

	For the three months ended September 30, **2021**	For the three months ended September 30, 2020	For the nine months ended September 30, **2021**	For the nine months ended September 30, 2020
Acquisition services	**$ 147**	$ 269	**$ 156**	$ 1,382
Value-added data	**531**	199	**1,303**	621
Software and solutions	**713**	534	**1,962**	1,792
	$ 1,391	$ 1,002	**$ 3,421**	$ 3,795
Primary geographical market				
United States	**$ 646**	$ 262	**$ 1,231**	$ 1,133
Asia/Pacific	**210**	346	**556**	1,349
Europe	**535**	394	**1,634**	1,313
	$ 1,391	$ 1,002	**$ 3,421**	$ 3,795
Timing of revenue recognition				
Upon delivery	**$ 653**	$ 271	**$ 1,586**	$ 975
Services overtime	**738**	731	**1,835**	2,820
	$ 1,391	$ 1,002	**$ 3,421**	$ 3,795

11. Operating and non-operating costs:

(a) Operating costs:

	For the three months ended September 30, **2021**	For the three months ended September 30, 2020 (Recast, Note 18)	For the nine months ended September 30, **2021**	For the nine months ended September 30, 2020 (Recast, Note 18)
Personnel	**$ 1,417**	$ 1,379	**$ 4,230**	$ 4,201
Purchased services & materials[(1)]	**586**	514	**1,864**	1,759
Travel	**10**	6	**20**	81
Facilities and other expenses	**179**	103	**481**	414
	$ 2,192	$ 2,002	**$ 6,595**	$ 6,455

(1) Purchased services and materials include aircraft costs, project costs, professional and consulting fees, and selling and marketing costs.

(b) Restructuring costs:

During the nine months ended September 30, 2021, the Company incurred $238 in restructuring costs (nine months ended September 30, 2020 - $Nil).

(In thousands of United States dollars, except per share information)

(c) Financing costs:

	For the three months ended September 30, **2021**	2020	For the nine months ended September 30, **2021**	2020
Accretion of discounts recognized on notes payable	**$ -**	$ -	**$ -**	$ 1,254
Interest on government loans	**6**	1	**19**	1
Interest on lease obligations	**7**	8	**25**	21
Interest on accounts payable	**3**	2	**4**	7
Discount on accounts receivable	**-**	-	**-**	27
	$ 16	$ 11	**$ 48**	$ 1,310

12. Government grants:

The Company participated the following government assistance programs that were made available by various government agencies during 2021 to support COVID-19 relief:

	For the three months ended September 30, **2021**	2020 (Recast, Note 18)	For the nine months ended September 30, **2021**	2020 (Recast, Note 18)
Paycheck Protection Program	**$ -**	$ -	**$ 562**	$ 562
Canada Emergency Wage Subsidy	**57**	-	**117**	-
NRC IRAP Innovation Assistance Program	**-**	25	**-**	127
Employee Retention Credit	**162**	-	**450**	-
	$ 219	$ 25	**$ 1,129**	$ 689

(a) Paycheck Protection Program (PPP):

The Company received $562 under the first (2020) and second (2021) rounds of the Paycheck Protection Program (PPP) in the United States. The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act, provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after twenty-four weeks if the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities. The unforgiven portion of the PPP loan is payable over two years at an interest rate of 1%, with a deferral of payments for the first six months. The Company used the proceeds for purposes consistent with the PPP and $562 from the first round in 2020 has been forgiven. The Company is applying for forgiveness on the second round.

(b) Canada Emergency Wage Subsidy (CEWS):

The Company was eligible for $143 (reduced by $26 for the portion of wages that were capitalized) under the CEWS program, to cover a portion of employee wages, and is intended to help prevent future job losses and to ease the business back into normal operations. The Company received all but $15 of the funds during the third quarter of 2021.

(In thousands of United States dollars, except per share information)

(c) National Research Council Industrial Research Assistance Program Innovation Assistance Program:

The Industrial Research Assistance Program provided a wage subsidy to eligible employers for up to 12 weeks. The Company was eligible for $127 (reduced by $25 for the portion of wages that were capitalized) for wages between April 1 and June 30, 2020.

(d) Employee Retention Credit :

The Company was eligible for $494 (reduced by $44 for the portion of wages that were capitalized) under the Employee Retention Credit (ERC) in the United States. The ERC is a refundable tax credit against certain employment taxes equal to 50% (2020) or 70% (2021) of the qualified wages an eligible employer pays to employees. For each employee, wages up to ten thousand can be counted to determine the amount of the credit.

13. Share capital:

(a) Issued:

	September 30, 2021		December 31, 2020	
Class A common shares	**Number of Shares**	**Amount**	Number of Shares	Amount
Balance, beginning of period:	**25,198,529**	**$ 203,642**	17,268,472	$ 199,532
Private placement	**4,166,893**	**2,976**	7,804,987	4,659
Issuance costs	**-**	**(525)**	-	(601)
RSU conversion	**50,000**	**9**	50,000	9
Share-based compensation	**-**	**-**	75,070	43
Balance, end of period:	**29,415,422**	**$ 206,102**	25,198,529	$ 203,642

On April 27, 2021, the Company issued 613,005 Class A common shares at C$0.87 per share in connection with a private placement. The Company received $434 in proceeds and recorded $73 in issuance costs, of which $28 settled through warrants (see Note 14) and $45 was paid in cash.

On July 30, 2021, the Company issued 2,241,667 Class A common shares at C$0.90 per share in connection with the first tranche of a private placement. The company received $1,605 in proceeds and recorded $79 of issuance costs settled through warrants (see Note 14).

During August 2021, the Company issued 750,000 Class A common shares and 200,000 Class A common shares at C$0.90 per share in connection with the second tranche of a private placement.

(In thousands of United States dollars, except per share information)

The Company received $680 in proceeds and recorded $29 in issuance costs settled through warrants (see Note 14).

On August 11, 2021 50,000 restricted share units (RSUs) were converted to common shares that had a value of $9 in contributed surplus that was reclassified to share capital (see Note 13(b) and (e)).

On September 20, 2021, the Company issued 362,221 Class A common shares at C$0.90 per share in connection with the third tranche of a private placement. The Company received $257 in proceeds and recorded $3 in issuance costs settled through warrants (see Note 14). The Company also paid $341 in cash relating to all three tranches during the third quarter of 2021.

On August 5, 2020, the Company issued 3,571,428 Class A common shares at C$0.56 per share in connection with the first tranche of a private placement. On August 17, 2020, the Company issued 586,685 Class A common shares at C$0.56 per share as a second tranche of the private placement. The Company received $1,779 in proceeds and recorded $300 in issuance costs, of which $93 settled through warrants (see Note 14) and $207 was paid in cash, related to both tranches.

On October 6, 2020 50,000 restricted share units (RSUs) were converted to common shares that had a value of $9 in contributed surplus that was reclassified to share capital (see Note 13(b) and (e)).

During November 2020, the Company issued 1,648,874 Class A common shares, 728,000 Class A common shares, and 1,270,000 Class A common shares at C$1.03 per share in connection with the third tranche of a private placement. The Company received $2,880 in proceeds and recorded $301 in issuance costs.

On December 17, 2020, 75,070 Class A common shares were issued to a director of the Company as compensation for services. Compensation expense of $43 for these Class A common shares was included in operating costs.

(b) Contributed surplus:

	September 30, 2021	December 31, 2020
Balance, beginning of period	**$ 26,007**	$ 25,527
Share-based compensation	**102**	104
Expiration of warrants	**-**	385
Converted RSUs	**(9)**	(9)
Balance, end of period	**$ 26,100**	$ 26,007

(c) Earnings (loss) per share:

The calculation of loss per share is based on the weighted average number of Class A common shares outstanding. Where the impact of the exercise of options or warrants is anti-dilutive, they are not included in the calculation of diluted loss per share.

For the three months ended September 30, 2021, there were 823,943 outstanding share options (September 30, 2020 – 927,325), 1,330,884 restricted share units (RSUs) (September 30, 2020 – 1,199,461) and 413,834 outstanding warrants (September 30, 2020 – 159,002) that were excluded from the diluted weighted average number of shares calculation as their effect would have been anti-dilutive.

For the nine months ended September 30, 2021 there were Nil outstanding share options (September 30, 2020 – Nil), Nil restricted share units (RSUs) (September 30, 2020 – 869,725) and Nil outstanding warrants (September 30, 2020 – 72,068) that were included in the diluted weighted average number of shares calculation as their effect was dilutive. There were 823,943 outstanding share options (September 30, 2020 – 927,325), 1,330,884 restricted share units (RSUs) (September 30, 2020 – 329,736) and 413,834 outstanding warrants (September 30, 2020 – 159,022) that were excluded from the diluted weighted average number of shares calculation as their effect would have been anti-dilutive.

The average market value of the Company's shares for purposes of calculating the dilutive effect of the share options and warrants was based on quoted market prices for the period during which the share options and warrants were outstanding.

(d) Share option plan:

The Company established a share option plan to provide long-term incentives to attract, motivate, and retain certain key employees, officers, directors, and consultants providing services to the Company. The plan permitted granting options to purchase up to 10% of the outstanding Class A common shares of the Company. The share option plan was replaced at the Annual General Meeting on March 15, 2018 (see Note 13(e)), and all options issued and outstanding at that time will remain until such time they are exercised, expired, or forfeited. As of September 30, 2021, 823,943 share options are issued and outstanding. No additional options will be issued under this plan.

The following tables summarize information regarding share options outstanding:

(In thousands of United States dollars, except per share information)

	September 30, 2021			December 31, 2020		
	Number of shares under option		**Weighted average exercise price (CDN)**	Number of shares under option		Weighted average exercise price (CDN)
Options outstanding, beginning of period	**895,325**	**$**	**0.81**	1,180,575	$	0.89
Expired	**(71,382)**		**1.23**	(285,250)		1.16
Options outstanding, end of period	**823,943**	**$**	**0.77**	895,325	$	0.81
Options exercisable, end of period	**823,943**	**$**	**0.77**	895,325	$	0.81

Exercise Price (CDN$)	Options outstanding	Weighted average remaining contractual life	Options exercisable
0.70	631,011	5.53 years	631,011
0.80	170,932	5.13 years	170,932
2.70	22,000	0.63 years	22,000
	823,943	5.32 years	823,943

During the nine months ended September 30, 2021, the Company recognized $Nil (nine months ended September 30, 2020 – $8) of non-cash compensation expense related to the share option plan.

(e) Omnibus plan:

The omnibus plan was approved by the shareholders at the Annual General Meeting on March 15, 2018 and replaces the share option plan, the employee share compensation plan and the director's share compensation plan, which provided for shares to be issued to employees and directors as compensation for services. The omnibus plan permits the issuance of options, stock appreciation rights, restricted share units and other share-based awards under one single plan.

The maximum number of common shares reserved under the omnibus plan was 3,363,631. Any common shares reserved under the predecessor share option plan related to awards that expire or forfeit will be rolled into the omnibus plan. At the Annual General Meeting on June 29, 2021, shareholders approved replenishment of 997,253 Common Shares reserved for issuance under the Omnibus Incentive Plan, for a total reserve of 4,360,884. As of September 30, 2021, 823,943 share options and 1,330,884 RSUs are issued and outstanding. In addition, 872,183 Class A common shares were issued during 2018, 125,070 Class A common shares were issued during 2020, and 50,000 shares were issued during 2021 (see Note 13(a)) under the plan, leaving 1,158,804 awards remain available for future issuance.

The following tables summarize information regarding RSUs outstanding:

(In thousands of United States dollars, except per share information)

	September 30, 2021	December 31, 2020
	Number of RSUs	Number of RSUs
RSUs outstanding, beginning of period	**1,224,126**	1,050,400
Issued	**188,159**	325,061
Converted to common shares	**(50,000)**	(50,000)
Forfeitures	**(31,401)**	(101,335)
RSUs outstanding, end of period	**1,330,884**	1,224,126

During the nine months ended September 30, 2021, 188,159 RSUs (nine months ended September 30, 2020 – 214,061) were issued at a weighted average grant date fair value of C$0.91 per share (nine months ended September 30, 2020 – C$0.76 per share). During the three months ended September 30, 2021, the Company recognized $47 (three months ended September 30, 2020 – $27). During the nine months ended September 30, 2021, the Company recognized $102 (nine months ended September 30, 2020 - $77) of non-cash compensation expense related to the RSUs.

(In thousands of United States dollars, except per share information)

(f) Share-based compensation expense:

Non-cash compensation expense has been included in operating costs with respect to the share options, RSUs and shares granted to employees and non-employees as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2021	2020	**2021**	2020
Employees	**$ 22**	$ 7	**$ 56**	$ 45
Directors and advisors	**25**	20	**46**	40
Non-cash compensation	**$ 47**	$ 27	**$ 102**	$ 85

14. Class A common share purchase warrants:

The following table details the number of Class A common share purchase warrants outstanding at each balance sheet date:

Grant Date	Expiry Date	Exercise Price	Granted	Number of Warrants Outstanding December 31, 2020	Issued	Number of Warrants Outstanding September 30, 2021
8/5/2020	7/31/2022	US$ 0.42	139,284	139,284	-	139,284
8/17/2020	8/14/2022	US$ 0.42	19,718	19,718	-	19,718
4/27/2021	4/27/2023	US$ 0.73	60,000	-	60,000	60,000
7/30/2021	7/29/2023	US$ 0.80	131,166	-	131,166	131,166
8/9/2021	8/8/2023	US$ 0.80	45,000	-	45,000	45,000
8/18/2021	8/17/2023	US$ 0.88	12,000	-	12,000	12,000
9/20/2021	9/19/2023	US$ 0.87	6,666	-	6,666	6,666
			413,834	159,002	254,832	413,834

Each warrant entitles its holder to purchase one Class A common share.

15. Segmented information:

The operations of the Company are in one industry segment: digital mapping and related services. Revenue by geographic segment is included in Note 10.

Property and equipment of the Company are located as follows:

	September 30, 2021	December 31, 2020
United States	**$ 2,536**	$ 2,654
Canada	**-**	30
Europe	**42**	24
Asia/Pacific	**22**	23
	$ 2,600	$ 2,731

(In thousands of United States dollars, except per share information)

A summary of sales to major customers that exceeded 10% of total sales during each period are as follows:

	For the three months ended September 30, 2021	2020	For the nine months ended September 30, 2021	2020
Customer A	**$ 134**	$ 85	**$ 325**	$ 385
Customer B	**295**	-	**295**	-
Customer C	**147**	268	**156**	1,089
Customer D	**-**	-	**-**	293
	$ 576	$ 353	**$ 776**	$ 1,767

16. Financial risk management:

The Company has exposure to the following risks from its use of financial instruments: credit risk, market risk, liquidity risk, and capital risk. Management, the Board of Directors, and the Audit Committee monitor risk management activities and review the adequacy of such activities. There have been no significant changes to the Company's risk management strategies since December 31, 2020.

Amounts receivable as of September 30, 2021 and December 31, 2020, consist of:

	September 30, 2021	December 31, 2020
Trade receivables	**$ 585**	$ 351
Other miscellaneous receivables	**531**	228
	$ 1,116	$ 579

Trade receivables by geography consist of:

	September 30, 2021	December 31, 2020
United States	**$ 164**	$ 33
Europe	**217**	242
Asia/Pacific	**204**	76
	$ 585	$ 351

An aging of the Company's trade receivables are as follows:

	September 30, 2021	December 31, 2020
Current	**$ 579**	$ 270
31-60 days	**6**	22
61-90 days	**-**	21
Over 91 days	**-**	38
	$ 585	$ 351

The balance of the past due amounts relates to reoccurring customers and are considered collectible.

17. Fair values:

The fair values of the financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- Cash, amounts receivable, accounts payable and accrued liabilities and provisions approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Carrying amount of project financing and government loans approximates fair value due to prevailing interest rates and the risk characteristics of the instrument.
- The fair value of the warrants is estimated using the Black-Scholes option pricing model incorporating various inputs including the underlying price volatility and discount rate.

(a) Fair value hierarchy:

Financial instruments recorded at fair value on the Condensed Consolidated Interim Balance Sheet are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices;

Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

During the reporting periods, there were no transfers between Level 1 and Level 2 fair value measurements.

18. Correction of immaterial error:

During the fourth quarter of 2020, the Company determined the rates used to calculate capitalized labor costs were not properly converted from the local to functional currency. The Company revised beginning deficit and corrected the immaterial error in the accompanying prior period financial information. In addition, the company reclassified intangible assets under construction that were previously included in property and equipment.

(In thousands of United States dollars, except per share information)

The following table sets forth the effect these adjustments had on the Company's condensed consolidated interim statements of income (loss) and other comprehensive income(loss) for the three and nine months ended September 30, 2020:

	Three months ended September 30, 2020			Nine months ended September 30, 2020		
	Previously Reported	Adjustment	Recast	Previously Reported	Adjustment	Recast
Operating costs	$ 1,982	$ 20	$ 2,002	$ 6,393	$ 62	$ 6,455
Depreciation of property and equipment	278	(2)	276	832	(7)	825
Operating loss	(1,335)	(18)	(1,353)	(3,763)	(55)	(3,818)
Government grants	25	-	25	688	1	689
Net (loss) income	(1,357)	(18)	(1,375)	27,841	(54)	27,787

The following table sets forth the effect these adjustments had within the Company's condensed consolidated interim statements of cash flows for the nine months ended September 30, 2020:

	September 30, 2020		
	Previously Reported	Adjustment	Recast
Net income	$ 27,841	$ (54)	$ 27,787
Depreciation of property and equipment	832	(7)	825
Purchase of property and equipment	(475)	308	(167)
Additions to intangible assets	-	(247)	(247)