Condensed Consolidated Interim Financial Statements of

INTERMAP TECHNOLOGIES CORPORATION

First quarter ended March 31, 2022

Management's Discussion and Analysis

For the quarter ended March 31, 2022

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 May 16, 2022 and should be read together with the Company's unaudited Condensed Consolidated Interim Financial Statements and the accompanying notes for the three months ended March 31, 2022 and the audited Consolidated Financial Statements as at December 31, 2021 and 2020, together with the accompanying notes. 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.

NON-IFRS MEASURES

This MD&A makes reference to certain non-IFRS measures such "EBITDA" and "Adjusted EBITDA". These non-IFRS measures are not recognized, defined or standardized measures under IFRS. The Company's definition of EBITDA and Adjusted EBITDA will likely differ from that used by other companies and therefore comparability may be limited. EBITDA and Adjusted EBITDA should not be considered a substitute for or in isolation from measures prepared in accordance with IFRS. These non-IFRS measures should be read in conjunction with the Company's audited Consolidated Financial Statements and the accompanying notes for the years ended December 31, 2021 and 2020. Readers should not place undue reliance on non-IFRS measures and should instead view them in conjunction with the most comparable IFRS financial measures. See the reconciliation of EBITDA and Adjusted EBITDA to the most comparable IFRS financial measure in the Reconciliation of Non-IFRS Measures section of this MD&A.

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.

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	**March 31, 2022**		March 31, 2021	
Revenue:				
Acquisition services	**$**	**0.6**	$	-
Value-added data		**0.5**		0.3
Software and solutions		**0.9**		0.6
Total revenue	**$**	**2.0**	$	0.9
Operating loss	**$**	**(1.2)**	$	(1.8)
Net loss	**$**	**(1.3)**	$	(1.1)
EPS basic and diluted	**$**	**(0.04)**	$	(0.04)
Adjusted EBITDA[1]	**$**	**(0.6)**	$	(0.6)
Assets:				
Cash, amounts receivable, unbilled revenue	**$**	**3.4**	$	1.4
Total assets	**$**	**8.7**	$	6.5
Liabilities:				
Long-term liabilities (including lease obligations)	**$**	**0.9**	$	1.1
Total liabilities	**$**	**7.5**	$	6.0

[1] Adjusted EBITDA is a non-IFRS measure. See "Reconciliation of Non-IFRS Measures" below.

Revenue

Consolidated revenue for the quarter ended March 31, 2022 increased to $2.0 million, compared to $0.9 million for 2021. The increase was expected, given the acquisition services project that commenced in the fourth quarter of 2021. The Company remains well-positioned to withstand the COVID-19 slowdown that began in 2020 and remains confident in the pipeline. Approximately 75% of consolidated revenue was generated outside the United States, compared to 57% for 2021.

Acquisition Services

Acquisition services revenue for the quarter ended March 31, 2022 totaled $0.6 million, compared to $Nil for 2021. The Company experienced significant delays in government contracting during 2020 and 2021 due to the impact of uncertainty surrounding the COVID-19 pandemic, but during the fourth quarter of 2021, the Company commenced operations on a continuing strategic data infrastructure contract in which revenue will continue to be recognized during 2022.

Value-added Data

Value-added data revenue increased to $0.5 million for the quarter ended March 31, 2022 as compared to $0.3 million for 2021. The increase is mostly due to two new government program awards related to national defense, which will continue to generate revenue from future updates.

Software and Solutions

Software and solutions revenue increased to $0.9 million for the quarter ended March 31, 2022, compared to $0.6 million for 2021. The Company recognized a 40% increase in subscription-based revenue compared to the first quarter of 2020, primarily related to the expansion of elevation data-as-a-service (E-DAS), which had increases in both number and value of subscription agreements.

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 March 31, 2022		For the three months ended March 31, 2021	
Personnel	**$**	**1.5**	$	1.4
Purchased services & materials		**1.0**		0.6
Facilities and other expenses		**0.2**		0.2
Travel		**-**		-
	$	**2.7**	$	2.2

Personnel

Personnel expense includes direct labor, employee compensation, employee benefits, and commissions. Personnel expense for the quarters ended March 31, 2022 and 2021 totaled $1.5 million and $1.4 million, respectively. The increase is due to a small increase in headcount in production and innovation.

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 March 31, 2022 and 2021, increased to $58 thousand from $27 thousand, respectively.

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 March 31, 2022 and 2021, PS&M expense was $1.0 million and $0.6 million, respectively. The increase is primarily related to increased subcontractor charges on the acquisition services project during 2022 compared to 2021.

Facilities and Other Expenses

For the three years ended March 31, 2022 and 2021, facilities and other expenses remained flat at $0.2 million for each quarter.

Travel

For the three months ended March 31, 2022 travel expense increased to $37 thousand following relaxation of COVID-19 restrictions, and in 2021, travel expense remained unchanged at $Nil.

Government Grants

The Company was not eligible for government grants during the three months ended March 31, 2022. The Company participated in two government grant programs during the three months ended March 31, 2021 related to COVID-19 support and was eligible to receive $0.7 million from these programs (see Note 14 of the unaudited condensed consolidated interim financial statements).

Net Loss

Net loss slightly worsened to a $1.3 million loss from a $1.1 million loss for the quarters ended March 31, 2022 and 2021, respectively, due primarily to extended COVID-19 related quarantines. Even though revenue increased by $1.1 million, the company received $0.7 million in government grants during the quarter ended March 31, 2021 that was not repeated during the quarter ended March 31, 2022.

Reconciliation of Non-IFRS Measures

To supplement the unaudited Condensed Consolidated Interim Financial Statements, which are prepared and presented in accordance with IFRS, the Company provides the following non-IFRS financial measures: EBITDA and Adjusted EBITDA, as EBITDA and Adjusted EBITDA are 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 term Earnings before interest, taxes, depreciation and amortization (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.

The most directly comparable measure to EBITDA and 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.

	Three months ended March 31,	
U.S. $ millions	**2022**	2021
Net loss	**$ (1.3)**	$ (1.1)
Amortization of intangible assets	**0.1**	-
Depreciation of property and equipment	**0.4**	0.3
Depreciation of right of use assets	**0.1**	0.1
EBITDA	**$ (0.7)**	$ (0.7)
Share-based compensation	**0.1**	0.1
Adjusted EBITDA	**$ (0.6)**	$ (0.6)

Adjusted EBITDA for the quarters ended March 31, 2022 and March 31, 2021 was negative $0.6 million for both periods.

Amortization of Intangible Assets

Amortization expense for intangible assets for the quarters ended March 31, 2022 and 2021 was $76 thousand and $14 thousand, respectively.

Depreciation of Property and Equipment

Depreciation expense for property and equipment increased slightly to $0.4 million for the quarters ended March 31, 2022, as compared to $0.3 million for the quarter ended March 31, 2021.

Depreciation of Right of Use Assets

Depreciation expense for right of use assets for the quarters ended March 31, 2022 and 2021 were $0.1 million for both periods.

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 $1.8 million at March 31, 2022 from $0.6 million at March 31, 2021. 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 $4.1 million at March 31, 2022 from $3.7 million at December 31, 2021, due to the timing of payments for purchased services and materials related to the acquisition services contract being executed during the first quarter of 2022.

U.S. $ millions		**March 31, 2022**		December 31, 2021
Accounts payable	$	2.5	$	2.0
Accrued liablities		1.6		1.7
	$	4.1	$	3.7

Unearned Revenue

The unearned revenue balance at March 31, 2022 increased to $2.3 million from $1.7 million at December 31, 2021. 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 March 31, 2022 and 2021, 90% and 89% 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 contract mobilization and 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 provides much needed investment in revenue growth.

U.S. $ millions, except per share data	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021[(1)]	Q3 2021	Q4 2021	**Q1 2022**
Total revenue	$ 1.2	$ 1.0	$ 0.9	$ 0.9	$ 1.2	$ 1.4	$ 2.3	**$ 2.0**
Depreciation	$ 0.3	$ 0.3	$ 0.2	$ 0.3	$ 0.4	$ 0.4	$ 0.3	**$ 0.4**
Financing costs	$ 0.5	$ -	$ -	$ -	$ -	$ 0.1	$ -	**$ -**
Operating loss	$ (1.4)	$ (1.3)	$ (1.4)	$ (1.8)	$ (1.7)	$ (1.2)	$ (0.8)	**$ (1.2)**
Net (loss) income	$ 29.2	$ (1.3)	$ 0.4	$ (1.1)	$ (1.6)	$ (1.0)	$ 0.3	**$ (1.3)**
Net (loss) income per share								
- basic	$ 1.79	$ (0.15)	$ (0.26)	$ (0.04)	$ (0.06)	$ (0.04)	$ 0.02	**$ (0.04)**
- diluted	$ 1.71	$ (0.15)	$ (0.26)	$ (0.04)	$ (0.06)	$ (0.04)	$ 0.02	**$ (0.04)**
Adjusted EBITDA[(2)]	$ (0.3)	$ (0.9)	$ (0.9)	$ (0.6)	$ (0.8)	$ (0.5)	$ (0.3)	**$ (0.6)**

[(1)] 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.
[(2)] Adjusted EBITDA is a non-IFRS measure. See "Reconciliation of Non-IFRS Measures" above.

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.

USE OF PROCEEDS

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

			Actual use of net proceeds			
U.S. $ millions	Proposed use of net proceeds		Use of proceeds		Remaining	
April 2021 Private Placement						
Continuing operations	$	0.4	$	0.4	$	-
Net proceeds	**$**	**0.4**	**$**	**0.4**	**$**	**-**
July 2021 Private Placement						
Continuing operations	$	1.3	$	1.3	$	-
Net proceeds	**$**	**1.3**	**$**	**1.3**	**$**	**-**
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**	**$**	**-**
February 2022 Private Placement						
Continuing operations	$	1.0	$	-	$	1.0
Net proceeds	**$**	**1.0**	**$**	**-**	**$**	**1.0**
March 2022 Private Placement						
Continuing operations	$	0.6	$	-	$	0.6
Net proceeds	**$**	**0.6**	**$**	**-**	**$**	**0.6**

LIQUIDITY AND CAPITAL RESOURCES

The Company has cash of $1.6 million at March 31, 2022.

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 March 31, 2022, the Company generated an operating loss of $1.2 million and incurred negative Adjusted EBITDA[1] of $0.6 million. Revenue for the quarter ended March 31, 2022 was $2.0 million, which is a $1.1 million increase as compared to the same period in 2021. At March 31, 2022, the Company has shareholders' equity of $1.2 million.

Cash provided by operations during the quarter ended March 31, 2022 totaled $3 thousand, compared to cash used in operations of $0.8 million during the same period in 2021. The year-over-year increase in cash provided is due primarily to the increase in revenue.

At March 31, 2022, the Company has current assets of $4.0 million and current liabilities of $6.6 million, resulting in a working capital deficit of $2.6 million. Of that balance, $2.3 million relates to

[1] Adjusted EBITDA is a non-IFRS measure. See "Reconciliation of Non-IFRS Measures above"

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. The Company is continuing to expand subscription-based revenue contracts as well as new government contract awards, along with significant government and commercial pipeline, management expects to meet the obligations as they come due through operations.

Investing Activities

Net cash used in investing activities totaled $37 thousand and $195 thousand for the quarters ended March 31, 2022 and 2021, respectively. Net cash used in investing activities in 2022 and 2021 was 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 quarter ended March 31, 2021, it was offset by proceeds from the sale of property and equipment of $2 thousand.

Financing Activities

Net cash provided by financing activities totaled $1.4 million for the quarter ended March 31, 2022, as compared to cash used in financing activities of $0.1 million in 2021. The net cash provided during the quarter ended March 31, 2022 resulted from proceeds from a private placement of $1.6 million offset by private placement issuance costs of $0.1 million and the payment of lease obligations of $0.1 million. The net cash used during the quarter ended March 31, 2021 resulted from payment of lease obligations of $0.1 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. As COVID-19 related restrictions have started to lessen since the beginning of the pandemic, travel restrictions and complications remain, which continue to delay contracting timelines and impact project costs. 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 managed liquidity by participating in various government support programs, where applicable, including wage subsidies, tax payment deferrals and favorable credit facilities in the periods available. 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 continues to announce contract wins to be recognized in future periods.

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 Condensed Consolidated 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 over time based on the ratio of costs incurred to estimated total 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 May 16, 2022 and March 31, 2022, 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 May 16, 2022, 33,423,710 Class A common shares were issued and outstanding. There are currently no Class A participating preferred shares issued and outstanding.

As of May 16, 2022, potential dilutive securities include (i) 822,943 outstanding share options with a weighted average exercise price of C$0.77, (ii) 2,370,884 restricted share units, and (iii) 545,569 warrants outstanding with a weighted average exercise price of US$0.62. 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;
- 6,666 warrants expire on September 19, 2023;
- 43,500 warrants expire on February 10, 2024; and
- 88,235 warrants expire on March 18, 2024.

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, 2022 and ending on March 31, 2022 that have materially affected, or is 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 2021 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)

		March 31 2022		December 31, 2021
Assets				
Current assets:				
Cash	**$**	**1,590**	$	188
Amounts receivable (Note 18)		**1,094**		914
Unbilled revenue		**709**		679
Prepaid expenses		**583**		472
		3,976		2,253
Prepaid expenses		**49**		39
Property and equipment (Note 5)		**2,127**		2,480
Intangible assets (Note 6)		**1,076**		1,117
Right of use assets (Note 7)		**419**		497
Investment (Note 8)		**1,062**		1,062
Total assets	**$**	**8,709**	$	7,448
Liabilities and Shareholders' Equity				
Current liabilities:				
Accounts payable and accrued liabilities (Note 9)	**$**	**4,132**	$	3,656
Current portion of government loans (Note 10(b))		**15**		9
Lease obligations (Note 11)		**223**		251
Unearned revenue		**2,253**		1,721
Income taxes payable		**-**		4
		6,623		5,641
Long-term project financing (Note 10(a))		**192**		188
Long-term government loans (Note 10(b))		**482**		477
Lease obligations (Note 11)		**252**		290
Total liabilities		**7,549**		6,596
Shareholders' equity:				
Share capital (Note 15(a))		**207,574**		206,102
Warrants		**261**		232
Accumulated other comprehensive loss		**(129)**		(129)
Contributed surplus (Note 15(b))		**26,202**		26,144
Deficit		**(232,748)**		(231,497)
Total shareholders' equity		**1,160**		852
Going concern (Note 2(a))				
Total liabilities and shareholders' equity	**$**	**8,709**	$	7,448

See accompanying notes to condensed consolidated interim financial statements.

INTERMAP TECHNOLOGIES CORPORATION

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

For the three months ended March 31,		**2022**		2021
Revenue (Note 12)	**$**	**2,030**	$	862
Expenses:				
Operating costs (Note 13(a))		**2,732**		2,222
Depreciation of property and equipment (Note 5)		**355**		301
Amortization of intangible assets (Note 6)		**76**		14
Depreciation of right of use assets (Note 7)		**78**		79
Gain on disposal of equipment (Note 5)		**-**		(2)
		3,241		2,614
Operating loss		**(1,211)**		(1,752)
Government grants (Note 14)		**-**		695
Financing costs (Note 13(b))		**(14)**		(16)
Financing income		**1**		-
(Loss) gain on foreign currency translation		**(27)**		1
Loss before income taxes		**(1,251)**		(1,072)
Income tax expense:				
Current		**-**		5
		-		5
Loss for the period	**$**	**(1,251)**	$	(1,067)
Other comprehensive loss:				
Items that are or may be reclassified subsequently to profit or loss:				
Foreign currency translation differences		**-**		(15)
Comprehensive loss for the period	**$**	**(1,251)**	$	(1,082)
Basic and diluted loss per share	**$**	**(0.04)**	$	(0.04)
Weighted average number of Class A common shares - basic and diluted (Note 15(c))		30,803,843		25,198,529

See accompanying notes to condensed consolidated interim financial statements.

INTERMAP TECHNOLOGIES CORPORATION

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

	Share Capital	Warrants	Contributed Surplus	Accumulated Other Comprehensive (Loss) Income	Deficit	Total
Balance at December 31, 2020	$ 203,642	$ 93	$ 26,007	$ (115)	$ (228,141)	$ 1,486
Comprehensive loss for the period	-	-	-	(15)	(1,067)	(1,082)
Share-based compensation	-	-	27	-	-	27
Balance at March 31, 2021	$ 203,642	$ 93	$ 26,034	$ (130)	$ (229,208)	$ 431
Balance at December 31, 2021	$ 206,102	$ 232	$ 26,144	$ (129)	$ (231,497)	$ 852
Comprehensive loss for the period	$ -	$ -	$ -	$ -	$ (1,251)	(1,251)
Share-based compensation	-	-	58	-	-	58
Private placement proceeds (Note 15(a))	1,611	-	-	-	-	1,611
Issuance costs	(139)	29	-	-	-	(110)
Balance at March 31, 2022	$ 207,574	$ 261	$ 26,202	$ (129)	$ (232,748)	$ 1,160

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 three months ended March 31,		**2022**		2021
Operating activities:				
Net loss for the period	**$**	**(1,251)**	$	(1,067)
Interest paid		**(4)**		(6)
Income tax paid		**(4)**		-
Adjustments for:				
Depreciation of property and equipment		**355**		301
Amortization of intangible assets		**76**		14
Depreciation of right of use assets		**78**		79
Share-based compensation expense		**58**		27
Gain on disposal of equipment		**-**		(2)
Financing costs		**14**		16
Current income tax expense		**-**		(5)
Changes in working capital:				
Amounts receivable		**(184)**		(48)
Unbilled revenue and prepaid expenses		**(147)**		9
Accounts payable and accrued liabilities		**492**		(116)
Unearned revenue		**532**		54
Loss on foreign currency translation		**(12)**		(15)
Cash flows provided by (used in) operating activities		**3**		(759)
Investing activities:				
Purchase of property and equipment		**(2)**		(102)
Additions to intangible assets		**(35)**		(95)
Proceeds from sale of property and equipment		**-**		2
Cash flows used in investing activities		**(37)**		(195)
Financing activities:				
Proceeds from private placement		**1,611**		-
Issuance costs		**(110)**		-
Payment of lease obligations		**(75)**		(71)
Repayment of government loans		**(2)**		-
Cash flows provided by (used in) financing activities		**1,424**		(71)
Effect of foreign exchange on cash		**12**		1
Increase (decrease) in cash		**1,402**		(1,024)
Cash, beginning of period		**188**		1,778
Cash, end of period	**$**	**1,590**	$	754

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 three months ended March 31, 2022, the Company reported an operating loss of $1,211, net loss of $1,251, and positive cash flows from operating activities of $3. In addition, the Company has a shareholders' equity of $1,160 and negative working capital of $2,647 at March 31, 2022.

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. As COVID-19 related restrictions have started to lessen since the beginning of the pandemic, travel restrictions and complications remain, which continue to delay contracting timelines and impact project costs. 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 managed liquidity by participating in various government support programs, where applicable, including wage subsidies, tax payment deferrals and favorable credit facilities in the periods available. 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 continues to secure contract wins to be recognized in future periods.

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 consolidated 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, 2021 (the "2021 Annual Consolidated Financial Statements").

The policies applied in these condensed consolidated interim financial statements are based on IFRS issued and effective as of May 16, 2022, 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.

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 March 31, 2022. The future impact 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, investment, 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 2021 Annual Consolidated Financial Statements. There are no new accounting standards or amendments effective January 1, 2022 that would have had a material impact on the condensed consolidated interim financial statements.

4. New and revised IFRS accounting pronouncements:

The IASB and International Financial Reporting Interpretations Committee (IFRIC) issued the following standards that have not been applied in preparing these condensed consolidated interim financial statements, as their effective dates fall within annual periods beginning after the current reporting period.

(a) Amendments to IAS 1 – *Classification of Liabilities as current or non-current*

On January 23, 2020 the IASB issued amendments to IAS 1 – Presentation of financial statements, providing a more general approach to the classifications of liabilities based on the contractual agreements in place at the reporting date. The amendments apply to annual reporting periods beginning on or after January 1, 2023. Early adoption is permitted.

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

(b) Amendments to IAS 1 and IFRS Practice Statement 2 – *Disclosure of accounting policies*

On February 12, 2021 the IASB issued amendments to IAS 1 – Presentation of financial statements, to assist entities in determining which accounting policies to disclose in the financial statements. The amendments apply to annual reporting periods beginning on or after January 1, 2023. The amendments to IAS 1 require that an entity disclose its material accounting policies, instead of its significant accounting policies.

(c) Amendments to IAS 8 – *Definition of accounting estimates*

On February 12, 2021 the IASB issued amendments to IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, to assist entities to distinguish between accounting policies and accounting estimates. The amendments apply to annual periods beginning on or after January 1, 2023. The amendments to IAS 8 replace the definition of a "change in accounting estimates" with a definition of "accounting estimates". Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involved measurement uncertainty. The amendments confirm that a change in an accounting estimate that results from new information or new developments is not a correction of an error.

5. Property and equipment:

	Aircraft and engines	Radar and mapping equipment	Furniture and fixtures	Leasehold improvements	Under construction	Total
Balance at December 31, 2021	$ 530	$ 1,789	$ 8	$ -	$ 153	$ 2,480
Additions	-	-	-	-	2	2
Depreciation	(30)	(324)	(1)	-	-	(355)
Balance at March 31, 2022	$ 500	$ 1,465	$ 7	$ -	$ 155	$ 2,127

(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	$ 10,618	$ 33,225	$ 345	$ 1,074	$ 153	$ 45,415
Accumulated depreciation	(10,088)	(31,436)	(337)	(1,074)	-	(42,935)
Balance at December 31, 2021	$ 530	$ 1,789	$ 8	$ -	$ 153	$ 2,480
Cost	$ 10,618	$ 33,225	$ 345	$ 1,074	$ 155	$ 45,417
Accumulated depreciation	(10,118)	(31,760)	(338)	(1,074)	-	(43,290)
Balance at March 31, 2022	$ 500	$ 1,465	$ 7	$ -	$ 155	$ 2,127

During the three months ended March 31, 2022, the Company disposed of assets with an original cost of $Nil (three months ended March 31, 2021 - $20), a net book value of $Nil (three months ended March 31, 2021 - $Nil), recognized a gain of $Nil (three months ended March 31, 2021 - $2) on those assets and received cash proceeds of $Nil (three months ended March 31, 2021 - $2).

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

6. Intangible assets:

	Data library	Data library not yet available for use	Total
Balance at December 31, 2021	$ 946	$ 171	$ 1,117
Additions	-	35	35
Amortization	(76)	-	(76)
Balance at March 31, 2022	$ 870	$ 206	$ 1,076

	Data library	Data library not yet available for use	Total
Cost	$ 1,017	$ 171	$ 1,188
Accumulated amortization	(71)	-	(71)
Balance at December 31, 2021	$ 946	$ 171	$ 1,117
Cost	1,017	206	1,223
Accumulated amortization	(147)	-	(147)
Balance at March 31, 2022	$ 870	$ 206	$ 1,076

7. Right of use assets:

	March 31, 2022	December 31, 2021
Beginning Balance	**$ 497**	$ 778
Depreciation	**(78)**	(316)
New leases	**-**	33
Foreign Exchange	**-**	2
Ending Balance	**$ 419**	$ 497

8. Investment:

The Company has an equity investment in shares of a privately held company over which the Company exercises no control or significant influence. The fair value of the equity investment at March 31, 2022 was estimated using a market-based approach with primarily unobservable inputs, including but not limited to non-binding offers entertained by the investee. At March 31, 2022 the fair value was estimated to be $1,062 (December 31, 2021 - $1,062) and is a level 3 fair value measurement. For the three months ended March 31, 2022, $nil is recognized as a gain on fair value remeasurement of the investment. A 20% change in the estimated value of the investment would impact net income by approximately $212.

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

9. Accounts payable and accrued liabilities:

		March 31, 2022		December 31, 2021
Accounts payable	**$**	**2,529**	$	1,969
Accrued liablities		**1,602**		1,686
Other taxes payable		**1**		1
	$	**4,132**	$	3,656

10. Financial liabilities:

The following table provides a reconciliation of movements of liabilities to cash flows arising from financing activities and balances at March 31, 2022:

	Project Financing	Government Loans	Lease Obligations (Note 11)	Total
Balance at December 31, 2021	$ 188	$ 486	$ 541	$ 1,215
Changes from financing activities:				
Payment of lease obligations	-	-	(75)	(75)
Repayment of government loans	-	(2)	-	(2)
Total changes from financing activities	-	(2)	(75)	(77)
Foreign exchange	4	8	4	16
Other changes:				
Financing costs	-	7	7	14
Interest paid	-	(2)	(2)	(4)
Balance at March 31, 2022	$ 192	$ 497	$ 475	$ 1,164

(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. There were no sales of the related products during the three months ended March 31, 2022.

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

(b) Government loans:

		March 31, 2022		December 31, 2021
SBA loan	**$**	**153**	$	154
Western Development Canada loan		**344**		332
		497		486
Less current portion		**(15)**		(9)
Long-term portion of project financing	**$**	**482**	$	477

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.

11. Lease obligations:

The following table presents the contractual undiscounted cash flows for lease obligations which require the following payments for each period ending March 31:

2023	$	251
2024		142
2025		68
2026		44
	$	505

Interest expense on lease obligations for the three months ended March 31, 2022 was $7 (three months ended March 31, 2021 – $9). Total cash outflow for leases was $75 (three months ended March 31, 2021 – $144), and $79 (three months ended March 31, 2021 – $73) for short-term and low-value operating leases for equipment and office spaces.

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

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 $264 for the twelve months ending March 31, 2023.

12. Revenue:

Details of revenue are as follows:

For the three months ended March 31,		**2022**		2021
Acquisition services	**$**	**610**	$	9
Value-added data		**539**		307
Software and solutions		**881**		546
	$	**2,030**	$	862
Primary geographical market				
United States	**$**	**507**	$	367
Asia/Pacific		**705**		97
Europe		**818**		398
	$	**2,030**	$	862
Timing of revenue recognition				
Upon delivery	**$**	**722**	$	322
Services overtime		**1,308**		540
	$	**2,030**	$	862

13. Operating and non-operating costs:

(a) Operating costs:

For the three months ended March 31,		**2022**		2021
Personnel	**$**	**1,571**	$	1,406
Purchased services & materials(1)		**962**		651
Travel		**32**		6
Facilities and other expenses		**167**		159
	$	**2,732**	$	2,222

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

(b) Financing costs:

For the three months ended March 31,		**2022**		2021
Interest on government loans	**$**	**7**	$	6
Interest on lease obligations		**7**		9
Interest on accounts payable		**-**		1
	$	**14**	$	16

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

14. 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:

Three months ended March 31,	**2022**	2021
Paycheck Protection Program	**$ -**	$ 562
Employee Retention Credit	**-**	133
	$ -	$ 695

(a) Paycheck Protection Program (PPP):

The Company received $562 under the second round of the Paycheck Protection Program (PPP) in the United States during the first quarter of 2021. 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 all amounts have been forgiven.

(b) Employee Retention Credit:

The Company was eligible for $133 under the Employee Retention Credit (ERC) in the United States during the first quarter of 2021. The ERC was a refundable tax credit against certain employment taxes equal to 70% 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 each quarter the Company meets the qualification criteria.

15. Share capital:

(a) Issued:

	March 31, 2022		December 31, 2021	
Class A common shares	**Number of Shares**	**Amount**	Number of Shares	Amount
Balance, beginning of period	**29,415,422**	**$ 206,102**	25,198,529	$ 203,642
Private placement	**4,008,288**	**1,611**	4,166,893	2,976
Issuance costs	**-**	**(139)**	-	(525)
RSU conversion	**-**	**-**	50,000	9
Balance, end of period	**33,423,710**	**$ 207,574**	29,415,422	$ 206,102

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

On March 18, 2022, the Company issued 1,470,588 Class A common shares at C$0.51 per share in connection with a private placement. The Company received $596 in proceeds and recorded $111 in issuance costs, of which $19 settled through warrants (see Note 16) and $92 was paid in cash.

During February 2022, the Company issued 2,537,700 Class A common shares at C$0.51 per share in connection with two private placements. The Company received $1,015 in proceeds and recorded $28 in issuance costs, of which $10 settled through warrants (see Note 16) and $18 was paid in cash.

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 16) 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 16).

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. The Company received $680 in proceeds and recorded $29 in issuance costs settled through warrants (see Note 16).

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 15(a) 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 16). The Company also paid $341 in cash relating to all three tranches during the third quarter of 2021.

(b) Contributed surplus:

		March 31, 2022		December 31, 2021
Balance, beginning of period	**$**	**26,144**	$	26,007
Share-based compensation		**58**		146
Converted RSUs		**-**		(9)
Balance, end of period	**$**	**26,202**	$	26,144

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

(c) 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. The Company has incurred a net loss for each period presented and the inclusion of the outstanding options and warrants in the loss per share calculation are anti-dilutive and therefore not included in the calculation.

The underlying Class A common shares pertaining to 822,943 outstanding share options, 2,370,884 restricted share units (RSUs), and 545,569 outstanding warrants could potentially dilute earnings.

(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 15(e)), and all options issued and outstanding at that time will remain until such time they are exercised, expired, or forfeited. As of March 31, 2022, 822,943 share options are issued and outstanding. No additional options will be issued under this plan.

The following tables summarize information regarding share options outstanding:

	December 31, 2021			December 31, 2021		
	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	**822,943**	**$**	**0.77**	895,325	$	0.81
Expired	**-**		**-**	(72,382)		1.25
Options outstanding, end of period	**822,943**	**$**	**0.77**	822,943	$	0.77
Options exercisable, end of period	**822,943**	**$**	**0.77**	822,943	$	0.77

Exercise Price (CDN$)	Options outstanding	Weighted average remaining contractual life	Options exercisable
0.70	631,011	5.04 years	631,011
0.80	170,932	4.63 years	170,932
2.70	21,000	0.13 years	21,000
	822,943	4.83 years	822,943

During the three months ended March 31, 2022 and 2021, the Company recognized $Nil of non-cash compensation expense related to the share option plan.

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

(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 March 31, 2022, 822,943 share options and 2,370,884 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 15(a)) under the plan, leaving 119,804 awards remain available for future issuance.

The following table summarizes information regarding RSUs outstanding:

	March 31, 2022	December 31, 2021
	Number of RSUs	Number of RSUs
RSUs outstanding, beginning of period	**1,330,884**	1,224,126
Issued	**1,040,000**	188,159
Converted to common shares	**-**	(50,000)
Forfeitures	**-**	(31,401)
RSUs outstanding, end of period	**2,370,884**	1,330,884

During the three months ended March 31, 2022, 1,040,000 RSUs (three months ended March 31, 2021 – 15,000) were issued at a weighted average grant date fair value of C$0.59 per share (three months ended March 31, 2021 – C$0.69 per share). During the three months ended March 31, 2022, the Company recognized $58 (three months ended March 31, 2021 – $27) of non-cash compensation expense related to the RSUs.

(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:

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

For the three months ended March 31,		2022		2021
Employees	$	**29**	$	18
Directors and advisors		**29**		9
Non-cash compensation	$	**58**	$	27

16. 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, 2021	Issued	Number of Warrants Outstanding March 31, 2022
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
2/11/2022	2/10/2024	US$ 0.54	43,500	-	43,500	43,500
3/18/2022	3/17/2024	US$ 0.54	88,235	-	88,235	88,235
			545,569	413,834	131,735	545,569

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

17. 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 12.

Property and equipment of the Company are located as follows:

		March 31, 2022		December 31, 2021
United States	$	**2,080**	$	2,425
Europe		**32**		37
Asia/Pacific		**15**		18
	$	**2,127**	$	2,480

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

Three months ended March 31,		2022		2021
Customer A	$	**610**	$	9
Customer B		**186**		28
	$	**796**	$	37

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

18. 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, 2021.

Amounts receivable as of March 31, 2022 and December 31, 2021, consist of:

		March 31, 2022		December 31, 2021
Trade receivables	**$**	**897**	$	398
Other miscellaneous receivables		**197**		516
	$	**1,094**	$	914

Trade receivables by geography consist of:

		March 31, 2022		December 31, 2021
United States	**$**	**489**	$	117
Europe		**239**		198
Asia/Pacific		**169**		83
	$	**897**	$	398

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

		March 31, 2022		December 31, 2021
Current	**$**	**587**	$	362
31-60 days		**230**		36
61-90 days		**80**		-
Over 91 days		**-**		-
	$	**897**	$	398

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

19. 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 approximate their carrying amounts largely due to the short-term maturities of these instruments.
- The fair value of the investment is detailed in Note 8.
- 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.