Management's Discussion and Analysis

For the quarter ended June 30, 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 August 10, 2022 and should be read together with the Company's unaudited Condensed Consolidated Interim Financial Statements and the accompanying notes for the three and six months ended June 30, 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	Three months ended June 30, **2022**	Three months ended June 30, 2021	Six months ended June 30, **2022**	Six months ended June 30, 2021
Revenue:				
Acquisition services	**$ 0.3**	$ -	**$ 0.9**	$ -
Value-added data	**1.3**	0.5	**1.8**	0.8
Software and solutions	**0.8**	0.7	**1.7**	1.3
Total revenue	**$ 2.4**	$ 1.2	**$ 4.4**	$ 2.1
Operating loss	**$ (0.7)**	$ (1.7)	**$ (1.9)**	$ (3.5)
Net loss	**$ (0.6)**	$ (1.6)	**$ (1.9)**	$ (2.6)
EPS basic and diluted	**$ (0.02)**	$ (0.06)	**$ (0.06)**	$ (0.10)
Adjusted EBITDA(1)	**$ 1.0**	$ (1.4)	**$ (0.4)**	$ (1.9)

	June 30, 2022	June 30, 2021
Assets:		
Cash, amounts receivable, unbilled revenue	**$ 2.4**	$ 2.0
Total assets	**$ 7.4**	$ 7.6
Liabilities:		
Long-term liabilities (including lease obligations)	**$ 0.9**	$ 0.6
Total liabilities	**$ 6.8**	$ 7.4

(1)Adjusted EBITDA is a non-IFRS measure. See “Reconciliation of Non-IFRS Measures” below.

Revenue

Quarterly Revenue

Consolidated revenue for the quarter ended June 30, 2022 increased to $2.4 million, compared to $1.2 million for 2021. Approximately 77% of consolidated revenue was generated outside the United States, compared to 69% for 2021.

Acquisition Services

Acquisition services revenue for the quarter ended June 30, 2022 totaled $0.3 million, compared to $Nil for 2021. The increase is due to the nature and timing of government contracting, which was delayed during 2021 due to the impact of uncertainty surrounding the COVID-19 pandemic.

Value-added Data

Value-added data revenue increased to $1.3 million for the quarter ended June 30, 2022 as compared to $0.5 million for 2021. The increase relates to new government program awards in national defense and foreign jurisdictions, which should continue to generate revenue from future updates.

Software and Solutions

Software and solutions revenue increased to $0.8 million for the quarter ended June 30, 2022, compared to $0.7 million for 2021. The Company recognized a 39% increase in subscription-based revenue compared to the second quarter of 2021, primarily related to the expansion of elevation data-as-a-service (E-DAS), which had increases in both number and value of subscription agreements.

Year-to-date Revenue

On a year-to-date basis, consolidated revenue increased to $4.4 million during the six months ended June 30, 2022 from $2.1 million for 2021. The Company remains well-positioned to withstand the COVID-19 slowdown that began in 2020 and remains confident in the pipeline. Approximately 76% of consolidated revenue was generated outside the United States, compared to 71% for 2021.

Acquisition Services

Acquisition services revenue for the six-month period ended June 30, 2022 totaled $0.9 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 $1.8 million for the six ended June 30, 2022 as compared to $0.8 million for 2021. The increase relates to government program awards which should continue to generate revenue from future updates.

Software and Solutions

Software and solutions revenue increased to $1.7 million for the six-month period ended June 30, 2022, compared to $1.3 million for 2021. The Company recognized an 8% increase in subscription-based revenue compared to the first half of 2021, 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:

	For the three months ended June 30,		For the six months ended June 30,	
U.S. $ millions	**2022**	2021	**2022**	2021
Personnel	**$ 1.8**	$ 1.4	**$ 3.3**	$ 2.8
Purchased services & materials	**0.6**	0.7	**1.6**	1.3
Facilities and other expenses	**0.1**	0.1	**0.3**	0.3
Travel	**0.1**	-	**0.1**	-
	$ 2.6	$ 2.2	**$ 5.3**	$ 4.4

Personnel

Personnel expense includes direct labor, employee compensation, employee benefits, and commissions. Personnel expense for the quarters ended June 30, 2022 and 2021 totaled $1.8 million and $1.4 million, respectively. For the six-month periods ended June 30, 2022 and 2021, personnel expense was $3.3 million and $2.8 million, respectively. The increase for both periods is primarily due to increased non-cash compensation expense cost of living adjustments in all locations in response to inflation and job market retention efforts.

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 June 30, 2022 and 2021, increased to $116 thousand from $28 thousand, respectively. For the six-month periods ended June 30, 2022 and 2021, non-cash compensation expense was $174 thousand and $55 thousand, respectively. The increase for both periods was due to RSU issued during March 2022.

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 June 30, 2022 and 2021, PS&M expense was $0.6 million and $0.7 million, respectively. For the six-month periods ended June 30, 2022 and 2021, PS&M expense was $1.6 million and $1.3 million, respectively. The increase in the six-month period is primarily related to increased subcontractor charges on the acquisition services project during 2022 compared to 2021.

Facilities and Other Expenses

For the quarters ended June 30, 2022 and 2021, facilities and other expenses remained flat at $0.1 million for each quarter. For the six-month period ended June 30, 2022 and 2021, facilities and other expenses remained flat at $0.3 million for each period.

Travel

For the three months ended June 30, 2022 travel expense increased to $62 thousand from only $4 thousand for the quarter ended June 30, 2021. For the six months ended June 30, 2022 and 2021, travel expense was $94 thousand and $10 thousand, respectively, following relaxation of COVID-19 related travel restrictions.

Government Grants

The Company was not eligible for government grants during the three months ended June 30, 2022 and 2021. The Company participated in two government grant programs during the six months ended June 30, 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 improved to a $0.6 million loss from a $1.6 million loss for the quarters ended June 30, 2022 and 2021, respectively, mainly due to a revenue increase of $1.2 million period-over-period.

For the six-month periods ended June 30, 2022 and 2021, net loss also improved to a $1.9 million loss from a $2.6 million loss. This improvement is mainly due to a revenue increase of $2.3 million, offset by an operating cost increase of $0.9 million.

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 changes in working capital investment, 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 June 30,		Six months ended June 30,	
U.S. $ millions	**2022**	2021[1]	**2022**	2021[1]
Net loss	**$ (0.6)**	$ (1.6)	**$ (1.9)**	$ (2.7)
Amortization of intangible assets	**0.1**	-	**0.2**	-
Depreciation of property and equipment	**0.3**	0.4	**0.7**	0.7
Depreciation of right of use assets	**0.1**	0.1	**0.2**	0.2
EBITDA	**$ (0.1)**	$ (1.1)	**$ (0.8)**	$ (1.8)
Working capital investment				
Increase/(Decrease) in accounts receivable and unbilled revenue	**0.3**	0.2	**0.5**	0.2
Decrease/(increase) in current liabilities	**0.7**	(0.8)	**(0.3)**	(0.7)
Share-based compensation	**0.1**	-	**0.2**	0.1
Restructuring costs	**-**	0.3	**-**	0.3
Adjusted EBITDA	**$ 1.0**	$ (1.4)	**$ (0.4)**	$ (1.9)

[1] Net 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.

Adjusted EBITDA for the quarter ended June 30, 2022 was $1.0 million, compared to negative $1.4 million for 2021. Adjusted EBITDA for the six-month period ended June 30, 2022 was negative $0.4, compared to negative $1.9 million for the same period in 2021. The improvement in adjusted EBITDA is primarily attributable to the increase in revenue.

Amortization of Intangible Assets

Amortization expense for intangible assets for the quarter ended June 30, 2022 totaled $77 thousand (six-month period $154 thousand) compared to $11 thousand (six-month period $25 thousand) for the same period in 2021. The increase is due to assets placed in service during the end of 2021.

Depreciation of Property and Equipment

Depreciation expense for property and equipment for the quarters ended June 30, 2022 and 2021 were $0.3 million and $0.4 million, respectively. Depreciation expenses for property and equipment for the six-months ended June 30, 2022 and 2021 were both $0.7 million.

Depreciation of Right of Use Assets

Depreciation expense for right of use assets for the quarters ended June 30, 2022 and 2021 was $0.1 million for both quarters. Depreciation expense for right of use assets for the six-month periods ended June 30, 2022 and 2021 was $0.2 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 $2.1 million at June 30, 2022 from $1.6 million at December 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 decreased to $3.4 million at June 30, 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 2022.

U.S. $ millions	**June 30, 2022**	December 31, 2021
Accounts payable	$ 1.8	$ 2.0
Accrued liablities	1.6	1.7
	$ 3.4	$ 3.7

Unearned Revenue

The unearned revenue balance at June 30, 2022 increased to $2.2 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 June 30, 2022 and 2021, 86% 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	Q3 2020	Q4 2020	Q1 2021	Q2 2021[1]	Q3 2021	Q4 2021	Q1 2022	**Q2 2022**
Total revenue	$ 1.0	$ 0.9	$ 0.9	$ 1.2	$ 1.4	$ 2.3	$ 2.0	**$ 2.4**
Depreciation	$ 0.3	$ 0.2	$ 0.3	$ 0.4	$ 0.4	$ 0.3	$ 0.4	**$ 0.3**
Financing costs	$ -	$ -	$ -	$ -	$ 0.1	$ -	$ -	**$ -**
Operating loss	$ (1.3)	$ (1.4)	$ (1.8)	$ (1.7)	$ (1.2)	$ (0.8)	$ (1.2)	**$ (0.7)**
Net (loss) income	$ (1.3)	$ 0.4	$ (1.1)	$ (1.6)	$ (1.0)	$ 0.3	$ (1.3)	**$ (0.6)**
Net (loss) income per share								
- basic	$ (0.15)	$ (0.26)	$ (0.04)	$ (0.06)	$ (0.04)	$ 0.02	$ (0.04)	**$ (0.02)**
- diluted	$ (0.15)	$ (0.26)	$ (0.04)	$ (0.06)	$ (0.04)	$ 0.02	$ (0.04)	**$ (0.02)**
Adjusted EBITDA[2]	$ -	$ -	$ (0.5)	$ (1.4)	$ (0.1)	$ 0.2	$ (1.4)	**$ 1.0**

[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	$	0.3	$	0.3
Net proceeds	**$**	**0.6**	**$**	**0.3**	**$**	**0.3**

LIQUIDITY AND CAPITAL RESOURCES

The Company has cash of $0.3 million at June 30, 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 June 30, 2022, the Company generated an operating loss of $0.7 million (six-month period loss $1.9 million) and incurred positive Adjusted EBITDA[1] of $1.0 million (six-month period negative $0.4 million). Revenue for the six-months ended June 30, 2022 was $4.4 million, which is a $2.4 million increase as compared to the same period in 2021. At June 30, 2022, the Company has shareholders' equity of $0.6 million.

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

Cash used by operations during the six-months ended June 30, 2022 totaled $1.1 million, compared to cash used in operations of $0.9 million during the same period in 2021. The year-over-year increase in cash used is due primarily to the increase in revenue, offset by the increase in amounts receivable. Excluding the working capital investment, cash used by operations was $0.6 million for the six-months ended June 30, 2022 compared to $1.7 million during the same period in 2021.

At June 30, 2022, the Company has current assets of $3.0 million and current liabilities of $5.9 million, resulting in a working capital deficit of $2.9 million. Of that balance, $2.2 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. 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 $0.1 million and $0.8 million for the six-months period ended June 30, 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 six months ended June 30, 2021, it was offset by proceeds from the sale of property and equipment of $6 thousand.

Financing Activities

Net cash provided by financing activities totaled $1.3 million for the quarter ended June 30, 2022, as compared to $0.2 million in 2021. The net cash provided during the six-month period ended June 30, 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 $0.2 million. The net cash used during the six-months ended June 30, 2021 resulted from proceeds from a private placement of $0.4 million, offset by private placement issuance costs of $0.1 million and the 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 August 10, 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 August 10, 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 August 10, 2022, potential dilutive securities include (i) 801,943 outstanding share options with a weighted average exercise price of C$0.72, (ii) 2,370,884 restricted share units, and (iii) 406,285 warrants outstanding with a weighted average exercise price of US$0.69. Each option and warrant entitles the holder to purchase one Class A common share. The following warrants expire on the dates listed below:

- 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 June 30, 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.