YANGAROO INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

QUARTER ENDED MARCH 31, 2022

(EXPRESSED IN UNITED STATED DOLLARS)

Introduction

Unless the context suggests otherwise, references to "the Company", "Yangaroo", or similar terms refer to YANGAROO Inc. This Management's Discussion and Analysis ("MD&A") is a discussion and review of operations, current financial position and outlook for Yangaroo and should be read in conjunction with the unaudited condensed interim financial statements for the three months ended March 31, 2022 and 2021 and the audited financial statements and related notes for the years ended December 31, 2021 and 2020 (the "Financial Statements"), which are prepared in accordance with International Financial Reporting Standards ("IFRS"). The information below is prepared in accordance with IFRS and is presented in Canadian dollars, unless otherwise noted.

Forward Looking Information

The Company's reporting structure reflects how it manages its business and how it classifies its operations for planning and for measuring its performance. This MD&A contains assertions about the objective, strategies, financial conditions, outlook, revenue guidance, EBITDA guidance, and results of operations. These statements are considered "forward-looking" because they are based on current expectations of the Company's business, in those markets in which it operates, and on various estimates and assumptions.

These forward-looking statements describe the Company's expectations at May 30, 2022. The Company's actual results could be materially different from its expectations if known or unknown risks affect the business, or if the Company's estimates or assumptions turn out to be inaccurate. As a result, the Company cannot guarantee that any forward-looking statements will materialize. Forward-looking statements do not take into account the effects that transactions or non-recurring items, announced or occurring after the statements are made, may have on the business. The Company disclaims any intention or obligation to update any forward-looking statements, except as required by law, even if new information becomes available through future events or for any other reason. Risks that could cause the Company's actual results to differ materially from its current expectations are stated in the Risk Management section.

COVID-19 Matters

The ongoing COVID-19 pandemic crisis continues to evolve rapidly and could have a material adverse impact on our business, affairs, operations, results of operations, financial condition, liquidity, availability of credit and foreign exchange exposure. COVID-19 is altering business and consumer activity in affected areas and beyond. The global response to the COVID-19 outbreak has resulted in, among other things, border closures, severe travel restrictions, the temporary shut-down of non-essential services and extreme fluctuations in financial and commodity markets. Additional measures may be implemented by one or more governments in jurisdictions where we operate. Labour shortages due to illness, isolation programs imposed by us or the government, or restrictions on the movement of personnel could result in a reduction or cessation of all or a portion of our operations. The extent to which the COVID-19 pandemic may impact our business and activities will depend on future developments which remain highly uncertain and cannot be predicted with confidence, such as the spread of the disease, the duration of the outbreak, severity of the coronavirus and actions taken by the Canadian and US authorities, the postponement, suspension, cancellation, rescheduling and resumption of sporting events, the impact of the pandemic on consumer and advertiser spending, and the ability or willingness of suppliers and vendors to provide products and services. If the coronavirus continues to spread at the current pace, disruption to consumer spending and trade could trigger a global recession. The actual and threatened spread of COVID-19 globally could also have a material adverse effect on the regional economies in which we operate, could continue to negatively impact stock markets, including the trading price of our common shares, could cause continued interest rate volatility and movements and could adversely impact our ability to raise capital. Any of these developments, and others, could have a material adverse effect on our business, affairs, operations, results of operations, financial condition, liquidity, availability of credit and foreign exchange exposure. In addition, because of the severity and global nature of the COVID-19 pandemic, it is possible that estimates in our financial statements could change in the near-term and the effect of any such changes could be material, which could result in, among other things, an impairment of non-current assets and a change in the expected credit losses on accounts receivable. We will monitor the situation and any impacts or potential impacts on our business on an ongoing basis.

Description of Business

Yangaroo is a software company that is the provider of workflow management solutions within the media and entertainment ecosystem. The Company's Digital Media Distribution System (DMDS) platform is a cloud-based technology that provides customers with a fully integrated workflow and broadcaster connected managed network for digital content delivery and related data management across the advertising, music, and entertainment award show markets.

YANGAROO Inc. is a publicly listed company incorporated on July 28, 1999 under the laws of Ontario as Musicrypt.com Inc. and changed to its present name on July 17, 2007. YANGAROO trades on the TSX Venture Exchange (TSX-V) under the symbol YOO and in the U.S. under OTCPK: YOOIF.

The address of the Company's corporate office and principal place of business is 67 Mowat Avenue, Suite 535, Toronto, Ontario, M6K 3E3.

Outlook and First Quarter Update

Q1'2022 Financial Highlights

- During 2021 the Company completed a change in functional currency from the Canadian dollar to the US dollar. Beginning with the first quarter of 2022, the Company has reported in US dollars, with all values in this MD&A expressed in US dollars unless otherwise noted.

- Revenue in Q1'2022 was $1,989,042 compared to $1,232,315 and $2,305,594 in the first quarter of 2021 and the fourth quarter of 2021, respectively.

  - Revenue decreased by $316,552 or 14% versus Q4'2021. This decrease in revenue was primarily due to lower reported sales in both the Yangaroo Advertising and Awards divisions of $214,096 and $102,456, respectively. The decrease in Yangaroo Advertising revenue is primarily attributed to seasonality, as the first quarter is a slower period following a seasonally stronger fourth quarter, as well as continued weakness due to post-COVID-19 effects on the television advertising market, a recessionary economy impacting spending on marketing budgets, and the on-going Russia-Ukraine war. The decrease in Yangaroo Awards revenue is attributed to seasonality in our customer's award show seasons. Yangaroo Music did not have any material change in revenue over the comparable periods.

  - Revenue increased by $756,727 or 61% versus Q1'2021. The increase in revenue is primarily attributed to higher Yangaroo Advertising sales of $823,189 resulting from the acquisition of the DMS business in Q2'2021, offset by lower Yangaroo Music sales of $66,462 attributed to lower sales from independent music artists as these artists return to performing live and the conclusion of a positive tailwind of government wage subsidies for independent music artists.

- Operating expenses in Q1'2022 were $2,492,222 compared to $932,843 and $2,611,535 in the first quarter of 2021 and the fourth quarter of 2021, respectively.

  - Operating expenses decreased by $119,313 or 5% versus Q4'2021. The decrease in operating expenses is primarily attributed to a reduction in headcount, and lower general and technology expenditures as we realize synergies from the DMS acquisition.

  - Operating expenses increased by $1,559,379 or 167% versus Q1'2021. The increase in operating expenses is primarily attributed to the inclusion of operating expenditures related to the acquisition of DMS as well as increases in promotional expenses due to in-person return and exhibition at industry conferences, and higher spending on our technology with the goal to drive future efficiencies.

- Normalized EBITDA loss in Q1'2022 was $259,849 in comparison to normalized EBITDA of $360,799 in the first quarter of 2021 and normalized EBITDA loss of $164,899 in the fourth quarter of 2021. The decrease in normalized EBITDA relative to the prior quarters is primarily attributed to higher salaries and consulting expenses as well as higher general and administrative expenses, both attributed primarily to the acquisition of DMS, in addition to higher technology expenses as we continue to invest in our technology platform. During the first quarter, and continuing into the current period, we undertook a head count reduction program in response to the realization of efficiencies achieved by the DMS integration as well as other external market factors

- In accordance with the terms of our loan facility, the Company must maintain certain covenants and ratios that require non-IFRS financial measures, including Fixed Charge Coverage Ratio and Funded Debt to EBITDA. The Company was not in compliance with the lender covenants as of March 31, 2022. The Company is in the process of obtaining a waiver and renegotiating the terms of the loan facility on a prospective basis. As a result of the breach of the covenant the Company has reclassified the full amount of the term facility as a current liability as of March 31, 2022 and will continue to present the liability as current until we successfully amend the term loan, are on-side of the covenant breaches, or receive a waiver of the covenant breaches for a period of 12-months in advance.

Q1'2022 Operational Highlights

Business Developments & Advancements

- The Company completed the integration of the DMS acquisition which has resulted in a rationalization of the Company's work force by over 10%. Cost savings from these changes should drive improved cash-flow generation in the second half of the year.

- Yangaroo launched its new data analytics solution and is receiving positive customer feedback. It is anticipated that the data analytics trial period will conclude later this summer and that the solution will become a more significant contributor in the latter part of 2022.

- Yangaroo Music announced a partnership with ShineX, a third-party analytics provider of satellite radio tracking data. The integration allows for a seamless product offering to independent artists that to obtain key information and data on outstanding royalty payments from satellite radio.

- Yangaroo is a proud vendor of the 53rd NAACP Image Awards, which aired on BET during February 2022. Yangaroo's Awards platform powered the submission and judging process of the awards show.

- Yangaroo exhibited at the Performance Marketing-Driven Institute's (PDMI) bi-annual conference for USA's Direct Response advertising industry, showcasing our latest advertising solution and ongoing technology improvements.

Technology Development

We continued to significantly invest in our technology advancements in the first quarter of 2022 with the following:

- Advertising: Yangaroo released a new iteration of its Clearance Platform to clients, providing self-serve and real-time collaboration between an advertiser and TV broadcasters for the review and approvals of legal clearance submissions required for TV advertising.

- Awards: Yangaroo continued with critical updates on the existing Awards platform to make it highly scalable to drive efficiency and its competitiveness.

- Music: Yangaroo released important development to improve third-party integrations, including the new partnership with ShineX.

Q1'2022 Update on the DMS acquisition

- Terminated the 3rd party licensing and maintenance agreement with respect to a technology platform acquired from DMS. Annual savings are estimated to be in excess of $250,000 beginning in Q2'2022.

- It is estimated that the first anniversary payment of the DMS acquisition earn-out consideration, calculated as of to May 19, 2022, was not earned and will not be payable.

Q1'2022 Management Commentary

Grant Schuetrumpf, CEO of Yangaroo, stated, "During the first quarter of 2022, we continued to work towards completing three critical objectives for the business - the completion of the DMS acquisition integration, the development of our new data analytics solution and a significant upgrade of our core DMDS technology platform."

"We have now completed the integration and rationalization of the DMS business into Yangaroo. The unification of the businesses under the Yangaroo brand has provided the Company with meaningful operating synergies. With this, alongside the completion of certain key development projects that enhance our operating efficiency, we have been able to reduce our staffing levels in this segment of our business by over 10%. We now believe that the combined Yangaroo/DMS solution suite is well positioned to better compete in an increasingly competitive marketplace moving forward."

"In addition to the completion of the DMS integration, I am pleased to share that we have successfully launched our new data analytics product suite. While this offering is still in its early stages and clients are only now beginning to evaluate the product, we are very optimistic that there will be significant interest once we have completed its trial phase."

"On the technology side we have made some significant investments in the past few months. Our advertising production and delivery services have been significantly enhanced by the addition of our TV Clearance platform as well as new digital ad-serving capabilities required for the CTV market. As you may recall, we have partnered with Innovid, the leading digital ad-serving platform in the market. With the

Innovid integration now complete, we are currently presenting our new solutions to the market, both directly to our clients and prospects, as well as at in-person industry conferences".

Mr. Schuetrumpf further stated, "With the continued improvement of our core technology, we have been able to expand upon our offerings in the music business. Recently we announced a novel partnership with ShineX, a leader in music royalty tracking. The partnership and its seamless technology integration allows us to provide our independent music artists with the ability to better track their performance in digital radio and provide improved accuracy on their subsequent royalty payments."

"In closing, we believe that the completion of the DMS integration coupled with our recent investments in technology development have solidified our commercial foundation and positioned us well to weather the current challenging economic environment. We look forward to updating the community on our progress over the coming months."

Results of Operations

Summary of Quarterly Results

	Q1 2022	Q4 2021	Q3 2021	Q2 2021
Cash and cash equivalents	$ 783,159	$ 768,251	$ 1,271,871	$ 1,036,381
Working capital	$ (1,649,976)	$ 911,861	$ 1,985,484	$ 1,996,580
Liquidity	$ 1,862,483	$ 2,148,594	$ 2,645,390	$ 2,448,355
Revenue	$ 1,989,042	$ 2,305,594	$ 2,429,868	$ 1,759,691
Operating expenses	$ 2,492,222	$ 2,611,535	$ 2,405,182	$ 1,659,981
Other expenses (income)	$ 94,395	$ 18,164	$ (33,797)	$ 147,983
Income (loss) for the period	$ (597,586)	$ (330,724)	$ 58,483	$ (48,273)
Reconciling items:				
Interest income	$ (19)	$ -	$ 140	$ (35)
Interest expense	$ 52,598	$ 62,964	$ 64,813	$ 25,938
Depreciation of property and equipment	$ 204,822	$ 162,016	$ 206,394	$ 114,824
Income tax expense	$ 11	$ 6,619	$ -	$ -
EBITDA	$ (340,174)	$ (99,125)	$ 329,830	$ 92,454
EBITDA Margin %	-17.10%	-4.30%	13.57%	5.25%
Income (loss) per share - basic	$ (0.01)	$ (0.01)	$ 0.00	$ (0.00)
Income (loss) per share - diluted	$ (0.01)	$ (0.01)	$ 0.00	$ (0.00)

	Q1 2021	Q4 2020	Q3 2020	Q2 2020
Cash and cash equivalents	$ 1,860,137	$ 1,461,870	$ 1,712,354	$ 1,337,834
Working capital	$ 2,624,981	$ 2,438,320	$ 2,340,762	$ 1,997,647
Liquidity	$ 2,655,365	$ 2,247,293	$ 2,462,035	$ 2,071,617
Revenue	$ 1,232,315	$ 1,586,359	$ 1,442,859	$ 1,144,844
Operating expenses	$ 932,843	$ 1,492,800	$ 1,137,365	$ 1,144,097
Other expenses (income)	$ 32,889	$ 119,198	$ 16,647	$ 51,200
Income (loss) for the period	$ 266,587	$ (25,639)	$ 288,848	$ (50,413)
Reconciling items:				
Interest income	$ (583)	$ (593)	$ (876)	$ (1,239)
Interest expense	$ 2,158	$ 2,503	$ 2,815	$ 5,530
Depreciation of property and equipment	$ 51,572	$ 51,718	$ 49,154	$ 49,097
Income tax expense	$ -	$ -	$ -	$ -
EBITDA	$ 319,734	$ 27,989	$ 339,942	$ 2,975
EBITDA Margin %	25.95%	1.76%	23.56%	0.26%
Income (loss) per share - basic	$ 0.01	$ (0.00)	$ 0.01	$ (0.00)
Income (loss) per share - diluted	$ 0.01	$ (0.00)	$ 0.01	$ (0.00)

EBITDA

For the quarter ended March 31, 2022, the Company's EBITDA loss was $340,174, an increase of $659,908 year over year and an increase of $241,049 compared to the quarter ended December 31, 2021. The increase in EBTIDA loss from the prior quarter is primarily attributed to higher operating expenses resulting from higher salaries and technology expenses due to the inclusion of the DMS business post acquisition, elimination of government subsidies as compared to the previous year, higher marketing a promotional expenses as we pick up promotional activities post COVID-19 lockdowns, and higher depreciation expenses due to significantly higher depreciable asset values carried on our balance sheet as compared to the prior year resulting from the acquisition of DMS.

Normalized EBITDA

Normalized EBITDA excludes the impact of any non-recurring and non-cash operating expenses, therefore representing normalized cash flows from operations.

	Q1 2022	Q4 2021	Q3 2021	Q2 2021
EBITDA (loss)	$ (340,174)	$ (99,125)	$ 329,830	$ 92,454
Reconciling items:				
Stock option expenses	$ 38,509	$ 104,027	$ 66,886	$ 4,387
Acquisition fees	$ -	$ (124,997)	$ 40,714	$ 309,363
Restructuring expenses	$ -	$ -	$ -	$ -
Foreign exchange loss (gain)	$ 41,816	$ (44,801)	$ (98,750)	$ 122,081
Normalized EBITDA (loss)	$ (259,849)	$ (164,899)	$ 338,680	$ 528,285
Normalized EBITDA Margin %	-13.06%	-7.15%	13.94%	30.02%

	Q1 2021	Q4 2020	Q3 2020	Q2 2020
EBITDA (loss)	$ 319,734	$ 27,989	$ 339,942	$ 2,975
Reconciling items:				
Stock option expenses	$ 9,751	$ 12,596	$ 22,566	$ 35,765
Acquisition fees	$ -	$ -	$ -	$ -
Restructuring expenses	$ -	$ 469,771	$ -	$ -
Foreign exchange loss (gain)	$ 31,134	$ 117,289	$ 14,707	$ 46,908
Normalized EBITDA (loss)	$ 360,799	$ 627,645	$ 377,215	$ 85,649
Normalized EBITDA (loss) Margin %	29.28%	39.57%	26.14%	7.48%

For the quarter ended March 31, 2022, the Company's normalized EBITDA loss of $259,849, an increased loss of $620,648 year over year and an increased loss of $94,950 compared to the quarter ended December 31, 2021. The increase in normalized EBITDA loss versus the prior year quarter and prior quarter are primarily attributed to higher stock options expense, a higher foreign exchange gain, and a higher EBITDA loss due to factors as described above as they relate to higher operating expenses.

Intangible Assets – Development Costs

During the three months ended March 31, 2022, we capitalized product development costs of $160,360 and (March 31, 2021 - $175,704). The significant capitalized projects for the three months period ended March 31, 2022 consisted of new features in the Advertising, Awards, and Music platforms, such as continued development of the Clearance and Analytics solutions. In assessing whether costs can be capitalized for improvements, we exercise significant judgement when considering the extent of the improvement and whether it is substantial, whether it is sufficiently separable and whether expected future economic benefits are derived from the improvement itself. Factors considered in assessing the extent of the improvement include, but are not limited to, the degree of change in functionality and the impact of the project on the ability that we will be able to attract customers to our products and increase customer engagement with our products. Costs that do not meet these criteria, such as enhancements and routine maintenance, are expensed when incurred. Future economic benefits from these capitalized projects include net cash flows from future advertising and music revenue, which are dependent upon our ability to attract customers to our products and increase customer engagement with our products, and may also include anticipated cost savings, depending upon the nature of the development project.

Revenue

For the quarter ended March 31, 2022 revenue was $1,989,042, an increase of $756,727 over the same period in 2021 and a decrease of $316,552 from the previous quarter (December 31, 2021 - $2,305,594).

	Q1 2022	**Q1 2021**	**$ Change**	**% Change**
Advertising Division	$ 1,466,656	$ 643,467	$ 823,189	128%
Entertainment Division	$ 522,386	$ 588,488	$ (66,462)	-11%
Total Revenue	$ 1,989,042	$ 1,232,315	$ 756,727	61%

(i) Advertising

The Company earned advertising revenue of $1,466,656 in the current quarter, an increase of $823,189 over the same period in 2021 and a decrease of $241,096 versus the previous quarter (December 31, 2021 - $1,680,752). The increase from the previous year is primarily resulting from the acquisition of the DMS business and its related customers partially off-set by lower volumes across all of our customers due to a slow-down in the advertising industry. The decrease from the previous quarter is primarily attributed to a slow-down in the advertising industry, driven by lower new creative production, which has impacted volume usage of our Advertising platform.

(ii) Entertainment

The Company earned entertainment revenue of $522,386 in the current quarter, representing a decrease of $66,462 over the same period in 2021 and a decrease of $102,456 versus the previous quarter (December 31, 2021 - $624,842). The decrease from the prior year and previous quarter is primarily attributed to the lower volumes for music video distribution, primarily due to lower usage of our Music platform by independent artists.

Operating Expenses

	Q1 2022		Q1 2021		$ Change		% Change
Salaries and consulting	$	1,796,538	$	768,289	$	1,028,249	134%
Marketing and promotion	$	77,001	$	6,218	$	70,785	1,138%
General and administrative	$	204,881	$	47,930	$	156,951	327%
Technology development	$	208,978	$	58,834	$	150,144	255%
Depreciation of property and equipment	$	204,824	$	51,572	$	153,250	297%
Total operating expenses	$	2,492,222	$	932,843	$	1,559,379	167%

Total operating expenses for the quarter ended March 31, 2022 were $2,492,222, an increase of $1,559,379 over the prior year period and a decrease of $119,313 from the previous quarter (December 31, 2021 - $2,611,535).

(i) Salaries and Consulting

Salaries and consulting expense for the quarter ended March 31, 2022 was $1,796,538 representing an increase of $1,028,249 over the same period in the prior year and a decrease of $137,415 from the previous quarter (December 31, 2021 - $1,933,953). Salaries and consulting expenses were higher compared to the prior year period primarily due the higher headcount from the DMS acquisition. Our expenses dropped compared to the previous quarter as the Company has implemented cost and headcount reduction programs that will not be fully realized until the third quarter of 2022.

(ii) Marketing and Promotion

Marketing and promotion expense for the quarter ended March 31, 2022 was $77,001 representing an increase of $70,783 versus the prior year period and a decrease of $21,787 versus the prior quarter (December 31, 2021 - $98,788). The increase from the previous year period is primarily attributed to the higher travel and marketing activities as travel restrictions relating to the pandemic begin to loosen up. The decrease from the previous quarter is attributed to seasonality of convention and sales activities as the first quarter of the year is typically lighter in activity in relation to other quarters.

(iii) General and Administrative

General and administrative expense for the quarter ended March 31, 2022 were $204,881 representing an increase of $156,951 over the same period in the prior year and a decrease of $98,562 from the previous quarter (December 31, 2021 - $303,443 The increase from the previous quarter is primarily attributed to higher telephone, internet and insurance charges related to the acquisition of DMS. The decrease from the previous quarter is primarily attributed cost savings realized from synergies from the DMS acquisition which are expected to continue in 2022.

(iv) Technology Development

Technology development expense for the quarter ended March 31, 2022, was $208,978 representing an increase of $150,144 over the same period in the prior year and a decrease of $29,354 from the previous quarter (December 31, 2021 - $238,332). The increase from the prior-year is primarily attributed to higher expenses resulting from the DMS acquisition and relating to production and offline delivery as well as software licenses. The decrease from the prior quarter is primarily attributed to cost savings and realized synergies from the DMS acquisition which are expected to continue in 2022.

Net Income and Comprehensive Income

The Company generated net and comprehensive loss of $597,586 in the current quarter, an increased loss of $864,170 from the same period in the prior year and an increased loss of $266,862 versus the previous quarter (December 31, 2021 – net loss of $330,724). The reasons for the changes from the prior year and previous quarter are consistent with those of Revenue, Operating Expenses, EBITDA and Normalized EBITDA discussions above.

Use of Non-IFRS Financial Measures

The following non-IFRS definitions are used in this MD&A because management believes that they provide useful information regarding the Company's ongoing operations. Readers are cautioned that the definitions are not recognized measures under IFRS, do not have standardized meanings prescribed by IFRS, and should not be construed to be alternatives to revenues and net earnings determined in accordance with IFRS or as an indicator of performance, liquidity or cash flows. The Company's method of calculating these measures may differ from the methods used by other entities and accordingly, these measures may not be comparable to similarly titled measures used by other entities or in other jurisdictions.

EBITDA as defined by the Company means Earnings Before Interest and financing costs (net of interest income), Income Taxes, Depreciation and Amortization, and other nonrecurring items. EBITDA is derived from the statements of comprehensive income (loss) and can be computed as revenues less salaries and consulting expenses and property, technology, marketing and administration expenses.

Normalized EBITDA as defined by the Company means EBTIDA adjusted for one-time non-recurring items or non-cash item such as stock based compensation expenses and foreign-exchange expenses.

EBITDA Margin and Normalized EBITDA Margin as defined by the Company means EBITDA and Normalized EBITDA, respectively, as a percentage of revenue.

Working capital as defined by the Company means current assets less current liabilities.

Liquidity as defined by the Company means cash and cash equivalents plus available capacity in the Company's revolving credit facility.

The Company believes EBITDA, EBITDA margin, revenue, operating expenses, and working capital, are useful measures because they provide information to both management and investors with respect to the operating and financial performance of the Company.

Share Capital

The following securities were outstanding as at May 30, 2022:

Common Shares	62,287,140
Warrants	-
Stock Options	5,142,000
Restricted Share Units	150,000

Liquidity Risk and Capital Resources

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections.

The Company manages its liquidity risk by forecasting cash flows from operations and anticipating investing and financing activities, and review and approval of planned expenditures.

Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses. To achieve this objective, the Company prepares annual expenditure budgets, which are regularly monitored and updated as considered necessary.

As at March 31, 2022, the Company had a cash balance of $783,159 and working capital of $ (1,649,976).

As at March 31, 2022 the Company had no capital commitments other than as disclosed in the financial statements.

The Company also has a revolving demand loan facility in the amount of $1,400,448 with $349,294 drawn down as at March 31, 2022. Borrowings are due on demand and bears interest at the bank's prime rate plus 1.95% per annum.

The Company has a term-loan facility with a principal balance outstanding of $2,353,106 with a term of 42 months from May 21 2021, with payment amortization of 72 months. The Company is required to comply with certain covenants, terms and conditions, including certain non-IFRS measures, under the term loan facility. This includes a covenant that requires the Company to maintain, on a rolling four-quarter basis, a minimum Fixed Charge Coverage Ratio of not less than 1.20:1.00 and an Interest-Bearing Debt to EBITDA ratio of no more than 2.75 times between May 21, 2021 and December 31, 2022. The Company was not in compliance with the covenants as of at March 31, 2022 . The Company is actively working on obtaining a waiver and amending the terms of the loan facility, including additional waiver(s) of the covenant violations if required, on a prospective basis, however, the ability of the Company to negotiate an amendment on terms that are favourable to the Company, or at all, are not guaranteed. If the Company is unable to negotiate an amendment or secure additional waiver(s) if required, this may have a material adverse impact on the Company's financial position and operations generally. Accordingly, the term loan facility has been presented as current on the condensed interim statement of financial position as at March 31, 2022 which has negatively impacted working capital.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements, other than as disclosed in the financial statements.

Related Party Transactions

Key management personnel are comprised of the Company's directors and executive officers. In addition to their salaries, key management personnel also participate in the Company's share option program. Details are disclosed in notes to the condensed interim financial statements for the three months ended March 31, 2022 and 2021.

Critical Accounting Policies and Estimates

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements include the following: share-based payments, revenue recognition, investment tax credits, functional currency, collectability of accounts receivable, leases and capitalized development costs. Please refer to the condensed interim financial statements for the three months ended March 31, 2022 and 2021 and the annual audited financial statements for the year-ended December 31, 2021 for further information.

Internal Controls

Disclosure controls and procedures within the Company have been designed to provide reasonable assurance that all relevant information is identified to its management, including the Company's Interim Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), as appropriate, to allow required disclosures to be made in a timely fashion.

Internal controls over financial reporting have been designed by management, under the supervision of and with the participation of the Company's CEO and CFO, to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Risk Management

The Company is exposed to a variety of risks, including, but not limited to the risks set out below. The Company considers these risks the most significant to potential investors, but not all of the risks associated with an investment in securities of YANGAROO Inc.

1. Financial Risk Management

- Market risk
- Currency risk
- Interest rate risk
- Credit risk
- Liquidity risk
- Fair value

2. Operational Risks

- Seasonality of advertising revenue
- Dependent on the internet as a medium for business and communication
- The lack of a defined market for the Company's product
- Online commerce security
- The ability to generate revenue and control operating costs
- Lack of profitability
- Contingencies

- Impact of human error
- Customer concentration risk

3. Non-Financial Risks

- Heavily relying on upper management
- Management of growth
- Competition risks
- Availability and dependence on management and outside advisors
- Price and volatility of public stock
- Global financial conditions

Approval by the Board of Directors

The Board of Directors, on recommendation of the Audit Committee, approved the content of this MD&A on May 24, 2022. Disclosure contained in this document is current to this date, unless otherwise stated.

Other Information

Additional information relating to the Company is available under the Company's profile on SEDAR at www.sedar.com.

CORPORATE INFORMATION

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Website: www.yangaroo.com

Board of Directors

Anthony Miller	*Chair of the Board of Directors, Member of Audit Committee & Compensation Committee*
H. Shepard Boone	*Chair of Compensation Committee & Member of Audit Committee*
Phil Benson	*Chair of Audit Committee & Member of Compensation Committee*
Grant Schuetrumpf	*Chief Executive Officer*

Officers

Grant Schuetrumpf	*Chief Executive Officer, President*
Dom Kizek	*Chief Financial Officer, Corporate Secretary*
Richard Klosa	*Chief Technology Officer*
Adam Hunt	*Senior Vice President, Entertainment*

Stock Exchange Listing

TSX Venture Exchange	*Stock Symbol – YOO*
OTCPK	*Stock Symbol – YOOIF*

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ECS Law
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