



Condensed Consolidated Interim Financial Statements of

**INTERMAP TECHNOLOGIES
CORPORATION**

Second quarter ended June 30, 2024

NOTICE: The condensed consolidated interim financial statements and notes thereto for the three and six months ended June 30, 2024 have not been reviewed by the Company's external auditors.

Management's Discussion and Analysis

For the quarter ended June 30, 2024

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 13, 2024 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, 2024 and the audited Consolidated Financial Statements as at December 31, 2023 and 2022, together with the accompanying notes. The results reported herein have been prepared in accordance with IFRS Accounting Standards 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 Accounting Standards. 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-GAAP MEASURES

This MD&A makes reference to certain non-GAAP measures such as “EBITDA” and “Adjusted EBITDA”. These non-GAAP 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 GAAP. These non-GAAP measures should be read in conjunction with the Company's audited Consolidated Financial Statements and the accompanying notes for the years ended December 31, 2023 and 2022. Readers should not place undue reliance on non-GAAP measures and should instead view them in conjunction with the most comparable GAAP financial measures. See the reconciliation of EBITDA and Adjusted EBITDA to the most comparable GAAP financial measure in the Reconciliation of Non-GAAP 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.

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

- increases in recurring revenue generated from multi-license contracts in Europe and software subscription renewal value increase;
- all trade receivable balances are highly likely to be paid in full by the customer;
- the factors noted under “Liquidity and Capital Resources” in the aggregate indicate there are material uncertainties which may cast significant doubt about the Company’s ability to continue as a going concern;
- failure to achieve certain requirements could have a material adverse effect on the Company’s financial condition and/or results of operations.

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

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,		Six months ended June 30,	
	2024	2023	2024	2023
Revenue:				
Acquisition services	\$ 1.6	\$ -	\$ 2.1	\$ -
Value-added data	0.7	0.5	1.0	1.2
Software and solutions	1.2	1.0	2.1	2.3
Total revenue	\$ 3.5	\$ 1.5	\$ 5.2	\$ 3.5
Operating income (loss)	\$ 0.6	\$ (1.0)	\$ (0.2)	\$ (1.8)
Net income (loss)	\$ 0.6	\$ (1.1)	\$ (0.2)	\$ (1.9)
EPS basic	\$ 0.01	\$ (0.03)	\$ (0.01)	\$ (0.05)
EPS diluted	\$ 0.01	\$ (0.03)	\$ (0.01)	\$ (0.05)
Adjusted EBITDA ⁽¹⁾	\$ (0.9)	\$ (0.9)	\$ 1.3	\$ (0.4)

	June 30, 2024	June 30, 2023
Assets:		
Cash and amounts receivable	\$ 1.1	\$ 1.0
Total assets	\$ 6.0	\$ 4.9
Liabilities:		
Long-term liabilities (including lease obligations)	\$ 0.8	\$ 0.8
Total liabilities	\$ 9.3	\$ 8.1

⁽¹⁾Adjusted EBITDA is a non-GAAP measure. See "Reconciliation of Non-GAAP Measures" below.

Revenue

Quarterly Revenue

Consolidated revenue for the quarter ended June 30, 2024 was \$3.5 million, compared to \$1.5 million for 2023. Deferred revenue increased by \$0.8 million, compared to December 31, 2023, driven primarily by the receipt of initial payments from the Indonesian government. Year to date, \$2.1 million of revenue has been recognized on the program. Approximately 80% of consolidated revenue was generated outside the United States, compared to 69% for 2023.

Acquisition Services

Acquisition services revenue for the quarter ended June 30, 2024 totaled \$1.6 million, compared to Nil for 2023. The increase is due to the Company starting to perform its material acquisition services contract in Indonesia. Last year, Intermap experienced a delay in the award of key government contracts, reducing its acquisition services revenue.

Value-added Data

Value-added data revenue increased to \$0.7 million for the quarter ended June 30, 2024 as compared to \$0.5 million for 2023.

Software and Solutions

Software and solutions revenue increased to \$1.2 million from \$1.0 million for the second quarters of 2024 and 2023, respectively.

Year-to-date Revenue

On a year-to-date basis, consolidated revenue increased to \$5.2 million during the six months ended June 30, 2024 from \$3.5 million for 2023. Approximately 79% of consolidated revenue was generated outside the United States, compared to 64% for 2023.

Acquisition Services

Acquisition services revenue for the six-month period ended June 30, 2024 totaled \$2.1 million, compared to nil for 2023. The increase is due to the Company starting to perform its material acquisition services contract in Indonesia. The Company expects to recognize approximately 60% of its Indonesian revenue while its airborne platform is deployed to collect data, during the second and third quarters of 2024.

Value-added Data

Value-added data revenue decreased to \$1.0 million for the six-month period ended June 30, 2024 as compared to \$1.2 million for 2023. The change relates to timing differences in the delivery of repeating data products.

Software and Solutions

Software and solutions revenue decreased to \$2.1 million from \$2.3 million for the first six months of 2024 and 2023, respectively. The decrease is due to the timing of software integration and renewal services.

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 June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Personnel	\$ 1.3	\$ 1.6	\$ 2.7	\$ 3.3
Purchased services & materials	1.1	0.5	1.7	1.1
Facilities and other expenses	0.2	0.2	0.4	0.3
Travel	0.1	-	0.1	-
	\$ 2.7	\$ 2.3	\$ 4.9	\$ 4.7

Personnel

Personnel expense includes direct labor, employee compensation, employee benefits, and commissions. Personnel expense for the quarters ended June 30, 2024 and 2023 totaled \$1.3 million and \$1.6 million, respectively. For the six-month periods ended June 30, 2024 and 2023, personnel

expense totaled \$2.7 million and \$3.3 million, respectively. The decrease was due to headcount reduction between the periods.

Non-cash compensation expense is included in operating costs and relates to the Company's omnibus incentive plan and shares granted to employees and non-employees. Non-cash share-based compensation for the quarters ended June 30, 2024 and 2023, increased to \$115 thousand from \$58 thousand, respectively. For the six-month periods ended June 30, 2024 and 2023, non-cash compensation expense was \$241 thousand and \$152 thousand, respectively. The increase is due to the timing of award issuances.

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, 2024, and 2023, PS&M expense was \$1.1 million and \$0.5 million, respectively. For the six-month periods ended June 30, 2024 and 2023, PS&M expense was \$1.7 million and \$1.1 million, respectively. The increase is due to subcontractor and other project related costs for the data acquisition project that started in the first quarter of 2024.

Facilities and Other Expenses

For the quarters ended June 30, 2024 and 2023, facilities and other expenses remained constant at \$0.2 million. For the six-month period ended June 30, 2024 and 2023, facilities and other expenses increased slightly to \$0.4 million compared to \$0.3 million.

Travel

For the quarter and six-months ended June 30, 2024, travel expense increased slightly to \$0.1 million, as compared to \$Nil million for 2023.

Net Loss

For the six-month periods ended June 30, 2024 and 2023, net loss improved to \$0.2 million from \$1.9 million, respectively. The improvement was mainly due to an increase in revenue of \$1.7 million between the periods.

Reconciliation of Non- GAAP Measures

To supplement the audited Consolidated Financial Statements, which are prepared and presented in accordance with GAAP, the Company provides the following non-GAAP 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 loss and excludes interest (financing costs), taxes, and depreciation. Adjusted EBITDA also excludes

working capital investment, share-based compensation, fair value adjustments and foreign currency translation.

The most directly comparable measure to EBITDA and Adjusted EBITDA calculated in accordance with IFRS is net loss. The following is a reconciliation of the Company's net loss to Adjusted EBITDA.

U.S. \$ millions	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Net income (loss)	\$ 0.6	\$ (1.0)	\$ (0.2)	\$ (1.8)
Amortization of intangible assets	0.1	0.1	0.2	0.2
Depreciation of property and equipment	0.1	0.1	0.2	0.2
Depreciation of right of use assets	0.1	0.1	0.1	0.2
EBITDA	\$ 0.9	\$ (0.7)	\$ 0.3	\$ (1.2)
Working capital investment				
(Decrease) Increase in unearned revenue	(1.9)	(0.3)	0.8	0.6
Share-based compensation	0.1	0.1	0.2	0.2
Adjusted EBITDA	\$ (0.9)	\$ (0.9)	\$ 1.3	\$ (0.4)

Adjusted EBITDA for the quarters ended June 30, 2024 and 2023 was negative \$0.9 million for both periods. The decrease in unearned revenue represented prior period upfront cash collections from Indonesia that were recognized as revenue during the current period as work was performed.

Adjusted EBITDA for the six-month period ended June 30, 2024 was positive \$1.3 million, compared to negative \$0.4 million for the same period in 2023. The improvement is primarily due to increased revenue in 2024.

Amortization of Intangible Assets

Amortization expense for intangible assets for the quarters ended June 30, 2024 and 2023 was consistent at \$0.1 million for each quarter and \$0.2 million for the six month periods.

Depreciation of Property and Equipment

Depreciation expense for property and equipment for the quarters ended June 30, 2024 and 2023 was consistent at \$0.1 million for each quarter and \$0.2 million for the six month periods.

Depreciation of Right of Use Assets

Depreciation expense for right of use assets for the quarters ended June 30, 2024 and 2023 was consistent at \$0.1 million. For the six months ended June 30, 2024 and 2023, depreciation of right of use assets was \$0.1 million and \$0.2 million, respectively.

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 statements of financial position as unbilled revenue.

Amounts receivable and unbilled revenue increased to \$0.6 million at June 30, 2024 from \$0.3 million at December 31, 2023. The Company reviews the amounts receivable aging monthly and monitors the

payment status of each invoice to determine the collectability. At the statement of financial position 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 \$4.6 million at June 30, 2024 from \$4.4 million from December 31, 2023 as the Company commenced execution on its large contract in Indonesia.

U.S. \$ millions	June 30, 2024	December 31, 2023
Accounts payable	\$ 2.9	\$ 2.4
Accrued liabilities	1.7	2.0
	<u>\$ 4.6</u>	<u>\$ 4.4</u>

Government Loans

The government loans balance decreased to \$0.3 million at June 30, 2024 due to normal monthly payments from \$0.4 million at December 31, 2023. The loans were available to help off-set the impacts of the COVID-19 pandemic and will be repaid.

Unearned Revenue

The unearned revenue balance at June 30, 2024 increased to \$3.4 million from \$2.6 million at December 31, 2023. This balance consists of payments received from customers for contracts that are in progress and have not yet fulfilled the necessary revenue recognition criteria. The increase in unearned revenue reflects the volatility and timing of payments of higher quality revenue as a growing proportion of accounts transition to multi-year contracts, where the Company has been successful negotiating higher pricing and extended duration. At June 30, 2024, 63% of the total balance is related to software and solutions license revenue (91% at December 31, 2023), 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 and data licenses.

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 self-financed the advancement of high-growth opportunities in Southeast Asia and Europe.

U.S. \$ millions, except per share data	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
Total revenue	\$ 1.2	\$ 1.2	\$ 2.0	\$ 1.5	\$ 1.5	\$ 1.2	\$ 1.7	
Depreciation	\$ 0.3	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.2	\$ 0.1	\$ 0.1	\$ 0.1
Financing costs	\$ -	\$ 0.1	\$ -	\$ -	\$ -	\$ 0.1	\$ -	\$ -
Operating income (loss)	\$ (1.9)	\$ (1.4)	\$ (0.8)	\$ (1.0)	\$ (0.8)	\$ (0.7)	\$ (0.8)	\$ 0.6
Net income (loss)	\$ (1.8)	\$ (1.6)	\$ (0.8)	\$ (1.1)	\$ (0.8)	\$ (1.0)	\$ (0.8)	\$ 0.6
Net loss per share								
- basic	\$ (0.06)	\$ (0.04)	\$ (0.02)	\$ (0.03)	\$ (0.02)	\$ (0.03)	\$ (0.02)	\$ 0.01
- diluted	\$ (0.06)	\$ (0.04)	\$ (0.02)	\$ (0.03)	\$ (0.02)	\$ (0.03)	\$ (0.02)	\$ 0.01
Adjusted EBITDA ⁽¹⁾	\$ (1.6)	\$ -	\$ 0.5	\$ (0.9)	\$ (0.9)	\$ (0.9)	\$ 2.2	\$ 0.9

⁽¹⁾Adjusted EBITDA is a non-GAAP measure. See "Reconciliation of Non-GAAP Measures" above.

LIQUIDITY AND CAPITAL RESOURCES

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

Operating Activities

During the six-months ended June 30, 2024, the Company generated an operating loss of \$0.2 but incurred positive Adjusted EBITDA¹ of \$1.3 million. Revenue for the six-months ended June 30, 2024 was \$5.2 million, which is a \$1.7 million increase as compared to the same period in 2023. At June 30, 2024, the Company has a shareholders' deficit of \$3.3 million.

Cash provided by operations during the six-months ended June 30, 2024 totaled \$1.2 million, compared to cash provided by operations of \$0.1 million during the same period in 2023.

At June 30, 2024, \$3.4 million of the current assets over current liabilities deficiency 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 an obligation to deliver the required services over the term of the license (for software) or contract (for acquisition). During the first quarter of 2024, the Company began executing on a new acquisition services contract award exceeding \$15 million to be recognized over the next 12 to 15 months, along with significant commercial pipeline, and as such, management expects to meet the obligations as they come due through operations.

Investing Activities

Net cash used in investing activities totaled \$1.2 million and \$0.2 million for the six-month periods ended June 30, 2024 and 2023, respectively. For both periods, the balance 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 in advance of orders.

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

Financing Activities

Net cash used by financing activities totaled \$0.1 million for the six-month period ended June 30, 2024, as compared to net cash used in financing activities of \$0.2 million during the same period in 2023. The net cash used during the six-month period ended June 30, 2024 resulted from proceeds from a private placement and exercise of warrants of \$0.2 million, offset by private placement issuance costs, payments of lease obligations, and repayment of loans \$0.3 million. The net cash used during the six-month period ended June 30, 2023 resulted from repayment of bank and government loans and the payment of lease obligations totaling \$0.2 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 Company's ability to continue as a going concern is dependent on management's ability to successfully secure sales with upfront payments, execute on contract awards, and/or draw incremental working capital to fund airborne and field operations and data processing. Liquidity will be provided through a combination of funds from operations, contract billing milestone acceleration, partner advances or equity issuance, as needed. Failure to achieve 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 the completion of a LIFE offering resulting in aggregate gross proceeds of C\$3.3 million subsequent to June 30, 2024.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Intermap's significant accounting policies are set out in Note 3 of the Condensed Consolidated Interim Financial Statements. The Condensed Consolidated Interim Financial Statements have been prepared in accordance with International Accounting Standard 34 as issued by the International Accounting Standards Board. 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 13, 2024 and June 30, 2024, 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 13, 2024, 49,716,957 Class A common shares were issued and outstanding. There are currently no Class A participating preferred shares issued and outstanding.

As of August 13, 2024, potential dilutive securities include (i) 699,442 outstanding share options with a weighted average exercise price of C\$0.72, (ii) 3,679,623 restricted share units, and (iii) 7,334,245 warrants outstanding with a weighted average exercise price of US\$0.53. Each option and warrant entitles the holder to purchase one Class A common share. The following warrants expire on the dates listed below:

- 3,088,900 warrants expire on November 15, 2024;
- 115,000 warrants expire on December 6, 2024;
- 858,600 warrants expire on August 9, 2025;
- 602,500 warrants expire on August 15, 2025;
- 84,545 warrants expire on September 4, 2025;
- 736,700 warrants expire on October 19, 2025;
- 1,728,000 warrants expire on December 20, 2025; and
- 120,000 warrants expire on January 3, 2026.

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 that occurred during the period beginning January 1, 2024 and ending on June 30, 2024 that has 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 2023 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 Statements of Financial Position
(In thousands of United States dollars)
(Unaudited)

	June 30, 2024	December 31, 2023
Assets		
Current assets:		
Cash	\$ 531	\$ 677
Amounts receivable (Note 16)	589	312
Prepaid expenses	466	311
	1,586	1,300
Prepaid expenses	33	50
Property and equipment (Note 4)	1,891	979
Intangible assets (Note 5)	963	977
Right of use assets (Note 6)	709	381
Investment (Note 7)	849	849
Total assets	\$ 6,031	\$ 4,536
Liabilities and Shareholders' Deficiency		
Current liabilities:		
Accounts payable and accrued liabilities (Note 8)	\$ 4,600	\$ 4,388
Bank loan (Note 9(a))	36	38
Current portion of government loans (Note 9(c))	117	117
Lease obligations (Note 10)	362	257
Unearned revenue	3,365	2,553
Income taxes payable	58	61
	8,538	7,414
Bank loan (Note 9(a))	14	33
Long-term project financing (Note 9(b))	176	182
Long-term government loans (Note 9(c))	220	274
Lease obligations (Note 10)	382	198
Total liabilities	9,330	8,101
Shareholders' deficiency:		
Share capital (Note 13(a))	209,462	209,296
Warrants (Note 14)	755	791
Accumulated other comprehensive loss	(155)	(156)
Contributed surplus (Note 13(b))	27,347	26,985
Deficit	(240,708)	(240,481)
Total shareholders' deficiency	(3,299)	(3,565)
Going concern (Note 2(a))		
Subsequent event (Note 18)		
Total liabilities and shareholders' deficiency	\$ 6,031	\$ 4,536

See accompanying notes to condensed consolidated interim financial statements.

INTERMAP TECHNOLOGIES CORPORATION

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

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Revenue (Note 11)	\$ 3,550	\$ 1,575	\$ 5,225	\$ 3,538
Expenses:				
Operating costs (Note 12(a))	2,708	2,289	4,959	4,719
Depreciation of property and equipment (Note 4)	51	132	162	282
Amortization of intangible assets (Note 5)	79	79	157	157
Depreciation of right of use assets (Note 6)	86	81	162	161
	2,924	2,581	5,440	5,319
Operating income (loss)	626	(1,006)	(215)	(1,781)
Financing costs (Note 12(b))	(15)	(13)	(33)	(28)
Financing income	-	1	-	4
Gain (loss) on foreign currency translation	1	(39)	21	(63)
Income (loss) before income taxes	612	(1,057)	(227)	(1,868)
Income tax expense:				
Current	-	4	-	4
	-	4	-	4
Income (loss) for the period	\$ 612	\$ (1,053)	\$ (227)	\$ (1,864)
Other comprehensive loss:				
Items that are or may be reclassified subsequently to profit or loss:				
Foreign currency translation differences	(2)	2	1	(9)
Comprehensive income (loss) for the period	\$ 610	\$ (1,051)	\$ (226)	\$ (1,873)
Basic income (loss) per share	\$ 0.01	\$ (0.03)	\$ (0.01)	\$ (0.05)
Diluted income (loss) per share	\$ 0.01	\$ (0.03)	\$ (0.01)	\$ (0.05)
Weighted average number of Class A common shares - basic (Note 13(c))	41,977,490	37,693,710	41,881,679	37,693,710
shares - diluted (Note 13(c))	42,689,508	37,693,710	41,881,679	37,693,710

See accompanying notes to condensed consolidated interim financial statements.

INTERMAP TECHNOLOGIES CORPORATION

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

	Share Capital	Warrants	Contributed Surplus	Accumulated Other Comprehensive Loss	Deficit	Total
Balance at December 31, 2022	\$ 208,406	\$ 493	\$ 26,603	\$ (141)	\$ (236,780)	\$ (1,419)
Comprehensive loss for the period	-	-	-	(9)	(1,864)	(1,873)
Share-based compensation	-	-	112	-	-	112
Issuance costs	(4)	-	-	-	-	(4)
Expiry of warrants	-	(27)	27	-	-	-
Balance at June 30, 2023	\$ 208,402	\$ 466	\$ 26,742	\$ (150)	\$ (238,644)	\$ (3,184)
Balance at December 31, 2023	\$ 209,296	\$ 791	\$ 26,985	\$ (156)	\$ (240,481)	\$ (3,565)
Comprehensive gain (loss) for the period	-	-	-	1	(227)	(226)
Share-based compensation	-	-	316	-	-	316
Private placement proceeds (Note 13(a))	37	-	-	-	-	37
Issuance costs	(26)	10	-	-	-	(16)
Exercise of warrants	155	(46)	46	-	-	155
Balance at June 30, 2024	\$ 209,462	\$ 755	\$ 27,347	\$ (155)	\$ (240,708)	\$ (3,299)

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 six months ended June 30,	2024	2023
Operating activities:		
Net loss for the period	\$ (227)	\$ (1,864)
Interest paid	(22)	(21)
Income tax (paid) refunded	(3)	4
Adjustments for:		
Depreciation of property and equipment	162	282
Amortization of intangible assets	157	157
Depreciation of right of use assets	162	161
Share-based compensation expense	241	152
Financing costs	33	28
Current income tax expense	-	(4)
Changes in working capital:		
Amounts receivable	(277)	837
Unbilled revenue and prepaid expenses	(145)	(23)
Accounts payable and accrued liabilities	301	(169)
Unearned revenue	812	580
Gain on foreign currency translation	(21)	(40)
Cash flows provided by operating activities	<u>1,173</u>	<u>80</u>
Investing activities:		
Purchase of property and equipment	(1,074)	(61)
Additions to intangible assets	(143)	(144)
Cash flows used in investing activities	<u>(1,217)</u>	<u>(205)</u>
Financing activities:		
Proceeds from private placement	37	-
Issuance costs	(16)	(4)
Exercise of warrants	155	-
Payment of lease obligations	(186)	(165)
Repayment of bank loan	(21)	(25)
Repayment of government loans	(56)	(55)
Cash flows used in financing activities	<u>(87)</u>	<u>(249)</u>
Effect of foreign exchange on cash	<u>(15)</u>	<u>31</u>
Decrease in cash	<u>(146)</u>	<u>(343)</u>
Cash, beginning of period	677	843
Cash, end of period	<u>\$ 531</u>	<u>\$ 500</u>

See accompanying notes to condensed consolidated interim financial statements.

INTERMAP TECHNOLOGIES CORPORATION

Notes to Condensed Consolidated Interim Financial Statements
(In thousands of United States dollars, except per share information)
(Unaudited)

For the six months ended June 30, 2024 and 2023

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1. Reporting entity:

Intermap Technologies Corporation (the Company) is incorporated under the laws of Alberta, Canada. The head office of Intermap is located at 385 Inverness Parkway, Suite 105, 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 six months ended June 30, 2024, the Company reported an operating loss of \$215, net loss of \$227, and positive cash flows from operating activities of \$1,173. In addition, the Company has a shareholders' deficit of \$3,299 and negative working capital of \$6,952 (current assets less current liabilities) at June 30, 2024.

The above factors in the aggregate indicate there are material uncertainties which may cast significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on management's ability to successfully secure sales with upfront payments, execute on the new foreign government contract award and / or obtain additional financing. There can be no assurance that such plans will be achieved. 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 executing on the material government contract award that began to be recognized during the first quarter of 2024 and completing an issuer private placement subsequent to the quarter-end, raising gross proceeds of C\$3,307.

INTERMAP TECHNOLOGIES CORPORATION

Notes to Condensed Consolidated Interim Financial Statements
(In thousands of United States dollars, except per share information)
(Unaudited)

For the six months ended June 30, 2024 and 2023

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

(b) Statement of compliance:

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

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, 2023 (the "2023 Annual Consolidated Financial Statements").

The policies applied in these condensed consolidated interim financial statements are based on IFRS issued and effective as of August 13, 2024, 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.

INTERMAP TECHNOLOGIES CORPORATION

Notes to Condensed Consolidated Interim Financial Statements
(In thousands of United States dollars, except per share information)
(Unaudited)

For the six months ended June 30, 2024 and 2023

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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.

3. Summary of material 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 2023 Annual Consolidated Financial Statements.

4. Property and equipment:

	Aircraft and engines	Radar and mapping equipment	Furniture and fixtures	Leasehold improvements	Under construction	Total
Balance at December 31, 2023	\$ 379	\$ 285	\$ 2	\$ 11	\$ 302	\$ 979
Additions	-	4	-	-	1,070	1,074
Depreciation	(25)	(134)	(1)	(2)	-	(162)
Balance at June 30, 2024	\$ 354	\$ 155	\$ 1	\$ 9	\$ 1,372	\$ 1,891

	Aircraft and engines	Radar and mapping equipment	Furniture and fixtures	Leasehold improvements	Under construction	Total
Cost	\$ 10,618	\$ 24,878	\$ 345	\$ 1,081	\$ 302	\$ 37,224
Accumulated depreciation	(10,239)	(24,593)	(343)	(1,070)	-	(36,245)
Balance at December 31, 2023	\$ 379	\$ 285	\$ 2	\$ 11	\$ 302	\$ 979
Cost	\$ 10,618	\$ 24,882	\$ 345	\$ 1,081	\$ 1,372	\$ 38,298
Accumulated depreciation	(10,264)	(24,727)	(344)	(1,072)	-	(36,407)
Balance at June 30, 2024	\$ 354	\$ 155	\$ 1	\$ 9	\$ 1,372	\$ 1,891

5. Intangible assets:

	Data library	Data library not yet available for use	Total
Balance at December 31, 2023	\$ 336	\$ 641	\$ 977
Additions	-	143	143
Amortization	(157)	-	(157)
Balance at June 30, 2024	\$ 179	\$ 784	\$ 963

INTERMAP TECHNOLOGIES CORPORATION

Notes to Condensed Consolidated Interim Financial Statements
(In thousands of United States dollars, except per share information)
(Unaudited)

For the six months ended June 30, 2024 and 2023

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	Data library	Data library not yet available for use	Total
Cost	\$ 1,035	\$ 641	\$ 1,676
Accumulated amortization	(699)	-	(699)
Balance at December 31, 2023	\$ 336	\$ 641	\$ 977
Cost	1,035	784	1,819
Accumulated amortization	(856)	-	(856)
Balance at June 30, 2024	\$ 179	\$ 784	\$ 963

6. Right of use assets:

	June 30, 2024	December 31, 2023
Beginning Balance	\$ 381	\$ 343
Depreciation	(162)	(314)
New leases	490	352
Ending Balance	\$ 709	\$ 381

7. Investment:

The Company has an investment in a privately held company over which the Company exercises no control or significant influence. The fair value of the investment at June 30, 2024 was estimated using a market-based approach with primarily unobservable inputs, including the comparable enterprise value to revenue multiples discounted for considerations such as the lack of marketability and other differences between the comparable peer group and the privately held company. Revenue multiples were selected from comparable public companies based on, industry, size, target markets, and other factors that the Company considers to be reasonable. The comparable enterprise value to revenue multiple was applied to the trailing twelve months actual revenues of the privately held company to determine the enterprise value of the privately held company. Once the enterprise value of the privately held company was determined the net debt was removed (total debt less cash) and the remaining equity value was allocated to the capital of the privately held company in order of ranking (e.g., preferred shares, common shares). At June 30, 2024, the fair value was estimated to be \$849 (December 31, 2023 - \$849) and is a level 3 fair value measurement. A 20% change in the estimated value of the investment would impact net income by approximately \$170.

INTERMAP TECHNOLOGIES CORPORATION

Notes to Condensed Consolidated Interim Financial Statements
(In thousands of United States dollars, except per share information)
(Unaudited)

For the six months ended June 30, 2024 and 2023

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8. Accounts payable and accrued liabilities:

	June 30, 2024	December 31, 2023
Accounts payable	\$ 2,892	\$ 2,430
Accrued liabilities	1,681	1,962
VAT payable	27	(4)
	\$ 4,600	\$ 4,388

9. Financial liabilities:

The following table provides a reconciliation of movements of liabilities to cash flows arising from financing activities and balances at June 30, 2024:

	Bank Loan	Project Financing	Government Loans	Lease Obligations (Note 10)	Total
Balance at December 31, 2023	\$ 71	\$ 182	\$ 391	\$ 455	\$ 1,099
Changes from financing activities:					
Repayment of bank loan	(21)	-	-	-	(21)
Payment of lease obligations	-	-	-	(186)	(186)
Repayment of government loans	-	-	(56)	-	(56)
Total changes from financing activities	(21)	-	(56)	(186)	(263)
Foreign exchange	-	(6)	-	4	(2)
Other changes:					
Financing costs	4	-	8	20	32
Interest paid	(4)	-	(6)	(12)	(22)
New leases	-	-	-	463	463
Balance at June 30, 2024	\$ 50	\$ 176	\$ 337	\$ 744	\$ 1,307

(a) Bank loan:

	June 30, 2024	December 31, 2023
Bank loan	\$ 50	\$ 71
	50	71
Less current portion	(36)	(38)
Long-term portion of bank loan	\$ 14	\$ 33

On August 8, 2022, the Company executed a bank loan in the Czech Republic to finance the purchase of foundation data for 2,500,000 Czech Republic koruna (equivalent \$110 thousand). Interest accrues at 10.71% and minimum monthly installment payments of \$4 thousand began in December 2022.

INTERMAP TECHNOLOGIES CORPORATION

Notes to Condensed Consolidated Interim Financial Statements
(In thousands of United States dollars, except per share information)
(Unaudited)

For the six months ended June 30, 2024 and 2023

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(b) 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 six months ended June 30, 2024.

(c) Government loans:

	June 30, 2024	December 31, 2023
SBA loan	\$ 146	\$ 147
Western Development Canada loan	191	244
	337	391
Less current portion	(117)	(117)
Long-term portion of project financing	\$ 220	\$ 274

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 that started 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.

10. Lease obligations:

The following table presents the contractual undiscounted cash flows for lease obligations which require the following payments for each period ending June 30:

INTERMAP TECHNOLOGIES CORPORATION

Notes to Condensed Consolidated Interim Financial Statements
(In thousands of United States dollars, except per share information)
(Unaudited)

For the six months ended June 30, 2024 and 2023

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2025	\$	411
2026		328
2027		108
	\$	847

Interest expense on lease obligations for the six months ended June 30, 2024 was \$20 (six months ended June 30, 2023 – \$10). Total cash outflow for leases was \$186 (six months ended June 30, 2023 – \$165), and \$137 (six months ended June 30, 2023 – \$175) for short-term and low-value operating leases for equipment and office spaces.

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 statements of financial position which require the payments of \$262 for the twelve months ending June 30, 2025.

11. Revenue:

Details of revenue are as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Acquisition services	\$ 1,631	\$ 6	\$ 2,109	\$ 6
Value-added data	724	506	979	1,219
Software and solutions	1,195	1,063	2,137	2,313
	\$ 3,550	\$ 1,575	\$ 5,225	\$ 3,538
Primary geographical market				
United States	\$ 717	\$ 489	\$ 1,101	\$ 1,289
Asia/Pacific	1,649	148	2,146	212
Europe	1,184	938	1,978	2,037
	\$ 3,550	\$ 1,575	\$ 5,225	\$ 3,538
Timing of revenue recognition				
Upon delivery	\$ 846	\$ 548	\$ 1,267	\$ 1,418
Services overtime	2,704	1,027	3,958	2,120
	\$ 3,550	\$ 1,575	\$ 5,225	\$ 3,538

12. Operating and non-operating costs:

(a) Operating costs:

INTERMAP TECHNOLOGIES CORPORATION

Notes to Condensed Consolidated Interim Financial Statements
(In thousands of United States dollars, except per share information)
(Unaudited)

For the six months ended June 30, 2024 and 2023

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	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Personnel	\$ 1,361	\$ 1,591	\$ 2,735	\$ 3,281
Purchased services & materials ⁽¹⁾	1,116	519	1,754	1,090
Travel	74	23	107	31
Facilities and other expenses	157	156	363	317
	\$ 2,708	\$ 2,289	\$ 4,959	\$ 4,719

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

INTERMAP TECHNOLOGIES CORPORATION

Notes to Condensed Consolidated Interim Financial Statements
(In thousands of United States dollars, except per share information)
(Unaudited)

For the six months ended June 30, 2024 and 2023

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(b) Financing costs:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Interest on bank loan	\$ 2	\$ 3	\$ 4	\$ 6
Interest on government loans	4	6	8	12
Interest on lease obligations	9	4	20	10
Interest on accounts payable	-	-	1	-
	\$ 15	\$ 13	\$ 33	\$ 28

13. Share capital:

(a) Issued:

	June 30, 2024		December 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
Balance, beginning of period:	41,535,755	\$ 209,296	37,693,710	\$ 208,406
Private placement	120,000	37	3,842,045	1,115
Issuance costs	-	(26)	-	(225)
Exercise of warrants	321,735	155	-	-
Balance, end of period:	41,977,490	\$ 209,462	41,535,755	\$ 209,296

On January 4, 2024, the Company completed a private placement resulting in the issuance of 120,000 Units for aggregate consideration of \$37. Each Unit had a purchase price of C\$0.50 and consisted of one Class A common share of the Corporation and one Class A common share purchase warrant. Each warrant entitles the holder to purchase one Class A common share at a purchase price of US\$0.60 per share for a period of two years from the issue date. The total consideration received was allocated to Share Capital and Warrants on a relative fair value basis. The fair value of the warrants was determined using the Black Scholes pricing model based on the risk-free rate of 3.8%, average expected warrant life of 2 years, share price estimated volatility of 79% and expected dividend payments of Nil. The Company recorded non-cash issuance costs related to this award based on the fair value of the award at the date of the closing of \$10, bringing the total costs of the issuance to \$26.

During the first quarter of 2024, 321,735 warrants were exercised for consideration of \$155.

On December 21, 2023, the Company completed a private placement resulting in the issuance of 1,650,000 Units for aggregate consideration of \$621. Each Unit had a purchase price of C\$0.50 and consisted of one Class A common share of the Corporation and one Class A common share purchase warrant. Each warrant entitles the holder to purchase one Class A common share at a purchase price of US\$0.60 per share for a period of two years from the issue date. The total

INTERMAP TECHNOLOGIES CORPORATION

Notes to Condensed Consolidated Interim Financial Statements
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(Unaudited)

For the six months ended June 30, 2024 and 2023

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consideration received was allocated to Share Capital and Warrants on a relative fair value basis. The fair value of the warrants was determined using the Black Scholes pricing model based on the risk-free rate of 4.18%, average expected warrant life of 2 years, share price estimated volatility of 72% and expected dividend payments of Nil. In addition, the Corporation paid finder's fees of \$32 and issued 81,000 warrants to a third party for services rendered in connection with the transaction. The finder's fee warrants were issued on the same terms as the private placement warrants with an exercise price of US\$0.40. The Company recorded non-cash issuance costs related to this award based on the fair value of the award at the date of the closing of \$10, bringing the total costs of the issuance to \$42.

On October 20, 2023, the Company completed a private placement resulting in the issuance of 695,000 Units for aggregate consideration of \$288. Each Unit had a purchase price of C\$0.55 and consisted of one Class A common share of the Corporation and one Class A common share purchase warrant. Each warrant entitles the holder to purchase one Class A common share at a purchase price of US\$0.58 per share for a period of two years from the issue date. The total consideration received was allocated to Share Capital and Warrants on a relative fair value basis. The fair value of the warrants was determined using the Black Scholes pricing model based on the risk-free rate of 4.92%, average expected warrant life of 2 years, share price estimated volatility of 73% and expected dividend payments of Nil. In addition, the Corporation paid finder's fees of \$17 and issued 41,700 warrants to a third party for services rendered in connection with the transaction. The finder's fee warrants were issued on the same terms as the private placement warrants with an exercise price of US\$0.58. The Company recorded non-cash issuance costs related to this award based on the fair value of the award at the date of the closing of \$7, bringing the total costs of the issuance to \$24.

During the third quarter of 2023, the Company completed a private placement resulting in the issuance of 1,497,045 Units for aggregate consideration of \$610. Each Unit had a purchase price of C\$0.55 and consisted of one Class A common share of the Corporation and one Class A common share purchase warrant. Each warrant entitles the holder to purchase one Class A common share at a purchase price of US\$0.59 per share for a period of two years from the issue date. The total consideration received was allocated to Share Capital and Warrants on a relative fair value basis. The fair value of the warrants was determined using the Black Scholes pricing model based on the risk-free rate of 4.70%, average expected warrant life of 2 years, share price estimated volatility of 73% and expected dividend payments of Nil. In addition, the Corporation paid finder's fees of \$35 and issued 48,600 warrants to a third party for services rendered in connection with the transaction.

INTERMAP TECHNOLOGIES CORPORATION

Notes to Condensed Consolidated Interim Financial Statements
(In thousands of United States dollars, except per share information)
(Unaudited)

For the six months ended June 30, 2024 and 2023

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The finder's fee warrants were issued on the same terms as the private placement warrants with an exercise price of US\$0.49. The Company recorded non-cash issuance costs related to this award based on the fair value of the award at the date of the closing of \$16, bringing the total costs of the issuance to \$51.

INTERMAP TECHNOLOGIES CORPORATION

Notes to Condensed Consolidated Interim Financial Statements
(In thousands of United States dollars, except per share information)
(Unaudited)

For the six months ended June 30, 2024 and 2023

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(b) Contributed surplus:

	June 30, 2024	December 31, 2023
Balance, beginning of period	\$ 26,985	\$ 26,603
Share-based compensation	316	244
Exercise of warrants	46	-
Expiration of warrants	-	138
Balance, end of period	\$ 27,347	\$ 26,985

(c) Earnings (loss) per share:

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

For the three months ended June 30, 2024, there were no outstanding share options (June 30, 2023 – Nil) and 3,344,900 outstanding warrants (June 30, 2023 – Nil) that were included in the diluted weighted average number of shares calculation as their effect was dilutive. There were 699,442 outstanding share options (June 30, 2023 – Nil) and 4,052,345 outstanding warrants (June 30, 2023 – Nil) that were excluded from the diluted weighted average number of shares calculation as their effect would have been anti-dilutive.

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

(d) Share option plan:

The Company established a share option plan to provide long-term incentives to attract, motivate, and retain certain key employees, officers, directors, and consultants providing services to the Company. The plan permitted granting options to purchase up to 10% of the outstanding Class A common shares of the Company. The share option plan was replaced by the Omnibus Incentive Plan at the Annual General Meeting on March 15, 2018 (see Note 14(f)), and all options issued and outstanding at that time will remain until such time they are exercised, expired, or forfeited. As of June 30, 2024, 699,442 share options are issued and outstanding. No additional options will be issued under this plan.

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The following tables summarize information regarding share options outstanding:

	June 30, 2024		December 31, 2023	
	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	794,443	\$ 0.72	801,943	\$ 0.77
Expired	(95,001)	0.70	(7,500)	0.70
Options outstanding, end of period	699,442	\$ 0.72	794,443	\$ 0.72
Options exercisable, end of period	699,442	\$ 0.72	794,443	\$ 0.72

Exercise Price (CDN\$)	Options outstanding	Weighted average remaining contractual life	Options exercisable
0.70	528,510	2.78 years	528,510
0.80	170,932	2.38 years	170,932
	699,442	2.68 years	699,442

During the six months ended June 30, 2024 and 2023, the Company recognized \$Nil of non-cash compensation expense related to the share option plan.

(e) Omnibus Incentive Plan:

The Omnibus Incentive Plan (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 plan. At the Annual General Meeting on June 29, 2023, shareholders approved replenishment of 1,300,000 Common Shares reserved for issuance under the omnibus plan, for a total reserve of 5,660,884. As of June 30, 2024, 699,442 share options and 3,679,623 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 under the plan, leaving 234,566 awards remain available for future issuance.

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The following tables summarize information regarding RSUs outstanding:

	June 30, 2024	December 31, 2023
	Number of RSUs	Number of RSUs
RSUs outstanding, beginning of period	3,779,623	2,453,744
Issued	-	1,325,879
Forfeitures	(100,000)	-
RSUs outstanding, end of period	3,679,623	3,779,623

During the six months ended June 30, 2024 and 2023, no RSUs were issued. During the six months ended June 30, 2024, the Company recognized \$241 (six months ended June 30, 2023 – \$152) 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:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Employees	\$ 83	\$ 33	\$ 172	\$ 76
Directors and advisors	32	25	69	76
Non-cash compensation	\$ 115	\$ 58	\$ 241	\$ 152

14. Class A common share purchase warrants:

The following table details the number of Class A common share purchase warrants outstanding at each statement of financial position date:

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Grant Date	Expiry Date	Exercise Price	Granted	Number of Warrants Outstanding			Number of Warrants Outstanding June 30, 2024		
				December 31, 2023	Issued	Expired			
2/11/2022	2/10/2024	US\$ 0.54	43,500	43,500	-	-	(43,500)	-	
3/19/2022	3/18/2024	US\$ 0.54	88,235	88,235	-	-	(88,235)	-	
11/16/2022	11/15/2024	US\$ 0.45	2,929,900	2,929,900	-	-	(40,000)	2,889,900	
11/18/2022	11/17/2024	US\$ 0.45	259,000	259,000	-	-	-	259,000	
12/7/2022	12/6/2024	US\$ 0.44	265,000	265,000	-	-	(150,000)	115,000	
8/10/2023	8/9/2025	US\$ 0.60	810,000	810,000	-	-	-	810,000	
8/10/2023	8/9/2025	US\$ 0.49	48,600	48,600	-	-	-	48,600	
8/16/2023	8/15/2025	US\$ 0.59	602,500	602,500	-	-	-	602,500	
9/5/2023	9/4/2025	US\$ 0.59	84,545	84,545	-	-	-	84,545	
10/20/2023	10/19/2025	US\$ 0.59	695,000	695,000	-	-	-	695,000	
10/20/2023	10/19/2025	US\$ 0.59	41,700	41,700	-	-	-	41,700	
12/21/2023	12/20/2025	US\$ 0.60	1,650,000	1,650,000	-	-	-	1,650,000	
12/21/2023	12/20/2025	US\$ 0.40	81,000	81,000	-	-	-	81,000	
1/4/2024	1/3/2026	US\$ 0.60	120,000	-	120,000	-	-	120,000	
				7,718,980	7,598,980	120,000	-	(321,735)	7,397,245

The following table details the value of the broker and non-broker Class A common share purchase warrants outstanding at each statement of financial position date.

	Non-Broker		Broker		Total	
	Number of Warrants	Value	Number of Warrants	Value	Number of Warrants	Value
Balance at December 31, 2023	7,112,045	\$ 698	486,935	\$ 93	7,598,980	\$ 791
Issued	120,000	10	-	-	120,000	10
Exercised	(190,000)	(16)	(131,735)	(30)	(321,735)	(46)
Balance at June 30, 2024	7,042,045	\$ 692	355,200	\$ 63	7,397,245	\$ 755

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

15. Segmented information:

The operations of the Company are in one industry segment: digital mapping and related services. Revenue by geographic segment is included in Note 11.

Property and equipment of the Company are located as follows:

	June 30, 2024	December 31, 2023
United States	\$ 1,767	\$ 923
Europe	124	54
Asia/Pacific	-	2
	\$ 1,891	\$ 979

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

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Customer A	\$ -	\$ 24	\$ -	\$ 473
Customer B	1,631	-	2,110	-
	\$ 1,631	\$ 24	\$ 2,110	\$ 473

16. Financial risk management:

The Company has exposure to the following risks from its use of financial instruments: credit risk, market risk, liquidity risk, and capital risk. Management, the Board of Directors, and the Audit Committee monitor risk management activities and review the adequacy of such activities. There have been no significant changes to the Company's risk management strategies since December 31, 2023.

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Amounts receivable as of June 30, 2024 and December 31, 2023, consist of:

	June 30, 2024	December 31, 2023
Trade receivables	\$ 545	\$ 283
Other miscellaneous receivables	44	29
	\$ 589	\$ 312

Trade receivables by geography consist of:

	June 30, 2024	December 31, 2023
United States	\$ 228	\$ 90
Europe	315	183
Asia/Pacific	2	10
	\$ 545	\$ 283

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

	June 30, 2024	December 31, 2023
Current	\$ 376	\$ 176
31-60 days	45	80
61-90 days	115	24
Over 91 days	9	3
	\$ 545	\$ 283

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

17. Fair values:

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

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

- Cash, amounts receivable, accounts payable and accrued liabilities and provisions approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Carrying amount of project financing, bank loan 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.

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(a) Fair value hierarchy:

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

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

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

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

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

18. Subsequent event:

Subsequent to June 30, 2024, the Company completed a LIFE offering resulting in the issuance of 7,349,444 Class “A” common shares at a price of C\$0.45 per common share for aggregate gross proceeds of C\$3,307.