YANGAROO INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

QUARTER ENDED DECEMBER 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 audited financial statements for the year ended December 31, 2022 and 2021 (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 United States dollars, unless otherwise noted.

Forward Looking Statements

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 April 28, 2023. 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. 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 and award shows, the impact of the pandemic on consumer and advertiser spending, and the ability or willingness of suppliers and vendors to provide products and services. 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 technology provider in the media and entertainment industry, offering a cloud-based software platform for the management and distribution of digital media content. Yangaroo's Digital Media Distribution System ("DMDS") platform is a patented cloud-based platform that provides customers with a centralised and fully integrated workflow directly connecting radio and television broadcasters, digital display networks, and video publishers for centralised digital asset management, delivery and promotion. DMDS is used across the advertising, music, and entertainment awards 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 360 Dufferin Street, Suite 203, Toronto, Ontario, M6K 3G1.

Outlook and Fourth Quarter Update

In 2022, Yangaroo faced significant challenges that had a negative impact on our fiscal year results. We experienced a secular decline in advertising activity across the business community, which affected our revenue streams. Despite these challenges, our dedicated team worked tirelessly throughout the year to address these issues and minimize their operational and financial impact. Through strategic efforts, we stabilized our revenue by the end of the fourth quarter. We also undertook key measures such as rationalizing our workforce, restructuring our bank facilities, and raising additional capital through subordinated debt to ensure the long-term sustainability of the business.

Business Update

The Advertising division faced challenges in the first half of 2022 due to market instability, resulting in reduced Advertising volumes and revenue for the first nine months of the year. The fourth quarter of 2022, in contrast, experienced higher volumes and produced higher revenue across the Company's Advertising customers. The increased volumes were attributed to the typical seasonality of television advertising, along with a noticeable uplift in creative television campaigns across all market sectors. This development is encouraging, as advertising volumes in Q4 2022, normalized for seasonality, exceeded those of the first three quarters of 2022, indicating an overall improvement in the industry.

The Entertainment group, made up of our Music and Awards divisions, maintained steady customer volumes and revenue throughout the year, with no significant volatility during the year. Both the Music and Awards divisions aim to benefit from our investment in technology and platforms for future growth opportunities.

The Company continued to invest in our technology in 2022 as Yangaroo remains focused on key feature improvements for its Music platform and rebuilding its Awards platform. We are also focused on improving the useability of our Advertising platform with integrations for connected television ("CTV") and free ad-supported streaming television ("FAST") workflows and finalizing our television legal clearance platform ("Clearance"). These developments remain on time and within budget, with the completion of our new Awards platform expected in mid-2023.

In the face of the challenges encountered by the Company in early 2022, Grant Schuetrumpf, CEO, said, "Yangaroo was proactive in its response in reducing overhead spending. To this end, the Company implemented cost control measures throughout the first half of the year, and this, in combination with one-time employment tax credits, resulted in a substantial increase in our EBITDA generation for the fourth quarter of 2022."

Finally, during the fourth quarter of 2022, the Company successfully amended its term loan facility ("Amendment") after breaching certain conditions of the agreement in the first half of 2022. As a result of the Amendment, Yangaroo is now in good standing with respect to its obligations with our senior lender.

The Company also strengthened its cash and balance sheet positions with the closing of a non-brokered, unsecured, convertible debenture ("Convertible Debenture Financing") in the amount of CAD $500,000 (see press release dated December 13, 2022, for further details on the Amendment and Convertible Debenture Financing).

- Advertising Division
  - Experienced higher volumes and produced higher revenue across the Company's Advertising customers;
  - Increased volumes were attributed to the typical seasonality of television advertising, along with a noticeable uplift in creative television campaigns across all market sectors.

- Entertainment Group (Music & Awards Divisions)
  - Maintained steady customer volumes and revenue throughout the year.

- Technology
  - Advertising: user-interface redesign of our single player application to improve the look and feel of our order creation process to reduce the friction required for a release to be processed. Additional updates include the automation of analytics dashboards, analytics data, and various administrative workflow improvements***;***
  - Awards: continued development of our new Judge 3.0 platform as well as critical updates on the existing Awards platform to make it highly scalable to drive efficiency and its competitiveness

- Finance
  - Completed certain staff rationalizations and cost control initiatives;
  - Completed term loan Amendment;
  - Issued CAD $500,000 Convertible Debenture Financing.

Looking into 2023, Yangaroo remains focused on executing its growth strategy, expanding its customer base, and continuing to invest in its platform. While the advertising and entertainment markets remain unstable and uncertain, the Company is well-positioned to capitalize on organic and non-organic growth opportunities.

Q4'2022 Financial Highlights

- Revenue in Q4'2022 was $2,097,354 compared to $1,733,140 and $2,305,594 in the third quarter of 2022 and the fourth quarter of 2021, respectively.

  - Revenue increased by $364,214 or 21% versus Q3'2022. The increase in revenue was primarily driven by higher Advertising revenue with an increase of $454,692 or 43%, slightly off-set by lower Music and Awards revenue with a decrease of $42,335 or 12% and $48,124 or 15%, respectively. The increase in Advertising revenue is attributed to seasonality with the fourth quarter typically being the highest volume and spend period. Decrease in Music revenue is primarily attributed to seasonality as the fourth quarter typically is a slower period following a strong summer period for independent artists and music labels. Awards revenue decline is attributed to cyclicality in our customer's award show schedules which typically peak in the summer periods.

- Revenue decreased by $208,241 or 9% versus Q4'2021. The decrease in revenue is primarily attributed to lower Advertising revenue of $161,134 or 10% as well as decreased Awards revenue of $52,346 or 16%. Conversely, Music revenue increased by $5,239 or 2% during the comparison periods. The primary factors affecting advertising sales in the current quarter were an expectation of a recession in the United States and Canada, which adversely impacts our customers' marketing and advertising budgets, inflationary environment adversely impacting consumer spending power, and the macro-environment and supply chain issues adversely impacting inventory in the automotive and other manufacturing industries. The decline in Awards revenue is primarily attributed to structural changes to award show schedules resulting from COVID to post-COVID environments.

- Operating expenses in Q4'2022 were $1,426,519 compared to $1,987,591 and $2,611,535 in the third quarter of 2022 and the fourth quarter of 2021, respectively.

  - Operating expenses decreased by $561,072 or 28% versus Q3'2022. The decrease in operating expenses is primarily attributed to significantly lower salaries and related costs partially off-set by higher legal and professional services fees. The decrease in salaries and related costs is primarily attributed to a reduction of employee headcount, enacted primarily in the first half of 2022. Further, the Company recognized a one-time employment tax credit of approximately $538,019 in the fourth quarter of 2022. This employment tax-credit is non-recurring and we expect to collect the full proceeds by the end of the second half of 2023. The increase in legal and professional fees is primarily attributed to ongoing acquisition and restructuring matters.

  - Operating expenses decreased by $1,184,944 or 45% versus Q4'2021. The decrease in operating expenses is primarily attributed to a reduction of employee headcount, enacted primarily in the first half of 2022, and a continued focus on lower general and administrative costs including the reduction of leased office space in Toronto and Los Angeles. Furthermore, the Company recognized a one-time employment tax credit of approximately $538,019 in the fourth quarter of 2022. This employment tax-credit is non-recurring and we expect to collect the full proceeds by the end of the second half of 2023. Savings in salaries, technology, and marketing expenditures were off set by higher legal and professional fees related to ongoing acquisition and restructuring matters.

- Normalized EBITDA in Q4'2022 was $833,974 in comparison to normalized EBITDA of $2,205 in the third quarter of 2022 and normalized EBITDA loss of $164,899 in the fourth quarter of 2021.

  - Normalized EBITDA increased by $831,769 compared to Q3'2022. The increase is primarily attributed to higher Advertising revenues, primarily attributed to seasonality and higher customer volumes, and significantly lower operating expenses, primarily attributed to reduced head-count and one-time tax employment tax credits.

- Normalized EBITDA increased by $998,873 compared to Q4'2021. The increase is primarily attributed to significantly lower operating expenses, primarily attributed to reduced head-count and one-time tax employment tax credits, as discussed in further detail above.

Results of Operations

Summary of Quarterly Results

	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Cash and cash equivalents	$ 296,748	$ 346,744	$ 607,289	$ 783,159
Working capital (deficiency)	$ 217,710	$ (1,701,222)	$ (1,517,889)	$ (1,649,976)
Liquidity	$ 737,680	$ 639,320	$ 1,033,533	$ 1,862,483
Revenue	$ 2,097,353	$ 1,733,140	$ 1,915,307	$ 1,989,042
Operating expenses	$ 1,426,919	$ 1,987,591	$ 2,259,186	$ 2,492,222
Other expenses (income)	$ 148,123	$ (109,995)	$ (2,133,145)	$ 94,395
Income (loss) for the period	$ 522,311	$ (144,456)	$ 1,789,266	$ (597,575)
Reconciling items:				
Interest income	$ (31,275)	$ (115)	$ (18)	$ (19)
Interest expense	$ 91,555	$ 71,389	$ 54,161	$ 52,598
Depreciation of property and equipment	$ 219,342	$ 181,269	$ 203,740	$ 204,824
Income tax expense	$ 14,142	$ -	$ -	$ -
EBITDA	$ 816,075	$ 108,087	$ 2,047,149	$ (340,172)
EBITDA Margin %	38.91%	6.24%	106.88%	-17.10%
Income (loss) per share - basic	$ 0.01	$ (0.00)	$ 0.03	$ (0.01)
Income (loss) per share - diluted	$ 0.01	$ (0.00)	$ 0.03	$ (0.01)

	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Cash and cash equivalents	$ 768,251	$ 1,271,871	$ 1,036,381	$ 1,860,137
Working capital	$ 911,861	$ 1,985,484	$ 1,996,580	$ 2,624,981
Liquidity	$ 2,148,594	$ 2,645,390	$ 2,448,355	$ 2,655,365
Revenue	$ 2,305,594	$ 2,429,867	$ 1,759,691	$ 1,232,315
Operating expenses	$ 2,611,535	$ 2,405,178	$ 1,659,981	$ 932,839
Other expenses (income)	$ 24,783	$ (33,797)	$ 147,983	$ 32,889
Income (loss) for the period	$ (330,724)	$ 58,486	$ (48,273)	$ 266,587
Reconciling items:				
Interest income	$ -	$ (139)	$ (35)	$ (583)
Interest expense	$ 62,964	$ 64,813	$ 25,938	$ 2,158
Depreciation of property and equipment	$ 162,016	$ 206,394	$ 114,824	$ 51,572
Income tax expense	$ 6,619	$ -	$ -	$ -
EBITDA	$ (99,125)	$ 329,554	$ 92,454	$ 319,734
EBITDA Margin %	-4.30%	13.56%	5.25%	25.95%
Income (loss) per share - basic	$ (0.01)	$ 0.00	$ (0.00)	$ 0.01
Income (loss) per share - diluted	$ (0.01)	$ 0.00	$ (0.00)	$ 0.01

Revenue

For the quarter ended December 31, 2022 revenue was $2,097,354, a decrease of $208,241 over the same period in 2021 and an increase of $364,214 from the previous quarter (September 30, 2022 - $1,733,140).

	Q4 2022	**Q4 2021**	**$ Change**	**% Change**
Advertising Division	$ 1,519,897	$ 1,681,030	$ (161,133)	-10%
Entertainment Division	$ 577,457	$ 624,564	$ (47,107)	-8%
Total Revenue	$ 2,097,354	$ 2,305,594	$ (208,240)	-9%

(i) Advertising

The Company earned advertising revenue of $1,519,897 in the current quarter, a decrease of $161,133 over the same period in 2021 and an increase of $454,692 versus the previous quarter (September 30, 2022 - $1,065,204). The decrease from the previous year is primarily attributed to a slow-down in the advertising industry and corresponding decline in our customer volumes. On the other hand, the increase in Advertising revenue as compared to the previous quarter is a result of higher customer volumes driven by seasonality and a return to higher marketing spend.

(ii) Entertainment

The Company earned entertainment revenue of $577,457 in the current quarter, representing a decrease of $47,107 over the same period in 2021 and a decrease of $90,479 versus the previous quarter (September 30, 2022 - $667,936). The decrease from the prior year is primarily attributed to seasonal activity in Awards as well as lower volumes amongst Music customers.

Operating Expenses

	Q4 2022		Q4 2021		$ Change	% Change
Salaries and consulting	$	621,924	$	1,933,953	$ (1,312,029)	-68%
Marketing and promotion	$	51,565	$	98,788	$ (47,223)	-48%
General and administrative	$	469,758	$	303,443	$ 166,315	55%
Technology development	$	122,541	$	238,332	$ (115,791)	-49%
Depreciation of property and equipment	$	218,939	$	162,016	$ 56,923	35%
Acquisition fees	$	-	$	(124,997)	$ 124,997	100%
Restructuring	$	(58,208)	$	-	$ (58,208)	-100%
Total operating expenses	$	1,426,519	$	2,611,535	$ (1,184,016)	-45%

Total operating expenses for the quarter ended December 31, 2022 were $1,426,519, a decrease of $1,185,016 over the prior year period and a decrease of $560,672 from the previous quarter (September 30, 2022 - $1,987,591).

(i) Salaries and Consulting

Salaries and consulting expense for the quarter ended December 31, 2022 was $621,924 representing a decrease of $1,312,029 over the same period in the prior year and a decrease of $711,575 from the previous quarter (September 30, 2022 - $1,333,498). The decrease in salaries and consulting costs is primarily related to a one-time, non-recurring, employment tax credit of $538,019 recognized in the current period. Additionally, the continued impact of a significant restructuring, undertaken in the first half of 2022, resulted in a lower employee expenditure during this period.

(ii) Marketing and Promotion

Marketing and promotion expense for the quarter ended December 31, 2022 was $51,565, representing a decrease of $47,223 versus the prior year period and a decrease of $5,871 versus the prior quarter (September 30, 2022 - $57,435). The decrease from the previous year period and the prior quarter are primarily resulting from lower marketing and sales activities as the company scales down its cost profile.

(iii) General and Administrative

General and administrative expenses for the quarter ended December 31, 2022 were $469,758 representing an increase of $166,315 over the same period in the prior year and an increase of $264,454 from the previous quarter (September 30, 2022 - $205,304). The increase, as compared to both comparable periods, is primarily related to additional professional services fees as they related to ongoing acquisition and restructuring matters.

(iv) Technology Development

Technology development expense for the quarter ended December 31, 2022, was $122,541 representing a decrease of $115,791 over the same period in the prior year and a decrease of $13,084 from the previous quarter (September 30, 2022 - $135,624). The decrease from the prior year quarter and previous quarter is primarily attributed to cost savings and realized synergies from the DMS acquisition as well as ongoing savings resulting from the assessment of third-party software, hardware and cloud requirements.

Net Income and Comprehensive Income

The Company generated net and comprehensive income of $522,728 in the current quarter, an increase of $853,035 from the same period in the prior year and an increase of $666,767 versus the previous quarter (September 30, 2022 – net loss of $144,456). The reasons for the changes from the prior year and previous quarter are consistent with those of Revenue and Operating Expense discussions, above.

Normalized EBITDA

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

	Q4 2022	Q3 2022	Q2 2022	Q1 2022
EBITDA (loss)	$ 816,075	$ 108,087	$ 2,047,149	$ (340,172)
Reconciling items:				
Stock option expenses	$ 2,406	$ 3,586	$ 3,809	$ 38,509
Acquisition fees	$ -	$ -	$ -	$ -
Restructuring expenses	$ (58,208)	$ 71,801	$ 93,564	$ -
Foreign exchange loss (gain)	$ 41,340	$ (181,269)	$ (73,401)	$ 41,816
Fair value loss on revaluation of embedded derivative	$ 32,361	$ -	$ -	$ -
Fair value gain on contingent consideration	$ -	$ -	$ (2,113,887)	$ -
Normalized EBITDA (loss)	$ 833,974	$ 2,205	$ (42,766)	$ (259,847)
Normalized EBITDA Margin %	39.76%	0.13%	-2.23%	-13.06%

	Q4 2021	Q3 2021	Q2 2021	Q1 2021
EBITDA (loss)	$ (99,125)	$ 329,554	$ 92,454	$ 319,734
Reconciling items:				
Stock option expenses	$ 104,024	$ 66,886	$ 4,387	$ 9,751
Acquisition fees	$ (124,997)	$ 40,714	$ 309,363	$ -
Restructuring expenses	$ -	$ -	$ -	$ -
Foreign exchange loss (gain)	$ (44,801)	$ (98,750)	$ 122,081	$ 31,314
Normalized EBITDA (loss)	$ (164,899)	$ 338,404	$ 528,285	$ 360,799
Normalized EBITDA (loss) Margin %	-7.15%	13.93%	30.02%	29.28%

For the quarter ended December 31, 2022, the Company's normalized EBITDA of $833,974 represents an increase of $998,873 year over year and an increase of $831,769 compared to the quarter ended September 30, 2022. The increase in normalized EBITDA versus the prior year and prior quarter is primarily attributed to factors as described above as they relate to increased or flat revenue and significantly lower expense profiles.

Intangible Assets – Development Costs

During the three months ended December 31, 2022, we capitalized product development costs of $194,653 (December 31, 2021 – $121,079). The significant capitalized projects for the three months period ended December 31, 2022 consisted of new features in the Advertising, Awards, and Music platforms, such as continued development of the Analytics and Clearance solutions and redesigned Judge and Submission platform for Awards. In assessing whether costs can be capitalized for improvements, we exercise significant judgment 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.

Corporate Activities

On December 2, 2022, the Company completed the Amendment of its term loan agreement with the National Bank of Canada. The agreement amends certain terms, such as the termination of certain credit facilities, a six-month principal holiday period beginning on January 1, 2023 during which the Company is required to pay interest only on its term loan facility, an increase in the interest rate from National Bank Prime Rate plus 2.45% to National Bank Prime Rate plus 4.45% on its term loan facility, and the amendment of certain covenants, ratios, and reporting requirements. As a result of the Amendment, the Company is in good standing with respect to its obligations to the National Bank of Canada as of December 31, 2022.

On December 2, 2022, in conjunction with the completion of the Amendment to its term loan agreement, the Company closed a non-brokered private placement consisting of CAD $500,000 of unsecured, convertible debentures. This Convertible Debenture Financing will mature on November 30, 2027, with each CAD $1,000 debenture bearing interest of National Bank of Canada prime rate plus 8.00% with interest payable semi-annually. The holders of the debentures will be entitled to convert the principal amount at any time prior to maturity into common shares of Yangaroo at the conversion price of CAD $0.10 per share.

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. 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, administration expenses and any non-recurring items.

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, foreign-exchange expenses, and gain on revaluation of contingent consideration.

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, liquidity, 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 of the date of this MD&A:

Common Shares	62,437,140
Warrants	-
Stock Options	2,513,000
Restricted Share Units	-

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 December 31, 2022, the Company had a cash balance of $296,748 and working capital of $217,710.

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

The Company has a revolving demand loan facility in the amount of $1,144,418 with $844,982 drawn down as at December 31, 2022. Borrowings are due on demand and bear interest at the bank's prime rate plus 4.45% per annum.

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 Financial Statements

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 Financial Statements 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 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.

Disclosure of Internal Controls

Management has established processes to provide it with sufficient knowledge to support representations that it has exercised reasonable diligence to ensure that (i) the financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements, and (ii) the financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

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

- Heavy reliance 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 April 26, 2023. 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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