*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only to persons permitted to sell such securities. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws and may not be offered or sold in the United States or to, or for the account or benefit of, a U.S. person (within the meaning of Regulation S under the U.S. Securities Act) except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This prospectus does not constitute an offer to sell or solicitation of an offer to buy any of these securities in the United States. See "Plan of Distribution".*

PROSPECTUS

Initial Public Offering and Secondary Offering May 5, 2017

Real Matters Inc.

C$156,730,418

12,056,186 Common Shares

This prospectus qualifies the distribution of an aggregate of 12,056,186 common shares (the "**Shares**") in the capital of Real Matters Inc. (the "**Company**" or "**Real Matters**"), consisting of a treasury issuance (the "**Treasury Offering**") by the Company of 9,620,000 Shares for gross proceeds of C$125,060,000 and a secondary offering (the "**Secondary Offering**" and, together with the Treasury Offering, the "**Offering**") of 2,436,186 Shares held by certain entities controlled and directed by EdgePoint Investment Group Inc. (being Cymbria Corporation, EdgePoint Canadian Portfolio, EdgePoint Canadian Growth & Income Portfolio and EdgePoint Wealth Management Inc., referred to collectively as the "**EdgePoint Shareholders**"), Cypress Capital Management Ltd. ("**Cypress**"), certain entities controlled and directed by AGF (being AGF Canadian Growth Equity Class, London Life Growth Equity and Great West Life Growth Equity, referred to collectively as the "**AGF Shareholders**"), Fiera Capital Corporation ("**Fiera**"), 370271 Ontario Limited ("**370271 Ontario**"), Property Values Income and Common Shares LP ("**PVI**"), Mosaic Capital Corp. ("**Mosaic**"), Maplecastle Corporation ("**Maplecastle**") and Heidi Blackburn and the estate of Alistair Blackburn (together, the "**Blackburn Shareholders**" and, collectively with the EdgePoint Shareholders, Cypress, the AGF Shareholders, Fiera, 370271 Ontario, PVI, Mosaic and Maplecastle, the "**Selling Shareholders**") at a price of C$13.00 per Share (the "**Offering Price**"). The Company will not receive any proceeds from the Secondary Offering.

The Offering is being underwritten by BMO Nesbitt Burns, Inc. ("**BMO**"), INFOR Financial Inc. ("**INFOR Financial**") and Merrill Lynch Canada Inc. ("**BofA Merrill Lynch**" and, collectively with BMO and INFOR Financial, the "**Lead Underwriters**") and Scotia Capital Inc., TD Securities Inc., Wells Fargo Securities Canada Ltd., Canaccord Genuity Corp., National Bank Financial Ltd. and Raymond James Ltd. (collectively with the Lead Underwriters, the "**Underwriters**"). If the Over-Allotment Option (as defined below) is exercised in full, an additional 1,808,428 Shares will be offered by the Company and the Selling Shareholders.

Price: C$13.00 per Share

	Price to the Public(1)	Underwriters' Commissions	Net Proceeds to the Company(2)	Net Proceeds to the Selling Shareholders(3)
Per Share	C$13.00	C$0.78	C$12.22	C$12.22
Total Offering(4)	C$156,730,418	C$9,403,825	C$117,556,400	C$29,770,193

Notes:

(1) The Offering Price has been determined by negotiation between the Company and the Underwriters.

(2) After deducting the Underwriters' Commissions payable by the Company but before deducting the expenses of the Offering. The expenses of the Offering are estimated to be approximately C$3,800,000 and will be paid by the Company out of the proceeds of the Treasury Offering.

(3) Each of the Selling Shareholders will be responsible for the payment of the Underwriters' Commissions payable in respect of Shares sold by such Selling Shareholder; however, as the incremental expenses of the Secondary Offering are not anticipated to be material, the Company has agreed to pay the expenses associated with the Secondary Offering and the Selling Shareholders will not be responsible for any further fees or expenses of the Underwriters in connection with the Offering.

(4) The Company and each Selling Shareholder (except the Blackburn Shareholders), on a *pro rata* basis, has agreed to grant to the Underwriters an over-allotment option, exercisable, in whole or in part, at the sole discretion of the Underwriters, for a period of 30 days (the "**Over-Allotment Option**") from the closing of the Offering (the "**Closing**"), to purchase up to an additional 1,808,428 Shares (the "**Over-Allotment Shares**"), representing 15% of the Shares offered under this prospectus. The Over-Allotment Shares will be sold on the same terms as set out above solely to cover over-allotments, if any, and for market stabilization purposes. If the Over-Allotment Option is exercised in full, the total "Price to the Public", "Underwriters' Commissions", "Net Proceeds to the Company" and "Net Proceeds to the Selling Shareholders" will be C$180,239,982, C$10,814,399, C$136,215,069 and C$33,210,514, respectively. This prospectus qualifies the distribution of the Over-Allotment Option and the underlying Over-Allotment Shares. A purchaser who acquires Shares forming part of the Underwriters' over-allocation position acquires those securities under this prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See "Plan of Distribution".

(continued on next page)

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The following table sets out the number of Shares that may be sold by the Company and the Selling Shareholders (except the Blackburn Shareholders) to the Underwriters pursuant to the exercise of the Over-Allotment Option.

Underwriters' Position	Maximum Number of Securities Available	Exercise Period	Exercise Price (C$)
Over-Allotment Option	1,808,428	Up to 30 days following Closing	13.00 per Share

The Toronto Stock Exchange (the "**TSX**") has conditionally approved the listing of the Shares under the symbol "REAL". Listing is subject to the Company fulfilling all of the requirements of the TSX on or before August 2, 2017, including distribution of the Shares to a minimum number of public shareholders.

There is currently no market through which the Shares may be sold and purchasers may not be able to resell the Shares purchased under this prospectus. This may affect the pricing of the Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Shares and the extent of issuer regulation. See "Risk Factors" and "Plan of Distribution".

An investment in the Shares is subject to a number of risks that should be considered by a prospective purchaser. Investors should carefully consider the risk factors described under "Risk Factors" before purchasing the Shares.

In connection with the Offering, the Underwriters may over-allot or effect transactions that stabilize or maintain the market price of the Shares at levels other than those which otherwise might prevail on the open market. See "Plan of Distribution".

Unless otherwise indicated, all information in this prospectus assumes (a) that the Over-Allotment Option will not be exercised and (b) the exercise of 495,000 options on a cashless basis by the estate of Alistair Blackburn to acquire an aggregate of 419,304 Shares (the "**Blackburn Option Exercise**").

The Underwriters, as principals, conditionally offer the Shares, subject to prior sale, if, as and when issued by the Company and sold by the Selling Shareholders and accepted by the Underwriters in accordance with the conditions contained in the underwriting agreement among the Company, the Selling Shareholders and the Underwriters dated May 5, 2017 (the "**Underwriting Agreement**") referred to under "Plan of Distribution", and subject to the approval of certain legal matters on behalf of the Company by Wildeboer Dellelce LLP and on behalf of the Underwriters by Torys LLP. **The Underwriters may offer the Shares at a lower price than stated above. See "Plan of Distribution".**

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or that resides outside of Canada, even if the party has appointed an agent for service of process. See "Enforcement of Judgments Against Foreign Persons".

BMO is an affiliate of a Canadian chartered bank that is a lender to the Company. A portion of the net proceeds of the Treasury Offering will be used to repay outstanding indebtedness owed to such lender. Additionally, BMO and its affiliates have provided from time to time, and may provide in the future, commercial banking, investment and financial advisory services to Real Matters and its affiliates in the ordinary course of business for which they have received and may continue to receive customary fees and commissions. In addition, an affiliate of BMO holds an equity interest in the Company. **As a result of the foregoing relationships, as described in further detail herein, Real Matters may be considered a "connected issuer" of BMO within the meaning of National Instrument 33-105 — *Underwriting Conflicts* for the purposes of applicable Canadian securities legislation.** See "Plan of Distribution" and "Description of Material Indebtedness".

Subscriptions will be received subject to rejection or allotment in whole or in part and the Underwriters reserve the right to close the subscription books at any time without notice. It is expected that the Closing will occur on or about May 11, 2017, or such later date as the Company, the Selling Shareholders and the Underwriters may agree, but in any event not later than May 31, 2017 (the "**Closing Date**"). In most instances, other than Shares sold in the U.S. pursuant to Rule 144A of the U.S. Securities Act, which will be represented by individual certificates representing such Shares, the Shares to be sold in the Offering will be issued in registered form to CDS Clearing and Depository Services Inc., or to its nominee ("**CDS**"), and deposited with CDS in electronic form on the Closing Date through the non-certificated inventory system administered by CDS. A purchaser of Shares will receive only a client confirmation from the registered dealer from or through which the Shares are purchased. See "Plan of Distribution".

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GENERAL MATTERS

Unless otherwise noted or the context indicates otherwise the "Company" or "Real Matters" refers to Real Matters Inc. and its direct and indirect subsidiaries.

Prior to the completion of the Offering, all of the issued and outstanding Class A shares in the capital of the Company will be consolidated on a two (2) for one (1) basis (the "**Consolidation**") and, immediately thereafter, will be re-designated as common shares. See "Description of Share Capital — Pre-Closing Capital Changes". Unless otherwise indicated, all information in this prospectus, other than the financial statements and management's discussion and analysis of financial condition and results of operations ("**MD&A**"), gives effect to the Pre-Closing Capital Changes, as described under "Description of Share Capital — Pre-Closing Capital Changes", but does not give effect to the exercise of the Over-Allotment Option or any options, warrants or other convertible securities issued by the Company, including as described in "Options to Purchase Securities".

Prospective purchasers should rely only on the information contained in this prospectus and are not entitled to rely on parts of the information contained in this prospectus to the exclusion of others. Neither the Company nor any Selling Shareholder has provided, and the Underwriters have not authorized any other person to provide, prospective purchasers with additional or different information. If anyone provides prospective purchasers with additional or different or inconsistent information, including information or statements in media articles about the Company, prospective purchasers should not rely on it. The information contained on the Company's website is not intended to be included in or incorporated by reference into this prospectus and prospective purchasers should not rely on such information when deciding whether or not to invest in the Shares.

None of the Company, the Selling Shareholders or the Underwriters are making an offer to sell or seeking offers to buy Shares in any jurisdiction where such offer or sale is not permitted. For investors outside Canada, none of the Company, the Selling Shareholders or any of the Underwriters have done anything that would permit the Offering or the possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in Canada. Investors are required to inform themselves about, and to observe any restrictions relating to, the Offering and the possession or distribution of this prospectus.

Prospective purchasers should assume that the information appearing in this prospectus is accurate only as at its date, regardless of its time of delivery or of any sale of Shares. The Company's business, financial conditions, results of operations and prospects may have changed since that date.

This prospectus includes a summary description of certain material agreements of the Company. See "Material Contracts". The summary description discloses attributes that the Company considers material to an investor in the Shares but is not complete and is qualified in its entirety by reference to the terms of the material agreements, which will be filed with the Canadian securities regulatory authorities and available on SEDAR. Investors are encouraged to read the full text of such material agreements.

Any graphs, tables, diagrams included in this prospectus to demonstrate the Company's historical performance are intended to illustrate past performance and are not necessarily indicative of future performance of the Company.

The Company presents its consolidated financial statements in U.S. dollars. Amounts in this prospectus are stated in U.S. dollars unless otherwise indicated.

Exchange Rate Data

The following table sets forth, for the periods indicated, the high, low and period-end noon spot rates of exchange for one Canadian dollar, expressed in U.S. dollars, published by the Bank of Canada.

	Fiscal Year Ended September 30,			Three Month Period Ended December 31,	
	2016 ($)	2015 ($)	2014 ($)	2016 ($)	2015 ($)
Highest rate during the period	0.7972	0.8980	0.9724	0.7631	0.7750
Lowest rate during the period	0.6854	0.7455	0.8888	0.7363	0.7148
Rate at the end of the period	0.7624	0.7466	0.8922	0.7448	0.7225

On January 31, 2017, the closing rate of exchange posted by the Bank of Canada for conversion of U.S. dollars into Canadian dollars was C$1.00 = U.S.$0.7685. In this prospectus, in all instances where a U.S. dollar amount has been stated in Canadian dollars, such U.S. dollar amount has been converted into Canadian dollars based on such January 31, 2017 conversion rate.

NON-GAAP FINANCIAL MEASURES

This prospectus makes reference to certain non-GAAP financial measures. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement IFRS financial measures by providing further understanding of the Company's results of operations from management's perspective. The Company's definitions of non-GAAP measures used in this prospectus may not be the same as the definitions for such measures used by other companies in their reporting. Non-GAAP measures have limitations as analytical tools and should not be considered in isolation nor as a substitute for analysis of the Company's financial information reported under IFRS. The Company uses non-GAAP financial measures, including "Net Revenue", "Adjusted EBITDA" and "Adjusted Net Income" to provide investors with supplemental measures of its operating performance and to eliminate items that have less bearing on operating performance or operating conditions and thus highlight trends in its core business that may not otherwise be apparent when relying solely on IFRS financial measures. The Company believes that securities analysts, investors and other interested parties frequently use non-GAAP financial measures in the evaluation of issuers. The Company's management also uses non-GAAP financial measures in order to facilitate operating performance comparisons from period to period. See "Management's Discussion and Analysis — Non-GAAP Measures". The Company defines such financial measures as follows:

"**Net Revenue**" is defined as Adjusted EBITDA plus operating expenses. Net Revenue comprises revenues less transaction costs, where transaction costs comprise expenses that are directly attributable to a specific revenue transaction, including appraisal costs, various processing fees, including credit card fees, connectivity fees, insurance inspection costs, title and closing agent costs, external abstractor costs and external quality review costs.

"**Adjusted EBITDA**" is defined as net income or loss before stock-based compensation expense, acquisition and initial public offering ("**IPO**") costs, amortization, interest expense, interest income, net foreign exchange gains or losses, gains or losses on fair value of warrants, net income or loss from equity accounted investees and income tax expense or recovery.

"**Adjusted Net Income or Loss**" is defined as net income or loss before stock-based compensation expense, acquisition and IPO costs, net foreign exchange gains or losses, gains or losses on fair value of warrants and amortization of intangibles, net of the related tax effects.

Management uses key business indicators such as Contribution Margin and Cost to Serve to evaluate its financial performance relative to the revenues it earns. Each of Contribution Margin and Cost to Serve, as defined below, is expressed as an amount. These are not considered financial measures having a standardized

meaning under IFRS and may not be comparable to similar measures used by other issuers. These measures are useful to investors as they are financial metrics used by the Company and investors to measure the Company's value relative to its peers.

"**Contribution Margin**" means Net Revenue minus Cost to Serve.

"**Cost to Serve**" means the salary expense incurred by the Company directly related to servicing a series of transactions divided by the number of closed transactions.

FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements that relate to the Company's current expectations and views of future events. The forward-looking statements are contained principally in the sections of this prospectus entitled "Prospectus Summary", "The Company's Business", "Use of Proceeds", "Management's Discussion and Analysis" and "Risk Factors".

In some cases, these forward-looking statements can be identified by words or phrases such as "forecast", "target", "goal", "may", "might", "will", "expect", "anticipate", "estimate", "intend", "plan", "indicate", "seek", "believe", "predict", or "likely", or the negative of these terms, or other similar expressions intended to identify forward-looking statements. The Company has based these forward-looking statements on its current expectations and projections about future events and financial trends that it believes might affect its financial condition, results of operations, business strategy and financial needs. These forward-looking statements include, among other things, statements relating to:

- the completion, expenses and timing of the Closing of the Offering;
- the execution of agreements entered into in connection with the Offering by the Company and Selling Shareholders;
- the adoption by the Company of a new form of by-laws;
- the Company's expectations regarding certain of its future results and information, including, among others, revenue, expenses, Adjusted EBITDA, Net Revenue, sales growth, capital expenditures, operations and use of future cash flow;
- expectations regarding certain of the Company's preliminary results and information with respect to the fiscal year ending September 30, 2017 and the 13 week period ending March 31, 2017;
- the Company's anticipated cash needs and its needs for additional financing;
- the Company's ability to protect, maintain and enforce its intellectual property;
- third-party claims of infringement or violation of, or other conflicts with, intellectual property rights;
- the Company's plans for and timing of expansion of its services;
- expectations regarding industry trends, overall market growth rates and the Company's future growth rates, plans and strategies;
- the acceptance by the Company's clients and the marketplace of new technologies and services;
- the Company's ability to attract new clients and further develop and maintain existing clients;
- the Company's ability to continue to attract and retain personnel;
- the Company's expectations with respect to advancement of its service offering;
- the Company's competitive position and the regulatory environment in which it operates;
- anticipated trends and challenges in the Company's business and the markets in which it operates;
- expectations regarding future director and executive officer compensation levels and plans;
- the gross and net proceeds of the Offering and the Company's anticipated use of such proceeds;

- the Pre-Closing Capital Changes;
- the market price for the Shares; and
- intentions with respect to the implementation of new accounting standards.

In addition, Real Matters' assessments of, and targets for, revenues, market share, Net Revenue and Adjusted EBITDA margins are considered forward-looking information. See "Management's Discussion and Analysis — Strategy and Outlook" for additional information concerning the Company's strategies, assumptions and market outlook in relation to these assessments.

Forward-looking statements are based on certain assumptions and analyses made by the Company in light of management's experience and perception of historical trends, current conditions and expected future developments and other factors it believes are appropriate, and are subject to risks and uncertainties. Although the Company believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect and there can be no assurance that actual results will be consistent with these forward-looking statements. Given these risks, uncertainties and assumptions, prospective purchasers of Shares should not place undue reliance on these forward-looking statements. Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those listed under "Risk Factors", which include:

- changes in economic conditions resulting in fluctuations in client demand;
- failing to grow market share in the residential mortgage appraisal business to anticipated levels;
- failing to grow market share in the U.S. title and closing market to anticipated levels;
- increased dependence on larger industry clients;
- growth placing significant demands on the Company's management and infrastructure;
- failing to maintain Field Agent engagement;
- inability to successfully develop or acquire and sell enhancements and new services;
- regulatory risks;
- failing to maintain demand for the Company's services or diversify its revenue base;
- risks associated with targeting larger industry clients;
- risks associated with a competitive business environment;
- risks associated with U.S. operations;
- losing corporate culture;
- inability to retain or hire additional key personnel;
- Field Agent work product liability;
- use of proceeds of the Offering not being specified with certainty;
- potential inability to successfully integrate Linear;
- limited recourse against Linear Title & Closing Ltd.;
- inability to consummate or integrate acquisitions;
- failing to adapt to technological changes;
- system interruptions;
- material defects or errors in the Company's Technology Infrastructure;
- failure to adequately protect the Company's Technology Infrastructure;
- dependence on the Company's subsidiaries;

- effort, time and expense associated with switching from competitors' software to that of the Company;
- current or future litigation;
- claims for indemnification by directors or officers;
- ineffectiveness of the Company's risk management efforts;
- failing to adequately protect intellectual property;
- negative publicity;
- risks associated with the potential reclassification of exempt employees and Field Agents;
- risks associated with "open source" software;
- potential infringement on the proprietary rights of others;
- exchange rate fluctuations;
- risks associated with current indebtedness and the potential failure to fund future endeavours;
- risks associated with debt servicing costs;
- risks associated with the Company's insurance coverage;
- restrictive covenants contained in the Company's Credit Facility;
- potential inability to raise additional capital in the future;
- future offerings of debt securities;
- tax law changes or adverse tax examinations;
- there currently being no public market for the Shares;
- future sales of Shares by existing shareholders reducing the market price of the Shares;
- dilution and future sales of Shares;
- risks associated with the Company's current policy with respect to dividends;
- increased costs and demands upon management associated with being a public company;
- risks associated with the Company's confidentiality agreements;
- the by-laws of the Company potentially limiting an investor's ability to obtain a favourable judicial forum for disputes with the Company;
- inaccurate accounting estimates and judgments;
- changing accounting standards or interpretations;
- potential deficiencies in the Company's internal controls over financial reporting;
- difficulty enforcing judgments against non-resident directors of the Company;
- earthquakes, fires, floods and other natural catastrophic events or interruptions;
- risks associated with the forward-looking statements contained in this prospectus potentially proving to be incorrect; and
- risks associated with securities analysts' research or reports potentially impacting the Share price.

These factors should not be considered exhaustive and should be read with the other cautionary statements in this prospectus.

If any of these risks or uncertainties materialize, or if assumptions underlying the forward-looking statements prove incorrect, actual results might vary materially from those anticipated in those forward-looking statements.

Information contained in forward-looking statements in this prospectus is provided as of the date of this prospectus and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information or future events or results, except to the extent required by applicable securities laws.

Although the Company bases these forward-looking statements on assumptions that it believes are reasonable when made, the Company cautions investors that forward-looking statements are not guarantees of future performance and that its actual results of operations, financial condition and liquidity and the development of the industry in which it operates may differ materially from those made in or suggested by the forward-looking statements contained in this prospectus. In addition, even if the Company's results of operations, financial condition and liquidity and the development of the industry in which it operates are consistent with the forward-looking statements contained in this prospectus, those results or developments may not be indicative of results or developments in subsequent periods.

Given these risks and uncertainties, investors are cautioned not to place undue reliance on these forward-looking statements. Management refers to Part 4A and Part 4B of National Instrument 51-102 — *Continuous Disclosure Obligations* for guidance on disclosing forward-looking statements. As required by applicable securities laws, upon becoming a reporting issuer, it will be the Company's policy to update forward-looking statements as required by applicable securities laws from time to time. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless specifically expressed as such, and should only be viewed as historical data.

MARKET, INDUSTRY AND SERVICE DATA

Unless otherwise indicated, information contained in this prospectus concerning the industry and the markets in which the Company operates, including its general expectations and market position, market opportunities and market share, is based on information from independent industry organizations, such as the MBA, other third-party sources (including industry publications, surveys and forecasts) and management studies and estimates.

Unless otherwise indicated, the Company's estimates are derived from publicly-available information released by independent industry analysts and third-party sources as well as data from its internal research and include assumptions made by the Company which it believes to be reasonable based on its knowledge of the industry and markets in which the Company operates. The Company's internal research and assumptions have not been verified by any independent source and the Company has not independently verified any third-party information. While the Company believes the market position, market opportunity and market share information included in this prospectus is generally reliable, such information is inherently imprecise. In addition, projections, assumptions and estimates of the Company's future performance and the future performance of the industry and markets in which the Company operates are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described under the headings "Forward-Looking Statements" and "Risk Factors".

Information contained in this prospectus about the Company's services, including features and pricing, is current as of the date hereof. In the future, the Company may amend the terms of its services from time to time.

TRADE-MARKS, TRADE NAMES AND COPYRIGHTS

This prospectus includes trade-marks, trade names and material subject to copyright, including the trade-mark/trade name "Real Matters", which are protected under applicable intellectual property laws and are the property of the Company. Solely for convenience, the Company's trade-marks, trade names and copyrighted material referred to in this prospectus may appear without the™, ® or © symbol, but such references are not intended to indicate, in any way, that the Company will not assert, to the fullest extent under applicable law, its rights to these trade-marks, trade names and copyrights. See "Intellectual Property". All other trade-marks used in this prospectus are the property of their respective owners.

PRE-CLOSING SHARE CONSOLIDATION

Prior to Closing, the Company will effect the Consolidation pursuant to which it will consolidate its Class A shares on a two (2) for one (1) basis and, immediately thereafter, re-designate the post-Consolidation Class A shares as common shares. All references to the Company's outstanding Shares and securities convertible into or exercisable for Shares in this prospectus, including the exercise price associated with outstanding options and warrants, assume the completion of the Consolidation and the other Pre-Closing Capital Changes unless otherwise indicated. Any such data included in the MD&A and the Company's financial statements included in this prospectus, including basic earnings per share and diluted earnings per share numbers, are based on historical data and do not reflect the Consolidation. See "Description of Share Capital — Pre-Closing Capital Changes".

MARKETING MATERIALS

A "template version" of the following "marketing materials" (each such term as defined in National Instrument 41-101 — *General Prospectus Requirements* ("**NI 41-101**")) for this Offering filed with the securities commission or similar regulatory authority in each of the provinces and territories of Canada are specifically incorporated by reference into this prospectus:

1. the investor presentation filed on SEDAR on April 18, 2017 and the revised investor presentations filed on SEDAR on April 24, 2017 and April 27, 2017 (collectively, the "**Investor Presentations**"); and
2. the term sheet filed on SEDAR on April 27, 2017 and the revised term sheet filed on SEDAR on May 5, 2017 (the "**Term Sheets**").

The Term Sheet and Investor Presentations referred to above are available under the Company's profile on SEDAR at www.sedar.com.

The Term Sheets and Investor Presentations were revised to, among other things, reflect the final Offering Price of C$13.00, reflect the size of the Offering of C$156,730,418 and update the current status of the Company's listing application with the TSX. These revisions are all reflected in this prospectus. Pursuant to subsection 13.7(7) of NI 41-101, the Term Sheets and Investor Presentations, as well as the relevant blacklines, are available under the Company's profile on SEDAR at www.sedar.com.

In addition, any template version of any other marketing materials filed with the securities commission or similar regulatory authority in each of the provinces and territories of Canada in connection with this Offering, after the date hereof, but prior to the termination of the distribution of the Shares under this prospectus (including any amendments to, or an amended version of, any template version of any marketing materials), is deemed to be incorporated by reference herein. Any template version of any marketing materials utilized in connection with this Offering are not part of this prospectus to the extent that the contents of the template version of the marketing materials have been modified or superseded by a statement contained in this prospectus.

ELIGIBILITY FOR INVESTMENT

In the opinion of Wildeboer Dellelce LLP, counsel to the Company, and Torys LLP, counsel to the Underwriters, based on the current provisions of the *Income Tax Act* (Canada) and the regulations thereunder (the "**Tax Act**"), provided that on the date of the Offering the Shares are listed on a "designated stock exchange" (as defined in the Tax Act), which currently includes the TSX, the Shares offered hereby will be qualified investments under the Tax Act for trusts governed by registered retirement savings plans ("**RRSPs**"), registered retirement income funds ("**RRIFs**"), deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free saving accounts ("**TFSAs**").

Notwithstanding that the Shares may be a qualified investment for a RRSP, RRIF or TFSA, the annuitant under an RRSP or RRIF or the holder of a TFSA, as the case may be, will be subject to a penalty tax if the Shares are a prohibited investment for such RRSP, RRIF or TFSA. The Shares will not be a prohibited investment provided that the annuitant or holder, as the case may be, deals at arm's length with the Company for the purposes of the Tax Act and does not have a "significant interest" (within the meaning of the Tax Act) in the Company. In addition, the Shares will not be a "prohibited investment" if the Shares are "excluded property", as defined in the Tax Act, for trusts governed by a TFSA, RRSP or RRIF. Pursuant to proposals announced in the Canadian federal budget on March 22, 2017, the foregoing prohibited investment rules are proposed to also be extended to registered education savings plans and registered disability savings plans. Prospective investors who intend to hold the Shares in a registered plan should consult their own tax advisors with respect to the application of the prohibited investment rules in their particular circumstance.

To our shareholders,

When we started Real Matters over a decade ago, our goal was to use technology to bring innovation and efficiencies to a segment of the mortgage lending industry where we knew there was a great opportunity for improvement. Put simply, my team and I knew that there were lender pain points that we could fix with the right combination of technology, creativity and a never-ending commitment to operational excellence.

We knew it because we spoke to our potential clients, the lenders, and they told us that they weren't totally satisfied when they outsourced services in the underwriting process. The results in areas like appraisals were too slow and too inconsistent. What we saw was a large addressable market where we could use our expertise in technology and our knowledge of the market to effect real change. We could drive a wedge between the incumbents and their clients by doing things differently, and also a lot better. We saw an opportunity, through network management, to create a long-term competitive differentiator.

We sought to use technology to create a competitive marketplace for outsourced services that are essential to the underwriting process by focusing on finding the most qualified independent Field Agents who would deliver the highest quality product and the best possible experience for the borrower.

Today, we have established an industry-leading position serving approximately 60 of the top 100 mortgage lenders in the United States, we continue to gain market share, and we believe we have just begun to tap into the potential gains possible by doing more for our clients.

We also see substantial opportunities for growth in other segments where we can bring the same approach to bear, such as title and closing services.

This is a testament to how we think about adding value.

A Firm Commitment to Creating Long-Term Value

We may be new to the public markets, but we are not a new company. We have spent the past decade building this business to what it is today.

From day one, we have had a firm commitment to building long-term value that is fundamental to how we run our business and measure our success.

We know that our business will be subject to secular trends and seasonality, but we don't get distracted by things we can't control. Instead, we focus on the things we can control in order to consistently outperform our competitors, grow market share with our clients, and attract and retain franchise clients. We believe that the true value of our business will be realized by building a business that can weather the peaks and valleys and thrive over the long term.

It's working. Over the last three years, we have more than doubled revenues, and our Adjusted EBITDA has risen nearly six-fold over that period.

Those are important achievements, but they are hardly the only measures of value creation. We have a client retention rate of approximately 95%, and many of our clients have given us more of their business year after year. These long-term relationships are the foundation of our business.

Being focused on the long term also means we have said 'no' to a lot of opportunities, in order to say 'yes' to the right ones. That is borne out in the choices we have made to grow organically, and in the businesses we have acquired along the way. It's also why we are one of the few private companies to have built its business with a simple, common equity capital structure — because we understand the importance of aligning shareholder interests with those of the Company and its other stakeholders, including its employees and clients, over the long run.

This approach to managing the business is also reflected in our internal operating principles about people, products and plain common sense.

People

- Culture is everything: running a high-growth business requires smart, ambitious people — not necessarily a lot of people, but the right kind of people.
- We don't believe in variable compensation or short-term incentives — they incent the wrong behaviour. Many of our employees have an ownership interest in the Company and are aligned to our long-term goals.
- We recognize the importance of working with professional, qualified Field Agents and we work hard to align our success to their success.

Products

- We build for scale — not just because our clients require it, but because it's how we can grow profitably.
- Customization can kill you in our business — we focus on scalable, repeatable processes.
- We are prudent with our capital and our resources — we make trade-offs in the short-term to meet our long-term goals and to set ourselves up for continued success.

Plain Common Sense

- Measure twice, cut once — not taking the time to make sure of what you're doing will cost you time or money, and most likely both.
- Fail fast, learn faster.
- You only get one chance to make a first impression — execution is key.

These are the principles and values that have guided us so far, and that you can expect from us as we move ahead. If this aligns with your investment philosophy, we hope that you will join us on this journey.

Jason Smith
Founder, President and CEO
Real Matters Inc.

GLOSSARY

This glossary defines certain business, industry, technical and legal terms used in this prospectus for the convenience of the reader. It is not a comprehensive list of all defined terms used in this prospectus.

"**Adjusted EBITDA**" has the meaning ascribed thereto under the section of this prospectus titled "Non-GAAP Financial Measures".

"**Adjusted Net Income or Loss**" has the meaning ascribed thereto under the section of this prospectus titled "Non-GAAP Financial Measures".

"**AMC**" has the meaning ascribed thereto under the section of this prospectus titled "The Company's Business — Industry Overview".

"**Board**" or "**Board of Directors**" means the board of directors of Real Matters.

"**BPO**" is an acronym for "broker price opinion", which is a valuation product provided by a local independent real estate licensee.

"**CAGR**" means compound annual growth rate.

"**CBCA**" means the *Canada Business Corporations Act*.

"**CEO**" means Chief Executive Officer.

"**CFO**" means Chief Financial Officer.

"**CGU**" is an acronym for "cash generating unit".

"**Closing Disclosure**" means a form that provides final details about a mortgage loan in the U.S. It includes the loan terms, projected monthly payments and how much the borrower will pay in fees and other costs for the mortgage (i.e. closing costs).

"**Contribution Margin**" has the meaning ascribed thereto under the section of this prospectus titled "Non-GAAP Financial Measures".

"**COO**" means Chief Operating Officer.

"**Cost to Serve**" has the meaning ascribed thereto under the section of this prospectus titled "Non-GAAP Financial Measures".

"**CTO**" means Chief Technology Officer.

"**E&O**" means errors and omissions.

"**EVP**" mean Executive Vice President.

"**Field Agent**" means an independent appraiser, real estate broker, insurance inspector, lawyer, notary or closing agent who provides services to Real Matters as part of the delivery by the Company of services to its clients.

"**First-Time Quality**" means the quality of a Field Agent's work product upon first upload to the Platform as indicated by the absence of errors.

"**GAAP**" means Generally Accepted Accounting Principles in accordance with IFRS.

"**GSE**" means a Government Sponsored Entity.

"**IFRS**" means the International Financial Reporting Standards as issued by the International Accounting Standards Board.

"**Linear**" means RM Title LLC and all of its subsidiary corporations, collectively, including, among others, Linear Settlement Services, LLC and Linear Title & Closing, LLC, acquired by the Company in April 2016 pursuant to an asset purchase agreement between the Company and Linear Title & Closing Ltd.

"**LTIP**" means the Company's long-term incentive plan.

"**MBA**" is an acronym for "Mortgage Bankers Association".

“**MSA**” is an acronym for “Master Services Agreement”, which is a type of contract that allows for the sale of services to the Company’s clients. These agreements can cover a variety of services through different SOWs.

“**Net Revenue**” has the meaning ascribed thereto under the section of this prospectus titled “Non-GAAP Financial Measures”.

“**OFAC**” is an acronym for “Office of Foreign Assets Control”.

“**OSFI**” has the meaning ascribed thereto under the section of this prospectus titled “Regulatory Environment — Canadian Regulations”.

“**Penalty Shares**” means the Class A shares issued on January 9, 2017 pursuant to the liquidity penalty provided for in connection with the private placement of subscription receipts completed by the Company on February 24, 2016.

“**Platform**” refers to the Company’s proprietary technology, along with its network management capabilities and tens of thousands of independent qualified Field Agents.

“**Preferred Shares**” means the preferred shares in the capital of the Company.

“**RFI**” is an acronym for “request for information”.

“**RFP**” is an acronym for “request for proposal”.

“**SLA**” is an acronym for “service level agreement”.

“**SOW**” is an acronym for “statement of work”, which is an addendum to an MSA that defines specific deliverables, fees and timelines for providing products and/or services to a client.

“**Tier 1**” refers to the top five U.S. banks by asset size at June 30, 2016 as determined by U.S. Federal Reserve data, and the largest non-bank mortgage lender in the U.S. according to the *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016)*.

“**Tier 2**” refers to the top 30 mortgage lenders in the U.S. according to the *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016),* excluding Tier 1 mortgage lenders.

“**Tier 3**” refers to the top 100 mortgage lenders in the U.S. according to the *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016),* excluding Tier 1 and Tier 2 mortgage lenders.

“**Tier 4**” refers to all mortgage lenders in the U.S. not included in Tier 1, Tier 2 or Tier 3.

“**UAD**” is an acronym for “Uniform Appraisal Dataset”.

“**UCDP**” has the meaning ascribed thereto under the section of this prospectus titled “Regulatory Environment — U.S. Regulations”.

“**U.S.**” means the United States of America.

PROSPECTUS SUMMARY

The following is a summary of the principal features of the Offering and certain information contained elsewhere in this prospectus. This summary does not contain all of the information that you should consider before investing in the Shares. You should read this entire prospectus carefully, especially the "Risk Factors" section of this prospectus, and the Company's audited consolidated financial statements and the related notes thereto and the unaudited interim condensed consolidated financial statements and the related notes thereto appearing elsewhere in this prospectus, before making an investment decision.

The Company's Business

Real Matters is a leading network management services provider for the mortgage lending and insurance industries. Real Matters' Platform combines its proprietary technology and network management capabilities with tens of thousands of independent qualified Field Agents to create an efficient marketplace for the provision of mortgage lending and insurance industry services. The Platform facilitates competition between Field Agents, such as residential real estate appraisers, to deliver performance-driven services, which brings superior quality, transparency and efficiency to Real Matters' clients.

Real Matters' Platform was created to address key issues within the mortgage lending and insurance industries. The Company built its Platform to create a long-term competitive advantage relative to traditional service providers, who have comparatively high-touch, labour intensive and costly operations. Through its Platform, Real Matters is able to deliver services faster and with fewer errors. The efficiencies provided by the Platform allow for fewer touch points, which reduces the Company's cost structure and results in high Contribution Margins for Real Matters. See "Non-GAAP Financial Measures", "Prospectus Summary — Summary Financial Information" and "Management's Discussion and Analysis — Non-GAAP Measures" for a description of how the Company calculates non-GAAP measures and for reconciliations thereof to the most comparable GAAP measures.

The Company has realized significant success and disrupted segments of the mortgage lending and insurance industries. Real Matters regularly ranks above its competitors on service level benchmarking data that it receives from clients, with lower error rates and faster turn times. Based on its performance, the Company has been able to obtain an increase in market share with its clients, often obtaining an outsized allocation of transaction volume relative to its competitors due to its performance advantages. This has resulted in significant growth as the Company has increased its market share and expanded its client base. Today, Real Matters is a leading provider of residential mortgage appraisal, title and closing and insurance inspection services.

Real Matters operates different brands focused on separate market segments in the U.S. and Canada. Real Matters services the U.S. and Canadian residential mortgage industry through its Solidifi and Linear brands, and the Canadian property and casualty insurance industry through its iv3 brand.

Real Matters has a strong client base, which has experienced significant growth. In the U.S., Real Matters' clients include approximately 60[1] of the top 100[2] mortgage lenders, including all Tier 1 mortgage lenders. The Company:

- provides approximately one in 20 residential mortgage appraisals in the U.S. and has approximately 5% market share;[3] and
- is a national independent provider of title and closing services in the U.S. and has approximately 0.4% market share.[4]

1 Based on having completed at least one transaction with Real Matters in the calendar year ended December 31, 2016.

2 Top 100 mortgage lenders according to *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016).*

3 Management estimates based on data from the MBA Mortgage Finance Forecast Report of February 15, 2017.

4 Management estimate of Residential Title Written Premium Market Share based on data from the American Land Title Association for period ending September 30, 2016 and Demotech, Inc. for period ending December 31, 2015.

In Canada, Real Matters' clients include a majority of the largest Canadian chartered banks as well as some of North America's largest insurance companies. The Company provides:

- residential mortgage appraisals to three of the five largest banks in Canada measured by asset size (the "**Big Five Banks**") and has approximately 16% market share;[5] and
- residential and commercial property insurance inspections to nine of the top 15 insurance carriers[6] in Canada and has approximately 12% market share.[7]

The total annual market spend for services offered by Real Matters was estimated by the Company to be approximately $16.0 billion in 2016, which represents the current estimated annual spend by mortgage lenders on residential mortgage appraisal services and written premiums for title insurance services provided by the Company in the U.S., and residential mortgage appraisal and insurance inspection services provided by the Company in Canada.[8]

Real Matters takes a long-term view to manage and measure the success of its ongoing business strategy. In this regard, the Company's principal focus is on market share growth. The Company seeks to achieve market share increases irrespective of residential mortgage origination market conditions. Market share growth can be achieved through both the onboarding of new customers to Real Matters' Platform and by increasing market share within its existing client base, including recently onboarded clients. The mortgage market and residential mortgage originations are subject to the influence of many external factors, such as broader economic conditions and fluctuating interest rates, over which the Company has no control.

Real Matters believes it has substantial growth opportunities to expand its market share within its existing total addressable market. The Company recently entered into MSAs with five Tier 1 mortgage lenders, four of which have begun generating revenue under the MSAs prior to December 31, 2016, and which the Company believes will incrementally increase revenue over time. Tier 1 mortgage lenders currently account for approximately 30% of the mortgage appraisal spend in the U.S.[9] Real Matters believes its market share will increase as a result of these contract wins. The Company also recently entered the real estate title and closing business through the acquisition of a traditional independent title agency company. Real Matters plans to leverage its Platform and existing client relationships to disrupt the real estate closing process and grow market share in this market.

The Company's outlook is predicated on the factors identified under "Management's Discussion and Analysis — Strategy and Outlook". If the Company successfully executes its plan, the Company believes significant growth opportunities exist and over the next five years it expects to:

- increase the Company's U.S. residential mortgage appraisal market share to between 15% and 20% from approximately 5% today;[10]
- increase the Company's U.S. title and closing market share to between 1% and 3% from approximately 0.4% today;[11]
- increase revenues by a CAGR of 20% to 25%, from base year Fiscal 2016 (as defined below);
- achieve its target Net Revenue margins of 35% to 40%; and
- achieve its target Adjusted EBITDA margins of 25% to 30%.

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[5] Based on management estimates.

[6] Facts of the Property and Casualty Insurance Industry in Canada 2016, published by Insurance Bureau of Canada (IBC).

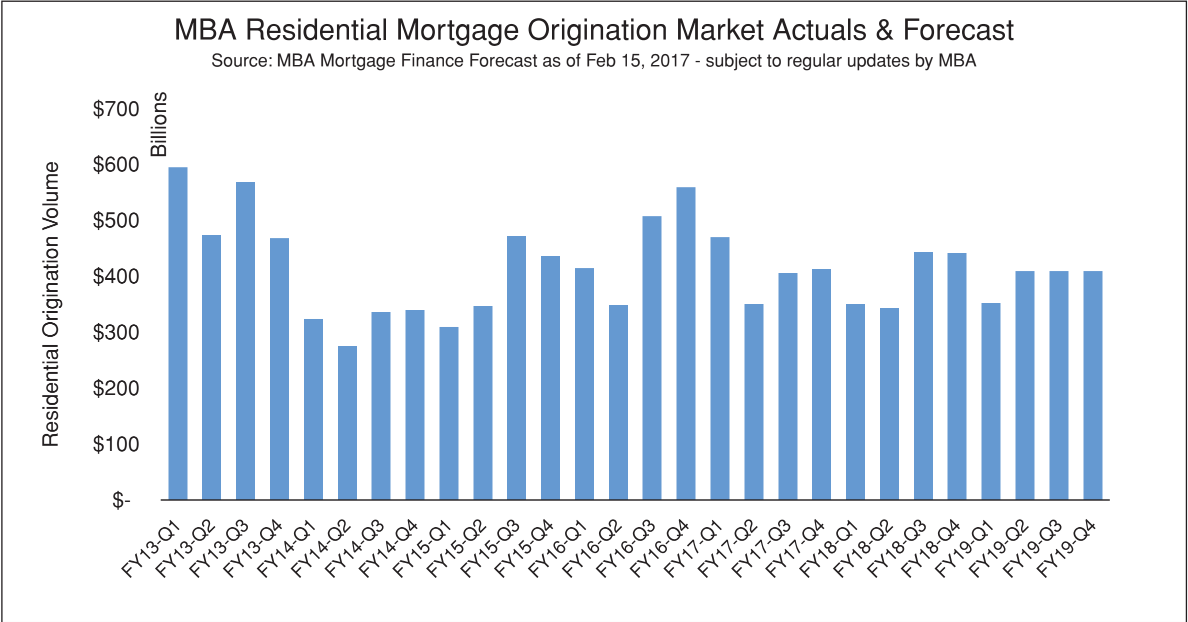
[7] Based on management estimates.

[8] Management estimates of the residential mortgage appraisal market size of calendar 2016 based on data from the MBA Mortgage Finance Forecast Report of February 15, 2017, plus management estimates of the title market size measured by written premium based data from American Land Title Association Data for the nine month period ended September 30, 2016.

[9] Based on *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016)*, management estimates that Tier 1, Tier 2 and Tier 3 mortgage lenders currently account for approximately 30%, 28% and 35% of the mortgage appraisal spend in the U.S., respectively (assuming an allocation of 8% mortgage appraisal spend to Tier 4 mortgage lenders).

[10] Management estimates based on data from the MBA Mortgage Finance Forecast Report of February 15, 2017.

[11] Management estimate of Residential Title Written Premium Market Share based on data from the American Land Title Association for period ending September 30, 2016 and Demotech, Inc. for period ending December 31, 2015.



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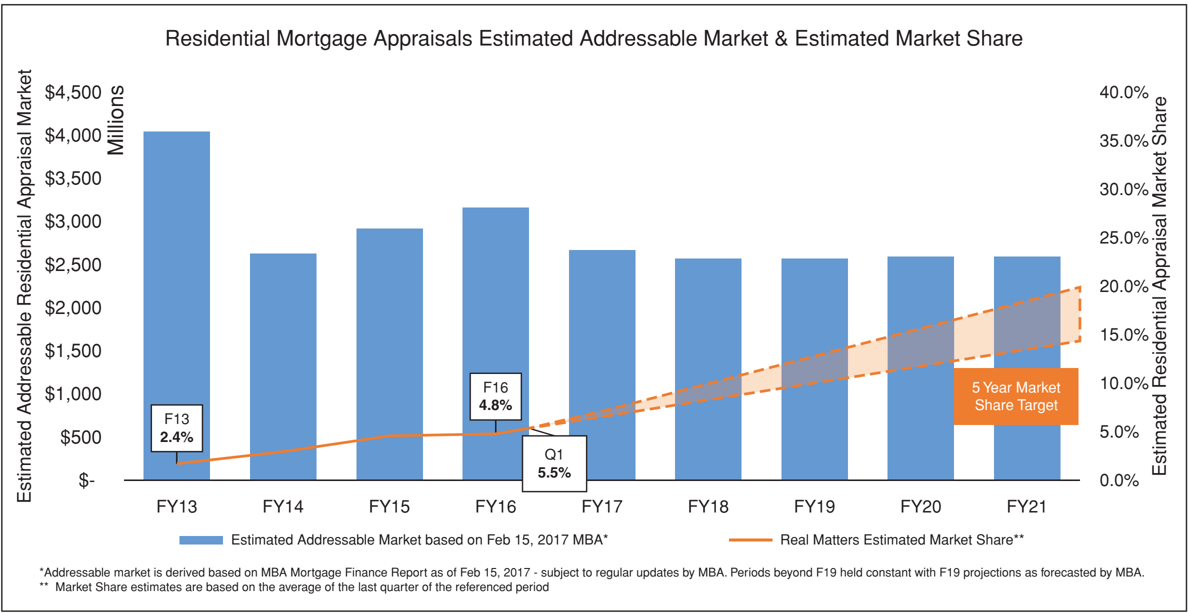

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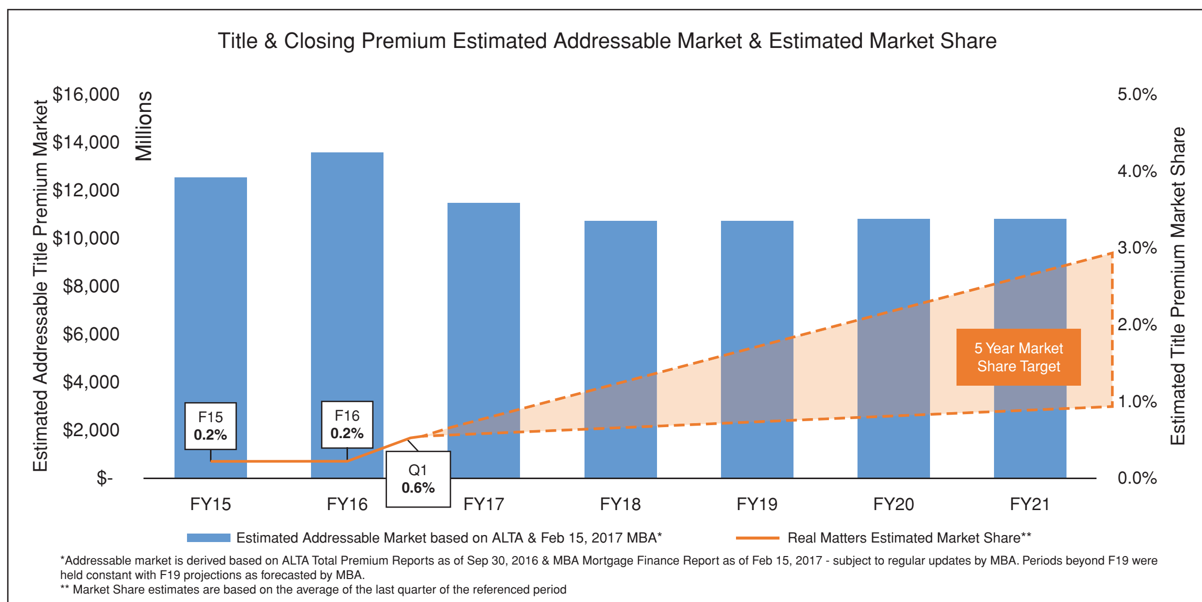
[12] Market forecasts are from the MBA Mortgage Finance Forecast Report of February 15, 2017. The MBA regularly updates its forecasts, and actual future market size may vary substantially from the current MBA forecast.

[13] The Estimated Addressable Market beginning in Fiscal 2017 is derived from the MBA Mortgage Finance Forecast Report of February 15, 2017 and adjusted to reflect the portions of the market that are addressable by Real Matters. The MBA Mortgage Finance Forecast Report only estimates the market size up to the fiscal year ending September 30, 2019 (“**Fiscal 2019**”). Market size estimates for future periods reflected herein are set at the MBA market size estimate for Fiscal 2019. The MBA Mortgage Finance Forecasts are regularly updated, and actual future market size may vary substantially from the current MBA forecast. The Real Matters Estimated Market Share is an illustration of Real Matters’ projected five year market share target growth and is not a projection or illustration of the trajectory of said market share growth. Real Matters provides no projections or estimates as to the trajectory of its target market share growth.



[14]

Real Matters' performance track record has enabled the Company to deliver strong revenue growth and high Contribution Margins. The Company has been Adjusted EBITDA positive since the fiscal year ended September 30, 2012. For the fiscal year ended September 30, 2016 ("**Fiscal 2016**"), Real Matters recorded Net Revenue of $68.3 million and Adjusted EBITDA of $12.8 million. The Company's Net Revenue and Adjusted EBITDA have grown at a CAGR of 75.7% and 143.1%, respectively, from 2014 to 2016. See "Non-GAAP Financial Measures", "Prospectus Summary — Summary Financial Information" and "Management's Discussion and Analysis — Non-GAAP Measures" for a description of how the Company calculates non-GAAP measures and for reconciliations thereof to the most comparable GAAP measures.

See "The Company's Business".

Industry Overview

Real Matters services the residential mortgage industry in the U.S. and Canada and the insurance inspection industry in Canada.

U.S. Industry

According to the MBA, the size of the U.S. residential mortgage origination market was estimated at $1.9 trillion in 2016, which includes purchase and refinance originations. The U.S. mortgage industry is large and complex with multiple parties required to complete any transaction.

[14] The Estimated Addressable Market beginning in Fiscal 2017 is derived from the size of the market expressed in the American Land Title Association Total Premium Report as of September 30, 2016, and then adjusted to reflect fluctuations in the projected mortgage origination market size set out in the MBA Mortgage Finance Forecast Report of February 15, 2017. The American Land Title Association publishes a new Total Premium Report on a quarterly basis. The MBA Mortgage Finance Forecast Report only estimates the market size up to Fiscal 2019. Market size estimates for future periods reflected herein are derived based on the MBA market size estimate for Fiscal 2019. The MBA Mortgage Finance Forecasts are regularly updated, and actual future market size may vary substantially from the current MBA forecast. The Estimated Addressable Market reflected herein includes both the residential and commercial title premium markets, but the Real Matters Estimated Market Share is an estimate of the Company's share of the residential title premium market only. The Real Matters Estimated Market Share is an illustration of Real Matters' projected five year market share target growth and is not a projection or illustration of the trajectory of said market share growth. Real Matters provides no projections or estimates as to the trajectory of its target market share growth.

Recent Trends in the Industry

The mortgage market has seen significant changes over the past few years.

- **Increased regulation:** Most U.S. mortgage market participants have become subject to increasing regulatory oversight and regulatory requirements as federal and state governments have enacted various new laws, rules and regulations. Real Matters believes mortgage lenders have become more reliant on third-party service providers capable of assisting them to comply with this increased regulatory oversight burden.

- **Lenders increasingly focused on core operations:** As a result of increased volatility in the mortgage market, greater regulatory scrutiny and the higher cost of doing business, Real Matters believes mortgage lenders have become increasingly focused on their core operations. Lenders have shifted from affiliate business models and in-house technologies to obtaining key services, such as appraisal services, from third-party providers. Real Matters believes that very few third-party providers have the scale and regulatory infrastructure required to meet both the technological efficiency and high regulatory standards that lenders require.

- **Lenders increasingly focused on end consumer:** Given the importance of the customer relationship, Real Matters believes that mortgage lenders have become increasingly focused on providing best-in-class services and experiences to their customers. Appraisals and title and closing services require significant interactions between borrowers and third-party service providers, and these interactions have a significant impact on the customer experience. Real Matters believes there is a significant opportunity to improve the borrower experience related to appraisals and closings.

- **Growing role of technology:** Mortgage lenders have become increasingly focused on technology to operate more efficiently. Real Matters believes that third-party service providers must be able to support the complexity in the market, display extensive industry knowledge and possess the financial resources to make the necessary investments in technology to support lenders.

Residential Mortgage Appraisals

Total annual lender spend for residential mortgage appraisal services in the U.S. for 2016 was estimated at approximately $3.2 billion[15] with Tier 1 mortgage lenders currently accounting for approximately 30% of the mortgage appraisal spend.[16] MBA expects the total market spend for U.S. residential mortgage appraisals to remain stable over the next three years.[17] These estimates are based on a variety of economic assumptions, including interest rates, that may differ from those assumed by the MBA.

A residential appraisal is a survey of a home by a qualified appraiser providing their expert opinion on the market value of a property. There are approximately 76,000 licensed appraisers in the U.S.[18] The typical price for an appraisal in the U.S. can range from $450 to $550.[19] Pricing varies by region, type of residential mortgage appraisal being conducted and property type. Appraisals are mandatory in the U.S. for most mortgage purchase transactions. Appraisals or other valuation services are typically conducted for most refinance transactions and home equity loans. Other common uses for appraisals include estate valuation, divorce settlements, probate, litigation and bankruptcies. In most cases, lenders or financial institutions order appraisals for mortgage loan assessment purposes and to comply with GSE requirements, and the cost of the appraisal is passed through to the borrower.

The North American residential mortgage appraisal market has historically been highly regulated, particularly in the U.S. where multiple levels of regulatory oversight exist, including federal banking regulators

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15 Management estimates based on data for calendar year 2016 from the MBA Mortgage Finance Forecast Report of February 15, 2017.

16 Based on *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016)*, management estimates that Tier 1, Tier 2 and Tier 3 mortgage lenders currently account for approximately 30%, 28% and 35% of the mortgage appraisal spend in the U.S., respectively (assuming an allocation of 8% mortgage appraisal spend to Tier 4 mortgage lenders).

17 The MBA Mortgage Finance Forecast Report of February 15, 2017.

18 Appraisal Institute — U.S. Valuation Profession Fact Sheet — June 2016.

19 Management estimates based on Real Matters actuals of standard interior appraisals for calendar 2016.

and state appraiser boards. Under regulations established in 1989, appraisers have been required to be certified, licensed, independent and competent within their defined geographic coverage area for all regulated appraisal transactions.

Title and Closing

Total current annual spend, in terms of written premiums, in the title and closing market is estimated at approximately $13.0 billion, consisting of both purchase and refinance transactions.[20] Title and closing services can be provided by title insurance underwriters through their direct operations, or independent title agents. Independent title agents provide all the services required to close a real estate or mortgage transaction, including title search, closing and escrow services and title policy issuance. Title agents act on behalf of underwriters of title insurance policies and retain the agent's portion of the premium paid for the title policy, which is the majority of the title insurance premium (typically 70-80%). The remaining portion of the premium is remitted to the underwriter as compensation for bearing the risk of loss in the event a claim is made under the policy. Premium splits can vary by geographic region, and in some states, premiums are fixed by regulation.

In some jurisdictions, the cost of a title insurance policy relative to the cost of a property transaction is about one-half to one percent of the purchase price. Title insurance consists of both an owner's and a lender's policy. The larger the purchase price, the larger the premium on an owner's title policy. The larger the loan, the larger the premium on a lender's policy. Today, Real Matters primarily conducts transactions for refinance mortgages. Total title and closing fees for a residential refinance transaction can range from $800 to $1,000, which includes $500 to $700 for the title insurance premium.[21]

In the U.S., most lenders require lender's policies on mortgage loans for risk mitigation purposes and because Freddie Mac and Fannie Mae currently require title insurance on any loans they guarantee.

Canadian Industry

Real Matters serves the residential mortgage industry and the property and casualty insurance industry in Canada.

Residential Mortgage Appraisals

The Canadian mortgage industry is highly concentrated, with the Big Five Banks accounting for approximately 80% of the approximate C$200 million annual residential mortgage appraisal spend.[22] However, growing regulatory pressures around property valuation risk are anticipated to increase the addressable market by increasing the overall appraisal rate from its current level of approximately 50%.[23]

Insurance Inspections

The total current insurance inspection market spend in Canada is estimated to be approximately C$60 million,[24] comprised of C$40 million of outsourced insurance inspections and the remaining C$20 million[25] of insurance inspections are completed by insurance companies' in-house loss control teams. Residential inspections account for approximately 60%[26] of the outsourced inspection market, while commercial inspections account for the balance.[27]

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[20] Title Written Premiums data from the American Land Title Association for period ending September 30, 2016.

[21] Management estimates based on Real Matters actuals for 2016.

[22] Management estimates based on internal research.

[23] Ibid.

[24] Ibid.

[25] Ibid.

[26] Ibid.

[27] Ibid.

The purpose of an inspection is to establish the replacement cost of a property, unlike a mortgage appraisal that assesses market value. Ultimately, the home inspection helps determine the replacement cost of a property in the event of a major catastrophe such as a fire or a flood. Insurance inspections are used to verify that the insured home matches the address on the policy, that the structure, size and finishes match what has been provided to the insurer and that there is no liability or other hazard that exists on the property that could result in unnecessary exposure for the homeowner and/or insurance company. The inspection is used as an underwriting tool to properly match the risk with the appropriate insurance premium and to verify the accuracy of the information collected at the time of the policy application.

See "Industry Overview".

The Real Matters Platform

Real Matters' Platform provides network management services for the mortgage lending and insurance industries. The Platform reduces manual processes through robust quality control mechanisms, logistics management capabilities, capacity planning tools and end-to-end transaction management, and provides high-quality services to its clients. The core principle of the Platform is to attract the most qualified Field Agents to its network who will compete for Real Matters' work and deliver consistent First-Time Quality. In all instances, save and except with respect to certain transactions related to the business of Linear, the Company is the ultimate service provider, as service contracts are between itself and its customers.

The efficiencies provided by the Platform allow for fewer touch points, which reduces the Company's cost structure and results in high Contribution Margins for Real Matters. The Platform delivers higher quality services and greater scalability compared to traditional competitors. See "Non-GAAP Financial Measures", "Prospectus Summary — Summary Financial Information" and "Management's Discussion and Analysis — Non-GAAP Measures" for a description of how the Company calculates non-GAAP measures and for reconciliations thereof to the most comparable GAAP measures.

The Platform offers considerable functionality and benefits to lenders and Field Agents.

Lender Benefits

- **Best-in-class quality and speed:** Real Matters' Platform is capable of delivering best-in-class quality and faster turn times. Real Matters leverages its technology, including its robust quality control mechanisms, analytics and appraiser assignment technology, to identify the best performing appraisers in their region in terms of property type expertise, timelines, competency and quality.
- **National, quality-driven independent appraiser marketplace:** Lenders benefit from the regional expertise of Field Agents qualified to perform all types of appraisals, providing the scale and capacity required to meet their needs. Field Agents compete for business in the Company's marketplace based on their performance, measured by quality and speed. Real Matters has a robust process for vetting and onboarding new appraisers to its network, including rigorous due diligence. At present, there are approximately 34,000 qualified appraisers in the Company's network, which allows the Company to add significant scale.
- **Robust capacity planning tools:** Lenders benefit from Real Matters' capacity planning capabilities. Appraisal relationship managers ("**Managers**") leverage data and functionality to build and manage capacity on a regional level to ensure the Field Agent network has the capability and capacity to respond to local demand and match a property to the best-qualified Field Agent in the network for that property.
- **Full audit trail of all transaction activities:** Lenders benefit from Real Matters' technology and robust transaction management capabilities to meet regulatory guidelines. Real Matters offers end-to-end transaction management, including transaction processing and tracking workflow, business rules engines, messaging, data extraction and billing with a full audit trail. This delivers a robust and consistent process to ensure all transactions meet stringent regulatory, lender and GSE (for example, Fannie Mae and Freddie Mac) requirements.
- **Highly scalable technology:** Lenders benefit from the robust infrastructure of Real Matters' technology, which allows the Company to provide a highly scalable service that can meet the significant volume requirements of national Tier 1 mortgage lenders, including seasonal spikes, without compromising

quality. The Company's proprietary technology is also built on a uniform code base that is scalable and can be leveraged for different services and industry verticals. Real Matters continuously invests in new technology innovations and functionality to enhance the Company's technology.

- **Improved borrower experience:** Real Matters' Platform creates a better customer experience for borrowers through focused touch points with best-in-class Field Agents. Real Matters recognizes the importance of the professionalism of its Field Agents by celebrating their performance, customer service and exceptional quality through its "EXTRAORDINARY" Field Agent marketing programs.

Field Agent Benefits

- **Real-time performance metrics and managed accountability:** Field Agents in the network benefit from a transparent, real-time view of how their performance ranks relative to others that perform in the top-quartile of their region. They are scored on approximately 40 performance and quality metrics and can log in at any time to obtain a current rating. As Real Matters captures all transaction milestones, the level of transparency and accountability provides an incentive for Field Agents to manage their performance proactively throughout the transaction lifecycle. Managers also use this data for coaching and education of Field Agents, when appropriate. This transparency provides an incentive for Field Agents to consistently deliver high-quality services, as strong historical performance is rewarded with additional work. The Company utilizes a combination of manual review and automated quality scoring technology, which consists of algorithms designed to detect and measure the quality, integrity and accuracy of transactions conducted in Real Matters' marketplace. Leveraging Real Matters' technology, data elements within each transaction are extracted and normalized, enabling a series of risk detection, data analysis, verification and compliance routines to be run automatically.
- **Intelligent assignment of transactions:** Field Agents benefit from the Company's logistics management capabilities that enable it to effectively route transactions in a geographic region. Bundling transactions that are in close proximity enhances productivity by enabling Field Agents to perform more transactions per day.
- **Larger fee splits:** Unlike traditional AMCs, Real Matters creates a marketplace where appraisers can propose their own fees and keep a larger portion of the overall appraisal fee. Field Agents who perform work for Real Matters can earn more money per transaction, which drives better performance and brand loyalty.
- **Better Field Agent experience:** Real Matters works to develop deep relationships with Field Agents by providing them with best-in-class tools, meaningful interactions with Managers and clear performance guidelines. The Company hosts multiple events around the U.S. to educate Field Agents and recognize high performers.

See "The Real Matters Platform".

Clients

Real Matters currently counts approximately 60[28] of the top 100[29] mortgage lenders in the U.S. as clients. The Company has MSAs to provide residential mortgage appraisals to all Tier 1 mortgage lenders who, together, currently account for approximately 30% of the mortgage appraisal spend in the U.S.[30] The Company is not substantially dependent on any one MSA.

The sales cycle for becoming an approved service provider to lenders varies in length and complexity based on the size of the financial institution and can take up to five years, depending on the client and their specific procurement and onboarding process. The process involves multiple stages that include client engagement activities, RFIs, RFPs, on-site visits, the negotiation and signing of an MSA, financial/operational/technology audits, technology integration and the creation of a roll-out plan. It is also contingent on the lender's priorities

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28 Based on having completed at least one transaction with Real Matters in the calendar year ended December 31, 2016.

29 Top 100 mortgage lenders according to *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016).*

30 Based on *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016)*, management estimates that Tier 1, Tier 2 and Tier 3 mortgage lenders currently account for approximately 30%, 28% and 35% of the mortgage appraisal spend in the U.S., respectively (assuming an allocation of 8% mortgage appraisal spend to Tier 4 mortgage lenders).

and strategic sourcing cycles. To be selected to provide services for Tier 1 and other prominent mortgage lenders in the U.S., service providers generally must have a national footprint, be well capitalized, be registered and licenced to conduct appraisal management activities nationally and be in good standing with regulatory authorities.

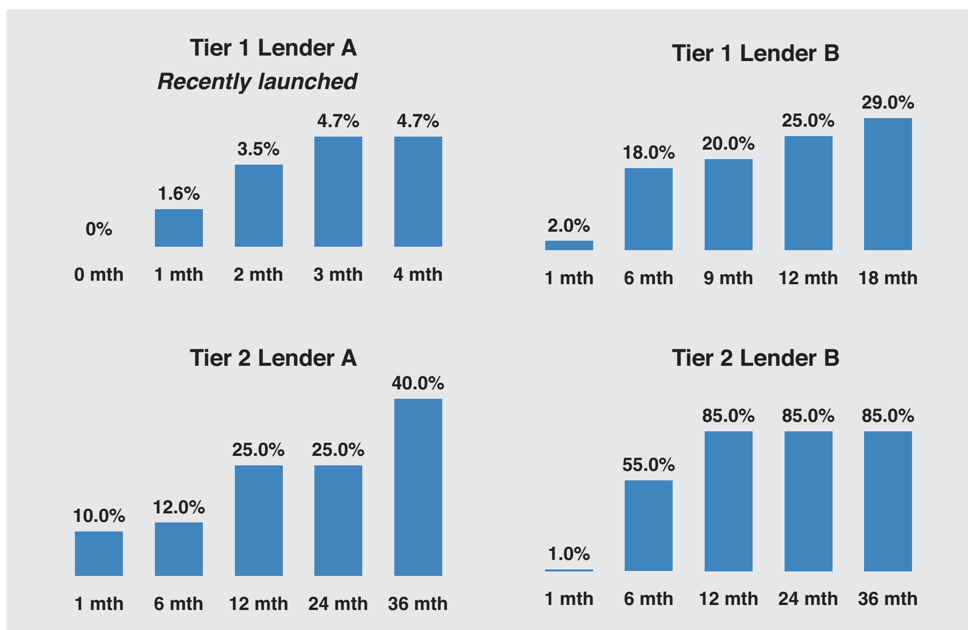
The complexity and length of the sales cycle, in particular with Tier 1 or other prominent mortgage lenders in the U.S., represents a significant barrier to entry to new entrants and competitors of the Company.

Track Record of Increasing Market Share with Clients

Based on the Company's performance track record, Real Matters has been able to obtain an increase in market share with its clients, often obtaining an outsized allocation of transaction volume relative to its competitors due to its performance advantages.

Based on the Company's track record to date, the Company has routinely been able to grow its market share of a newly onboarded client's residential mortgage appraisal business to 15% of that client's transaction volume by the end of the first year of operation, and to 35% to 40% by the end of the third year. Although the vast majority of mortgage lenders in the U.S. use more than one service provider, Real Matters has a number of clients for which it is the majority residential mortgage appraisal provider. However, the Company's long-term strategy targets are based on achieving a market share of approximately 30% to 40% with its Tier 1 clients within five years of launch.

Real Matters Appraisal Market Share Growth Examples



31

Given its performance track record, the Company has developed deep, long-term client relationships that have proven to be loyal over time. Real Matters has a client retention rate of approximately 95%.[32]

See "Clients".

31 These graphs represent management estimates of the Company's appraisal market share with certain lenders at points in time since the launch of those lenders on Real Matters' Platform. Each lender's share of the overall market will vary from time to time based on market conditions, interest rates, lender's marketing focus, etc.

32 Retention rate calculated since launch based on the number of clients who have completed at least one transaction with the Company in the fiscal year ended September 30, 2016. Based on those Real Matters clients listed on *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016).*

The Company's Services

Appraisal Network Management Services

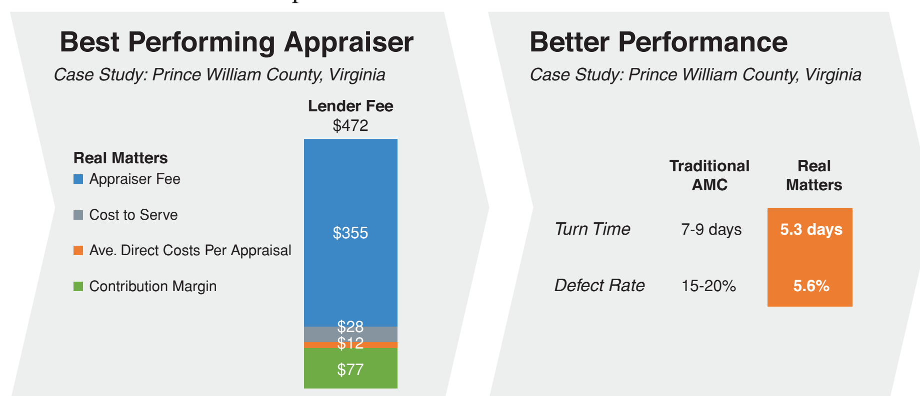
Real Matters' services include:

- **Interior and exterior residential appraisals:** A report indicating the opinion of value of a specific property as developed by a duly accredited professional real estate appraiser, involving comparable analysis and an interior and/or exterior inspection.
- **Desktop appraisals:** A report indicating the opinion of value of a specific property as developed by a duly accredited professional real estate appraiser, which may or may not utilize information on the current property condition as obtained from interior and/or exterior inspection by another third party.
- **Broker price opinions:** A report completed by a real estate licensee indicting the estimated listing price of specific property, which may or may not include an interior and/or exterior inspection.
- **Property condition reports:** A report completed by a real estate professional indicating the current condition of a specific property and a list of repairs that may be required.

Case Study: Prince William County, Virginia[33]

The case study outlined below illustrates the following benefits of the Company's Platform: (i) a significantly lower cost structure and high Contribution Margins for Real Matters; and (ii) better performance.

Lenders pay approximately $472 (which would be included in revenues in the Company's consolidated financial statements) for a standard interior appraisal in Prince William Country, Virginia. On average, traditional AMCs pay appraisers approximately $300 of that fee. In contrast, Real Matters pays appraisers an average of approximately $355 (which are recorded as transaction costs in the Company's consolidated financial statements) for the same standard interior appraisal in the region. Real Matters has a variable Cost to Serve of $28 (which are recorded as operating expenses in the Company's consolidated financial statements) in this example, compared with an estimated $135 for traditional competitors. In turn, this results in high Contribution Margins for Real Matters of $77, compared with approximately $25 for traditional AMCs. Further, the turn-around times and defect rates are materially lower at 5.3 days and 5.6%, respectively, for Real Matters, compared to seven to nine days and 15-20% for traditional competitors. See "Non-GAAP Financial Measures", "Prospectus Summary — Summary Financial Information" and "Management's Discussion and Analysis — Non-GAAP Measures" for a description of how the Company calculates non-GAAP measures and for reconciliations thereof to the most comparable GAAP measures.



Real Matters believes its approach has resulted in turn-around times and defect rates that are on average significantly lower than the Company's competitors. This superior performance has allowed Real Matters to gain significant market share with clients and to attract new business from Tier 1 mortgage lenders in the U.S.

Management estimates it will be able to significantly increase Real Matters' U.S. residential mortgage appraisal market share over the next five years based on the deployment of new clients in the U.S. over the last three years.

[33] Based on Real Matters' actual average for a standard interior appraisal in Prince William County, VA, during the period of fiscal Q3 and Q4 2016 (April to September 2016). Traditional AMC fees and cost structure based on estimates derived from management research and do not relate to any particular competitor or geographic region. Real Matters Contribution Margin is equal to: the appraisal fee paid to the Company less (a) amounts paid to appraiser, (b) Cost to Serve and (c) average direct costs per appraisal ($472 - $355 - $28 - $12 = $77). Traditional AMC turn times and defect rates are management estimates of average competitor metrics based on internal market research and do not relate to any particular competitor or geographic region. The Company defines a "defect rate" as the percentage of completed appraisal reports that are returned to the appraiser to correct what the Company defines as a material deficiency or error based on issues that either the Company or the end customer identifies in the appraisal report.

Title and Closing: Large Market Opportunity to Continue to Drive Growth

In addition to increasing its residential mortgage appraisal market share, Real Matters plans to grow by deploying the Company's Platform to disrupt the U.S. title and closing business (a strategy that it calls "Next Generation Closing").

In April 2016, the Company acquired Linear, a traditional full-service title and closing business with a national U.S. footprint, significantly expanding Real Matters' total addressable market. Linear currently services Tier 3 and Tier 4 mortgage lenders. Linear's services, primarily related to refinance transactions and which are provided exclusively in the U.S., include:

- **Title search:** Search property records and compile all necessary documents including active mortgages, liens, easements and deeds, as well as property tax information in the form of a tax certificate. The Company reviews every property's chain of title, legal description and tax certificates to verify that all past transactions involving the parcel of land were done properly and accurately, and it cures any deficiencies.
- **Title fee quoting:** Linear has created a database of closing costs including title insurance, settlement and recording fees and transfer taxes. The database drives greater First-Time Quality as it enables a more accurate disclosure of closing costs to borrowers, and it results in a superior borrower experience by reducing the occurrence of adjustments in fees due to errors or changes. Linear has also developed advanced algorithms that simultaneously compare multiple combinations of title fees available, providing significant potential cost savings to some borrowers.
- **Closing services:** Schedule and perform the closing of real estate transactions, prepare and review all documents for closing, including balancing the Closing Disclosure.
- **Escrow and Recording:** Disburse the funds in accordance with the lenders' instructions and record the mortgage with the appropriate county.
- **Collateral review services:** Provide lenders and servicers of closed mortgages a platform to cure problems on older files with missing information and to issue polices allowing the loans to be packaged and sold as investments.

Linear is a national independent provider of title and closing services in the U.S. with approximately 0.4% market share,[34] primarily providing services on refinance transactions. Approximately 70% of the title and closing market is serviced by local, independent title agencies.[35] The highly fragmented nature of competition provides a significant growth opportunity for a disruptive provider with a national footprint and the scale to compete, such as Real Matters.

The Company plans to leverage Linear's deep industry knowledge to bring the Company's Platform to the title and closing market. Initially, the Company plans to utilize the existing Linear platform to target Tier 3 and Tier 4 mortgage lenders that Solidifi currently serves. Over time, the Company plans to leverage its existing Platform to target the Tier 1 and Tier 2 mortgage lenders with whom the Company has MSAs.

The Company believes it can leverage its current MSAs and client relationships to gain market share in the title and closing business. Having already undergone the lengthy and rigorous process of becoming an approved service provider with these lenders, Real Matters believes it will be able to sell title and closing services to its clients under these agreements, accelerating the sales cycle and time to first transaction with Next Generation Closing.

Today, Linear primarily services the refinance market. Over time, the Company will look to expand to a greater share of the purchase market. The Company believes the combined purchase and refinance title market represents a current annual market spend of approximately $13.0 billion[36] and offers significant growth opportunities for Real Matters.

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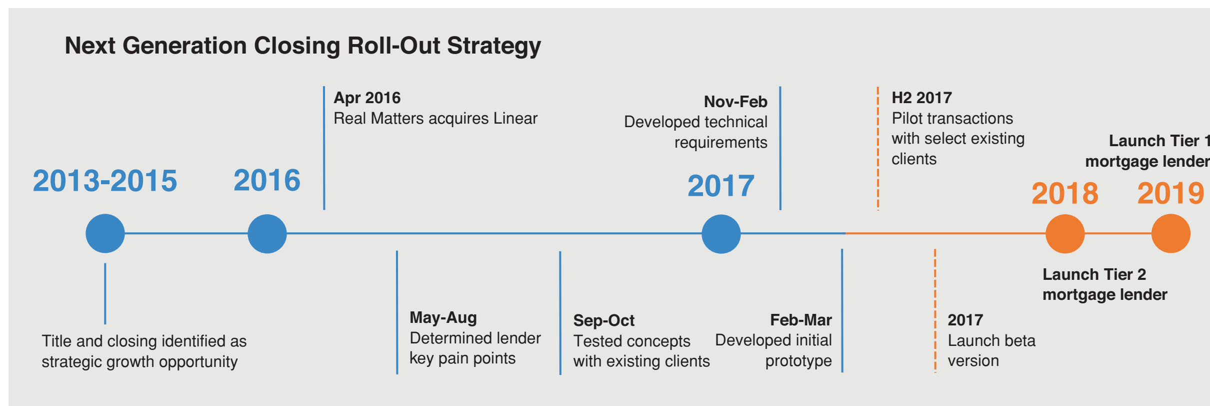
[34] Management estimate of Residential Title Written Premium Market Share based on data from the American Land Title Association for period ending September 30, 2016 and Demotech, Inc. for period ending December 31, 2015.

[35] American Land Title Association consolidated financial statements as of September 30, 2016.

[36] Title Written Premiums data from the American Land Title Association for period ending September 30, 2016.

Bringing the Real Matters Model to the Title and Closing Business to Drive Better Performance

Real Matters is currently in the process of building the business requirements for Next Generation Closing that will focus on servicing Tier 1 and Tier 2 mortgage lenders. The Company expects to be in pilot during 2017 while soliciting input from the Company's Tier 1 clients. Management estimates that it will roll out its Next Generation Closing Platform in 2018 and that it will be in a position to launch with its first Tier 1 mortgage lender by 2019. Real Matters does not anticipate any material incremental technology investment being required during this period in respect of Next Generation Closing.



See "The Company's Services".

Competitive Strengths

Real Matters' business has several key competitive strengths, including:

- **The Company's technology cannot be easily replicated:** Real Matters has invested significantly to build its proprietary technology. Real Matters believes its technology creates a differentiated long-term competitive advantage to traditional service providers by addressing key issues within the mortgage lending and insurance industries. The Company follows a disciplined approach to software development and continuously invests in new technology innovations and functionality to enhance its technology. This disciplined software development model has allowed Real Matters to focus development costs into a single, robust technology offering that can be expanded to additional services.
- **Scalable Platform with significant network effect:** Real Matters believes it has a highly attractive and scalable business model derived from its Platform. The Company's significant independent Field Agent network, network management capabilities and technology are designed to accommodate foreseeable growth in clients and transaction volume for appraisals. Real Matters is also able to make cost effective investments to meet evolving regulatory and compliance requirements, further increasing the value proposition to its clients. The Company's source code is the same for all clients and when new features and functionalities are deployed, they are made available to all clients. These advantages allow the Company to add new clients with limited incremental cost. As a result, Real Matters believes it will continue to achieve more attractive margins as its revenues increase and its Platform scales.
- **Large, blue-chip client base:** Real Matters' clients include approximately 60[37] of the top 100[38] mortgage lenders in the U.S. Given its performance track record, the Company has developed deep, long-term client relationships that have proven to be loyal over time, with a client retention rate of approximately 95%.[39]
- **Established brand equity and loyalty with Field Agents:** The features and functionality of Real Matters' technology and its business model have allowed the Company to attract some of North America's best

[37] Based on having completed at least one transaction with Real Matters in the calendar year ended December 31, 2016.

[38] Top 100 mortgage lenders according to *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016).*

[39] Retention rate calculated since launch based on the number of clients who have completed at least one transaction with the Company in the fiscal year ended September 30, 2016. Based on those Real Matters clients listed on *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016).*

performing Field Agents. Field Agents are able to see scorecards and key performance indicators that they can use to increase productivity and compete for more business in the Company's marketplace. As a result, Real Matters has established a consistently strong track record of performance with clients, which has served to build loyalty to and brand equity of the Company in the Field Agent community. Real Matters believes it is able to pay Field Agents more than competitors, further enhancing its brand equity.

- **Significant barriers to entry to new entrants and competitors:** Management believes that the sales cycle to become a service provider to Tier 1 mortgage lenders can take up to five years, as it includes a lengthy and rigorous process that involves multi-stage client engagement activities, including multiple audits. The Company's established relationships and associated volume with tens of thousands of Field Agents also presents a significant barrier to entry for new entrants and an advantage over existing competitors.
- **Established track record of profitable growth:** Real Matters has grown both organically and through acquisitions. The Company has been Adjusted EBITDA positive since the fiscal year ended September 30, 2012. Net Revenue and Adjusted EBITDA have grown at a CAGR of 75.7% and 143.1%, respectively, from 2014 to 2016. See "Non-GAAP Financial Measures", "Prospectus Summary — Summary Financial Information" and "Management's Discussion and Analysis — Non-GAAP Measures" for a description of how the Company calculates non-GAAP measures and for reconciliations thereof to the most comparable GAAP measures.
- **Proven management team with deep industry knowledge:** Real Matters was founded in 2004 by Jason Smith and a team of proven technology industry entrepreneurs with deep expertise in the real estate, lending and insurance industries. Real Matters applies technology to key opportunities for improvement in the mortgage industry, in particular the speed, cost and efficiency of the underwriting process. The management team is composed of experienced professionals that have an average 20-year tenure in the mortgage and technology industries.

See "Competitive Strengths".

Growth Strategy

Real Matters has deliberately adopted a controlled and focused growth strategy. This strategy is supported by a consistent focus on profit and scalable software development discipline, and by continuing to drive innovation in network management services and technology.

Real Matters believes that it has several levers to continue driving growth in the near term:

- **Continue to grow residential mortgage appraisal market share:** The current total annual market spend for residential mortgage appraisals services in the U.S. is estimated at approximately $3.2 billion.[40] The Company recently entered into MSAs with five Tier 1 mortgage lenders. Tier 1 mortgage lenders currently account for approximately 30% of U.S. residential mortgage appraisal spend.[41] The Company recently launched these clients and believes its market share with these clients will increase substantially over the next five years.
- **Disrupt the title and closing market:** The total current U.S. annual market spend, in terms of written premiums, for the title and closing market is estimated at approximately $13.0 billion.[42] The Company will seek to repeat its successful approach in the residential mortgage appraisal market and leverage its Platform to disrupt the title and mortgage closing process, it will be able to drive better performance and garner a larger share of the title and closing business of its existing Tier 2 and Tier 1 clients. The Company believes it can leverage its existing MSAs with mortgage lenders in the U.S., including all Tier 1 mortgage lenders, to accelerate the sales cycle and time to first transaction with these lenders.
- **Continue to pursue acquisition opportunities:** Real Matters has a track record of acquiring traditional businesses and effectively integrating them with its Platform in order to scale and deliver better performance and generate high Contribution Margins. The Company will continue to seek other strategic acquisitions in its existing business or new business lines that can leverage the Company's Platform and complement its existing businesses.

See "Growth Strategy".

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40 Management estimates based on data for calendar year 2016 from the MBA Mortgage Finance Forecast Report of February 15, 2017.

41 Based on *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016)*, management estimates that Tier 1, Tier 2 and Tier 3 mortgage lenders currently account for approximately 30%, 28% and 35% of the mortgage appraisal spend in the U.S., respectively (assuming an allocation of 8% mortgage appraisal spend to Tier 4 mortgage lenders).

42 Title Written Premiums data from the American Land Title Association for period ending September 30, 2016.

THE OFFERING

Issuer:	Real Matters Inc.
Selling Shareholders:	Cymbria Corporation, EdgePoint Canadian Portfolio, EdgePoint Canadian Growth & Income Portfolio, EdgePoint Wealth Management Inc., Cypress Capital Management Ltd., AGF Canadian Growth Equity Class, London Life Growth Equity, Great West Life Growth Equity, Fiera Capital Corporation, 370271 Ontario Limited, Property Values Income and Common Shares LP, Mosaic Capital Corp., Maplecastle Corporation, Heidi Blackburn and the estate of Alistair Blackburn.
Offering:	C$156,730,418 (C$180,239,982 assuming the Over-Allotment Option is exercised in full).
Offering Price per Share:	C$13.00.
Total Number of Shares Offered:	12,056,186 Shares (13,864,614 Shares assuming the Over-Allotment Option is exercised in full).
Treasury Offering:	C$125,060,000 (C$144,909,648 assuming the Over-Allotment Option is exercised in full).
Secondary Offering:	C$31,670,418 (C$35,330,334 assuming the Over-Allotment Option is exercised in full).
Over-Allotment Option:	The Company and each of the Selling Shareholders (except the Blackburn Shareholders), on a *pro rata* basis, has agreed to grant to the Underwriters the Over-Allotment Option exercisable for a period of 30 days from the Closing Date to purchase up to an additional 1,808,428 Shares (representing 15% of the Shares offered under this prospectus) at the Offering Price to cover over-allocations, if any, and for market stabilization purposes. See "Plan of Distribution".
Shares Outstanding:	An aggregate of 86,862,348 Shares will be issued and outstanding immediately upon completion of the Offering (88,389,244 Shares if the Over-Allotment Option is exercised in full), excluding Shares that may be issued upon exercise of outstanding options, warrants or other convertible securities issued by the Company. See "Description of Share Capital".
Shares held by the Selling Shareholders Following Closing:	Upon completion of the Offering (but without giving effect to the exercise of the Over-Allotment Option), the Selling Shareholders will, collectively, directly or indirectly, own or control an aggregate of 17,925,977 Shares, representing approximately 20.64% of the issued and outstanding Shares (17,644,449 Shares, representing approximately 19.96% of the issued and outstanding Shares, if the Over-Allotment Option is exercised in full). See "Principal and Selling Shareholders".
Use of Proceeds:	The Company expects to receive approximately C$113,756,400 in net proceeds from the Treasury Offering (C$132,415,069 if the Over-Allotment Option is exercised in full), after deducting the Company's share of the Underwriters' Commissions payable by the Company to the Underwriters in connection with the Treasury Offering and the estimated expenses of the Offering, which are expected to be C$3,800,000.

The Company intends to use the net proceeds from the Treasury Offering as follows: approximately C$26.0 million to discharge deferred purchase price obligations under the Linear acquisition; and approximately C$20.2 million to fully repay outstanding indebtedness under the Credit Facility, including accrued interest thereon. The remaining net proceeds from the Treasury Offering are expected to be used to accomplish the business objectives of the Company (see "Growth Strategy") which include (i) continuing to grow residential mortgage appraisal market share, (ii) disrupting the mortgage closing market and (iii) continuing to pursue acquisition opportunities, as well as for working capital, general corporate purposes and investments in new services, technologies or businesses that expand, complement or are otherwise related to the Company's current business.

The Company will not receive any of the proceeds from the Secondary Offering.

See "Use of Proceeds".

Lock-Up Arrangements: Each of the Company's executive officers, directors and employees has agreed, subject to certain exceptions, to not, directly or indirectly, sell, grant an option for the sale of, or otherwise dispose or monetize, or offer or announce any intention to do so, in a public offering or by way of a private placement or otherwise, any Shares, retained interest securities, or any securities convertible or exchangeable into such Shares, in each case held by such shareholder immediately prior to the Offering, for a period of 180 days after the Closing Date. In addition, each other shareholder holding more than 0.5% of the Shares outstanding immediately prior to the Offering has agreed, subject to certain exceptions, to not, directly or indirectly, sell, grant an option for the sale of, or otherwise dispose or monetize, or offer or announce any intention to do so, in a public offering or by way of a private placement or otherwise, 80% of the Shares, retained interest securities, or any securities convertible or exchangeable into such Shares, in each case held by such shareholder immediately prior to the Offering, for a period of 180 days after the Closing Date. The total number of Shares subject to the Lock-Up Arrangements is equal to approximately 76% of the total issued and outstanding Shares immediately prior to Closing. See "Plan of Distribution — Lock-Up Arrangements".

Dividend Policy: The Company has not paid cash dividends to its shareholders to date and does not currently anticipate paying cash dividends on the Shares in the foreseeable future. The Company's current policy is to retain cash flows to finance the development and enhancement of its services and to otherwise reinvest in the Company's business. See "Description of Share Capital".

Risk Factors: An investment in the Shares is speculative and involves a high degree of risk. Prospective purchasers should carefully consider the information set out under "Risk Factors" and the other information in this prospectus before purchasing Shares.

SUMMARY FINANCIAL INFORMATION

The following table sets out historical and *pro forma* summary consolidated financial information of the Company, in each case, for the periods ended and as of the dates indicated. The selected consolidated financial information of the Company has been derived from the audited consolidated financial statements of the Company as at and for the years ended September 30, 2016, 2015 and 2014, and the unaudited interim condensed consolidated financial statements for the three months ended December 31, 2016 and 2015, appearing elsewhere in this prospectus.

The unaudited interim condensed consolidated financial information presented has been prepared on a basis consistent with the Company's audited consolidated financial statements. In the opinion of management, such unaudited financial data reflects all adjustments necessary for the fair presentation of results for those periods. The selected unaudited *pro forma* condensed financial information for the fiscal year ended September 30, 2016 has been derived from the unaudited *pro forma* condensed consolidated financial statements of the Company appearing elsewhere in this prospectus and give effect to the transaction described in the notes to those statements as if it had occurred on October 1, 2015 for the unaudited *pro forma* condensed consolidated statements of operations.

The selected *pro forma* condensed financial information is unaudited, for informational purposes only, and not necessarily indicative of what the Company's results of operations would have been had such transaction been completed as at the date indicated and does not purport to represent what the Company's results of operations might be for any future period.

The summary financial information should be read in conjunction with the Company's annual and unaudited interim condensed consolidated financial statements and the related notes as well as "Management's Discussion and Analysis", "Description of Share Capital — Pre-Closing Capital Changes", "Use of Proceeds", "Non-GAAP Financial Measures" and the unaudited *pro forma* condensed consolidated financial statements of the Company.

Summary Consolidated Financial Information
(in thousands of U.S. dollars except share and net income or loss per share amounts)

	Three Months Ended December 31,		Fiscal Year Ended September 30,			
	2016	2015	Pro Forma 2016[1]	2016	2015	2014
Revenues	$ 78,894	$ 44,491	$276,490	$248,547	$170,495	$114,589
Transaction costs[2]	52,877	35,223	189,679	180,247	136,821	92,473
Operating expenses	20,522	8,382	71,564	55,476	28,412	19,946
Acquisition and IPO costs	421	—	803	3,005	391	—
Amortization	5,198	1,341	22,232	14,001	4,165	2,892
Other	913	94	2,461	2,788	5,544	1,003
Loss before income tax expense (recovery)	(1,037)	(549)	(10,249)	(6,970)	(4,838)	(1,725)
Total income tax expense (recovery)	1,248	(324)	(2,203)	(891)	265	(815)
Net loss	**(2,285)**	**(225)**	**(8,046)**	**(6,079)**	**(5,103)**	**(910)**
Other comprehensive (loss) income						
Items that will be reclassified to net income or loss						
Foreign currency translation adjustment	(3,545)	530	(2,511)	(2,511)	(1,333)	(1,908)
Comprehensive (loss) income	**$ (5,830)**	**$ 305**	**$ (10,557)**	**$ (8,590)**	**$ (6,436)**	**$ (2,818)**
Net loss — attributable to common shareholders	$ (2,335)	$ (225)	$ (8,266)	$ (6,281)	$ (5,103)	$ (910)
Net income — attributable to non-controlling interests	$ 50	$ —	$ 220	$ 202	$ —	$ —
Comprehensive (loss) income — attributable to common shareholders	$ (5,880)	$ 305	$ (10,777)	$ (8,792)	$ (6,436)	$ (2,818)
Comprehensive income — attributable to non-controlling interests	$ 50	$ —	$ 220	$ 202	$ —	$ —
Net loss per weighted average share, basic	$ (0.02)	$ (0.00)	$ (0.06)	$ (0.05)	$ (0.04)	$ (0.01)
Net loss per weighted average share, diluted	$ (0.02)	$ (0.00)	$ (0.06)	$ (0.05)	$ (0.04)	$ (0.01)
Weighted average number of Shares outstanding (thousands), basic	150,256	127,760	150,256	138,977	120,184	109,875
Weighted average number of Shares outstanding (thousands), diluted	165,520	138,642	164,490	153,211	132,304	117,969

Notes:

(1) *Pro forma* results give effect to the acquisition of Linear as if the transaction closed on October 1, 2015 as opposed to its actual closing date of April 1, 2016.

(2) Transaction costs comprise expenses that are directly attributable to a specific revenue transaction including: appraisal costs, various processing fees, including credit card fees, connectivity fees, insurance inspection costs, title and closing agent costs, external abstractor costs and external quality review costs.

Reconciliation of net loss to Adjusted EBITDA
(in thousands of U.S. dollars)

	Three Months Ended December 31,		Fiscal Year Ended September 30,			
	2016	2015	Pro Forma 2016	2016	2015	2014
Net loss	$(2,285)	$ (225)	$ (8,046)	$ (6,079)	$ (5,103)	$ (910)
Stock-based compensation expense	—	—	—	—	—	—
Acquisition and IPO costs	421	—	803	3,005	391	—
Amortization	5,198	1,341	22,232	14,001	4,165	2,892
Interest expense	254	95	774	687	513	698
Interest income	—	(1)	(26)	(20)	(46)	(111)
Net foreign exchange (gain) loss	(3,741)	1	(2,841)	(2,841)	2	—
Loss (gain) of fair value of warrants	4,505	(1)	5,437	5,437	5,075	416
Net income from equity accounted investees	(105)	—	(883)	(475)	—	—
Income tax expense (recovery)	1,248	(324)	(2,203)	(891)	265	(815)
Adjusted EBITDA	**$ 5,495**	**$ 886**	**$ 15,247**	**$ 12,824**	**$ 5,262**	**$ 2,170**

Management typically calculates Adjusted EBITDA as follows:
(in thousands of U.S. dollars)

	Three Months Ended December 31,		Fiscal Year Ended September 30,			
	2016	2015	Pro Forma 2016	2016	2015	2014
Revenues	$78,894	$44,491	$276,490	$248,547	$170,495	$114,589
Less: Transaction costs	52,877	35,223	189,679	180,247	136,821	92,473
Less: Operating expenses	20,522	8,382	71,564	55,476	28,412	19,946
Add: Stock-based compensation expense	—	—	—	—	—	—
Adjusted EBITDA	**$ 5,495**	**$ 886**	**$ 15,247**	**$ 12,824**	**$ 5,262**	**$ 2,170**

Reconciliation of net loss to Net Revenue
(in thousands of U.S. dollars)

	Three Months Ended December 31,		Fiscal Year Ended September 30,			
	2016	2015	Pro Forma 2016	2016	2015	2014
Net loss	$(2,285)	$ (225)	$ (8,046)	$ (6,079)	$ (5,103)	$ (910)
Operating expenses	20,522	8,382	71,564	55,476	28,412	19,946
Acquisition and IPO costs	421	—	803	3,005	391	—
Amortization	5,198	1,341	22,232	14,001	4,165	2,892
Interest expense	254	95	774	687	513	698
Interest income	—	(1)	(26)	(20)	(46)	(111)
Net foreign exchange (gain) loss	(3,741)	1	(2,841)	(2,841)	2	—
Loss (gain) of fair value of warrants	4,505	(1)	5,437	5,437	5,075	416
Net income from equity accounted investees	(105)	—	(883)	(475)	—	—
Income tax expense (recovery)	1,248	(324)	(2,203)	(891)	265	(815)
Net Revenue	**$26,017**	**$ 9,268**	**$ 86,811**	**$ 68,300**	**$ 33,674**	**$ 22,116**

Management typically calculates Net Revenue as follows:
(in thousands of U.S. dollars)

	Three Months Ended December 31,		Fiscal Year Ended September 30,			
	2016	2015	Pro Forma 2016	2016	2015	2014
Revenues	$78,894	$44,491	$276,490	$248,547	$170,495	$114,589
Less: Transaction costs	52,877	35,223	189,679	180,247	136,821	92,473
Net Revenue	**$26,017**	**$ 9,268**	**$ 86,811**	**$ 68,300**	**$ 33,674**	**$ 22,116**

Reconciliation of net loss to Adjusted Net Income
(in thousands of U.S. dollars)

	Three Months Ended December 31,		Fiscal Year Ended September 30,			
	2016	2015	Pro Forma 2016	2016	2015	2014
Net loss	$(2,285)	$ (225)	$ (8,046)	$ (6,079)	$ (5,103)	$ (910)
Stock-based compensation expense	—	—	—	—	—	—
Acquisition and IPO costs	421	—	803	3,005	391	—
Net foreign exchange (gain) loss	(3,741)	1	(2,841)	(2,841)	2	—
Loss (gain) of fair value of warrants	4,505	(1)	5,437	5,437	5,075	416
Amortization of intangibles	4,814	1,189	20,545	12,839	3,612	2,238
Related tax effects	(1,818)	(449)	(8,590)	(6,389)	(2,749)	(824)
Adjusted Net Income	**$ 1,896**	**$ 515**	**$ 7,308**	**$ 5,972**	**$ 1,228**	**$ 920**

Consolidated Statement of Financial Position Data
(in thousands of U.S. dollars)

	As at December 31, 2016	As at September 30,		
		Pro Forma 2016	2016	2015
Cash	$ 20,189	$ 26,687	$ 26,687	$21,936
Working capital	$ 14,195	$ 10,596	$ 10,596	$22,582
Property and equipment	$ 3,924	$ 4,032	$ 4,032	$ 1,788
Total assets	$179,236	$190,864	$190,864	$78,752
Long-term debt (including current portion)	$ 15,468	$ 15,791	$ 15,791	$ 9,571
Total liabilities	$ 77,553	$ 83,326	$ 83,326	$30,266
Total equity	$101,683	$107,538	$107,538	$48,486

Consolidated Statement of Cash Flows Data
(in thousands of U.S. dollars)

	Three Months Ended December 31,		Fiscal Year Ended September 30,		
	2016	2015	2016	2015	2014
Cash (utilized in) generated from					
Operating activities	$(5,688)	$(1,840)	$ 4,191	$ 7,377	$(2,164)
Investing activities	$ (166)	$ (292)	$(48,088)	$(29,821)	$(1,911)
Financing activities	$ (588)	$ (225)	$ 48,831	$ 31,914	$18,312

CORPORATE STRUCTURE

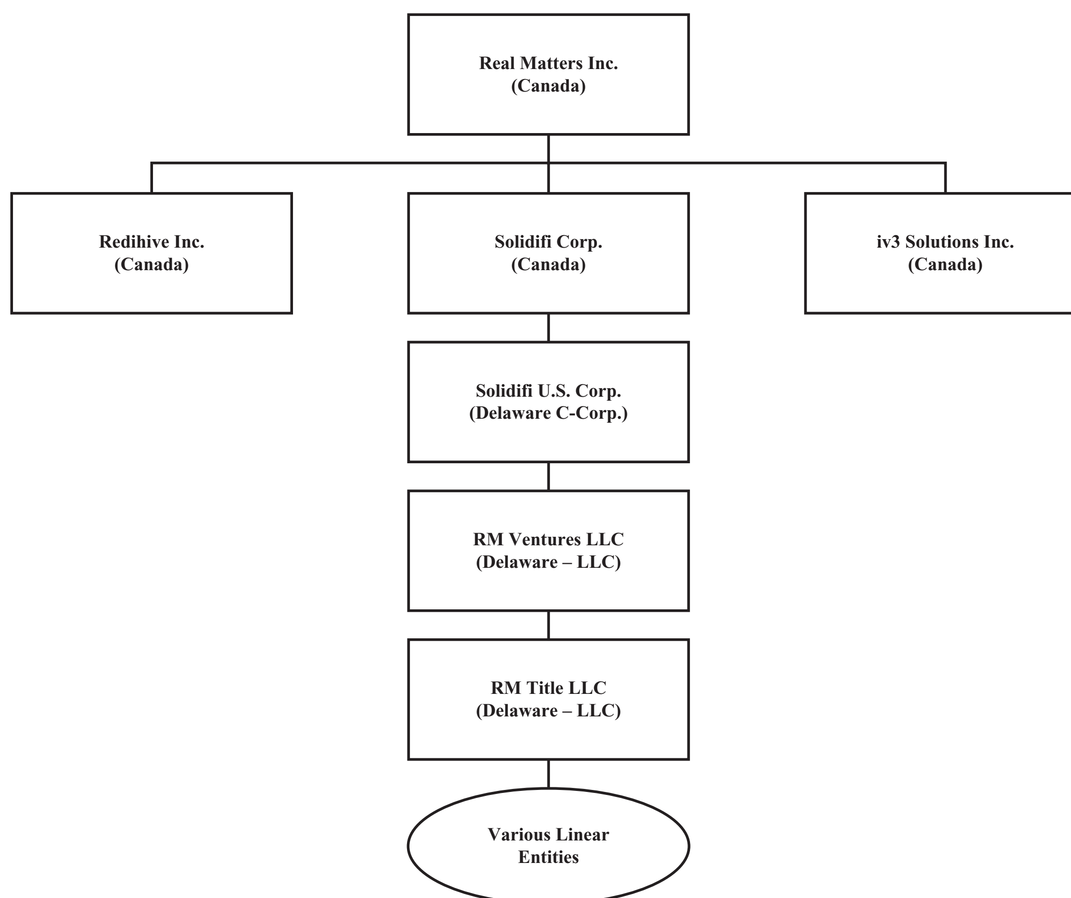
The Company was incorporated under the CBCA on October 18, 2004 as 4265408 Canada Inc. On November 1, 2004, the Company was renamed Solidifi Inc. and was subsequently renamed Real Matters Inc. on July 27, 2010.

On February 24, 2006, the articles of the Company were amended to reflect the change of rights, privileges, restrictions and conditions attaching to the Class A and Class B shares of the Company. On June 22, 2009, the Company amended its articles to change its maximum number of directors to 10. On October 31, 2016, the Company's articles were amended to remove the restriction on the number of shareholders the Company may have and to remove restrictions on the transfer of shares once the Company completes a public offering.

Prior to completion of the Offering, the Company's articles will be amended to give effect to the Pre-Closing Capital Changes, which will include amending the articles to effect the Consolidation, to reconstitute the Class A shares of the Company as common shares, to delete the Class B shares of the Company and to create the Preferred Shares.

The Company's head and registered office is located at 50 Minthorn Boulevard, Suite 401, Markham, Ontario L3T 7X8.

The following chart identifies the Company's material subsidiaries (including jurisdiction of formation or incorporation of the various entities). All subsidiaries are wholly-owned, directly or indirectly, by the Company.



THE COMPANY'S BUSINESS

Overview

Real Matters is a leading network management services provider for the mortgage lending and insurance industries. Real Matters' Platform combines its proprietary technology and network management capabilities with tens of thousands of independent qualified Field Agents to create an efficient marketplace for the provision of mortgage lending and insurance industry services. The Platform facilitates competition between Field Agents, such as residential real estate appraisers, to deliver performance-driven services, which brings superior quality, transparency and efficiency to Real Matters' clients.

Real Matters' Platform was created to address key issues within the mortgage lending and insurance industries. The Company built its Platform to create a long-term competitive advantage relative to traditional service providers, who have comparatively high-touch, labour intensive and costly operations. Through its Platform, Real Matters is able to deliver services faster and with fewer errors. The efficiencies provided by the Platform allow for fewer touch points, which reduces the Company's cost structure and results in high Contribution Margins for Real Matters. See "Non-GAAP Financial Measures", "Prospectus Summary — Summary Financial Information" and "Management's Discussion and Analysis — Non-GAAP Measures" for a description of how the Company calculates non-GAAP measures and for reconciliations thereof to the most comparable GAAP measures.

The Company has realized significant success and disrupted segments of the mortgage lending and insurance industries. Real Matters regularly ranks above its competitors on service level benchmarking data that it receives from clients, with lower error rates and faster turn times. Based on its performance, the Company has been able to obtain an increase in market share with its clients, often obtaining an outsized allocation of transaction volume relative to its competitors due to its performance advantages. This has resulted in significant growth as the Company has increased its market share and expanded its client base. Today, Real Matters is a leading provider of residential mortgage appraisal, title and closing and insurance inspection services.

Real Matters operates different brands focused on separate market segments in the U.S. and Canada. Real Matters services the U.S. and Canadian residential mortgage industry through its Solidifi and Linear brands, and the Canadian property and casualty insurance industry through its iv3 brand.

Real Matters has a strong client base, which has experienced significant growth. In the U.S., Real Matters' clients include approximately 60[43] of the top 100[44] mortgage lenders, including all Tier 1 mortgage lenders. The Company:

- provides approximately one in 20 residential mortgage appraisals in the U.S. and has approximately 5% market share;[45] and
- is a national independent provider of title and closing services in the U.S. and has approximately 0.4% market share.[46]

In Canada, Real Matters' clients include a majority of the largest Canadian chartered banks as well as some of North America's largest insurance companies. The Company provides:

- residential mortgage appraisals to three of the Big Five Banks and has approximately 16% market share;[47] and
- residential and commercial property insurance inspections to nine of the top 15 insurance carriers[48] in Canada and has approximately 12% market share.[49]

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[43] Based on having completed at least one transaction with Real Matters in the calendar year ended December 31, 2016.

[44] Top 100 mortgage lenders according to *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016).*

[45] Management estimates based on data from the MBA Mortgage Finance Forecast Report of February 15, 2017.

[46] Management estimate of Residential Title Written Premium Market Share based on data from the American Land Title Association for period ending September 30, 2016 and Demotech, Inc. for period ending December 31, 2015.

[47] Based on management estimates.

[48] Facts of the Property and Casualty Insurance Industry in Canada 2016, published by Insurance Bureau of Canada (IBC).

[49] Based on management estimates.

The total annual market spend for services offered by Real Matters was estimated by the Company to be approximately $16.0 billion in 2016, which represents the current estimated annual spend by mortgage lenders on residential mortgage appraisal services and written premiums for title insurance services provided by the Company in the U.S., and residential mortgage appraisal and insurance inspection services provided by the Company in Canada.[50]

Real Matters takes a long-term view to manage and measure the success of its ongoing business strategy. In this regard, the Company's principal focus is on market share growth. The Company seeks to achieve market share increases irrespective of residential mortgage origination market conditions. Market share growth can be achieved through both the onboarding of new customers to Real Matters' Platform and by increasing market share within its existing client base, including recently onboarded clients. The mortgage market and residential mortgage originations are subject to the influence of many external factors, such as broader economic conditions and fluctuating interest rates, over which the Company has no control.

Real Matters believes it has substantial growth opportunities to expand its market share within its existing total addressable market. The Company recently entered into MSAs with five Tier 1 mortgage lenders, four of which have begun generating revenue under MSAs prior to December 31, 2016, and which the Company believes will incrementally increase revenue over time. Tier 1 mortgage lenders currently account for approximately 30% of the mortgage appraisal spend in the U.S.[51] Real Matters believes its market share will increase as a result of these contract wins. The Company also recently entered the real estate title and closing business through the acquisition of a traditional independent title agency company. Real Matters plans to leverage its Platform and existing client relationships to disrupt the real estate closing process and grow market share in this market.

The Company's outlook is predicated on the factors identified under "Management's Discussion and Analysis — Strategy and Outlook". If the Company successfully executes its plan, the Company believes significant growth opportunities exist and over the next five years it expects to:

- increase the Company's U.S. residential mortgage appraisal market share to between 15% and 20% from approximately 5% today;[52]
- increase the Company's U.S. title and closing market share to between 1% and 3% from approximately 0.4% today;[53]
- increase revenues by a CAGR of 20% to 25%, from base year Fiscal 2016;
- achieve its target Net Revenue margins of 35% to 40%; and
- achieve its target Adjusted EBITDA margins of 25% to 30%.

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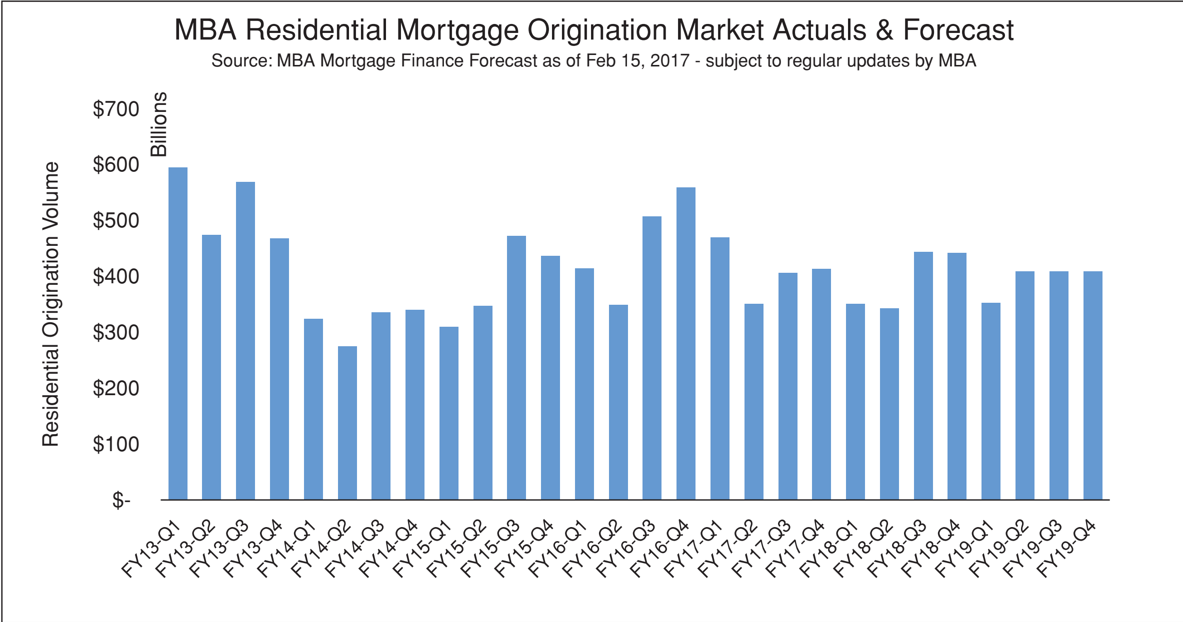
[50] Management estimates of the residential mortgage appraisal market size of calendar 2016 based on data from the MBA Mortgage Finance Forecast Report of February 15, 2017, plus management estimates of the title market size measured by written premium based data from American Land Title Association Data for the nine month period ended September 30, 2016.

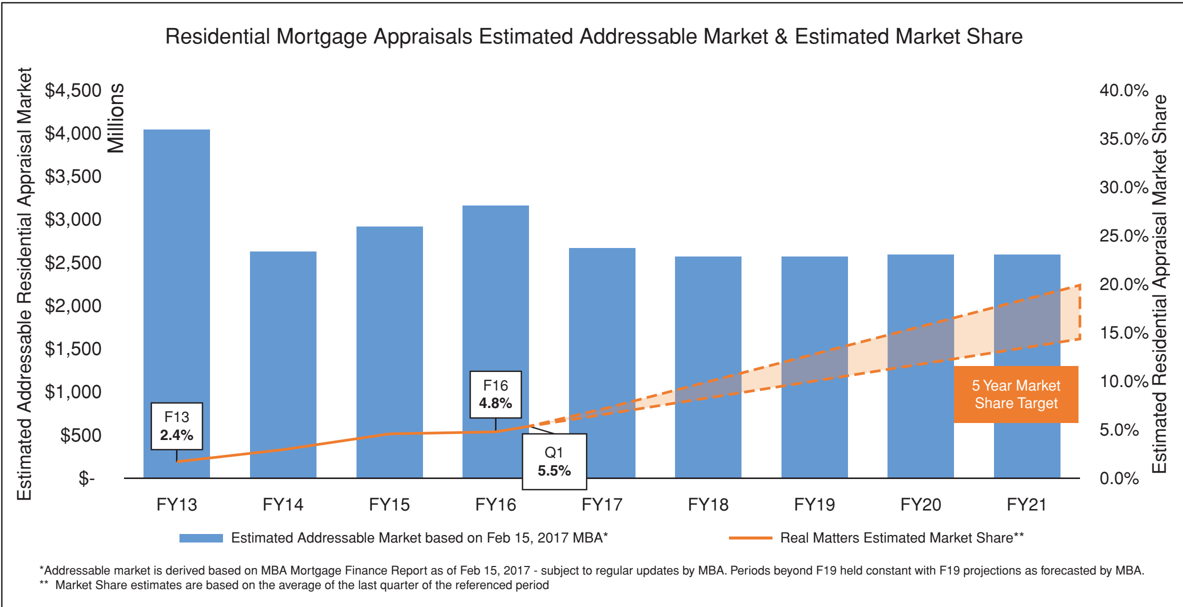
[51] Based on *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016)*, management estimates that Tier 1, Tier 2 and Tier 3 mortgage lenders currently account for approximately 30%, 28% and 35% of the mortgage appraisal spend in the U.S., respectively (assuming an allocation of 8% mortgage appraisal spend to Tier 4 mortgage lenders).

[52] Management estimates based on data from the MBA Mortgage Finance Forecast Report of February 15, 2017.

[53] Management estimate of Residential Title Written Premium Market Share based on data from the American Land Title Association for period ending September 30, 2016 and Demotech, Inc. for period ending December 31, 2015.



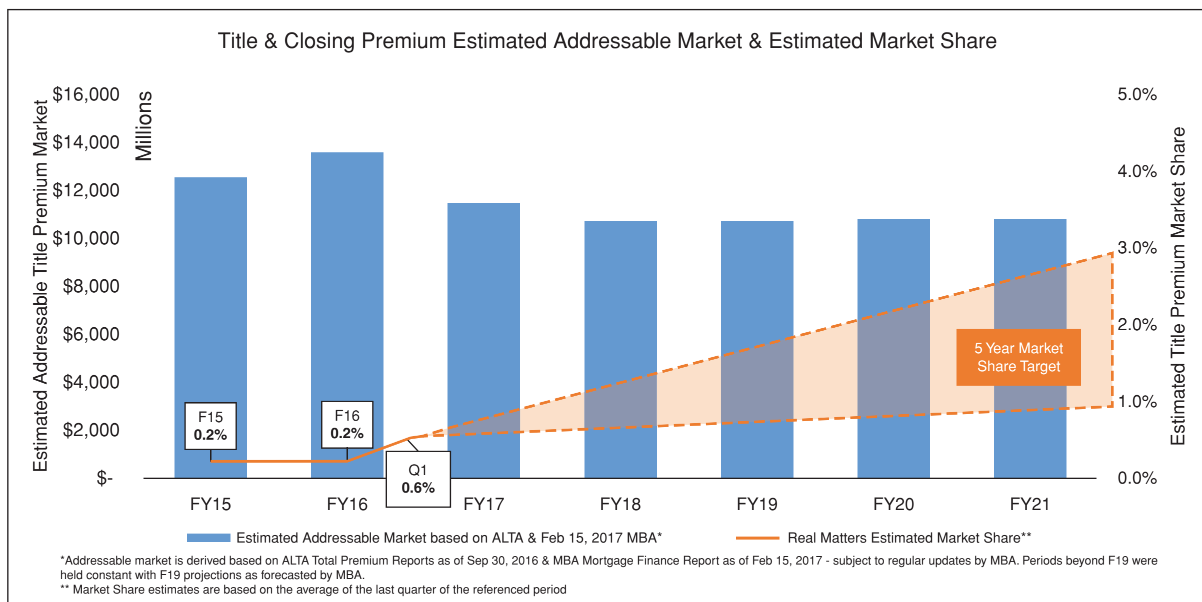
[54]



[55]

[54] Market forecasts are from the MBA Mortgage Finance Forecast Report of February 15, 2017. The MBA regularly updates its forecasts, and actual future market size may vary substantially from the current MBA forecast.

[55] The Estimated Addressable Market beginning in Fiscal 2017 is derived from the MBA Mortgage Finance Forecast Report of February 15, 2017 and adjusted to reflect the portions of the market that are addressable by Real Matters. The MBA Mortgage Finance Forecast Report only estimates the market size up to Fiscal 2019. Market size estimates for future periods reflected herein are set at the MBA market size estimate for Fiscal 2019. The MBA Mortgage Finance Forecasts are regularly updated, and actual future market size may vary substantially from the current MBA forecast. The Real Matters Estimated Market Share is an illustration of Real Matters' projected five year market share target growth and is not a projection or illustration of the trajectory of said market share growth. Real Matters provides no projections or estimates as to the trajectory of its target market share growth.



[56]

Real Matters' performance track record has enabled the Company to deliver strong revenue growth and high Contribution Margins. The Company has been Adjusted EBITDA positive since the fiscal year ended September 30, 2012. For the fiscal year ended September 30, 2016, Real Matters recorded Net Revenue of $68.3 million and Adjusted EBITDA of $12.8 million. The Company's Net Revenue and Adjusted EBITDA have grown at a CAGR of 75.7% and 143.1%, respectively, from 2014 to 2016. See "Non-GAAP Financial Measures", "Prospectus Summary — Summary Financial Information" and "Management's Discussion and Analysis — Non-GAAP Measures" for a description of how the Company calculates non-GAAP measures and for reconciliations thereof to the most comparable GAAP measures.

INDUSTRY OVERVIEW

Real Matters services the residential mortgage industry in the U.S. and Canada and the insurance inspection industry in Canada.

U.S. Industry

According to the MBA, the size of the U.S. residential mortgage origination market was estimated at $1.9 trillion in 2016, which includes purchase and refinance originations. The U.S. mortgage industry is large and complex with multiple parties required to complete any transaction.

[56] The Estimated Addressable Market beginning in Fiscal 2017 is derived from the size of the market expressed in the American Land Title Association Total Premium Report as of September 30, 2016, and then adjusted to reflect fluctuations in the projected mortgage origination market size set out in the MBA Mortgage Finance Forecast Report of February 15, 2017. The American Land Title Association publishes a new Total Premium Report on a quarterly basis. The MBA Mortgage Finance Forecast Report only estimates the market size up to Fiscal 2019. Market size estimates for future periods reflected herein are derived based on the MBA market size estimate for Fiscal 2019. The MBA Mortgage Finance Forecasts are regularly updated, and actual future market size may vary substantially from the current MBA forecast. The Estimated Addressable Market reflected herein includes both the residential and commercial title premium markets, but the Real Matters Estimated Market Share is an estimate of the Company's share of the residential title premium market only. The Real Matters Estimated Market Share is an illustration of Real Matters' projected five year market share target growth and is not a projection or illustration of the trajectory of said market share growth. Real Matters provides no projections or estimates as to the trajectory of its target market share growth.

Recent Trends in the Industry

The mortgage market has seen significant changes over the past few years.

- **Increased regulation:** Most U.S. mortgage market participants have become subject to increasing regulatory oversight and regulatory requirements as federal and state governments have enacted various new laws, rules and regulations. Real Matters believes mortgage lenders have become more reliant on third-party service providers capable of assisting them to comply with this increased regulatory oversight burden.

- **Lenders increasingly focused on core operations:** As a result of increased volatility in the mortgage market, greater regulatory scrutiny and the higher cost of doing business, Real Matters believes mortgage lenders have become increasingly focused on their core operations. Lenders have shifted from affiliate business models and in-house technologies to obtaining key services, such as appraisal services, from third-party providers. Real Matters believes that very few third-party providers have the scale and regulatory infrastructure required to meet both the technological efficiency and high regulatory standards that lenders require.

- **Lenders increasingly focused on end consumer:** Given the importance of the customer relationship, Real Matters believes that mortgage lenders have become increasingly focused on providing best-in-class services and experiences to their customers. Appraisals and title and closing services require significant interactions between borrowers and third-party service providers, and these interactions have a significant impact on the customer experience. Real Matters believes there is a significant opportunity to improve the borrower experience related to appraisals and closings.

- **Growing role of technology:** Mortgage lenders have become increasingly focused on technology to operate more efficiently. Real Matters believes that third-party service providers must be able to support the complexity in the market, display extensive industry knowledge and possess the financial resources to make the necessary investments in technology to support lenders.

Residential Mortgage Appraisals

Total annual lender spend for residential mortgage appraisal services in the U.S. for 2016 was estimated at approximately $3.2 billion[57] with Tier 1 mortgage lenders currently accounting for approximately 30% of the mortgage appraisal spend.[58] MBA expects the total market spend for U.S. residential mortgage appraisals to remain stable over the next three years.[59] These estimates are based on a variety of economic assumptions, including interest rates, that may differ from those assumed by the MBA.

A residential appraisal is a survey of a home by a qualified appraiser providing their expert opinion on the market value of a property. There are approximately 76,000 licensed appraisers in the U.S.[60] The typical price for an appraisal in the U.S. can range from $450 to $550.[61] Pricing varies by region, type of residential mortgage appraisal being conducted and property type. Appraisals are mandatory in the U.S. for most mortgage purchase transactions. Appraisals or other valuation services are typically conducted for most refinance transactions and home equity loans. Other common uses for appraisals include estate valuation, divorce settlements, probate, litigation and bankruptcies. In most cases, lenders or financial institutions order appraisals for mortgage loan assessment purposes and to comply with GSE requirements, and the cost of the appraisal is passed through to the borrower.

The North American residential mortgage appraisal market has historically been highly regulated, particularly in the U.S. where multiple levels of regulatory oversight exist, including federal banking regulators

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[57] Management estimates based on data for calendar year 2016 from the MBA Mortgage Finance Forecast Report of February 15, 2017.

[58] Based on *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016)*, management estimates that Tier 1, Tier 2 and Tier 3 mortgage lenders currently account for approximately 30%, 28% and 35% of the mortgage appraisal spend in the U.S., respectively (assuming an allocation of 8% mortgage appraisal spend to Tier 4 mortgage lenders).

[59] The MBA Mortgage Finance Forecast Report of February 15, 2017.

[60] Appraisal Institute — U.S. Valuation Profession Fact Sheet — June 2016.

[61] Management estimates based on Real Matters actuals of standard interior appraisals for calendar 2016.

and state appraiser boards. Under regulations established in 1989, appraisers have been required to be certified, licensed, independent and competent within their defined geographic coverage area for all regulated appraisal transactions.

Leading up to the financial crisis of 2008, lending institutions and regulators became increasingly concerned about the quality of the appraisals upon which lending decisions were based and the perceived influence of loan production staff on the appraised value of a home. Following the financial crisis, market practice shifted towards strict appraisal independence and quality guidelines due to increased regulation. Many banks exited internal valuation operations and shifted their focus to identifying the best service providers. Management estimates that approximately 80% of mortgage appraisal transactions are presently conducted by AMCs. Furthermore, banks have become increasingly focused on the quality of appraisals to reduce asset risk and meet more stringent GSE requirements, as well as shorter turn times which allow lenders to close loans faster. These facts have made lenders significantly more focused on finding the best available appraisers.

Title and Closing

Total current annual spend, in terms of written premiums, in the title and closing market is estimated at approximately $13.0 billion, consisting of both purchase and refinance transactions.[62] Title and closing services can be provided by title insurance underwriters through their direct operations, or independent title agents. Independent title agents provide all the services required to close a real estate or mortgage transaction, including title search, closing and escrow services and title policy issuance. Title agents act on behalf of underwriters of title insurance policies and retain the agent's portion of the premium paid for the title policy, which is the majority of the title insurance premium (typically 70-80%). The remaining portion of the premium is remitted to the underwriter as compensation for bearing the risk of loss in the event a claim is made under the policy. Premium splits can vary by geographic region, and in some states, premiums are fixed by regulation.

In some jurisdictions, the cost of a title insurance policy relative to the cost of a property transaction is about one-half to one percent of the purchase price. Title insurance consists of both an owner's and a lender's policy. The larger the purchase price, the larger the premium on an owner's title policy. The larger the loan, the larger the premium on a lender's policy. Today, Real Matters primarily conducts transactions for the refinance mortgages. Total title and closing fees for a residential refinance transaction can range from $800 to $1,000, which includes $500 to $700 for the title insurance premium.[63]

In the U.S., most lenders require lender's policies on mortgage loans for risk mitigation purposes and because Freddie Mac and Fannie Mae currently require title insurance on any loans they guarantee.

In residential real estate transactions, the borrower can select the title agent. The lender customarily suggests a title agency for most refinance transactions. For most purchase transactions, the real estate agent or the lender refers the borrower to a title agency.

The closing process is critical and represents a point of direct interaction between the borrower and a third-party service provider. In the case of a financed transaction, the lender will then send the title agency, attorney or escrow company the final mortgage package and other documentation for a closing. The title agency, attorney or escrow company then schedules a closing with the borrower(s) and often contracts a third-party agent (such as an attorney, notary or closing agent) to conduct the closing. This third-party agent is customarily paid only a small fee for conducting the closing and, as such, is not incented to provide the best experience for the borrower.

Canadian Industry

Real Matters serves the residential mortgage industry and the property and casualty insurance industry in Canada.

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[62] Title Written Premiums data from the American Land Title Association for period ending September 30, 2016.

[63] Management estimates based on Real Matters actuals for 2016.

Residential Mortgage Appraisals

The Canadian mortgage industry is highly concentrated, with the Big Five Banks accounting for approximately 80% of the approximate C$200 million annual residential mortgage appraisal spend.[64] However, growing regulatory pressures around property valuation risk are anticipated to increase the addressable market by increasing the overall appraisal rate from its current level of approximately 50%.[65]

Many of the same factors that affect the U.S. appraisal market also affect the Canadian appraisal market. However, the Canadian market currently has less regulation and differs materially on a price per transaction basis. The price for an appraisal in Canada can range from C$275 to C$350[66] and is expected to remain stable for the foreseeable future. Pricing varies by region, type of residential mortgage appraisal being conducted and property type. In most cases, lenders or financial institutions order appraisals for mortgage loan assessment purposes. In Canada, the lender pays for the appraisal and passes this fee on to its customer or, in certain cases, waives the fee to its customer.

Insurance Inspections

The total current insurance inspection market spend in Canada is estimated to be approximately C$60 million,[67] comprised of C$40 million of outsourced insurance inspections and the remaining C$20 million[68] of insurance inspections are completed by insurance companies' in-house loss control teams. Residential inspections account for approximately 60%[69] of the outsourced inspection market, while commercial inspections account for the balance.[70]

The purpose of an inspection is to establish the replacement cost of a property, unlike a mortgage appraisal that assesses market value. Ultimately, the home inspection helps determine the replacement cost of a property in the event of a major catastrophe such as a fire or a flood. Insurance inspections are used to verify that the insured home matches the address on the policy, that the structure, size and finishes match what has been provided to the insurer and that there is no liability or other hazard that exists on the property that could result in unnecessary exposure for the homeowner and/or insurance company. The inspection is used as an underwriting tool to properly match the risk with the appropriate insurance premium and to verify the accuracy of the information collected at the time of the policy application.

As home construction has become more standardized for low-to-mid-value residential dwellings (with replacement costs of approximately C$750,000 or less), insurance companies have become more reliant on desktop underwriters to assist in calculating the replacement cost of a building with standard features. However, these tools are often unreliable when it comes to calculating the replacement cost of older homes, homes with unique and/or custom features and high-value dwellings, thus maintaining a strong and steady demand for residential risk inspection services. In addition to establishing a replacement cost for the dwelling, insurance companies also rely on trained loss-control inspectors to identify and report on risk characteristics that may give rise to an insured loss, which is something that is only possible with an on-site risk inspection. Underwriters rely on the services of insurance inspectors to ensure that coverage and premiums are in line with home price appreciation and rising building costs. As a result, underwriters place heavy importance on the quality of the inspection, including its accuracy and proper diligence.

Commercial risk inspection services, particularly those pertaining to smaller commercial operations and those operating in remote areas, also continue to be in demand. While the majority of complex or specialty risk inspections are performed by the insurer's in-house loss control teams, opportunities for specialty risk services, such as farm and agricultural risk inspections, continue to be a lucrative source of commercial business.

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[64] Management estimates based on internal research.

[65] Ibid.

[66] Management estimates based on Real Matters actuals for 2016.

[67] Management estimates based on internal research.

[68] Ibid.

[69] Ibid.

[70] Ibid.

THE REAL MATTERS PLATFORM

Real Matters' Platform provides network management services for the mortgage lending and insurance industries. The Platform reduces manual processes through robust quality control mechanisms, logistics management capabilities, capacity planning tools and end-to-end transaction management, and provides high-quality services to its clients. The core principle of the Platform is to attract the most qualified Field Agents to its network who will compete for Real Matters' work and deliver consistent First-Time Quality. In all instances, save and except for with respect to certain transactions related to the business of Linear, the Company is the ultimate service provider, as service contracts are between itself and its customers.

The efficiencies provided by the Platform allow for fewer touch points, which reduces the Company's cost structure and results in high Contribution Margins for Real Matters. The Platform delivers higher quality services and greater scalability compared to traditional competitors. See "Non-GAAP Financial Measures", "Prospectus Summary — Summary Financial Information" and "Management's Discussion and Analysis — Non-GAAP Measures" for a description of how the Company calculates non-GAAP measures and for reconciliations thereof to the most comparable GAAP measures.

The Platform offers considerable functionality and benefits to lenders and Field Agents.

Lender Benefits

- **Best-in-class quality and speed:** Real Matters' Platform is capable of delivering best-in-class quality and faster turn times. Real Matters leverages its technology, including its robust quality control mechanisms, analytics and appraiser assignment technology, to identify the best performing appraisers in their region in terms of property type expertise, timelines, competency and quality.
- **National, quality-driven independent appraiser marketplace:** Lenders benefit from the regional expertise of Field Agents qualified to perform all types of appraisals, providing the scale and capacity required to meet their needs. Field Agents compete for business in the Company's marketplace based on their performance, measured by quality and speed. Real Matters has a robust process for vetting and onboarding new appraisers to its network, including rigorous due diligence. At present, there are approximately 34,000 qualified appraisers in the Company's network, which allows the Company to add significant scale.
- **Robust capacity planning tools:** Lenders benefit from Real Matters' capacity planning capabilities. Managers leverage data and functionality to build and manage capacity on a regional level to ensure the Field Agent network has the capability and capacity to respond to local demand and match a property to the best-qualified Field Agent in the network for that property.
- **Full audit trail of all transaction activities:** Lenders benefit from Real Matters' technology and robust transaction management capabilities to meet regulatory guidelines. Real Matters offers end-to-end transaction management, including transaction processing and tracking workflow, business rules engines, messaging, data extraction and billing with a full audit trail. This delivers a robust and consistent process to ensure all transactions meet stringent regulatory, lender and GSE (for example, Fannie Mae and Freddie Mac) requirements.
- **Highly scalable technology:** Lenders benefit from the robust infrastructure of Real Matters' technology, which allows the Company to provide a highly scalable service that can meet the significant volume requirements of national Tier 1 mortgage lenders, including seasonal spikes, without compromising quality. The Company's proprietary technology is also built on a uniform code base that is scalable and can be leveraged for different services and industry verticals. Real Matters continuously invests in new technology innovations and functionality to enhance the Company's technology.
- **Improved borrower experience:** Real Matters' Platform creates a better customer experience for borrowers through focused touch points with best-in-class Field Agents. Real Matters recognizes the importance of the professionalism of its Field Agents by celebrating their performance, customer service and exceptional quality through its "EXTRAORDINARY" Field Agent marketing programs.

Field Agent Benefits

- **Real-time performance metrics and managed accountability:** Field Agents in the network benefit from a transparent, real-time view of how their performance ranks relative to others that perform in the top-quartile of their region. They are scored on approximately 40 performance and quality metrics and can log in at any time to obtain a current rating. As Real Matters captures all transaction milestones, the level of transparency and accountability provides an incentive for Field Agents to manage their performance proactively throughout the transaction lifecycle. Managers also use this data for coaching and education of Field Agents, when appropriate. This transparency provides an incentive for Field Agents to consistently deliver high-quality services, as strong historical performance is rewarded with additional work. The Company utilizes a combination of manual review and automated quality scoring technology, which consists of algorithms designed to detect and measure the quality, integrity and accuracy of transactions conducted in Real Matters' marketplace. Leveraging Real Matters' technology, data elements within each transaction are extracted and normalized, enabling a series of risk detection, data analysis, verification and compliance routines to be run automatically.

- **Intelligent assignment of transactions:** Field Agents benefit from the Company's logistics management capabilities that enable it to effectively route transactions in a geographic region. Bundling transactions that are in close proximity enhances productivity by enabling Field Agents to perform more transactions per day.

- **Larger fee splits:** Unlike traditional AMCs, Real Matters creates a marketplace where appraisers can propose their own fees and keep a larger portion of the overall appraisal fee. Field Agents who perform work for Real Matters can earn more money per transaction, which drives better performance and brand loyalty.

- **Better Field Agent experience:** Real Matters works to develop deep relationships with Field Agents by providing them with best-in-class tools, meaningful interactions with Managers and clear performance guidelines. The Company hosts multiple events around the U.S. to educate Field Agents and recognize high performers.

CLIENTS

Real Matters currently counts approximately 60[71] of the top 100[72] mortgage lenders in the U.S. as clients. The Company has MSAs to provide residential mortgage appraisals to all Tier 1 mortgage lenders who, together, currently account for approximately 30% of the mortgage appraisal spend in the U.S.[73] The Company is not substantially dependent on any one MSA.

The sales cycle for becoming an approved service provider to lenders varies in length and complexity based on the size of the financial institution and can take up to five years, depending on the client and their specific procurement and onboarding process. The process involves multiple stages that include client engagement activities, RFIs, RFPs, on-site visits, the negotiation and signing of an MSA, financial/operational/technology audits, technology integration and the creation of a roll-out plan. It is also contingent on the lender's priorities and strategic sourcing cycles. To be selected to provide services for Tier 1 and other prominent mortgage lenders in the U.S., service providers generally must have a national footprint, be well capitalized, be registered and licenced to conduct appraisal management activities nationally and be in good standing with regulatory authorities.

The complexity and length of the sales cycle, in particular with Tier 1 or other prominent mortgage lenders in the U.S., represents a significant barrier to entry to new entrants and competitors of the Company.

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[71] Based on having completed at least one transaction with Real Matters in the calendar year ended December 31, 2016.

[72] Top 100 mortgage lenders according to *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016).*

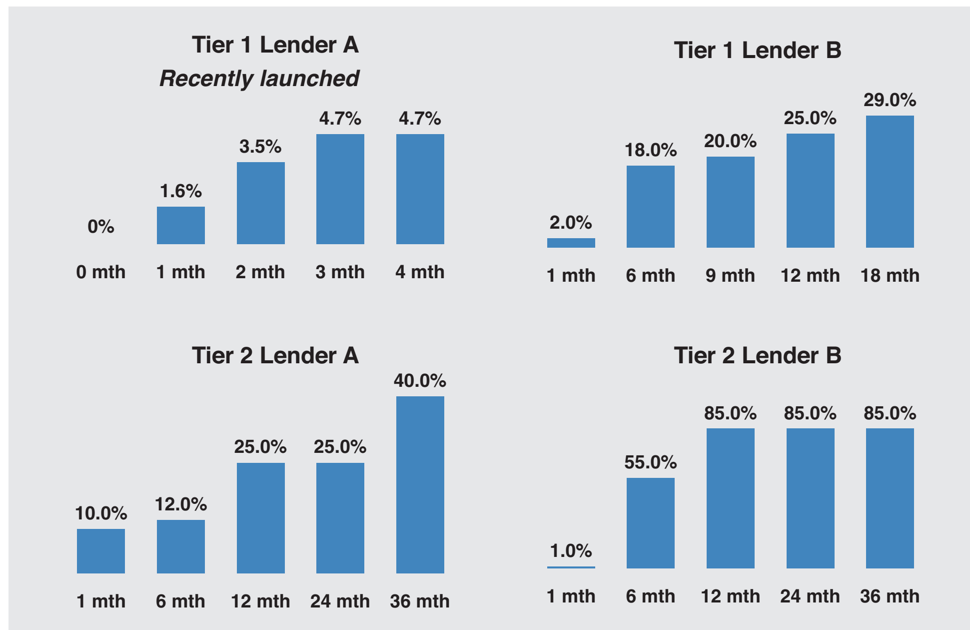
[73] Based on *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016)*, management estimates that Tier 1, Tier 2 and Tier 3 mortgage lenders currently account for approximately 30%, 28% and 35% of the mortgage appraisal spend in the U.S., respectively (assuming an allocation of 8% mortgage appraisal spend to Tier 4 mortgage lenders).

Track Record of Increasing Market Share with Clients

Based on the Company's performance track record, Real Matters has been able to obtain an increase in market share with its clients, often obtaining an outsized allocation of transaction volume relative to its competitors due to its performance advantages.

Based on the Company's track record to date, the Company has routinely been able to grow its market share of a newly onboarded client's residential mortgage appraisal business to 15% of that client's transaction volume by the end of the first year of operation, and to 35% to 40% by the end of the third year. Although the vast majority of mortgage lenders in the U.S. use more than one service provider, Real Matters has a number of clients for which it is the majority residential mortgage appraisal provider. However, the Company's long-term strategy targets are based on achieving a market share of approximately 30% to 40% with its Tier 1 clients within five years of launch.

Real Matters Appraisal Market Share Growth Examples



[74]

Given its performance track record, the Company has developed deep, long-term client relationships that have proven to be loyal over time. Real Matters has a client retention rate of approximately 95%.[75]

[74] These graphs represent management estimates of the Company's appraisal market share with certain lenders at points in time since the launch of those lenders on Real Matters' Platform. Each lender's share of the overall market will vary from time to time based on market conditions, interest rates, lender's marketing focus, etc.

[75] Retention rate calculated since launch based on the number of clients who have completed at least one transaction with the Company in the fiscal year ended September 30, 2016. Based on those Real Matters clients listed on *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016).*

THE COMPANY'S SERVICES

Appraisal Network Management Services

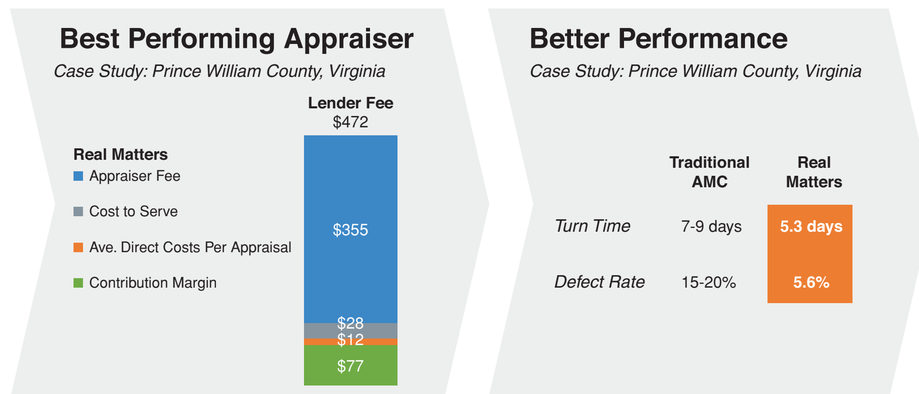
Real Matters' services include:

- **Interior and exterior residential appraisals:** A report indicating the opinion of value of a specific property as developed by a duly accredited professional real estate appraiser, involving comparable analysis and an interior and/or exterior inspection.
- **Desktop appraisals:** A report indicating the opinion of value of a specific property as developed by a duly accredited professional real estate appraiser, which may or may not utilize information on the current property condition as obtained from interior and/or exterior inspection by another third party.
- **Broker price opinions:** A report completed by a real estate licensee indicting the estimated listing price of specific property, which may or may not include an interior and/or exterior inspection.
- **Property condition reports:** A report completed by a real estate professional indicating the current condition of a specific property and a list of repairs that may be required.

Case Study: Prince William County, Virginia[76]

The case study outlined below illustrates the following benefits of the Company's Platform: (i) a significantly lower cost structure and high Contribution Margins for Real Matters; and (ii) better performance.

Lenders pay approximately $472 (which would be included in revenues in the Company's consolidated financial statements) for a standard interior appraisal in Prince William Country, Virginia. On average, traditional AMCs pay appraisers approximately $300 of that fee. In contrast, Real Matters pays appraisers an average of approximately $355 (which are recorded as transaction costs in the Company's consolidated financial statements) for the same standard interior appraisal in the region. Real Matters has a variable Cost to Serve of $28 (which are recorded as operating expenses in the Company's consolidated financial statements) in this example, compared with an estimated $135 for traditional competitors. In turn, this results in high Contribution Margins for Real Matters of $77, compared with approximately $25 for traditional AMCs. Further, the turn-around times and defect rates are materially lower at 5.3 days and 5.6%, respectively, for Real Matters, compared to seven to nine days and 15-20% for traditional competitors. See "Non-GAAP Financial Measures", "Prospectus Summary — Summary Financial Information" and "Management's Discussion and Analysis — Non-GAAP Measures" for a description of how the Company calculates non-GAAP measures and for reconciliations thereof to the most comparable GAAP measures.



[76] Based on Real Matters' actual average for a standard interior appraisal in Prince William County, VA, during the period of fiscal Q3 and Q4 2016 (April to September 2016). Traditional AMC fees and cost structure based on estimates derived from management research and do not relate to any particular competitor or geographic region. Real Matters Contribution Margin is equal to: the appraisal fee paid to the Company less (a) amounts paid to appraiser, (b) Cost to Serve and (c) average direct costs per appraisal ($472 - $355 - $28 - $12 = $77). Traditional AMC turn times and defect rates are management estimates of average competitor metrics based on internal market research and do not relate to any particular competitor or geographic region. The Company defines a "defect rate" as the percentage of completed appraisal reports that are returned to the appraiser to correct what the Company defines as a material deficiency or error based on issues that either the Company or the end customer identifies in the appraisal report.

Real Matters believes its approach has resulted in turn-around times and defect rates that are on average significantly lower than the Company's competitors. This superior performance has allowed Real Matters to gain significant market share with clients and to attract new business from Tier 1 mortgage lenders in the U.S.

Management estimates it will be able to significantly increase Real Matters' U.S. residential mortgage appraisal market share over the next five years based on the deployment of new clients in the U.S. over the last three years.

Title and Closing: Large Market Opportunity to Continue to Drive Growth

In addition to increasing its residential mortgage appraisal market share, Real Matters plans to grow by deploying its Platform in the title and closing market.

In April 2016, the Company acquired Linear, a traditional full-service title and closing business with a national U.S. footprint, significantly expanding the Company's total addressable market. Linear currently services Tier 3 and Tier 4 mortgage lenders. Linear's services, primarily related to refinance transactions and which are provided exclusively in the U.S., include:

- **Title search:** Search property records and compile all necessary documents including active mortgages, liens, easements and deeds, as well as property tax information in the form of a tax certificate. The Company reviews every property's chain of title, legal description and tax certificates to verify that all past transactions involving the parcel of land were done properly and accurately, and it cures any deficiencies.
- **Title fee quoting:** Linear has created a database of closing costs including title insurance, settlement and recording fees and transfer taxes. The database drives greater First-Time Quality as it enables a more accurate disclosure of closing costs to borrowers, and it results in a superior borrower experience by reducing the occurrence of adjustments in fees due to errors or changes. Linear has also developed advanced algorithms that simultaneously compare multiple combinations of title fees available, providing significant potential cost savings to some borrowers.
- **Closing services:** Schedule and perform the closing of real estate transactions, prepare and review all documents for closing, including balancing the Closing Disclosure.
- **Escrow and Recording:** Disburse the funds in accordance with the lenders' instructions and record the mortgage with the appropriate county.
- **Collateral review services:** Provide lenders and servicers of closed mortgages a platform to cure problems on older files with missing information and to issue polices allowing the loans to be packaged and sold as investments.

Linear is a national independent provider of title and closing services in the U.S. with approximately 0.4% market share,[77] primarily providing services on refinance transactions. Approximately 70% of the title and closing market is serviced by local, independent title agencies.[78] The highly fragmented nature of competition provides a significant growth opportunity for a disruptive provider with a national footprint and the scale to compete, such as Real Matters.

The Company plans to leverage Linear's deep industry knowledge to bring the Company's Platform to the title and closing market. Initially, the Company plans to utilize the existing Linear platform to target Tier 3 and Tier 4 mortgage lenders that Solidifi currently serves. Over time, the Company plans to leverage its existing Platform to target the Tier 1 and Tier 2 mortgage lenders with whom the Company has MSAs.

The Company believes it can leverage its current MSAs and client relationships to gain market share in the title and closing business. Having already undergone the lengthy and rigorous process of becoming an approved service provider with these lenders, Real Matters believes it will be able to sell title and closing services to its clients under these agreements, accelerating the sales cycle and time to first transaction with Next Generation Closing.

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77 Management estimate of Residential Title Written Premium Market Share based on data from the American Land Title Association for period ending September 30, 2016 and Demotech, Inc. for period ending December 31, 2015.

78 American Land Title Association consolidated financial statements as of September 30, 2016.

Today, Linear primarily services the refinance market. Over time, the Company will look to expand to a greater share of the purchase market. The Company believes the combined purchase and refinance title market represents a current annual market spend of approximately $13.0 billion[79] and offers significant growth opportunities for Real Matters.

Replicating the Company's Platform with Existing Clients in the Title and Closing Market

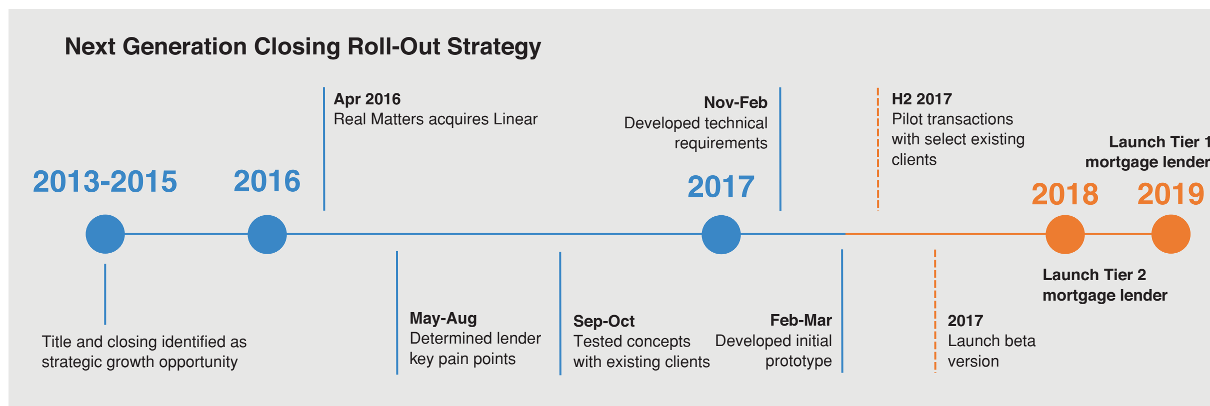
While title search and escrow funding are largely commoditized, management has identified significant opportunities for improvement in the closing process based on Linear's experience in the industry, through discussions with lenders and by conducting its own research, including:

- **Reducing the number of closings that require the borrower to re-sign:** A typical closing package consists of multiple documents totaling over 150 pages and requires either a signature or an initial on most pages. Due to inconsistent lender document packages and varying standards among closing agents, initials or even full signatures are often missed, in many cases causing the borrower to have to be re-engaged to complete their closing documents.
- **Improving network management to prevent missed or rescheduled closing appointments:** Delays during the closing process from both the lender and title provider lead to a large percentage of closing appointments being rescheduled by the closing agent.
- **Educating and communicating with customers prior to the scheduled closing:** Lack of communication between all parties (title agent, realtor, lender) leave the customer (borrower) with a lack of understanding about the closing process. As such, many customers (borrowers) do not respond or understand why they are being contacted by a closing agent, often causing further delays in the process.

The Company believes that by repeating its proven approach in the residential mortgage appraisal market and leveraging its Platform to disrupt the mortgage closing process, it will be able to drive better performance and garner a significant share of the title and closing business of its existing Tier 2 and Tier 1 clients, and grow its title and closing market share. Management believes that Next Generation Closing can significantly reduce the number of closing appointments that require re-scheduling and the percentage of files that require borrowers to re-sign. All of these factors offer significant benefits to lenders, including a more efficient process for managing disparate groups of local title agents and, importantly, a better experience for their customers (the borrower).

Bringing the Real Matters Model to the Title and Closing Business to Drive Better Performance

Real Matters is currently in the process of building the business requirements for Next Generation Closing that will focus on servicing Tier 1 and Tier 2 mortgage lenders. The Company expects to be in pilot during 2017 while soliciting input from the Company's Tier 1 clients. Management estimates that it will roll out its Next Generation Closing Platform in 2018 and that it will be in a position to launch with its first Tier 1 mortgage lender by 2019. Real Matters does not anticipate any material incremental technology investment being required during this period in respect of Next Generation Closing.



79 Title Written Premiums data from the American Land Title Association for period ending September 30, 2016.

COMPETITIVE STRENGTHS

Real Matters' business has several key competitive strengths, including:

- **The Company's technology cannot be easily replicated:** Real Matters has invested significantly to build its proprietary technology. Real Matters believes its technology creates a differentiated long-term competitive advantage to traditional service providers by addressing key issues within the mortgage lending and insurance industries. The Company follows a disciplined approach to software development and continuously invests in new technology innovations and functionality to enhance its technology. This disciplined software development model has allowed Real Matters to focus development costs into a single, robust technology offering that can be expanded to additional services.
- **Scalable Platform with significant network effect:** Real Matters believes it has a highly attractive and scalable business model derived from its Platform. The Company's significant independent Field Agent network, network management capabilities and technology are designed to accommodate foreseeable growth in clients and transaction volume for appraisals. Real Matters is also able to make cost effective investments to meet evolving regulatory and compliance requirements, further increasing the value proposition to its clients. The Company's source code is the same for all clients and when new features and functionalities are deployed, they are made available to all clients. These advantages allow the Company to add new clients with limited incremental cost. As a result, Real Matters believes it will continue to achieve more attractive margins as its revenues increase and its Platform scales.
- **Large, blue-chip client base:** Real Matters' clients include approximately 60[80] of the top 100[81] mortgage lenders in the U.S. Given its performance track record, the Company has developed deep, long-term client relationships that have proven to be loyal over time, with a client retention rate of approximately 95%.[82]
- **Established brand equity and loyalty with Field Agents:** The features and functionality of Real Matters' technology and its business model have allowed the Company to attract some of North America's best performing Field Agents. Field Agents are able to see scorecards and key performance indicators that they can use to increase productivity and compete for more business in the Company's marketplace. As a result, Real Matters has established a consistently strong track record of performance with clients, which has served to build loyalty to and brand equity of the Company in the Field Agent community. Real Matters believes it is able to pay Field Agents more than competitors, further enhancing its brand equity.
- **Significant barriers to entry to new entrants and competitors:** Management believes that the sales cycle to become a service provider to Tier 1 mortgage lenders can take up to five years, as it includes a lengthy and rigorous process that involves multi-stage client engagement activities, including multiple audits. The Company's established relationships and associated volume with tens of thousands of Field Agents also presents a significant barrier to entry for new entrants and an advantage over existing competitors.
- **Established track record of profitable growth:** Real Matters has grown both organically and through acquisitions. The Company has been Adjusted EBITDA positive since the fiscal year ended September 30, 2012. Net Revenue and Adjusted EBITDA have grown at a CAGR of 75.7% and 143.1%, respectively, from 2014 to 2016. See "Non-GAAP Financial Measures", "Prospectus Summary — Summary Financial Information" and "Management's Discussion and Analysis — Non-GAAP Measures" for a description of how the Company calculates non-GAAP measures and for reconciliations thereof to the most comparable GAAP measures.
- **Proven management team with deep industry knowledge:** Real Matters was founded in 2004 by Jason Smith and a team of proven technology industry entrepreneurs with deep expertise in the real estate, lending and insurance industries. Real Matters applies technology to key opportunities for improvement

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[80] Based on having completed at least one transaction with Real Matters in the calendar year ended December 31, 2016.

[81] Top 100 mortgage lenders according to *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016).*

[82] Retention rate calculated since launch based on the number of clients who have completed at least one transaction with the Company in the fiscal year ended September 30, 2016. Based on those Real Matters clients listed on *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016).*

in the mortgage industry, in particular the speed, cost and efficiency of the underwriting process. The management team is composed of experienced professionals that have an average 20-year tenure in the mortgage and technology industries.

GROWTH STRATEGY

Real Matters has deliberately adopted a controlled and focused growth strategy. This strategy is supported by a consistent focus on profit and scalable software development discipline, and by continuing to drive innovation in network management services and technology.

Real Matters believes that it has several levers to continue driving growth in the near term:

- **Continue to grow residential mortgage appraisal market share:** The current total annual market spend for residential mortgage appraisals services in the U.S. is estimated at approximately $3.2 billion.[83] The Company recently entered into MSAs with five Tier 1 mortgage lenders. Tier 1 mortgage lenders currently account for approximately 30% of U.S. residential mortgage appraisal spend.[84] The Company recently launched these clients and believes its market share with these clients will increase substantially over the next five years.
- **Disrupt the title and closing market:** The total current U.S. annual market spend, in terms of written premiums, for the title and closing market is estimated at approximately $13.0 billion.[85] The Company will seek to repeat its successful approach in the residential mortgage appraisal market and leverage its Platform to disrupt the title and mortgage closing process, it will be able to drive better performance and garner a larger share of the title and closing business of its existing Tier 2 and Tier 1 clients. The Company believes it can leverage its existing MSAs with mortgage lenders in the U.S., including all Tier 1 mortgage lenders, to accelerate the sales cycle and time to first transaction with these lenders.
- **Continue to pursue acquisition opportunities:** Real Matters has a track record of acquiring traditional businesses and effectively integrating them with the Company's Platform in order to scale and deliver better performance and generate high Contribution Margins. The Company will continue to seek other strategic acquisitions in its existing business or new business lines that can leverage the Company's Platform and complement its existing businesses.

COMPETITION

Appraisal

In the U.S., two of Real Matters' largest competitors are CoreLogic Inc. and Fidelity National Financial, Inc. ("**FNF**"). The major banks have largely exited the residential mortgage appraisals business by selling their captive AMC businesses over the last several years and have accordingly reallocated volume to third-party service providers.

Management believes that the Company has three major competitors in the Canadian home appraisal market: Nationwide Appraisal Services, Brookfield RPS and FNF Canada.

Title and Closing

Competition in the title and closing industry is divided between a few large national title insurance underwriters who issue title policies directly to lenders and borrowers (including Fidelity National Title Company, First American Title Insurance Company, Stewart Title Guaranty Company and Old Republic Title), and many local independent title agents who collectively account for approximately 70% of the market.[86]

Insurance Inspections

In Canada, the Company's competitors in the insurance inspection market include SCM Risk Management Services and smaller regional providers.

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83 Management estimates based on data for calendar year 2016 from the MBA Mortgage Finance Forecast Report of February 15, 2017.

84 Based on *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016)*, management estimates that Tier 1, Tier 2 and Tier 3 mortgage lenders currently account for approximately 30%, 28% and 35% of the mortgage appraisal spend in the U.S., respectively (assuming an allocation of 8% mortgage appraisal spend to Tier 4 mortgage lenders).

85 Title Written Premiums data from the American Land Title Association for period ending September 30, 2016.

86 American Land Title Association consolidated financial statements as of September 30, 2016.

COMPANY HISTORY

Real Matters was founded in 2004 by Jason Smith and a team of proven technology industry entrepreneurs with deep expertise in the real estate, lending and insurance industries. Real Matters' management team conducted research in Canada and the U.S. to determine how to apply technology to address lenders' key issues in the mortgage industry, in particular, the speed, cost and efficiency of the underwriting process. Through its research, including discussions with leading lending institutions, management decided to focus on the appraisal management process because of its high-cost structure, labour-intensive practices and low-quality, inconsistent output.

In the early 2000s, traditional AMCs were focused on finding the lowest-cost appraiser. This often resulted in poor quality appraisals that did not meet lender and regulatory requirements, and as such AMCs were required to remediate inadequate appraisals through a lengthy, costly and high-touch quality assurance process resulting in very long end-to-end turn times. The AMCs then passed along this increased cost of doing business to appraisers by lowering the fee paid to them. These practices, combined with a shift by high-quality appraisers away from traditional AMCs due to unfavourable economics and poor business relationships, provided an ideal entry point for the Company.

The Company launched its Platform in the appraisal market in Canada in 2006 and in the U.S. in 2008.

History of Successfully Acquiring Traditional Businesses that Leverage the Company's Platform

Real Matters has a proven track record of acquiring and integrating businesses that leverage its Platform. Each of its acquisitions has had a distinct strategic rationale which has allowed the Company to enter new lender/insurer segments, to increase the breadth of its service offering and to disrupt new industry segments by leveraging the Platform. The Company's three most recent acquisitions are described below.

Kirchmeyer & Associates

Real Matters acquired Buffalo, New York-based Kirchmeyer & Associates in December 2012. Kirchmeyer & Associates provided the Company with additional Tier 2 clients in the U.S. As a result of the acquisition and the deployment of the Platform with these clients, Real Matters increased its market share with a number of key Tier 2 mortgage lenders from 5% to 25% following the acquisition.

Southwest Financial Services

Real Matters acquired Cincinnati, Ohio-based Southwest Financial Services ("**Southwest**") in May 2015. Southwest was a leading home-equity service provider in the U.S. through its title, residential mortgage appraisal and flood determination services. This acquisition added new U.S. clients, and provided an opportunity to cross-sell services and deepen client relationships by expanding Real Matters' service offering. The majority of Southwest's revenues were derived from appraisal and title search in the home equity channel. Southwest's appraisal operations were ported to Real Matters' Platform in February 2017.

Linear Title and Closing

Real Matters acquired Middletown, Rhode Island-based Linear in April 2016. This acquisition established a position in the title and closing market for Real Matters to develop and build its Next Generation Closing service. Linear is a national title agency that delivers title and closing services to lenders for refinance, purchase, and real estate owned (REO) transactions in all 50 states. It is currently a national independent provider of primarily refinance and title and closing services in the U.S. with approximately 0.4% market share.[87] Linear currently services Tier 3 and Tier 4 mortgage lenders. The Company's strategy is to begin to enhance and deploy its Platform into the title and closing business with its existing Tier 2 and Tier 1 mortgage lenders over the next three years to capture additional market share in the approximate $13.0 billion[88] market for title and closing services.

TECHNOLOGY

Technology

Real Matters' proprietary technology is internally developed, managed and continually updated by a team of skilled developers, software engineers and domain experts. The Company's technology is a key element of the Platform and allows the Company to effectively manage its Field Agent network and improve the quality and turnaround time of services provided through the Platform.

The Company's technology allows Real Matters to create an efficient marketplace for Field Agents to compete for work from the Company. Scoring mechanisms are used to measure the quality of the work performed by each Field Agent. The technology scores Field Agents on approximately 40 performance and quality metrics, giving the Company and Field Agents a transparent, real-time view of how the Field Agent's performance ranks relative to others that perform in the top-quartile of their region. The technology also extracts and normalizes data elements within each transaction, enabling a series of risk detection, data analysis, verification and compliance routines to be run automatically. The Company's technology also features end-to-end transaction management, including transaction processing, workflow tracking, business rules engines, messaging, data extraction and billing with a full audit trail. This technology delivers a robust and consistent process to ensure all transactions meet stringent regulatory, lender and GSE (for example, Fannie Mae and Freddie Mac) requirements. Additionally, the Company's technology includes logistics management capabilities that enable it to effectively route transactions in a geographic region, bundling transactions that are in close proximity, which in turn enhances the Field Agent's productivity.

The technology is managed at all times by the Company's dedicated network operations and technical operations teams, monitoring for performance, security and capacity concerns. Real Matters has a dedicated team of over 50 technology professionals, including developers and software engineers, who have extensive experience in professional service delivery to the financial services industry and hold various certifications, including Certified Information Security Systems Professional (CISSP), Project Management (PMP), Associate Member of the Business Continuity Institute (AMBCI), VMWare (VCP) and Red Hat Certified System Administrator (RHCSA), among others.

For clients within the U.S., the system is fully hosted with industry-leading managed data centres deployed in a high availability model with real-time replication among geographically diverse locations. For Canadian clients, the technology is entirely hosted in Canada at multiple industry-leading colocation data centres. The Company's data centre providers were chosen for their proven security controls and redundancy. All Real Matters applications run on multiple instances of these sites in each country. The technology runs on its own

[87] Management estimate of Residential Title Written Premium Market Share based on data from the American Land Title Association for period ending September 30, 2016 and Demotech, Inc. for period ending December 31, 2015.

[88] Title Written Premiums data from the American Land Title Association for period ending September 30, 2016.

dedicated hosting equipment including dedicated servers, firewalls and supporting infrastructure that meet the significant requirements of Tier 1 mortgage lenders.

The data centres host all of the Company's network services and the fundamental components of its software. The data centres are designed with fault tolerance protection for all telecommunications and power requirements of the infrastructure. Real Matters has further introduced layered fault tolerance protection for its technology and infrastructure, including routers, switches, load balancers and firewalls, as well as web and application services and back-end database connections. In the event of a complete site failure, such as a regional natural disaster, all of the services in a site can be redirected to another site as a part of the Company's disaster recovery strategy. The Company's infrastructure is designed to scale substantially to accommodate foreseeable growth in the number of participants and transaction volume. The infrastructure is equipped to handle a minimum of two times forecasted volume within any 12 month period. At each release, load and performance tests are conducted using a variety of industry-leading tools to ensure the system is performing optimally.

All data is managed in accordance with industry best practices. All of the servers are protected from Internet intruders by industry standard hardened firewalls, intrusion detection and prevention systems and access control lists, as well as other methods. All security services are monitored and maintained by the Company's staff as well as services provided by the Company's certified data centre providers on a regular basis. The Company employs industry standard, centrally controlled anti-virus packages, which are monitored and updated on a continued basis.

While Real Matters operates its core technologies as described above, newly acquired subsidiaries or business lines may utilize their legacy technology infrastructure. As the Company integrates acquisitions, it typically moves clients to its Platform; however, some of the legacy technology infrastructure may remain in service.

SALES AND MARKETING

The Company sells its services through its direct sales organization, pursuant to multi-year or evergreen MSAs. These agreements generally do not have minimum unit volume guarantees. Instead, the Company relies on its ability to outperform competitors to obtain an outsized allocation of transaction volume relative to its competitors.

The sales cycle for becoming an approved service provider to lenders varies in length and complexity based on the size of the financial institution, and can take up to five years, depending on the client. Given the high level of regulatory oversight of the industry, and the size and scale of some of the Company's clients, much of the sales process involves demonstrating the ability of the Company to meet lender requirements and an ability to scale.

In contrast to its competitors, the Company's marketing strategy aims to generate awareness of its brands and disruptive value propositions, leveraging technology and Field Agent partnerships as key differentiators with clients and potential clients.

Real Matters' marketing campaigns highlight "EXTRAORDINARY" Field Agents to recognize a selection of the top 25% performing Field Agents in various regions. Through their performance, customer service and exceptional quality, these "EXTRAORDINARY" Field Agents have become loyal business partners and promoters of the Company to current mortgage lending and insurance clients and prospects. The campaigns provide Field Agents with industry recognition and exposure, and position them as local experts through the distribution of their local market trends to current mortgage lending clients and prospects. For example, "EXTRAORDINARY" Field Agents are featured on the Company's websites, corporate social media channels, national advertisements and corporate brochures. The Company also routinely hosts recognition receptions where "EXTRAORDINARY" Field Agents are recognized (regionally and nationally) in the presence of the Company's clients.

EMPLOYEES

As of the date hereof, the Company has approximately 860 full-time employees, including approximately 400 employees who recently joined the Company as part of the Linear acquisition. Real Matters employees are comprised of technology professionals (software developers, engineers), operations staff, management, shared services and sales and marketing personnel.

The aforementioned numbers do not include Field Agents, who are independent contractors and do not have an employment relationship with Real Matters.

INTELLECTUAL PROPERTY

Real Matters protects its proprietary rights through a combination of copyright, trade-mark and trade secret laws as well as contractual provisions. The source code for its software is protected under Canadian and U.S. copyright laws.

Real Matters also seeks to avoid disclosure of its intellectual property and proprietary information by its practice of requiring employees and consultants to execute non-disclosure and assignment of intellectual property agreements. Such agreements require employees and consultants to assign to the Company all intellectual property developed in the course of their employment or engagement, as applicable. The Company also utilizes non-disclosure agreements to govern interaction with business partners and prospective business partners and other relationships where disclosure of proprietary information may be necessary.

FACILITIES

Real Matters' Canadian and U.S. headquarters are in Markham, Ontario and Buffalo, New York, respectively. The Company also has principal offices in Cincinnati, Ohio, Middletown, Rhode Island and Denver, Colorado.

The Company believes that its current facilities are adequate to meet its ongoing needs for the near and mid-term and that, if it requires additional space, it will be able to obtain additional facilities on commercially reasonable terms.

REGULATORY ENVIRONMENT

Real Matters' operations are subject to federal, provincial and state laws in the various jurisdictions in which it operates.

U.S. Regulations

Residential Mortgage Appraisals

The U.S. regulatory environment related to real estate valuations is based on legislation, regulations and guidelines enacted following two financial crises linked to real estate bubbles. In 1989, following the Savings and Loan Crisis, the United States Congress created requirements governing real estate appraisals via Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 ("**FIRREA**"). FIRREA created a federal framework to oversee the state licensing and certification of real estate appraisers. Additionally, following the financial crisis of 2008, banks began to operate in a more stringently regulated environment with respect to evaluating the collateral they use for real estate lending. Multiple layers of regulatory reform were introduced, such as the Housing and Economic Recovery Act of 2008 ("**HERA**"), the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**"), revised Interagency Appraisal and Evaluation Guidelines, and state AMC requirements. This framework of legislation, regulation and guidelines is designed to ensure that every real estate appraisal is independent and without influence or pressure from parties that have a financial interest in the loan transaction, that appraisers have the requisite qualifications and competency for the specific property being appraised, and that appraisers are paid "customary and reasonable fees" as per the Dodd-Frank Act. There are significant penalties for financial institutions and AMCs that fail to comply with applicable requirements.

Real Matters' Platform provides transparent, reasonable and customary fees, independence of appraisers and standardization of data, and helps lenders comply with all applicable laws and regulations.

Real Matters engages Field Agents to provide independent valuations of subject properties. These Field Agents are state licensed or certified appraisers. Appraisers are licensed professionals who must adhere to the Uniform Standards of Professional Appraisal Practice ("**USPAP**") as prescribed by the Appraisal Foundation under the oversight of the Appraisal Subcommittee (the "**ASC**"). Through FIRREA, U.S. Congress made the ASC responsible for overseeing the real estate appraisal regulatory framework as it relates to federally related transactions. Individual states are responsible for licensing and enforcement. The Appraiser Qualifications Board establishes qualification criteria for state licensing, certification and re-certification of appraisers. There are three categories of licensure in the U.S.: (i) Licensed Appraisers are permitted to complete appraisals on non-complex, one to four unit residential properties with a transaction value under $1,000,000 and on complex, one to four unit residential properties with a transaction value less than $250,000; (ii) Certified Residential Appraisers can perform appraisals on any one to four unit residential property; and (iii) Certified General Appraisers are permitted to complete appraisals on residential and commercial real estate. Prerequisites vary by the type of credential, but include holding a four-year, post-secondary degree and minimum industry-related education and experience requirements. As a condition to maintaining a credential, appraisers must conduct a minimum of 14 hours of industry-related continuing education annually, with some states imposing higher hours requirements. Real Matters requires that independent appraisers have a valid license in good standing, complete a background check that includes a ten-year criminal record screen and clearance from the OFAC sanctions list, undergo a disciplinary action review, carry valid E&O insurance and confirm they have access to local data sources.

Key acts, regulations and other requirements include:

FIRREA

In 1989, Title XI of FIRREA created a real estate appraisal regulatory framework applicable to federally related transactions. Specifically, Title XI of FIRREA established the ASC within the Federal Financial Institutions Examination Council (FFIEC). FIRREA also required the states to establish licensing and certification requirements for appraisers and to coordinate through the ASC and a non-governmental organization, the Appraisal Foundation, which establishes USPAP.

HERA

HERA was enacted in 2008 to address the subprime mortgage crisis and to restore confidence in Fannie Mae and Freddie Mac, and included, among other reforms, revising appraisal standards for Federal Housing Administration (FHA) loans.

Home Valuation Code of Conduct

Implemented in May 2009, the Home Valuation Code of Conduct (the "**HVCC**") was the result of a joint agreement among Fannie Mae and Freddie Mac, the Federal Housing Finance Agency and the New York State Attorney General and applied to certain mortgage loans that would be delivered to Fannie Mae and Freddie Mac. The objective of the HVCC was to enhance the independence and accuracy of the appraisal process. Key components included appraiser independence safeguards, a requirement to provide a copy of the appraisal report to the borrower, appraiser engagement requirements, appraisal quality control testing and requirements to prevent improper influences on appraisers. The introduction of the HVCC reinforced the advantages of Real Matters' appraisal management program: favourable fee splits for appraisers, transparency and a quality focus, combined with technology that ensured lenders' compliance with the HVCC. The Dodd-Frank Act superseded the HVCC.

Dodd-Frank Act

The Dodd-Frank Act, signed into law in July 2010, had far-reaching implications for the financial services industry, including appraisal activities. The Dodd-Frank Act repealed the HVCC but ensured that its consumer protection and appraiser independence components remained in place for covered consumer credit transactions by codifying key components into the federal Truth in Lending Act ("**TILA**"), which the Consumer Financial Protection Bureau (the "**CFPB**") has authority to enforce. Specifically, the Dodd-Frank Act added provisions

requiring appraiser independence, requiring lenders and their agents pay appraisers customary and reasonable fees and prohibiting conflicts of interest to TILA. It also added AMC minimum requirements to FIRREA. Appraiser independence has been a significant area of lender and regulatory scrutiny for traditional AMCs. Real Matters strictly adheres to the Dodd-Frank Act's requirements, provides lenders with fully compliant services, pays appraisers fairly and provides transparency to lenders.

GSE Appraiser Independence Requirements

In October 2010, Fannie Mae and Freddie Mac revised their Selling Guide and Seller/Servicer Guide, respectively, to incorporate appraiser independence requirements based on certain standards from the HVCC (and that replaced the HVCC's requirements). The appraiser independence requirements include provisions regarding appraiser independence and appraiser engagement, including requiring that appraisals that evaluate the collateral of a mortgage that is sold to Fannie Mae and Freddie Mac be procured in a manner that aligns with appraiser independence, including that loan production staff are not involved in the selection, recommendation or influencing of the selection of the appraiser for the transaction.

Interagency Appraisal and Evaluation Guidelines

Effective December 10, 2010, the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of Thrift Supervision and the National Credit Union Administration issued the *Interagency Appraisal and Evaluation Guidelines* (collectively, the "**Guidelines**"), which superseded the 1994 version of the same guidance. These agencies intended the Guidelines to provide direction on the requirement for federally regulated financial institutions to maintain an appraisal ordering process independent from loan production staff or mortgage brokers, as well as to establish requirements for the use of appraisers with the requisite competency, qualifications and experience for each appraisal assignment. The Guidelines describe the elements of a sound program for conducting appraisals and evaluations and provide guidance to the agencies examining personnel on supervisory matters related to real estate appraisals and evaluations. The Guidelines also assist regulated financial institutions in developing prudent appraisal and evaluation policies, procedures, practices and standards.

Appraisal Data Standardization

Beginning September 1, 2011, Fannie Mae and Freddie Mac require that all appraisals submitted by lenders comply with the UAD. The UAD defines all fields required for an appraisal submission for the various types of appraisal forms. It also standardizes definitions and responses for a key subset of fields. The objectives of the UAD are to enhance appraisal data quality and consistency and to promote the collection of electronic appraisal data. All appraisal reports must be delivered to Fannie Mae and Freddie Mac via the Uniform Collateral Data Portal ("**UCDP**"). Real Matters provides an integrated system interface for UCDP clients, and is a service provider partner with Fannie Mae and Freddie Mac.

State Appraisal Management Company Regulations

Since 2009, individual states have implemented AMC legislation and regulations. Currently the majority of states have such regulations in place. The remaining states are expected to follow by mid-2018. These laws and regulations require the licensing or registration of AMCs that operate in the state, making it illegal to operate in a state without obtaining a license or registration. As a condition to obtaining licensure or registration, states conduct due diligence on the company and its principals and certain management individuals, which includes criminal record background checks and good character examinations. States also generally require the AMC to maintain management systems to ensure compliance. For example, they may require AMCs to make timely payments to appraisers, pay appraiser fees that are customary and reasonable, ensure that appraisals are free from undue influence, maintain adequate records, provide proper training for staff involved in the appraiser selection process and complete certain audits. AMCs are typically required to maintain surety bonds in the states where they hold a license or registration and are subject to audit by the licensing authority.

Title and Closing

In the U.S., both federal and state regulations apply to title and closing services. Relevant key laws and regulations include:

Real Estate Settlement Procedures Act

The Real Estate Settlement Procedures Act ("**RESPA**"), enacted in 1975 and amended from time to time, governs how banks and their agents conduct loan closings. The CFPB enforces compliance with applicable RESPA requirements. RESPA requires the provision of certain disclosures to consumers and prohibits certain conduct (such as kickbacks, which were the subject of a recent CFPB enforcement action and litigation). RESPA also outlines requirements for the handling of escrow accounts. In 2015, significant amendments to RESPA came into effect, creating integration of the TILA and RESPA disclosures. This initiative, known as TRID, "TILA-RESPA Integrated Disclosures" or "Know Before You Owe", created new consumer disclosures that provide greater consumer transparency to help borrowers understand the terms of their home financing transaction.

State Insurance Regulations

As a title insurance agent, Linear is subject to state regulations and licensing requirements, which may include reporting requirements and restrictions on premiums and types of losses that may be covered. Additionally, some state regulations may incorporate certain RESPA requirements by reference. Linear is licensed by individual states as a Licensed Title Agent and as a Licensed Escrow Agent. Generally, state insurance departments issue and administer these licenses. As a prerequisite to licensing, states conduct thorough due diligence, including financial reviews of the entity and background and character investigations into Linear's principals. As a condition of licensure, the entity is required to undergo routine audits conducted by the state's licensing bodies and carry surety bonds.

Certain states require the entity to maintain a physical office location in the state. Further, state laws require certain individuals within Linear to hold individual licenses as title agents or escrow agents. Prerequisites to obtaining individual licenses include background checks and successfully passing examinations.

Canadian Regulations

Residential Mortgage Appraisals

The Canadian appraisal industry is largely a self-regulated industry with limited government oversight. Three professional associations provide supervisory oversight for their respective members. The primary association, the Appraisal Institute of Canada (the "**AIC**"), awards designations to a broad spectrum of appraisers upon completion of an extensive education requirement. The AIC has over 5,000 members who must adhere to Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP). The AIC Canadian Residential Appraiser (CRA) designation permits the appraisals of one to four unit residential properties and the Accredited Appraiser Canadian Institute (AACI) designation permits the appraisal of any type of property. The Canadian National Association of Real Estate Appraisers (CNAREA) similarly grants the Designated Appraiser Residential (DAR) and Designated Appraiser Commercial (DAC) designations. As a condition of maintaining their designation, Canadian appraisers must complete annual continuing education requirements and maintain an E&O insurance policy.

Currently, no specific regulations exist that govern AMCs. Each financial institution must independently provide the Office of the Superintendent of Financial Institutions ("**OSFI**") with evidence of the existence of a prudent real estate valuation regimen on an ongoing basis. Recent OSFI Guidelines, such as B-20, which was released in November 2014, stress that Canadian banks should have sound collateral management and appraisal processes for underlying mortgage properties. Real Matters' Platform includes an industry-leading appraiser assignment model and automated quality control that provides its clients with a mechanism for compliance with the OSFI Guidelines.

Property and Casualty Insurance Inspections

Insurance inspectors in Canada largely operate in an unregulated environment with little formalized education criteria. Most inspectors learn their trade by working with inspection firms who have developed their own training programs along with on-the-job training to meet insurer report requirements. The Company's Field Agents, including appraisers with superior qualifications and training, streamline the training process and learning curve. The independent Field Agents in the Real Matters network have advanced qualifications for certain types of complex properties. These Field Agents include professional engineers and individuals qualified as Wood Energy Technical Transfer (WETT) specialists.

USE OF PROCEEDS

The Company expects to receive approximately C$113,756,400 in net proceeds from the Treasury Offering (approximately C$132,415,069 if the Over-Allotment Option is exercised in full), after deducting that portion of the Underwriters' Commissions payable by the Company to the Underwriters in connection with the Treasury Offering of approximately C$7,503,600 (approximately C$8,694,579 if the Over-Allotment Option is exercised in full) and the estimated expenses of the Offering of approximately C$3,800,000. The Company will not receive proceeds from the Secondary Offering.

The Company intends to use the net proceeds from the Treasury Offering as follows:

- approximately C$26.0 million to discharge deferred purchase price obligations under the Linear acquisition; and
- approximately C$20.2 million to fully repay outstanding indebtedness under the Credit Facility, including accrued interest thereon.

The remaining net proceeds from the Treasury Offering are expected to be used to accomplish the business objectives of the Company, which include (i) continuing to grow residential mortgage appraisal market share, (ii) disrupting the mortgage closing market and (iii) continuing to pursue acquisition opportunities, as well as for working capital, general corporate purposes and investments in new services, technologies and businesses that expand, complement or are otherwise related to the Company's current business. See "Growth Strategy". Any such acquisitions or investments will be made in accordance with the Company's growth strategy. Although the Company may, from time to time, evaluate potential acquisition and investment opportunities, the Company currently has no agreements or commitments with respect to any particular transaction of this nature.

For a description of the principal purposes for which indebtedness under the Credit Facility has been used, see "Description of Material Indebtedness".

While the Company currently anticipates that it will use the net proceeds of the Treasury Offering as set forth above, the Company may re-allocate the net proceeds from time to time depending upon its growth strategy relative to market and other conditions in effect at the time. Until the Company uses the net proceeds, the Company expects to hold the proceeds on its balance sheet in cash or cash equivalents. As a result of its growth in recent periods and the fact that it operates in a rapidly evolving market, the Company does not believe it can provide with certainty the approximate amount of the remaining net proceeds that will be allocated to the business objectives set forth above. As such, it has not specifically allocated the remaining net proceeds amongst these purposes as at the date of this prospectus. Such decisions will depend on market and competitive factors as they evolve over time.

The aggregate net proceeds to be received by the Selling Shareholders from the sale of Shares pursuant to the Secondary Offering are estimated to be C$29,770,193, after deducting that portion of the Underwriters' Commissions payable by the Selling Shareholders. The Company will not receive any of the proceeds payable to the Selling Shareholders under the Secondary Offering. As the incremental expenses of the Secondary Offering are not anticipated to be material, the Company has agreed to pay the expenses associated with the Secondary Offering and, as a result, the Selling Shareholders will not pay any expenses of the Offering other than the Underwriters' Commissions in respect of the Secondary Offering. The Company will pay all other expenses of the Offering. See "Plan of Distribution".

DIVIDEND POLICY

The Company has never paid cash dividends to its shareholders to date. Following completion of the Offering, the Company currently intends to reinvest all future earnings in order to finance the development and growth of its business. As a result, the Company does not currently intend to pay dividends on its Shares in the foreseeable future. Any future determination to pay dividends will be at the discretion of the Board and will depend on the financial condition, business environment, operating results, capital requirements, any contractual restrictions on the payment of dividends and any other factors that the Board of Directors deems relevant. See "Description of Share Capital".

MANAGEMENT'S DISCUSSION AND ANALYSIS

This MD&A for the three months ended December 31, 2016 and years ended September 30, 2016 and 2015 should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements and the Company's audited annual consolidated financial statements, along with the related notes thereto, included in this prospectus. This MD&A is presented as of the date of this prospectus and is current to that date unless otherwise stated. The financial information presented in this MD&A is derived from the Company's unaudited interim condensed consolidated financial statements for the three months ended December 31, 2016 and 2015 and from the Company's audited annual consolidated financial statements for the years ended September 30, 2016, 2015 and 2014, all of which have been prepared in accordance with IFRS. This MD&A contains forward-looking statements that involve risks, uncertainties and assumptions, including statements regarding anticipated developments in future financial periods and its future plans and objectives. There can be no assurance that such information will prove to be accurate and readers are cautioned not to place undue reliance on such forward-looking statements. See "Forward-Looking Statements" and "Risk Factors".

Caution Regarding Forward-Looking Statements

Some of the information contained in this MD&A, including, in particular, the sections below entitled "Strategy and Outlook" and "Liquidity and Capital Resources", contain forward-looking statements. The forward-looking statements and other forward-looking information are provided as of the date of this MD&A and are based on management's opinions, estimates and assumptions in light of its experience and perception of historical trends, current trends, current conditions and expected future developments, as well as other factors that management believes appropriate and reasonable in the circumstances. Real Matters does not undertake to update any such forward-looking statements whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Actual results may differ materially from those indicated or underlying forward-looking statements as a result of various factors, including those described below under the heading "Risk Factors" contained elsewhere in this prospectus.

Real Matters cautions that the list of risk factors and uncertainties is not exhaustive and other factors could also adversely affect its results. Readers are urged to consider the risks, uncertainties and assumptions carefully in evaluating the forward-looking information and are cautioned not to place undue reliance on such information. See "Forward-Looking Statements" and "Risk Factors" in this prospectus for a discussion of the uncertainties, risks and assumptions associated with these statements.

Corporate Overview

Real Matters is a leading network management services provider for the mortgage lending and insurance industries. Real Matters' Platform combines its proprietary technology and network management capabilities with tens of thousands of independent qualified Field Agents to create an efficient marketplace for the provision of mortgage lending and insurance industry services. The Platform facilitates competition between Field Agents, such as residential real estate appraisers, to deliver performance-driven services, which brings superior quality, transparency and efficiency to Real Matters' clients.

Real Matters' Platform was created to address key issues within the mortgage lending and insurance industries. The Company built its Platform to create a long-term competitive advantage relative to traditional service providers, who have high-touch, labour intensive and costly operations. Through its Platform, Real Matters is able to deliver services faster and with fewer errors. The efficiencies provided by the Platform allow

for fewer touch points, which reduces the Company's cost structure and results in high Contribution Margins for Real Matters. See "Non-GAAP Financial Measures", "Prospectus Summary — Summary Financial Information" and "Management's Discussion and Analysis — Non-GAAP Measures" for a description of how the Company calculates non-GAAP measures and for reconciliations thereof to the most comparable GAAP measures.

Real Matters operates different brands focused on individual market segments in the U.S. and Canada. Real Matters services the U.S. and Canadian residential mortgage industry through its Solidifi and Linear brands, and the Canadian property and casualty insurance industry through its iv3 brand.

In the U.S., Real Matters' clients include approximately 60[89] of the top 100[90] mortgage lenders, including all Tier 1 mortgage lenders. The Company provides approximately one in 20 residential mortgage appraisals in the U.S. and has approximately 5% market share,[91] and is a national independent provider of title and closing services and has approximately 0.4% market share.[92]

In Canada, Real Matters' clients include a majority of the largest Canadian chartered banks as well as some of North America's largest insurance companies. The Company provides residential mortgage appraisals to three of the Big Five Banks and has approximately 16% market share.[93] The Company provides residential and commercial property insurance inspections to nine of the top 15 insurance carriers[94] in Canada and has approximately 12% market share.[95]

The total annual market spend for Real Matters' services was estimated by the Company to be approximately $16.0 billion in Fiscal 2016, which represents the estimated annual spend by mortgage lenders on residential mortgage appraisal services and written premiums for title insurance provided by the Company in the U.S., and residential mortgage appraisal and insurance inspection services provided by the Company in Canada.[96]

Headquartered in Markham, Ontario, Real Matters has nearly 900 employees across North America (including over 400 employees who recently joined the Company as part of its acquisition of Linear) with principal offices in Buffalo, New York, Cincinnati, Ohio and Middletown, Rhode Island.

Seasonality and Trends

Mortgage unit volumes in North America are a key driver of the Company's operations and financial performance. The Company's transaction-based revenues are impacted by the seasonality of the residential mortgage industry, with increased activity in the Company's fiscal third and fourth quarters, representing the three months ending June 30 and September 30, respectively, as home buyers tend to purchase more homes in the spring and summer. Mortgage unit volumes are also impacted by other factors such as interest rate fluctuations, refinancing rates, housing prices, the availability of funds for mortgage loans, credit requirements, regulatory changes, household indebtedness, employment levels and the general health of the North American economy. Growing market share with the Company's client base has softened the impact of seasonality on the Company's financial performance. The Company's market share is impacted by its clients' relative share of the mortgage origination market as compared to the overall mortgage origination market. Gains or losses in mortgage origination market share by the Company's clients will impact Real Matters' market share.

Most services are subject to multi-year or evergreen MSAs. These agreements generally do not have minimum unit volume guarantees. Instead, the Company relies on its ability to outperform competitors to increase its market share of transaction volumes with its clients.

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[89] Based on having completed at least one transaction with Real Matters in the calendar year ended December 31, 2016.

[90] Top 100 mortgage lenders according to *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016).*

[91] Management estimates based on data from the MBA Mortgage Finance Forecast Report of February 15, 2017.

[92] Management estimate of Residential Title Written Premium Market Share based on data from the American Land Title Association for period ending September 30, 2016 and Demotech, Inc. for period ending December 31, 2015.

[93] Based on management estimates.

[94] Facts of the Property and Casualty Insurance Industry in Canada 2016, published by Insurance Bureau of Canada (IBC).

[95] Based on management estimates.

[96] Management estimates of the residential mortgage appraisal market size of calendar 2016 based on data from the MBA Mortgage Finance Forecast Report of February 15, 2017, plus management estimates of the title market size measured by written premium based data from American Land Title Association Data for the nine month period ended September 30, 2016.

For Fiscal 2016, approximately 88% of the Company's revenues were generated in the U.S. For this reason, the Company has elected to report its consolidated financial results in U.S. dollars, although the Company's functional currency is the Canadian dollar. The Company does not hedge its exposure to fluctuations in Canadian denominated revenues and expenses.

Strategy and Outlook

Real Matters' mission is to be a leading network management services company, globally. The Company built its network management services Platform to address key issues in the mortgage lending and insurance industries. Today, Real Matters has an industry-leading position serving approximately 60[97] of the top 100[98] mortgage lenders in North America.

Real Matters' Platform creates a competitive marketplace for the outsourced services that are essential to the underwriting process. The Company's strategy is to leverage its Platform to consistently outperform competitors, build on its performance to grow market share with its clients, and to attract and retain franchise clients.

Real Matters believes that its strategy will strengthen the Company's competitive position, and generate increased revenues, Net Revenue and profitability. This strategy is supported by the Company's continuing focus on a scalable software development discipline, a commitment to client service, operational excellence and creating long-term value for its clients, employees and shareholders.

Real Matters takes a long-term view to manage and measure the success of its ongoing business strategy. In this regard, the Company's principal focus is on market share growth. The Company seeks to achieve market share increases irrespective of residential mortgage origination market conditions. Market share growth is achieved through both the onboarding of new customers to Real Matters' Platform and by increasing market share within the Company's existing client base and recently onboarded clients. The mortgage market and residential mortgage originations are subject to the influence of many external factors, such as broader economic conditions and fluctuating interest rates, over which the Company has no control.

Based on the Company's track record to date, the Company has routinely been able to grow its market share of a newly onboarded client's residential mortgage appraisal business to 15% of that client's transaction volume by the end of the first year of operation, and to 35% to 40% by the end of the third year. Although the vast majority of mortgage lenders in the U.S. use more than one service provider, Real Matters has a number of clients for which it is the majority residential mortgage appraisal provider. The Company's long-term strategy targets are based on achieving a market share of approximately 30% to 40% with each of its Tier 1 clients within five years of launch.

The foregoing description of Real Matters' potential growth opportunities and outlook is based on the Company's current views, assumptions concerning its growth outlook, and the Company's assessment of the mortgage and insurance industries as a whole, which are considered forward-looking information for purposes of applicable Canadian securities legislation. Readers are cautioned that actual results may vary. See "Caution Regarding Forward-Looking Statements" and "Risk Factors" in this prospectus for a description of the risks and uncertainties that impact the Company's business and that could cause actual results to vary.

The Company's outlook is predicated on the assumptions listed below. If the Company successfully executes its plan, the Company believes that it has significant growth opportunities over the next five years to:

- increase the Company's U.S. residential mortgage appraisal market share to 15% to 20% from approximately 5% today;[99]
- increase the Company's U.S. title and closing market share to 1% to 3% from approximately 0.4% today;[100]

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[97] Based on having completed at least one transaction with Real Matters in the calendar year ended December 31, 2016.

[98] Top 100 mortgage lenders according to *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016).*

[99] Management estimates based on data from the MBA Mortgage Finance Forecast Report of February 15, 2017.

[100] Management estimate of Residential Title Written Premium Market Share based on data from the American Land Title Association for period ending September 30, 2016 and Demotech, Inc. for period ending December 31, 2015.

- increase revenues by a CAGR of 20% to 25%, from base year Fiscal 2016;
- achieve its target Net Revenue margins of 35% to 40%; and
- achieve its target Adjusted EBITDA margins of 25% to 30%.

These long-term objectives are supported by the following strategies:

- **Continue to grow residential mortgage appraisal market share:** The total current annual market spend for residential mortgage appraisals services in the U.S. is estimated at approximately $3.2 billion.[101] The Company recently entered into MSAs with five Tier 1 mortgage lenders. Tier 1 mortgage lenders currently account for approximately 30% of U.S. residential mortgage appraisal spend.[102] The Company recently launched these clients and believes its market share with these clients will increase substantially over the next five years.
- **Disrupt the title and closing market:** The total current U.S. annual market spend, in terms of written premiums, for the title and closing market is estimated at approximately $13.0 billion.[103] The Company will seek to repeat its successful approach in the residential mortgage appraisal market and leverage its Platform to disrupt the title and mortgage closing process, it will be able to drive better performance and garner a larger share of the title and closing business of its existing Tier 2 and Tier 1 clients. The Company believes it can leverage its existing MSAs with mortgage lenders in the U.S., including all Tier 1 mortgage lenders, to accelerate the sales cycle and time to first transaction with these lenders.
- **Continue to pursue acquisition opportunities:** Real Matters has a track record of acquiring traditional businesses and effectively integrating them with the its Platform in order to scale and deliver better performance and generate high Contribution Margins. The Company will continue to seek other strategic acquisitions in its existing business or new business lines that leverage its Platform and complement its existing businesses.

The Company expects its quarterly results to vary with the seasonal nature of the business and the size of the U.S. mortgage origination market, which is significantly impacted by fluctuations in interest rates.

Real Matters' five year outlook is based on the following assumptions, among others:

- the MBA Mortgage Finance Forecast Report of February 15, 2017 for the U.S. which estimates a mortgage origination market of $1.9 trillion in 2016, and $1.6 trillion in 2017, 2018 and 2019. Management has assumed that the market will remain at $1.6 trillion beyond 2019. Management cautions readers that these assumptions and estimates are subject to change and any change may be significant to the Company's operating results;
- continued expansion of the Company's residential mortgage market share, including, by 2021, a market share of approximately 30% to 40% with each of the Company's Tier 1 clients;
- retention and growth of the Company's existing clients;
- a successful launch of the Company's Next Generation Closing strategy;
- growth in the Company's market share in title and closing as a result of the Company's Next Generation Closing strategy, as well as growth in market share with existing and new Tier 3 and Tier 4 lenders;
- the Company obtaining a significant share of the title and closing business of its existing Tier 1 and Tier 2 clients;
- using the Company's existing MSAs with mortgage lenders in the U.S. to accelerate the sales cycle and time to first transaction;

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[101] Management estimates based on data for calendar year 2016 from the MBA Mortgage Finance Forecast Report of February 15, 2017.

[102] Based on *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016)*, management estimates that Tier 1, Tier 2 and Tier 3 mortgage lenders currently account for approximately 30%, 28% and 35% of the mortgage appraisal spend in the U.S., respectively (assuming an allocation of 8% mortgage appraisal spend to Tier 4 mortgage lenders).

[103] Title Written Premiums data from the American Land Title Association for period ending September 30, 2016.

- continuing to leverage Real Matters' Platform to improve Adjusted EBITDA margins over the long-term;
- incurring the majority of the Company's IPO costs in the year ending September 30, 2017 ("**Fiscal 2017**");
- no revenue from potential acquisitions is included in the current outlook; and
- the Company has assumed a constant foreign currency exchange rate of $0.7634, representing the amount of U.S. dollars required to purchase one Canadian dollar throughout the forecast period.

The Company considers these assumptions to be reasonable and achievable in the circumstances, given the time period for this outlook. However, among other things, there can be no assurance that Real Matters will be able to continue to expand market share in appraisal and title and closing, or launch its Next Generation Closing strategy. See "Risk Factors".

Real Matters uses data provided in the MBA Mortgage Finance Forecast Report of February 15, 2017 to derive the projected spend in the residential mortgage appraisal market. The Company calculates its residential mortgage appraisal market share by dividing its revenue from residential mortgages by the estimated total spend in the residential mortgage appraisal market.

Real Matters uses data from the American Land Title Association to estimate the size of the title and closing market. The Company calculates its title and closing market share by dividing the total written premiums of the Company's residential mortgage transactions by the Company's estimate of the residential portion of Total Insurance Written Premiums reported by the American Land Title Association. The Company also typically earns additional revenues for escrow and closing services on transactions for which it earns written premiums revenues.

Fiscal 2017 Outlook

As discussed below, based on the current MBA forecast, the Company currently expects that revenues and Net Revenue will increase in Fiscal 2017 as compared to Fiscal 2016. Real Matters continues to see strong market share gains with existing clients, it launched two significant Tier 1 mortgage lenders in the three months ended December 31, 2016 ("**Q1 2017**") and will realize contributions from its acquisition of Linear in Fiscal 2017. Real Matters believes its Fiscal 2017 revenues and Net Revenue will be negatively impacted by the significant projected decline in the overall residential mortgage origination market, led by lower refinance mortgage origination activity.

Q2 2017

The Company expects revenues and Net Revenue will increase as a result of market share increases and contributions from Linear in the three months ending March 31, 2017 ("**Q2 2017**") as compared to the three months ended March 31, 2016 ("**Q2 2016**"). Excluding the contribution of Linear, the Company expects revenues and Net Revenue for Q2 2017 to decrease modestly compared to Q2 2016. Sequentially, revenues and Net Revenues are anticipated to be significantly lower than Q1 2017, as a result of declines in overall residential mortgage appraisals and title and closing activity due to a decline in the North American mortgage origination market. The seasonal impact has been compounded by the recent rise in interest rates, which has resulted in a significant decline in the refinance market, particularly as compared to refinance activity in Q1 2017.

In support of the Company's long-term growth and integration strategy, in April 2017, the Company and two of its joint venture partners had discussions to end their joint venture arrangements. At December 31, 2016, the aggregate carrying amount of the Company's investment in these joint ventures was $5.4 million which was recorded as an investment in equity accounted investees on the Company's condensed consolidated statement of financial position. The Company is currently assessing the recoverable amounts of these investments for impairment which could result in an impairment charge to the condensed consolidated statement of operations and comprehensive loss in Q2 2017 equal in amount up to the aggregate carrying value of these investments.

Other

Stock Based Compensation (Stock Options)

Stock options issued under the Company's employee stock option plan vest on the satisfaction of both a service and performance condition. These conditions require the Company to estimate the probability of options that the Company expects will vest, which includes consideration of successfully completing an IPO. At this time, the completion of an IPO requires the satisfaction of many factors, many of which are outside of the Company's control. Accordingly, it is not possible for the Company to conclude that its IPO is probable in accordance with the applicable accounting guidance. For these reasons, the Company has not recognized any stock based compensation expense for Q1 2017 and Fiscal 2016, or any previous period. The Company will recognize stock option expense in the period it can conclude that there are no significant uncertainties remaining. The Company expects this expense to be approximately C$3.5 million.

Important Factors Affecting Results from Operations

Many factors, including those that are beyond the Company's control, may have a significant impact on the Company's operating performance. Since the vast majority of the Company's revenues are generated in the U.S., the discussion outlined below pertains to factors affecting the near-term outlook for the U.S. market. As discussed in the "Strategy and Outlook" section above, Real Matters' objectives and strategy have been established with a longer-term view of performance, which includes consideration of the near-term factors expected to impact the Company's operating results outlined below.

Residential Mortgage Originations

The Company's business is principally dependent on the strength of the mortgage lending industry, specifically the volume of U.S. residential mortgage originations for purchase and refinance transactions. According to the MBA Mortgage Finance Forecast Report of February 15, 2017, the U.S. mortgage origination market was estimated at $1.9 trillion in 2016. The MBA expects residential mortgage originations to decline to $1.6 trillion in 2017, and to remain stable until 2019. The MBA currently expects refinance transactions to decline to $500 billion in 2017 from $900 billion in 2016. In contrast, the MBA currently estimates that residential mortgage originations for home purchases will increase by 10%, 8% and 6% in each of the next three years, respectively, beginning in 2017. The anticipated decline in refinance transactions will dampen revenues for the Company, while the expected increase in residential mortgage originations for home purchases will be a positive to Company revenues. Based on current estimates for the residential mortgage appraisal market, contributions to revenues from the acquisition of Linear, market share gains and new client wins, the Company expects its revenues to be modestly higher in Fiscal 2017 than in Fiscal 2016, all else equal.

Economic Conditions

General economic conditions in the U.S. including the outlook for major leading indicators such as interest rates, Real Gross Domestic Product ("**GDP**") and unemployment levels have historically impacted home ownership levels and the level of residential mortgage originations. According to the MBA, interest rates in the U.S., specifically thirty-year fixed mortgage rates, are expected to increase steadily from a low of 3.4% in the third quarter of calendar 2016 to 4.7% at the end of 2017, 5.1% at the end of 2018, and continuing to rise in 2019. Rising interest rates could result in lower residential mortgage originations and lower revenues for the Company. According to the MBA, U.S. GDP growth is expected to moderate from its most recent high in the third quarter of calendar 2016. For calendar year 2017, GDP is expected to be modestly higher than calendar year 2016, declining slightly in 2018 and again in 2019. A stronger U.S. economic environment can result in higher residential mortgage originations, including purchase and refinance originations, which could lead to higher revenues for the Company. Unemployment levels in the U.S., as forecasted by the MBA,[104] are expected to decline in 2017 from 2016 levels, and remain stable thereafter. Lower unemployment levels could lead to higher residential mortgage originations and result in higher revenues for the Company.

[104] The MBA Economic Forecast of February 15, 2017.

Regulation

Tighter regulation can impact the supply of mortgage funding. All else equal, a greater supply of mortgage funding could have a positive impact on the Company's revenues. The U.S. government is currently considering a review of certain regulations that, in combination with others, govern residential mortgage originations. While less restrictive regulation could result in higher Company revenues, the Company does not view the repeal or easing of certain components of a particular piece of regulation as having a significant impact on the Company's revenues. Conversely, a tighter supply of mortgage funding could lead to lower residential mortgage originations and lower revenues for the Company. The Company does not currently anticipate a tightening of available mortgage funding.

The Company expects that anticipated market share growth with current and future clients will help mitigate the impact of any weakness in the mortgage lending market, as forecasted by the MBA and expected by management, on the Company's operating performance.

The Company is also subject to a variety of risks and uncertainties. See "Caution Regarding Forward-Looking Statements" in the MD&A and "Forward-Looking Statements" and "Risk Factors" contained elsewhere in this prospectus for a description of the risks that impact the Company's business and that could cause actual results to vary.

Factors Affecting the Comparability of Results from Operations

The Company's historical results from operations include recent material acquisitions which affect the comparability of the Company's reported results:

- **Southwest:** results from Southwest were included in the Company's consolidated results starting May 1, 2015.
- **Linear:** results from Linear were included in the Company's consolidated results starting April 1, 2016.

For more details on these acquisitions and their contribution to the Company's financial results from operations, please see the "Review of Operations" section of the Company's MD&A.

Non-GAAP Measures

Adjusted EBITDA

All references to "Adjusted EBITDA" in this MD&A are to net income or loss before stock-based compensation expense, acquisition and IPO costs, amortization, interest expense, interest income, net foreign exchange gains or losses, gains or losses on fair value of warrants, net income or loss from equity accounted investees and income tax expense or recovery. Adjusted EBITDA is a term used by the Company that does not have a standardized meaning prescribed by IFRS as issued by the International Accounting Standards Board ("**IASB**") and therefore may not be comparable to similar measures presented by other issuers. Adjusted EBITDA is a measure of the Company's operating profitability, and by definition, excludes certain items detailed above. These items are viewed by the Company as either non-cash (in the case of stock-based compensation expense, amortization, unrealized net foreign exchange gain or loss, gain or loss on fair value of warrants, net income or loss from equity accounted investee and deferred income taxes) or non-operating (in the case of acquisition and IPO costs, realized net foreign exchange gain or loss, interest expense, interest income and current income taxes). Adjusted EBITDA is a useful financial and operating metric for the Company, the Board of Directors, and the Company's lender, as it represents a measure of the Company's operating performance that it uses to assess the value of the Company relative to its peers. The underlying reasons for the exclusion of each item are as follows:

- **Stock-based compensation expense:** These costs represent non-cash expenditures recognized in connection with an IPO, or stock-based compensation expenses incurred on awards issued outside of the normal course. These amounts are recorded to operating expenses, are not considered an expense of continuing operations and represent a different class of expense than those included in Adjusted EBITDA.
- **Acquisition and IPO costs:** These costs represent non-operating expenses and include transaction costs specific to acquisitions and costs incurred in preparation of the Offering. These expenses are not

considered an expense indicative of continuing operations. These costs represent a different class of expense than those included in Adjusted EBITDA.

- **Amortization:** As a non-cash item, amortization is not indicative of the Company's operating profitability.
- **Interest expense and income:** Interest expense or income reflects the Company's debt/equity mix, interest rates and borrowing position from time-to-time. Accordingly, interest expense or income reflects the Company's treasury/financing activities and represents a different class of expense than those included in Adjusted EBITDA.
- **Net foreign exchange gain or loss:** As non-cash items, unrealized net foreign exchange gains or losses are not indicative of the Company's operating profitability. Realized net foreign exchange gains or losses reflects the Company's treasury/financing activities and represents a different class of expense than those included in Adjusted EBITDA.
- **Gains or losses on fair value of warrants:** As a non-cash item, gains or losses on fair value of warrants is not indicative of the Company's operating profitability. Gains or losses on the fair value of warrants reflects the Company's treasury/financing activities and represents a different class of expense than those included in Adjusted EBITDA.
- **Net income or loss from equity accounted investee:** Net income or loss from the Company's equity accounted investee is deducted from or added to Adjusted EBITDA and as a non-cash item is not indicative of the Company's operating profitability.
- **Income taxes:** Income taxes are a function of tax laws and rates and are affected by matters which are separate from the Company's daily operations.

The reconciling items between Adjusted EBITDA and net income or loss are detailed in the unaudited condensed consolidated statement of operations and comprehensive income or loss for Q1 2017 and the consolidated statement of operations and comprehensive income or loss for Fiscal 2016, 2015 and 2014 (collectively, the "**consolidated statement of operations and comprehensive income or loss**").

A reconciliation between net income or loss and Adjusted EBITDA is provided below.

	Three months ended December 31,	
	2016	**2015**
Net loss	$ (2,285)	$ (225)
Stock-based compensation expense	—	—
Acquisition and IPO costs	421	—
Amortization	5,198	1,341
Interest expense	254	95
Interest income	—	(1)
Net foreign exchange (gain) loss	(3,741)	1
Loss (gain) on fair value of warrants	4,505	(1)
Net income from equity accounted investees	(105)	—
Income tax expense (recovery)	1,248	(324)
Adjusted EBITDA	**$ 5,495**	**$ 886**

	Year ended September 30,		
	2016	**2015**	**2014**
Net loss	$ (6,079)	$ (5,103)	$ (910)
Stock-based compensation expense	—	—	—
Acquisition and IPO costs	3,005	391	—
Amortization	14,001	4,165	2,892
Interest expense	687	513	698
Interest income	(20)	(46)	(111)
Net foreign exchange (gain) loss	(2,841)	2	—
Loss on fair value of warrants	5,437	5,075	416
Net income from equity accounted investees	(475)	—	—
Income tax (recovery) expense	(891)	265	(815)
Adjusted EBITDA	**$ 12,824**	**$ 5,262**	**$ 2,170**

Management typically calculates Adjusted EBITDA as follows:

	Three months ended December 31,	
	2016	2015
Revenues	$78,894	$44,491
Less: Transaction costs	52,877	35,223
Less: Operating expenses	20,522	8,382
Add: Stock-based compensation expense	—	—
Adjusted EBITDA	**$ 5,495**	**$ 886**

	Year ended September 30,		
	2016	2015	2014
Revenues	$248,547	$170,495	$114,589
Less: Transaction costs	180,247	136,821	92,473
Less: Operating expenses	55,476	28,412	19,946
Add: Stock-based compensation expense	—	—	—
Adjusted EBITDA	**$ 12,824**	**$ 5,262**	**$ 2,170**

Net Revenue

The reconciling items between net income or loss and Net Revenue are detailed in the consolidated statement of operations and comprehensive income or loss. A reconciliation between net income or loss and Net Revenue is provided below.

	Three months ended December 31,	
	2016	2015
Net loss	$ (2,285)	$ (225)
Operating expenses	20,522	8,382
Acquisition and IPO costs	421	—
Amortization	5,198	1,341
Interest expense	254	95
Interest income	—	(1)
Net foreign exchange (gain) loss	(3,741)	1
Loss (gain) on fair value of warrants	4,505	(1)
Net income from equity accounted investees	(105)	—
Income tax expense (recovery)	1,248	(324)
Net Revenue	**$ 26,017**	**$ 9,268**

	Year ended September 30,		
	2016	2015	2014
Net loss	$(6,079)	$(5,103)	$ (910)
Operating expenses	55,476	28,412	19,946
Acquisition and IPO costs	3,005	391	—
Amortization	14,001	4,165	2,892
Interest expense	687	513	698
Interest income	(20)	(46)	(111)
Net foreign exchange (gain) loss	(2,841)	2	—
Loss on fair value of warrants	5,437	5,075	416
Net income from equity accounted investees	(475)	—	—
Income tax (recovery) expense	(891)	265	(815)
Net Revenue	**$68,300**	**$33,674**	**$22,116**

Management typically calculates Net Revenue as follows:

	Three months ended December 31,	
	2016	2015
Revenues	$78,894	$44,491
Less: Transaction costs	52,877	35,223
Net Revenue	**$26,017**	**$ 9,268**

	Year ended September 30,		
	2016	2015	2014
Revenues	$248,547	$170,495	$114,589
Less: Transaction costs	180,247	136,821	92,473
Net Revenue	**$ 68,300**	**$ 33,674**	**$ 22,116**

All references to "Net Revenue" in this MD&A are to Adjusted EBITDA (as defined above) plus operating expenses. Net Revenue is a term used by the Company that does not have a standardized meaning prescribed by IFRS and may not be comparable to similar measures used by other entities. Net Revenue is an additional measure of the Company's operating profitability, and by definition, excludes certain items detailed above. Net Revenue comprises revenues less transaction costs, where transaction costs comprise expenses that are directly attributable to a specific revenue transaction including: appraisal costs, various processing fees, including credit card fees, connectivity fees, insurance inspection costs, title and closing agent costs, external abstractor costs and external quality review costs. Net Revenue is a useful financial and operating metric for the Company, the Board of Directors, and the Company's lender, as it represents a measure of the Company's operating performance that it uses to assess the value of the Company relative to its peers.

Adjusted Net Income or Loss

All references to "Adjusted Net Income or Loss" in this MD&A are to net income or loss before stock-based compensation expense, acquisition and IPO costs, net foreign exchange gains or losses, gains or losses on fair value of warrants and amortization of intangibles, net of the related tax effects. Adjusted Net Income or Loss is a term used by the Company that does not have a standardized meaning prescribed by IFRS and is unlikely to be comparable to similar measures used by other entities. Adjusted Net Income or Loss is a measure of the Company's operating profitability and, by definition, excludes certain items detailed above. These items are viewed by the Company as either non-cash (in the case of stock-based compensation expense, unrealized net foreign exchange gain or loss, gain or loss on fair value of warrants and amortization of intangibles) or non-operating (in the case of acquisition and IPO costs and realized net foreign exchange gains or losses). Adjusted Net Income or Loss is a useful financial and operating metric for the Company, the Board of Directors, and the Company's lender, as it represents net income from operations, which excludes treasury, capital and acquisition related costs.

The reconciling items between net income or loss and Adjusted Net Income or Loss is provided below.

	Three months ended December 31,	
	2016	**2015**
Net loss	$ (2,285)	$ (225)
Stock-based compensation expense	—	—
Acquisition and IPO costs	421	—
Net foreign exchange (gain) loss	(3,741)	1
Loss (gain) on fair value of warrants	4,505	(1)
Amortization of intangibles	4,814	1,189
Related tax effects	(1,818)	(449)
Adjusted Net Income	**$ 1,896**	**$ 515**

	Year ended September 30,		
	2016	**2015**	**2014**
Net loss	$ (6,079)	$ (5,103)	$ (910)
Stock-based compensation expense	—	—	—
Acquisition and IPO costs	3,005	391	—
Net foreign exchange (gain) loss	(2,841)	2	—
Loss on fair value of warrants	5,437	5,075	416
Amortization of intangibles	12,839	3,612	2,238
Related tax effects	(6,389)	(2,749)	(824)
Adjusted Net Income	**$ 5,972**	**$ 1,228**	**$ 920**

Adjusted EBITDA, Net Revenue and Adjusted Net Income or Loss should not be considered in isolation, or as an alternative to, or a substitute for, net income or other financial statement data presented in the Company's audited consolidated financial statements as indicators of financial performance.

Financial Performance

The following is a discussion of the Company's consolidated financial condition and results of operations for Q1 2017, Fiscal 2016 and for the year ended September 30, 2015 ("**Fiscal 2015**"), and has been prepared with all available information up to and including the date of this prospectus. All amounts are reported in thousands of U.S. dollars, unless otherwise stated, and have been prepared in accordance with IFRS. This discussion should be read in conjunction with the Company's unaudited condensed consolidated financial statements for Q1 2017 and consolidated financial statements for Fiscal 2016, Fiscal 2015 and the fiscal year ended September 30, 2014 ("**Fiscal 2014**"), including the notes thereto.

Foreign Currency Exchange ("FX") Rates

The Company has elected to report its financial results in U.S. dollars to improve the comparability of its financial results with its peers. Reporting the Company's financial results in U.S. dollars also reduces the impact of foreign currency exchange fluctuations in the Company's reported amounts because its complement of assets and operations are larger in the U.S. than they are in Canada. However, the Company remains a legally domiciled Canadian entity and its functional currency is the Canadian dollar. Accordingly, the Company's financial position, results of operations, cash flows and equity are initially translated to, and consolidated in, Canadian dollars. The resulting translation adjustments are included in other comprehensive income or loss. The Company's consolidated Canadian dollar statement of financial position ("**balance sheet**") is further translated from Canadian to U.S. dollars applying the foreign currency exchange rate in effect at the balance sheet date, while the Company's consolidated Canadian dollar results of operations and cash flows are translated to U.S. dollars applying the average foreign currency exchange rate in effect during the reporting period. Translating the financial position, results of operations and cash flows of the Company's U.S. business into Canadian dollars, the Company's functional currency, and re-translating these amounts to U.S. dollars, its reporting currency, has no translation impact on the Company's financial statements. Accordingly, the Company's U.S. results retain their original values when expressed in the Company's reporting currency. Translation adjustments are only included in the determination of net income or loss when the Company realizes a reduction in the investment it holds in operations outside of Canada.

The Company's consolidated financial position and operating results have been translated to U.S. dollars applying FX rates outlined in the table below. FX rates are expressed as the amount of U.S. dollars required to purchase one Canadian dollar and represent noon rates according to the Bank of Canada.

	Q1 2017			Q1 2016		
	Condensed Consolidated Balance Sheet	Condensed Consolidated Statement of Operations and Comprehensive Income or Loss		Condensed Consolidated Balance Sheet	Condensed Consolidated Statement of Operations and Comprehensive Income or Loss	
	Current	Average	Cumulative Average	Current	Average	Cumulative Average
December 31	$0.7448	$0.7496	$0.7496	$0.7225	$0.7489	$0.7489

	Fiscal 2016			Fiscal 2015		
	Consolidated Balance Sheet	Consolidated Statement of Operations and Comprehensive Income or Loss		Consolidated Balance Sheet	Consolidated Statement of Operations and Comprehensive Income or Loss	
	Current	Average	Cumulative Average	Current	Average	Cumulative Average
December 31	$0.7225	$0.7489	$0.7489	$0.8620	$0.8805	$0.8805
March 31	$0.7710	$0.7274	$0.7380	$0.7885	$0.8057	$0.8414
June 30	$0.7687	$0.7761	$0.7503	$0.8017	$0.8134	$0.8319
September 30	$0.7624	$0.7662	$0.7542	$0.7466	$0.7637	$0.8137

	Year ended September 30, 2014		
	Consolidated Balance Sheet	Consolidated Statement of Operations and Comprehensive Income or Loss	
	Current	Average	Cumulative Average
December 31	$0.9402	$0.9525	$0.9525
March 31	$0.9047	$0.9062	$0.9288
June 30	$0.9367	$0.9170	$0.9248
September 30	$0.8922	$0.9180	$0.9231

FX Impact on Consolidated Results

The following tables have been prepared to assist readers in assessing the FX impact on selected results for Q1 2017, Fiscal 2016 and Fiscal 2015.

Q1 2017

	Three months ended				
	December 31, 2015	December 31, 2016	December 31, 2016	December 31, 2016	December 31, 2016
	(as reported)	(change holding FX constant)	(holding FX constant with the comparative period)	(FX impact)	(as reported)
Condensed Consolidated Statement of Operations					
Revenues	$44,491	$34,396	$78,887	$ 7	$78,894
Transaction costs	35,223	17,649	52,872	5	52,877
Operating expenses	8,382	12,137	20,519	3	20,522
Acquisition and IPO costs	—	420	420	1	421
Amortization	1,341	3,857	5,198	—	5,198
Interest expense	95	159	254	—	254
Interest income	(1)	1	—	—	—
Net foreign exchange loss (gain)	1	(3,742)	(3,741)	—	(3,741)
(Gain) loss on fair value of warrants	(1)	4,501	4,500	5	4,505
Net income from equity accounted investees	—	(105)	(105)	—	(105)
Loss before income tax (recovery) expense	(549)	(481)	(1,030)	(7)	(1,037)
Net income tax (recovery) expense	(324)	1,572	1,248	—	1,248
Net loss	$ (225)	$(2,053)	$(2,278)	$(7)	$(2,285)
Net Revenue	**$ 9,268**	**$16,747**	**$26,015**	**$ 2**	**$26,017**
Adjusted EBITDA	**$ 886**	**$ 4,610**	**$ 5,496**	**$(1)**	**$ 5,495**
Adjusted Net Income	**$ 515**	**$ 1,383**	**$ 1,898**	**$(2)**	**$ 1,896**

Fiscal 2016

	Year ended				
	September 30, 2015	**September 30, 2016**	**September 30, 2016**	**September 30, 2016**	**September 30, 2016**
	(as reported)	(change holding FX constant)	(holding FX constant with the comparative period)	(FX impact)	(as reported)
Consolidated Statement of Operations					
Revenues	$170,495	$80,443	$250,938	$(2,391)	$248,547
Transaction costs	136,821	45,406	182,227	(1,980)	180,247
Operating expenses	28,412	28,057	56,469	(993)	55,476
Acquisition and IPO costs	391	2,660	3,051	(46)	3,005
Amortization	4,165	9,929	14,094	(93)	14,001
Interest expense	513	187	700	(13)	687
Interest income	(46)	24	(22)	2	(20)
Net foreign exchange loss (gain)	2	(2,812)	(2,810)	(31)	(2,841)
Loss on fair value of warrants	5,075	791	5,866	(429)	5,437
Net income from equity accounted investees	—	(475)	(475)	—	(475)
Loss before income tax expense (recovery)	(4,838)	(3,324)	(8,162)	1,192	(6,970)
Net income tax expense (recovery)	265	(1,068)	(803)	(88)	(891)
Net loss	$ (5,103)	$ (2,256)	$ (7,359)	$ 1,280	$ (6,079)
Net Revenue	**$ 33,674**	**$35,037**	**$ 68,711**	**$ (411)**	**$ 68,300**
Adjusted EBITDA	**$ 5,262**	**$ 6,980**	**$ 12,242**	**$ 582**	**$ 12,824**
Adjusted Net Income	**$ 1,228**	**$ 3,888**	**$ 5,116**	**$ 856**	**$ 5,972**

Fiscal 2015

	Year ended				
	September 30, 2014	**September 30, 2015**	**September 30, 2015**	**September 30, 2015**	**September 30, 2015**
	(as reported)	(change holding FX constant)	(holding FX constant with the comparative period)	(FX impact)	(as reported)
Consolidated Statement of Operations					
Revenues	$114,589	$59,571	$174,160	$(3,665)	$170,495
Transaction costs	92,473	47,277	139,750	(2,929)	136,821
Operating expenses	19,946	10,152	30,098	(1,686)	28,412
Acquisition and IPO costs	—	395	395	(4)	391
Amortization	2,892	1,488	4,380	(215)	4,165
Interest expense	698	(83)	615	(102)	513
Interest income	(111)	59	(52)	6	(46)
Net foreign exchange loss	—	3	3	(1)	2
Loss on fair value of warrants	416	5,341	5,757	(682)	5,075
Loss before income tax (recovery) expense	(1,725)	(5,061)	(6,786)	1,948	(4,838)
Net income tax (recovery) expense	(815)	1,271	456	(191)	265
Net loss	$ (910)	$ (6,332)	$ (7,242)	$ 2,139	$ (5,103)
Net Revenue	**$ 22,116**	**$12,294**	**$ 34,410**	**$ (736)**	**$ 33,674**
Adjusted EBITDA	**$ 2,170**	**$ 2,142**	**$ 4,312**	**$ 950**	**$ 5,262**
Adjusted Net Income	**$ 920**	**$ (1,193)**	**$ (273)**	**$ 1,501**	**$ 1,228**

Review of Operations — Q1 2017

The Company conducts its business in the U.S. and Canada. Please refer to the table above for additional details regarding the impact of FX on the Company's comparative operating results, which were nominal period-over-period.

Revenues

	Three months ended December 31,		
	2016	2015	Change
Total	$78,894	$44,491	$34,403
U.S.	$71,752	$38,519	$33,233
Canada	$ 7,142	$ 5,972	$ 1,170

Revenue by Geography and Service Type

	Three months ended December 31, 2016				Three months ended December 31, 2015			
	U.S.	Percentage of revenues	Canada — expressed in thousands of Canadian dollars	Percentage of revenues	U.S.	Percentage of revenues	Canada — expressed in thousands of Canadian dollars	Percentage of revenues
Appraisal and ancillary	$49,706	69.3%	$8,259	86.7%	$38,519	100.0%	$6,759	84.8%
Title and closing	21,679	30.2%	—	—%	—	—%	—	—%
Other	367	0.5%	1,268	13.3%	—	—%	1,214	15.2%
Revenues	**$71,752**	**100.0%**	**$9,527**	**100.0%**	**$38,519**	**100.0%**	**$7,973**	**100.0%**

Revenue Growth or Decline Components — Expressed Before FX

	Three months ended December 31, 2016			Three months ended December 31, 2015		
	U.S.	Canada	Consolidated	U.S.	Canada	Consolidated
Organic	26.1%	19.5%	25.2%	13.2%	19.1%	14.3%
Acquisition	60.2%	—%	52.1%	36.5%	—%	29.7%
FX	—%	0.1%	—%	—%	(17.8)%	(3.3)%
Total revenue growth	**86.3%**	**19.6%**	**77.3%**	**49.7%**	**1.3%**	**40.7%**

Consolidated revenues increased 77.3% to $78.9 million, due to revenues from acquisitions and organic growth of $23.2 million and $11.2 million, respectively. The change in FX was nominal period-over-period.

Revenue growth from acquisitions was largely due to the results of Linear, which was acquired in April 2016. Revenues from this acquisition contributed $22.1 million to the period-over-period increase. The acquisition of Linear generated revenues from residential and commercial real estate title and closing services. The Company also acquired a small complementary business in 2016 that contributed additional revenues of $1.1 million.

The Company's organic revenue growth in Q1 2017 was from higher transaction volumes gained through additional market share with its existing clients, transaction volumes from new clients and higher comparative market volumes. The Company successfully deployed with two Tier 1 mortgage lenders in the U.S. during Q1 2017, which represented a significant achievement and a base from which the Company believes it can grow market share in the future.

U.S.

U.S. segment revenues increased 86.3% to $71.8 million for Q1 2017. As outlined in the consolidated discussion above, acquisitions accounted for $23.2 million of the increase in revenues. Excluding acquisitions,

revenues increased period-over-period due to growth in appraisal volumes and market share with its existing clients. Revenues from its acquisition of Linear outperformed expectations due to higher volumes of mortgage refinancings in Q1 2017.

Canada

Revenues in Canada increased 19.6% to $7.1 million for Q1 2017. The Company managed higher appraisal volumes in Q1 2017 as a result of increased market share.

See "Strategy and Outlook" in this MD&A for additional discussion on economic trends affecting revenues, the Company's strategy and its operations.

Transaction Costs

Transaction costs comprise expenses that are directly attributable to a specific revenue transaction including: appraisal costs, various processing fees, including credit card fees, connectivity fees, insurance inspection costs, title and closing agent costs, external abstractor costs and external quality review costs.

	Three months ended December 31,		
	2016	2015	Change
Total	$52,877	$35,223	$17,654
U.S.	$46,989	$30,322	$16,667
Canada	$ 5,888	$ 4,901	$ 987

On a consolidated basis, transaction costs were up 50.1% to $52.9 million for Q1 2017 on higher revenues from acquisitions and organic growth. Acquisitions contributed $7.1 million to the period-over-period increase, due to the acquisition of Linear and a small complementary business the Company completed in Fiscal 2016. As defined above, transaction costs comprise costs that are directly attributable to a specific revenue transaction incurred directly by us from a third-party. The majority of costs incurred for Linear are not incurred directly from a third-party and therefore do not constitute transaction costs or comprise Field Agent costs. Accordingly, transaction costs as a percentage of revenues are positively impacted due to the acquisition of Linear for the three months ended December 31, 2016.

Organic revenue growth, most notably from new client deployments, market share gains with existing clients, and higher comparative market volumes, accounted for $10.6 million of the increase in transaction costs period-over-period.

U.S.

Transaction costs in the Company's U.S. segment increased $16.7 million period-over-period as a result of acquisitions and organic growth which contributed $7.1 million and $9.6 million, respectively. The Company's acquisition of Linear in April 2016, coupled with a small complementary business acquired in January 2016, generated higher period-over-period transaction costs of $6.6 million and $0.5 million, respectively.

Higher transaction costs were in line with organic revenue growth the Company generated in Q1 2017 due to market share gains from existing clients, new client additions and higher comparative market volumes. Excluding the impact of acquisitions, Net Revenue margins were lower quarter-over-quarter due to higher appraiser costs incurred in conjunction with onboarding and deploying the Platform with new clients, which included Tier 1 mortgage lenders in the U.S. The Company views this stage of client deployment as its opportunity to demonstrate the power of the Platform, and has an established track record of progressively growing market share with clients over time. As the Company builds market share with clients, it expects to leverage the Company's Platform to lower transaction costs.

Canada

Transaction costs in Canada were up $1.0 million for Q1 2017 compared to the same period last year. This increase was largely attributable to an increase in appraisal costs due to market share gains. Transaction costs as a percentage of revenues increased by 30 basis points period-over-period due to marginally higher insurance inspection costs as a percentage of revenues.

Operating Expenses

	Three months ended December 31,		
	2016	2015	Change
Total	$20,522	$8,382	$12,140
U.S.	$17,150	$5,552	$11,598
Canada	$ 705	$ 663	$ 42
Corporate	$ 2,667	$2,167	$ 500

Consolidated operating expenses increased $12.1 million for Q1 2017. Higher operating expenses in the Company's U.S. segment accounted for the majority of the period-over-period change, driven principally by acquisitions and organic growth.

U.S.

The increase in U.S. segment operating expenses was largely attributable to the Company's acquisition of Linear. The Linear acquisition contributed $9.2 million of additional costs, comprised principally of payroll and related costs of $7.0 million and office costs of $0.7 million. The remainder of the increase related to travel and entertainment, professional fees and software and other telecommunication costs. Excluding acquisitions, higher payroll and related costs were the largest contributor to the period-over-period increase and totaled $1.8 million. Telecommunication costs and professional fees increased $0.2 million in total, as a result of higher volumes due to new customer wins and organic growth.

Canada

The period-over-period increase in operating costs was not due to one significant cost increase.

Corporate

Corporate operating expenses increased $0.5 million for Q1 2017 due to higher payroll and related costs. The hire of additional staff to further enhance and support the Platform to accommodate both the Company's short and longer-term growth strategies resulted in higher payroll and related costs totaling $0.4 million.

Acquisition and IPO Costs

	Three months ended December 31,		
	2016	2015	Change
Total	$ 421	$ —	$ 421
U.S.	$ 222	$ —	$ 222
Canada	$ —	$ —	$ —
Corporate	$ 199	$ —	$ 199

The Company incurred acquisition and IPO costs of $0.4 million for third-party services for Q1 2017. IPO costs reflected professional and consulting fees.

Amortization

	Three months ended December 31,		
	2016	2015	Change
Total	$5,198	$1,341	$3,857
U.S.	$4,979	$1,086	$3,893
Canada	$ —	$ —	$ —
Corporate	$ 219	$ 255	$ (36)

Amortization increased $3.9 million for Q1 2017, with the Company's U.S. segment accounting for all of the increase. The U.S. segment increase was due to acquisitions completed in Fiscal 2016, which resulted in higher intangible asset amortization of $3.6 million. Amortization of property and equipment in the Company's U.S. segment was $0.3 million higher due to organic growth. The period-over-period decline in amortization expense for the Company's corporate segment reflected fully amortized capitalized investments in the Platform.

Interest Expense

	Three months ended December 31,		
	2016	2015	Change
Total	$ 254	$ 95	$ 159

Interest expense increased $0.2 million for Q1 2017. Indebtedness incurred in conjunction with the acquisition of Linear, including the accretion of deferred financing costs incurred in connection with this debt, was the primary reason for the increase in interest expense period-over-period.

Interest Income

	Three months ended December 31,		
	2016	2015	Change
Total	$ —	$ (1)	$ 1

The decline in interest income was nominal period-over-period.

Net Foreign Exchange (Gain) Loss

	Three months ended December 31,		
	2016	2015	Change
Total	$(3,741)	$ 1	$(3,742)

The increase in foreign currency gains for Q1 2017 represented gains on long-term financing arrangements between a Canadian and U.S. entity within the consolidated group of companies.

Loss (Gain) on Fair Value of Warrants

	Three months ended December 31,		
	2016	2015	Change
Total	$ 4,505	$ (1)	$ 4,506

An increase in the fair value of the Company's Class A shares used to value its warrant liabilities was the primary reason for the increase in the Company's recorded loss.

Net Income From Equity Accounted Investees

	Three months ended December 31,		
	2016	2015	Change
Total	$ (105)	$ —	$ (105)

Net income from equity accounted investees represents the Company's *pro rata* share of the investee's post-acquisition earnings, computed using the consolidation method.

The increase in net income from equity accounted investees reflected joint ventures acquired in connection with the acquisition of Linear, which the Company completed in April 2016. The Company had no investment in equity accounted investees prior to this acquisition.

Net Income Tax Expense (Recovery)

	Three months ended December 31,		
	2016	**2015**	**Change**
Total	$ 1,248	$(324)	$ 1,572

The Company posted a loss before income tax expense for Q1 2017 of $1.0 million. Income tax calculated at the statutory rate resulted in an income tax recovery of $0.3 million. This recovery was offset by higher income tax expense due to the tax impact of non-deductible expenses of $1.2 million and income tax expense attributable to foreign earnings subject to a tax at a different statutory rate of $0.2 million. Non-deductible expenses principally represent accounting losses on the fair value of warrant liabilities that are not deductible for tax. Accordingly, the increase in income tax expense was due to higher earnings from acquisitions and organic growth.

Review of Operations — Fiscal 2016 and Fiscal 2015

The Company conducts its business in the U.S. and Canada. Please refer to the tables above for additional details regarding the impact of FX on the Company's comparative operating results.

Revenues

	Year ended September 30,				
	2016	**2015**	**2014**	**Change (2016 - 2015)**	**Change (2015 - 2014)**
Total	$248,547	$170,495	$114,589	$78,052	$55,906
U.S.	$218,267	$143,224	$ 90,095	$75,043	$53,129
Canada	$ 30,280	$ 27,271	$ 24,494	$ 3,009	$ 2,777

Revenue by Geography and Service Type

	Year ended September 30, 2016				Year ended September 30, 2015			
	U.S.	**Percentage of revenues**	**Canada — expressed in thousands of Canadian dollars**	**Percentage of revenues**	**U.S.**	**Percentage of revenues**	**Canada — expressed in thousands of Canadian dollars**	**Percentage of revenues**
Appraisal and ancillary	$181,036	83.0%	$35,348	88.0%	$143,224	100.0%	$27,564	82.2%
Title and closing	36,935	16.9%	—	—%	—	—%	—	—%
Other	296	0.1%	4,802	12.0%	—	—%	5,950	17.8%
Revenues	**$218,267**	**100.0%**	**$40,150**	**100.0%**	**$143,224**	**100.0%**	**$33,514**	**100.0%**

	Year ended September 30, 2014			
	U.S.	Percentage of revenues	Canada — expressed in thousands of Canadian dollars	Percentage of revenues
Appraisal and ancillary	$90,095	100.0%	$20,330	76.6%
Title and closing	—	—%	—	—%
Other	—	—%	6,205	23.4%
Revenues	**$90,095**	**100.0%**	**$26,535**	**100.0%**

Revenue Growth or Decline Components — Expressed Before FX

	Year ended September 30, 2016			Year ended September 30, 2015		
	U.S.	Canada	Consolidated	U.S.	Canada	Consolidated
Organic	6.6%	19.8%	8.8%	38.4%	26.3%	35.8%
Acquisition	45.8%	—%	38.4%	20.6%	—%	16.2%
FX	—%	(8.8)%	(1.4)%	—%	(15.0)%	(3.2)%
Total revenue growth	**52.4%**	**11.0%**	**45.8%**	**59.0%**	**11.3%**	**48.8%**

Fiscal 2016 Compared to Fiscal 2015

Consolidated revenues increased 45.8% to $248.5 million in Fiscal 2016, due to revenues from acquisitions and organic growth of $65.5 million and $15.0 million, respectively, partially offset by a decline in FX of $2.4 million.

Revenue growth from acquisitions was largely attributable to the results of Linear, which the Company acquired in April 2016. Revenues from this acquisition contributed $37.2 million to the year-over-year increase. The acquisition of Linear provided the Company with a position in the residential and commercial real estate title and closing market. The Company also acquired a small complementary business in Fiscal 2016 that contributed additional revenues of $5.2 million. Additionally, the Fiscal 2015 acquisition of Southwest contributed revenues of $23.1 million in Fiscal 2016.

The Company's organic revenue growth in Fiscal 2016 was driven by higher transaction volumes gained through additional market share with its existing clients, coupled with transaction volume from new clients and higher comparative market volumes.

U.S.

U.S. segment revenues increased 52.4% to $218.3 million in Fiscal 2016. As outlined in the consolidated discussion above, acquisitions accounted $65.5 million of the increase in revenues for Fiscal 2016. Excluding acquisitions, revenues increased year-over-year due primarily to the addition of a Tier 1 mortgage lender in June 2015 as the Company grew appraisal volumes and market share following deployment with this client. Higher comparative market volumes also contributed to revenue growth year-over-year.

Canada

Revenues in Canada increased 11.0% to $30.3 million in Fiscal 2016 (growing 19.8% or $5.4 million excluding the impact of FX). The Company managed higher appraisal volumes in Fiscal 2016 as a result of market share gains. Lower insurance inspection revenues for its Canadian segment represented the decline in revenues from other sources.

Fiscal 2015 Compared to Fiscal 2014

Consolidated revenues increased 48.8% to $170.5 million in Fiscal 2015 due to organic growth of $41.0 million, coupled with acquisition growth of $18.6 million. The year-over-year growth in revenues was impacted by a strengthening U.S. dollar, which reduced revenues by $3.7 million. The Company acquired Southwest in May 2015 and its results were included in the Company's consolidated revenues for the period from May through September 2015. The acquisition of Southwest added new U.S. clients, and provided an opportunity to cross-sell services and deepen client relationships by expanding its service offering into the home equity market.

The year-over-year increase in revenues excluding acquisitions was largely the result of higher revenues in the Company's U.S. segment. New client wins, market share gains with pre-existing clients and higher comparative market volumes, contributed to organic revenue growth. New client wins comprised both Tier 1 and Tier 2 mortgage lenders in the U.S.

U.S.

Revenues in the Company's U.S. segment increased 59.0% to $143.2 million in Fiscal 2015, with organic revenue accounting for $34.5 million of the year-on-year change. New client wins, coupled with improved market share positions, were the principal reasons for this growth. Higher pricing across the Company's pre-existing client base also contributed to the year-to-year increase in revenues. The acquisition of Southwest contributed $18.6 million to the increase in U.S. revenues in Fiscal 2015.

Canada

Canadian segment revenues increased 11.3% to $27.3 million in Fiscal 2015 (growing 26.3% or $6.4 million net of FX). Growth in this segment was largely due to the launch of a Big Five Bank client during the year and market share growth with other customers.

See "Strategy and Outlook" in this MD&A for additional discussion on economic trends affecting revenues, the Company's strategy and its operations.

Transaction Costs

Transaction costs comprise expenses that are directly attributable to a specific revenue transaction including: appraisal costs, various processing fees, including credit card fees, connectivity fees, insurance inspection costs, title and closing agent costs, external abstractor costs and external quality review costs.

	Year ended September 30,				
	2016	**2015**	**2014**	**Change (2016 - 2015)**	**Change (2015 - 2014)**
Total	$180,247	$136,821	$92,473	$43,426	$44,348
U.S.	$155,179	$115,031	$73,270	$40,148	$41,761
Canada	$ 25,068	$ 21,790	$19,203	$ 3,278	$ 2,587

Fiscal 2016 Compared to Fiscal 2015

On a consolidated basis, transaction costs were up 31.7% or $43.4 million in Fiscal 2016 on higher revenues related to acquisitions and organic growth. Acquisitions contributed $30.4 million to the year-over-year increase, due to the acquisition of Linear and a small complementary business, which were completed in Fiscal 2016, as well as a full-year contribution to transaction costs associated with Southwest, which the Company acquired in Fiscal 2015.

Organic revenue growth, most notably from new client deployments, higher market share with existing clients, and higher market volumes accounted for $15.0 million of the increase in transaction costs for Fiscal 2016.

The rise in the U.S. dollar relative to the Canadian dollar in Fiscal 2016 reduced the year-over-year increase in transaction costs by $2.0 million.

U.S.

Transaction costs in the Company's U.S. segment were up $40.1 million year-over-year as a result of acquisitions and organic growth which contributed $30.4 million and $9.7 million, respectively, to the increase. Real Matters' acquisition of Linear in April 2016, coupled with Southwest in Fiscal 2015 and the Company's small complementary business acquisition in Fiscal 2016, generated higher year-over-year transaction costs of $11.6 million and $18.8 million, respectively. The acquisition of Linear was the primary reason for higher Net Revenue margins between Fiscal 2016 and Fiscal 2015.

Excluding Linear, transaction costs related to organic growth were in line with Fiscal 2016 revenues increases from market share gains, new clients, and higher comparative market volumes. Real Matters typically incurs higher appraiser costs in conjunction with onboarding and deploying the Company's Platform with new clients. The Company views the early stages of client deployment as its opportunity to demonstrate the power of its Platform, and has an established track record of progressively growing market share with clients over time. As the Company builds market share with clients, Real Matters leverages the Platform to lower transaction costs.

Canada

Transaction costs in Canada were up $3.3 million year-over-year in Fiscal 2016 ($5.3 million net of FX). This increase was largely attributable to an increase in appraisal costs due to market share gains with a Big Five Bank, which represented an increase of C$6.7 million. This increase was partially offset by lower insurance inspection costs as a result of lower insurance inspection revenues as discussed above, resulting in a C$0.6 million decline in transaction costs year-over-year. Net Revenue margins were lower in Canada because of a decrease in higher-margin insurance inspection work and higher appraisal costs incurred for appraisal services.

Fiscal 2015 Compared to Fiscal 2014

On a consolidated basis, transaction costs were up 48.0% or $44.3 million in Fiscal 2015. The acquisition of Southwest contributed $13.1 million to the year-over-year increase. The Company incurred additional transaction costs of $34.1 million related to organic revenue growth, on higher appraiser costs related to client deployments and market share gains with existing clients. The impact of FX reduced the year-to-year increase attributable to organic growth by $2.9 million.

U.S.

Organic growth and the acquisition of Southwest were the primary reasons for the increase in transaction costs year-over-year. As noted above, the acquisition of Southwest provided the Company with a wider range of services it could offer to its pre-existing client base. The remainder of the increase was the result of higher volumes from new client wins and comparative market share improvements. Margin expansion reflected higher operating leverage due to scale the Company achieved through market share gains with existing clients.

Canada

Transaction costs in Canada increased by $2.6 million year-over-year ($5.5 million excluding FX). This increase was largely attributable to an increase in appraisal costs of $5.6 million resulting from market share gains with certain Big Five Banks. Lower insurance inspection costs partially offset this increase. The mix of revenues was the primary reason for the decline in margins year-over-year.

Operating Expenses

	Year ended September 30,				
	2016	2015	2014	Change (2016 - 2015)	Change (2015 - 2014)
Total	$55,476	$28,412	$19,946	$27,064	$ 8,466
U.S.	$42,898	$16,654	$ 8,831	$26,244	$ 7,823
Canada	$ 2,413	$ 3,181	$ 4,918	$ (768)	$(1,737)
Corporate	$10,165	$ 8,577	$ 6,197	$ 1,588	$ 2,380

Fiscal 2016 Compared to Fiscal 2015

Consolidated operating expenses increased $27.1 million in Fiscal 2016 ($28.1 million excluding FX). Higher operating expenses in the Company's U.S. segment accounted for the majority of the year-over-year change, driven principally by acquisitions and organic growth.

U.S.

The increase in operating expenses in this segment was largely attributable to the Company's acquisition of Linear which was completed in April 2016. This acquisition contributed $17.6 million of additional costs on a comparative basis, comprised principally of payroll and related costs of $13.4 million and courier and postage fees of $1.0 million. The remainder of the increase related to office costs, including rent and utilities, travel and entertainment, professional fees, software and other telecommunication costs. The acquisition of Southwest also contributed $5.2 million to the increase due to the full-year inclusion of its results, which compares with five months in Fiscal 2015. Payroll and related costs of $4.3 million were the largest contributor to this increase, while office and related costs and professional fees made up the bulk of the remaining increase. The Company also incurred increased operating costs in Fiscal 2016 due to new client wins and organic growth, which included higher payroll and related costs to service the additional volume. Higher payroll and related costs were partially offset by lower bad debt expense.

Canada

The year-over-year decline in operating costs was due principally to lower payroll and related costs. Real Matters reallocated certain employee positions in Canada to either its corporate or U.S. segments.

Corporate

Corporate operating expense increased $1.6 million in Fiscal 2016 due to higher payroll and related costs, and higher data centre costs. In Fiscal 2016, the Company hired additional staff to further enhance and support its Platform to accommodate its short and longer-term growth strategies, which resulted in higher payroll and related costs totaling $1.4 million. Data centre costs also increased due to business expansion.

Fiscal 2015 Compared to Fiscal 2014

Consolidated operating expenses increased $8.5 million in Fiscal 2015 ($10.2 million excluding FX). Higher operating expenses in the Company's U.S. segment accounted for the majority of the year-over-year change, driven principally by acquisitions and organic growth. The balance of the increase reflected higher corporate costs incurred to support the growth of the Company's business and operations.

U.S.

Operating expenses in the U.S. segment increased $7.8 million mainly due to the acquisition of Southwest, which contributed $3.6 million to the year-over-year increase. The remainder of the increase was attributable to organic growth from new clients and expanded market share with existing clients. Higher payroll and related costs represented the majority of the organic increase, at $2.9 million. Higher bad debt expense, rent, office, computer and marketing expenses also contributed to the increase in costs in Fiscal 2015.

Canada

The decline in Canadian segment operating expenses was due to FX, which accounted for $0.6 million of the year-over-year change. The impact of FX and lower payroll and related costs totaling $1.2 million reflected a reallocation of certain employee positions in Canada that were borne by either the Company's corporate or U.S. segments, and lower salary costs for its insurance inspection business.

Corporate

The growth in corporate operating expenses was reduced by FX of $1.1 million. Net of FX, operating expenses increased $3.5 million, largely due to higher payroll and related costs of $1.6 million. As noted above, higher payroll and related costs were incurred to support growth in the business and in support of the Company's short and longer-term growth strategies. The remainder of the increase was due in part to higher data centre costs of $0.7 million, lower scientific research and development tax credits recovered between years and a general increase in the size of the Company's operations.

Acquisition and IPO Costs

	Year ended September 30,				
	2016	2015	2014	Change (2016 - 2015)	Change (2015 - 2014)
Total	$3,005	$391	$ —	$2,614	$391
U.S.	$2,406	$364	$ —	$2,042	$364
Canada	$ —	$ —	$ —	$ —	$ —
Corporate	$ 599	$ 27	$ —	$ 572	$ 27

Fiscal 2016 Compared to Fiscal 2015

The Company incurred acquisition and IPO costs of $3.0 million in Fiscal 2016 for third-party services. The acquisition of Linear and a small complementary business in Fiscal 2016 contributed to current year costs of $2.4 million, while IPO costs, primarily reflecting professional fees, were $0.6 million. Acquisition costs in Fiscal 2015 were incurred in conjunction with the Company's acquisition of Southwest. Real Matters did not incur any significant IPO costs in Fiscal 2015.

All acquisition costs were recorded in the Company's U.S. segment, while all IPO costs were recorded in its corporate segment.

Fiscal 2015 Compared to Fiscal 2014

Acquisition and IPO costs were $0.4 million in Fiscal 2015 (compared to $nil in Fiscal 2014) due in large part to the acquisition of Southwest in Fiscal 2015. Only a small amount IPO costs were incurred in Fiscal 2015 and the Company did not have any IPO costs in Fiscal 2014.

Amortization

	Year ended September 30,				
	2016	2015	2014	Change (2016 - 2015)	Change (2015 - 2014)
Total	$14,001	$4,165	$2,892	$ 9,836	$1,273
U.S.	$12,817	$2,568	$1,093	$10,249	$1,475
Canada	$ —	$ —	$ —	$ —	$ —
Corporate	$ 1,184	$1,597	$1,799	$ (413)	$ (202)

Fiscal 2016 Compared to Fiscal 2015

Amortization increased $9.8 million in Fiscal 2016, with the Company's U.S. segment accounting for $10.2 million of the increase, partially offset by a $0.4 million decline in its corporate segment. The U.S. segment

increase was largely attributable to acquisitions completed in Fiscal 2016 and Fiscal 2015, on higher intangible asset amortization totaling $9.7 million. These acquisitions, coupled with organic business growth, were the primary reason for the increase in amortization attributable to property and equipment in the Company's U.S. segment of $0.5 million. The year-over-year decline in the corporate segment represented the amortization of significant investments in the Platform from prior years that were fully amortized by Fiscal 2016. Accordingly, amortization expense in the corporate segment declined commensurate with the decline in the Company's capitalized investment.

Fiscal 2015 Compared to Fiscal 2014

Amortization increased $1.3 million year-over-year, with the Company's U.S. segment contributing $1.5 million to this increase. Acquisitions were the primary reason for the increase in amortization expense with higher intangible amortization costs contributing $1.3 million to the year-over-year increase. The remainder of the increase was attributable to higher property and equipment amortization costs realized from the acquisition of Southwest, coupled with organic growth in its base business that resulted in higher amortization costs for property and equipment. The decline in corporate amortization expense was due in large part to the year-over-year change in FX and a reduction of capitalized Platform investment.

Interest Expense

	Year ended September 30,				
	2016	2015	2014	Change (2016 - 2015)	Change (2015 - 2014)
Total	$687	$513	$698	$174	$(185)

Fiscal 2016 Compared to Fiscal 2015

Interest expense increased $0.2 million in Fiscal 2016. Indebtedness incurred in connection with the acquisition of Linear, increased interest expense year-over-year, including the accretion of deferred financing costs incurred in connection with this debt. These amounts were partially offset by a decline in interest expense resulting from the repayment of a subordinated term loan in March 2015.

Fiscal 2015 Compared to Fiscal 2014

Interest expense decreased $0.2 million in Fiscal 2015. The year-over-year decline was generally attributable to the repayment of a subordinated term loan in March 2015.

Interest Income

	Year ended September 30,				
	2016	2015	2014	Change (2016 - 2015)	Change (2015 - 2014)
Total	$(20)	$(46)	$(111)	$26	$65

Fiscal 2016 Compared to Fiscal 2015

The decline in interest income year-over-year reflected lower returns on average invested cash balances in Fiscal 2016 compared with Fiscal 2015.

Fiscal 2015 Compared to Fiscal 2014

Interest income declined due to lower returns on average invested cash balances.

Net Foreign Exchange (Gain) Loss

	Year ended September 30,				
	2016	**2015**	**2014**	**Change (2016 - 2015)**	**Change (2015 - 2014)**
Total	$(2,841)	$2	$ —	$(2,843)	$2

Fiscal 2016 Compared to Fiscal 2015

The increase in foreign currency gains in Fiscal 2016 represented gains on long-term financing arrangements between a Canadian and U.S. entity within the consolidated group of companies. This amount was partially offset by a realized loss incurred on a foreign currency exchange agreement entered into in advance of, and in connection with, the acquisition of Linear.

Fiscal 2015 Compared to Fiscal 2014

There were no significant foreign currency exchange gains or losses recognized in Fiscal 2015 or Fiscal 2014.

Loss on Fair Value of Warrants

	Year ended September 30,				
	2016	**2015**	**2014**	**Change (2016 - 2015)**	**Change (2015 - 2014)**
Total	$5,437	$5,075	$416	$362	$4,659

Fiscal 2016 Compared to Fiscal 2015

The increase in loss reflected a higher fair value attributed to each underlying Class A share used to value the Company's warrant liabilities.

Fiscal 2015 Compared to Fiscal 2014

The increase in loss reflected a higher fair value attributed to each underlying Class A share used to value the Company's warrant liabilities.

Net Income From Equity Accounted Investees

	Year ended September 30,				
	2016	**2015**	**2014**	**Change (2016 - 2015)**	**Change (2015 - 2014)**
Total	$(475)	$ —	$ —	$(475)	$ —

Net income from equity accounted investees represents the Company's *pro rata* share of the investee's post-acquisition earnings, computed using the consolidation method.

Fiscal 2016 Compared to Fiscal 2015

The increase in net income from equity accounted investees reflected joint ventures acquired in connection with the acquisition of Linear which was completed in April 2016. The Company had no investment in equity accounted investees prior to this acquisition.

Fiscal 2015 Compared to Fiscal 2014

The Company had no investments in equity accounted investees prior to its acquisition of Linear in April 2016.

Net Income Tax Expense (Recovery)

	Year ended September 30,				
	2016	**2015**	**2014**	**Change (2016 - 2015)**	**Change (2015 - 2014)**
Total	$(891)	$265	$(815)	$(1,156)	$1,080

Fiscal 2016 Compared to Fiscal 2015

Net income tax expense declined in Fiscal 2016 due in large part to significantly higher tax amortization attributable to intangibles acquired in connection with the purchase of Linear. The impact of this decline was partially offset by higher taxable earnings from operations.

Fiscal 2015 Compared to Fiscal 2014

The increase in net income tax expense in Fiscal 2015 was directly attributable to higher taxable earnings from the Southwest acquisition and organic growth.

Dividends

The Company's current policy is not to pay dividends.

Selected Annual Information for Fiscal 2016, Fiscal 2015 and Fiscal 2014

	Year ended September 30,		
	2016	**2015**	**2014**
Revenues	$248,547	$170,495	$114,589
Net loss	$ (6,079)	$ (5,103)	$ (910)
Net loss per weighted average share, basic	$ (0.05)	$ (0.04)	$ (0.01)
Net loss per weighted average share, diluted	$ (0.05)	$ (0.04)	$ (0.01)
Total assets	$190,864	$ 78,752	$ 45,080
Total long-term liabilities	$ 36,678	$ 15,474	$ 4,983

See "Review of Operations" in this MD&A for a more detailed discussion of the year-over-year changes in revenues and net loss.

Total Assets

Fiscal 2016 Compared to Fiscal 2015

Total assets increased $112.1 million year-over-year, with goodwill accounting for $34.3 million of the increase. Goodwill recorded on the acquisition of Linear was $33.0 million in Fiscal 2016, while a complementary business acquired in Fiscal 2016 contributed an additional $1.3 million to goodwill. Similarly, acquisitions also contributed to the increase in intangibles assets, which were up $45.8 million over the prior year. Intangibles recognized on the acquisition of Linear were $55.9 million and the Company recognized $2.7 million of additional intangibles on a complementary business acquisition completed in Fiscal 2016. FX accounted for the remainder of the increase to intangibles year-to-year. These additions were partially offset by normal course amortization totaling $12.8 million. Investments in equity accounted investees also contributed $7.9 million to the increase in total assets year-over-year. This increase was directly attributable to the acquisition of Linear in Fiscal 2016, combined with the Company's share of net income from these investments since acquisition. Finally, total current assets also increased $19.9 million year-over-year, which was due in large part to higher trade and other receivables, which were up $15.1 million year-over-year. The increase in trade and other receivables was due in part to acquisitions, with Linear accounting for $8.2 million of the increase. The remainder of the increase was due to organic growth in the Company's core business from new clients and market share improvements with existing clients. Cash also increased $4.8 million year-over-year on higher cash generated from operations of $4.2 million.

Fiscal 2015 Compared to Fiscal 2014

Total assets increased $33.7 million in Fiscal 2015. The year-over-year increase in goodwill of $14.7 million related to the acquisition of Southwest. An increase in intangible assets of $7.7 million also contributed to the rise in total assets. The acquisition of Southwest was the primary reason for this change, net of normal course amortization expense and the net impact of FX. Other current assets also contributed $11.7 million to the year-over-year increase. Cash increased $7.5 million in Fiscal 2015 mostly due to a $7.4 million increase in cash generated from operations. Trade and other receivables also increased $3.4 million year-over-year. The acquisition of Southwest was the primary contributor to the year-over-year increase, partially offset by higher collections at the end of Fiscal 2015 compared with Fiscal 2014.

Total Long-Term Liabilities

Fiscal 2016 Compared to Fiscal 2015

Total long-term liabilities increased $21.2 million in Fiscal 2016. Other liabilities were the largest contributor to the increase in total long-term liabilities, which increased $9.5 million year-over-year. The amounts payable at the end of Fiscal 2016 represented contingent amounts payable to the sellers of Linear. There were no comparable amounts due at the end of Fiscal 2015. Long-term debt also increased $5.6 million year-over-year. This increase was due in part to the acquisition of Linear and a complementary business in Fiscal 2016, partially offset by repayments from excess cash balances. The fair value of warrant liabilities increased $5.6 million year-over-year. The primary reason for this increase was the rise in the fair value attributed to the Company's equity securities. The Company anticipates being capable of satisfying its total long-term liabilities as they come due based on its expectations of future operating performance.

Fiscal 2015 Compared to Fiscal 2014

Total long-term liabilities increased $10.5 million in Fiscal 2015 as a result of a rise in long-term debt of $6.2 million and an increase in warrant liabilities of $4.3 million. The increase in long-term debt was due in part to the acquisition of Southwest, coupled with investments in a customer relationship intangible and the Company's Platform. The increase in warrant liabilities recorded at the end of Fiscal 2015 compared with Fiscal 2014 reflected the rise in the fair value attributed to the Company's equity securities.

Financial Condition — Q1 2017

Select Consolidated Balance Sheet Information

	As at December 31, 2016			
	U.S.	**Canada**	**Corporate**	**Total**
Trade and other receivables	$28,210	$1,601	$ —	$29,811
Intangibles	$51,433	$ —	$263	$51,696
Goodwill	$56,643	$ —	$ —	$56,643
Working capital position — (current assets less current liabilities)	$13,678	$ 145	$372	$14,195

	As at September 30, 2016			
	U.S.	**Canada**	**Corporate**	**Total**
Trade and other receivables	$27,267	$1,945	$ —	$29,212
Intangibles	$56,106	$ —	$412	$56,518
Goodwill	$56,643	$ —	$ —	$56,643
Working capital position — (current assets less current liabilities)	$10,429	$ (54)	$221	$10,596

Trade and Other Receivables — December 31, 2016 versus September 30, 2016

Change — Consolidated	$ 599
Change — U.S.	$ 943
Change — Canada	$(344)
Change — Corporate	$ —

The increase in trade and other receivables in Q1 2017 was due to an increase in the Company's U.S. operations, partially offset by a decline in Canada. U.S. segment trade and other receivables increased $0.9 million on strong refinancing revenues and organic growth in the Company's appraisal and ancillary business from new client additions and market share gains with existing clients, partially offset by seasonality. The change in the Company's Canadian segment reflects seasonality in its business.

Intangibles — December 31, 2016 versus September 30, 2016

Change — Consolidated	$(4,912)
Change — U.S.	$(4,763)
Change — Canada	$ —
Change — Corporate	$ (149)

The decline in intangibles was due to normal course amortization recorded by the Company's U.S. and corporate segments.

Goodwill — December 31, 2016 versus September 30, 2016

Change — Consolidated	$ —
Change — U.S.	$ —
Change — Canada	$ —
Change — Corporate	$ —

There were no changes period-over-period.

Working Capital Position — December 31, 2016 versus September 30, 2016

Change — Consolidated	$3,599
Change — U.S.	$3,249
Change — Canada	$ 199
Change — Corporate	$ 151

The Company's consolidated working capital position increased $3.6 million in Q1 2017 compared to Fiscal 2016, due in large part to its U.S. segment which increased $3.2 million. The Company's U.S. segment working capital position increased due to lower trade payables of $8.0 million and higher trade and other receivables of $0.9 million, partially offset by a decline in recorded cash amounts of $5.7 million. In November 2016, the Company elected to pay its appraisal vendors faster to further strengthen its relationships with the Company's appraisers. Electing to pay trade payables faster had a similar impact on the Company's recorded cash amounts. This decline in cash was partially offset by cash generated from operations in Q1 2017. See "Financial Condition" in this MD&A for additional details regarding the increase in trade and other receivables.

The Company's Canadian segment also increased its working capital position period-over-period. Seasonality resulted in a $0.9 million decline to trade payables, with a similar decline in cash of $1.0 million. The timing of income tax payments and accruals resulted in a $0.2 million decline in income taxes payable from September 30, 2016 to December 31, 2016. This decline in cash was partially offset by cash generated from operations in Q1 2017.

Financial Condition — Fiscal 2016

Select Consolidated Balance Sheet Information

	Year ended September 30, 2016			
	U.S.	Canada	Corporate	Total
Trade and other receivables	$27,267	$1,945	$ —	$29,212
Intangibles	$56,106	$ —	$412	$56,518
Goodwill	$56,643	$ —	$ —	$56,643
Working capital position — (current assets less current liabilities)	$10,429	$ (54)	$221	$10,596

	Year ended September 30, 2015			
	U.S.	Canada	Corporate	Total
Trade and other receivables	$12,346	$1,759	$ —	$14,105
Intangibles	$ 9,327	$ —	$1,421	$10,748
Goodwill	$22,332	$ —	$ —	$22,332
Working capital position — (current assets less current liabilities)	$20,042	$ 163	$2,377	$22,582

	Year ended September 30, 2014			
	U.S.	Canada	Corporate	Total
Trade and other receivables	$7,418	$3,248	$ —	$10,666
Intangibles	$1,114	$ —	$1,968	$ 3,082
Goodwill	$7,602	$ —	$ —	$ 7,602
Working capital position — (current assets less current liabilities)	$6,307	$1,239	$8,218	$15,764

Trade and Other Receivables — September 30, 2016 versus September 30, 2015

Change — Consolidated	$15,107
Change — U.S.	$14,921
Change — Canada	$ 186
Change — Corporate	$ —

The increase in trade and other receivables in Fiscal 2016 was principally due to the Company's U.S. operations. This increase was due in part to acquisitions, with Linear accounting for $8.2 million of the increase. The balance of the year-over-year increase was due to organic growth in its base business from new client additions and market share improvements with existing clients. The change in the Company's Canadian segment was nominal.

Trade and Other Receivables — September 30, 2015 versus September 30, 2014

Change — Consolidated	$ 3,439
Change — U.S.	$ 4,928
Change — Canada	$(1,489)
Change — Corporate	$ —

Trade and other receivables increased $3.4 million year-over-year in Fiscal 2015, with the bulk of the change linked to the change in the Company's U.S. segment. The acquisition of Southwest was the primary contributor to the increase, partially offset by higher collections at the end of Fiscal 2015 compared to Fiscal 2014. The primary reason for the decline in Canadian segment receivables was due to timing.

Intangibles — September 30, 2016 versus September 30, 2015

Change — Consolidated	$45,770
Change — U.S.	$46,779
Change — Canada	$ —
Change — Corporate	$(1,009)

The increase in intangibles was due, for the most part, to increases in the Company's U.S. segment. Intangibles recognized on the acquisition of Linear totaled $55.9 million, and $2.7 million of additional intangibles were recognized on the complementary business acquisition it completed in Fiscal 2016. FX represented the balance of the consolidated increase year-over-year. These additions were partially offset by normal course amortization. The decline in intangible assets recorded in the Company's corporate segment reflected normal course amortization and the impact of FX.

Intangibles — September 30, 2015 versus September 30, 2014

Change — Consolidated	$7,666
Change — U.S.	$8,213
Change — Canada	$ —
Change — Corporate	$ (547)

The acquisition of Southwest in the Company's U.S. segment was the primary reason for the increase in intangibles year-over-year in Fiscal 2015, net of normal course amortization expense. The decline in the Company's corporate segment was the result of normal course amortization on capitalized Platform investments exceeding Fiscal 2015 additions. Additions to intangibles in Fiscal 2015 were principally comprised of investments in the Company's Platform. The decline in the strength of the Canadian dollar relative to U.S. dollar also contributed to the decline in intangibles year-over-year.

Goodwill — September 30, 2016 versus September 30, 2015

Change — Consolidated	$34,311
Change — U.S.	$34,311
Change — Canada	$ —
Change — Corporate	$ —

The increase in goodwill in Fiscal 2016 compared to Fiscal 2015 was attributable to goodwill recognized on the acquisition of Linear totaling $33.0 million and goodwill of $1.3 million from the complementary business it acquired in Fiscal 2016.

Goodwill — September 30, 2015 versus September 30, 2014

Change — Consolidated	$14,730
Change — U.S.	$14,730
Change — Canada	$ —
Change — Corporate	$ —

The Company's U.S. segment recognized an increase of $14.7 million in goodwill in Fiscal 2015 due to the acquisition of Southwest.

Working Capital Position — September 30, 2016 versus September 30, 2015

Change — Consolidated	$(11,986)
Change — U.S.	$ (9,613)
Change — Canada	$ (217)
Change — Corporate	$ (2,156)

The Company's consolidated working capital position declined $12.0 million in Fiscal 2016 relative to Fiscal 2015, with the largest decline recognized in the U.S. segment. The decline in the U.S. segment was due to contingent amounts owing to the sellers of Linear which totaled $22.5 million at the end of Fiscal 2016. These amounts are contingent on the seller meeting certain performance conditions over the twelve month period from the close of the transaction totaling $20.0 million. In addition, the Company is contingently liable to the seller for up to $2.5 million in the event that the seller is liable for additional taxes owing to the taxing authorities. Trade payables also increased year-over-year, due in part to acquisitions completed in Fiscal 2016, but also because of organic growth. As a result, trade payables in its U.S. segment rose $4.8 million. Partially offsetting these changes was an increase to consolidated trade and other receivables of $15.1 million in Fiscal 2016 relative to Fiscal 2015, of which $14.9 million was attributable to the Company's U.S. segment. The increase in trade and other receivables was due in part to acquisitions, with Linear accounting for $8.2 million of the year-over-year change. The balance of this increase was due to organic growth from new clients and market share gains with existing clients.

The Company's Canadian segment recognized a decline in its working capital position year-over-year due to lower ending cash balances which reflected the timing of cash receipts and payments.

The Company's corporate segment recognized a decline in its working capital position due to lower ending cash balances, a higher current-portion of long-term debt and higher trade payables. The current portion of long-term debt was due to debt incurred on the acquisition of Linear. Amounts owing for IPO-related expenses contributed to the year-over-year increase in trade payables and changes in the Company's cash balances reflected the timing of cash receipts and payments.

Working Capital Position — September 30, 2015 versus September 30, 2014

Change — Consolidated	$ 6,818
Change — U.S.	$13,735
Change — Canada	$ (1,076)
Change — Corporate	$ (5,841)

The Company's consolidated working capital position increased in Fiscal 2015 relative to Fiscal 2014, due in part to the increase in its U.S. segment. This increase was principally due to higher comparative cash balances on-hand. Cash recorded at the end of Fiscal 2015 was $7.5 million higher than Fiscal 2014. This increase was due to cash generated from operations of $7.4 million. The net effect of the Company's investment in Southwest, intangible assets and property and equipment were offset by proceeds from an equity raise, drawings on its debt and FX. Additionally, trade and other receivables increased $3.4 million, of which Southwest accounted for $4.6 million of this increase. These amounts were partially offset by higher trade payables and accrued charges, which increased $3.8 million year-over-year. The acquisition of Southwest contributed $1.7 million to this increase while the remainder of the change reflected organic growth in the Company's core business.

U.S. segment working capital increased $13.7 million between Fiscal 2014 and Fiscal 2015, as a result of cash increasing $13.2 million, and trade and other receivables increasing $4.9 million. Southwest represented $4.6 million of the year-over-year increase in trade and other receivables, which was partially offset by higher collections at the end of Fiscal 2015 compared to Fiscal 2014. The increase in cash was due to a strong operating performance for the Company's base business and contributions from the acquisition of Southwest. These amounts were partially offset by higher trade and other payables and accrued charges of $4.1 million.

The Company's Canadian segment recognized a decline of $1.0 million in its working capital position. Trade and other receivables were lower by $1.5 million year-over-year due in part to the timing of receivables

collection in its appraisal business. An increase in cash recorded in the Company's Canadian segment was offset by the net change in prepaid expenses, trade payables and accrued charges.

The corporate segment recorded a $5.8 million decline in its working capital position, the bulk of which reflected a decline in cash.

Share Information Prior to Pre-Closing Capital Changes

Prior to the Pre-Closing Capital Changes, the Company was authorized to issue an unlimited number of Class A shares and an unlimited number of Class B shares having no par value. No Class B shares were issued and outstanding.

Class A

Class A shareholders are entitled to one vote for each Class A share held and to receive dividends, as and when determined by the Board of Directors. Class A shareholders are entitled to receive, on a *pro rata* basis, the remaining property and assets of the Company upon dissolution or wind-up, subject to the priority rights of other classes of shares.

Class B

Class B shareholders are not entitled to vote. Class B shareholders are entitled to receive dividends, as and when determined by the Board of Directors. Class B shareholders do not participate on a *pro rata* basis in the event of the Company's dissolution or wind-up. Class B shareholders receive, in priority to the Class A shareholders, the amount of their stated share capital, and participate no further in the Company's dissolution.

Changes to Share Capital

Q1 2017

Three Months Ended December 31, 2016

The Company completed a secondary private placement of 7.8 million Class A shares in November 2016, receiving no proceeds from the sale. The Class A shares held by the selling shareholders were purchased by both current and new shareholders. The price for each Class A share was C$5.25.

Subsequent to December 31, 2016

In connection with a private placement completed in April 2016, the Company agreed to issue an additional 1.5 million Class A shares for no consideration if it did not complete an IPO before the end of calendar year 2016. In January 2017, the Company issued 1.5 million Class A shares as it had not yet become a public company.

Fiscal 2016

The Company issued Class A shares in Fiscal 2016 in conjunction with the acquisition of Linear. A portion of the shares were issued for cash, representing approximately 15.0 million Class A shares, with the balance, approximately 7,496 Class A shares, issued as partial consideration to the sellers of Linear.

Fiscal 2015

The Company issued approximately 13.0 million Class A shares in Fiscal 2015 to partially fund the acquisition of Southwest. These shares were issued for cash consideration.

Fiscal 2014

The Company issued approximately 23.0 million Class A shares in Fiscal 2014 to support its overall growth strategy.

Subsequent Events

On April 10, 2017, Real Matters filed a preliminary prospectus in connection with the Offering. On April 26, 2017, the Company filed an amended and restated preliminary prospectus in connection with the Offering.

Immediately prior to the Closing, the Company expects to effect the Pre-Closing Capital Changes pursuant to which, among other things, the Company will:

- consolidate the Company's Class A shares on a two (2) for one (1) basis pursuant to the Consolidation;
- increase the authorized capital of the Company by creating an unlimited number of Preferred Shares;
- decrease the authorized capital of the Company by deleting the Class B shares and all rights, privileges, restrictions and conditions attaching thereto; and
- re-designate the post-Consolidation Class A shares as common shares.

As a result of the Pre-Closing Capital Changes, the authorized share capital of the Company will consist of an unlimited number of Shares and an unlimited number of Preferred Shares.

Liquidity and Capital Resources — Q1 2017

	December 31, 2016				
	Payments Due				
Contractual obligations	**Total**	**Less than 1 year**	**1 - 3 years**	**4 - 5 years**	**After 5 years**
Long-term debt	$15,841	$ 1,400	$ 2,800	$11,641	$ —
Interest on long-term debt[1]	1,816	486	1,277	53	—
Operating leases	14,272	2,867	4,593	3,780	3,032
Capital leases	846	449	397	—	—
Contingent acquisition payables	32,500	22,500	10,000	—	—
Total contractual obligations	$65,225	$27,702	$19,067	$15,474	$3,032

Notes:

(1) Long-term debt attracts interest at variable interest rates. Interest on variable rate debt is calculated based on borrowings and interest rates prevailing at December 31, 2016. Interest is calculated through the period to maturity for all long-term fixed rate debt instruments.

Liquidity and Capital Resources — Fiscal 2016

	September 30, 2016				
	Payments Due				
Contractual obligations	**Total**	**Less than 1 year**	**1 - 3 years**	**4 - 5 years**	**After 5 years**
Long-term debt	$16,196	$ 1,400	$ 2,800	$11,996	$ —
Interest on long-term debt[1]	1,831	459	1,270	102	—
Operating leases	10,541	2,571	3,941	2,499	1,530
Capital leases	1,105	426	679	—	—
Contingent acquisition payables	32,500	22,500	10,000	—	—
Total contractual obligations	$62,173	$27,356	$18,690	$14,597	$1,530

Notes:

(1) Long-term debt attracts interest at variable interest rates. Interest on variable rate debt is calculated based on borrowings and interest rates prevailing at September 30, 2016. Interest is calculated through the period to maturity for all long-term fixed rate debt instruments.

Long-Term Debt — Q1 2017

Summarized details of the Company's long-term debt facilities at December 31, 2016 were as follows:

	Available Lending	Facility Drawn	Available Capacity
Term Loans			
2016 Facility	$ 27,000	$7,041	$ 19,500
2015 Facility	$ 20,000	$8,800	$ 10,000
Revolving Credit Facility			
Revolver	C$15,000	$ —	C$15,000

Long-Term Debt — Fiscal 2016

Summarized details of the Company's long-term debt facilities at September 30, 2016 were as follows:

	Available Lending	Facility Drawn	Available Capacity
Term Loans			
2016 Facility	$ 27,000	$7,196	$ 19,500
2015 Facility	$ 20,000	$9,000	$ 10,000
Revolving Credit Facility			
Revolver	C$15,000	$ —	C$15,000

Senior Funded Debt to EBITDA and Fixed Charge Coverage Ratios (as defined and calculated in accordance with the Credit Agreement) — Q1 2017

	December 31, 2016	September 30, 2016
Senior funded debt to EBITDA	0.84	1.02
Senior funded debt to EBITDA — maximum	3.00	3.00
Fixed charge ratio	7.71	7.56
Fixed charge ratio — minimum	1.20	1.20

Senior Funded Debt to EBITDA and Fixed Charge Coverage Ratios (as defined and calculated in accordance with the Credit Agreement) — Fiscal 2016

	September 30, 2016	September 30, 2015
Senior funded debt to EBITDA	1.02	1.36
Senior funded debt to EBITDA — maximum	3.00	3.25
Fixed charge ratio	7.56	5.52
Fixed charge ratio — minimum	1.20	1.20

Credit Facility — December 31, 2016

On March 31, 2016, in connection with the acquisition of Linear, the Company entered into its first amendment to a second amended and restated term sheet amplification agreement with Bank of Montreal and Bank of Montreal, Chicago Branch (the "**Credit Agreement**"). The Credit Agreement makes available a C$15 million revolving credit facility (the "**Revolver**") and two term loans of $20 million and $27 million (together, the "**Term Loans**", and collectively with the Revolver, the "**Credit Facility**"). The Revolver is available for working capital and general operating requirements, and the Term Loans were used in conjunction with certain business acquisitions.

Repayments on the Revolver are interest only until the date of maturity, being April 30, 2020. Total advances under the Revolver cannot exceed 75% of the Company's trade receivables, excluding those past due by 60 days or greater, subject to certain adjustments. The Revolver can either be drawn in Canadian or U.S. funds, subject to Canadian prime or U.S. base rates of interest, bankers' acceptances or letters of credit. Term Loan facilities are available for certain completed or permitted acquisitions and general working capital and general corporate purposes. The Term Loans amortize at a rate of 2% quarterly, 8% annually, over a five year period with the remaining unamortized balance due at maturity. The Term Loans can consist of Canadian or U.S. prime rate advances, subject to interest at the Canadian prime or U.S. base lending rate, respectively, plus the applicable credit spread, an Intercontinental Exchange London Interbank Offered Rate ("**LIBOR**") loan, bearing interest at LIBOR plus the applicable credit spread, or Canadian bankers' acceptances ("**BAs**"), bearing interest at BAs plus the applicable credit spread. The Term Loans are subject to mandatory prepayment conditions, including: 50% of the excess annual cash flow of the Company if the senior funded debt to EBITDA ratio is greater than 3.0:1.0; 100% of the proceeds from equity or debt securities issued by the Company, including any sale or disposition of assets that is not in the ordinary course and that are not reinvested within 180 days; and proceeds from insurance claims not otherwise reinvested within 180 days from receipt.

Applicable spreads vary based on senior funded debt to EBITDA levels ranging from under 1.0 times to over 3.0 times. Canadian and U.S. prime/base rate advances are subject to an applicable spread between 25 and 175 basis points. BAs and LIBOR loans are subject to an applicable spread between 150 and 300 basis points and the Company bears a standby fee of between 40 and 60 basis points on unused drawings.

Included in the Credit Facility is a treasury risk management facility of up to C$0.5 million to facilitate the hedging of currency exchange risk between the Canadian and U.S. dollar that occurs in the normal course of business. This Credit Facility may be used to facilitate the use of foreign currency exchange contracts for up to one year. The Company bears fees determined by the lender's treasury department on a per transaction basis. In addition, the Credit Facility provides the Company with a corporate credit card facility of up to C$0.8 million to assist with the management of corporate expenses.

The Credit Facility is secured by a general security agreement, which provides the lender with a first, fixed and floating charge over all assets, including intellectual property, an unlimited guarantee and postponement of claim by all wholly owned subsidiaries, and certain other securities.

On December 31, 2016, advances under the Revolver and Term Loans were $nil and approximately $15.8 million respectively. Available capacity under the Revolver was C$15.0 million at December 31, 2016 and approximately $29.5 million under the Term Loans. The Company's senior funded debt to EBITDA ratio (as defined and calculated in accordance with the Credit Agreement) was 0.84 times.

At December 31, 2016, the Company was not in default of its covenants under the Credit Facility.

Risks and Restrictions

The Company's Revolver and Term Loans are subject to interest rate fluctuations with bank prime, BAs or LIBOR. Drawings of approximately $15.8 million, as at December 31, 2016, are subject to interest rate risk. A 1.0% rise or fall in the variable interest rate results in a $0.16 million change in interest expense on an annual basis.

The Company is obligated under the terms of its Credit Facility to repay all remaining amounts outstanding at maturity. A failure to comply with the terms of the Credit Facility could result in an event of default which, if not cured or waived, could accelerate repayment of the underlying indebtedness. If repayment of the Credit Facility were to be accelerated, there can be no assurance that the Company's assets would be sufficient to repay the Credit Facility in full.

Cash Flows — Q1 2017

	Three months ended December 31,		
	2016	**2015**	**Change**
Cash flows utilized in:			
Operating activities	$(5,688)	$(1,840)	$(3,848)
Investing activities	$ (166)	$ (292)	$ 126
Financing activities	$ (588)	$ (225)	$ (363)

Operating Activities

The decline in cash generated from operations was $3.8 million. The single largest decline was an additional $11.2 million use of non-cash working capital period-over-period. Excluding the $3.7 million change in foreign currency exchange gains and losses from the non-cash change in working capital yields a period-over-period change of $7.5 million. The decline in trade payables was the largest use of cash, accounting for $5.9 million of period-over-period change. In November 2016, the Company elected to pay its appraisers faster to further strengthen the Company's relationships with them. The change in trade and other receivables increased non-cash working capital uses by $1.7 million. Higher trade and other receivables balances were due to organic growth. An increase in income taxes paid also contributed to lower cash generated from operating activities due to higher operating profitability. These amounts were partially offset by higher Adjusted EBITDA of $4.6 million due to acquisitions and organic growth.

Investing Activities

Cash used in investing activities declined $0.1 million period-over-period due to dividends received from equity accounted investees. Prior to the acquisition of Linear, the Company held no investments in equity accounted investees.

Financing Activities

Cash used in financing activities increased $0.4 million for Q1 2017 compared with the same period last year. Higher repayments of debt and finance lease obligations were due to higher debt drawings incurred in connection with the Linear acquisition and more capital equipment leases due to acquisition and organic growth.

Cash Flows — Fiscal 2016

	Year ended September 30,				
	2016	**2015**	**2014**	**Change (2016 - 2015)**	**Change (2015 - 2014)**
Cash flows generated from (utilized in):					
Operating activities	$ 4,191	$ 7,377	$ (2,164)	$ (3,186)	$ 9,541
Investing activities	$(48,088)	$(29,821)	$ (1,911)	$(18,267)	$(27,910)
Financing activities	$ 48,831	$ 31,914	$18,312	$ 16,917	$ 13,602

Fiscal 2016 Compared to Fiscal 2015

Operating Activities

The decline in cash generated from operations was $3.2 million. The largest contributor to this decline was a change in non-cash working capital which represented a $11.6 million use of cash year-to-year. The increase in trade and other receivables was a significant contributor to the use of non-cash working capital in the current year, accounting for $10.9 million of the change, when expressed net of trade and other receivable balances acquired by acquisition. The increased use of non-cash working capital was partially offset by higher profits from operations, Adjusted EBITDA, which increased $7.6 million over the same period last year. Higher gains realized on foreign currency exchange, as outlined in "Review of Operations" in this MD&A, partially offset

higher non-cash working capital uses. However, higher acquisition and IPO costs totaling $2.6 million, due principally to acquisitions completed in the current year, also contributed to the decline in cash generated from operations year-over-year.

Investing Activities

Cash used in investing activities increased $18.3 million from Fiscal 2015 to Fiscal 2016. Investments in acquired companies were the primary reason for the increase over the prior year period of $18.8 million. Higher investment in intangible assets in the prior year period was offset by higher current year purchases of property and equipment to meet the demands of larger operations and organic growth, and higher losses recorded in the current year on a foreign currency exchange agreement entered into in advance of closing the Linear acquisition.

Financing Activities

Cash generated from financing activities increased by $16.9 million between Fiscal 2015 and Fiscal 2016. Cash received on the issuance of Class A shares, net of costs to issue, was the primary reason for the $18.5 million year-over-year increase. Proceeds from the issue of Class A shares in the current year were used to acquire Linear, while prior year proceeds from the issue of Class A shares were used to acquire Southwest. Higher prior year net drawings on the Company's Credit Facility partially offset the increase in cash received from the issue of Class A shares.

Fiscal 2015 Compared to Fiscal 2014

Operating Activities

The increase in cash generated from operations was $9.5 million. This increase was the result of changes to non-cash working capital which represented a $7.7 million source of cash in Fiscal 2015. In Fiscal 2015, the Company recognized cash from lower trade and other receivables of $1.6 million, and higher trade payables of $1.8 million, each of which was principally related to the timing of cash receipt or payment, respectively. By comparison, Fiscal 2014 saw trade and other receivables increase $3.2 million, representing a use of cash, combined with lower trade payables and accrued charges of $1.1 million, each of which represented business growth and the timing of client onboarding. Contributions to non-cash working capital were accompanied by higher profits from operations, Adjusted EBITDA, which increased $3.1 million from the prior year period. These year-over-year increases to cash generated from operating activities were partially offset by higher income taxes paid. In Fiscal 2014, the Company recorded a recovery of income taxes totaling $0.6 million compared to payments of $0.5 million in Fiscal 2015. The Company's operating performance between Fiscal 2014 and Fiscal 2015 and the timing of instalment payments was the primary reason for the increase to income taxes paid.

Investing Activities

Cash used in investing activities increased $27.9 million in Fiscal 2015 over the prior year period. The Company's Fiscal 2015 acquisition of Southwest accounted for $27.4 million of the increase in cash used in investing activities. The balance of the change was largely attributable to an increase in intangibles investment year-over-year, partially offset by marginally lower investments in property and equipment. Investments in intangibles included development costs attributable to the Company's Platform and a relationship investment to access a significant mortgage lender in the U.S.

Financing Activities

Cash generated from financing activities increased $13.6 million in Fiscal 2015 over the prior year period. Net proceeds from debt was the principal cause of the increase, a portion of which was used to acquire Southwest. The balance of the increase was due in large part to a reduction of payments made in respect of prior period acquisitions. In Fiscal 2014, the Company made a payment to the sellers of Kirchmeyer & Associates of $1.0 million for an acquisition it completed in December 2012.

Critical Accounting Estimates

General

The Company uses information from its unaudited condensed consolidated financial statements, prepared in accordance with IFRS and expressed in U.S. dollars, to prepare its MD&A. The Company's financial statements include estimates and judgments that affect the reported amounts of its assets, liabilities, revenues, expenses and, where and as applicable, disclosures of contingent assets and liabilities. On a periodic basis the Company evaluates its estimates, including those that require a significant level of judgment or are otherwise subject to an inherent degree of uncertainty. Areas that are subject to judgment and estimate include revenue recognition, impairment of goodwill and non-financial assets, the determination of fair values in connection with business combinations, the determination of fair value for warrants and financial instruments and the likelihood of realizing deferred income tax assets. The Company's estimates and judgments are based on historical experience, its observance of trends, and information, valuations and other assumptions that it believes are reasonable to consider when making an estimate of an asset or liabilities fair value. Due to the inherent complexity, judgment and uncertainty in estimating fair value, actual amounts could differ significantly from the Company's estimates.

Areas requiring the most significant estimates and judgments are outlined below.

Revenue Recognition

Transactions that contain separately identifiable components must be recognized at the fair value of consideration received or receivable to reflect the substance of the transaction. The Company is required to make judgments about the fair value of each component, including its allocation to each separately identified component, by considering the following: its overall pricing objectives, the market in which the transaction occurs, the uniqueness of each component, the work performed, the size of the transaction and any historical sales and contract prices.

Accordingly, the Company applies judgment in its assessment of whether it is acting as an agent or principal in a transaction. When the Company doesn't have exposure to the significant risks and rewards associated with the sale of goods or the rendering of services it is acting as an agent to the transaction. The Company acts as a principal to the transaction when it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services. The Company considers these factors, amongst others, in its assessment.

Goodwill

Goodwill is not amortized and is tested annually for impairment or more frequently if an event or circumstance occurs that more likely than not reduces the fair value of a cash generating unit ("**CGU**"), or group of CGUs, below its carrying amount. Examples of such events or circumstances include: a significant adverse change in the technological, market, economic or legal environment in which an entity operates; market interest rates or other market rates of return on investments have increased during the period and those increases are likely to affect the discount rate used in calculating an assets value in use; the carrying amount of the net assets of the entity is more than its market capitalization; evidence of physical damage to the asset or obsolescence is present; significant changes to an asset's use is expected; or, performance expectations for the asset are worse than were expected. Goodwill is not tested for impairment when the assets and liabilities that make up the CGU unit have not changed significantly since the most recent fair value determination, the most recent fair value determination results in an amount that exceeded the carrying amount by a substantial margin, and based on an analysis of events that have occurred and circumstances that have changed since the most recent fair value determination, the likelihood that a current fair value determination would be less than the current carrying amount of the CGU is remote. The amount of goodwill assigned to each CGU and methodology employed to make such assignments has been applied on a consistent basis. For the purpose of testing goodwill for impairment, the Company's CGU corresponds to its operating segments since this is the level at which goodwill is monitored.

The carrying value of a CGU or group of CGUs is compared to its recoverable amount, where the recoverable amount is the higher of fair value less cost to sell and its value in use. The value in use for a CGU or

group of CGUs is determined by discounting three-year cash flow projections from financial forecasts developed by management. Projections reflect past experience and future expectations of operating performance. Cash flows beyond the three-year period are extrapolated using perpetuity growth rates. None of the perpetuity growth rates exceed the long-term historical growth rates for the markets in which the Company operates. The discount rates applied to the cash flow projections are derived from the weighted average cost of capital for each CGU or group of CGUs.

The Company monitors both economic and financial conditions and re-performs its goodwill test for impairment as conditions dictate.

Business Combinations

Applying the acquisition method to business combinations requires the Company to measure each identifiable asset and liability at fair value. The excess, if any, of the fair value of the consideration over the fair value of the net identifiable assets acquired is recognized as goodwill. The purchase price allocation involves judgment with respect to the identification of intangible assets acquired and estimates of fair value for the assets acquired and liabilities assumed, including pre-acquisition contingencies and contingent consideration. Changes in any of the assumptions or estimates used to determine the fair value of acquired assets and liabilities assumed, including pre-acquisition contingencies or contingent consideration, could affect the amounts assigned to assets, liabilities and goodwill in the purchase price allocation.

The Company makes estimates, assumptions, and judgments when valuing goodwill and other intangible assets in connection with the initial purchase price allocation of an acquired entity, in addition to evaluating the recoverability of goodwill and other intangible assets on an ongoing basis. These estimates are based on a number of factors, including historical experience, market conditions, information gained on review of the target entities' operations, and information obtained from management of the acquired companies. Critical estimates in valuing certain intangible assets include, but are not limited to, historical and projected attrition rates, discount rates, anticipated revenue growth from acquired customers, acquired technology and the expected use of the acquired assets. These factors are also considered in determining the useful life of acquired intangible assets. The amounts and useful lives assigned to identified intangible assets also impacts the amount and timing of future amortization expense.

Unanticipated events and circumstances may affect the accuracy or validity of such assumptions, estimates or actual results.

Warrants

The Company uses the Black-Scholes-Merton option pricing model to estimate the fair value of warrant liabilities, which requires the use of several input variables. The inputs to the model are subject to estimate and changes in these inputs can materially affect the estimated fair value of warrant liabilities. The fair value reported may not represent the transaction value if these warrants were exchanged at a future date.

Income Taxes

Deferred income tax is recognized applying the liability method, which recognizes the temporary differences between the carrying amounts of assets and liabilities for financial reporting and their equivalent tax amounts. Deferred income tax is not recognized on the initial recording of assets or liabilities for financial reporting purposes that is not a business combination and that affects neither accounting income nor taxable income or loss. Deferred income tax assets and liabilities are measured at the tax rates expected to be in effect when the temporary differences reverse, calculated using tax rates that have been enacted or substantively enacted at the reporting date.

Significant changes to enacted tax rates or laws, or estimates of timing differences and their reversal, could result in a material adverse or positive effect on the Company's financial condition and operating performance. In addition, changes in regulation or insufficient taxable income could impact its ability to utilize tax loss carry-forwards, which could have a significant impact on deferred income taxes.

The recognition of deferred tax assets related to unutilized loss carry-forwards is supported by the Company's historical, and expected, ability to generate income subject to tax and other substantive evidence. However, should the Company be unable to continue generating income subject to tax, deferred tax assets stemming from unutilized loss carry-forwards may not be available to it prior to their expiry. The Company has historically used, and will continue to use, every effort to ensure that discretionary tax deductions are curtailed in periods where the expiry of loss carry-forwards are imminent to maximize the Company's realization of these deferred tax assets. Should the Company not be able to realize its deferred tax assets attributable to loss carry-forwards, it would record a deferred income tax expense in the period when it determined the likelihood of realizing these losses was less likely than not. The Company's maximum exposure is equal to the carrying amount of the deferred tax asset attributable to loss carry-forwards, $3.0 million, as at December 31, 2016. Accordingly, in light of its historical ability to generate income subject to tax and based on the Company's expectations for the future, it views the risk of not realizing these deferred tax assets as low.

Other

Other estimates include, but are not limited to, the following: identification of CGUs, impairment assessments for non-financial assets, capitalization and the determination of internally generated intangible assets' useful lives, inputs employed in the Black-Scholes-Merton option pricing model to value share-based payments, estimating the useful lives of property and equipment, assessing provisions, estimating the likelihood of collection in the determination of the Company's allowance for doubtful accounts, the fair value of financial instruments, control assessment of subsidiaries, contingencies related to litigation, claims and assessments and various economic assumptions used in the development of fair value estimates, including but not limited to interest and inflation rates and a variety of option pricing model estimates.

New Accounting Policies Adopted or Requiring Adoption

Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15 "Revenue from Contracts with Customers" ("**IFRS 15**"), which replaces IAS 18 "Revenue", IAS 11 "Construction Contracts" and IFRIC 13 "Customer Loyalty Programmes", as well as various other interpretations applicable to revenue. IFRS 15 outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers, except for contracts that are within the scope of the standards on leases, insurance contracts and financial instruments. The core principle of IFRS 15 requires an entity to recognize revenue in accordance with the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition: identify the contract(s) with a customer; identify the performance obligations in the contract; determine the transaction price; allocate the transaction price to the performance obligations in the contract; and recognize revenue when (or as) the entity satisfies a performance obligation. IFRS 15 also contains enhanced disclosure requirements. This new standard is effective for annual periods beginning on or after January 1, 2018 and will be applied using either a full retrospective approach for all periods presented in the period of adoption or a modified retrospective approach. Early adoption is permitted. The Company continues to evaluate the impact IFRS 15 will have on its financial statements.

Property, Plant and Equipment and Intangible Assets

In May 2014, the IASB issued amendments to IAS 16 "Property, Plant and Equipment" ("**IAS 16**") and IAS 38 "Intangible Assets" ("**IAS 38**"). The amendments clarify that a revenue-based approach to calculating depreciation and amortization is generally not appropriate as it does not reflect the consumption of the economic benefits embodied in the underlying asset. Under IAS 38, this presumption can be rebutted in the following two limited circumstances: when the intangible asset is expressed as a measure of revenue; or, when it can be demonstrated that revenue and consumption of economic benefits of the intangible asset are highly correlated. Amendments to IAS 16 and IAS 38 are effective for annual periods beginning on or after January 1, 2016, applied prospectively. This guidance did not have an impact on the Company's financial statements.

Accounting for Acquisitions of Interest in Joint Arrangements

In May 2014, the IASB issued amendments to IFRS 11 "Accounting for Acquisitions of Interest in Joint Arrangements ("**IFRS 11**"). The amendments to IFRS 11 provide guidance on how to account for the acquisition of a joint operation that constitutes a business as defined in IFRS 3 "Business Combinations" ("**IFRS 3**"). Specifically, the amendments state that the relevant principles on accounting for business combinations in IFRS 3 and other standards should be applied. The same requirements should be applied to the formation of a joint operation if, and only if, an existing business is contributed to the joint operation by one of the parties that participate in the joint operation. A joint operator is also required to disclose the relevant information required by IFRS 3 and other standards for business combinations. The amendments should be applied prospectively to acquisitions of interests in joint operations (in which the activities of the joint operations constitute businesses as defined in IFRS 3) occurring for annual periods beginning on or after January 1, 2016. This guidance did not have an impact on the Company's financial statements.

Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 "Financial Instruments" ("**IFRS 9**"). IFRS 9, initially issued in November 2009, introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in October 2010 to include classification and measurement requirements for financial liabilities and de-recognition. In November 2013, follow-on amendments included new requirements for general hedge accounting. The final revision to IFRS 9 was issued in July 2014, which included impairment requirements for financial assets and limited amendments to the classification and measurement requirements for certain simple debt instruments. The new standard established a single classification and measurement approach for financial assets that reflects the business model in which they are managed and their cash flow characteristics. It also provides guidance on an entity's own credit risk relating to financial liabilities. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 and permits early adoption. The Company is evaluating the impact IFRS 9 will have on its financial statements.

Disclosure Initiative

In December 2014, the IASB issued Disclosure Initiative Amendments to IAS 1 as part of the IASB's Disclosure Initiative. These amendments encourage entities to apply professional judgment regarding disclosure and presentation in their financial statements and are effective for annual periods beginning on or after January 1, 2016. This guidance did not have an impact on the Company's financial statements.

In January 2016, the IASB issued Disclosure Initiative Amendments to IAS 7 "Statement of Cash Flows", which is also part of the IASB's Disclosure Initiative. These amendments require entities to provide additional disclosures to enable financial statement users to evaluate changes in liabilities arising from financing activities, including changes arising from cash flows and non-cash changes. These amendments are effective for annual periods beginning on or after January 1, 2017, with earlier application permitted. The Company is assessing the impact these amendments will have on its financial statements.

Leases

In January 2016, the IASB issued IFRS 16 — "Leases" ("**IFRS 16**"), which replaces IAS 17 — Leases ("**IAS 17**") and related interpretations. IFRS 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is 12 months or less or the underlying asset has a low value. IFRS 16 substantially carries forward the lessor accounting in IAS 17 with the distinction between operating leases and finance leases being retained. IFRS 16 will be applied retrospectively for annual periods beginning on or after January 1, 2019. Early adoption of IFRS 16 is permitted if IFRS 15 has also been applied. The Company is evaluating the impact IFRS 16 will have on its financial statements.

Income Taxes

In January 2016, the IASB issued "Recognition of Deferred Tax Assets for Unrealized Losses", an amendment to IAS 12 — "Income Taxes". The amendments address accounting for deferred tax assets for unrealized losses on debt instruments measured at fair value. The amendments are effective for annual periods

beginning on or after January 1, 2017, with earlier application permitted. The implementation of these amendments will not have a significant impact on the Company's financial statements.

Share-Based Payment

In June 2016, the IASB issued amendments to IFRS 2 — "Share-based Payment" which clarifies how to account for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, share-based payment transactions with a net settlement feature, and modifications to the terms and conditions that change the classification of the transactions. These amendments are effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The implementation of these amendments will not have a significant impact on the Company's financial statements.

Financial Instruments

Credit Risk

Credit risk is defined as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge its obligation. The Company's exposure to credit risk is limited principally to cash and trade and other receivables. In all instances, the Company's risk management objective, whether of credit, liquidity, market or otherwise, is to mitigate its risk exposures to a level consistent with the Company's risk tolerance.

Cash

Certain management are responsible for determining which financial institutions the Company banks and holds deposits with. Management typically selects financial institutions that it has a relationship with, are a party to the Company's long-term debt facilities and those deemed by management to be of sufficient size, liquidity, and stability. Management reviews its exposure to credit risk from time-to-time or as conditions indicate that exposure to credit risk has or is subject to change. The Company's maximum exposure to credit risk is the fair value of cash recorded on its unaudited condensed consolidated statement of financial position as at December 31, 2016, $20.2 million (September 30, 2016 — $26.7 million). The Company holds no collateral or other credit enhancements as security over its cash balances. The Company deems the credit quality of its cash balances to be high and no amounts are impaired.

Trade and Other Receivables

The Company is subject to credit risk on its trade and other receivables through the normal course of business. The Company's maximum exposure to credit risk is the fair value of trade and other receivables recorded on its unaudited condensed consolidated statement of financial position as at December 31, 2016, $29.8 million (September 30, 2016 — $29.2 million). The Company may perform credit checks or accept payment or security in advance to limit its exposure to credit risk. The Company's client base is sufficiently diverse, and consists of banks and mortgage lending institutions that are of sufficient size and capitalization, to mitigate a portion of any exposure it has to credit risk. The Company has also assigned various employees to carry out collection efforts in a manner consistent with its trade receivable and credit and collections policies. These policies establish procedures to manage, monitor, control, investigate, record and improve trade receivable credit and collection. The Company also has policies and procedures which establish estimates for doubtful account allowances. These calculations are generally based on historical collection. The Company conducts specific account balance reviews, where practical, and consideration is given to the credit quality of the client, payment history and other factors specific to the client, including bankruptcy or insolvency.

Trade and other receivables deemed by management to be at risk of collection are provided for through an allowance account. When trade or other receivables are considered uncollectable, they are written-off against this account. Subsequent recoveries of amounts previously written-off are credited against the allowance account and subsequently recorded to operating expenses in the Company's consolidated statement of operations and comprehensive income or loss. Management typically assesses aggregate trade and other receivables impairment applying its historical rate of collection giving consideration to broader economic conditions.

Trade and other receivables are generally due within 15 to 45 days from the invoice date. Accordingly, all amounts which are outstanding beyond this period are past due. Based on historical collections, the Company has been successful in collecting amounts that are not outstanding for greater than 90 days. The Company assesses the credit quality of trade and other receivables that are neither past due nor impaired as high. Its maximum exposure to credit risk is equivalent to the Company's net carrying amount. Trade and other receivables considered impaired at December 31, 2016 are not considered significant.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with the settlement of its financial liabilities. The Company's exposure to liquidity risk is due primarily to its reliance on long-term debt financing. Certain management are responsible for ensuring that the Company has sufficient short, medium and long-term liquidity. The Company manages liquidity risk on a daily basis by monitoring actual and forecasted cash flows and monitoring its available liquidity through the Company's long-term credit facilities. Management regularly monitors the financial terms and conditions attributable to its lending facilities and reports quarterly its compliance to the Audit Committee. The Company actively manages its liquidity and is in regular contact with the Company's lender.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency, interest rate and other price risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in FX rates. The Company's exposure to currency risk is attributable to the exchange of U.S. monies to the Canadian dollar or vice versa. The Company may enter into FX agreements to mitigate its exposure to currency risk; however, as of the date of this prospectus, the Company has no FX agreements outstanding that require settlement. Accordingly, the Company is exposed to currency risk on U.S. dollars charged to its U.S. operations in the form of management fees, royalties and interest rates on long-term financings. To mitigate this risk, management uses discretion, and actively reviews its exposure to and need for FX agreements.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk arises from the Company's interest bearing financial assets and liabilities. The Company has certain financial assets and liabilities which are exposed to interest rate risk, the most notable of which are its long-term debt facilities. All long-term debt facilities are subject to interest rate risk on maturity or renegotiation.

An increase or decrease in the variable interest rate results in a corresponding increase or decrease to interest expense. The Company is also subject to interest rate risk on any investments it makes in cash equivalent, short-term investments.

Risk Management Objectives

The Company's risk management objective is to mitigate risk exposures to a level consistent with its risk tolerance. Derivative financial instruments are evaluated against the exposures they are expected to mitigate and the selection of a derivative financial instrument may not increase the Company's net exposure to risk. Derivative financial instruments may expose it to other types of risk, which may include, but are not limited to, credit risk. The exposure to other types of risk is evaluated against the selected derivative financial instrument and is subject to a cost versus benefit review and analysis. The Company does not use derivative financial instruments for speculative or trading purposes and the value of the derivative financial instrument cannot exceed the risk exposure of the underlying asset, liability or cash flow it expects to mitigate.

Fair Value Methods and Assumptions

The fair values of financial instruments, warrants and contingent consideration are calculated using available market information, commonly accepted valuation methods and third-party valuation specialists, where

required, or expectations of achievement, in the case of contingent consideration discounted at a market rate of interest. Considerable judgment is required to develop these estimates. Accordingly, fair value estimates are not necessarily indicative of the amounts the Company, or counter-parties to the instruments, could realize in a current market exchange, or expect to pay, in the case of contingent consideration. The use of different assumptions and or estimation methods could have a material effect on these fair values.

Financial assets and liabilities recorded at fair value, as and where applicable, are recorded on the Company's unaudited condensed consolidated statement of financial position as at December 31, 2016 as accrued charges and other liabilities (contingent consideration) and warrant liabilities.

See also "Risk Factors", "Non-GAAP Financial Measures" and "Prospectus Summary — Summary Financial Information".

DESCRIPTION OF SHARE CAPITAL

Share Capital Information Prior to Pre-Closing Capital Changes

The Company is currently authorized to issue an unlimited number of Class A shares and an unlimited number of Class B shares. As of the date of this prospectus, prior to giving effect to the Pre-Closing Capital Changes and the Blackburn Option Exercise, there are 153,646,037 Class A shares issued and outstanding and no Class B shares outstanding.

All shareholders in Real Matters are signatories to a unanimous shareholder agreement of the Company, which will be automatically terminated upon completion of the Offering.

Pre-Closing Capital Changes

Prior to the Closing, the Company will amend its articles to effect the Consolidation, to reconstitute the Class A shares as common shares (i.e. Shares), to delete the Class B shares and to create the Preferred Shares (collectively, the "**Pre-Closing Capital Changes**").

The articles of amendment shall, among other things:

- consolidate the Company's Class A shares on a two (2) for one (1) basis pursuant to the Consolidation;
- increase the authorized capital of the Company by creating an unlimited number of preferred shares, issuable in series (the "**Preferred Shares**");
- decrease the authorized capital of the Company by deleting the Class B shares and all rights, privileges, restrictions and conditions attaching thereto; and
- re-designate the post-Consolidation Class A shares as common shares.

As a result of the Pre-Closing Capital Changes, the authorized share capital of the Company will consist of an unlimited number of Shares, of which 77,242,348 Shares will be issued and outstanding immediately prior to the completion of the Offering, and an unlimited number of Preferred Shares, none of which will be issued and outstanding.

Upon completion of the Offering, 86,862,348 Shares will be issued and outstanding (assuming no exercise of the Over-Allotment Option or any options, warrants or other convertible securities issued by the Company, including as described under "Options to Purchase Securities"). Any further issuances of Shares or Preferred Shares will result in immediate dilution to existing shareholders and may have an adverse effect on the value of their shareholdings.

The following is a description of the material terms of the Shares and the Preferred Shares, each as to be set forth in the Company's articles as at immediately prior to the completion of the Offering.

Shares

The holders of the Shares are entitled to receive notice of and to attend any shareholders' meetings and are entitled to one vote in respect of each Share held at such meetings.

The holders of the Shares are entitled to participate equally in dividends, if any, declared in the Shares.

In the event of the liquidation, dissolution or wind-up of the Company or other distribution of assets of the Company among shareholders for the purpose of winding-up the Company's affairs, the Shares shall rank equally as to priority of distribution. Such distribution shall be made in equal amount per share on all the Shares outstanding without preference or distinction.

Preferred Shares

Upon completion of the Pre-Closing Capital Changes, the Board will have the authority, without action by the Company's shareholders, to designate and issue an unlimited number of Preferred Shares in one or more series and to designate the rights, preferences and privileges of each series. The Preferred Shares of each series will rank on par with the Preferred Shares of every other series and, if so designated by the Board, will be entitled to preference over the Shares with respect to payment of dividends and distribution of any assets in the event of the Company's liquidation, dissolution or winding-up. Where the Company does not pay cumulative dividends in full with respect to a series of its Preferred Shares, the shares of all series of the Preferred Shares will participate rateably with respect to the accumulated dividends in accordance with the amounts that would be payable on those shares if all the accumulated dividends were paid in full.

The issuance of Preferred Shares and the terms selected by the Board could decrease the amount of earnings and assets available for distribution to holders of the Shares and/or adversely affect the rights and powers, including the voting rights, of the holders of the Shares without any further vote or action by the shareholders. Any series of Preferred Shares issued by the Board could have priority over the Shares in terms of dividend or liquidation rights or both. The issuance of Preferred Shares, or the issuance of rights to purchase Preferred Shares, could make it more difficult for a third party to acquire a majority of the Company's outstanding voting shares and thereby have the effect of delaying, deferring or preventing a change of control of the Company or an unsolicited acquisition proposal, and could make the removal of management more difficult. Additionally, the issuance of Preferred Shares may have the effect of decreasing the market price of the Shares.

The Company has no current intention to issue any Preferred Shares.

Warrants

The Company currently has warrants outstanding exercisable to acquire an aggregate of 4,810,870 Class A shares at a price of C$0.69 per Class A share. After giving effect to the Pre-Closing Capital Changes, such warrants will be exercisable to acquire an aggregate of 2,405,435 Shares at a price of C$1.38 per Share. See "Pre-Closing Capital Changes".

Options

The Company currently has options outstanding exercisable to acquire an aggregate of 10,723,700 Class A shares at a price range of C$0.455 to C$5.25 per Class A share. After giving effect to the Pre-Closing Capital Changes and the Blackburn Option Exercise, such options will be exercisable to acquire an aggregate of 4,866,850 Shares at a price range of C$0.91 to C$10.50 per Share. See "Pre-Closing Capital Changes".

DESCRIPTION OF MATERIAL INDEBTEDNESS

Credit Facility

On March 31, 2016, in connection with the acquisition of Linear, the Company entered into the Credit Agreement with Bank of Montreal and Bank of Montreal, Chicago Branch. The Credit Agreement makes available a C$15 million Revolver and two Term Loans of $20 million and $27 million. The Revolver is available for working capital and general operating requirements, and the Term Loans were used in conjunction with certain business acquisitions.

Repayments on the Revolver are interest only until the date of maturity, being April 30, 2020. Total advances under the Revolver cannot exceed 75% of the Company's trade receivables, excluding those past due by 60 days or greater, subject to certain adjustments. The Revolver can be either drawn in Canadian or

U.S. funds, subject to Canadian prime or U.S. base rates of interest, bankers' acceptances or letters of credit. Term Loan facilities are available for certain completed or permitted acquisitions and general working capital and general corporate purposes. The Term Loans amortize at a rate of 2% quarterly, 8% annually, over a five year period with the remaining unamortized balance due at maturity. The Term Loans can consist of Canadian or U.S. prime rate advances, subject to interest at the Canadian prime or U.S. base lending rate, respectively, plus the applicable credit spread, a LIBOR loan, bearing interest at LIBOR plus the applicable credit spread, or Canadian BAs, bearing interest at BAs plus the applicable credit spread. The Term Loans are subject to mandatory prepayment conditions, including: 50% of the excess annual cash flow of the Company if the senior funded debt to EBITDA ratio is greater than 3.0:1.0; 100% of the proceeds from equity or debt securities issued by the Company, including any sale or disposition of assets that is not in the ordinary course and that aren't reinvested within 180 days; and proceeds from insurance claims not otherwise reinvested within 180 days from receipt.

Applicable spreads vary based on senior funded debt to EBITDA levels ranging from under 1.0 times to over 3.0 times. Canadian and U.S. prime/base rate advances are subject to an applicable spread between 25 and 175 basis points. BAs and LIBOR loans are subject to an applicable spread between 150 and 300 basis points and the Company bears a standby fee of between 40 and 60 basis points on unused drawings.

Included in the Credit Facility is a treasury risk management facility of up to $0.5 million to facilitate the hedging of currency exchange risk between the Canadian and U.S. dollar that occurs in the normal course of business. The Credit Facility may be used to facilitate the use of foreign currency exchange contracts for up to one year. The Company bears fees determined by the lender's treasury department on a per transaction basis. In addition, the Credit Facility provides the Company with a corporate credit card facility of up to $0.8 million to assist with the management of corporate expenses.

The Credit Facility is secured by a general security agreement, which provides the lender with a first, fixed and floating charge over all assets, including intellectual property, an unlimited guarantee and postponement of claim by all wholly owned subsidiaries, and certain other securities.

On December 31, 2016 advances under the Revolver and Term Loans were $nil and approximately $15.8 million, respectively. Available capacity under the Revolver was C$15.0 million at December 31, 2016 and approximately $29.5 million under the Term Loans. The Company's senior funded debt to EBITDA ratio (as defined and calculated in accordance with the Credit Agreement) was 0.84 times.

As at the date hereof, the Company is not in default of its covenants under the Credit Agreement.

Summarized details of the Company's Credit Facility as at December 31, 2016 are as follows:

	Available Lending	Facility Drawn	Available Capacity
	(dollar amount in thousands of dollars)		
Term Loans			
2016 Facility	$ 27,000	$7,041	$ 19,500
2015 Facility	$ 20,000	$8,800	$ 10,000
Revolving Credit Facility			
Revolver	C$15,000	C$ —	C$15,000

In accordance with the terms of the Credit Facility, the Company will use a portion of the net proceeds from the Treasury Offering, being approximately C$20.2 million, for the repayment of indebtedness under the Term Loans. See "Use of Proceeds".

CONSOLIDATED CAPITALIZATION

The following table sets forth the Company's share capitalization as at the financial period ended December 31, 2016 and its *pro forma* capitalization as at December 31, 2016 after giving effect to the Pre-Closing Capital Changes, the Blackburn Option Exercise and the Offering (assuming no exercise of the Over-Allotment Option). This table should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements and audited annual consolidated financial statements and the related notes

included elsewhere in this prospectus and with the information set forth under "Summary Financial Information", "Management's Discussion and Analysis", "Use of Proceeds" and "Description of Share Capital — Pre-Closing Capital Changes".

	As at December 31, 2016	Pro Forma as at December 31, 2016[(1)(2)]
	(dollar amount in thousands of dollars)	
Cash	$20,189	$72,144[(3)]
Total debt		
Revolver	C$—	C$—
Term Loans	$15,468	$—
Equity		
Shares	N/A	$256,781
Class A shares	$164,629	N/A
Class B shares	Nil	N/A
Preferred Shares	N/A	Nil
Total capitalization	$200,286	$328,969

Notes:

(1) On January 9, 2017, 1,499,995 Penalty Shares were issued pursuant to the liquidity penalty provided for in connection with the private placement of Class A shares completed on February 24, 2016. See "Prior Sales".

(2) On February 24, 2017, options were exercised pursuant to which an aggregate of 1,890,000 Class A shares were issued. See "Prior Sales".

(3) Cash will increase by net proceeds from the Treasury Offering of C$113,756,400 (after deducting expenses of the Offering, which are estimated to be C$3,800,000) which will be offset for payments described under "Use of Proceeds".

OPTIONS TO PURCHASE SECURITIES

Long-Term Incentive Plan

The Company believes that equity-based long-term incentive compensation is a fundamental component of its executive compensation program. Following the completion of the Offering, the Company will grant options to purchase Shares under the LTIP for the purpose of retaining employees and attracting critical talent by providing them with an opportunity to participate in the Company's growth, motivating key personnel, rewarding key personnel for strong financial performance and aligning management's incentives with the interests of the Company's shareholders. The LTIP was approved by the Board on February 22, 2017, to be effective as of the Closing Date, in replacement of the legacy stock option plans, being the 2006 stock option plan and the 2013 stock option plan (collectively, the "**Legacy Stock Option Plans**"), to, among other things, allow other forms of long-term equity incentives to be awarded thereunder.

Options are granted by the Board of Directors on the recommendation of the Compensation Committee, which is based on the following factors: the individual's position, responsibility and performance; previous grants; the value of the options in relation to other elements of the individual's total compensation; and the competitiveness of the total compensation paid by the Company relative to that paid by companies with businesses comparable to Real Matters. In the case of grants to executive officers other than the CEO, the Compensation Committee considers the recommendations of the CEO, which are based on these same factors.

Following the completion of the Offering, the Company will only grant options under the LTIP. As of the date hereof, after giving effect to the Pre-Closing Capital Changes and the Blackburn Option Exercise, options to purchase a total of 4,866,850 Shares are outstanding, representing approximately 6.30% of the issued and outstanding Shares as of such date. 4,112,288 of these Options will vest upon completion of the Offering. The remaining 754,562 Options will vest over the subsequent 18 month period. Awards granted under the Legacy Stock Option Plans will remain outstanding and will be governed by the terms and conditions of the LTIP.

Options

The following table sets out information regarding the outstanding options to purchase Shares under the Legacy Stock Option Plans as of the date of this prospectus.

Holder of Options	Number of Optionees	Shares Underlying Options[1]	Exercise Price Range (C$)[1]	Expiry Date Range
Current and Former Executive Officers	10	2,632,500	0.91 - 5.00	January 2019 - August 2026
Current and Former Directors (other than those who are executive officers)	11	315,000	0.91 - 10.50	October 2018 - December 2026
Current and Former Executive Officers of Subsidiaries	6	885,000	0.91 - 8.00	December 2018 - April 2026
Current and Former Directors of Subsidiaries	0	N/A	N/A	N/A
Other Current and Former Employees	28	315,125	0.91 - 10.50	October 2018 - December 2026
Current and Former Employees of Subsidiaries	275	1,142,475	0.91 - 10.50	October 2018 - December 2026
Consultants	7	71,750	1.22 - 8.00	November 2019 - August 2026
Total	337	5,361,850	0.91 - 10.50	October 2018 - December 2026

Notes:

(1) Figures have been adjusted to reflect the Pre-Closing Capital Changes.

PRIOR SALES

The following table summarizes details of the Class A shares or securities convertible or exercisable into Class A shares issued by the Company or sold by the Selling Shareholders during the 12-month period prior to the date of this prospectus.

				As Adjusted for Pre-Closing Capital Changes	
Date of Issuance	Security	Issue / Exercise Price Per Security (C$)	Number of Securities	Issue / Exercise Price Per Security (C$)	Number of Securities
June 15, 2016	Options	4.00	100,000	8.00	50,000
July 1, 2016	Options	4.00	100,000	8.00	50,000
August 5, 2016	Options	4.00	415,150	8.00	207,575
September 30, 2016	Options	4.00	137,050	8.00	68,525
November 1, 2016	Class A shares[1]	5.25	4,339,516	10.50	2,169,758
November 7, 2016	Options	5.25	50,000	10.50	25,000
December 15, 2016	Options	5.25	414,250	10.50	207,125
January 9, 2017	Class A shares[2]	N/A	1,695,484	N/A	847,742
February 24, 2017	Class A shares[3]	0.05 - 0.17	1,890,000	0.10 - 0.34	945,000

Notes:

(1) Represents Class A shares sold by certain of the Selling Shareholders pursuant to a secondary offering completed on November 1, 2016.

(2) Represents Penalty Shares issuable pursuant to the liquidity penalty provided for in connection with the private placement of Class A shares completed on February 24, 2016, pursuant to which 1,499,995 Penalty Shares were issued by the Company and 195,489 Penalty Shares were transferred by certain of the Selling Shareholders.

(3) Represents the exercise of options.

PRINCIPAL AND SELLING SHAREHOLDERS

Upon the completion of the Offering, the Selling Shareholders will, collectively, directly or indirectly, own approximately 20.64% of the issued and outstanding Shares (approximately 19.96% if the Over-Allotment Option is exercised in full). Each of the Selling Shareholders (except the Blackburn Shareholders) has entered into a lock-up agreement with the Underwriters which will preclude the Selling Shareholders from selling a portion of Shares held by them for a period of 180 days after Closing, as more fully described under "Plan of Distribution — Lock-Up Arrangements".

The following table shows the names of the persons or companies who, as at the Closing Date, will own of record, or who, to its knowledge, will own beneficially, directly or indirectly, more than 10% of the outstanding Shares.

Name of Shareholder[6]	Number of Class A Shares Owned Prior to the Offering and Prior to the Pre-Closing Capital Changes[1][7]	Number of Shares Owned Prior to the Offering and Immediately Following the Pre-Closing Capital Changes[1][7]	Number of Shares to be Sold pursuant to the Secondary Offering[7]	Number of Shares Owned Immediately Following the Offering[1][7]	Percentage of Outstanding Shares Immediately Following the Offering[1][7]
Altus Group Limited	20,916,283[2]	10,458,142[2]	Nil	10,458,142	12.04%[3]
EdgePoint Investment Group Inc.	16,396,659[4]	8,198,330[4]	819,834	7,378,496	8.49%[5]

Notes:

(1) To the knowledge of the Company, none of these Shares are or will be following the Closing subject to any voting trust or similar agreement.

(2) Owned beneficially and of record. Altus Group Limited also owns options exercisable to acquire up to 25,000 Shares at an exercise price of C$8.00 per Share. Altus Group Limited has entered into a lock-up agreement as described under "Plan of Distribution — Lock-Up Arrangements".

(3) To the knowledge of the Company, on a fully-diluted basis: (i) immediately prior to Closing after giving effect to the Pre-Closing Capital Changes, Altus Group Limited will own 12.37% (beneficially and of record) of the issued and outstanding Shares; and (ii) following Closing, Altus Group Limited will own 11.14% (beneficially and of record) of the issued and outstanding Shares.

(4) EdgePoint Investment Group Inc., as a portfolio manager, controls and exercises the voting rights with respect to the Shares outlined above in respect of certain mutual funds. Those mutual funds of which EdgePoint Investment Group Inc. exercises voting rights with respect to the Shares have entered into a lock-up agreement as described under "Plan of Distribution — Lock-Up Arrangements".

(5) To the knowledge of the Company, on a fully-diluted basis: (i) immediately prior to Closing after giving effect to the Pre-Closing Capital Changes, EdgePoint Investment Group Inc. will exercise control or direction over the voting rights with respect to 9.70% of the issued and outstanding Shares; and (ii) following Closing, EdgePoint Investment Group Inc. will exercise control or direction over the voting rights with respect to 7.84% of the issued and outstanding Shares.

(6) To the knowledge of the Company, no principal shareholder named above is an associate or affiliate of any other person or company named as a principal shareholder above.

(7) The information set forth in the table and in the notes above assumes that the Over-Allotment Option is not exercised, in whole or in part, and that the shareholders listed above do not acquire any Shares pursuant to the Offering.

Below are the names and holdings of Shares of, and certain other information with respect to, the Selling Shareholders.

Name of Selling Shareholder[23]	Number and Percentage of Class A Shares Owned, Controlled or Directed Prior to the Offering and Prior to the Pre-Closing Capital Changes and the Blackburn Option Exercise[1][24]	Number and Percentage of Shares Owned Prior to the Offering and Immediately Following the Pre-Closing Capital Changes and the Blackburn Option Exercise[1][24]	Number of Shares to be Sold pursuant to the Secondary Offering[2][24]	Number and Percentage of Shares Owned, Controlled or Directed after giving effect to the Offering (assuming no exercise of the Over-Allotment Option / assuming exercise in full of the Over-Allotment Option)[1][24]	Percentage of Shares on a fully-diluted basis after giving effect to the Offering and exercise of Over-Allotment Option[1][24]
EdgePoint Shareholders	16,396,659[3][5] (10.67%)[4]	8,198,330[3][5] (10.61%)[4]	819,834	7,378,496 (8.49%) / 7,255,521 (8.21%)	7.58%
Cypress	1,754,618[6][8] (1.14%)[7]	877,310[6][8] (1.14%)[7]	87,731	789,579 (0.91%)/ 776,420 (0.88%)	0.81%
AGF Shareholders	11,450,840[9] (7.45%)[10]	5,725,420[9] (7.41%)[10]	572,542	5,152,878 (5.93%) / 5,066,998 (5.73%)	5.30%
Fiera	2,844,507[11] (1.85%)[12]	1,422,254[11] (1.84%)[12]	142,226	1,280,028 (1.47%) / 1,258,695 (1.42%)	1.32%
370271 Ontario	1,497,250[13] (0.97%)[14]	748,625[13] (0.97%)[14]	50,502	698,123 (0.80%) / 690,548 (0.78%)	0.90%
PVI	806,495[15] (0.52%)[16]	403,248[15] (0.52%)[16]	40,325	362,923 (0.42%) / 356,875 (0.40%)	0.37%
Mosaic	3,035,793[17][19] (1.98%)[18]	1,517,897[17][19] (1.97%)[18]	50,000	1,467,897 (1.69%) / 1,460,397 (1.65%)	1.53%
Maplecastle	1,819,549[20] (1.18%)[21]	909,775[20] (1.18%)[21]	113,722	796,053 (0.92%) / 778,995 (0.88%)	0.81%
Blackburn Shareholders	280,000[22] (0.18%)	559,304[22] (0.72%)	559,304	Nil / Nil	Nil

Notes:

(1) To the knowledge of the Company, none of these Shares are or will be following the Closing subject to any voting trust or similar agreement. No Selling Shareholder (nor any affiliate thereof) has any board or committee representation nor any nomination rights.

(2) If the Over-Allotment Option is exercised in full, the number of Shares to be sold by the EdgePoint Shareholders, Cypress, the AGF Shareholders, Fiera, 370271 Ontario, PVI, Mosaic, Maplecastle and the Blackburn Shareholders will be 942,809, 100,890, 658,423, 163,559, 58,077, 46,373, 57,500, 130,780, and nil, respectively.

(3) EdgePoint Investment Group Inc., as portfolio manager, controls and exercises the voting rights with respect to the Shares outlined above in respect of Cymbria Corporation and certain mutual funds, being EdgePoint Canadian Portfolio, EdgePoint Canadian Growth & Income Portfolio and EdgePoint Wealth Management Inc., all of which have entered into a lock-up agreement as described under "Plan of Distribution — Lock-Up Arrangements".

(4) To the knowledge of the Company, on a fully-diluted basis: (i) immediately prior to Closing after giving effect to the Pre-Closing Capital Changes, EdgePoint Investment Group Inc. will exercise control or direction over the voting rights with respect to 9.70% of the issued and outstanding Shares; and (ii) following Closing, EdgePoint Investment Group Inc. will exercise control or direction over the voting rights with respect to 7.84% of the issued and outstanding Shares.

(5) On September 1, 2015, EdgePoint Canadian Portfolio and EdgePoint Canadian Growth & Income Portfolio acquired an additional 102,128 Shares and 68,086 Shares, respectively. On October 1, 2015, EdgePoint Wealth Management Inc. acquired 129,787 Shares. Subsequently, pursuant to a private placement of Class A shares completed by the Company on February 24, 2016, Cymbria Corporation and EdgePoint Wealth Management Inc. acquired 837,214 Shares and 15,238 Shares, respectively, and in connection therewith, on January 9, 2017, Cymbria Corporation and EdgePoint Wealth Management Inc. received 83,721 Shares and 1,524 Shares, respectively, for nil considered pursuant to the liquidity penalty provided thereby.

(6) Owned beneficially in certain brokerage accounts. Cypress has entered into a lock-up agreement in respect of all of the Shares that it beneficially owns, as described under "Plan of Distribution — Lock-Up Arrangements".

(7) To the knowledge of the Company, on a fully-diluted basis: (i) immediately prior to Closing after giving effect to the Pre-Closing Capital Changes, Cypress will own 1.04% (beneficially) of the issued and outstanding Shares; and (ii) following Closing, Cypress will own 0.84% (beneficially) of the issued and outstanding Shares.

(8) Pursuant to a private placement of Class A shares completed by the Company on February 24, 2016, Cypress acquired 125,000 Shares, and in connection therewith, on January 9, 2017, Cypress received 12,500 Shares for nil consideration pursuant to the liquidity penalty provided thereby.

(9) AGF, as portfolio manager, controls and exercises the voting rights with respect to the Shares outlined above in respect of and certain mutual funds, being AGF Canadian Growth Equity Class, London Life Growth Equity and Great West Life Growth Equity, all of which have entered into a lock-up agreement as described under "Plan of Distribution — Lock-Up Arrangements".

(10) To the knowledge of the Company, on a fully-diluted basis: (i) immediately prior to Closing after giving effect to the Pre-Closing Capital Changes, AGF will exercise control or direction over the voting rights with respect to 6.77% of the issued and outstanding Shares; and (ii) following Closing, AGF will exercise control or direction over the voting rights with respect to 5.47% of the issued and outstanding Shares.

(11) Owned beneficially in a brokerage account. Fiera has entered into a lock-up agreement in respect of all of the Shares that it beneficially owns, as described under "Plan of Distribution — Lock-Up Arrangements".

(12) To the knowledge of the Company, on a fully-diluted basis: (i) immediately prior to Closing after giving effect to the Pre-Closing Capital Changes, Fiera will own 1.68% (beneficially) of the issued and outstanding Shares; and (ii) following Closing, Fiera will own 1.36% (beneficially) of the issued and outstanding Shares.

(13) Owned beneficially and of record. 370271 Ontario also owns warrants exercisable to acquire up to 173,913 Shares at an exercise price of C$1.38 per Share. 370271 Ontario has entered into a lock-up agreement as described under "Plan of Distribution — Lock-Up Arrangements".

(14) To the knowledge of the Company, on a fully-diluted basis: (i) immediately prior to Closing after giving effect to the Pre-Closing Capital Changes, 370271 Ontario will own 1.09% (beneficially and of record) of the issued and outstanding Shares; and (ii) following Closing, 370271 Ontario will own 0.93% (beneficially and of record) of the issued and outstanding Shares.

(15) Owned beneficially and of record. PVI has entered into a lock-up agreement as described under "Plan of Distribution — Lock-Up Arrangements".

(16) To the knowledge of the Company, on a fully-diluted basis: (i) immediately prior to Closing after giving effect to the Pre-Closing Capital Changes, PVI will own 0.48% (beneficially and of record) of the issued and outstanding Shares; and (ii) following Closing, PVI will own 0.39% (beneficially and of record) of the issued and outstanding Shares.

(17) Owned beneficially and of record. Mosaic also owns options exercisable to acquire up to 12,500 Shares at an exercise price of C$2.28 per Share. Mosaic has entered into a lock-up agreement as described under "Plan of Distribution — Lock-Up Arrangements".

(18) To the knowledge of the Company, on a fully-diluted basis: (i) immediately prior to Closing after giving effect to the Pre-Closing Capital Changes, Mosaic will own 1.81% (beneficially and of record) of the issued and outstanding Shares; and (ii) following Closing, Mosaic will own 1.57% (beneficially and of record) of the issued and outstanding Shares.

(19) On February 24, 2017, Mosaic exercised options to acquire 25,000 Shares at a price of C$0.10 per Share, for an aggregate acquisition price of C$2,500.

(20) Owned beneficially and of record. Maplecastle has entered into a lock-up agreement as described under "Plan of Distribution — Lock-Up Arrangements".

(21) To the knowledge of the Company, on a fully-diluted basis: (i) immediately prior to Closing after giving effect to the Pre-Closing Capital Changes, Maplecastle will own 1.08% (beneficially and of record) of the issued and outstanding Shares; and (ii) following Closing, Maplecastle will own 0.85% (beneficially and of record) of the issued and outstanding Shares.

(22) Owned beneficially and of record. The Blackburn Shareholders will not hold any Shares following completion of the Offering.

(23) Except for the EdgePoint Shareholders, to the knowledge of the Company, no Selling Shareholder is an associate or affiliate of any other person or company named as a principal shareholder above.

(24) Unless otherwise indicated, the information set forth in the table and in the notes above assumes that the Over-Allotment Option is not exercised, in whole or in part, and that the shareholders listed above do not acquire any Shares pursuant to the Offering.

DIRECTORS AND EXECUTIVE OFFICERS

The following table sets out, for each of the directors and executive officers of the Company, the person's name and position within the Company. The Company's directors are expected to hold office until its next annual general meeting of shareholders. Its directors are elected annually and hold office for a term expiring at the close of the next annual general meeting of shareholders or until their successors are elected or appointed.

Name, Province or State and Country of Residence	Position[3]
Jason Smith Ontario, Canada	President and Chief Executive Officer, Director
William Herman Ontario, Canada	Executive Vice President and Chief Financial Officer
Ryan Smith Ontario, Canada	Executive Vice President and Chief Technology Officer
Nicholas Liuzza Jr. Rhode Island, U.S.	Executive Vice President, President (Linear Settlement Services, LLC)
John Nathan Chandler Louisiana, U.S.	Executive Vice President, Chief Operating Officer (Linear Settlement Services, LLC)
Nicolas Catros Ontario, Canada	General Counsel and Corporate Secretary
Loren Cooke Ontario, Canada	Executive Vice President, President (Solidifi Corp.)
Kim Montgomery Ontario, Canada	Executive Vice President
Jeff Patterson Ontario, Canada	Executive Vice President
Craig Rowsell Ontario, Canada	Executive Vice President, Operations and Program Management (Solidifi Corp.)
Greg Twinney Ontario, Canada	Executive Vice President
Kevin Walton Ontario, Canada	Executive Vice President
Blaine Hobson[2] Ontario, Canada	Chairman of the Board
Robert Courteau[2] Ontario, Canada	Director
Garry M. Foster[1] Ontario, Canada	Director
William T. Holland[2] Ontario, Canada	Director
Frank V. McMahon[1] California, U.S.	Director
Lisa Melchior[1] Ontario, Canada	Director

Notes:

(1) Member of the Audit Committee of the Company ("**Audit Committee**").

(2) Member of the Compensation Committee of the Company (the "**Compensation Committee**").

(3) Alistair Blackburn, the COO and former CFO of the Company, who was on a leave of absence effective March 15, 2017, passed away on April 2, 2017.

Biographies

The following are brief profiles of the Company's executive officers and directors, including a description of each individual's principal occupation within the past five years.

Jason Smith, *President and Chief Executive Officer, Director*

Mr. Smith is a highly-regarded technology entrepreneur with more than 20 years of experience building and leading companies in North America. He is the founder, President and CEO of Real Matters. Prior to forming Real Matters, Mr. Smith was a founder, director and executive of Basis100, which he built from a handful of employees into one of the largest publicly-traded technology providers within the mortgage banking industry worldwide. Basis100 was sold in 2004. A leader in the community, Mr. Smith is a director of several corporations and organizations, and is Chairman of the Holland Bloorview Kids Rehabilitation Hospital Foundation. Mr. Smith has been a director of the Company since November 23, 2004.

William Herman, *Executive Vice President and Chief Financial Officer*

Mr. Herman has more than 20 years of experience in finance and accounting, and a proven track record of leadership in a public company environment. Mr. Herman joined Real Matters as Chief Accounting Officer in September 2016. Prior to joining Real Matters, Mr. Herman was Executive Vice President and Interim Chief Financial Officer at Progressive Waste Solutions, a multi-billion dollar North American full-service waste management company, where he held various progressively senior management positions from 2002 to 2016. Prior to Progressive Waste, Mr. Herman held various positions with Deloitte & Touche LLP. Mr. Herman is a Chartered Professional Accountant and has a Masters of Business Administration from York University's Schulich School of Business. He also holds a Diploma in Accounting and a Bachelor of Arts (Economics) Degree from Wilfrid Laurier University.

Ryan Smith, *Executive Vice President and Chief Technology Officer*

Mr. Smith has more than 18 years of experience in mortgage technologies and a wealth of experience in driving high-growth, cross-company engineering initiatives and collaboration strategies that deliver mission critical business solutions. He joined Real Matters in 2006. Throughout his career, Mr. Smith has demonstrated experience in building solutions for the Canadian and U.S. mortgage industries and has gained extensive knowledge and involvement in real estate collateral assessment and mortgage processing. Mr. Smith has held various executive positions at multiple organizations within the industry. As Vice President at Basis100, Mr. Smith led business units responsible for point-of-sale applications designed for mortgage brokers as well as managed the development and implementation of an automated underwriting system for lending institutions. Mr. Smith also led the market requirements and delivery of a U.S. collateral assessment solution, which brought the leading automated valuation model ("**AVM**") and appraisal companies onto a single transaction platform.

Nicholas Liuzza Jr., *Executive Vice President, President (Linear Settlement Services, LLC)*

Mr. Liuzza is the President of Linear Settlement Services, LLC. As an innovator and a driving force behind Linear's technology strategy, he was responsible for building the company into one of the top independent title insurance agencies in the U.S. Mr. Liuzza has more than 20 years of experience as an entrepreneur, with a proven track record for driving growth and building leading market positions. In 2001, he founded New Age Nurses, a healthcare staffing company which he grew into a national provider of healthcare personnel services. Prior to that, Mr. Liuzza was Executive Vice President of AMICUS Legal Staffing, a national staffing services provider with a specialization in real estate transactions. Under his leadership, AMICUS Legal Staffing became one of the largest privately held legal staffing companies in the U.S. Mr. Liuzza started his career with Xerox Corporation in 1988.

John Nathan Chandler, *Executive Vice President, Chief Operating Officer (Linear Settlement Services, LLC)*

Mr. Chandler is COO of Linear Settlement Services, LLC, where he leads operations, compliance and product implementation. Mr. Chandler joined Linear Title & Closing Ltd. in 2006 and was instrumental in launching multiple mortgage services technologies, while overseeing the company's growth from a start-up with

50 employees to a national provider with more than 400 employees and multiple office locations across the U.S. Mr. Chandler has 15 years of experience in the financial services industry. Prior to joining Linear Title & Closing Ltd., Mr. Chandler held various management positions with leading banks. Mr. Chandler holds a Bachelor of Science degree in Finance from Auburn University.

Nicolas Catros, *General Counsel and Corporate Secretary*

Mr. Catros has more than 20 years of experience as a commercial lawyer, including 10 years in private practice as a commercial generalist, with a focus on M&A and commercial transactions. Prior to joining Real Matters in 2015, Mr. Catros was a Partner at Goodman and Carr LLP in Toronto. Mr. Catros also served as General Counsel of two public companies, Cryptologic Limited (TSX, NASDAQ and LSE) and Points International Ltd. (TSX and NASDAQ), and is the former Senior Vice President of Business and Legal Affairs of Kobo Inc.

Loren Cooke, *Executive Vice President, President (Solidifi Corp.)*

Mr. Cooke has 20 years of industry-related experience in promoting and deploying business solutions to the financial services market with an extensive focus on real estate valuation services, mortgage and loan origination technologies and data management. He joined Real Matters in 2008. Prior to joining Real Matters, Mr. Cooke held several senior management positions at Filogix Limited Partnership (a division of Davis & Henderson) and Equifax Inc. in the areas of sales and marketing, operations, client delivery and professional services.

Kim Montgomery, *Executive Vice President*

Ms. Montgomery leads the team responsible for extending Real Matters' core network operations management capabilities across new product verticals and aligning acquisitions. She joined the Company in 2008 and has been instrumental in building Solidifi's U.S. operations. With more than 15 years of experience in the mortgage lending industry, Ms. Montgomery has a proven track record of identifying and implementing new business practices and delivering high growth. Her diverse background includes leadership positions in sales, operations and compliance, and managing large teams across multiple geographies. Prior to joining Real Matters, Ms. Montgomery held a number of progressively senior roles at HSBC Financial Corp., including leading the virtual mortgage lending channel in Canada.

Jeff Patterson, *Executive Vice President*

Mr. Patterson has held leadership and senior management positions with reporting issuers and private companies in Canada and the U.S. Prior to joining Real Matters in 2013, Mr. Patterson served as the CFO and Secretary of xRM Global Inc. (formerly, EM Technology Corporation). Mr. Patterson was also CFO and Secretary of GHJ Capital Inc. and served as its CEO until October 2009. His mandates have included developing and executing strategies, building strong management teams, acquisitions, divestitures, formal restructurings, designing and implementing new business models in mature industries and raising capital. Mr. Patterson holds a Masters of Business Administration from the Rotman School of Business at the University of Toronto and a BA (Mathematics) from the University of Western Ontario.

Craig Rowsell, *Executive Vice President, Operations and Program Management (Solidifi Corp.)*

Mr. Rowsell has more than 20 years of experience in helping build and deliver technology solutions for the mortgage industry. Prior to joining Real Matters in 2014, he served as Senior Vice President of Business Development & Marketing of FNF Canada Company. Mr. Rowsell also held senior management positions at Nationwide Appraisal Services and Teranet Inc. His industry experience includes various leadership roles in the mortgage processing and collateral management industry. During his career, Mr. Rowsell has been responsible for helping to build and deploy a national AVM, third-party risk management solutions, a mortgage collections platform and appraisal management solutions. He has been instrumental in delivering solutions to large institutional clients, forming strategic partnerships, driving operational excellence, leading corporate strategy, expanding core businesses into international markets and building new products and services.

Greg Twinney, *Executive Vice President*

Mr. Twinney has a 20 year track record of growing and operating successful high-growth technology companies. He joined Real Matters in 2014. Throughout his career, Mr. Twinney has focused on applying an operational, financial and business framework to high-potential ideas so they can successfully grow and scale into high-growth, profitable businesses. Mr. Twinney is the former CFO and COO of Kobo Inc. Under his leadership, Kobo Inc. quickly became the second largest eBook company in the world. Prior to joining Kobo Inc., Mr. Twinney was CFO of Opalis Software Inc., a software venture which was sold to Microsoft in 2009 and, prior to that, he was Corporate Controller of Cyberplex Inc. Mr. Twinney is a Chartered Professional Accountant and received a fellowship award in 2013 for his outstanding work and contribution. He holds a Business Administration Diploma from Seneca College of Applied Arts and Technology and a Bachelor of Accounting Science Degree from the University of Calgary.

Kevin Walton, *Executive Vice President*

Mr. Walton's industry experience spans over 16 years, including six years with a global property information services company where he was responsible for developing strategic partnerships, corporate strategy and acquisitions across North America and Europe. Mr. Walton joined Real Matters in 2007. Prior to joining Real Matters, he was active in the development of one of the first data-based, guaranteed valuation solutions in North America. Mr. Walton started his career in venture capital and merchant banking. Mr. Walton is a Chartered Financial Analyst.

Blaine Hobson, *Chairman of the Board, Compensation Committee Chair*

Mr. Hobson is a seasoned operator, manager and investor with more than 30 years of experience successfully starting, building and running companies. He has been a partner with Whitecap Venture Partners, a diversified early stage venture capital fund investing in high growth companies, since November 2003. Prior to that, Mr. Hobson was the CEO of several Whitecap Venture Partners investee companies, including Photonami Corp. and Avo Photonics Inc. Over the course of his career, he has successfully led a number of entrepreneurial ventures and teams in the automobile, manufacturing, medical supply, telecom and investment industries. Mr. Hobson originally joined Whitecap Venture Partners in 1995 as an Executive Vice President leading the Technology Practice, holding the role of "Entrepreneur in Residence". He holds a degree from the Ivey School of Business at the University of Western Ontario. Mr. Hobson has been a director of the Company since April 30, 2008.

Robert Courteau, *Director, Compensation Committee Member*

Mr. Courteau is an accomplished senior executive with extensive experience in leading new business initiatives and achieving growth objectives with some of the world's foremost companies. Mr. Courteau is the CEO of Altus Group Limited, a leading provider of independent advisory services, software and data solutions to the global commercial real estate industry. Most recently, he was President of SAP North America, a global market leader in enterprise application software, with other previous roles including COO of its Global Customer Operations. Prior to joining SAP, Mr. Courteau served as an Executive Vice President for EDS Corporation. Mr. Courteau has been an active board member of numerous North American not-for-profit organizations and has served on the boards of several publicly-traded organizations. Mr. Courteau graduated from Concordia University with a Bachelor of Commerce degree and also holds an Honorary Doctorate of Laws degree from Concordia University. Mr. Courteau has been a director of the Company since November 22, 2012.

Garry M. Foster, *Director, Audit Committee Chair*

Mr. Foster has served as President and CEO of the Baycrest Foundation, a charitable foundation that provides the financial resources necessary to support excellence in care, research and education related to aging, from 2013 to February 2017. He is the former Vice-Chair of Deloitte in Canada, a member of the Board of Trustees of SmartREIT, Chair of the Board of Cogniciti Inc., Chair of the Presto subcommittee of Metrolinx, a Fellow Chartered Accountant and a Member of the Institute of Corporate Directors. Mr. Foster has worked with some of Canada's largest and most prestigious companies, advising them on governance, mergers,

acquisitions and a wide range of financial activities. He is a Chartered Professional Accountant and holds a Bachelor of Business Administration and a Masters of Business Administration from the Schulich School of Business and an Institute of Corporate Directors designation certification from the Rotman School of Business. Mr. Foster has been a director of the Company since June 15, 2016.

William T. Holland, *Director, Compensation Committee Member*

Mr. Holland is Executive Chairman of CI Financial Corp., Canada's third-largest investment fund management company. He joined CI Financial Corp. in 1989 and held several progressively senior positions before being appointed CEO in 1999. He became Chairman in September 2010. Mr. Holland is also a director of the Holland Bloorview Kids Rehabilitation Hospital Foundation. Mr. Holland is on the Board of NEXJ Systems Inc., a public company which provides enterprise client relationship management solutions for the financial services, insurance and healthcare industries. Mr. Holland has been a director of the Company since November 7, 2016.

Frank V. McMahon, *Director, Audit Committee Member*

Mr. McMahon has over 30 years of experience in the financial services industry. Mr. McMahon was Executive Chairman of DataQuick Information Systems, Inc. from 2011 until 2014 when the business was sold to CoreLogic Inc. Previously, he was Vice Chairman and CFO of First American Corporation, and CEO of the Information Solutions Group, LLC (renamed CoreLogic Inc. in 2010). Prior to 2006, he spent 20 years as an investment banker with Lehman Brothers Inc. and Merrill Lynch & Co., where he worked on more than 200 capital raising transactions and 70 strategic transactions. Mr. McMahon previously served on the boards of Decision Insight Information Group and First Advantage Corporation. Mr. McMahon holds a Masters of Business Administration from the Fuqua School of Business at Duke University and holds a Bachelor of Science degree in Economics from Villanova University. Mr. McMahon has been a director of the Company since June 15, 2016.

Lisa Melchior, *Director, Audit Committee Member*

Ms. Melchior is the founder and President of Vertu Capital. She has more than 20 years of experience in the North American technology sector. Ms. Melchior is a former Managing Director of OMERS Private Equity, where she led the North American Technology Investment Group. She joined OMERS Private Equity in 1999 following a career as an investment banker with CIBC World Markets, and was a key member of the management team that built a direct investing private equity business for OMERS. Ms. Melchior has been a director of the Company since February 13, 2017.

Security Holding

Immediately after the Closing, the directors and executive officers of the Company, as a group, will beneficially own, directly or indirectly, or exercise control or direction over, 7,201,625 Shares, representing approximately 8.29% of the Shares outstanding before giving effect to the exercise of the Over-Allotment Option (8.15% of the Shares outstanding after giving effect to the exercise of the Over-Allotment Option in full).

Corporate Cease Trade Orders

Except as set forth below, none of the Company's directors or executive officers has, within the 10 years prior to the date of this prospectus, been a director, CEO or CFO of any company (including Real Matters) that, while such person was acting in that capacity (or after such person ceased to act in that capacity but resulting from an event that occurred while that person was acting in such capacity) was the subject of a cease trade order, an order similar to a cease trade order, or an order that denied the company relevant access to any exemption under securities legislation, in each case for a period of more than 30 consecutive days.

On May 9, 2011, while Jeff Patterson served as the CFO and Secretary of xRM Global Inc., the Ontario Securities Commission (the "**OSC**") issued a temporary cease trade order against xRM Global Inc. for failing to file audited annual financial statements, management's discussion and analysis and certification of annual and

interim filings for the period ending December 31, 2010. The temporary cease trade order expired on May 20, 2011 and was replaced with a permanent cease trade order. Mr. Patterson is no longer the CFO and Secretary of xRM Global Inc.

Corporate Bankruptcies

Except as set forth below, none of the Company's directors or executive officers, or shareholders holding sufficient securities of the Company to affect materially the control of the Company has, within the 10 years prior to the date of this prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, been a director or executive officer of any company (including Real Matters), that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or comprise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

On May 25, 2015, while Blaine Hobson served as a director, IMRIS, Inc. and certain of its subsidiaries each filed voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Code. The bankruptcy case was subsequently dismissed on September 26, 2016 following the disposition by IMRIS, Inc. of substantially all of its assets. Mr. Hobson is no longer a director of IMRIS, Inc. or any of its subsidiaries.

Penalties or Sanctions

No director or executive officer of the Company, or shareholder holding sufficient securities of the Company to affect materially the control of the Company, has:

- been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Conflicts of Interest

The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests that they may have in any project or opportunity of the Company. A director who has a material interest in a matter before the Board or any committee on which he or she serves is required to disclose such interest as soon as the director becomes aware of it. In situations where a director has a material interest in a matter to be considered by the Board or any committee on which he or she serves, such director may be required to absent himself or herself from the meeting while discussions and voting with respect to the matter are taking place. Directors will also be required to comply with the relevant provisions of the CBCA regarding conflicts of interest.

To the best of the Company's knowledge, there are no known existing or potential conflicts of interest among Real Matters and its directors, officers or other members of management as a result of their outside business interests except that certain of its directors and officers serve, and may in the future serve, as directors or officers of other companies and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies.

EXECUTIVE COMPENSATION

Introduction

The following discussion describes the significant elements of the Company's executive compensation program, with particular emphasis on the process for determining compensation payable to the Company's CEO and CFO and, other than the CEO and the CFO, each of the Company's three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity (collectively, the "**Named Executive Officers**" or "**NEOs**"). The anticipated NEOs for the fiscal year ending September 30, 2017 are:

- Jason Smith, President and Chief Executive Officer, Director;
- William Herman, Executive Vice President and Chief Financial Officer;
- Ryan Smith, Executive Vice President and Chief Technology Officer;
- Nicholas Liuzza Jr., Executive Vice President, President (Linear Settlement Services, LLC); and
- John Nathan Chandler, Executive Vice President, Chief Operating Officer (Linear Settlement Services, LLC).

Compensation Discussion and Analysis

Overview

The Board of Directors, upon recommendation of the Compensation Committee, makes decisions regarding all forms of compensation, including salaries, bonuses and equity incentive compensation for the Company's executive officers. The Compensation Committee makes recommendations to the Board of Directors regarding compensation of the President and CEO and makes decisions in conjunction with feedback from the President and CEO regarding the compensation of the Company's other executive officers. The Compensation Committee, in consultation with the President and CEO, also administers employee incentive compensation, including equity-based compensation plans.

Compensation Committee

The Compensation Committee is currently comprised of three directors, all of whom are considered independent directors within the meaning of National Instrument 52-110 — *Audit Committees* ("**NI 52-110**"). The Compensation Committee is comprised of Blaine Hobson, who acts as chair of this committee, William T. Holland and Robert Courteau. No member of the Compensation Committee is an officer of the Company and, as such, the Board believes that the Compensation Committee will be able to conduct its activities in an objective manner. See "Corporate Governance — Compensation Committee".

For additional details regarding the relevant education and experience of each member of the Compensation Committee, including the direct experience that is relevant to each committee member's responsibilities in executive compensation, see "Directors and Executive Officers — Biographies".

The Board has adopted a written mandate setting forth the purpose, composition, authority and responsibility of the Compensation Committee. The primary responsibilities and duties of the Compensation Committee include but are not limited to:

- discharging the Board's responsibilities relating to the compensation of the Company's executive officers;
- administering the Company's incentive compensation and equity-based compensation plans; and
- assisting the Board with respect to management succession and development.

The Compensation Committee reviews and makes recommendations to the Board on an annual basis regarding (i) company-wide compensation programs and practices, (ii) all aspects of the remuneration of the Company's executive officers and (iii) equity-based plans and any material amendments thereto.

Compensation Objectives

The Company operates in a competitive and continuously evolving market. To be successful in this market the Company is reliant on attracting, motivating and retaining a team of highly talented executives who possess strong leadership skills, management capabilities and domain expertise and who will contribute positively to the Company's long-term success. The Company seeks to compensate the majority of its executive officers through a compensation program that combines salary with long-term equity-based compensation incentives designed to achieve the following objectives:

- to attract and retain talented, long-term performance oriented and experienced executive officers whose expertise, skills, judgment and performance are critical to the Company's long-term success;
- to motivate these executive officers to achieve the Company's strategic vision and business objectives;
- to align the interests of the Company's executive officers with those of its shareholders by tying a meaningful portion of compensation directly to the long-term growth of the Company; and
- to encourage the appropriate level of risk-taking by the executive officers.

Compensation Consultant

In November 2016, the Company retained Willis Towers Watson, an independent consulting firm, to provide services to the Company in connection with executive officer and director compensation matters for the fiscal year ending September 30, 2017, including, among other things, to:

- assist in establishing a peer comparator group of public companies with similar attributes to the Company as it relates to revenues, industry, growth profile, enterprise value and number of employees for the purpose of benchmarking its compensation policies and plans;
- conduct an assessment of current cash and equity-based compensation for the Company's executive officers and directors as compared to similar roles at the selected peer group companies;
- conduct a review of the Company's current equity-based compensation plan and provide guidance on market practice of other public companies with respect to equity-based compensation, together with design considerations for post-IPO long-term incentive plans;
- conduct a review of executive officer contracts and key terms and conditions contained therein; and
- conduct a review of comparator group equity reserve practices and modelling of appropriate equity awards and equity reserve life.

The Compensation Committee considered the information provided by Willis Towers Watson and the recommendations it made in connection with the above; however, the decisions made regarding final compensation and incentive plan design were made by, and are the responsibility of, the Board on the recommendation of the Compensation Committee.

Executive Compensation-Related Fees

As of January 31, 2017, fees paid to Willis Towers Watson for the foregoing services are C$68,770 in Fiscal 2017. Willis Towers Watson does not provide any services to the Company other than directly to the Compensation Committee or as approved and overseen by the Compensation Committee. The fiscal year ending September 30, 2017 was the first fiscal year a compensation consultant was retained by the Company.

Peer Group Benchmarking

As part of the engagement with Willis Towers Watson, the Company has identified a peer group of companies for the purpose of benchmarking executive and director compensation. These companies all exhibit similar characteristics to the Company in terms of revenues, industry, growth profile, enterprise value and number of employees. This peer group is comprised of the following 17 North American publicly-traded companies: Alarm.com Holdings Inc., Bankrate Inc., Blucora Inc., Broadsoft Inc., Carbonite Inc., CommerceHub Inc., Ebix Inc., Ellie Mae Inc., Guidewire Software Inc., Kinaxis Inc., MeetMe Inc., Paycom

Software Inc., Paylocity Holding Corporation, Shopify Inc., Stamps.com Inc., The Descartes Systems Group Inc. and The Trade Desk Inc.

Compensation Risk Assessment

The Compensation Committee has considered the implications and risks associated with the structure and design of the Company's compensation policies and plans for directors, executive officers and employees. The Compensation Committee has concluded that the compensation policies and plans are consistent with the broader corporate philosophy of promoting a long-term, team-based approach to delivering ongoing performance while not encouraging inappropriate or excessive risk-taking. Consequently, the risk that the Company's compensation policies and plans are reasonably likely to have a material adverse effect on the Company is not considered significant.

The NEOs and directors are not permitted to hedge the Company's shares or equity-based awards.

Elements of Compensation Program

The Company's executive compensation program consists primarily of two elements: salary and long-term incentives. The Company believes that a focus on short-term variable compensation is not best aligned with the long-term focus and vision of the Company. The Company does not expect to award annual bonuses to its executive officers in respect of the fiscal year ending September 30, 2017.

Salary

Salaries for executive officers are a core, fixed part of their compensation package and are established based on the scope of their responsibilities and their prior relevant experience, taking into account compensation paid by other companies in the industry for similar positions and the overall market demand for such executives. An executive officer's salary is determined by reviewing the executive officer's other compensation to ensure that the executive officer's total compensation is in line with the Company's overall compensation philosophy.

Salaries are reviewed annually and increased for merit reasons, based on the executive's success in meeting or exceeding individual objectives and/or for market competitiveness. Additionally, salaries can be adjusted as warranted throughout the year to reflect promotions or other changes in the scope or breadth of an executive's role or responsibilities, as well as for market competitiveness.

The salary levels for the Company's NEOs for the fiscal year ending September 30, 2017 are expected to be as follows:

- Jason Smith, President, Chief Executive Officer and Director, C$630,000 per annum;
- William Herman, Executive Vice President and Chief Financial Officer, C$420,000 per annum;
- Ryan Smith, Executive Vice President and Chief Technology Officer, C$420,000 per annum;
- Nicholas Liuzza Jr., Executive Vice President, President (Linear Settlement Services, LLC), $455,000 per annum; and
- John Nathan Chandler, Executive Vice President, Chief Operating Officer (Linear Settlement Services, LLC), $448,000 per annum.

Long-Term Incentives

Historically, the Company has only granted stock options to provide long-term incentives to executives and employees. This forms a core component of the Company's compensation philosophy. Upon completion of the Offering, the Company is replacing its Legacy Stock Option Plans with the LTIP. The LTIP contemplates not only the granting of stock options, but also the granting of restricted share units ("**RSUs**") and performance share units ("**PSUs**"). Notwithstanding the foregoing, for the fiscal year ending September 30, 2017, the Company intends to continue to use only stock options as a long-term incentive vehicle for both executive officers and directors, and does not intend to grant RSUs or PSUs.

No grants have been made under the Company's Legacy Stock Option Plans to its NEOs during the fiscal year ending September 30, 2017 as of the date of this prospectus. Upon completion of the Offering, the Board of Directors intends to grant stock options under the LTIP to its NEOs at the Offering Price. See "Executive Compensation — Long-Term Incentive Plan — Stock Options".

Other Benefits

Canadian Executive Officers

All executive officers are eligible to participate in the Company's health, dental and insurance plans on the same terms and conditions as provided to all other eligible employees. In addition, executive officers are provided with a health spending account.

The Company does not offer a pension plan or a defined contribution plan.

U.S. Executive Officers

Linear executive officers participate in the Linear health, dental and insurance plans on the same terms and conditions as provided to all other eligible Linear employees.

Linear executive officers are also eligible to participate in Linear's 401(k) plan.

LTIP

Overview

The purpose of the LTIP is to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentive to employees, directors and consultants, and to promote the success of the Company's business. All option agreements entered into under the Legacy Stock Option Plans and remaining in effect as of the effective date of the LTIP are governed by the terms of the LTIP.

Shares Subject to the LTIP

Subject to the adjustment provisions provided for in the LTIP, the total number of Shares that may be issued pursuant to awards granted under the LTIP shall not exceed 10,813,928 Shares, representing approximately 14% of the issued and outstanding Shares immediately prior to the completion of the Offering. To the extent any awards under the LTIP are cancelled for any reason prior to exercise in full or are surrendered to the Company, except surrenders relating to the payment of the purchase price of any such award or the satisfaction of the tax withholding obligations relating to any such award, the Shares subject to such awards (or portion(s) thereof) shall be added back to the number of Shares issuable under the LTIP and shall be available for re-grant. For the purposes of the LTIP, a grant of an option shall reduce the amount of Shares available for issuance under the LTIP by one Share and a grant of an RSU or PSU shall reduce the amount of Shares available for issuance under the LTIP by 2.75 Shares.

The number of Shares issuable to insiders under the LTIP and all other security-based compensation arrangements of the Company cannot exceed 10% of the issued and outstanding Shares at any time. The number of Shares issued to insiders within any one year period under the LTIP and all other security-based compensation arrangements of the Company cannot exceed 10% of the issued and outstanding Shares.

Administration of the LTIP

The plan administrator of the LTIP (the "**Plan Administrator**") will be determined by the Board, and will initially be the Compensation Committee, but may in the future be administered by the Board itself or delegated to such other committee as may be established by the Board from time to time. The Plan Administrator will determine which employees, directors, officers or consultants are eligible to receive awards under the LTIP. In addition, the Plan Administrator will interpret the LTIP and may adopt administrative rules, regulations, procedures and guidelines governing the LTIP or any awards granted under the LTIP as it deems to be appropriate.

Types of Awards

The following types of awards may be made under the LTIP: stock options, RSUs or PSUs. All of the awards described below are subject to the conditions, limitations, restrictions, exercise price, vesting and forfeiture provisions determined by the Plan Administrator, in its sole discretion, subject to such limitations provided in the LTIP, and will generally be evidenced by an award agreement. In addition, subject to the limitations provided in the LTIP and in accordance with applicable law, the Plan Administrator may accelerate or defer the vesting or payment of awards, cancel or modify outstanding awards, and waive any condition imposed with respect to awards or Shares issued pursuant to awards.

Stock Options

A stock option is a right to purchase Shares upon the payment of a specified exercise price as determined by the Plan Administrator at the time the stock option is granted. Subject to certain adjustments and whether the Shares are then trading on the TSX, the exercise price shall be the closing price of the Shares on the TSX on the date of grant (the "**Market Price**"). Subject to the discretion of the Plan Administrator, stock options granted under the LTIP will vest in three equal amounts on a yearly basis over the three years following the grant date. Subject to any accelerated termination as set forth in the LTIP, each stock option expires on the date that is the earlier of ten years from the date of grant or such earlier date as may be set out in the participant's award agreement.

On Closing, the Company will grant an aggregate of 1,324,674 options to Real Matters' executive officers, directors and employees all having an exercise price of C$13.00 and expiring 10 years from the date of grant. The options to be granted to directors will vest on the date of grant. For the balance of the options, one third of the options will vest on the date that is one year following date of grant, one third of the options will vest on the second anniversary of the date of grant and the remaining third of the options will vest on the third anniversary of the date of grant.

Restricted Share Units

An RSU is a unit equivalent in value to a Share credited by means of a bookkeeping entry in the books of the Company which entitles the holder to receive Shares. Subject to the discretion of the Plan Administrator, RSUs granted under the LTIP will vest in three equal amounts on a yearly basis over the three years following the grant date. Upon vesting, holders will receive, at the option of the Company, either (i) one fully paid and non-assessable Share from the treasury of the Company or (ii) the cash equivalent in respect of each vested RSU.

Performance Share Units

A PSU is a unit equivalent in value to a Share credited by means of a bookkeeping entry in the books of the Company which entitles the holder to receive Shares based on the achievement of performance goals established by the Plan Administrator over a period of time. The performance goals may be based upon the achievement of corporate, divisional or individual goals, and may be applied relative to performance of an index or comparator group, in each case as determined by the Plan Administrator. The Plan Administrator may modify the performance goals as necessary to align them with the corporate objectives of the Company. The performance goals may include a threshold level of performance below which no payment will be made (or no vesting will occur), levels of performance at which specified payments will be made (or specified vesting will occur), and a maximum level of performance above which no additional payment will be made (or at which full vesting will occur). Upon vesting, holders will receive, at the option of the Company, either (i) fully paid and non-assessable Shares from the treasury of the Company in proportion to the number of vested PSUs held and the level of performance achieved (ii) or the cash equivalent.

Dividend Equivalents

RSUs and PSUs shall be credited with dividend equivalents in the form of additional RSUs or PSUs, as applicable. Dividend equivalents shall vest in proportion to the awards to which they relate. Such dividend equivalents shall be computed by dividing (i) the amount obtained by multiplying the amount of the dividend declared and paid per Share by the number of RSUs and PSUs, as applicable, held by the participant on the record date for the payment of such dividend, by (ii) the Market Price at the close of the first business day immediately following the dividend payment date, with fractions computed to three decimal places.

Black-Out Periods

If an award expires during, or within five business days after, a trading black-out period imposed by the Company to restrict trades in its securities, then, notwithstanding any other provision of the LTIP, unless the delayed expiration would result in tax penalties, the award shall expire ten business days after the trading black-out period is lifted by the Company.

Terminations

All awards granted under the LTIP will expire on the date set out in the applicable award agreement, subject to early expiry in certain circumstances, provided that in no circumstances will the duration of an option granted under the LTIP exceed 10 years from its date of grant.

Termination of Employment or Services

The following table describes the impact of certain events that may, unless otherwise specified by the Plan Administrator at the grant date, lead to the early acceleration or early expiry of awards granted under the LTIP:

Event	Provisions
For all Participants	
In the case of death	• Full acceleration of vesting of all awards • Exercise of vested options until the earlier of (i) 12 months after the date of death and (ii) expiry date
Termination in the case of permanent disability	• Forfeiture of all unvested awards • Exercise of vested options as at termination date until the earlier of (i) 12 months after the date of permanent disability and (ii) expiry date
Employees	
Termination for cause	• Forfeiture of all unvested and vested awards
Termination other than for cause or upon voluntary resignation	• Forfeiture of all unvested awards • Exercise of vested options as at termination/resignation date until the earlier of (i) 90 days after termination/resignation and (ii) expiry date
Consultants	
Termination due to breach of consulting agreement or arrangement	• Forfeiture of all unvested and vested awards
Directors	
Ceasing to hold office other than due to death or permanent disability	• Forfeiture of all unvested awards • Exercise of vested options as at cessation date until the earlier of (i) 90 days after cessation and (ii) expiry date

Change of Control

Except as may otherwise be provided in an employment or written agreement, if an employee is terminated within six months following a change of control of the Company, all awards shall vest and options may be exercised until the earlier of (i) 90 days after termination and (ii) the expiry date of the option. Subject to certain exceptions, a change of control means (i) any transaction pursuant to which a person or group acquires more than 50% of the outstanding Shares, (ii) the sale of all or substantially all of the assets or the dissolution of the

Company, (iii) the acquisition of the Company via consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise, (iv) individuals who comprise the Board at the last annual meeting of shareholders (the "**Incumbent Board**") cease to constitute at least a majority of the Board, unless the election, or nomination for election by the shareholders, of any new director was approved by a vote of at least a majority of the Incumbent Board, in which case such new director shall be considered as a member of the Incumbent Board, or (v) such event the Board determines as being a change of control.

Non-Transferability of Awards

Subject to certain exceptions provided under the LTIP (including the assignment of awards to certain Permitted Assigns (as defined under National Instrument 45-106 — *Prospectus Exemptions*, as amended from time to time)), and unless otherwise provided by the Plan Administrator, no assignment or transfer of awards granted under the LTIP, whether voluntary, involuntary, by operation of law or otherwise, is permitted.

Amendments to the LTIP

The Plan Administrator may also from time to time, without notice and without approval of the holders of voting shares, amend, modify, change, suspend or terminate the LTIP or any awards granted pursuant thereto as it, in its discretion, determines appropriate, provided that (i) no such amendment, modification, change, suspension or termination of the LTIP or any award granted pursuant thereto may materially impair any rights of a holder or materially increase any obligations of a holder under the LTIP without the consent of such holder, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable securities laws or stock exchange requirements, and (ii) any amendment that would cause an award held by a Foreign Taxpayer (as such term is defined in the LTIP) to be subject to the additional tax penalty under Section 409A(1)(b)(i)(II) of the United States Internal Revenue Code of 1986, as amended, shall be null and void *ab initio*.

Notwithstanding the above, none of the following amendments shall be made to the LTIP without the approval of the shareholders:

- increasing the number of Shares available for issuance under the LTIP, except pursuant to the provisions in the LTIP which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Company or its capital;
- increasing or removing the 10% limits on Shares issuable or issued to insiders;
- reducing the exercise price of an award except pursuant to the provisions in the LTIP which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Company or its capital;
- extending the term of an award beyond the original expiry date (except in connection with a black-out period as described above);
- permitting an award to be exercisable beyond 10 years from the date of grant (except in connection with a black-out period as described above);
- permitting awards to be transferred to a person other than a Permitted Assign or for normal estate settlement purposes; or
- deleting or otherwise limiting the amendments which require approval of the shareholders.

Except for the items listed above, amendments to the LTIP will not require shareholder approval. Such amendments include (i) amending the general vesting provisions or restricted period of an award, (ii) amending the provisions for early termination of awards in connection with a termination of employment or service, (iii) adding covenants of the Company for the protection of the participants, (iv) amendments that are desirable as a result of changes in law in any jurisdiction where a participant resides, and (v) curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error.

Compensation of NEOs

The following table sets out information concerning the expected compensation to be earned by, paid to or awarded to the NEOs for the fiscal year ending September 30, 2017.

Name and Position	Salary (C$)[1]	Share-based Awards (C$)[2][5]	Option-based Awards (C$)[5]	Non-equity Incentive Plan Compensation (C$)	Pension value (C$)	Other (C$)[7]	Total Compensation (C$)
Jason Smith, President and CEO, Director[3]	630,000	0	315,012	0	0	0	945,012
William Herman, EVP and CFO	420,000	0	210,009	0	0	0	630,009
Ryan Smith, EVP and CTO	420,000	0	210,009	0	0	0	630,009
Nicholas Liuzza Jr., EVP, President (Linear Settlement Services, LLC)[4]	592,062	0	Nil	0	0	0	592,062
John Nathan Chandler, EVP, COO (Linear Settlement Services, LLC)[4]	582,954	0	Nil	0	0	23,318[6]	606,272

Notes:

(1) Represents the salary expected to be paid in the fiscal year ending September 30, 2017.

(2) The Company does not intend to grant any share-based awards to the executive officers in the fiscal year ending September 30, 2017.

(3) Mr. Smith will receive no additional compensation in his capacity as a director of the Company.

(4) Mr. Liuzza and Mr. Chandler are paid their salary amounts in U.S.$. Mr. Liuzza is paid a salary of $455,000 and Mr. Chandler a salary of $448,000. The above table reflects these U.S.$ amounts converted to C$ at the Bank of Canada closing rate on January 31, 2017 of C$1.00 = U.S.$0.7685.

(5) Option-based awards will be granted to executive officers upon completion of the Offering. The fair value of stock options granted at the grant date will be estimated using the Black-Scholes-Merton option pricing model. The Company has adopted fair value accounting for options granted under the LTIP using the Black-Scholes fair value option pricing method, an established methodology. The key assumptions made in the valuation of the awards set out in the above table for fiscal 2017 were as follows: (i) risk-free interest rate: 1.34%; (ii) expected option life: 6 years; and (iii) expected volatility: 16.3%.

(6) Mr. Chandler participates in the Linear 401(k) plan that provides for the Company to contribute up to 4% of his salary on a matching basis. No other pension arrangements exist for the remaining NEOs.

(7) None of the NEOs are entitled to perquisites or other personal benefits which, in aggregate, are worth over C$50,000 or over 10% of their salary.

Incentive Plan Awards — Outstanding Option-Based Awards

The following table sets out information concerning the stock option awards that the Company expects will be outstanding for each NEO following the completion of the Offering.

Name	Number of Securities Underlying Unexercised Options	Option Exercise Price Range (C$)	Option Expiration Date Range	Value of Unexercised In-the-Money Options (C$)[1]
Jason Smith	475,000	2.40	November 26, 2024	5,035,000
William Herman	125,000	8.00	August 5, 2026	625,000
Ryan Smith	495,000	1.23-2.40	November 13, 2019 - November 26, 2024	5,450,956
Nicholas Liuzza Jr.	Nil	N/A	N/A	N/A
John Nathan Chandler	Nil	N/A	N/A	N/A

Notes:

(1) The value of the unexercised in-the-money options is calculated based on the Offering Price.

The following table indicates, for each of the NEOs, a summary of the value of option-based awards expected to be vested in accordance with their terms during the fiscal year ending September 30, 2017 (assuming the continued employment of each NEO).

Name	Option-based awards — value expected to be vested during the fiscal year (C$)[(1)(2)]	Share-based awards — value expected to be vested during the fiscal year (C$)	Non-equity incentive plan compensation — value expected to be earned during the fiscal year (C$)
Jason Smith	5,035,000	N/A	N/A
William Herman	625,000	N/A	N/A
Ryan Smith	5,450,956	N/A	N/A
Nicholas Liuzza Jr.	Nil	N/A	N/A
John Nathan Chandler	Nil	N/A	N/A

Notes:

(1) The value of the option-based awards expected to vest in the fiscal year ending September 30, 2017 reflects the number of options granted to the NEOs prior to Closing and expected to vest in the fiscal year ending September 30, 2017 multiplied by the Offering Price of C$13.00 per Share.

(2) A one-time performance-based vesting will be triggered as a result of the Offering under the Legacy Stock Option Plans, pursuant to which certain options granted under the Legacy Stock Option Plans will vest and the value of such vested options for the applicable NEOs is as follows: Jason Smith (C$5,035,000), William Herman (C$625,000) and Ryan Smith (C$5,450,956).

Employee Agreements and Termination and Change of Control Benefits

Each of the Named Executive Officers have entered into an employment agreement with the Company. Those employment agreements include provisions regarding salary, eligibility for benefits, confidentiality and ownership of intellectual property, among other things.

On October 1, 2016, the Company entered into a new employment agreement with Mr. Jason Smith setting forth the terms and conditions of his employment, which provides for his salary and which includes, among other things, provisions regarding confidentiality, non-competition and non-solicitation, as well as eligibility for the Company's benefit plans. In the case of termination by the Company of employment other than for cause, Mr. Smith's employment agreement provides that Mr. Smith will be entitled to severance in an amount equal to 18 months' salary, payable on a salary continuance basis. Mr. Smith's non-competition and non-solicitation obligations are applicable for 18 months following his date of termination.

On October 1, 2016, the Company entered into a new employment agreement with Mr. Herman setting forth the terms and conditions of his employment, which provides for his salary and which includes, among other things, provisions regarding confidentiality, non-competition and non-solicitation, as well as eligibility for the Company's benefit plans. In the case of termination by the Company of employment other than for cause, Mr. Herman's employment agreement provides that Mr. Herman will be entitled to severance in an amount equal to six months' salary, plus one additional month of salary for each full year of employment completed by Mr. Herman, up to a maximum of 18 months' salary, payable on a salary continuance basis. The commencement date of Mr. Herman's employment with the Company is September 6, 2016. Mr. Herman's non-competition and non-solicitation obligations are applicable throughout the salary continuance period. On March 7, 2017, Mr. Herman's position with the Company was changed from Vice-President Finance and Chief Accounting Officer to EVP and CFO. Mr. Herman's base salary increased as part and parcel of this change, but all other terms of his employment agreement remained unchanged.

On October 1, 2016, the Company entered into a new employment agreement with Mr. Ryan Smith setting forth the terms and conditions of his employment, which provides for his salary and which includes, among other things, provisions regarding confidentiality, non-competition and non-solicitation, as well as eligibility for the Company's benefit plans. In the case of termination by the Company of employment other than for cause, Mr. Smith's employment agreement provides that Mr. Smith will be entitled to severance in an amount equal to

six months' salary, plus one additional month of salary for each full year of employment completed by Mr. Smith, up to a maximum of 18 months' salary, payable on a salary continuance basis. The commencement date of Mr. Smith's employment with the Company is July 1, 2006. Mr. Smith's non-competition and non-solicitation obligations are applicable throughout the salary continuance period.

On October 1, 2016, the Company entered into an employment agreement with Mr. Liuzza setting forth the terms and conditions of his employment, which provides for his salary and which includes, among other things, provisions regarding confidentiality, noncompetition and non-solicitation, as well as eligibility for the Company's benefit plans. In the case of termination by the Company of employment other than for cause, Mr. Liuzza's employment agreement provides that Mr. Liuzza will be entitled to severance in an amount equal to 12 months' salary, payable on a salary continuance basis. Mr. Liuzza's non-competition and non-solicitation obligations are applicable for 12 months following his date of termination.

On October 1, 2016, the Company entered into an employment agreement with Mr. Chandler setting forth the terms and conditions of his employment, which provides for his salary and which includes, among other things, provisions regarding confidentiality, noncompetition and non-solicitation, as well as eligibility for the Company's benefit plans. In the case of termination by the Company of employment other than for cause, Mr. Chandler's employment agreement provides that Mr. Chandler will be entitled to severance in an amount equal to 12 months' salary, payable on a salary continuance basis. Mr. Chandler's non-competition and non-solicitation obligations are applicable for 12 months following his date of termination.

None of the NEOs have any additional or specific provision in their contracts regarding any payments to be made in the event of a change of control. As it relates to the treatment of any awards outstanding to the NEOs under the LTIP in the event of a change of control, such treatment will be consistent with the treatment for anyone else with awards outstanding under the LTIP, as outlined in the LTIP section above.

The following table indicates the amount payable to each of the NEOs should their employment be terminated other than for cause and upon a change of control.

Name	Severance upon termination other than for cause (C$)	Severance upon a change of control (C$)
Jason Smith	945,000	Nil
William Herman[(1)]	210,000	Nil
Ryan Smith[(2)]	560,000	Nil
Nicholas Liuzza Jr.[(3)]	592,062	Nil
John Nathan Chandler[(3)]	582,954	Nil

Notes:

(1) This assumes a severance period of six months based on the date of filing of this prospectus, as per Mr. Herman's contract.

(2) This assumes a severance period of 16 months based on the date of filing of this prospectus, as per Mr. Smith's contract.

(3) Mr. Liuzza and Mr. Chandler would be paid severance in US$. The above table reflects these US$ amounts converted to C$ at the Bank of Canada closing rate on January 31, 2017 of C$1.00 = U.S.$0.7685.

Directors Compensation

The directors' compensation program is designed to attract and retain qualified individuals to serve on the Company's Board of Directors. Mr. Jason Smith, President and CEO, is the Company's only executive director and does not receive any additional compensation in his capacity as a director.

For the first six months of the fiscal year ending September 30, 2017, non-executive directors were paid an annual retainer fee of $30,000, with an additional $10,000 paid to each chair of the Board, Compensation Committee and Audit Committee.

Effective April 1, 2017, non-executive directors are paid an annual retainer fee of C$30,000. In addition, the respective chair will receive an additional fee of C$25,000 for the Board, C$15,000 for the Audit Committee and C$10,000 for the Compensation Committee. Committee membership fees will also be paid at an annual amount of C$7,500 for the Audit Committee and C$5,000 for the Compensation Committee. No Board meeting fees will be paid.

All directors are entitled to reimbursement for reasonable expenses incurred by them acting in their capacity as directors.

The Company anticipates granting an aggregate of 202,550 options to the Company's non-executive directors on Closing as part of their compensation for the fiscal year ending September 30, 2017, which will vest on the date of grant and expire 10 years after the date of grant.

The following table sets out the amount of compensation expected to be earned by, paid to or awarded to the non-executive directors for the fiscal year ending September 30, 2017.

Name[(1)]	Fees Earned (C$)[(2)]	Share-based Awards (C$)	Option-based Awards (C$)	Total Compensation (C$)
Blaine Hobson[(5)]	65,031	Nil	130,004	195,035
Robert Courteau[(3)(5)]	37,019	Nil	70,003	107,022
Garry M. Foster[(5)]	48,525	Nil	90,003	138,528
William T. Holland[(4)]	37,019	Nil	70,003	107,022
Frank V. McMahon[(5)]	38,269	Nil	75,004	113,273
Lisa Melchior[(4)]	23,794	Nil	75,004	98,798

Notes:

(1) Jason Smith is a NEO and is not paid any additional compensation as a director. As a result, he is not included in this table.

(2) All fees in the first half of the fiscal year ending September 30, 2017 were paid in US$. The above table reflects these US$ amounts converted to C$ at the Bank of Canada closing rate on January 31, 2017 of C$1.00 = U.S.$0.7685.

(3) Mr. Courteau's fees and options earned as a director of the Company are paid and issued to Altus Group Limited. Mr. Courteau is the CEO of Altus Group Limited.

(4) In connection with their appointment to the Company's Board during the fiscal year ending September 30, 2017, each of William T. Holland and Lisa Melchior were awarded stock options exercisable to acquire 25,000 Shares at an exercise price of C$10.50 per Share.

(5) Option-based awards will be granted to certain non-executive directors upon completion of the Offering. The fair value of stock options granted at the grant date will be estimated using the Black-Scholes-Merton option pricing model. The Company has adopted fair value accounting for options granted under the LTIP using the Black-Scholes fair value option pricing method, an established methodology. The key assumptions made in the valuation of the awards set out in the above table for fiscal 2017 were as follows: (i) risk-free interest rate: 1.34%; (ii) expected option life: 6 years; and (iii) expected volatility: 16.3%.

The following table sets out information concerning the stock option awards that the Company expects will be outstanding for each director following the completion of the Offering.

Name[1]	Number of Securities Underlying Unexercised Options	Option Exercise Price Range (C$)	Option Expiration Date Range	Value of Unexercised In-the-Money Options (C$)[2][4]
Blaine Hobson	62,500	0.91 - 8.00	October 28, 2018 - September 30, 2026	561,260
Robert Courteau[3]	25,000	8.00	September 30, 2026	125,000
Garry M. Foster	25,000	8.00	June 15, 2026	125,000
Frank V. McMahon	40,000	4.60 - 8.00	April 30, 2025 - June 15, 2026	251,000
William T. Holland	25,000	10.50	November 7, 2026	62,500
Lisa Melchior	25,000	10.50	December 15, 2026	62,500

Notes:

(1) Jason Smith is a NEO. As a result, he is not included in this table.

(2) The value of the unexercised in-the-money options is calculated based on the Offering Price.

(3) Robert Courteau's options are issued in the name of Altus Group Limited. Robert Courteau is the CEO of Altus Group Limited.

(4) All of the options vest on closing of the Offering.

Director Share Ownership Guidelines

Non-executive directors are subject to share ownership guidelines of four times their annual Board cash retainer, to be achieved within three years of their appointment or election to the Board.

Indemnification and Insurance

The Company maintains director and officer liability insurance to limit the Company's exposure to claims against, and to protect, its directors and officers. In addition, the Company has entered into indemnification agreements with each of its directors and officers. The indemnification agreements require that the Company indemnify and hold the indemnitees harmless to the greatest extent permitted by law for liabilities arising out of the indemnitees' service to the Company as directors and executive officers, provided that the indemnitees acted honestly and in good faith and in a manner the indemnitees reasonably believed to be in, or not opposed to, the Company's best interests and, with respect to criminal and administrative actions or proceedings that are enforced by monetary penalty, the indemnitees had no reasonable grounds to believe that their conduct was unlawful. The indemnification agreements also provide for the advancement of defence expenses to the indemnitees by the Company.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the Company's current or former directors, officers, or employees or any of their respective associates is indebted to the Company or has been subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company or any of its subsidiaries.

CORPORATE GOVERNANCE

The Company's articles provide that its Board of Directors be comprised of a minimum of one and a maximum of ten directors. In accordance with the CBCA, the Board of Directors may appoint one or more additional directors who shall hold office until the close of the next annual meeting of shareholders, provided that the total number of directors so appointed may not exceed one-third of the number of directors elected at the previous annual meeting of shareholders. Further particulars of the process by which compensation for the

executive officers is determined is provided under "Executive Compensation — Compensation Discussion and Analysis".

The Company's Board is currently comprised of seven directors: Blaine Hobson, Robert Courteau, Garry M. Foster, William T. Holland, Frank V. McMahon, Lisa Melchior and Jason Smith.

The Company's Board has established the Audit Committee and the Compensation Committee and has approved mandates for each of these committees, which are described below. The Board has delegated to the applicable committee those duties and responsibilities set out in each committee's mandate. The mandate of the Board, as well as the mandates of the various Board committees, set out in writing the responsibilities of the Board and the committees for supervising the CEO.

The Company currently does not have a nominating committee and the Board as a whole identifies new candidates for the Board where and when appropriate, who have expertise in an area of strategic importance to Real Matters, a willingness to serve on the Board of Directors and any of its committees and the ability to devote sufficient time to Board service.

Board of Directors Mandate

The Board, directly and through its committees, oversees the management of the Company and is responsible for the stewardship of the Company, ensuring that long-term value is being created for all of its shareholders while considering the interests of the Company's various stakeholders including shareholders, employees, clients, suppliers and the community.

The responsibilities of the Board include, among other things, ensuring that:

- all Board members understand the business of the Company;
- processes are in place to effectively plan, monitor and manage the long-term viability of the Company;
- there is a balance between long and short-term goals and risks;
- management's performance is adequate and that an adequate management succession plan is in place;
- communication with shareholders and other stakeholders is timely and effective;
- the Board shall adopt appropriate procedures designed to permit the Board to receive feedback from shareholders on material issues;
- business is conducted ethically and in compliance with applicable laws and regulations; and
- all matters requiring shareholder approval are referred to the Board.

A copy of the mandate of the Board is attached as Appendix A to this prospectus.

Independence

The Board is comprised of seven directors, six of whom are considered independent under NI 52-110. Under NI 52-110, an independent director is one who is free from any direct or indirect relationship which could, in the view of the Board, be reasonably expected to interfere with a director's exercise of independent judgment. The Board has determined that Jason Smith, executive officer of Real Matters, is not considered independent. Each of Blaine Hobson, Robert Courteau, Garry M. Foster, William T. Holland, Frank V. McMahon and Lisa Melchior are considered independent. In addition to chairing all Board meetings, Mr. Hobson's role as the Chair is to facilitate and chair discussions among the Company's independent directors, facilitate communication between the independent directors and the Company's management and, if and when necessary, act as a spokesperson on behalf of the Board in dealing with the press and members of the public.

Although the Company does have a majority of independent directors, the Board delegates a number of responsibilities to the Audit Committee and the Compensation Committee. The Audit Committee and Compensation Committee are comprised solely of independent directors. Where potential conflicts arise during a director's tenure on the Board, such conflicts are expected to be immediately disclosed to the Board.

The Company has taken steps to ensure that adequate structures and processes will be in place upon completion of the Offering to permit the Board to function independently of management. The Board will hold regularly scheduled meetings as well as *ad hoc* meetings from time to time.

Other Directorships

The following directors of Real Matters are also directors of other reporting issuers (or the equivalent) in Canada or a foreign jurisdiction:

Name	Name of Other Reporting Issuer	Name of Exchange
Robert Courteau	Altus Group Limited	TSX
	Kinaxis Inc.	TSX
Garry M. Foster	SmartREIT	TSX
William T. Holland	CI Financial Corp.	TSX
	NEXJ Systems Inc.	TSX

Meeting Attendance

Each of the directors attended all meetings held during the fiscal year ended September 30, 2016 during the time that they were directors. The Company formed its Audit Committee and Compensation Committee on August 5, 2016.

The independent directors of the Board do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. However, the independent directors do hold in-camera sessions without non-independent directors and members of management as deemed necessary. Between regularly scheduled meetings, the Chair of the Board is in continuous contact with the other independent members of the Board to discuss relevant corporate matters.

Orientation and Continuing Education

New directors of the Company will participate in an initial information session on the Company in the presence of its senior executive officers to learn about, among other things, the business of the Company, its financial situation and its strategic planning. In addition, new directors will be furnished with appropriate documentation, providing them with information about, among other matters, the corporate governance practices of the Company, the structure of the Board and its committees, the Company's history, its commercial activities, its corporate organization, the charters of the Board and its committees, the Company's articles and by-laws, the Code (as defined below) and other relevant corporate policies.

The Company will encourage all directors to attend continuing education programs and intends to facilitate such continuing education of its directors by providing them with information on upcoming courses and seminars that may be relevant to their role as directors or hosting brief information sessions during Board meetings by invited external advisors. In addition, the Company's management will periodically make presentations to the directors on various topics, trends and issues related to the Company's activities during meetings of the Board or its committees, which will be intended to help the directors to constantly improve their knowledge about the Company and its business.

Code of Conduct

The Board of Directors has adopted a written Code of Conduct (the "**Code**") that applies to all of its directors, officers, consultants and employees, as well as its direct and indirect subsidiaries. The objective of the Code is to provide guidelines for demonstrating the highest standard of business conduct and enhancing its reputation for honesty, integrity and the faithful performance of undertakings. The Code addresses creating a positive work environment, conflicts of interest, confidentiality, use and protection of the Company's assets and inventions, use of the Company's email and Internet services, financial integrity, compliance with laws and

reporting misconduct. As part of its Code, any person subject to the Code is required to avoid any activity, interest (financial or otherwise) or relationship that would create or appear to create a conflict of interest.

The directors are responsible for monitoring compliance with the Code, for regularly assessing its adequacy, for interpreting the Code in any particular situation and for approving changes to the Code from time to time.

Directors and executive officers are required by applicable law and the Company's corporate governance practices and policies to promptly disclose any potential conflict of interest that may arise. If a director or executive officer has a material interest in an agreement or transaction, applicable law and principles of sound corporate governance require them to declare the interest in writing and where required by applicable law, to abstain from voting with respect to such agreement or transaction.

A copy of the Code may be obtained by contacting the Company and will be available for review under the Company's profile on the SEDAR website at www.sedar.com upon the completion of the Offering.

The Company has also adopted a Disclosure Policy which complements the obligations of its directors, officers and employees under the Code.

Board of Directors Committees

Audit Committee

The Audit Committee consists of three directors, all of whom are considered independent and financially literate in accordance with NI 52-110. The members of the Audit Committee are Garry M. Foster (Chair), Frank V. McMahon and Lisa Melchior.

For the purposes of NI 52-110, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer's financial statements.

Mr. Foster, Mr. McMahon and Ms. Melchior all have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the level of complexity that can reasonably be expected to be raised by the Company's financial statements. The education and experience of each member of the Audit Committee relevant to the performance of his or her duties as a member of the Audit Committee can be found under the heading "Directors and Executive Officers — Biographies".

The Board of Directors has adopted a mandate for the Audit Committee setting forth the purpose, composition, authority and responsibility of the Audit Committee. The mandate of the Audit Committee is to assist the Board in fulfilling its financial oversight obligations, including the responsibility for:

- the qualifications, independence and performance of the independent auditors;
- the establishment by management of an adequate system of internal controls;
- the preparation by management of quarterly and annual financial statements; and
- maintenance by management of practices and processes to ensure compliance with applicable laws.

The Audit Committee may conduct or authorize investigations into or studies of matters within the Audit Committee's scope of responsibilities and duties, and may seek, retain and terminate accounting, legal, consulting or other expert advice from a source independent of management, at the expense of the Company, with notice to either the independent lead director of the Board or the non-executive Chair of the Board or the CEO of the Company, as deemed appropriate by the Audit Committee. In furtherance of the foregoing, the Audit Committee shall have the sole authority to retain and terminate any such consultant or advisor to be used to assist in the evaluation of such matters and shall have the sole authority to approve the consultant or advisor's fees and other retention terms.

A copy of the mandate of the Audit Committee is attached as Appendix B to this prospectus.

For the fiscal years ended September 30, 2016 and 2015, the Company was billed the following fees by its external auditor, Deloitte LLP:

	Fiscal Year Ended September 30, 2016	Fiscal Year Ended September 30, 2015
Audit Fees[(1)]	C$ 775,000	C$126,000
Audit-Related Fees[(2)]	C$ 721,450	C$165,000
Tax Fees[(3)]	C$ 255,290	C$121,425
Total Fees Paid	C$1,751,740	C$412,425

Notes:

(1) Fees for audit services.

(2) Fees for assurance, due diligence and related services not included in audit services above.

(3) Fees for tax compliance, tax advice and tax planning.

Compensation Committee

The Compensation Committee consists of three directors, all of whom are independent directors, and are charged with reviewing, overseeing and evaluating the Company's compensation and corporate governance policies. The members of the Compensation Committee are Blaine Hobson (Chair), William T. Holland and Robert Courteau. No member of the Compensation Committee is an officer of the Company, and, as such, the Board believes that the Compensation Committee are able to conduct its activities in an objective manner.

The Board has adopted a written mandate setting forth the purpose, composition, authority and responsibility of the Compensation Committee. The primary purpose of the Compensation Committee is to exercise the following responsibilities and duties:

- discharging the Board's responsibilities relating to the compensation of the Company's executive officers;
- administering the Company's incentive compensation and stock plans, including the LTIP; and
- assisting the Board with respect to management succession and development.

The Compensation Committee reviews and makes recommendations to the Board on an annual basis regarding (i) company-wide compensation programs and practices, (ii) all aspects of the remuneration of the Company's executive officers and (iii) equity-based plans and any material amendments thereto.

Further particulars of the process by which compensation for the executive officers is determined and the mandate of the Compensation Committee is provided under "Executive Compensation — Compensation Discussion and Analysis".

Majority Voting Policy

In accordance with the requirements of the TSX, the Company will adopt a majority voting policy in director elections that will apply at any meeting of its shareholders where an uncontested election of directors is held. Pursuant to this policy, if the number of proxy votes withheld for a particular director nominee is greater than the votes for such director, the director nominee will be required to submit his or her resignation as a director to the Chair of the Board promptly following the applicable shareholders' meeting. Following receipt of the resignation, the Board will consider whether or not to accept the offer of resignation, and will do so absent exceptional circumstances. Within 90 days following the applicable shareholders' meeting, the Board shall publicly disclose its decision whether or not to accept the applicable director's resignation, including the reasons for rejecting the resignation, if applicable. A director who tenders his or her resignation pursuant to this policy will not be permitted to participate in any meeting of the Board at which the resignation is considered.

Assessments

The members of the Board will periodically evaluate the effectiveness of the Board as a whole to ensure that appropriate succession plans are in place. This may also include reviewing the process for nominating, orienting and remunerating Board members, determining the committees required and changing mandates for the committees as well as the methods and processes by which the Board, committees and individual directors fulfill their duties and responsibilities, including the methods and processes for evaluating Board, committee and individual director effectiveness.

Board Removal

The Company has not adopted term limits or other mechanisms of Board renewal for directors of the Company. The Board believes that the need to have experienced directors who are familiar with the business of the Company must be balanced with the need for renewal, fresh perspectives and a healthy skepticism when assessing management and its recommendations. In addition, as mentioned above, the Board undertakes an assessment process that evaluates its effectiveness.

While term limits can help ensure the Board gains fresh perspective, the Board believes that term limits have the disadvantage of losing the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company and its operations and thereby provide an increasing contribution to the Board as a whole.

Board and Executive Officer Diversity

The Company recognizes and embraces the benefits of having diversity on the Board and in its senior management. Presently, the Company has one female executive officer, representing approximately 8% of the executive officers of the Company, and one female director, representing approximately 14% of the directors of the Company.

The Company also recognizes that the Board and its senior management appointments must be based on performance, ability, merit and potential. Therefore, the Company ensures a merit-based competitive process for appointments. The Company's commitment to diversity will include ensuring that diversity is fully considered by the Board in identifying, evaluating and recommending Board appointees/nominees. Accordingly, the Company has not adopted a diversity policy at this time.

With respect to the Board composition, as appropriate, the Board will (i) assess the effectiveness of the Board appointment/nomination process at achieving the Company's diversity objectives; and (ii) consider and, if determined advisable, recommend for adoption, measurable objectives for achieving diversity on the Board. At any given time, the Board may seek to adjust one or more objectives concerning diversity and measure progress accordingly.

With respect to senior management appointments, as appropriate, the Board will (i) assess the effectiveness of the senior management appointment process at achieving the Company's diversity objectives; and (ii) consider and, if determined advisable, recommend for adoption, measurable objectives for achieving diversity in senior management. Currently, the Board does not believe that targets or strict rules set forth in a formal policy necessarily result in the identification or selection of the best candidates. At any given time, the Board may seek to adjust one or more objectives concerning senior management diversity and measure progress accordingly.

By-Laws

Prior to Closing, the Company will adopt new by-laws, suitable for a public company, such by-laws to include Advance Notice Provisions (as defined below) and provisions related to forum selection. A copy of the by-laws, once adopted, may be obtained by contacting the Company and will be available for review under the Company's profile on the SEDAR website at www.sedar.com upon completion of the Offering.

Advance Notice Provisions

The by-laws will include certain advance notice provisions with respect to the election of directors (the "**Advance Notice Provisions**"). The Advance Notice Provisions are intended to (i) facilitate orderly and efficient annual general meetings or, where the need arises, special meetings, (ii) ensure that all shareholders receive adequate notice of Board nominations and sufficient information with respect to all nominees and (iii) allow shareholders to register an informed vote. Only persons who are nominated by shareholders in accordance with the Advance Notice Provisions will be eligible for election as directors at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors.

Under the Advance Notice Provisions, a shareholder wishing to nominate a director would be required to provide the Company notice, in the prescribed form, within the prescribed time periods. These time periods include, (i) in the case of an annual meeting of shareholders (including annual and special meetings), not less than 30 days prior to the date of the annual meeting of shareholders; provided, that if the first public announcement of the date of the annual meeting of shareholders (the "**Notice Date**") is less than 50 days before the meeting date, not later than the close of business on the 10th day following the Notice Date and (ii) in the case of a special meeting of shareholders (which is not also an annual meeting) called for any purpose which includes electing directors, not later than the close of business on the 15th day following the Notice Date, provided that, in either instance, if notice-and-access (as defined in National Instrument 54-101 — *Communication with Beneficial Owners of Securities of a Reporting Issuer*) is used for delivery of proxy-related materials in respect of a meeting described above, and the Notice Date in respect of the meeting is not less than 50 days prior to the date of the applicable meeting, the notice must be received not later than the close of business on the 40th day before the applicable meeting.

Forum Selection

The Company will include a forum selection provision in its by-laws that provides that, unless the Company consents in writing to the selection of an alternative forum, the Superior Court of Ontario (Commercial List), Canada and the appellate courts therefrom will be the sole and exclusive forum for (i) any derivative action or proceeding brought on the Company's behalf, (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any of the Company's directors, officers, or other employees to the Company, (iii) any action or proceeding asserting a claim arising pursuant to any provision of the CBCA or the articles or the by-laws of the Company (as either may be amended from time to time) or (iv) any action or proceeding asserting a claim otherwise related to the relationships among the Company, its affiliates and their respective shareholders, directors and/or officers, but excluding claims related to the business carried on by the Company or its affiliates and their respective shareholders, directors and/or officers. The forum selection provision also provides that the Company's securityholders are deemed to have consented to personal jurisdiction in the Province of Ontario and to service of process on their counsel in any foreign action initiated in violation of the foregoing provisions.

PLAN OF DISTRIBUTION

General

Pursuant to the Underwriting Agreement dated May 5, 2017 among the Company, the Selling Shareholders and the Underwriters, the Company and the Selling Shareholders have agreed to sell and the Underwriters have severally agreed to purchase, on the Closing Date, an aggregate of 12,056,186 Shares, each at a price of C$13.00 per Share, payable in cash to the Company or the Selling Shareholders, as applicable, against delivery of the Shares, for aggregate gross proceeds of C$125,060,000 to the Company and C$31,670,418 to the Selling Shareholders. In consideration for their services in connection with the Offering, the Company and the Selling Shareholders have agreed to pay the Underwriters a fee equal to C$0.78 per Share sold pursuant to the Offering, including any Shares sold pursuant to the Over-Allotment Option. It is estimated that the total expenses of the Offering, not including the Underwriters' Commissions, will be approximately C$3,800,000. All such expenses of the Offering will be paid by the Company.

The obligations of the Underwriters under the Underwriting Agreement are conditional and may be terminated at their discretion upon the occurrence of certain stated events, including "material change out", "disaster out", "proceeding to restrict distribution out" and "market out" clauses. The Underwriters are, however, obligated to take up and pay for all of the Shares, if any, purchased under the Underwriting Agreement.

Under applicable securities laws in Canada, certain persons and individuals, including the Company, the Selling Shareholders and the Underwriters, have statutory liability for any misrepresentation in this prospectus, subject to available defences. The Company and the Selling Shareholders have severally agreed to indemnify the Underwriters and their affiliates and their directors, officers, employees and agents against certain liabilities, including, without restriction, civil liabilities under securities legislation in Canada, and to contribute to any payments that the Underwriters may be required to make in respect thereof. In addition, in connection with the Offering, the Company will indemnify the Selling Shareholders in respect of any third-party claims relating thereto.

The Offering is being made in each of the provinces and territories of Canada. The Shares will be offered in each of the provinces and territories of Canada through those Underwriters or their affiliates who are registered to offer the Shares for sale in such provinces and territories and such other registered dealers as may be designated by the Underwriters. Subject to applicable law, the Underwriters may offer the Shares outside of Canada.

The TSX has conditionally approved the listing of the Shares under the symbol "REAL". Listing is subject to the Company fulfilling all of the requirements of the TSX on or before August 2, 2017.

There is currently no market through which the Shares may be sold. This may affect the pricing of the Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Shares and the extent of issuer regulation. See "Risk Factors".

Subscriptions will be received subject to rejection or allotment in whole or in part and the Underwriters reserve the right to close the subscription books at any time without notice. It is expected that the Closing will occur on or about May 11, 2017, or such later date as the Company, the Selling Shareholders and the Underwriters may agree, but in any event not later than May 31, 2017.

The Shares offered hereby have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered or sold in the U.S. or to, or for the account or benefit of, a U.S. person (within the meaning of Regulation S under the U.S. Securities Act) except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, except to the extent permitted by the Underwriting Agreement, the Shares may not be offered or sold in the U.S. or to, or for the account or benefit of, U.S. persons. The Underwriting Agreement provides that the Underwriters may offer and sell the Shares that they have acquired pursuant to the Underwriting Agreement to qualified institutional buyers in the U.S. in accordance with Rule 144A under the U.S. Securities Act and in compliance with applicable state securities laws. The Underwriting Agreement also provides that the Underwriters will offer and sell the Shares outside the U.S. only in accordance with Regulation S under the U.S. Securities Act. In addition, until 40 days after the commencement of the Offering, an offer or sale of the Shares within the U.S. by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in reliance on Rule 144A under the U.S. Securities Act.

In connection with the Offering, certain of the Underwriters or securities dealers may distribute the prospectus electronically.

Upon completion of the Offering, assuming there has been no exercise of the Over-Allotment Option, the Company expects to have a total of 86,862,348 Shares issued and outstanding on a non-diluted basis and, if the Over-Allotment Option is exercised in full, a total of 88,389,244 Shares issued and outstanding on a non-diluted basis.

Pricing of the Offering

Prior to the Offering, there was no public market for the Shares. The Offering Price has been determined by negotiation between the Company and the Underwriters. The Underwriters propose to offer the Shares initially at the Offering Price. After the Underwriters have made a reasonable effort to sell all of the Shares at the Offering Price, the price may be decreased and may be further changed from time to time to an amount not greater than the Offering Price, and the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by purchasers for the Shares is less than the Offering price paid by the Underwriters to the Company and the Selling Shareholders.

Price Stabilization, Short Positions and Passive Market Making

In connection with the Offering, subject to applicable law, the Underwriters may over-allocate or effect transactions that stabilize or maintain the market price of the Shares at levels other than those that otherwise might prevail on the open market, including stabilizing transactions, short sales, purchases to cover positions created by short sales, imposition of penalty bids and syndicate covering transactions.

Stabilizing transactions consist of bids or purchases made for the purpose of preventing or retarding a decline in the market price of the Shares while the Offering is in progress. These transactions may also include making short sales of the Shares, which involve the sale by the Underwriters of a greater number of Shares than they are required to purchase in the Offering. Short sales may be “covered short sales”, which are short positions in an amount not greater than the Over-Allotment Option, or may be “naked short sales”, which are short positions in excess of that amount.

The Underwriters may close out any covered short position either by exercising the Over-Allotment Option, in whole or in part, or by purchasing Shares in the open market. In making this determination, the Underwriters will consider, among other things, the price of Shares available for purchase in the open market compared with the price at which they may purchase Shares through the Over-Allotment Option.

The Underwriters must close out any naked short position by purchasing Shares in the open market. A naked short position is more likely to be created if the Underwriters are concerned that there may be downward pressure on the price of the Shares in the open market that could adversely affect investors who purchase in the Offering. Any naked short sales will form part of the Underwriters’ over-allocation position. A purchaser who acquires Shares forming part of the Underwriters’ over-allocation position resulting from any covered short sales or naked short sales will, in each case, acquire such Shares under this prospectus, regardless of whether the Underwriters’ over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

In addition, in accordance with rules and policy statements of certain Canadian securities regulators, the Underwriters may not, at any time during the period of distribution, bid for or purchase Shares. The foregoing restriction is, however, subject to exceptions where the bid or purchase is not made for the purpose of creating actual or apparent active trading in, or raising the price of, the Shares. These exceptions include a bid or purchase permitted under the rules of applicable regulatory authorities and the applicable stock exchange, including the Universal Market Integrity Rules for Canadian Marketplaces, relating to market stabilization and passive market making activities and a bid or purchase made for and on behalf of a client where the order was not solicited during the period of distribution.

As a result of these activities, the price of the Shares may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by the Underwriters at any time. The Underwriters may carry out these transactions on any stock exchange on which the Shares are listed, in the over-the-counter market, or otherwise.

Over-Allotment Option

The Company and each of the Selling Shareholders (except for the Blackburn Shareholders), on a *pro rata* basis, has granted to the Underwriters the Over-Allotment Option, exercisable, in whole or in part, at the sole discretion of the Underwriters (subject to the condition that the Shares subject to the Over-Allotment Option are listed on the TSX at the time of closing the Over-Allotment Option), for a period of 30 days from the

Closing Date, to purchase up to 1,808,428 additional Shares (representing 15% of the Shares offered hereunder), at the Offering Price, payable in cash against delivery of such additional Shares. The Over-Allotment Option is exercisable in whole or in part only for the purpose of covering over-allotments, if any, and for market stabilization purposes. The Company and each Selling Shareholder will pay the respective Underwriters' Commission in respect of the Shares sold thereby under the Over-Allotment Option if the Over-Allotment Option is exercised. If the Over-Allotment Option is exercised in full, the total price to the public, Underwriters' Commissions, net proceeds to the Company and net proceeds to the Selling Shareholders before deducting other expenses of the Offering will be C$180,239,982, C$10,814,399, C$136,215,069 and C$33,210,514, respectively.

This prospectus qualifies the grant of the Over-Allotment Option and the distribution of up to 13,864,614 Shares to be sold by the Company and the Selling Shareholders upon exercise of the Over-Allotment Option. A purchaser who acquires Shares forming part of the Underwriters' over-allocation position acquires those Shares under this prospectus, regardless of whether the position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

Lock-Up Arrangements

It is a condition of Closing that the Company and each director, executive officer and employee of the Company who holds Shares immediately prior to closing of the Offering agree not to, directly or indirectly, without the prior written consent of the Lead Underwriters, on behalf of the Underwriters, which consent shall not be unreasonably withheld, issue, sell, secure, pledge, grant any option for the sale of, or otherwise transfer, dispose or monetize, or offer or announce any intention to do so, in a public offering or by way of private placement or otherwise, any Shares, retained interest securities, or any securities convertible or exchangeable into such Shares for a period of 180 days after the date of closing of the Offering (the "**Company Lock-up**").

In addition to the foregoing, it is a condition of Closing that each shareholder of the Company holding more than 0.5% of the Shares outstanding immediately prior to the Offering agree, subject to certain exceptions, not to, directly or indirectly, without the prior written consent of the Lead Underwriters, on behalf of the Underwriters, which consent shall not be unreasonably withheld, sell, secure, pledge, grant an option for the sale of, or otherwise transfer, dispose or monetize, or offer or announce any intention to do so, in a public offering or by way of a private placement or otherwise, any Shares, retained interest securities, or any securities convertible or exchangeable into such Shares, in each case held by such shareholder immediately prior to the Offering for a period of 180 days after the date of closing of the Offering (the "**Shareholder Lock-up**"); provided, however, and notwithstanding the foregoing, during such 180 day period (the "**Lock-up Period**") shareholders subject to the Shareholder Lock-up may, during the Lock-up Period, transfer in the aggregate up to 20% of the Shares held by such shareholder immediately prior to the date of the Offering.

As a result of the Company Lock-up and the Shareholder Lock-up, approximately 76% of Shares outstanding prior to the Offering, excluding the Shares sold to the Underwriters by the Selling Shareholders under this prospectus, will be locked-up by current shareholders and therefore not freely tradeable for a period of 180 days after the Closing Date.

Notwithstanding the foregoing, holders of Shares outstanding prior to Closing may sell Shares outstanding immediately prior to the Offering to the Underwriters pursuant to the Secondary Offering under this prospectus and the Company may, (i) issue and sell Shares to the Underwriters pursuant to the Treasury Offering and the exercise of the Over-Allotment Option, (ii) grant stock options or other security-based compensation in the normal course pursuant to any stock option plan or security-based compensation arrangement of the Company existing on the Closing Date and (iii) issue securities of the Company upon the conversion, exercise or exchange of convertible, exercisable or exchangeable securities existing on the Closing Date or upon the exercise, redemption or settlement of stock options or other security-based compensation subsequently granted as permitted by this paragraph.

Non-Certificated Inventory System

In most instances, other than Shares sold in the U.S. pursuant to Rule 144A of the U.S. Securities Act, which will be represented by individual certificates representing such Shares, no certificates representing the

Shares to be sold in the Offering will be issued to purchasers under this prospectus. Registration will be made in the depository service of CDS, or to its nominee, and electronically deposited with CDS on the Closing Date. Each purchaser of Shares will receive only a client confirmation of purchase from the participants in the CDS depository service ("**CDS Participants**") from or through which such Shares are purchased, in accordance with the practices and procedures of such CDS Participant. Transfers of ownership of Shares in Canada will be effected through records maintained by the CDS Participants, which include securities brokers and dealers, banks and trust companies. Indirect access to the CDS book entry system is also available to other institutions that maintain custodial relationships with a CDS Participant, either directly or indirectly. Certificates representing the Shares sold or delivered in the U.S. will bear a legend to the effect that the Shares they represent are not registered within the meaning of the U.S. Securities Act or any applicable state securities laws in the U.S. and may not be offered, sold or delivered, directly or indirectly, except under certain exemptions from the registration requirements of the U.S. Securities Act.

RISK FACTORS

The Company's business is subject to a variety of risks and special considerations. As a result, prospective investors in the Company should carefully consider the risks described below and the other information included in this prospectus and any information gathered as a result of the prospective investor's own independent evaluation of the Company and its business before deciding to invest in the Shares. The following summary of "risk factors" does not purport to be exhaustive or to summarize all the risks that may be associated with purchasing or owning Shares of the Company. Each potential investor is advised and expected to conduct its own investigation into the Company and to arrive at an independent evaluation of the investment. If any of the following risks actually occurs, the Company's business, financial condition and results of operations could suffer. In that case, the value of the Shares could decline and the investor could lose all or part of its investment.

Changes in economic conditions may result in fluctuations in demand for the Company's services and affect its operating results.

Uncertainty and negative trends in general economic conditions in Canada and the U.S. historically have created a difficult environment for companies in the lending and real estate industry. Many factors, including factors that are beyond the Company's control, may have a detrimental impact on its operating performance. These factors include, but are not limited to, general economic conditions, unemployment levels, interest rates, mortgage originations, business conditions including changes in the financial markets, a limited supply of mortgage funding, a decline in levels of home ownership and a reduction in the number of mortgage loans outstanding, energy costs as well as events such as natural disasters, acts of war, terrorism and catastrophes.

Revenues are generated from services the Company provides to the mortgage and insurance industries on a per-transaction basis and, as a result, a weak economy or housing market (including the level of real estate activity or the average price of real estate) may have a material adverse effect on the Company's business, financial condition and results of operations. The MBA Mortgage Finance Forecast Report of February 15, 2017 for the U.S. estimates a mortgage origination market of $1.9 trillion in 2016, and $1.6 trillion in each of 2017, 2018 and 2019. The volume of mortgage origination and real estate transactions is highly variable and reductions in these transaction volumes could have a direct effect on the revenues generated by the Company.

There can be no assurance that economic conditions will remain favourable for the Company's business or that demand for its services by its clients will remain at current levels. Reduced demand for its services would negatively impact the Company's growth and revenue, and may inhibit its access to capital and negatively impact its profitability.

The Company may not grow its market share in the residential mortgage appraisal business, with Tier 1 mortgage lender clients in particular, to the levels anticipated in the Company's long-term strategy targets.

The Company's long-term strategy targets are based on achieving a market share of the residential mortgage appraisal business of approximately 30% to 40% with its Tier 1 mortgage lender clients within five years of launch. The Company may not succeed in doing so with all, or any, of its Tier 1 mortgage lender clients. If the Company fails to do so, the Company's business, financial conditions and results of operations could be

materially less successful than anticipated in the Company's long-term strategy targets. Decline in the mortgage origination market share of the Company's clients, and in particular its Tier 1 clients, will have a negative impact on the Company's appraisal market share.

The Company may not grow its market share in the U.S. title and closing market to the levels anticipated in the Company's long-term strategy targets.

The Company's long-term strategy targets are based on increasing the Company's U.S. title and closing market share to 1% to 3% from approximately 0.4%[105] today within five years of launch. The Company has recently acquired its title business and does not currently service any Tier 2 or Tier 1 clients. The Company may not succeed in growing its market share in the U.S. title and closing market with lenders and specifically Tier 1 and Tier 2 clients. If the Company fails to do so, the Company's business, financial conditions and results of operations could be materially less successful than anticipated in the Company's long-term strategy targets. Decline in the mortgage origination market share of the Company's clients will have a negative impact on the Company's title and closing market share. The Company expects a large proportion of its future growth in title and closing to be refinance business from lenders. As such, the proportion of the mortgage origination market weighted between purchase and refinance may have an effect on the Company's overall market share.

Increased dependence on larger industry clients will increase the Company's exposure to the loss of such clients.

The Company's largest clients are also the largest mortgage originators in the U.S. The Company believes that the Tier 1 mortgage lenders currently collectively originate approximately 30% of mortgage loans in the U.S.[106] During the fiscal year ended September 30, 2016, the Tier 1 mortgage lenders accounted for approximately 17.1% of the Company's consolidated operating revenues, and management expects this number to increase going forward. As a result, the Company expects to derive a high percentage of its revenues from a smaller base of larger clients. In addition, changes in the Company's relationship with one or more of its largest clients or the loss of all or a substantial portion of the business the Company derives from these clients could have a material adverse effect on the Company's business and results of operations. The Company may be disproportionately affected by declining revenues from, or loss of, a significant client.

Growth may place significant demands on the Company's management and infrastructure.

The Company's growth has placed and may continue to place significant demands on its management and its operational and financial infrastructure. As its operations grow in size, scope and complexity, Real Matters will need to scale its infrastructure to offer the Company's Platform to an increasing number of clients. The expansion of its infrastructure will require the Company to commit financial, operational and technical resources in advance of an increase in the volume of business, with no assurance that the volume of business will increase. Continued growth could also strain the Company's ability to maintain reliable service levels for its clients, develop and improve its operational, financial and management controls, enhance its reporting systems and procedures and recruit, train and retain highly-skilled personnel. Managing the Company's growth will require expenditures and allocation of valuable management resources. Failure to effectively manage growth could result in difficulty or delays in deploying clients, declines in quality or client satisfaction, increases in costs, difficulties in introducing new features or other operational difficulties, and any of these difficulties could adversely impact the Company's business performance and results of operations.

Failing to maintain Field Agent engagement could limit the Company's ability to grow.

The Company relies on independent Field Agents to provide residential mortgage appraisals, title and closing services to its clients. The Company's ability to build and maintain good working relationships with Field Agents (which includes appraisers, real estate brokers, lawyers, notaries and closing agents) in multiple geographies and who have a diverse skill set capable of addressing a variety real estate property types, is essential to the success of its business. Failure to recruit, onboard and maintain an adequate number of Field

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[105] Management estimate of Residential Title Written Premium Market Share based on data from the American Land Title Association for period ending September 30, 2016 and Demotech, Inc. for period ending December 31, 2015.

[106] Management estimates based on *Inside Mortgage Finance website: Top 100 Mortgage Lenders (first nine months of 2016)*.

Agents on its network could have a material adverse impact on the Company's ability to grow its share of business with existing clients, to attract new clients and to offer new services. This could in turn impact the Company's financial results.

If the Company is unable to successfully develop or acquire and sell enhancements and new services, its revenue growth will be harmed and the Company's competitive position could be negatively affected.

The Company's ability to attract new clients and increase revenue from existing clients will depend in large part on its ability to successfully develop, bring to market and sell its existing services and new services that effectively respond to client needs. Any enhancements or new services that the Company develops or acquires may not be introduced to the market in a timely or cost-effective manner and may not achieve the broad market acceptance necessary to generate the revenue required to offset the operating expenses and capital expenditures related to development or acquisition. If the Company is unable to develop or acquire and sell enhancements and new services that keep pace with the industry and client needs in a timely fashion, the Company's revenue will not grow as expected and it may not be able to meet profitability expectations.

The Company incurs expenses and expends resources up front to develop, acquire and market new services and technology enhancements to incorporate additional features, improve functionality or otherwise make the Company's Platform more desirable to its clients. New services or the Company's Platform enhancements must achieve high levels of market acceptance in order for the Company to recoup its investment in developing and bringing them to market.

Any new services and changes to the Company's Platform could fail to attain sufficient market acceptance for many reasons, including, without limitation, the following:

- the Company's failure to predict market demand accurately and supply services that meet this demand in a timely fashion;
- clients using the Company's Platform may not like, find useful or agree with any changes;
- defects, errors or failures in the Company's technology;
- negative publicity about the Company's services or the Company's Platform performance or effectiveness;
- delays in releasing to the market new services or the Company's Platform enhancements; and
- the introduction or anticipated introduction of competing services by the Company's competitors.

If the Company's new services or the Company's technology enhancements do not achieve adequate acceptance in the market, its competitive position, revenue and operating results could be harmed. The adverse effect on the Company's financial results may be particularly acute because of the significant development, marketing, sales and other expenses the Company will have incurred in connection with the new services or enhancements.

The Company is subject to various governmental regulations, and a failure to comply with governmental regulations or changes in these regulations could result in penalties, restrict operations or make it more burdensome to conduct operations, which would have a negative effect on the Company's business and operations.

Laws and regulations may affect the Company's domestic and U.S. operations in a number of areas. The U.S. laws and regulations that affect the Company's activities include, but are not limited to, areas of appraiser independence, customary and reasonable fees disclosure, consumer protection, real estate, anti-corruption, anti-bribery, anti-money laundering, conflict of interest, unfair lending practices, labour, billing, e-commerce, promotions, quality of services, telecommunications, mobile communications and media, intellectual property ownership and infringement, tax, import and export requirements, foreign exchange controls and cash repatriation restrictions, privacy and data privacy requirements, anti-competition, environmental health and safety, advertising and digital content. The Company's failure to comply with applicable laws and regulations could restrict its ability to provide certain services or result in the imposition of civil fines and criminal penalties, substantial regulatory and compliance costs, litigation expense, adverse publicity and loss of revenues.

The residential mortgage market in which the Company operates is highly regulated, particularly in the U.S. where multiple levels of regulatory oversight exist, including federal banking regulators, state appraiser boards and state insurance boards. The Company's activities are currently subject to examination by both federal and state regulators and the Company believes the level of examination and oversight may increase in the future. If the Company is unable to adapt its services to conform to the new laws and regulations, or if these laws and regulations have a negative impact on the Company's clients, the Company's business and results of operations could be negatively affected.

Compliance with these laws, regulations and similar requirements may be onerous and expensive, and they may be inconsistent from jurisdiction to jurisdiction, further increasing the cost of compliance. A failure of the Company's services or a failure to appropriately update its services to reflect and comply with changes to existing laws or regulations or with new laws or regulations may contribute to violations by the Company's clients of such laws and regulations. If the Company's services fail to address relevant laws and regulations, it could be subject to claims by clients as well as potential claims by borrowers or government agencies. Such claims could result in substantial cost and the Company could incur judgments to enter into settlements of claims that could have a material adverse effect on its business and operating results. This increases the costs of doing business, and any such costs which may arise in the future as a result of changes in these laws and regulations or in their interpretation could individually or in the aggregate make the Company's services less attractive to its clients, limit the manner in which business is conducted, delay the introduction of new services in one or more regions, or cause the Company to change or limit its business practices. Furthermore, failure of the Company's services and services to address relevant laws and regulations could result in negative publicity, damage its reputation and brand, hinder its ability to enroll new clients and cause the loss of current clients, all of which could substantially harm the Company's business and operating results.

Alternatively, it is possible that regulatory oversight of the residential mortgage market may, in the future, be scaled back. Any change or reduction in the existing regulations may affect the barriers to entry that the current regulatory environment pose in certain of the Company's business segments, which could have an adverse effect on the Company's business, financial conditions and results of operations.

The Company operates licensed entities at the state level in both the mortgage appraisal and title and closing markets. As such, it is required to maintain these licenses in good standing; failure to do so may impact the Company's ability to operate in one or more jurisdictions.

The Company has implemented policies and procedures designed to ensure compliance with these laws and regulations, but there can be no assurance that the Company's employees, contractors, or agents will not violate Company policies and procedures designed to ensure compliance with such laws and regulations.

The Company derives a substantial portion of its revenue from a limited number of the Company's services and failure to maintain demand for these services or diversify its revenue base through increasing demand for the Company's other services could negatively affect its operating results.

Historically, a majority of the Company's revenue was derived from the sales of valuation and title and closing services. If the Company is unable to develop enhancements to these services to maintain demand for these services or to diversify its revenue base by increasing demand for its other services, the Company's operating results could be negatively impacted.

Since part of the Company's efforts are targeted at larger industry clients, its sales cycle may become longer and more expensive, it may encounter pricing pressure and implementation challenges, and it may have to delay revenue recognition for some complex transactions, all of which could harm its business and operating results.

Part of the Company's business strategy is to target larger mortgage originators and lenders that handle greater volumes of loans. As the Company targets more of its efforts at larger clients, it could face greater costs, longer sales cycles, and less predictability in completing some of its sales. In this market, the client's decision to use the Company's services may be an enterprise-wide decision and, if so, this type of sale could require the Company to provide greater levels of education regarding the use and benefits of its services. In addition, larger clients may demand more complex integration, implementation services, and features. As a result of these factors, these sales opportunities may require the Company to devote greater sales support and professional

services resources to individual clients, driving up costs and time required to complete sales and diverting its own sales and professional services resources to a smaller number of larger transactions, while potentially requiring it to delay revenue recognition on some of these transactions until the technical or implementation requirements have been met.

The Company operates in a competitive business environment and, if the Company is unable to compete effectively, it could have a material adverse effect on the Company's business, financial condition and results of operations.

The markets for the Company's services are intensely competitive and competitors vary in size and in the scope and breadth of the services they offer. Some of the Company's competitors may have substantial resources and have been in business longer. In addition, the Company expects that the markets in which it competes will continue to attract new competitors and new technologies. There can be no assurance that the Company will be able to compete successfully against current or future competitors or that the competitive pressures the Company faces in the markets in which it operates will not have a material adverse effect on its business, financial condition and results of operations.

Further, because many of the Company's larger clients have historically developed their key processing applications in-house and therefore view their system requirements from a make-versus-buy perspective, the Company often competes against its potential clients' in-house capacities. For banks and other potential clients, switching from an internally designed system to an outside service provider, or from one service provider of mortgage processing services to a new service provider, is a significant undertaking. These potential clients worry about potential disadvantages such as loss of custom functionality, increased costs and business disruption. As a result, these potential clients often resist change. There can be no assurance that the Company's strategies for overcoming potential clients' reluctance to change will be successful, and if they are unsuccessful, it could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company's business is subject to the risks of U.S. operations.

The Company derives a substantial portion of its revenue and earnings from its U.S. operations. Compliance with applicable U.S. laws and regulations, such as import and export requirements, anti-corruption laws, tax laws, foreign exchange controls and cash repatriation restrictions, data privacy requirements, environmental laws, labour laws and anti-competition regulations, increases the costs of doing business in the U.S. Although the Company has implemented policies and procedures to comply with these laws and regulations, a violation by the Company's employees, contractors or agents could nevertheless occur. As a Canadian domiciled entity, changes in the applicable U.S. laws and regulations could have a material impact on the Company.

If the Company cannot maintain its corporate culture, the Company could lose valuable qualities from its workforce.

The Company believes that its corporate culture and four core values, being passion, innovation, caring and excellence, are critical components of its success. As the Company develops the infrastructure of a public company and continues to grow, the Company may find it difficult to maintain these valuable aspects of its corporate culture. Failure to preserve its corporate culture could negatively impact the Company's future success, including its ability to attract and retain employees, encourage innovation and teamwork and effectively focus on and pursue its corporate objectives.

Real Matters depends on key and highly-skilled personnel to operate its business and if the Company is unable to retain its current, or hire additional, personnel, its ability to develop and successfully market its business could be harmed.

The Company believes its future success will depend in large part upon its ability to attract and retain highly skilled managerial, technical, finance, creative and sales and marketing personnel. Moreover, management believes that the Company's future success is highly dependent on the contributions of its Named Executive Officers. The loss of any key employees or the Company's inability to attract or retain qualified personnel could delay the development and introduction of, and harm its ability to sell, its services and harm the market's perception of Real Matters. Qualified individuals are in high demand and the Company may incur significant costs to attract and retain them.

Real Matters may be unable to attract and retain suitably qualified individuals who are capable of meeting its growing sales, operational and managerial requirements, or may be required to pay increased compensation in order to do so. If the Company is unable to attract and retain the qualified personnel it needs to succeed, its business will suffer. If the Company grows, the number of people it needs to hire will increase. The Company will also need to increase its hiring if it is not able to maintain its attrition rate through current recruiting and retention policies.

Field Agent work product liability.

The Company manages a network of independent Field Agents who produce work products such as appraisal reports that lenders rely on to make underwriting decisions. Should the Field Agent produce work that is defective and results in the lender or insurer incurring a financial loss, lenders or insurers may choose to seek indemnification.

In certain contracts, the Company accepts liability for defects of an independent Field Agent's work product, and as such these lenders or insurers may choose to seek indemnification from the Company directly. In the event a lender or insurer seeks recourse from the Company, the Company can in turn seek recourse from the Field Agent, as its contracts with Field Agents require the Field Agent to indemnify the Company in these circumstances. In addition, the Company requires that Field Agents in its network maintain E&O insurance to ensure they have the financial means of indemnifying the Company.

Use of proceeds of the Offering are not specified with certainty.

The Company cannot specify with certainty the particular uses of the net proceeds it will receive from this Offering. The Company's management will have broad discretion in the application of the net proceeds, including for any of the purposes described in "Use of Proceeds". Accordingly, a purchaser of Shares will have to rely upon the judgment of management with respect to the use of the proceeds of the Offering, with only limited information concerning management's specific intentions. The Company's management may spend a portion or all of the net proceeds from this Offering in ways that its shareholders might not desire, that might not yield a favourable return and that might not increase the value of a purchaser's investment. The failure by management to apply these funds effectively could harm the Company's business. Pending use of such funds, the Company might invest the net proceeds from this Offering in a manner that does not produce income or that loses value.

The Company may not be successfully able to integrate Linear, which could have a material adverse effect on the Company's business, financial condition and results of operations.

In April 2016, the Company acquired Linear, a traditional full-service title and closing business with a national U.S. footprint. The Company plans to leverage Linear's deep industry knowledge to bring the Company's Platform to the title and closing market, targeting Tier 1 and Tier 2 mortgage lenders. The Company may face challenges integrating Linear, and may be subject to the risks described in more detail below. If the Company is unable to successfully integrate Linear, it could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company may not be successfully able to consummate or integrate acquisitions, which may harm the Company's ability to develop and grow its business and operations.

One of the Company's strategies to grow its business is to opportunistically acquire complementary businesses, technologies and services. This strategy will depend on the Company's ability to find suitable acquisitions and finance them on acceptable terms. The identification of suitable acquisition candidates can be difficult, time-consuming and costly, and the Company may not be able to complete acquisitions successfully. The Company may require additional debt or equity financing for future acquisitions. Raising additional capital for acquisitions through debt financing would result in increased interest expense and may involve agreements that include covenants limiting or restricting the Company's ability to take certain actions, such as incurring additional debt, making capital expenditures or declaring dividends. If the Company raises additional capital for acquisitions through equity financing, the ownership interests of existing shareholders will be diluted.

If the Company is unable to acquire suitable acquisition candidates, it may experience slower growth. Further, even if the Company successfully completes acquisitions, it will face challenges in integrating any acquired business. These challenges include eliminating redundant operations, facilities and systems, coordinating management and personnel, retaining key employees, managing different corporate cultures and achieving cost reductions and cross-selling opportunities. Additionally, the acquisition and integration processes may disrupt the Company's business and divert management attention and its resources. If the Company fails to successfully integrate acquired businesses, services, technologies and personnel, it could impair relationships with employees, clients and strategic partners, distract management attention from the Company's core businesses, result in control failures and otherwise disrupt the Company's ongoing business, any of which could have a material adverse effect on its business, financial condition and results of operations. The Company also may not be able to retain key management and other critical employees after an acquisition. In addition, the Company may be required to record future charges for impairment of goodwill and other intangible assets resulting from such acquisitions.

The Company's profitability may be impacted by gains or losses on any sales of businesses, or lost operating income or cash flows from such businesses. The Company also may be required to record asset impairment or restructuring charges related to divested businesses, or indemnify buyers for liabilities, which may reduce its profitability and cash flows. The Company may also be unable to negotiate such divestitures on terms acceptable to it. If the Company is unsuccessful in divesting such businesses, it could have a material adverse effect on the Company's business, financial condition and results of operations.

Limited recourse against Linear Title & Closing Ltd.

Purchasers under this prospectus will not have a direct statutory right or any other rights against Linear Title & Closing Ltd., the vendor of Linear pursuant to the Linear Acquisition agreement, or its securityholders. The sole remedy of the Company against Linear Title & Closing Ltd. or any of its securityholders will be through the Company bringing an action for a breach of the representations and warranties contained in the Linear Acquisition Agreement. While the Company is indemnified for breaches of representations and warranties contained in the Linear Acquisition Agreement, recourse for such breaches may be limited due to qualifications related to knowledge of the vendor, contractual and time limits on recourse under applicable laws, and the ability of the vendor to satisfy third-party claims. The inability to recover fully any significant liabilities incurred with respect to breaches of representations and warranties under the Linear Acquisition Agreement may have adverse effects on the Company's financial position. In addition, Linear Title & Closing Ltd. has not made any representation to the Company, and is not making any representation to investors in the Offering, as to the disclosure in this prospectus constituting full, true and plain disclosure of all material facts related to Linear, or that this prospectus does not contain a misrepresentation with respect to Linear. Accordingly, Linear Title & Closing Ltd. will not have any liability to investors in the Offering if the disclosure in this prospectus relating to Linear does not meet such standard or contains a misrepresentation.

Failure to adapt to technological changes may render the Company's technology obsolete or decrease the attractiveness of its services to its clients and Field Agents.

If new industry standards and practices emerge, or if competitors introduce new services or technologies, the Company's technology may become obsolete. The Company's future success will depend on its ability to, amongst other things:

- enhance its existing services;
- develop new services and technologies that address the needs of its existing and prospective clients; and
- respond to changes in industry standards and practices on a cost-effective and timely basis.

The Company must continue to enhance the features and functionality of its technology. These initiatives carry the risks associated with any new service development effort, including cost overruns, delays in delivery and performance issues. The effective performance, reliability and availability of the Company's technology infrastructure are critical to its reputation and its ability to attract and retain clients and Field Agents. There can be no assurance that the Company will be successful in developing, marketing and selling new services and

services that meet changing client demands, and that the Company will not experience difficulties in achieving market acceptance. If the Company does not continue to make investments in software development and, as a result, or due to other reasons, fails to attract new and retain existing mortgage originators, lenders, investors and service providers, the Company may lose existing Field Agents, which could significantly decrease the value of the Company's Platform to all participants.

As a result, the Company is subject to the risks inherent in the development and integration of new technologies, including defects or undetected errors in technology services, difficulties in installing or integrating Company technology on platforms used by clients or Field Agents, or other unanticipated performance, stability and compatibility problems. Any of these problems could result in material delays in the introduction or acceptance of the Company's services, increased costs, decreased client satisfaction, breach of contract claims, harm to industry reputation and reduced or delayed revenues. If the Company is unable to deliver new services or upgrades or other enhancements to its existing services on a timely and cost-effective basis, it could have a material adverse effect on the Company's business, financial condition and results of operations.

System interruptions that impair access to the Company's technology could damage the Company's reputation and brand and substantially harm its business.

The satisfactory performance, reliability and availability of the Company's technology, its website and network infrastructure (collectively, the "**Technology Infrastructure**") are critical to the Company's reputation and its ability to attract and retain clients and Field Agents.

Any system interruption that results in the unavailability of the Company's Technology Infrastructure or impairs access could result in interruption of business operations, loss of clients, diversion of technical and other resources, negative publicity, damage to the Company's reputation and brand and cause its business and operating results to suffer. Any one or more of the foregoing occurrences could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company may experience temporary system interruptions for a variety of reasons, including network failures, power failures, software errors or an overwhelming number of users trying to access its network during periods of strong demand. In addition, the Company's primary data centres are hosted by third-party service providers over which the Company has little control.

Real Matters depends on third-party service providers to provide continuous and uninterrupted access to the elements of the Technology Infrastructure. The Company does not control their performance, which may make the Company's operations vulnerable to their performance failures. In addition, if for any reason the Company's relationship with any such third party were to end, it would require a significant amount of time to transition the hosting of the Company's data centres to a new third-party service provider. Because the Company is dependent on third parties for the implementation and maintenance of certain aspects of its systems and because some of the causes of system interruptions may be outside of its control, Real Matters may not be able to remedy such interruptions in a timely manner, if at all. As the Company relies heavily on its servers, computer and communications systems and the Internet to conduct its business, any system disruptions could negatively impact its ability to run its business and either directly or indirectly disrupt its clients' businesses, which could have an adverse effect on the Company's business.

Material defects or errors in the Company's Technology Infrastructure could harm the Company's reputation, result in significant costs to the Company and impair its ability to sell its services.

Software developed for the Company's technology can contain errors, defects, security vulnerabilities or software bugs that are difficult to detect and correct, particularly when first introduced. Despite internal testing, the Company's technology may contain serious errors or defects that cause performance problems or service interruptions, security vulnerabilities or software bugs that the Company may be unable to successfully correct in a timely manner, or at all, which could result in:

- a reduction in new sales;
- unexpected sales credits or refunds to the Company's clients, loss of clients and other potential liabilities;

- delays in client payments, increasing the Company's collection reserve and collection cycle;
- diversion of development resources and associated costs;
- harm to the Company's reputation and brand; and
- unanticipated litigation costs.

Failure to adequately protect the Company's Technology Infrastructure against data corruption, privacy breaches, cyber-based attacks or network breaches could have a material adverse effect on the Company's business.

The Company is highly dependent on its Technology Infrastructure to securely process, transmit and store electronic information. Certain confidential information resides on the third-party hosted data centre servers and is transmitted over the Company's network. Real Matters relies on encryption and authentication technology licensed from third parties to effect secure transmission of confidential information, including personal information and credit card numbers. Advances in computer capabilities, new discoveries in the field of cryptography or other developments may result in a compromise or breach of the technology used by the Company to protect confidential information. Servers may also be vulnerable to computer viruses, break-ins and similar disruptions from unauthorized tampering with the Company's and/or a third party's computer systems, which could lead to a loss of critical data or the unauthorized disclosure of confidential information.

If the Company is unable to prevent such security or privacy breaches, its operations could be disrupted, or the Company may suffer loss of reputation, financial loss, risk of litigation and other regulatory penalties because of lost or misappropriated information, including sensitive consumer data. In addition, if the Company's security measures fail to protect credit and debit card information adequately, the Company could be liable to its clients for their losses. The Company may need to expend significant resources to protect against and remedy any potential security breaches and their consequences.

Likewise, the Company's clients are increasingly imposing more stringent contractual obligations on the Company relating to its information security protections. If the Company is unable to maintain protections and processes at a level commensurate with that required by its large clients, it could negatively affect the Company's relationships with those clients and harm its business.

There are Canadian, U.S. and foreign laws regarding privacy and the storing, sharing, use, handling, maintenance, disposal, transmittal, disclosure and protection of personally identifiable information and sensitive data. Specifically, personally identifiable information is increasingly subject to legislation and regulations to protect the privacy of personally identifiable information that is collected, processed and transmitted. Any violations of these laws and regulations may require the Company to change its business practices or operational structure, address legal claims and sustain monetary penalties and/or other harms to its business.

The regulatory framework for privacy issues in Canada, the U.S. and abroad is constantly evolving and is likely to remain uncertain for the foreseeable future. The interpretation and application of such laws is often uncertain and such laws may be interpreted and applied in a manner inconsistent with its current policies and practices or require changes to the features of the Company's Platform. If either the Company or its third-party service providers are unable to address any privacy concerns, even if unfounded, or to comply with applicable laws and regulations, including but not limited to the *Personal Information Protection and Electronic Documents Act* (Canada) and the Gramm-Leach-Bliley Act (U.S.), it could result in additional costs and liability, damage the Company's reputation and harm its business.

The Company is a holding company and dependent on its subsidiaries for cash flows.

The Company is a holding company and substantially all of its operations are carried out by the Company's subsidiaries. The Company has no direct operations and no significant assets other than the shares of its subsidiaries and cash proceeds from the Offering and any subsequent financings. Accordingly, the Company is dependent on the cash flows from its subsidiaries to meet its obligations. The ability of the Company's subsidiaries to provide the Company with payments may be constrained by factors such as the cash flows generated by operations, investment activities and financing activities, and the level of taxation, particularly corporate profits and withholding taxes. If the Company is unable to receive sufficient cash from its subsidiaries,

it may be required to incur indebtedness, raise funds in a public or private equity or debt offering, or sell some or all of the Company's assets. There can be no assurance that any such financing will be available on satisfactory terms or that it will be sufficient.

The Company may be subject to limitations on the repatriation of earnings in each of the countries where it, including its subsidiaries, does business. There can be no assurance that arbitrary changes in exchange controls in each of the countries where the Company does business will not take place, which may adversely impact the Company's ability to receive cash payments from its subsidiaries and the ability of investors to recover their investment.

The effort, time and expense associated with switching from competitors' software and services to that of the Company's may limit the Company's growth.

The costs for a mortgage lender to switch providers of technology, data and analytics services can be significant and the process can sometimes take 12 to 18 months or more to complete. As a result, potential clients may decide that it is not worth the time and expense to begin using the Company's services, even if the Company offers competitive and economic advantages. If the Company is unable to convince these clients to switch to its software and services, the Company's ability to increase market share will be limited, which could have a material adverse effect on its business, financial condition and results of operations.

Current or future litigation could substantially harm the Company's business.

The Company is not currently involved in any material litigation; however, it may be involved in legal proceedings, claims and other litigation in the future.

Furthermore, Real Matters may be subject to various legal proceedings and claims arising out of the ordinary course of business. While management does not expect the outcome of any such litigation to have a material adverse effect on the Company's financial position, litigation is unpredictable and excessive verdicts, both in the form of monetary damages and injunctions, could occur. In the future, litigation could result in substantial costs and diversion of resources and the Company could incur judgments or enter into settlements of claims that could have a material adverse effect on its business. Insurance may not cover such investigations and claims, may not be sufficient for one or more such investigations or claims and may not continue to be available on acceptable terms. An investigation or claim brought against the Company could also result in unanticipated costs and reputational harm.

Claims for indemnification by the Company's directors and officers may reduce its available funds to satisfy successful third-party claims against the Company and may reduce the amount of money available to it.

The Company has entered into agreements to indemnify each of its directors and officers. Under the terms of these indemnification agreements, the Company is required to indemnify each of its directors and officers, to the fullest extent permitted by the laws of Ontario, Canada, if the basis of the indemnitee's involvement was by reason of the fact that the indemnitee is or was a director or officer of the Company or any of its subsidiaries. The Company must indemnify its officers and directors against all reasonable fees, expenses, charges and other costs of any type or nature whatsoever, including any and all expenses and obligations paid or incurred in connection with investigating, defending, being a witness in, participating in (including on appeal) or preparing to defend, be a witness in or participate in any completed, actual, pending or threatened action, suit, claim or proceeding, whether civil, criminal, administrative or investigative, or establishing or enforcing a right to indemnification under the indemnification agreement. The indemnification agreements also require the Company, if so requested, to advance within 10 days of such request all reasonable fees, expenses, charges and other costs that such director or officer incurred, provided that such person will return any such advance if it is ultimately determined that such person is not entitled to indemnification by the Company. Any claims for indemnification by the Company's directors and officers may reduce its available funds to satisfy successful third-party claims against the Company and may reduce the amount of money available to it.

The Company's risk management efforts may not be effective.

The Company could incur substantial losses and its business operations could be disrupted if the Company is unable to effectively identify, manage, monitor and mitigate financial risks, such as credit risk, interest rate risk, liquidity risk and other market-related risk, as well as operational risks related to its business, assets and liabilities. The Company's risk management policies, procedures and techniques may not be sufficient to identify all of the risks the Company is exposed to, mitigate the risks that the Company has identified or identify concentrations of risk or additional risks to which the Company may become subject in the future.

Failure to adequately protect its intellectual property could harm the Company's business.

The protection of the Company's intellectual property rights, including its technology, is crucial to the success of its business. The Company relies on a combination of copyright, trademark and trade secret law and contractual restrictions to protect its intellectual property. The Company may, in the future, obtain patents for elements of its intellectual property, where appropriate. The Company's intellectual property rights, including future patents, may provide only limited protection for its technology and may not be sufficient to provide competitive advantage to the Company. Furthermore, management cannot assure investors that any patents will be issued to the Company as a result of any future patent applications, or that any issued patents will be valid or enforceable. Real Matters also relies in part on confidentiality and intellectual property assignment agreements with its employees, independent contractors and consultants. Despite the Company's efforts to protect its proprietary rights, unauthorized parties may attempt to copy aspects of the Company's Platform and functionality or obtain and use information that the Company considers proprietary. Policing the Company's proprietary rights is difficult and may not always be effective.

Real Matters has registered the Real Matters trademark in Canada and the U.S. Real Matters has also registered the iv3 trademarks in Canada but not yet applied for these marks in the U.S. Competitors may adopt service names similar to its own, thereby impeding the Company's ability to build brand identity and possibly leading to client confusion. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of the terms "Real Matters", "Solidifi" or the Company's other trademarks.

Litigation before the courts or proceedings before the Canadian and/or U.S. Patent and Trademark Office or other governmental authorities and administrative bodies in Canada and the U.S. may be necessary in the future to enforce the Company's intellectual property rights, protect its patent and copyright rights, trade secrets and domain names and determine the validity and scope of the proprietary rights of others. The Company's efforts to enforce or protect its proprietary rights may be ineffective and could result in substantial costs and diversion of resources and could harm the Company's business.

Negative publicity could result in a decline in the Company's client growth and its business could suffer.

There has been a marked increase in the use of social media platforms and similar channels, including weblogs (blogs), social media websites and other forms of Internet-based communications that provide individuals with access to a broad audience of consumers and other interested persons. The availability and impact of information on social media platforms is virtually immediate and the accuracy of such information is not independently verified. The opportunity for dissemination of information, including inaccurate information, is seemingly limitless and readily available. The Company's reputation is very important to attracting new clients and Field Agents to the Company's Platform as well as selling additional services to existing clients. While the Company believes that it has a good reputation and that it provides its clients with a superior experience, there can be no assurance that the Company will continue to maintain a good relationship with its clients or avoid negative publicity. Any damage to the Company's reputation, whether arising from its conduct of business, negative publicity, regulatory, supervisory or enforcement actions, matters affecting its financial reporting or compliance with the OSC and TSX listing requirements, security breaches or otherwise could have a material adverse effect on its business.

Reclassification of exempt employees and Field Agents.

The Company classifies its employees as exempt or non-exempt for the purpose of determining certain entitlements therefor, including the entitlement to receive overtime pay. The Company also engages thousands of Field Agents as independent contractors. A reclassification of any of such individuals by a court or regulatory or tax authority having jurisdiction over the Company could subject the Company to the payment of additional compensation and taxes, interest and penalties in respect of past periods or future periods where the Company is found to be non-compliant, and could have an adverse effect on the Company's business, financial condition and results of operation and could negatively impact the Company's operating model going forward.

Some of the Company's services and technologies may use "open source" software, which may restrict how it uses or distributes the Company's services or require that the Company release the source code of certain services subject to those licenses.

Some of the Company's services and technologies may incorporate software licensed under so-called "open source" licenses. In addition to risks related to license requirements, usage of open source software can lead to greater risks than use of third-party commercial software, as open source licensors generally do not provide warranties or controls on the origin of the software. Additionally, open source licenses typically require that source code subject to the license be made available to the public and that any modifications or derivative works to open source software continue to be licensed under open source licenses. These open source licenses typically mandate that proprietary software, when combined in specific ways with open source software, become subject to the open source license. If the Company combines its proprietary software with open source software, it could be required to release the source code of its proprietary software.

The Company has processes in place to guard against its proprietary software being combined with, or incorporating, open source software in ways that would require its proprietary software to be subject to an open source license. However, relatively few courts have interpreted open source licenses in different jurisdictions, and the manner in which these licenses may be interpreted and enforced is therefore subject to some uncertainty. Additionally, the Company relies on multiple software programmers to design its proprietary technologies, and although the Company takes steps to prevent its programmers from including open source software in the technologies and software code that they design, write and modify, the Company does not exercise complete control over the development efforts of its programmers, and the Company cannot be certain that its programmers have not incorporated open source software into its proprietary services and technologies or that they will not do so in the future. In the event that portions of the Company's proprietary technology are determined to be subject to an open source license, the Company could be required to publicly release the affected portions of its source code, re-engineer all or a portion of its technologies, or otherwise be limited in the licensing of the Company's technologies, each of which could reduce or eliminate the value of its services and technologies and materially and adversely affect the Company's business, results of operations and prospects.

If the Company's services are found to infringe on the proprietary rights of others, the Company may be required to change its business practices and may also become subject to significant costs and monetary penalties.

As the Company continues to develop and expand its services, the Company may become increasingly subject to infringement claims from third parties such as software providers or suppliers of data. Likewise, if the Company is unable to maintain adequate controls over how third-party software and data are used, the Company may be subject to claims of infringement. Any claims, whether with or without merit, could:

- be expensive and time consuming to defend;
- cause the Company to cease making, licensing or using applications that incorporate the challenged intellectual property;
- require the Company to redesign its applications;
- divert management's attention and resources; and
- require the Company to enter into royalty or licensing agreements in order to obtain the right to use necessary technology.

Any one or more of the foregoing outcomes could have a material adverse effect on the Company's business, financial condition and results of operations. Additionally, the Company may be liable for damages for past infringement if a court determines that the Company's software or technologies infringe upon a third-party's patent or other proprietary rights.

Exchange rate fluctuations may adversely affect the Company's results and/or compliance with financial covenants.

The Company's reported results are expressed in U.S. dollars; however, a portion of its assets, liabilities and operations reside, or are conducted, in Canada. A significant change in the foreign currency exchange rate between the Canadian and U.S. dollar could result in a significant change in the Company's reported amount of total assets and liabilities and its reported financial performance. Changes in the foreign currency exchange rate could further impact the Company's financial covenants since the foreign currency exchange rate applied to its outstanding Credit Facility obligations are unlikely to be translated at the same foreign currency exchange rate as its financial performance. This may result in the Company incurring additional interest expense resulting solely from a change in foreign currency exchange rates, or result in the Company falling outside of a covenant threshold, i.e., an event of default. An event of default that is not cured or waived could accelerate repayment of the underlying indebtedness. If repayment of the Company's Credit Facility was to be accelerated, there can be no assurance that its assets would be sufficient to repay the Credit Facility in full.

The Company has indebtedness that could have consequences to shareholders, such as the increased vulnerability to adverse general economic and industry conditions. The Company may find it more difficult to fund future working capital, capital expenditures, general corporate expenses or other items, and the Company could have to allocate a substantial portion of its cash resources to the payment on its indebtedness, which would reduce the funds available for operations.

The Company has and anticipates having indebtedness. Its ability to make payments of principal and interest on its debt will depend on its future operating performance and its ability to enter into additional debt and equity financings which, to a certain extent, is subject to economic, financial, competitive and other factors beyond the Company's control. If, in the future, the Company is unable to generate sufficient cash flows to service its debt, the Company may be required to refinance all or a portion of its existing debt or obtain additional financing. There can be no assurance that any such refinancing would be possible or that any additional financing could be obtained on terms acceptable to the Company or at all. The inability to obtain additional financing could have a material adverse effect on the Company's operating performance and any additional equity financing would result in the dilution of shareholders.

The Company's debt servicing costs could increase.

Borrowing rates are at or near historical lows in the U.S. and Canada. Accordingly, if the North American economy strengthens, the Company would expect interest rates to rise. An increase in interest rates would result in higher interest expense on borrowing tied to variable rates of interest, partially offset by lower current or deferred income tax expense. Furthermore, adverse credit market conditions could limit the Company's ability to refinance its existing Credit Facility.

The Company's insurance coverage reserves may not cover future claims.

The Company maintains various insurance policies for general liability, specialty professional liability, workplace safety and property damage. The Company has third-party insurance coverage to limit exposure for both individual and aggregate claim costs. The Company is also responsible for losses up to a certain limit for general liability, specialty professional liability and property damage insurance.

The Company's history of claims experience is short and its significant growth rate could affect the accuracy of estimates based on historical experience. If a greater amount of claims occur compared to what the Company estimated, its accrued liabilities might not be sufficient and it may be required to record additional expenses. Unanticipated changes may also produce materially different amounts of expenses than reported under these programs, which could adversely impact the Company's results of operations.

As noted above, the Company's failure to comply with federal, state, provincial and foreign laws regarding privacy and protection of data could lead to significant fines and penalties imposed by regulators, as well as

claims by the Company's clients. In addition, if the Company's security measures fail to protect credit and debit card information adequately, the Company could be liable to its clients for their losses. There can be no assurance that the limitations of liability in the Company's contracts would be enforceable or adequate or would otherwise protect the Company from any such liabilities or damages with respect to any particular claim. The Company also cannot be sure that its existing general liability insurance coverage and coverage for errors and omissions will continue to be available on acceptable terms or will be available in sufficient amounts to cover one or more large claims, or that the Company's insurers will not deny coverage as to any future claim. The successful assertion of one or more large claims against the Company that exceeds its available insurance coverage, or changes in the Company's insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company's Credit Facility contains restrictive covenants and require it to meet certain financial ratios and financial condition tests.

The terms of the Company's Credit Facility contain restrictive covenants that limit the discretion of its management with respect to certain business matters. These covenants place restrictions on, among other things, the Company's ability to incur additional indebtedness, to create liens or other encumbrances not permitted by the Credit Facility, to make any material change to the nature of its business, to sell or otherwise dispose of assets, subject to certain conditions, to acquire or purchase shares or equity interests, subject to certain conditions, and to make a distribution when the Company is in an event of default. In addition, the Company's Credit Facility contains a number of financial covenants that require certain financial ratios and financial condition tests to be satisfied. A failure to comply with these terms could result in an event of default which, if not cured or waived, could result in accelerated repayment. If the repayment of the Credit Facility was to be accelerated, there can be no assurance that the security provided thereunder would be sufficient to repay the Credit Facility in full.

The Company may need additional capital, which it may not be able to raise on favourable terms, or at all.

At December 31, 2016, the Company had cash and short-term investments of approximately $20.2 million. The Company expects that available cash and the net proceeds from the Offering, together with cash from its operations, will be sufficient to meet its future capital requirements. Nevertheless, Real Matters may require additional capital if it experiences higher-than-anticipated expenses or cost overruns, encounters unanticipated problems or delays, fails to achieve further market adoption of its services or engages in acquisitions or joint ventures. The Company does expect to need additional financing in the future to further expand its business strategy through mergers and acquisitions. Additional financing may not be available to the Company on favourable terms when required, or at all. If Real Matters were to raise additional funds through the issuance of equity, equity-related or debt securities, those securities may have rights, preferences or privileges senior to those of the Shares and the Company's shareholders may experience additional dilution. If it cannot raise additional funds, further business development may be delayed, the Company may lose clients and/or Field Agents and its sales and growth may be limited.

Future offerings of debt securities, which would rank senior to the Shares upon bankruptcy or liquidation, and future offerings of equity securities that may be senior to the Shares for the purposes of dividend and liquidating distributions, may adversely affect the market price of the Shares.

In the future, the Company may attempt to increase its capital resources by making offerings of debt securities or additional offerings of equity securities. Upon bankruptcy or liquidation, holders of the Company's debt securities, holders of any Preferred Shares and lenders with respect to any other borrowings will each be entitled to receive a distribution of the Company's available assets prior to the holders of the Shares. Additional equity offerings may dilute the holdings of the Company's existing shareholders or reduce the market price of the Shares, or both, and may result in future limitations under applicable tax legislation that could reduce the pace at which the Company utilizes any net operating loss carry-forwards to reduce its taxable income. Preferred Shares, if issued, could have a preference on liquidating distributions or a preference on dividend payments or both that could limit the Company's ability to make a dividend distribution to the holders of the Shares. The Company's decision to issue securities in any future offering will depend on market conditions and other factors beyond its control. As a result, the Company cannot predict or estimate the amount, timing or nature of its future offerings, and purchasers of the Shares in the Offering bear the risk of the Company's future offerings reducing the market price of the Shares and diluting their ownership interest in the Company.

If tax laws change or the Company experiences adverse outcomes resulting from examination by the tax authorities of its income tax returns, the Company's results of operations could be adversely affected.

The Company is subject to federal, provincial, state and local income taxes in Canada and in foreign jurisdictions. The Company's future effective tax rates and the value of its deferred tax assets could be adversely affected by changes in tax laws. In addition, the Company is subject to the examination of its income tax returns by the Canadian Revenue Agency and other tax authorities. The Company regularly assesses the likelihood of adverse outcomes resulting from such examinations to determine the adequacy of its provision for income tax. Significant judgment is required in determining the Company's worldwide provision for income taxes. Although the Company believes it has made appropriate provisions for taxes in the jurisdictions in which it operates, changes in the tax laws or challenges from tax authorities under existing tax laws could adversely affect the Company's business, financial condition and results of operations.

An active, liquid and orderly trading market for the Shares may not develop, and investors may not be able to resell their Shares at or above the Offering Price.

The Company has applied to list the Shares on the TSX under the symbol "REAL". There is currently no market through which the Shares may be sold and, if a market for the Shares does not develop or is not sustained, investors may not be able to resell the Shares purchased in the Offering. This may affect the pricing of the Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Shares and the extent of issuer regulation. The Offering Price was determined through negotiations between the Company and the Underwriters. The Offering Price may not be indicative of the market price of the Shares after the Offering. In the absence of an active trading market for the Shares, investors may not be able to sell their Shares at or above the Offering Price or at all. The Company cannot predict the prices at which the Shares will trade.

The market price of the Shares could be subject to significant fluctuations after the Offering, and it may decline below the Offering Price, which could result in substantial losses for investors purchasing Shares in this Offering. Some of the factors that may cause the market price of the Shares to fluctuate include:

- significant volatility in the market price and trading volume of comparable companies;
- actual or anticipated changes or fluctuations in the Company's operating results or in the expectations of market analysts;
- adverse market reaction to any indebtedness the Company may incur or securities it may issue in the future;
- short sales, hedging and other derivative transactions in the Shares;

- announcements of acquisitions, new partners, new services, strategic alliances, capital commitments or significant agreements by the Company or by its competitors;
- changes in the economic performance or market valuations of other issuers that investors deem comparable to the Company;
- litigation or regulatory action against the Company;
- investors' general perception of the Company and the public's reaction to its press releases, other public announcements and filings with applicable securities regulators;
- publication of research reports or news stories about the Company, its competitors or its industry, or positive or negative recommendations or withdrawal of research coverage by securities analysts;
- changes in general political, economic, industry and market conditions and trends;
- sales of the Shares by the Company's directors, executive officers and existing shareholders and their affiliates;
- recruitment or departure of key personnel; and
- the other risk factors described in this section of the prospectus.

In addition, the stock markets have historically experienced substantial price and volume fluctuations. Broad market and industry factors may harm the market price of the Shares. Hence, the price of the Shares could fluctuate based upon factors that have little or nothing to do with the Company or its operations, and these fluctuations could materially reduce the price of the Shares regardless of the Company's operating performance. In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has been instituted against that company. If the Company were involved in any similar litigation, it could incur substantial costs, management's attention and resources could be diverted and it could harm the Company's business, operating results and financial condition.

Future sales of Shares by existing shareholders could reduce the market price of the Shares.

Sales of a substantial number of the Shares in the public market could occur at any time before or after the expiration of the lock-up agreements described in "Plan of Distribution". These sales, or the market perception that the holders of a large number of Shares intend to sell Shares, could reduce the market price of the Shares. In addition, the Underwriters might waive the provisions of these lock-up agreements and allow the subject shareholders to sell their Shares at any time. There are no pre-established conditions for the grant of such a waiver by the Underwriters, and any decision by them to waive those conditions would depend on a number of factors, which might include market conditions, the performance of the Shares in the market and the Company's financial condition at that time. If the restrictions in such lock-up agreements are waived, additional Shares will be available for sale in the public market, subject to applicable securities laws, which could reduce the market price of the Shares.

In addition, holders of unexercised options may have an immediate income inclusion for tax purposes when they exercise their options (that is, tax is not deferred until they sell the underlying Shares). As a result, these holders may need to sell Shares purchased on the exercise of options in the same year that they exercise their options. This might result in a greater number of Shares being sold in the public market by, and fewer long-term holders of Shares among, the Company's management and employees.

Dilution and future sales of Shares.

The initial Offering Price of the Shares will result in a market capitalization of the Company that will significantly exceed the net tangible book value of the Company per Share. Accordingly, if an investor purchases Shares under the Offering, the investor will incur immediate and substantial dilution of its investment.

In addition, the Company may issue additional Shares or Preferred Shares in the future, which may dilute a shareholder's holding in the Company. The Company's articles will permit the issuance of an unlimited number of Shares and an unlimited number of Preferred Shares and shareholders will have no pre-emptive rights in

connection with such further issuances. The directors of the Company have the discretion to determine if an issuance of Shares or Preferred Shares is warranted, the price at which such issuance is effected and the other terms of issuance. Also, the Company may issue additional Shares or Preferred Shares upon the exercise of options under the LTIP, which will result in further dilution to the shareholders. See "Options to Purchase Securities".

Because the Company does not expect to pay any dividends on the Shares for the foreseeable future, investors in the Offering may never receive a return on their investment.

The Company does not have any present intention to pay cash dividends on the Shares and it does not anticipate paying any cash dividends on the Shares in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of the Board and will depend on the Company's financial condition, operating results, contractual restrictions, capital requirements, business prospects and other factors the Board may deem relevant.

The Company has incurred, and will incur, increased costs and demands upon management as a result of complying with the laws and regulations affecting public companies, which could harm its operating results.

As a public company, the Company has incurred, and will incur, significant legal, accounting, investor relations and other expenses that it did not incur as a private company, including costs associated with public company reporting requirements. The Company also has incurred and will incur costs associated with current corporate governance requirements, including requirements implemented by the OSC and the TSX. The Company expects these rules and regulations to increase its legal and financial compliance costs substantially and to make some activities more time-consuming and costly. The Company's management team may not successfully or efficiently manage the Company's transition to being a public company subject to significant regulatory oversight and reporting obligations under Canadian securities laws. In particular, these new obligations will require substantial attention from the Company's management team and could divert their attention away from the day-to-day management of the Company's business. The Company also expects that, as a public company, it will be more expensive for it to obtain director and officer liability insurance and that it may be more difficult for the Company to attract and retain qualified individuals to serve on its Board of Directors or as its executive officers.

Confidentiality agreements with employees and others may not adequately prevent disclosure of trade secrets and other proprietary information.

In order to protect the Company's technologies and processes, the Company relies in part on confidentiality agreements with its employees, licensees, independent contractors and other advisors. These agreements may not effectively prevent disclosure of confidential information, including trade secrets, and may not provide an adequate remedy in the event of unauthorized disclosure of confidential information. In addition, others may independently discover the Company's trade secrets and proprietary information, and in such cases the Company could not assert any trade secret rights against such parties. To the extent that the Company's employees, contractors or other third parties with whom it does business use intellectual property owned by others in their work for the Company, disputes may arise as to the rights in related or resulting know-how and inventions. The loss of trade secret protection could make it easier for third parties to compete with the Company's services by copying functionality. In addition, any changes in, or unexpected interpretations of, intellectual property laws may compromise the Company's ability to enforce its trade secret and intellectual property rights. Costly and time-consuming litigation could be necessary to enforce and determine the scope of the Company's proprietary rights, and failure to obtain or maintain protection of its trade secrets or other proprietary information could harm the Company's business, results of operations, reputation and competitive position.

The Company's by-laws will provide that any derivative actions, actions relating to breach of fiduciary duties and other matters relating to the internal affairs of the Company will be required to be litigated in Canada, which could limit an investor's ability to obtain a favourable judicial forum for disputes with the Company.

Prior to the Closing, the Company will adopt new by-laws, which will include a forum selection provision that will provide that, unless the Company consents in writing to the selection of an alternative forum, the Superior Court of Justice of the Province of Ontario, Canada and appellate Courts therefrom (or, failing such Court, any other "court" (as defined in the CBCA) having jurisdiction and the appellate Courts therefrom), shall, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on the Company's behalf, (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any of the Company's directors, officers, or other employees to the Company, (iii) any action or proceeding asserting a claim arising pursuant to any provision of the CBCA or the articles or the by-laws of the Company (as either may be amended from time to time) or (iv) any action or proceeding asserting a claim otherwise related to the relationships among the Company, its affiliates and their respective shareholders, directors and/or officers, but excluding claims related to the business carried on by the Company or its affiliates and their respective shareholders, directors and/or officers. The Company's by-laws will also provide that its shareholders are deemed to have consented to personal jurisdiction in the Province of Ontario and to service of process on their counsel in any foreign action initiated in violation of the Company's by-laws. Therefore, it may not be possible for shareholders to litigate any action relating to the foregoing matters outside of the Province of Ontario. While forum selection clauses in corporate charters and by-laws are becoming more commonplace for public companies in the U.S. and have been upheld by courts in certain states, they are untested in Canada. It is possible that the validity of the Company's forum selection by-law could be challenged and that a court could rule that such by-law is inapplicable or unenforceable. If a court were to find the Company's forum selection by-law inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, the Company may incur additional costs associated with resolving such matters in other jurisdictions and the Company may not obtain the benefits of limiting jurisdiction to the courts selected. See "Corporate Governance — By-Laws — Forum Selection".

The Company routinely makes accounting estimates and judgments. If these are proven to be incorrect, subsequent adjustments could require the Company to restate its historical financial statements.

The Company routinely makes accounting estimates and judgments in the ordinary course of business. Such accounting estimates and judgments will affect the reported amounts of its assets and liabilities at the date of its financial statements and the reported amounts of its operating results during the periods presented. Additionally, the Company interprets the accounting rules in existence as of the date of its financial statements when the accounting rules are not specific to a particular event or transaction. If the underlying estimates are ultimately proven to be incorrect, subsequent adjustments could have an adverse effect on the Company's operating results for the period or periods in which the change is identified. Additionally, subsequent adjustments could require the Company to restate its historical financial statements. The Company continually reviews accounting rules and regulations and works with its auditors and third-party experts on all significant accounting and valuation matters.

The adoption of new accounting standards or interpretations could adversely affect the Company's financial results.

The Company's implementation of and compliance with changes in accounting rules and interpretations could adversely affect its operating results or cause unanticipated fluctuations in its results in future periods. The accounting rules and regulations that the Company must comply with are complex and continually changing. The Company cannot predict the impact of future changes to accounting principles on its financial statements going forward.

Failure to establish and maintain effective internal controls in accordance NI 52-109 could have a material adverse effect on the Company's business and the market price of the Shares.

The Company is not currently required to comply with National Instrument 52-109 — *Certification of Disclosure in Issuers' Annual and Interim Filings* ("**NI 52-109**"). As a publicly-traded company, the Company will become subject to reporting and other obligations under applicable Canadian securities laws and rules of the

TSX, including NI 52-109. These reporting and other obligations will place significant demands on the Company's management, administrative, operational and accounting resources. In order to meet such requirements, the Company will, among other things, establish systems, implement financial and management controls, reporting systems and procedures and, if necessary, hire qualified accounting and finance staff. However, if the Company is unable to accomplish any such necessary objectives in a timely and effective manner, the Company's ability to comply with its financial reporting obligations and other rules applicable to reporting issuers could be impaired. Moreover, any failure to maintain effective internal controls could cause the Company to fail to satisfy its reporting obligations or result in material misstatements in its financial statements. If the Company cannot provide reliable financial reports or prevent fraud, its reputation and operating results could be materially adversely effected which could also cause investors to lose confidence in the Company's reported financial information, which could result in a reduction in the trading price of the Shares.

The Company does not expect that its disclosure controls and procedures and internal controls over financial reporting will prevent all error and fraud. A control system, no matter how well-designed and implemented, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Due to the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues within an organization are detected. The inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Controls can also be circumvented by individual acts of certain persons, by collusion of two or more people or by management override of the controls. Due to the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be detected in a timely manner or at all.

It may be difficult for investors to enforce within Canada any judgments obtained against the Company and to effect service of process against the Company's directors and officers who are not resident in Canada.

The majority of the Company's subsidiaries and the majority of its assets are located outside of Canada. Accordingly, it may be difficult for investors to enforce within Canada any judgments obtained against the Company, including judgments predicated upon the civil liability provisions of applicable Canadian securities laws or otherwise. Consequently, investors may be effectively prevented from pursuing remedies against the Company under Canadian securities laws.

The Company has subsidiaries incorporated in the U.S. and certain directors and officers reside outside of Canada and substantially all of the assets of these persons are located outside of Canada. It may not be possible for shareholders to effect service of process against the Company's directors and officers who are not resident in Canada. In the event a judgment is obtained in a Canadian court against one or more of the directors or officers for violations of Canadian securities laws, it may not be possible to enforce such judgment against those directors and officers not resident in Canada. Additionally, it may be difficult for an investor, or any other person or entity, to assert Canadian securities law claims or otherwise in original actions instituted in the U.S. Courts in these jurisdictions may refuse to hear a claim based on a violation of Canadian securities laws on the grounds that such jurisdiction is not the most appropriate forum to bring such a claim. Even if a U.S. court agrees to hear a claim, it may determine that the local law, and not Canadian law, is applicable to the claim. If Canadian law is found to be applicable, the content of applicable Canadian law must be proven as a fact, which can be a time-consuming and costly process. Certain matters of procedure will also be governed by foreign law.

The Company's business is subject to the risks of earthquakes, fires, floods and other natural catastrophic events and to interruption by man-made problems such as terrorism.

The Company's systems and operations, including its primary data centres which are hosted by third-party services providers, are vulnerable to damage or interruption from earthquakes, fires, floods, power losses, telecommunications failures, terrorist attacks, acts of war and similar events. For example, a significant natural disaster, such as an earthquake, fire or flood, could have a material adverse impact on the Company's business, operating results and financial condition and its insurance coverage may be insufficient to compensate the Company for losses that may occur. Acts of terrorism, which may be targeted at metropolitan areas which have higher population density than rural areas, could cause disruptions in the Company's or its clients' businesses or

the economy as a whole. Real Matters may not have sufficient protection or recovery plans in certain circumstances, such as natural disasters affecting any area in which its data centres are located, and its business interruption insurance may be insufficient to compensate the Company for losses that may occur.

The forward-looking statements contained in this prospectus may prove to be incorrect.

The forward-looking statements relating to, among other things, future results, performance, achievements, prospects or opportunities of the Company included in this prospectus (including, in particular, the information contained in the sections entitled "Prospectus Summary", "The Company's Business", "Use of Proceeds", "Management's Discussion and Analysis" and "Risk Factors"), are based on opinions, assumptions and estimates made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors the Company believes are appropriate and reasonable in the circumstances. However, there can be no assurance that such estimates and assumptions will prove to be correct. Actual results of the Company in the future may vary significantly from the historical and estimated results and those variations may be material. There is no representation by the Company that actual results achieved by the Company in the future will be the same, in whole or in part, as those included in this prospectus. See "Forward-Looking Statements".

Securities analysts' research or reports could impact the price of the Shares.

The trading market for the Shares will rely on in part on the research and reports that industry or financial analysts publish about the Company or the Company's business. The Company does not currently have and may never obtain research coverage by industry or financial analysts. If no or few analysts commence coverage of the Company, the trading price of the Shares would likely decrease. Even if the Company does obtain analyst coverage, if one or more of the analysts covering the Company's business downgrade their evaluations of the Shares or Share price, the price of the Shares could decline. If one or more of these analysts cease to cover the Shares, the Company could lose visibility in the market for the Shares, which in turn could cause the Share price to decline.

LEGAL MATTERS

The Company is from time to time involved in legal proceedings of a nature considered normal to its business. The Company believes that none of the litigation in which the Company is currently involved, or has been involved since the beginning of the most recently completed financial year, individually or in the aggregate, is material to its consolidated financial condition or results of operations.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as set forth below, none of (i) the Company's directors or executive officers, (ii) the shareholders who beneficially own, control or direct, directly or indirectly, more than 10% of the Company's voting securities, or (iii) any associate or affiliate of the persons referred to in (i) and (ii), has or has had any material interest, direct or indirect, in any transaction within the three years before the date of this prospectus or in any proposed transaction that has materially affected or is reasonably expected to materially affect the Company or any of its subsidiaries.

On April 1, 2016, the Company acquired substantially all of the assets and liabilities of Linear Title & Closing Ltd. (for the purpose of this section, the "**Vendor**") pursuant to an asset purchase agreement between the Company and the Vendor (the "**Linear Acquisition Agreement**").

As part of the purchase price therefor, contingent consideration comprised of earn-out payments are due to the Vendor upon meeting certain performance objectives. For the 12 month period from the close of the acquisition, the Vendor is entitled to further consideration of up to $10 million upon achieving a pre-determined net revenue target and an additional $10 million upon achieving a pre-determined EBITDA target. Failing to achieve either target may reduce the additional consideration to 75% of the maximum amount payable, or $nil should the achievement of the minimum threshold not be met. For the subsequent 12 month period, the Vendor is entitled to additional consideration of up to $5 million upon achieving a pre-determined net revenue target and an additional $5 million upon achieving a pre-determined EBITDA target. Again, failing to achieve the net

revenue and EBITDA targets may reduce the additional consideration to 75% of the maximum amount payable, or $nil should the achievement of the minimum threshold not be met.

Prior to being appointed as executive officers of the Company, Nicholas Liuzza Jr. and John Nathan Chandler were, and continue to be, executive officers and shareholders of the Vendor and, as such, are indirectly entitled to receive a portion of the aforementioned contingent payments.

ENFORCEMENT OF JUDGMENTS AGAINST FOREIGN PERSONS

Frank V. McMahon, one of the Company's directors, and Mort, White and Bushman CPAs, the auditors of Southwest, each reside outside of Canada and have appointed the following agent for service of process:

Name of Person	Name and Address of Agent
Frank V. McMahon	Wildeboer Dellelce Corporate Services Inc.,
Mort, White and Bushman CPAs	Wildeboer Dellelce Place, 365 Bay Street, Suite 800,
	Toronto, Ontario, M5H 2V1

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process. See "Risk Factors" and, in particular, the risk factor relating to difficulty enforcing judgments against non-resident directors of the Company.

RELATIONSHIP BETWEEN REAL MATTERS AND BMO

BMO and its affiliates have provided from time to time, and may provide in the future, commercial banking, investment and financial advisory services to Real Matters and its affiliates in the ordinary course of business for which they have received and may continue to receive customary fees and commissions. In addition, prior to the completion of the Offering, an affiliate of BMO held an approximate 5.5% equity interest in the Company.

As a result of the foregoing relationships, as described herein, Real Matters may be a "connected issuer" of BMO within the meaning of National Instrument 33-105 — *Underwriting Conflicts* for the purposes of applicable Canadian securities legislation.

The decision to distribute the offered equity securities, including the determination of the terms of this Offering, was made through negotiations between Real Matters and the Lead Underwriters. The proceeds of the Offering will not be applied for the benefit of the Lead Underwriters or any "related issuer" (as defined under applicable Canadian securities legislation) of the Lead Underwriters.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The Company's auditor is Deloitte LLP, 22 Adelaide Street West, Suite 200, Toronto, Ontario M5H 0A9.

Southwest's auditor is Mort, White and Bushman CPAs, 1241 Nagel Road, Cincinnati, Ohio 45255.

The transfer agent and registrar for the Shares is TMX Equity Transfer Services at its principal office in Toronto, Ontario.

MATERIAL CONTRACTS

The only material contracts, other than those contracts entered into in the ordinary course of business, which the Company has entered into since the beginning of the last fiscal year before the date of this prospectus, entered into prior to such date but which contract is still in effect, or to which the Company is or will become a party prior to the Closing, are as follows:

- the Underwriting Agreement, which is described in "Plan of Distribution"; and

- the Linear Acquisition Agreement, which is described in "Interests of Management and Others in Material Transactions".

Copies of such agreements will be available under the Company's profile on SEDAR at www.sedar.com.

INTERESTS OF EXPERTS

Certain legal matters relating to the Offering will be passed upon on the Company's behalf by Wildeboer Dellelce LLP and on behalf of the Underwriters by Torys LLP. The partners and associates of Wildeboer Dellelce LLP, collectively, beneficially own, directly and indirectly, less than 1% of the issued and outstanding securities of any class of the Company. The partners and associates of Torys LLP, collectively, beneficially own, directly and indirectly, less than 1% of the issued and outstanding securities of any class of the Company.

The Company has retained Deloitte LLP to be the independent auditor of the Company within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

The Company has retained Mort, White and Bushman CPAs to be the independent auditor of Southwest within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

The Company has retained Deloitte LLP to be the independent auditor of Linear within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces and territories of Canada, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal advisor.

EXEMPTIONS

Pursuant to an application made to the Ontario Securities Commission (the "**OSC**"), as principal regulator, the Company has applied for exemptive relief from Item 32.1(1)(b) of Form 41-101F1 — *Information Required in a Prospectus* ("**Form 41-101F1**") as prescribed under NI 41-101, with respect to certain historical non-material financial information relating to the acquisitions of Southwest, M2M and Linear (collectively, the "**Non-Material Financial Information**"), each of which may be considered to form part of the primary business of the Company pursuant to Item 32.1(1)(b) of Form 41-101F1.

The granting of the exemptions requested will be evidenced by the issuance of a receipt for this prospectus. In its application, the Company made, among others, the following submissions:

- the Non-Material Financial Information individually and in the aggregate is not significant or otherwise material, having regard to the overall size and value of the Company's business and operations. Excluding the Non-Material Financial Information does not alter the Company's key historical financial trends; and
- based on the foregoing, the Company does not believe that the financial statements in respect of which the relief was requested are necessary for this prospectus to contain full, true and plain disclosure of all material facts with respect to the Shares.

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Financial Statements and Accompanying MD&As

This prospectus includes the financial statements and MD&As in respect of certain acquisitions as required by NI 41-101 set out in Item 32 of Form 41-101F1. NI 41-101 requires the Company to furnish three years of financial statements and accompanying MD&As for an issuer's primary business. Each of Kirchmeyer & Associates, Southwest and Linear are considered significant acquisitions and have been determined to constitute the primary business of the Company in this context. The period from the date of acquisition to the date of the Company's most recently issued audited financial statements counts towards the three year filing requirement. In the event that the results of any significant acquisition are not included in the Company's most recent audited financial statements for a period of at least nine months, the Company is required to prepare *pro forma* financial statements reflecting the said significant acquisition as if it was consummated on the first day of the Company's most recently completed fiscal year.

Kirchmeyer & Associates

The financial results of Kirchmeyer & Associates, which the Company acquired in December 2012, are included in the consolidated results of the Company for each of the three years ended September 30, 2016, 2015 and 2014 and three months ended December 31, 2016, presented elsewhere in this prospectus. Accordingly, standalone financial statements and MD&As have not been prepared for Kirchmeyer & Associates.

Southwest

The financial results of Southwest, which the Company acquired in May 2015, are included in the Company's consolidated financial results for the fiscal year ending September 30, 2015 for a period of five months and included in the Company's consolidated results for each of the fiscal year ending September 30, 2016 and three months ending December 31, 2016 for the entire periods. As a result, financial statements for Southwest have been prepared and presented elsewhere in this prospectus for the years ended December 31, 2014, 2013 and 2012, accompanied by an MD&A.

Linear

The financial results of Linear, which the Company acquired in April 2016, are included in the Company's consolidated financial results for the fiscal year ending September 30, 2016 for a period of six months and included in the Company's financial results for the three months ending December 31, 2016 for the entire period. As a result, financial statements for Linear have been supplied for the fifteen month period ended March 31, 2016 and the year ended December 31, 2014, accompanied by an MD&A. However, Linear's financial results have not been included in the Company's most recent audited consolidated financial results for a period of at least nine months. Accordingly, the Company has prepared *pro forma* financial statements for the Company as if the acquisition of Linear occurred on October 1, 2015 presented elsewhere in this prospectus.

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF

REAL MATTERS INC.

for the three months ended December 31, 2016 and 2015

REAL MATTERS INC.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

December 31, 2016 and September 30, 2016
(unaudited — stated in thousands of United States ("U.S.") dollars)

	December 31, 2016	September 30, 2016
ASSETS		
CURRENT		
Cash	**$ 20,189**	$ 26,687
Trade and other receivables	**29,811**	29,212
Prepaid expenses	**1,275**	1,345
	51,275	57,244
NON-CURRENT		
Intangibles	**51,696**	56,518
Goodwill	**56,643**	56,643
Property and equipment	**3,924**	4,032
Investment in equity accounted investees	**7,854**	7,875
Deferred tax assets	**7,844**	8,552
	127,961	133,620
TOTAL ASSETS	**$179,236**	$190,864
LIABILITIES		
CURRENT		
Trade payables	**$ 8,780**	$ 17,634
Accrued charges	**26,229**	26,755
Income taxes payable	**267**	416
Deferred revenues	**12**	19
Current portion of long-term debt	**1,400**	1,400
Finance lease obligations	**392**	424
	37,080	46,648
NON-CURRENT		
Long-term debt	**14,068**	14,391
Leasehold inducements	**136**	121
Warrant liabilities (Note 4)	**16,343**	12,148
Finance lease obligations	**386**	568
Other liabilities (Note 9)	**9,540**	9,450
	40,473	36,678
TOTAL LIABILITIES	**77,553**	83,326
EQUITY		
NON-CONTROLLING INTERESTS	**2,111**	2,086
SHAREHOLDERS' EQUITY		
Common shares	**164,629**	164,629
Contributed surplus	**—**	—
Accumulated deficit	**(55,714)**	(53,379)
Accumulated other comprehensive loss	**(9,343)**	(5,798)
	99,572	105,452
TOTAL EQUITY	**101,683**	107,538
TOTAL LIABILITIES AND EQUITY	**$179,236**	$190,864

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

REAL MATTERS INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE (LOSS) INCOME

For the periods ended December 31, 2016 and 2015
(unaudited — stated in thousands of U.S. dollars except share and net income or loss per share amounts)

	Three months ended December 31,	
	2016	**2015**
REVENUES (Note 10)	**$ 78,894**	$ 44,491
TRANSACTION COSTS	**52,877**	35,223
OPERATING EXPENSES (Note 6)	**20,522**	8,382
ACQUISITION AND INITIAL PUBLIC OFFERING COSTS (Note 6)	**421**	—
AMORTIZATION	**5,198**	1,341
INTEREST EXPENSE	**254**	95
INTEREST INCOME	**—**	(1)
NET FOREIGN EXCHANGE (GAIN) LOSS	**(3,741)**	1
LOSS (GAIN) ON FAIR VALUE OF WARRANTS (Note 9)	**4,505**	(1)
NET INCOME FROM EQUITY ACCOUNTED INVESTEES	**(105)**	—
LOSS BEFORE INCOME TAX EXPENSE (RECOVERY)	**(1,037)**	(549)
INCOME TAX EXPENSE (RECOVERY)		
Current	**617**	97
Deferred	**631**	(421)
TOTAL INCOME TAX EXPENSE (RECOVERY)	**1,248**	(324)
NET LOSS	**(2,285)**	(225)
OTHER COMPREHENSIVE (LOSS) INCOME		
Items that will be reclassified to net income or loss:		
Foreign currency translation adjustment	**(3,545)**	530
COMPREHENSIVE (LOSS) INCOME	**$ (5,830)**	$ 305
NET LOSS — ATTRIBUTABLE TO COMMON SHAREHOLDERS	**$ (2,335)**	$ (225)
NET INCOME — NON-CONTROLLING INTERESTS	**$ 50**	$ —
COMPREHENSIVE (LOSS) INCOME — ATTRIBUTABLE TO COMMON SHAREHOLDERS	**$ (5,880)**	$ 305
COMPREHENSIVE INCOME — NON-CONTROLLING INTERESTS	**$ 50**	$ —
Net loss per weighted average share, basic (Note 5)	**$ (0.02)**	$ (0.00)
Net loss per weighted average share, diluted (Note 5)	**$ (0.02)**	$ (0.00)
Weighted average number of shares outstanding (thousands), basic (Note 5)	**150,256**	127,760
Weighted average number of shares outstanding (thousands), diluted (Note 5)	**165,520**	138,642

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

REAL MATTERS INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

For the periods ended December 31, 2016 and 2015
(unaudited — stated in thousands of U.S. dollars)

	Three months ended December 31,	
	2016	**2015**
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES		
OPERATING		
Net loss	**$ (2,285)**	$ (225)
Items not affecting cash		
Amortization of intangibles	**4,814**	1,189
Amortization of property and equipment	**384**	152
Leasehold inducements	**15**	7
Interest expense	**254**	95
Loss (gain) on fair value of warrants	**4,505**	(1)
Current and deferred income taxes	**1,248**	(324)
Net income from equity accounted investees	**(105)**	—
Changes in non-cash working capital items (Note 7)	**(13,619)**	(2,430)
Interest paid	**(137)**	(72)
Income taxes paid	**(762)**	(231)
Cash utilized in operating activities	**(5,688)**	(1,840)
INVESTING		
Dividends received from equity accounted investees	**126**	—
Purchase of property and equipment	**(292)**	(289)
Intangible asset additions	**—**	(3)
Cash utilized in investing activities	**(166)**	(292)
FINANCING		
Repayment of long-term debt	**(351)**	(200)
Proceeds from finance lease obligations	**68**	8
Repayment of finance lease obligations	**(280)**	(33)
Dividends paid to non-controlling interests	**(25)**	—
Cash utilized in financing activities	**(588)**	(225)
Effect of foreign currency translation on cash	**(56)**	(121)
NET CASH OUTFLOW	**(6,498)**	(2,478)
CASH, BEGINNING OF YEAR	**26,687**	21,936
CASH, END OF PERIOD	**$ 20,189**	$19,458
SUPPLEMENTAL CASH FLOW INFORMATION:		
Property and equipment acquired under finance lease	**$ 68**	$ 8

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

REAL MATTERS INC.

CONDENSED CONSOLIDATED STATEMENTS OF EQUITY

For the periods ended December 31, 2016 and 2015
(unaudited — stated in thousands of U.S. dollars)

	Non-controlling interests	Common shares	Contributed surplus	Accumulated deficit	Accumulated other comprehensive loss	Total equity
Balance at September 30, 2016	**$2,086**	**$164,629**	**$ —**	**$(53,379)**	**$(5,798)**	**$107,538**
Net income (loss)	**50**			**(2,335)**		**(2,285)**
Dividends paid to non-controlling interests	**(25)**					**(25)**
Foreign currency translation adjustment					**(3,545)**	**(3,545)**
Balance at December 31, 2016	**$2,111**	**$164,629**	**$ —**	**$(55,714)**	**$(9,343)**	**$101,683**

	Common shares	Contributed surplus	Accumulated deficit	Accumulated other comprehensive loss	Total equity
Balance at September 30, 2015	$98,871	$ —	$(47,098)	$(3,287)	$48,486
Net loss			(225)		(225)
Foreign currency translation adjustment				530	530
Balance at December 31, 2015	$98,871	$ —	$(47,323)	$(2,757)	$48,791

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

1. Nature of Operations

Real Matters Inc. ("Real Matters" or the "Company") is a leading technology company providing appraisal, title and closing and other ancillary services through its Solidifi, Southwest Financial Services, Linear Title & Closing and iv3 brands to the mortgage lending and insurance industries in the U.S. and Canada.

Real Matters' head office and Canadian operations are located at 50 Minthorn Boulevard, Markham, Ontario and its U.S. subsidiaries operate in Buffalo, New York, Cincinnati, Ohio and Middletown, Rhode Island.

The unaudited interim condensed consolidated financial statements were authorized for issue by the Board of Directors on April 25, 2017.

2. Basis of Presentation and Significant Accounting Policies

The unaudited interim condensed consolidated financial statements ("financial statements") are presented in thousands of U.S. dollars.

Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") under International Accounting Standard ("IAS") 34 "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain information and disclosures normally included in annual financial statements prepared in accordance with IFRS, as issued by the IASB, have been omitted or condensed. These financial statements should be read in conjunction with the annual consolidated financial statements, and notes thereto, for the years ended September 30, 2016, 2015 and 2014.

Use of Estimates and Judgments

The preparation of these financial statements requires management to employ certain accounting estimates and judgments in applying the Company's accounting policies. The areas involving significant estimates and judgments have been set out in Note 2 of the Company's annual consolidated financial statements for the years ended September 30, 2016, 2015 and 2014. There have been no changes in significant estimates and judgments since September 30, 2016.

Summary of Significant Accounting Policies

The significant accounting policies and methodologies applied by the Company in the preparation of these financial statements are the same in their application as the most recent annual consolidated financial statements except as outlined in Note 3.

3. Recent Accounting Pronouncements

Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15 "Revenue from Contracts with Customers" ("IFRS 15"), which replaces IAS 18 "Revenue", IAS 11 "Construction Contracts" and IFRIC 13 "Customer Loyalty Programmes", as well as various other interpretations applicable to revenue. IFRS 15 outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers, except for contracts that are within the scope of the standards on leases, insurance contracts, and financial instruments. The core principle of IFRS 15 requires an entity to recognize revenue in accordance with the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition: identify the contract(s) with a customer; identify the performance obligations in the contract; determine the transaction price; allocate the transaction price to the performance obligations in the contract; and recognize revenue when (or as) the entity satisfies a performance obligation. IFRS 15 also contains enhanced disclosure requirements. This new standard is effective for annual periods beginning on or after January 1, 2018 and will be applied using either a full retrospective approach for all periods presented in the period of adoption or a modified retrospective approach. Early adoption is permitted. The Company is currently evaluating the impact of IFRS 15 on its financial statements.

3. Recent Accounting Pronouncements (Continued)

Property, Plant and Equipment and Intangible Assets

In May 2014, the IASB issued amendments to IAS 16 "Property, Plant and Equipment" ("IAS 16") and IAS 38 "Intangibles Assets" ("IAS 38"). The amendments clarify that a revenue-based approach to calculate depreciation and amortization is generally not appropriate as it does not reflect the consumption of the economic benefits embodied in the underlying asset. Under IAS 38, this presumption can be rebutted in the following two limited circumstances: when the intangible asset is expressed as a measure of revenue; or, when it can be demonstrated that revenue and consumption of economic benefits of the intangible asset are highly correlated. Amendments to IAS 16 and IAS 38 are effective for annual periods beginning on or after January 1, 2016, applied prospectively. This guidance did not have an impact on the Company's financial statements.

Accounting for Acquisitions of Interest in Joint Arrangements

In May 2014, the IASB issued amendments to IFRS 11 "Accounting for Acquisitions of Interest in Joint Arrangements ("IFRS 11"). The amendments to IFRS 11 provide guidance on how to account for the acquisition of a joint operation that constitutes a business as defined in IFRS 3 "Business Combinations" ("IFRS 3"). Specifically, the amendments state that the relevant principles on accounting for business combinations in IFRS 3 and other standards should be applied. The same requirements should be applied to the formation of a joint operation if, and only if, an existing business is contributed to the joint operation by one of the parties that participate in the joint operation. A joint operator is also required to disclose the relevant information required by IFRS 3 and other standards for business combinations. The amendments should be applied prospectively to acquisitions of interests in joint operations (in which the activities of the joint operations constitute businesses as defined in IFRS 3) occurring for annual periods beginning on or after January 1, 2016. This guidance did not have an impact on the Company's financial statements.

Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 "Financial Instruments" ("IFRS 9"). IFRS 9 issued in November 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in October 2010 to include classification and measurement requirements for financial liabilities and de-recognition. In November 2013, follow on amendments included new requirements for general hedge accounting. The final revision to IFRS 9 was issued in July 2014, which included impairment requirements for financial assets and limited amendments to the classification and measurement requirements for certain simple debt instruments. The new standard established a single classification and measurement approach for financial assets that reflects the business model in which they are managed and their cash flow characteristics. It also provides guidance on an entity's own credit risk relating to financial liabilities. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 and permits early adoption. The Company is currently evaluating the impact of IFRS 9 on its financial statements.

Disclosure Initiative

In December 2014, the IASB issued Disclosure Initiative Amendments to IAS 1 as part of the IASB's Disclosure Initiative. These amendments encourage entities to apply professional judgment regarding disclosure and presentation in their financial statements and are effective for annual periods beginning on or after January 1, 2016. The implementation of these amendments did not have a significant impact on the Company's financial statements.

In January 2016, the IASB issued Disclosure Initiative Amendments to IAS 7 "Statement of Cash Flows", which is also part of the IASB's Disclosure Initiative. These amendments require entities to provide additional disclosures to enable financial statement users to evaluate changes in liabilities arising from financing activities, including changes arising from cash flows and non-cash changes. These amendments are effective for annual periods beginning on or after January 1, 2017, with earlier application permitted. The Company is currently assessing the potential impact of these amendments on its financial statements.

Leases

In January 2016, the IASB issued IFRS 16 — "Leases" ("IFRS 16"), which replaces IAS 17 — Leases ("IAS 17") and related interpretations. IFRS 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is 12 months or less or the underlying asset has a low value. IFRS 16 substantially carries forward the lessor accounting in IAS 17 with the distinction between operating leases and finance leases being retained. IFRS 16 will be applied retrospectively for annual periods beginning on or after January 1, 2019. Early adoption of IFRS 16 is permitted if IFRS 15 has also been applied. The Company is currently evaluating the potential impact of IFRS 16 on its financial statements.

3. Recent Accounting Pronouncements (Continued)

Income Taxes

In January 2016, the IASB issued "Recognition of Deferred Tax Assets for Unrealized Losses", an amendment to IAS 12 — "Income Taxes". The amendments address accounting for deferred tax assets for unrealized losses on debt instruments measured at fair value. The amendments are effective for annual periods beginning on or after January 1, 2017, with earlier application permitted. The implementation of these amendments will not have a significant impact on the Company's financial statements.

Share-Based Payment

In June 2016, the IASB issued amendments to IFRS 2 — "Share-based Payment" which clarifies how to account for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, share-based payment transactions with a net settlement feature, and modifications to the terms and conditions that change the classification of the transactions. These amendments are effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The implementation of these amendments will not have a significant impact on the Company's financial statements.

4. Warrant Liabilities

The Company has issued special warrants which are exchangeable for a number of common share purchase warrants. All outstanding warrants are exercisable.

At December 31, 2016, there were 4,811 (September 30, 2016 — 4,811) warrants outstanding, all having an exercise price of $0.69 Canadian dollars ("C$") (September 30, 2016 — C$0.69) per share representing a total liability of $16,343 at December 31, 2016 (September 30, 2016 — $12,148).

The warrants are measured at fair value using the Black-Scholes-Merton option pricing model applying the following assumptions: volatility of 6.41% (September 30, 2016 — 16.2%), a risk-free interest rate of 0.53% (September 30, 2016 — 0.52%), a dividend yield of nil% (September 30, 2016 — nil%) and expected life of 4 months (September 30, 2016 — 7 months).

5. Net Loss per Share

The following table outlines the components used in the calculation of basic and diluted net loss per share attributable to common shareholders:

	Three months ended December 31,	
	2016	**2015**
Net loss	**$ (2,285)**	$ (225)
Net loss attributable to common shareholders	**$ (2,335)**	$ (225)
Weighted average number of shares, basic	**150,256**	127,760
Dilutive effect of stock options and warrants	**15,264**	10,882
Weighted average number of shares, diluted	**165,520**	138,642
Net loss per weighted average share, basic	**$ (0.02)**	$ (0.00)
Net loss per weighted average share, diluted	**$ (0.02)**	$ (0.00)

6. Operating Expenses and Acquisition and Initial Public Offering Costs

	Three months ended December 31,	
	2016	**2015**
Operating expenses:		
Salaries and benefits	**$15,333**	$6,130
Sales and marketing	**365**	231
Travel and entertainment	**527**	253
Office and computer	**2,566**	1,383
Professional fees	**1,129**	197
Other	**602**	188
	$20,522	$8,382

	Three months ended December 31,	
	2016	**2015**
Acquisition and initial public offering costs:		
Acquisitions	**$ 3**	$ —
Initial public offering	**418**	—
	$ 421	$ —

7. Changes in Non-Cash Working Capital Items

The following table outlines changes in non-cash working capital items:

	Three months ended December 31,	
	2016	**2015**
Trade and other receivables	**$ (599)**	$ 1,104
Prepaid expenses	**70**	264
Trade payables	**(8,854)**	(2,919)
Accrued charges	**(526)**	(791)
Deferred revenues	**(7)**	—
Effect of foreign currency translation adjustments and other non-cash changes	**(3,703)**	(88)
	$(13,619)	$(2,430)

8. Stock Based Compensation

The Company has established a stock option plan (the "plan") for directors, officers, contractors and employees. The total number of shares reserved and available for grant and issue pursuant to the plan is authorized by the Board of Directors from time-to-time, subject to compliance with the unanimous shareholders' agreement. The expiry dates for options granted are set forth in the stock option certificate at the time of grant. If no expiry date is specified, the date of expiry is ten years from the date of grant. The exercise price of stock options granted under the plan is determined by the Board of Directors or the compensation committee when granted and may not be less than the fair market value of a Company share at the grant date. Stock options granted under the plan will qualify to vest in accordance with the qualification schedule determined by the Board of Directors or compensation committee as set out in the stock option certificate. A qualified option represents the portion of an option qualified to vest in accordance with the qualification schedule

8. Stock Based Compensation (Continued)

specified in the stock option certificate and includes the portion of options that would otherwise have qualified to vest within twelve months of a vesting event. Qualified stock options will vest and are exercisable on the occurrence of certain vesting events.

Since the vesting events are uncertain as at December 31, 2016, no stock options are expected to vest at this time. Accordingly, the Company has not recognized any stock based compensation expense in the condensed consolidated statement of operations and comprehensive income or loss for the three months ended December 31, 2016 (2015 — $nil).

	Three months ended December 31,			
	2016		2015	
	Number of options	Weighted average exercise price (C$), expressed in dollars	Number of options	Weighted average exercise price (C$), expressed in dollars
Outstanding balance, beginning of year	**12,629**	**$1.23**	11,445	$0.87
Granted, during the period	**464**	**$5.25**	313	$2.50
Forfeited, during the period	**(131)**	**$1.53**	(85)	$1.17
Outstanding balance, end of period	**12,962**	**$1.37**	11,673	$0.92
Options outstanding and exercisable	**—**	**$ —**	—	$ —

The following table summarizes certain information for stock options outstanding as at December 31, 2016:

Exercise price (C$), expressed in dollars	Number of options	Weighted average remaining contractual life, expressed in years	Number of stock options exercisable
$0.05	**1,225**	**0.86**	**—**
$0.17	**665**	**1.33**	**—**
$0.46	**602**	**2.00**	**—**
$0.61	**637**	**2.23**	**—**
$0.85	**1,255**	**2.86**	**—**
$0.92	**1,862**	**5.23**	**—**
$1.10	**292**	**5.98**	**—**
$1.14	**355**	**3.75**	**—**
$1.20	**3,654**	**7.68**	**—**
$2.30	**322**	**8.53**	**—**
$2.50	**457**	**8.88**	**—**
$4.00	**1,172**	**9.49**	**—**
$5.25	**464**	**9.95**	**—**
	12,962	**5.51**	**—**

9. Financial Instruments

The following tables outline the hierarchical measurement categories for the fair value of financial assets and liabilities. As at December 31, 2016 and September 30, 2016, financial assets and liabilities measured on a recurring basis had the following estimated fair values expressed on a gross basis:

	December 31, 2016			
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Warrant liabilities	$ —	$ —	$(16,343)	$(16,343)
Contingent consideration — accrued charges	—	—	(22,500)	(22,500)
Contingent consideration — other liabilities	—	—	(9,540)	(9,540)
	$ —	$ —	$(48,383)	$(48,383)

	September 30, 2016			
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Warrant liabilities	$ —	$ —	$(12,148)	$(12,148)
Contingent consideration — accrued charges	—	—	(22,500)	(22,500)
Contingent consideration — other liabilities	—	—	(9,450)	(9,450)
	$ —	$ —	$(44,098)	$(44,098)

For the three months ended December 31, 2016 and year ended September 30, 2016, there were no transfers between levels or changes to the valuation techniques.

The following table outlines the change in the estimated fair values for recurring Level 3 financial instruments for the three months ended December 31, 2016 and 2015, respectively:

	Three months ended December 31,	
Significant unobservable inputs (Level 3)	**2016**	**2015**
Balance, beginning of year	$(44,098)	$(6,515)
Realized losses included in the statement of operations, during the period	—	—
Unrealized (losses) gains included in the statement of operations, during the period	(4,595)	1
Settlements	—	—
Foreign currency translation adjustment	310	211
Balance, end of period	$(48,383)	$(6,303)

Contingent consideration is principally comprised of earn-out payments due to certain sellers for meeting certain performance conditions. The Company has assessed the amounts payable at full for each earn-out payment, reflecting its assessment of the markets, the economic environment, and other factors that could meaningfully impact the earn-outs. The estimated amount payable in respect of the acquiree's first year performance has not been discounted since the amount payable is current and is included in accrued charges on the Company's condensed consolidated statement of financial position. The estimated amount payable in respect of the acquiree's second year earn-out payments has been discounted at a rate of 3.85% and is recorded to other liabilities on the Company's condensed

9. Financial Instruments (Continued)

consolidated statement of financial position. In addition, the Company is required to reimburse the sellers in the event that the sellers are liable for additional tax owing to the regulatory authorities. For the purpose of determining contingent consideration, the Company estimated the full amount of the contingency as payable to the sellers. The estimated amount payable in respect of additional tax owing to the regulatory authorities has not been discounted since the amount payable is current and is included in accrued charges on the Company's condensed consolidated statement of financial position. The use of differing assumptions could affect fair value.

The fair value of the warrant liabilities is calculated using the Black-Scholes-Merton option pricing model which is subject to considerable judgment and estimate. Accordingly, the fair value estimate is not necessarily indicative of the amount the Company, or a counter-party to the instrument, could realize in a current market exchange. The use of differing assumptions, and/or estimation methods, could affect fair value.

The primary estimates and judgments applied to fair value the warrant liabilities are outlined in the table below, together with a sensitivity analysis of reasonably expected changes in each estimate and the related impact on the fair value of the warrant liabilities.

	December 31, 2016			
	Initial estimate applied	Sensitivity adjustment	Revised estimate	Impact on the fair value of warrant liabilities
Key assumptions used				
Volatility	6.4%	10.0%	16.4%	$ —
Risk free rate	0.5%	1.0%	1.5%	$ 8
Expected life, expressed in months	4	5	9	$ 5

Estimated fair value

The carrying value of cash, trade and other receivables, trade payables and accrued charges approximate their fair values due to the relatively short-term maturities of these instruments.

At December 31, 2016, the estimated fair value of long-term debt approximates its carrying amount as the Company believes that renegotiation of its variable rate long-term debt would result in similar pricing.

10. Segmented Reporting

The Company carries on business through two separate geographic segments: Canada and the U.S. The geographic locations of each operating segment limits the volume and number of transactions between them. The Company reports segment information based on internal reports used by the Chief Operating Decision Maker ("CODM") to make operating and resource decisions and to assess performance. The CODM is the President and Chief Executive Officer.

The Canadian segment's primary offering is residential mortgage appraisals for purchase, refinance and home equity mortgage origination transactions which are provided through its Solidifi brand. Additionally, the Company provides insurance inspection services to property and casualty insurers across Canada through its iv3 brand.

The U.S. segment provides residential mortgage appraisals through the Solidifi and Southwest Financial Services brands. In addition, Southwest serves the home equity search market and Linear serves the title and closing market through residential and commercial real estate title and closing services in directly in 42 states, as well as Puerto Rico and in 8 states through agreements with licensed title providers. Other offerings include abstracting services and providing access to its software platforms to other title insurance agencies for a subscription fee.

The Company excludes corporate costs in the determination of each operating segment's performance. Corporate costs include certain executive and employee costs, legal, accounting, internal audit, treasury, investor relations, human resources, technical and software development resources and other administrative support function costs. Corporate costs also include transaction and related costs and fair value changes in warrant liabilities.

10. Segmented Reporting (Continued)

The accounting policies for each operating segment are the same as those described in the summary of significant accounting policies. The Company evaluates segment performance based on revenues, less transaction costs.

	Three months ended December 31,	
	2016	**2015**
Revenues		
Canada	**$ 7,142**	$ 5,972
U.S.	**71,752**	38,519
	$78,894	$44,491
Revenues net of transaction costs		
Canada	**$ 1,254**	$ 1,071
U.S.	**24,763**	8,197
	$26,017	$ 9,268
Amortization		
Canada	**$ —**	$ —
U.S.	**4,979**	1,086
Corporate	**219**	255
	$ 5,198	$ 1,341
Operating expenses	**$20,522**	$ 8,382
Acquisition and initial public offering costs	**$ 421**	$ —
Interest expense	**$ 254**	$ 95
Interest income	**$ —**	$ (1)
Net foreign exchange (gain) loss	**$ (3,741)**	$ 1
Loss (gain) on fair value of warrants	**$ 4,505**	$ (1)
Net income from equity accounted investees	**$ (105)**	$ —
Loss before income tax expense	**$ (1,037)**	$ (549)

	December 31, 2016			
	Canada	**U.S.**	**Corporate**	**Total**
Intangibles	**$ —**	**$51,433**	**$ 263**	**$51,696**
Goodwill	**$ —**	**$56,643**	**$ —**	**$56,643**
Property and equipment	**$ —**	**$ 3,274**	**$ 650**	**$ 3,924**
Investment in equity accounted investees	**$ —**	**$ 7,854**	**$ —**	**$ 7,854**

	September 30, 2016			
	Canada	**U.S.**	**Corporate**	**Total**
Intangibles	$ —	$56,106	$ 412	$56,518
Goodwill	$ —	$56,643	$ —	$56,643
Property and equipment	$ —	$ 3,370	$ 662	$ 4,032
Investment in equity accounted investees	$ —	$ 7,875	$ —	$ 7,875

10. Segmented Reporting (Continued)

Revenues by service type

	Three months ended December 31,	
	2016	**2015**
Appraisal and ancillary	**$55,898**	$43,582
Title and closing	**21,679**	—
Other	**1,317**	909
	$78,894	$44,491

11. Seasonality

Mortgage origination unit volumes in North America are a key driver of the Company's operations and financial performance. Its transaction-based revenues are impacted by the seasonality of the residential mortgage industry, with increased activity in fiscal third and fourth quarters, representing the three months ending June 30 and September 30, respectively, as home buyers tend to purchase more homes in the spring and summer. Mortgage unit volumes are also impacted by other factors such as interest rate fluctuations, refinancing rates, housing prices, the availability of funds for mortgage loans, credit requirements, regulatory changes, household indebtedness, employment levels and the general health of the North American economy. The results reported in these financial statements should not be regarded as necessarily indicative of results that may be expected for the entire year.

12. Subsequent Events

In April 2017, the Company and two of its joint venture partners had discussions to end their joint venture arrangements. These discussions represent an indication of impairment under IAS 36, Impairment of assets, and accordingly the Company is assessing the recoverable amount of these equity accounted investments which could result in an impairment charge to the condensed consolidated statement of operations and comprehensive loss for the period ended March 31, 2017 equal in amount up to the aggregate carrying value of these investments. The carrying value of these equity accounted investments as at December 31, 2016 was $5,460 on the condensed consolidated statement of financial position.

CONSOLIDATED FINANCIAL STATEMENTS OF

REAL MATTERS INC.

as at September 30, 2016 and September 30, 2015
and for the years ended September 30, 2016, 2015 and 2014

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Real Matters Inc.

We have audited the accompanying consolidated financial statements of Real Matters Inc., which comprise the consolidated statements of financial position as at September 30, 2016 and September 30, 2015, and the consolidated statements of operations and comprehensive loss, consolidated statements of equity and consolidated statements of cash flows for each of the years in the three year period ended September 30, 2016, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Real Matters Inc. as at September 30, 2016 and September 30, 2015, and its financial performance and its cash flows for each of the years in the three year period ended September 30, 2016 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Chartered Professional Accountants
Licensed Public Accountants
January 26, 2017
Toronto, Ontario

REAL MATTERS INC.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

September 30, 2016 and 2015
(stated in thousands of United States ("U.S.") dollars)

	2016	2015
ASSETS		
CURRENT		
Cash	**$ 26,687**	$ 21,936
Trade and other receivables (Note 18)	**29,212**	14,105
Prepaid expenses	**1,345**	1,333
	57,244	37,374
NON-CURRENT		
Intangibles (Note 5)	**56,518**	10,748
Goodwill (Note 6)	**56,643**	22,332
Property and equipment (Note 7)	**4,032**	1,788
Investment in equity accounted investees (Note 8)	**7,875**	—
Deferred tax assets (Note 19)	**8,552**	6,510
	133,620	41,378
TOTAL ASSETS	**$190,864**	$ 78,752
LIABILITIES		
CURRENT		
Trade payables	**$ 17,634**	$ 12,123
Accrued charges (Note 4)	**26,755**	1,481
Income taxes payable	**416**	231
Deferred revenues	**19**	49
Current portion of long-term debt (Note 9)	**1,400**	797
Finance lease obligations (Note 17)	**424**	111
	46,648	14,792
NON-CURRENT		
Long-term debt (Note 9)	**14,391**	8,774
Leasehold inducements	**121**	96
Warrant liabilities (Note 10)	**12,148**	6,514
Finance lease obligations (Note 17)	**568**	90
Other liabilities (Note 4)	**9,450**	—
	36,678	15,474
TOTAL LIABILITIES	**83,326**	30,266
COMMITMENTS AND CONTINGENCIES (Note 17)		
EQUITY		
NON-CONTROLLING INTERESTS	**2,086**	—
SHAREHOLDERS' EQUITY (Note 11)		
Common shares	**164,629**	98,871
Contributed surplus	**—**	—
Accumulated deficit	**(53,379)**	(47,098)
Accumulated other comprehensive loss	**(5,798)**	(3,287)
	105,452	48,486
TOTAL EQUITY	**107,538**	48,486
TOTAL LIABILITIES AND EQUITY	**$190,864**	$ 78,752

Approved by:

Blaine Hobson (signed) — Non-Executive Chairman **Garry M. Foster** (signed) — Audit Committee Chair

The accompanying notes are an integral part of these consolidated financial statements.

REAL MATTERS INC.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

For the years ended September 30, 2016, 2015 and 2014
(stated in thousands of U.S. dollars except share and net income or loss per share amounts)

	2016	2015	2014
REVENUES (Note 21)	**$248,547**	$170,495	$114,589
TRANSACTION COSTS	**180,247**	136,821	92,473
OPERATING EXPENSES (Note 13)	**55,476**	28,412	19,946
ACQUISITION AND INITIAL PUBLIC OFFERING COSTS (Note 13)	**3,005**	391	—
AMORTIZATION	**14,001**	4,165	2,892
INTEREST EXPENSE (Note 9)	**687**	513	698
INTEREST INCOME	**(20)**	(46)	(111)
NET FOREIGN EXCHANGE (GAIN) LOSS	**(2,841)**	2	—
LOSS ON FAIR VALUE OF WARRANTS (Note 18)	**5,437**	5,075	416
NET INCOME FROM EQUITY ACCOUNTED INVESTEES (Note 8)	**(475)**	—	—
LOSS BEFORE INCOME TAX (RECOVERY) EXPENSE	**(6,970)**	(4,838)	(1,725)
INCOME TAX EXPENSE (RECOVERY) (Note 19)			
Current	**529**	642	17
Deferred	**(1,420)**	(377)	(832)
TOTAL INCOME TAX (RECOVERY) EXPENSE	**(891)**	265	(815)
NET LOSS	**(6,079)**	(5,103)	(910)
OTHER COMPREHENSIVE LOSS			
Items that will be reclassified to net income or loss:			
Foreign currency translation adjustment	**(2,511)**	(1,333)	(1,908)
COMPREHENSIVE LOSS	**$ (8,590)**	$ (6,436)	$ (2,818)
NET LOSS — ATTRIBUTABLE TO COMMON SHAREHOLDERS	**$ (6,281)**	$ (5,103)	$ (910)
NET INCOME — NON-CONTROLLING INTERESTS	**$ 202**	$ —	$ —
COMPREHENSIVE LOSS — ATTRIBUTABLE TO COMMON SHAREHOLDERS	**$ (8,792)**	$ (6,436)	$ (2,818)
COMPREHENSIVE INCOME — NON-CONTROLLING INTERESTS	**$ 202**	$ —	$ —
Net loss per weighted average share, basic (Note 12)	**$ (0.05)**	$ (0.04)	$ (0.01)
Net loss per weighted average share, diluted (Note 12)	**$ (0.05)**	$ (0.04)	$ (0.01)
Weighted average number of shares outstanding (thousands), basic (Note 12)	**138,977**	120,184	109,875
Weighted average number of shares outstanding (thousands), diluted (Note 12)	**153,211**	132,304	117,969

The accompanying notes are an integral part of these consolidated financial statements.

REAL MATTERS INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended September 30, 2016, 2015 and 2014
(stated in thousands of U.S. dollars)

	2016	2015	2014
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES			
OPERATING			
Net loss	**$ (6,079)**	$ (5,103)	$ (910)
Items not affecting cash			
Amortization of intangibles	**12,839**	3,612	2,238
Amortization of property and equipment	**1,162**	553	654
Leasehold inducements	**25**	15	6
Interest expense	**687**	513	698
Loss on forward foreign currency exchange agreement	**697**	—	—
Loss on fair value of warrants	**5,437**	5,075	416
Current and deferred income taxes	**(891)**	265	(815)
Net income from equity accounted investees	**(475)**	—	—
Changes in non-cash working capital items (Note 14)	**(8,431)**	3,195	(4,518)
Interest paid	**(431)**	(268)	(569)
Income taxes paid	**(349)**	(480)	636
Cash generated from (utilized in) operating activities	**4,191**	7,377	(2,164)
INVESTING			
Acquisitions (Note 4)	**(46,210)**	(27,423)	—
Dividends received from equity accounted investees	**294**	—	—
Purchase of property and equipment (Note 7)	**(1,472)**	(381)	(498)
Intangible asset additions (Note 5)	**(3)**	(2,017)	(1,413)
Loss on forward foreign currency exchange agreement	**(697)**	—	—
Cash utilized in investing activities	**(48,088)**	(29,821)	(1,911)
FINANCING			
Proceeds from long-term debt	**7,346**	9,942	—
Repayment of long-term debt	**(1,097)**	(2,464)	(4,827)
Proceeds from finance lease obligations	**153**	—	—
Repayment of finance lease obligations	**(100)**	(88)	(110)
Repayment of acquisition liability	**—**	—	(1,036)
Deferred financing costs	**(287)**	(194)	—
Common shares issued, net of issue costs (Note 11)	**43,220**	24,718	24,285
Dividends paid to non-controlling interests	**(404)**	—	—
Cash generated from financing activities	**48,831**	31,914	18,312
Effect of foreign currency translation on cash	**(183)**	(1,957)	(997)
NET CASH INFLOW	**4,751**	7,513	13,240
CASH, BEGINNING OF YEAR	**21,936**	14,423	1,183
CASH, END OF YEAR	**$ 26,687**	$ 21,936	$14,423
SUPPLEMENTAL CASH FLOW INFORMATION:			
Non-cash deemed dividend (Note 11)	**$ —**	$ 10,710	$ —
Property and equipment acquired under finance lease	**$ 157**	$ 147	$ 179

The accompanying notes are an integral part of these consolidated financial statements.

REAL MATTERS INC.

CONSOLIDATED STATEMENTS OF EQUITY

For the years ended September 30, 2016, 2015 and 2014
(stated in thousands of U.S. dollars)

	Non-controlling interests	Common shares	Contributed surplus	Accumulated deficit	Accumulated other comprehensive loss	Total equity
Balance at September 30, 2015	**$ —**	**$ 98,871**	**$ —**	**$(47,098)**	**$(3,287)**	**$ 48,486**
Net income (loss)	**202**			**(6,281)**		**(6,079)**
Dividends paid to non-controlling interests	**(404)**					**(404)**
Common shares issued, net of issue costs and income tax		**43,758**				**43,758**
Common shares issued in connection with acquisitions (Note 4)		**22,000**				**22,000**
Non-controlling interests, acquired	**2,288**					**2,288**
Foreign currency translation adjustment					**(2,511)**	**(2,511)**
Balance at Setpember 30, 2016	**$2,086**	**$164,629**	**$ —**	**$(53,379)**	**$(5,798)**	**$107,538**

	Common shares	Contributed surplus	Accumulated deficit	Accumulated other comprehensive loss	Total equity
Balance at September 30, 2014	$63,426	$ —	$(31,285)	$(1,954)	$30,187
Net loss			(5,103)		(5,103)
Common shares issued, net of issue costs and income tax	24,735				24,735
Increase in legal stated capital (Note 11)	10,710		(10,710)		—
Foreign currency translation adjustment				(1,333)	(1,333)
Balance at September 30, 2015	$98,871	$ —	$(47,098)	$(3,287)	$48,486

	Common shares	Contributed surplus	Accumulated deficit	Accumulated other comprehensive loss	Total equity
Balance at September 30, 2013	$38,775	$ —	$(30,375)	$ (46)	$ 8,354
Net loss			(910)		(910)
Common shares issued, net of issue costs and income tax	24,651				24,651
Foreign currency translation adjustment				(1,908)	(1,908)
Balance at September 30, 2014	$63,426	$ —	$(31,285)	$(1,954)	$30,187

The accompanying notes are an integral part of these consolidated financial statements.

1. Nature of Operations

Real Matters Inc. ("Real Matters" or the "Company") is a leading technology company providing appraisal, title and closing and other ancillary services through its Solidifi, Southwest Financial Services, Linear Title & Closing and iv3 brands to the mortgage lending and insurance industries in the U.S. and Canada.

Real Matters' head office and Canadian operations are located at 50 Minthorn Boulevard, Markham, Ontario and its U.S. subsidiaries operate in Buffalo, New York, Cincinnati, Ohio and Middletown, Rhode Island.

The consolidated financial statements were authorized for issue by the Board of Directors on January 25, 2017.

2. Basis of Presentation and Summary of Significant Accounting Policies

Statement of compliance

The consolidated financial statements ("financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Basis of presentation

The financial statements are presented in thousands of U.S. dollars and have been prepared applying the historical cost method, except for certain financial instruments which are measured at fair value. Historical cost reflects the fair value of consideration exchanged for the asset at the date it is acquired.

Transaction costs

Transaction costs comprise expenses that are directly attributable to a specific revenue transaction including: appraisal costs, various processing fees, including credit card fees, connectivity fees, insurance inspection costs, title and closing agent costs, external abstractor costs and external quality review costs.

The significant accounting policies and methodologies outlined below have been applied consistently throughout the Company and to all periods presented in these financial statements.

Basis of consolidation

These financial statements include the accounts of the Company and subsidiaries controlled by the Company. The Company is deemed to control a subsidiary when it is exposed to, or has the right to, variable returns from its involvement with an investee and it has the ability to direct the activities of the investee that significantly affects the investee's returns through its power over the subsidiary. Where the Company's interest in a subsidiary is less than one hundred percent, the Company recognizes a non-controlling interest in the investee. The results of subsidiaries acquired during the year are consolidated from the date of acquisition. All intercompany transactions, balances, revenues and expenses are eliminated on consolidation.

Subsequent to acquisition, the carrying amount of non-controlling interests is the amount recognized initially, plus the non-controlling interests' share of changes in the capital of the company in addition to changes in ownership interests. Total comprehensive income or loss is attributed to non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The financial statements of controlled entities are included in these financial statements from the date control is effective until control ceases to exist.

Functional and presentation currency

The Company's functional currency is the Canadian dollar. Accordingly, its financial position, results of operations, cash flows and equity are consolidated in Canadian dollars.

The Company translates its U.S. subsidiaries' assets and liabilities to Canadian dollars from their functional currency of U.S. dollars using the exchange rate in effect at the statement of financial position date. Revenues and expenses are translated to Canadian dollars at the average monthly exchange rate in effect during the year. The resulting translation adjustments are included in other comprehensive income or loss.

The Company has elected to report its financial results in U.S. dollars. Accordingly, the Company's consolidated statement of financial position is translated from Canadian to U.S. dollars at the foreign currency exchange rate in effect at the statement of financial position

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

date. Certain transactions affecting shareholders' equity are translated at historical foreign currency exchange rates. The statement of operations and comprehensive income or loss and statement of cash flows are translated to U.S. dollars applying the average foreign currency exchange rate in effect during the reporting period. The resulting translation adjustments are included in other comprehensive income or loss. Reporting the Company's financial results in U.S. dollars reduces the impact of foreign currency fluctuation in its reported amounts because the Company's operations are larger in the U.S. than they are in Canada. The Company remains a legally domiciled Canadian entity and its functional currency is the Canadian dollar. Translating the Company's U.S. financial position, results of operations and cash flows into Canadian dollars, the Company's functional currency, and re-translating these amounts to U.S. dollars, the Company's reporting currency, has no translation impact on the Company's financial statements. Accordingly, U.S. results retain their original values when expressed in the Company's reporting currency.

Monetary assets and liabilities denominated in foreign currencies that are different from the functional currency are translated to the functional currency applying the foreign exchange rate in effect at the statement of financial position date. Realized and unrealized foreign currency differences are recognized in the consolidated statement of operations and comprehensive income or loss.

Cash

Included in cash is $2,295 (2015 — $nil) set aside by the Company to demonstrate that it has sufficient liquidity to carry on business and retain its California county title license.

The Company's residential and commercial real estate title and closing services requires it to hold cash in escrow accounts that it does not have title to. Accordingly, cash held in escrow, escrow receivables and escrow liabilities, are not recorded to assets or liabilities on the Company's consolidated statement of financial position. All cash held in escrow is deposited in non-interest bearing bank accounts.

Intangibles

Intangible assets with finite useful lives are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangibles are tested for impairment when a triggering event occurs. Amortization is recognized on a straight-line basis over the estimated useful life of the intangible asset and recorded to the consolidated statement of operations and comprehensive income or loss. The estimated useful life and amortization method are reviewed at least annually, with any change in estimate recognized prospectively. Estimated useful lives for intangibles having finite lives are as follows:

Internally generated intangible assets	2.5 years
Customer relationships	3 years
Brand names	3 years
Technology	3 years
License	10 years

Internally generated intangible assets are capitalized if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset is expected to make it available for use or sale;
- The Company's intention to complete and use or sell the intangible asset;
- The Company's ability to use or sell the intangible asset;
- How the Company expects the intangible asset will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the intangible asset exists; and
- The Company's ability to reliably measure the expenditures attributable to its development.

The amount recognized as an internally-generated intangible asset represents the sum of expenditures incurred from the date when the intangible asset first meets the recognition criteria listed above to the date the asset is available for use. Where no internally-generated intangible asset is recognized, development expenditures are recognized in the consolidated statement of operations and comprehensive income or loss in the period in which the cost is incurred.

When the asset is available for use, the cost model is applied which requires the asset to be carried at cost less any accumulated amortization and accumulated impairment losses, if any. During the period of development, the asset is tested for impairment at least annually.

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

Internally generated intangible assets consist of computer software costs associated with the internal development and enhancement of the Company's platforms. Costs associated with the maintenance of the Company's platforms are expensed as incurred.

Goodwill

Goodwill represents the excess of consideration over the fair value of the net identifiable assets acquired in a business combination. Goodwill is recorded at cost less accumulated impairment losses, if any. Goodwill is not amortized. Goodwill is allocated to each of the Company's cash-generating units ("CGU" or "CGUs") or group of CGUs that benefit from the acquisition, irrespective of whether other assets or liabilities acquired are assigned to those units. For the purpose of goodwill impairment testing the Company's CGUs correspond to its operating segments as this is the level at which goodwill is monitored.

Goodwill is tested annually for impairment, or more frequently when there is an indication that goodwill may be impaired. If the recoverable amount, representing the higher of its fair value less cost to sell and its value in use, of the CGU is less than its carrying amount, any resulting impairment loss is first allocated to goodwill and subsequently to other assets on a pro rata basis for the CGU. Any goodwill impairment loss is recorded to the consolidated statement of operations and comprehensive income or loss in the period of impairment. Previously recognized impairment losses for goodwill are not reversed in subsequent periods.

On disposal of a CGU or group of CGUs, the portion of goodwill attributable to the CGU is included in the determination of profit or loss recorded on the consolidated statement of operations and comprehensive income or loss.

Goodwill is tested for impairment annually as at September 30.

Property and equipment

Property and equipment is stated at cost less accumulated amortization and accumulated impairment losses, if any. The initial cost includes the purchase price and any expenditures directly attributable to ready the asset for use. Purchased software that is integral to the function of certain equipment is capitalized. When components of property and equipment have different useful lives, those components are accounted for as separate items of property and equipment.

Gains and losses on the disposal of property and equipment are determined by comparing the proceeds on disposal to their carrying amounts and any resulting gain or loss is recognized in the consolidated statement of operations and comprehensive income or loss.

Amortization is recognized using the straight-line method for each component of property and equipment. Capitalized finance lease assets are amortized over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will transfer at the end of the lease term, capitalized financial lease assets are amortized over the lesser of the lease term and their useful lives. The Company reviews the amortization methods, useful lives and residual values at each reporting date. The useful lives of property and equipment is set forth below:

Computer equipment	3 - 5 years
Furniture and fixtures	5 years
Leasehold improvements	Lesser of the remaining term of the lease and their useful life

Investment in equity accounted investees

Investments that the Company has joint control or the ability to exercise significant influence, where significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies, are accounted for using the equity method of accounting.

A joint venture is an arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractual sharing of control in an arrangement, which only exists when decisions about the relevant activities require the unanimous consent of the parties sharing control. To determine whether significant influence or joint control is present, considerations similar to those necessary to determine control over subsidiaries are reviewed.

The equity method of accounting requires the Company to record its initial investment at cost. At the time of initial recognition, if the cost of the associate or joint venture is lower than the proportionate share of the investment's underlying fair value, the Company records a gain on the difference between the cost and the underlying fair value of the investment to the statement of operations and

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

comprehensive income or loss. If the cost of the associate or joint venture is greater than the Company's proportionate share of the underlying fair value, goodwill relating to the associate or joint venture is included in the carrying amount of the investment.

The carrying value of the Company's initial investment is adjusted to include its pro rata share of the investee's post-acquisition earnings which is included in the Company's determination of net income or loss. Investments are reviewed at each reporting period to determine whether there is any objective evidence of impairment. If evidence of impairment exists, the Company compares the carrying amount of the investment to its recoverable amount.

Should the Company lose joint control of a joint venture, the Company re-measures its remaining investment at fair value. Any resulting difference between the carrying amount of its investment in the joint venture and its fair value of the retained investment and any proceeds from disposal is recognized in the consolidated statement of operations and comprehensive income or loss.

The financial statements of the equity accounted investee are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

Leases and leasehold inducements

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. Assets held under finance leases are initially recognized as assets of the Company at fair value or, if lower, at the present value of the future minimum lease payments. The corresponding liability is included in the consolidated statement of financial position as a finance lease obligation. Leases for which the risks and rewards are retained by the lessor are considered operating leases. Operating lease payments recognized as an expense on a straight-line basis over the lease term.

Leasehold inducements represent rent-free periods and rent escalations which are amortized on a straight-line basis over the respective lease terms to rent expense.

Income taxes

Income tax expense or recovery is comprised of current and deferred income tax which is recognized in the consolidated statement of operations and comprehensive income or loss, except for income taxes attributable to a business combination or equity transaction.

Current income tax represents the expected amounts payable or receivable from taxable income or loss generated by the Company in the period. Current income tax is calculated by applying enacted or substantively enacted tax rates, at the reporting date, to taxable income or loss, which may include prior period adjustments to income taxes payable or receivable.

Deferred income tax is recognized applying the liability method, which recognizes the temporary differences between the carrying amounts of assets and liabilities for financial reporting and their equivalent tax amounts. Deferred income tax is not recognized on the initial recording of assets or liabilities for financial reporting purposes that is not a business combination and that affects neither accounting income nor taxable income or loss. Deferred income tax assets and liabilities are measured at the tax rates expected to be in effect when the temporary differences reverse, calculated using tax rates that have been enacted or substantively enacted at the reporting date.

Deferred income tax assets are recognized when there is an expectation that future taxable income will be available to permit the use of the temporary deferred tax asset. Deferred income tax liabilities are not recognized on temporary differences that arise from goodwill that is not deductible for tax purposes.

Deferred income tax assets and liabilities are offset when the entity has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and the liabilities relate to income taxes levied by the same taxation authority on the same taxable entity or different taxable entities which intend to either settle current income tax liabilities on a net basis or realize the assets and settle the liability simultaneously in a future period.

Warrant liabilities

At the time of issuance, warrants are classified as a financial liability or equity instrument in accordance with the substance of the contractual arrangement. Warrants that obligate the Company to deliver a variable number of shares whose value equals a fixed amount or an amount based on changes in an underlying variable, is not an equity instrument, and is classified as a financial liability. Subsequent changes to the conversion option that fixes the number of shares and price of shares issuable, are not considered by the Company when the contractual terms of the warrant do not change and there has been no change in the circumstances of the Company. Warrants classified as liabilities in the consolidated statement of financial position are re-measured at their estimated fair value at each reporting

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

date. Any change to the fair value of the warrants is recognized in the consolidated statement of operations and comprehensive income or loss.

Revenues

The Company recognizes revenue when all of the following criteria have been met:

- Significant risks and rewards of ownership have transferred to the buyer;
- The Company does not retain continuing managerial involvement or effective control over the goods sold;
- The amount can be reliably measured;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The stage of completion for the transaction can be reliably measured; and
- The costs incurred, or to be incurred, in the transaction can be reliably measured.

The Company measures revenue at the fair value of the consideration received or receivable, taking into account any contractually defined terms for volume discounts or refunds. It records payments received in advance of satisfying the revenue recognition criteria as deferred revenues until all criteria are satisfied.

When the Company sells multiple services to the same customer it assesses whether the delivered element is considered a separate transaction that can be recorded separately. However, in certain circumstances, it is necessary to apply the recognition criteria to the separately identifiable components of a single transaction in order to reflect the substance of the transaction. Conversely, the recognition criteria are applied to two or more transactions together when they are linked in such a way that the commercial effect cannot be understood without reference to the series of transactions taken as a whole.

The Company also assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Company records revenue on a gross basis, as a principal to the transaction, unless otherwise indicated below.

Residential Mortgage Appraisals

The Company provides residential mortgage appraisals through its technology-based marketplace platform (the "Platform") and network of qualified independent field agents. Revenue is derived from platform transaction fees earned from mortgage lenders on residential appraisal products such as complete home appraisals, a broker price opinion, property condition reports and desktop appraisals. The Company records revenue in conjunction with the delivery of its appraisal reports to its clients.

Insurance Inspection

The Company provides insurance inspections to property and casualty insurers through its Platform. The Company records revenue in conjunction with the delivery of its report to its customer.

Title and Closing

The Company provides title and closing services to residential and commercial clients which include title search procedures for title insurance policies, escrow and other closing services. Title and closing revenues, which are recorded net of amounts remitted to third-party insurance underwriters, are recorded at the time a home sale transaction or refinancing closes. Recording services are recognized at the time the documents are submitted to the county for recording.

Search Services

The Company provides current owner, tax and commercial title search and property reports to other title insurance companies or property investment companies. Search revenues are recorded at the time the report is delivered to the customer.

Software Services

The Company provides three hosted software solutions. Contracts for these services are generally term based ranging from 1 to 3 years. Set up and implementation fees typically do not meet the criteria as a separate transaction. Accordingly, revenues are deferred and

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

recognized on a straight-line basis over the longer of the term of the contract or the estimated customer life. On-going service fees are recognized as revenue over the service period. Any usage-based fees and minimum transaction fees are recognized monthly over the term.

Business combinations

Business combinations are accounted for applying the acquisition method of accounting, where the fair value of consideration is allocated to the fair value of assets acquired and liabilities assumed at the date of acquisition. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses if it has correctly identified all of the assets acquired and liabilities assumed and reviews the procedures used to measure the amounts recognized at the date of acquisition. If following its reassessment, the Company concludes that the fair value of net assets acquired exceeds the aggregate consideration transferred, the Company will record a gain to the consolidated statement of operations and comprehensive income or loss.

The excess of consideration over the fair value of the identifiable net assets acquired is recorded as goodwill and allocated to CGUs. For each business combination that includes a non-controlling interest, the Company, at its election, measures the non-controlling interest's investment in the acquiree at fair value or at the proportionate share of the acquiree's net identifiable assets acquired.

Any contingent consideration is recognized at fair value on the acquisition date. All contingent consideration (except that which is classified as equity) is measured at fair value with changes in fair value recorded to the statement of operations and comprehensive income or loss. Contingent consideration classified to equity is not re-measured and settlement is accounted for within equity.

The fair value measurement and recognition of net assets acquired may require adjustment when information is absent and fair value allocations are presented on an estimated or preliminary basis. Adjustments to estimated or preliminary amounts, reflecting new information obtained about facts and circumstances that existed at the date of acquisition and occurring not later than one year from the date of acquisition, are recorded in the period the adjustment is determined.

Transaction costs incurred in connection with a business combination, other than costs associated with the issuance of debt or equity securities, are expensed in the statement of operations and comprehensive income or loss.

Provisions

Provisions are recognized when it is probable that the Company is required to settle an obligation (legal or constructive), as a result of a past event, and the obligation can be reliably estimated. The provision represents the Company's best estimate of the amounts required to settle the obligation at the end of the reporting period. When a provision is determined applying a measure of cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the amounts required to settle a provision are expected to be recoverable from a third party, a receivable is recognized when it is virtually certain that reimbursement is receivable and the expected reimbursement can be reliably measured.

Financial instruments

Financial assets and financial liabilities, including derivatives, are recognized in the consolidated statement of financial position when the Company becomes party to the contractual provisions of a financial instrument or non-financial derivative contract.

The Company classifies financial instruments, or its component parts, on initial recognition as a financial liability, a financial asset or an equity instrument in accordance with the substance of the contractual arrangement. A financial instrument is any contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. All financial instruments are measured at fair value on initial recognition and subsequently measured at either fair value or amortized cost using the effective interest method, depending upon their classification. Financial instruments are classified as one of the following: (i) held-to-maturity, (ii) loans and

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

receivables, (iii) fair value through profit or loss ("FVTPL"), (iv) available-for-sale, or (v) other financial liabilities. The Company's financial assets and financial liabilities are classified and measured as follows:

Asset/liability	Classification	Measurement
Cash	Loans and receivables	Amortized cost
Trade and other receivables	Loans and receivables	Amortized cost
Trade payables	Other financial liabilities	Amortized cost
Accrued charges	Other financial liabilities	Amortized cost
Accrued charges (contingent consideration)	Fair value through profit and loss	Fair value
Long-term debt	Other financial liabilities	Amortized cost
Finance lease obligations	Other financial liabilities	Amortized cost
Other liabilities (contingent consideration)	Fair value through profit and loss	Fair value
Warrant liabilities	Fair value through profit and loss	Fair value

The Company offsets financial assets and liabilities and presents them net on the consolidated statements of financial position when the Company has a legal right to offset and intends to settle on a net basis or realize the asset and liability simultaneously.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment, excluding trade and other receivables. Gains and losses are recognized in the consolidated statement of operations and comprehensive income or loss in the period that the asset is derecognized or impaired.

Other financial liabilities

Other financial liabilities are initially recorded at fair value and subsequently measured at amortized cost, using the effective interest method. Gains and losses are recognized in the consolidated statement of operations and comprehensive income or loss in the period that the liability is derecognized.

FVTPL

FVTPL financial assets or financial liabilities are measured at fair value at each reporting date, with changes in fair value recognized in the consolidated statement of operations and comprehensive income or loss. Derivatives are classified as FVTPL unless they are designated as effective hedging instruments.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, other than financial assets and financial liabilities classified as FVTPL, are added to or deducted from the fair value of financial assets or financial liabilities, as appropriate. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities classified as FVTPL are expensed in the statement of operations and comprehensive income or loss.

Costs of issuing debt and equity

The cost of issuing debt is included as part of long-term debt and is accounted for at amortized cost using the effective interest method. The cost of issuing equity is reflected as a direct charge to equity.

Derivative financial instruments

The Company may enter into foreign currency exchange agreements from time-to-time as part of its strategy to manage foreign currency exposure. The Company does not hold or issue derivative financial instruments for trading purposes. Derivatives, including derivatives that are embedded in financial or non-financial contracts that are not closely related to the host contract, are measured at their estimated fair value. Gains or losses on financial instruments measured at their estimated fair values are recognized in the statement of operations and comprehensive income or loss in the periods in which they arise, with the exception of gains and losses on certain financial instruments that are part of a designated hedging relationship.

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

Fair value

Fair value represents the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company classifies its fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making such measurements. IFRS establishes a fair value hierarchy based on the level of independent, objective evidence applied to measure fair value. A financial instrument's categorization within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. An entity is required to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The following three levels of inputs are applied to measure fair value:

- Level 1 — quoted prices in active markets for identical assets or liabilities
- Level 2 — observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted market prices in markets that are not active, or model derived valuations or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3 — unobservable inputs that are supported by little or no market activity

Impairment

Financial assets

A financial asset, other than those classified as FVTPL, is assessed at each reporting date for indicators of impairment. A financial asset is deemed to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risks and all impairment losses are recognized immediately in the consolidated statement of operations and comprehensive income or loss.

Impairments of financial assets recognized in a prior period are re-assessed at the end of each reporting period to determine if the indicators of impairment have reversed or no longer exist. An impairment loss is reversed if the estimated recoverable amount exceeds the asset or asset groups carrying amount. The reversal of an impairment loss may not exceed the carrying amount of the asset or asset group had no impairment loss been recognized. Reversals of impairment losses are recognized immediately in the consolidated statement of operations and comprehensive income or loss.

Non-financial assets

The carrying value of property and equipment and intangibles are reviewed at each reporting period to determine if indicators of impairment are present. If any such indication exists, the asset's recoverable amount is estimated.

For the purpose of impairment testing, the recoverable amount is determined for an individual asset or are grouped together into CGUs, representing the smallest group of assets that generates independent cash inflows. If the carrying amount of the asset or CGU exceeds its recoverable amount, an impairment loss is recognized in the consolidated statement of operations and comprehensive income or loss as a reduction in the carrying amount of the asset to its recoverable amount. The recoverable amount of an asset or CGU is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGUs.

Impairments of non-financial assets recognized in a prior period are re-assessed at the end of each reporting period to determine if the indicators of impairment have reversed or no longer exist. An impairment loss is reversed if the estimated recoverable amount exceeds the asset or CGU's carrying amount. The reversal of an impairment loss may not exceed the carrying amount, net of amortization, of the asset or CGU had no impairment loss been recognized.

Share-based payments

The Company grants equity-settled stock options under its share-based compensation plan. The fair value of stock options at the grant date is estimated using the Black-Scholes-Merton option pricing model, subject to the satisfaction of certain vesting conditions. Uncertain vesting conditions do not result in compensation expense being recognized until they are satisfied or deemed to be probable

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

of satisfaction. Compensation expense is recorded to the statement of operations and comprehensive income or loss over the vesting period based on the estimated number of options expected to vest with a corresponding increase in shareholder's equity. Management's estimate of the number of awards expected to vest occurs at the time of grant and at each reporting date up to the vesting date. The estimated forfeiture rate is adjusted for actual forfeitures in the period.

Net income or loss per share

Basic net income or loss per share is calculated by dividing the net income or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the reporting period. Diluted net income or loss per share is calculated by dividing the net income or loss attributable to common shareholders of the Company by the weighted average number of shares outstanding adjusted for all potentially dilutive equity instruments, comprising stock options and warrants.

Operating segments

An operating segment is a component of the Company that engages in business activities. An operating segment may earn revenues and incur expenses, including revenues and expenses incurred by virtue of activities with any of the Company's other operations. An operating segment has discrete financial information available which is regularly reviewed by the Company's Chief Operating Decision Maker ("CODM") to assess performance or make resource allocation decisions.

Significant judgments, estimates and assumptions

The preparation of these financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at least annually or more frequently as required. Revisions to accounting estimates are recognized in the period of revision, which may impact future reporting periods. Areas that are subject to judgment and estimate include revenue recognition, the identification of cash generating units, impairment of goodwill and non-financial assets, the determination of fair values in connection with business combinations, internally generated intangible assets, the determination of fair value for warrants and financial instruments, share-based payments, the useful lives of property and equipment and intangible assets, the likelihood of realizing deferred income tax assets, provisions and contingencies.

Critical accounting judgments and estimates

Management believes the following accounting policies are subject to the most critical judgments and estimates and could have the most significant impact on the amounts recognized in the financial statements.

(a) Revenue recognition

Transactions which contain separately identifiable components must be recognized at the fair value of consideration received or receivable to reflect the substance of the transaction. The Company is required to make judgments about the fair value of each component, including its allocation to each separately identified component, by considering the following: its overall pricing objectives, the market in which the transaction occurs, the uniqueness of each component, the work performed, the size of the transaction and any historical sales and contract prices.

The Company uses judgment in its assessment of whether it is acting as an agent or principal in a transaction. When the Company does not have exposure to the significant risks and rewards associated with the sale of goods or the rendering of services it is acting as an agent in the transaction. The Company is acting as a principal when it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services. The Company considers these factors, amongst others, in its assessment.

(b) Identification of CGUs

The Company has allocated its tangible assets, intangible assets and goodwill to the smallest identifiable group of assets that generate cash inflows and that are largely independent of the cash inflows from other assets. The determination of CGUs or groups of CGUs for the purpose of annual impairment testing requires judgment.

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

(c) Impairment of goodwill and non-financial assets

Goodwill is tested for impairment annually or more frequently if there is an indication of impairment. The carrying value of property and equipment and intangible assets is reviewed each reporting period to determine whether indications of impairment exist. The recoverable amounts attributed to CGUs reflect the higher of fair value less cost to sell or value in use. The Company's determination of a CGU's recoverable amount, which could include an estimate of fair value less cost to sell, uses market information to estimate the amount the Company could obtain from disposing of the asset in an arm's length transaction, less the estimated cost of disposal. The Company estimates value in use by discounting estimated future cash flows from the CGU or asset to its present value using a pre-tax discount rate reflecting a current market assessment of the time value of money and certain risks specific to the asset. Estimated cash flows are based on management's assumptions and business plans which are supported by internal strategies, plans and external information.

The estimate of the recoverable amount for an asset or CGU requires significant estimates such as future cash flows and growth, terminal growth and discount rates.

(d) Business combinations

Applying the acquisition method to business combinations requires an entity to measure each identifiable asset and liability at fair value. The excess, if any, of the fair value of the consideration over the fair value of the net identifiable assets acquired is recognized as goodwill. The purchase price allocation involves judgment with respect to the identification of intangible assets acquired and estimates of fair value for assets acquired and liabilities assumed, including pre-acquisition contingencies and contingent consideration. Changes in any of the assumptions or estimates used to determine the fair value of acquired assets and liabilities assumed, including pre-acquisition contingencies or contingent consideration, could affect the amounts assigned to assets, liabilities and goodwill in the purchase price allocation.

The Company makes estimates, assumptions, and judgments when valuing goodwill and other intangible assets in connection with the initial purchase price allocation of an acquired entity, in addition to evaluating the recoverability of goodwill and other intangible assets on an ongoing basis. These estimates are based upon a number of factors, including historical experience, market conditions, and information obtained from the management of acquired companies. Critical estimates in valuing certain intangible assets include, but are not limited to, historical and projected attrition rates, discount rates, anticipated revenue growth from acquired customers, acquired technology, and the expected use of the acquired assets. These factors are also considered in determining the useful life of acquired intangible assets. The amounts and useful lives assigned to identified intangible assets also impacts the amount and timing of future amortization expense.

Unanticipated events and circumstances may affect the accuracy or validity of such assumptions, estimates or actual results.

(e) Internally generated intangible assets

Initial capitalization of costs is based on management's judgment that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the useful life of the internally generated intangible asset, management makes assumptions regarding the expected period of benefits. The amounts and useful lives assigned to internally generated intangible assets impacts the amount and timing of future amortization expense. The Company also makes judgments with regards to the point in time in which an internally generated intangible asset may not be viable and the related costs are written-off.

(f) Fair value of warrant liabilities

The Company uses the Black-Scholes-Merton option pricing model to estimate the fair value of warrant liabilities, which requires the use of several input variables. The inputs to the model are subject to estimate and changes in these inputs can materially affect the estimated fair value of warrant liabilities. The fair value reported may not represent the transaction value if these warrants were exchanged at any point in time.

(g) Share-based payments

The Company uses the Black-Scholes-Merton option pricing model to estimate the fair value of stock based compensation which requires the use of several input variables. The inputs to the model are subject to estimate and changes in these inputs can

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

materially affect the estimated fair value of stock based compensation. The fair value reported may not represent the transaction value if these options were exercised.

(h) Amortization of property and equipment and intangible assets

Judgment is applied to determine an asset's useful life, and where applicable, salvage value, used in the computation of amortization. Accordingly, an assets actual useful life and salvage value may differ significantly from these estimates.

Where an item of property and equipment can be subdivided into its major components, and these components are assessed as having different useful lives, the components are accounted for as separate items of property and equipment. The application of this policy requires judgment in the determination of each significant identifiable component.

(i) Valuation of deferred income tax assets

The Company assesses its ability to generate taxable income in future periods from its internal budgets and forecasts. Taxable income is adjusted to reflect certain non-taxable income and expense or the use of unused credits and tax losses. The Company's estimate of taxable income generated in the future, for the purposes of determining the existence of a deferred tax asset, depends on many factors, including the Company's ability to generate income subject to tax and other substantive evidence. The occurrence or non-occurrence of certain future events may lead to significant changes in the measurement of deferred tax assets.

(j) Provisions

Due to the uncertain nature of provisions, there is a degree of uncertainty inherent in their measurement. Management uses its best estimate to provide for potential losses. Assumptions used reflect the most probable set of economic conditions and planned courses of action by the Company.

(k) Other

Other areas where the Company employs judgment and estimate include, the determination of its allowance for doubtful accounts, financial instruments, its control assessment of subsidiaries and contingencies related to litigation, claims and assessments.

3. Recent Accounting Pronouncements

Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15 "Revenue from Contracts with Customers" ("IFRS 15"), which replaces IAS 18 "Revenue", IAS 11 "Construction Contracts" and IFRIC 13 "Customer Loyalty Programmes", as well as various other interpretations applicable to revenue. IFRS 15 outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers, except for contracts that are within the scope of the standards on leases, insurance contracts, and financial instruments. The core principle of IFRS 15 requires an entity to recognize revenue in accordance with the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition: identify the contract(s) with a customer; identify the performance obligations in the contract; determine the transaction price; allocate the transaction price to the performance obligations in the contract; and recognize revenue when (or as) the entity satisfies a performance obligation. IFRS 15 also contains enhanced disclosure requirements. This new standard is effective for annual periods beginning on or after January 1, 2018 and will be applied using either a full retrospective approach for all periods presented in the period of adoption or a modified retrospective approach. Early adoption is permitted. The Company is currently evaluating the impact of IFRS 15 on its financial statements.

Property, Plant and Equipment and Intangible Assets

In May 2014, the IASB issued amendments to IAS 16 "Property, Plant and Equipment" ("IAS 16") and IAS 38 "Intangibles Assets" ("IAS 38"). The amendments clarify that a revenue-based approach to calculate depreciation and amortization is generally not appropriate as it does not reflect the consumption of the economic benefits embodied in the underlying asset. Under IAS 38, this presumption can be rebutted in the following two limited circumstances: when the intangible asset is expressed as a measure of revenue; or, when it can be demonstrated that revenue and consumption of economic benefits of the intangible asset are highly correlated. Amendments to IAS 16 and IAS 38 are effective for annual periods beginning on or after January 1, 2016, applied prospectively. The Company does not expect these changes to have a significant impact on its financial statements.

3. Recent Accounting Pronouncements (Continued)

Accounting for Acquisitions of Interest in Joint Arrangements

In May 2014, the IASB issued amendments to IFRS 11 "Accounting for Acquisitions of Interest in Joint Arrangements ("IFRS 11"). The amendments to IFRS 11 provide guidance on how to account for the acquisition of a joint operation that constitutes a business as defined in IFRS 3 "Business Combinations" ("IFRS 3"). Specifically, the amendments state that the relevant principles on accounting for business combinations in IFRS 3 and other standards should be applied. The same requirements should be applied to the formation of a joint operation if, and only if, an existing business is contributed to the joint operation by one of the parties that participate in the joint operation. A joint operator is also required to disclose the relevant information required by IFRS 3 and other standards for business combinations. The amendments should be applied prospectively to acquisitions of interests in joint operations (in which the activities of the joint operations constitute businesses as defined in IFRS 3) occurring for annual periods beginning on or after January 1, 2016. The Company anticipates the application of these amendments to IFRS 11 may impact the Company's financial statements in future periods should such a transaction arise.

Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 "Financial Instruments" ("IFRS 9"). IFRS 9 issued in November 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in October 2010 to include classification and measurement requirements for financial liabilities and de-recognition. In November 2013, follow on amendments included new requirements for general hedge accounting. The final revision to IFRS 9 was issued in July 2014, which included impairment requirements for financial assets and limited amendments to the classification and measurement requirements for certain simple debt instruments. The new standard established a single classification and measurement approach for financial assets that reflects the business model in which they are managed and their cash flow characteristics. It also provides guidance on an entity's own credit risk relating to financial liabilities. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 and permits early adoption. The Company is currently evaluating the impact of IFRS 9 on its financial statements.

Disclosure Initiative

In December 2014, the IASB issued Disclosure Initiative Amendments to IAS 1 as part of the IASB's Disclosure Initiative. These amendments encourage entities to apply professional judgment regarding disclosure and presentation in their financial statements and are effective for annual periods beginning on or after January 1, 2016. The implementation of these amendments will not have a significant impact on the financial statements of the Company.

In January 2016, the IASB issued Disclosure Initiative Amendments to IAS 7 "Statement of Cash Flows", which is also part of the IASB's Disclosure Initiative. These amendments require entities to provide additional disclosures to enable financial statement users to evaluate changes in liabilities arising from financing activities, including changes arising from cash flows and non-cash changes. These amendments are effective for annual periods beginning on or after January 1, 2017, with earlier application permitted. The Company is currently assessing the potential impact of these amendments on its financial statements.

Leases

In January 2016, the IASB issued IFRS 16 — "Leases" ("IFRS 16"), which replaces IAS 17 — Leases ("IAS 17") and related interpretations. IFRS 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is 12 months or less or the underlying asset has a low value. IFRS 16 substantially carries forward the lessor accounting in IAS 17 with the distinction between operating leases and finance leases being retained. IFRS 16 will be applied retrospectively for annual periods beginning on or after January 1, 2019. Early adoption of IFRS 16 is permitted if IFRS 15 has also been applied. The Company is currently evaluating the potential impact of IFRS 16 on its financial statements.

Income Taxes

In January 2016, the IASB issued "Recognition of Deferred Tax Assets for Unrealized Losses", an amendment to IAS 12 — "Income Taxes". The amendments address accounting for deferred tax assets for unrealized losses on debt instruments measured at fair value. The amendments are effective for annual periods beginning on or after January 1, 2017, with earlier application permitted. The implementation of these amendments will not have a significant impact on the financial statements of the Company.

3. Recent Accounting Pronouncements (Continued)

Share-Based Payment

In June 2016, the IASB issued amendments to IFRS 2 — "Share-based Payment" which clarifies how to account for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, share-based payment transactions with a net settlement feature, and modifications to the terms and conditions that change the classification of the transactions. These amendments are effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The implementation of these amendments will not have a significant impact on the financial statements of the Company.

4. Acquisitions

Linear Title & Closing Ltd.

On April 1, 2016, the Company acquired substantially all of the assets and liabilities of Linear Title & Closing Ltd. ("Linear"). Linear provides residential and commercial real estate title and closing services in the U.S. to lenders for refinance, purchase, and real estate owned transactions. The Company is licensed or authorized to provide these services in 42 states, as well as Puerto Rico. In eight states, the Company offers title and closing solutions through agreements with licensed title providers. The Company also derives revenue from its abstracting services which are offered nationally to clients in the real estate industry and provides access to its various software platforms to other title agencies for a subscription fee.

The Company completed the acquisition of Linear with the objective of leveraging its strong customer relationships, established in the appraisal services market, in the title and closing market. The Company expects to further leverage its network strategy.

The acquisition of Linear qualified as a business and was accounted for using the acquisition method of accounting. Accordingly, the results of the acquisition have been included in the financial statements of the Company from the date of closing.

Consideration and the preliminary fair value allocation to net assets acquired is as follows:

	2016
Consideration	
Cash	$44,165
Common shares	22,000
Contingent consideration	31,772
	$97,937
Net assets acquired	
Cash	$ 2,295
Trade and other receivables (net of $706 for amounts not expected to be collected)	5,155
Prepaid expenses	214
Intangibles (Note 5)	55,920
Goodwill (Note 6)	33,011
Property and equipment (Note 7)	1,700
Investment in equity accounted investees	7,694
Trade payables	(4,687)
Accrued charges	(341)
Finance lease obligations	(736)
Non-controlling interests (measured at fair value)	(2,288)
Total net assets acquired	$97,937

Goodwill has been allocated to the Company's U.S. segment. Goodwill amounting to $33,011 is deductible for tax purposes. Goodwill arising on the acquisition reflects the benefits attributable to synergies, revenue growth, future market development and the estimated fair value of an assembled workforce. These benefits are not recognized separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

Contingent consideration comprises earn-out payments due to the seller for meeting certain performance conditions. For the twelve month period from the close of the transaction, the seller is entitled to additional consideration of up to $10,000 for achieving a pre-established net revenue target and up to an additional $10,000 for achieving a pre-established EBITDA target (as defined in the

4. Acquisitions (Continued)

purchase and sale agreement). Failing to achieve either target may reduce the additional consideration to 75% of the maximum amount payable, or $nil should the achievement of the minimum threshold not be met. The Company has assessed the amounts payable at full for each earn-out payment, reflecting its assessment of the markets, the economic environment, and other factors that could meaningfully impact the earn-outs. The estimated amount payable in respect of the acquiree's first year performance has not been discounted since the amount payable is current and is included in accrued charges on the Company's consolidated statement of financial position at September 30, 2016. For the subsequent twelve month period, the seller is entitled to additional consideration of up to $5,000 for achieving a pre-established net revenue target and up to an additional $5,000 for achieving a pre-established EBITDA target. Failing to achieve either target may reduce the additional consideration to 75% of the maximum amount payable, or $nil should the achievement of the minimum threshold not be met. The Company has assessed the amounts payable at full for each earn-out payment, for the same reasons outlined above. The estimated amount payable in respect of the acquiree's second year earn-out payments has been discounted at a rate of 3.85% and is recorded as other liabilities on the Company's consolidated statement of financial position at September 30, 2016.

In addition, the Company is required to reimburse the seller up to $2,500 in the event that the seller is liable for additional tax owing to the regulatory authorities. At this time, an assessment of the additional tax owing remains incomplete. For the purpose of determining contingent consideration, the Company estimated the full amount of the contingency as payable to the sellers.

The Company's estimate of contingent consideration is subject to change which may be significant.

The Company has not completed its assessment and valuation of certain assets acquired and liabilities assumed. Accordingly, the information presented above has been completed on a provisional basis and is therefore subject to change.

Since the acquisition closed, Linear has contributed revenues of $37,232 and net loss of $255 to the Company's results of operations for 2016.

The following unaudited pro forma results of operations assume Linear was acquired by the Company on October 1, 2015:

	2016
	(unaudited)
Revenues	$276,490
Net loss	$ (9,340)
Net loss attributable to common shareholders	$ (9,542)
Net loss per weighted average share, basic	$ (0.06)
Net loss per weighted average share, diluted	$ (0.06)

The pro forma results of operations are not intended to reflect the results that would have actually occurred had the acquisition closed on October 1, 2015. Further, the pro forma results of operations are not necessarily indicative of the results that may be generated by the Company in the future, or reflect future events that may occur following the acquisition in a subsequent period or periods.

The net cash outflow related to the acquisition of Linear was:

Consideration paid in cash	$44,165
Less: cash balances acquired	2,295
	$41,870

Other Acquisition

On January 4, 2016, the Company acquired a business, comprising certain assets and liabilities of the Mark to Market ("M2M") business, from Mortgage Specialists International LLC. M2M arranges or facilitates valuation services, including appraisals and broker price opinions ("BPOs").

Management acquired M2M to diversify its product offerings to include BPOs. In addition, management intends to cross-sell services amongst and between customers in its existing and newly acquired business.

The acquisition of M2M qualified as a business and was accounted for using the acquisition method of accounting. Accordingly, the results of the acquisition have been included in the financial statements of the Company from the date of closing.

4. Acquisitions (Continued)

Consideration and the final fair value allocation to net assets acquired, is as follows:

	2016
Consideration	
Cash	**$4,340**
Net assets acquired	
Trade and other receivables	**612**
Intangibles (Note 5)	**2,673**
Goodwill (Note 6)	**1,300**
Property and equipment (Note 7)	**128**
Trade payables	**(373)**
Total net assets acquired	**$4,340**

Goodwill has been allocated to the Company's U.S. segment. Goodwill amounting to $1,300 is deductible for tax purposes. Goodwill arising on the acquisition reflects the benefits attributable to synergies, revenue growth and future market development. These benefits are not recognized separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

Southwest Financial Services Ltd.

On May 1, 2015, a wholly owned subsidiary of the Company, Solidifi U.S. Inc., acquired all of the outstanding membership units of an appraisal management company, Southwest Financial Services Ltd. ("Southwest"), located in Cincinnati, Ohio, for total consideration of $27,941.

The acquisition further strengthened Real Matters' product offering by providing a more complete suite of solutions including seamless and efficient title, valuation and flood determination services for its U.S. customers.

The acquisition of Southwest qualified as a business and was accounted for using the acquisition method of accounting. Accordingly, the results of the acquisition have been included in the financial statements of the Company from the date of closing.

Consideration and the final fair value allocation to net assets acquired, was as follows:

	2015
Consideration	
Cash	$27,941
Net assets acquired	
Cash	518
Trade and other receivables	5,333
Prepaid expenses	130
Intangibles (Note 5)	9,161
Goodwill (Note 6)	14,730
Property and equipment (Note 7)	701
Trade payables	(422)
Accrued charges	(2,210)
Total net assets acquired	$27,941

Goodwill has been allocated to the Company's U.S. segment. Goodwill amounting to $14,730 is deductible for tax purposes. Goodwill arising on the acquisition reflects the benefits attributable to synergies, revenue growth, future market development and the estimated fair value of an assembled workforce. These benefits are not recognized separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

Since the acquisition closed, Southwest contributed revenues of $19,100 and net income of $1,790 for the year ending September 30, 2015.

4. Acquisitions (Continued)

The following unaudited pro forma results of operations assume Southwest was acquired by the Company on October 1, 2014:

	2015
	(unaudited)
Revenues	$195,294
Net loss	$ (2,442)
Net loss per weighted average share, basic	$ (0.02)
Net loss per weighted average share, diluted	$ (0.02)

The pro forma results of operations are not intended to reflect the results that would have actually occurred had the acquisition closed on October 1, 2014. Further, the pro forma results of operations are not necessarily indicative of the results that may be generated by the Company in the future, or reflect future events that may occur following the acquisition in a subsequent period or periods.

The net cash outflow related to the acquisition of Southwest was:

Consideration paid in cash	$27,941
Less: cash balances acquired	518
	$27,423

Acquisition expenses

Transaction costs for acquisitions are included in acquisition and initial public offering costs and amounted to $2,202, $204 and $364 for the Linear, M2M and Southwest acquisitions, respectively.

2014

There were no acquisitions for the year ended September 30, 2014.

5. Intangibles

	2016					
	Internally generated intangible assets	**Customer relationships**	**Brand name**	**Technology**	**Licenses**	**Total**
Cost						
Balance, beginning of year	**$8,198**	**$17,013**	**$ 812**	**$1,295**	**$ —**	**$27,318**
Additions	**—**	**3**	**—**	**—**	**—**	**3**
Additions, acquisitions (Note 4)	**—**	**38,843**	**1,485**	**4,425**	**13,840**	**58,593**
Foreign currency translation adjustment	**173**	**125**	**—**	**—**	**—**	**298**
Balance, end of year	**$8,371**	**$55,984**	**$2,297**	**$5,720**	**$13,840**	**$86,212**
Accumulated amortization						
Balance, beginning of year	**$6,893**	**$ 9,276**	**$ 223**	**$ 178**	**$ —**	**$16,570**
Amortization	**909**	**9,631**	**495**	**1,230**	**574**	**12,839**
Other movements	**—**	**—**	**—**	**3**	**—**	**3**
Foreign currency translation adjustment	**157**	**125**	**—**	**—**	**—**	**282**
Balance, end of year	**$7,959**	**$19,032**	**$ 718**	**$1,411**	**$ 574**	**$29,694**
Net carrying value, end of year	**$ 412**	**$36,952**	**$1,579**	**$4,309**	**$13,266**	**$56,518**

5. Intangibles (Continued)

	2015					
	Internally generated intangible assets	**Customer relationships**	**Brand name**	**Technology**	**Licenses**	**Total**
Cost						
Balance, beginning of year	$ 8,729	$ 9,958	$137	$ —	$ —	$18,824
Additions	991	1,026	—	—	—	2,017
Additions, acquisitions (Note 4)	—	7,191	675	1,295	—	9,161
Foreign currency translation adjustment	(1,522)	(1,162)	—	—	—	(2,684)
Balance, end of year	$ 8,198	$17,013	$812	$1,295	$ —	$27,318
Accumulated amortization						
Balance, beginning of year	$ 6,761	$ 8,579	$ 80	$ —	$ —	$15,420
Amortization	1,436	1,855	143	178	—	3,612
Foreign currency translation adjustment	(1,304)	(1,158)	—	—	—	(2,462)
Balance, end of year	$ 6,893	$ 9,276	$223	$ 178	$ —	$16,570
Net carrying value, end of year	$ 1,305	$ 7,737	$589	$1,117	$ —	$10,748

6. Goodwill

	2016	**2015**
Cost		
Balance, beginning of year	**$22,332**	$ 7,602
Acquisitions (Note 4)	**34,311**	14,730
Balance, end of year	**$56,643**	$22,332
Accumulated impairment		
Balance, beginning of year	**$ —**	$ —
Balance, end of year	**$ —**	$ —
Net carrying value, end of year	**$56,643**	$22,332

The carrying value of the Company's goodwill as at September 30, 2016 and 2015 has been fully allocated to its U.S. segment.

Impairment testing

The value in use for each CGU group is determined by discounting three-year cash flow projections from financial forecasts developed by senior management. Projections reflect past experience and future expectations of operating performance. Cash flows beyond the three-year period are extrapolated using perpetuity growth rates. None of the perpetuity growth rates exceed the long-term historical growth rates for the markets in which the Company operates. The discount rates applied to the cash flow projections are derived from the weighted average cost of capital for each group of CGUs.

The following table outlines the key assumptions used to estimate the recoverable amounts of each CGU group:

	2016	**2015**
	U.S. Segment	
Key assumptions used		
Pre-tax discount rate	**24.2%**	21.7%
Perpetuity growth rate	**2.5%**	5.0%

6. Goodwill (Continued)

Management believes that any reasonably possible change in the key assumptions would not cause the carrying amounts of the CGU group to exceed its recoverable amount.

7. Property and Equipment

	2016			
	Computer equipment	**Furniture and fixtures**	**Leasehold improvements**	**Total**
Cost				
Balance, beginning of year	**$1,120**	**$ 600**	**$1,421**	**$3,141**
Additions	**504**	**589**	**379**	**1,472**
Additions, acquisitions (Note 4)	**1,075**	**323**	**430**	**1,828**
Disposals	**(411)**	**(80)**	**—**	**(491)**
Foreign currency translation adjustment	**96**	**24**	**5**	**125**
Balance, end of year	**$2,384**	**$1,456**	**$2,235**	**$6,075**
Accumulated amortization				
Balance, beginning of year	**$ 486**	**$ 240**	**$ 627**	**$1,353**
Amortization	**728**	**266**	**168**	**1,162**
Disposals	**(411)**	**(80)**	**—**	**(491)**
Foreign currency translation adjustment	**5**	**3**	**11**	**19**
Balance, end of year	**$ 808**	**$ 429**	**$ 806**	**$2,043**
Net carrying value, end of year	**$1,576**	**$1,027**	**$1,429**	**$4,032**

	2015			
	Computer equipment	**Furniture and fixtures**	**Leasehold improvements**	**Total**
Cost				
Balance, beginning of year	$1,028	$ 579	$1,331	$2,938
Additions	376	5	—	381
Additions, acquisitions (Note 4)	173	136	392	701
Disposals	(334)	—	—	(334)
Foreign currency translation adjustment	(123)	(120)	(302)	(545)
Balance, end of year	$1,120	$ 600	$1,421	$3,141
Accumulated amortization				
Balance, beginning of year	$ 523	$ 131	$ 591	$1,245
Amortization	307	115	131	553
Disposals	(334)	—	—	(334)
Foreign currency translation adjustment	(10)	(6)	(95)	(111)
Balance, end of year	$ 486	$ 240	$ 627	$1,353
Net carrying value, end of year	$ 634	$ 360	$ 794	$1,788

At September 30, 2016, total assets under finance leases totaled $220 (2015 — $201). There were no impairment write-downs or any reversals of previous write-downs in the years presented.

8. Investment in Equity Accounted Investees

Details of the Company's equity accounted investees ("joint ventures") are as follows:

Name of entity	Place of incorporation	Ownership interest 2016	Ownership interest 2015
Keylink National Title, LLC	Rhode Island, U.S.	**51%**	—
Linear Title & Settlement Services, LLC	Rhode Island, U.S.	**49%**	—
Performance Lender Solutions, LLC	Delaware, U.S.	**50%**	—

The Company does not control Keylink National Title, LLC, since decisions regarding all significant activities are made jointly through unanimous approval of the joint venture partners or the Board of Directors. Accordingly, the Company has concluded that it has joint control.

The investment in equity accounted investees are accounted for applying the equity method of accounting and each had the following carrying values:

	2016	2015
Keylink National Title, LLC	**$ 413**	$ —
Linear Title & Settlement Services, LLC	**2,312**	—
Performance Lender Solutions, LLC	**5,150**	—
	$7,875	$ —

Outlined below is summarized aggregate financial information for the Company's joint ventures extracted from the joint venture's financial statements prepared in accordance with IFRS.

Summarized statement of operations and other comprehensive income or loss:

	2016	2015
Revenues	**$3,386**	$ —
Net income	**$ 958**	$ —
Other comprehensive income	**$ —**	$ —
Total comprehensive income	**$ 958**	$ —

The Company provides services to, and purchases services from, its equity accounted investees. Transactions during the year are as follows:

	2016	2015
Services sold	**$711**	$ —
Services purchased	**$652**	$ —

The following balances were outstanding at the end of the year between the Company and its equity accounted investees:

	2016	2015
Amounts owed by equity accounted investees	**$825**	$ —
Amounts owed to equity accounted investees	**$844**	$ —

9. Long-Term Debt

	2016	2015
Senior term facilities	**$16,196**	$9,764
Revolving credit facility	**—**	—
Subordinated debt	**—**	—
	$16,196	$9,764
Deferred financing costs	**$ (484)**	$ (193)
Less: accumulated amortization	**79**	—
	$ (405)	$ (193)
Total	**$15,791**	$9,571
Less: current portion of long-term debt	**1,400**	797
	$14,391	$8,774

Senior term facilities (the "facilities")

In February 2016, the Company obtained a committed term loan of $27,000 (the "2016 facility"). The 2016 facility requires the Company to make quarterly principal repayments of $150 and a $4,650 balloon repayment at maturity. The 2016 facility matures on April 1, 2021 and bears interest ranging from Prime +0.25% to 1.75% or LIBOR +1.50% to 3.00%. At September 30, 2016, the Company had drawn $7,196 (2015 — $nil) on the 2016 facility.

In May 2015, the Company through its subsidiary, Solidifi U.S. Inc., obtained a committed term loan of $20,000 (the "2015 facility"). The 2015 facility requires the Company to make quarterly principal repayments of $200 and a $6,200 balloon repayment at maturity. The 2015 facility matures on May 1, 2020 and bears interest ranging from Prime +0.25% to 1.75% or LIBOR +1.50% to 3.00%. At September 30, 2016, the Company had drawn $9,000 (2015 — $9,764) on the 2015 facility.

Revolving credit facility

The Company has available a demand revolving credit facility (the "revolving credit facility") totaling $15,000 Canadian dollars ("C$"). The revolving credit facility bears interest ranging from Prime +0.25% to 1.75% or LIBOR +1.50% to 3.00%. At September 30, 2016, the Company had drawn $nil (2015 — $nil) on the revolving credit facility.

Subordinated debt

In December 2012, the Company obtained a C$3,000 subordinated term loan which bore interest at 14.0% annually. The full principal balance was due at maturity, December 31, 2016, and was repaid in full in March 2015. Deferred financing costs of $79 were written off and included in interest expense for the year ended September 30, 2015.

Security and debt covenants

All facilities are secured by a general security agreement over the assets of the Company.

The Company is subject to certain covenants and is in compliance with all such covenants related to these facilities, including financial covenants regarding debt ratios, fixed charge coverage and capital expenditures as of September 30, 2016.

9. Long-Term Debt (Continued)

Interest expense recognized in the current year is as follows:

	2016	**2015**	**2014**
Senior term facilities	**$378**	$101	$143
Subordinated debt	**—**	248	388
Amortization of deferred financing costs	**79**	20	110
Accretion	**177**	—	—
Finance leases	**42**	4	27
Other	**11**	61	30
Write-off of deferred financing costs	**—**	79	—
	$687	$513	$698

Principal repayments required in each of the next five years ending September 30, and thereafter, are as follows:

2017	**$ 1,400**
2018	**1,400**
2019	**1,400**
2020	**7,200**
2021	**4,796**
Thereafter	**—**
	$16,196

10. Warrant Liabilities

The Company has issued special warrants which are exchangeable for a number of common share purchase warrants. All outstanding warrants are exercisable.

At September 30, 2016, there were 4,811 (2015 — 4,811) warrants outstanding, all with an exercise price of C$0.69 (2015 — C$0.69) per share representing a total liability of $12,148 at September 30, 2016 (2015 — $6,514).

The warrants are measured at fair value using the Black-Scholes-Merton option pricing model applying the following assumptions: volatility of 16.2% (2015 — 16.0%), a risk-free interest rate of 0.52% (2015 — 0.52%), a dividend yield of nil% (2015 — nil %) and expected life of 7 months (2015 — 12 months).

11. Shareholder's Equity

Common shares

The Company is authorized to issue an unlimited number of Class A and Class B common shares with no par value. Currently, no Class B common shares are issued and outstanding.

Details of Class A common shares ("common shares") are as follows:

	2016	
	Number of shares	**Amount**
Balance, beginning of year	**127,760**	**$ 98,871**
Common shares issued, net of issue costs and income taxes, during the year	**15,000**	**43,758**
Common shares issued as consideration for acquisition	**7,496**	**22,000**
Balance, end of year	**150,256**	**$164,629**

11. Shareholder's Equity (Continued)

	2015	
	Number of shares	Amount
Balance, beginning of year	114,717	$63,426
Common shares issued, net of issue costs and income taxes, during the year	13,043	24,735
Increase in legal stated capital	—	10,710
Balance, end of year	127,760	$98,871

	2014	
	Number of shares	Amount
Balance, beginning of year	91,765	$38,775
Common shares issued, net of issue costs and income taxes, during the year	22,952	24,651
Balance, end of year	114,717	$63,426

On April 4, 2016, the Company completed a private placement and issued 15,000 common shares in exchange for cash proceeds of $45,251 to partially fund the acquisition of Linear, (Note 4). The Company is further obligated to issue an additional 1,500 common shares for no consideration should it not complete its initial public offering before the end of calendar year 2016. In connection with this offering, the Company incurred share issuance costs of $2,031 and the related tax effect thereon totaled $538. In conjunction with the Linear acquisition, the Company also issued 7,496 common shares to the sellers of Linear representing consideration of $22,000.

The additional 1,500 common shares mentioned above were issued in January 2017 as the Company did not meet the target date for the completion of its initial public offering.

On April 30, 2015, the Company issued 13,043 common shares through a private placement in exchange for cash proceeds of $24,756 to partially fund the acquisition of Southwest, (Note 4). In connection with this offering, the Company incurred share issuance costs of $38 and the related tax effect thereon totaled $17.

On April 30, 2015, the Company increased the legal stated capital of its common shares by $10,710. In conjunction with this increase, the Company declared a non-cash deemed dividend of $10,710.

On December 16, 2013, the Company issued 22,952 common shares through a private placement in exchange for cash proceeds of $25,999. In connection with this offering, the Company incurred share issuance costs of $1,714 and the related tax effect thereon totaled $366.

12. Net Income or Loss per Share

The following table outlines the components used in the calculation of basic and diluted net loss per share attributable to common shareholders:

	2016	2015	2014
Net loss	**$ (6,079)**	$ (5,103)	$ (910)
Net loss attributable to common shareholders	**$ (6,281)**	$ (5,103)	$ (910)
Weighted average number of shares, basic	**138,977**	120,184	109,875
Dilutive effect of stock options and warrants	**12,734**	12,120	8,094
Dilutive effect of contingently issuable common shares	**1,500**	—	—
Weighted average number of shares, diluted	**153,211**	132,304	117,969
Net loss per weighted average share, basic	**$ (0.05)**	$ (0.04)	$ (0.01)
Net loss per weighted average share, diluted	**$ (0.05)**	$ (0.04)	$ (0.01)

13. Operating Expenses and Acquisition and Initial Public Offering Costs

	2016	2015	2014
Operating expenses:			
Salaries and benefits	**$41,507**	$20,018	$14,371
Sales and marketing	**863**	500	413
Travel and entertainment	**1,529**	977	861
Office and computer	**7,779**	4,899	3,145
Professional fees	**2,090**	874	953
Other	**1,708**	1,144	203
	$55,476	$28,412	$19,946

	2016	2015	2014
Acquisition and initial public offering costs:			
Acquisitions	**$ 2,406**	$ 364	$ —
Initial public offering	**599**	27	—
	$ 3,005	$ 391	$ —

14. Changes in Non-Cash Working Capital Items

The following table outlines changes in non-cash working capital items:

	2016	2015	2014
Trade and other receivables	**$(9,289)**	$1,571	$(3,217)
Investment tax credits receivable	**—**	—	92
Prepaid expenses	**202**	(669)	(225)
Trade payables	**452**	1,765	(503)
Accrued charges	**2,317**	481	(616)
Deferred revenues	**(31)**	47	(49)
Effect of foreign currency translation adjustments and other non-cash changes	**(2,082)**	—	—
	$(8,431)	$3,195	$(4,518)

15. Stock Based Compensation

The Company has established a stock option plan (the "plan") for directors, officers, contractors and employees. The total number of shares reserved and available for grant and issue pursuant to the plan is authorized by the Board of Directors from time-to-time, subject to compliance with the unanimous shareholders' agreement. The expiry dates for options granted are set forth in the stock option certificate at the time of grant. If no expiry date is specified, the date of expiry is ten years from the date of grant. The exercise price of stock options granted under the plan is determined by the Board of Directors or the compensation committee when granted and may not be less than the fair market value of a Company share at the grant date. Stock options granted under the plan will qualify to vest in accordance with the qualification schedule determined by the Board of Directors or compensation committee as set out in the stock option certificate. A qualified option represents the portion of an option qualified to vest in accordance with the qualification schedule specified in the stock option certificate and includes the portion of options that would otherwise have qualified to vest within twelve months of a vesting event. Qualified stock options will vest and are exercisable on the occurrence of certain vesting events.

15. Stock Based Compensation (Continued)

Since the vesting events are uncertain as at September 30, 2016, no stock options are expected to vest at this time. Accordingly, the Company has not recognized any stock based compensation expense in the consolidated statement of operations and comprehensive income or loss for the year ended September 30, 2016 (2015 and 2014 — $nil).

	2016		2015	
	Number of options	Weighted average exercise price (C$), expressed in dollars	Number of options	Weighted average exercise price (C$), expressed in dollars
Outstanding balance, beginning of year	**11,445**	**$0.87**	8,595	$0.70
Granted, during the year	**1,644**	**$3.60**	3,087	$1.37
Forfeited, during the year	**(460)**	**$0.90**	(237)	$1.09
Outstanding balance, end of year	**12,629**	**$1.23**	11,445	$0.87
Options outstanding and exercisable	**—**	**$ —**	—	$ —

The following table summarizes certain information for stock options outstanding as at September 30, 2016:

Exercise price (C$), expressed in dollars	Number of options	Weighted average remaining contractual life, expressed in years	Number of stock options exercisable
$0.05	**1,225**	**1.10**	**—**
$0.17	**665**	**1.58**	**—**
$0.46	**602**	**1.59**	**—**
$0.61	**687**	**1.92**	**—**
$0.85	**1,255**	**2.79**	**—**
$0.92	**1,887**	**5.24**	**—**
$1.10	**292**	**6.05**	**—**
$1.14	**355**	**3.03**	**—**
$1.20	**3,663**	**7.89**	**—**
$2.30	**328**	**8.78**	**—**
$2.50	**479**	**9.16**	**—**
$4.00	**1,191**	**9.70**	**—**
	12,629	**5.43**	**—**

16. Related Party Transactions

Compensation of Key Management Personnel

The Company's key management personnel are comprised of the Board of Directors and certain members of the executive team. Compensation for key management personnel, recorded to operating expenses, is as follows:

	2016	2015	2014
Salaries and benefits	**$3,109**	$3,007	$2,528

17. Commitments and Contingencies

The Company leases office space and equipment under various operating leases. Payments for the next five years ending September 30 and thereafter are as follows:

2017	**$ 2,571**
2018	**2,375**
2019	**1,566**
2020	**1,381**
2021	**1,118**
Thereafter	**1,530**
	$10,541

The Company has entered into finance leases for computer equipment and furniture and fixtures with maturities and interest rates ranging from 2016 to 2019 and 1.9% to 12.5%, respectively. Future minimum lease payments required under finance lease obligations in each of the next five years ending September 30 and thereafter are as follows:

2017	**$ 426**
2018	**376**
2019	**303**
2020	**—**
2021	**—**
Thereafter	**—**
	1,105
Less: amount representing interest	**113**
	992
Less: current portion	**424**
	$ 568

The Company administers escrow accounts which represent undisbursed funds received for the settlement of certain residential and commercial real estate title and closing transactions. Deposits at Federal Deposit Insurance Corporation ("FDIC") institutions are insured up to $250. Cash deposited in these escrow accounts totaled $77,876 at September 30, 2016 (2015 — $nil) which are not assets of the Company and, therefore excluded from the Company's consolidated statement of financial position. However, the Company remains contingently liable for the distribution of these deposits.

The Company has been named as defendant in a putative collective action lawsuit filed on October 17, 2016 (the "Complaint") on behalf of certain current and former employees of the Company. The Complaint alleges, amongst other things, that the Company owes certain employees overtime compensation for work performed. The Company has determined that the collective action applies to approximately 30 current and former employees of the Company. As of January 26, 2017, one former employee has joined the collective action.

The Company intends to vigorously defend the Complaint. The action is in its infancy and no discovery has yet been conducted. Based on the Company's review of the claim and consultation with external counsel, it cannot reasonably predict the outcome and does not believe the suit will result in a material settlement; however, the amount of any settlement is not determinable at this time. Accordingly, no amounts have been accrued in the financial statements in respect of this matter.

The Company is also subject to certain lawsuits and other claims arising in the ordinary course of business. The outcome of these matters is subject to resolution. Based on management's evaluation and analysis of these matters, when determinable, the amount of potential loss is accrued. Management believes that any amounts above those accrued will not be material to the financial statements.

18. Financial Instruments

The following tables outline the hierarchical measurement categories for the fair value of financial assets and liabilities. As at September 30, 2016 and September 30, 2015, financial assets and liabilities measured on a recurring basis had the following estimated fair values expressed on a gross basis:

	2016			
	Quoted prices in active markets for identical assets (Level 1)	**Significant other observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Warrant liabilities	**$ —**	**$ —**	**$(12,148)**	**$(12,148)**
Contingent consideration — accrued charges	**—**	**—**	**(22,500)**	**(22,500)**
Contingent consideration — other liabilities	**—**	**—**	**(9,450)**	**(9,450)**
	$ —	**$ —**	**$(44,098)**	**$(44,098)**

	2015			
	Quoted prices in active markets for identical assets (Level 1)	**Significant other observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Warrant liabilities	$ —	$ —	$(6,514)	$(6,514)

For the year ended September 30, 2016, there were no transfers between levels or changes to the valuation technique.

The following table outlines the change in estimated fair value for recurring Level 3 financial instrument measurements for the years ended September 30, 2016 and 2015, respectively:

Significant unobservable inputs (Level 3)	**2016**	**2015**
Balance, beginning of year	**$ (6,514)**	$(2,220)
Issued as contingent consideration for acquisition	**(31,772)**	—
Realized losses included in the statement of operations, during the year	**—**	—
Unrealized losses included in the statement of operations, during the year	**(5,615)**	(5,075)
Settlements	**—**	—
Foreign currency translation adjustment	**(197)**	781
Balance, end of year	**$(44,098)**	$(6,514)

Details regarding the fair value of contingent consideration are discussed in Note 4.

The fair value of the warrant liabilities is calculated using the Black-Scholes-Merton option pricing model which is subject to considerable judgment and estimate. Accordingly, the fair value estimate is not necessarily indicative of the amount the Company, or a counter-party to the instrument, could realize in a current market exchange. The use of differing assumptions, and or estimation methods, could affect fair value.

18. Financial Instruments (Continued)

The primary estimates and judgments applied to fair value the warrant liabilities are outlined in the table below, together with a sensitivity analysis of reasonably expected changes in each estimate and the related impact on the fair value of the warrant liabilities.

	2016			
	Initial estimate applied	Sensitivity adjustment	Revised estimate	Impact on the fair value of warrant liabilities
Key assumptions used				
Volatility	16.2%	10.0%	26.2%	$ —
Risk free rate	0.52%	1.0%	1.5%	$ 14
Expected life, expressed in months	7	5	12	$ 5

	2015			
	Initial estimate applied	Sensitivity adjustment	Revised estimate	Impact on the fair value of warrant liabilities
Key assumptions used				
Volatility	16.0%	10.0%	26.0%	$ —
Risk free rate	0.52%	1.0%	1.5%	$ 24
Expected life, expressed in months	12	5	17	$ 5

Estimated fair value

The carrying value of cash, trade and other receivables, trade payables and accrued charges approximate their fair values due to the relatively short-term maturities of these instruments.

At September 30, 2016, the estimated fair value of long-term debt approximates its carrying amount as the Company believes that renegotiation of its variable rate long-term debt would result in similar pricing.

Financial risk management

In the normal course of business, the Company is exposed to financial risks that have the potential to impact its financial performance, including credit risk, liquidity risk and market risk. The Company's primary objective is to protect its operations, cash flows and ultimately shareholder value. The Company designs and implements risk management strategies but does not typically use derivative financial instruments to manage these risks.

Credit risk

Credit risk is the risk that the Company's counterparties will fail to meet their financial obligations to the Company, causing a financial loss. The Company's principal financial assets are cash and trade and other receivables. The carrying amounts of financial assets on the consolidated statement of financial position represent the Company's maximum credit exposure at the statement of financial position date. The Company's credit risk is primarily attributable to its trade receivables which is limited by the Company's broad customer base. As at September 30, 2016, no customer represents more than 10% (2015 — no customers) of the Company's total trade and other receivables.

To limit credit risk, the Company monitors its aged receivable balances on a continuous basis. In addition, a significant portion of the Company's revenue is settled on closing through an escrow account having no credit terms attributable to collection. The Company's customers are financial and lending institutions that are typically well funded, which also limits the Company's exposure to credit risk. In certain circumstances, the Company may also require customer deposits or pre-payments to limit credit risk. While the Company has risk mitigation processes in place, there can be no certainty that they will eliminate all credit risk. Accordingly, these processes may not be effective in the future and the potential for credit losses may increase.

18. Financial Instruments (Continued)

Trade and other receivables

	2016	2015
Trade receivables	**$26,422**	$14,022
Settlement receivables	**1,217**	—
Other	**1,583**	102
Allowance for doubtful accounts	**(10)**	(19)
	$29,212	$14,105

Settlement receivables represent revenues earned on real estate transactions closed during the period but not yet received by the Company from escrow accounts.

The following table outlines the change in the allowance for doubtful accounts:

	2016	2015
Balance, beginning of year	**$ (19)**	$(235)
Impairment losses recognized	**(326)**	(497)
Write-offs	**333**	706
Recoveries	**—**	—
Foreign currency translation adjustment	**2**	7
Balance, end of year	**$ (10)**	$ (19)

The aging of trade and other receivables is as follows:

	2016	2015
Current	**$21,660**	$11,661
Over 30 days	**4,114**	1,568
Over 60 days	**1,354**	493
Over 90 days	**2,094**	402
Total gross trade and other receivables	**29,222**	14,124
Less: allowance for doubtful accounts	**10**	19
Total trade and other receivables, net	**$29,212**	$14,105

Foreign currency risk

Foreign currency risk arises because of fluctuations in foreign currency exchange rates. The Company's objective is to minimize its net exposures to foreign currency cash flows by holding U.S. dollar cash balances and matching them to U.S. dollar obligations arising from its U.S. operations and Canadian dollar obligations are matched to its Canadian operations.

Since the Company has elected to report its financial results in U.S. dollars, the Company is exposed to foreign currency fluctuations on its reported amounts of Canadian assets and liabilities. As at September 30, 2016, the Company had net liabilities of $18,201 (2015 — net assets of $1,916) denominated in Canadian dollars. A 10% change in the exchange rate between the U.S. and Canadian dollar results in plus or minus $1,820 (2015 — $192) change in the value of net assets recorded on the Company's statement of financial position. Any such changes are recorded to other comprehensive income or loss.

Interest rate risk

The Company's drawings on its senior term facilities and revolving credit facility are subject to interest rate fluctuations with bank prime or LIBOR. Accordingly, senior term facility and revolving facility drawings are subject to interest rate risk. A 1.0% rise or fall in the

18. Financial Instruments (Continued)

variable interest rate for the year ended September 30, 2016 results in a $162 (2015 — $98) change in interest expense on an annual basis, all else equal.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations to settle financial liabilities through the delivery of cash or another financial asset. The Company's objective is to manage operational uncertainties, including, but not limited to, unfavourable real estate trends, market share and sales volumes. The Company also maintains sufficient levels of working capital to settle its financial liabilities when they are contractually due and manages its debt covenant compliance.

The following tables outline the Company's remaining contractual maturities for its non-derivative financial liabilities based on the earliest date the Company is required to pay principal amounts owing:

	2016				
	Payments due				
	Total	**Less than 1 year**	**1-3 years**	**4-5 years**	**After 5 years**
Trade payables	**$17,634**	**$17,634**	**$ —**	**$ —**	**$ —**
Accrued charges	**$26,755**	**$26,755**	**$ —**	**$ —**	**$ —**
Finance lease obligations	**$ 1,105**	**$ 426**	**$ 679**	**$ —**	**$ —**
Long-term debt	**$16,196**	**$ 1,400**	**$2,800**	**$11,996**	**$ —**
Other liabilities	**$ 9,450**	**$ —**	**$9,450**	**$ —**	**$ —**

	2015				
	Payments due				
	Total	**Less than 1 year**	**1-3 years**	**4-5 years**	**After 5 years**
Trade payables	$12,123	$12,123	$ —	$ —	$ —
Accrued charges	$ 1,481	$ 1,481	$ —	$ —	$ —
Finance lease obligations	$ 201	$ 111	$ 90	$ —	$ —
Long-term debt	$ 9,764	$ 797	$1,594	$7,373	$ —

19. Income Taxes

The components of income tax expense are as follows:

	2016	**2015**	**2014**
Current income tax expense			
Current period	**$ 567**	$ 388	$ 1
Adjustments for prior periods	**(38)**	254	16
	529	642	17
Deferred income tax expense (recovery)			
Origination and reversal of temporary differences	**(1,367)**	(436)	(834)
Adjustments for prior periods	**(53)**	59	2
	(1,420)	(377)	(832)
Total income tax expense	**$ (891)**	$ 265	$(815)

19. Income Taxes (Continued)

The following table reconciles the amount of reported income tax expense (recovery) with income tax expense (recovery) calculated at the Company's applicable statutory income tax rate:

	2016	2015	2014
Loss before income tax expense	**$(6,970)**	$(4,838)	$(1,725)
Statutory income tax rate	**26.5%**	26.5%	26.5%
Expected income tax recovery at the statutory income tax rate	**(1,847)**	(1,282)	(457)
Foreign income subject to tax at a different statutory rate	**(740)**	(479)	(363)
Adjustments for prior periods	**(97)**	180	(28)
Non-deductible expenses and non-taxable income	**1,524**	1,439	27
Minimum tax	**91**	149	—
State tax	**178**	—	—
Other	**—**	258	6
	$ (891)	$ 265	$ (815)

Movements in deferred tax balances during the year are as follows:

	2016				
	Balance, beginning of year	Recognized in net loss	Recognized in equity	Foreign currency translation adjustments	Total
Deferred tax assets (liabilities)					
Property and equipment	**$ (93)**	**$ (59)**	**$ —**	**$ (1)**	**$ (153)**
Intangibles	**629**	**(9,521)**	**—**	**12**	**(8,880)**
Financing fees	**292**	**(228)**	**538**	**9**	**611**
Unutilized tax loss carryforwards	**5,594**	**(1,357)**	**—**	**61**	**4,298**
Unrealized foreign exchange gains	**—**	**(1,294)**	**—**	**—**	**(1,294)**
Contingent liabilities	**—**	**12,780**	**—**	**—**	**12,780**
Interest expense	**—**	**1,127**	**—**	**—**	**1,127**
Other	**88**	**(28)**	**—**	**3**	**63**
	$6,510	**$ 1,420**	**$538**	**$84**	**$8,552**

	2015				
	Balance, beginning of year	Recognized in net loss	Recognized in equity	Foreign currency translation adjustments	Total
Deferred tax assets (liabilities)					
Property and equipment	$2,510	$(2,395)	$—	$(208)	$ (93)
Intangibles	681	25	—	(77)	629
Financing fees	454	(113)	17	(66)	292
Unutilized tax loss carryforwards	3,084	3,006	—	(496)	5,594
Other	267	(146)	—	(33)	88
	$6,996	$ 377	$17	$(880)	$6,510

Deferred income tax assets are recognized for unutilized tax loss carryforwards when realization of the related tax benefit through future taxable income is probable. At September 30, 2016, the Company and its subsidiaries have $7,564 (2015 — $10,212) of non-capital loss carryforwards in Canada expiring in varying amounts between 2031 and 2036. The Company also has $5,583

19. Income Taxes (Continued)

(2015 — $7,272) of non-capital loss carryforwards in the U.S. expiring in varying amounts between 2032 and 2035. Total deferred tax assets of $4,298 (2015 — $5,594) was recognized on the full amount of these loss carryforwards.

No deferred tax is recognized on the amount of temporary differences arising between the carrying amount of an investment in subsidiaries and interests in joint arrangements accounted for in these financial statements and the cost amount of these investments for tax purposes. The Company is able to control the timing of the reversal of these temporary differences and believes it is probable that they will not reverse in the foreseeable future.

20. Capital Management

The Company actively manages its debt and equity capital in support of its growth objectives and to ensure sufficient liquidity is available to support its financial obligations and operating and strategic plans, with a view to maximizing stakeholder returns.

The Company defines capital as equity (primarily common share capital), short-term and long-term indebtedness and cash. The Company manages its capital structure, commitments and maturities and makes adjustments, where required, based on general economic conditions, financial markets, operating risks and working capital requirements. To maintain or adjust its capital structure, the Company may, with approval from its Board of Directors, as required, issue or repay debt and/or short-term borrowings, issue share capital or undertake other activities deemed appropriate. The Board of Directors reviews and approves the annual operating budgets, and any material transactions that are not part of the ordinary course of business, including proposals for acquisitions or other major capital transactions.

The Company monitors its capital structure by measuring its key covenants which include a debt-to-earnings ratio and interest coverage ratio. Key financial covenants contained in existing debt agreements are reviewed by management on an ongoing basis to monitor compliance.

The Company is not subject to any externally-imposed capital requirements.

21. Segmented Reporting

The Company carries on business through two separate geographic segments: Canada and the U.S. The geographic locations of each operating segment limits the volume and number of transactions between them. The Company reports segment information based on internal reports used by the CODM to make operating and resource decisions and to assess performance. The CODM is the President and Chief Executive Officer.

The Canadian segment's primary offering is residential mortgage appraisals for purchase, refinance and home equity mortgage origination transactions which are provided through its Solidifi brand. Additionally, the Company provides insurance inspection services to property and casualty insurers across Canada through its iv3 brand.

The U.S. segment provides residential mortgage appraisals through the Solidifi and Southwest Financial Services brands. In addition, Southwest serves the home equity search market and Linear serves the title and closing market through residential and commercial real estate title and closing services in directly in 42 states, as well as Puerto Rico and in 8 states through agreements with licensed title providers. Other offerings include abstracting services and providing access to its software platforms to other title insurance agencies for a subscription fee.

The Company excludes corporate costs in the determination of each operating segment's performance. Corporate costs include certain executive and employee costs, legal, accounting, internal audit, treasury, investor relations, human resources, technical and software development resources and other administrative support function costs. Corporate costs also include transaction and related costs and fair value changes in warrant liabilities.

21. Segmented Reporting (Continued)

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies (Note 2). The Company evaluates segment performance based on revenues, less transaction costs.

	2016	2015	2014
Revenues			
Canada	**$ 30,280**	$ 27,271	$ 24,494
U.S.	**218,267**	143,224	90,095
	$248,547	$170,495	$114,589
Revenues net of transaction costs			
Canada	**$ 5,212**	$ 5,481	$ 5,291
U.S.	**63,088**	28,193	16,825
	$ 68,300	$ 33,674	$ 22,116
Amortization			
Canada	**$ —**	$ —	$ —
U.S.	**12,817**	2,568	1,093
Corporate	**1,184**	1,597	1,799
	$ 14,001	$ 4,165	$ 2,892
Operating expenses	**$ 55,476**	$ 28,412	$ 19,946
Acquisition and initial public offering costs	**$ 3,005**	$ 391	$ —
Interest expense	**$ 687**	$ 513	$ 698
Interest income	**$ (20)**	$ (46)	$ (111)
Net foreign exchange (gain) loss	**$ (2,841)**	$ 2	$ —
Loss on fair value of warrants	**$ 5,437**	$ 5,075	$ 416
Net income from equity accounted investees	**$ (475)**	$ —	$ —
Loss before income tax expense	**$ (6,970)**	$ (4,838)	$ (1,725)

	2016			
	Canada	U.S.	Corporate	Total
Intangibles	**$ —**	**$56,106**	**$ 412**	**$56,518**
Goodwill	**$ —**	**$56,643**	**$ —**	**$56,643**
Property and equipment	**$ —**	**$ 3,370**	**$ 662**	**$ 4,032**
Investment in equity accounted investees	**$ —**	**$ 7,875**	**$ —**	**$ 7,875**

	2015			
	Canada	U.S.	Corporate	Total
Intangibles	$ —	$ 9,327	$1,421	$10,748
Goodwill	$ —	$22,332	$ —	$22,332
Property and equipment	$ —	$ 1,323	$ 465	$ 1,788
Investment in equity accounted investees	$ —	$ —	$ —	$ —

21. Segmented Reporting (Continued)

Revenues by service type

	2016	2015	2014
Appraisal and ancillary	**$207,694**	$165,654	$108,786
Title and closing	**36,935**	—	—
Other	**3,918**	4,841	5,803
	$248,547	$170,495	$114,589

22. Guarantees

In the normal course of business, the Company enters into agreements that meet the definition of a guarantee. A guarantee requires the issuer to make a specified payment or payments to reimburse the holder for a loss it incurs if a specified party to the arrangement fails to make a payment when due.

The Company's primary guarantees are as follows:

The Company has provided indemnities under lease agreements for the use of various office space. Under the terms of these agreements the Company agrees to indemnify the counterparties for various items including, but not limited to, all liabilities, loss, suits and damage arising during, on or after the term of the agreement. The maximum amount of any potential future payment cannot be reasonably estimated. These indemnities are in place for various periods beyond the original term of the lease and these leases expire between 2017 and 2023.

Through the Company's by-laws, indemnity has been provided to all directors and officers of the Company and its subsidiaries for various items including, but not limited to, all costs to settle suits or actions due to association with the Company and its subsidiaries, subject to certain restrictions. The Company has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits or actions. The maximum amount of any potential future payment cannot be reasonably estimated.

In the normal course of business, the Company has entered into agreements that include indemnities in favour of third parties, such as purchase and sale agreements, confidentiality agreements, engagement letters with advisors and consultants, outsourcing agreements, leasing contracts, underwriting and agency agreements, information technology agreements and service agreements. These indemnification agreements may require the Company to compensate counterparties for losses incurred as a result of breaches in representation and regulations or as a result of litigation claims or statutory sanctions that may be suffered by the counterparty as a consequence of the transaction. The terms of these indemnities are not explicitly defined and the maximum amount of any potential reimbursement cannot be reasonably estimated.

The nature of these indemnification agreements prevents the Company from making a reasonable estimate of the maximum exposure due to the difficulty in assessing the amount of liability which stems from the unpredictability of future events and the unlimited coverage offered to counterparties. Historically, the Company has not made any significant payments under these or similar indemnification agreements and therefore no amount has been accrued in the consolidated statement of financial position with respect to these agreements.

CONSOLIDATED FINANCIAL STATEMENTS OF

LINEAR TITLE & CLOSING, LTD.

for the fifteen months ended March 31, 2016 and year ended December 31, 2014

LINEAR TITLE & CLOSING, LTD.

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Linear Title & Closing Ltd.

We have audited the accompanying consolidated financial statements of Linear Title & Closing Ltd., which comprise the consolidated statements of financial position as at March 31, 2016, December 31, 2014, and January 1, 2014, the consolidated statements of operations and comprehensive income (loss), consolidated statements of changes in equity and consolidated statements of cash flows for the fifteen-month period ended March 31, 2016 and the year ended December 31, 2014, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Linear Title & Closing Ltd. as at March 31, 2016, December 31, 2014 and January 1, 2014, its financial performance and its cash flows for the fifteen-month period ended March 31, 2016 and the year ended December 31, 2014 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Chartered Professional Accountants
Licensed Public Accountants
May 5, 2017
Toronto, Ontario

LINEAR TITLE & CLOSING, LTD.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

March 31, 2016, December 31, 2014 and January 1, 2014
(In thousands of United States dollars)

	Notes	March 31, 2016	December 31, 2014	January 1, 2014
			(Note 4)	(Note 4)
Assets				
Current assets				
Cash		**$ 4,058**	$ 4,398	$ 2,556
Trade and other receivables	18	**4,007**	1,490	1,921
Prepaid expenses		**200**	115	242
Due from related parties	21	**—**	5	8
Other assets	10	**577**	148	50
		8,842	6,156	4,777
Non-current assets				
Property and equipment	8	**1,380**	931	1,275
Intangible assets	6	**1,098**	2,657	3,121
Goodwill	7	**2,785**	3,107	2,785
Investment in equity accounted investees	9	**355**	173	237
Other assets	10	**217**	435	—
Total Assets		**$14,677**	$13,459	$12,195
Liabilities				
Current liabilities				
Trade and other payables		**$ 4,727**	$ 3,530	$ 1,937
Accrued expenses		**340**	1,862	662
Due to related parties	21	**35**	—	—
Current portion of long-term debt	11	**3,587**	7,931	6,952
Current portion of finance lease obligations	17	**264**	89	112
		8,953	13,412	9,663
Non-current liabilities				
Long-term debt	11	**—**	52	115
Finance lease obligations	17	**424**	67	107
Total Liabilities		**9,377**	13,531	9,885
Commitments and Contingencies	17			
Equity (Deficiency)				
Non-controlling interests		**254**	—	—
Shareholders' equity (deficiency)				
Common shares	12	**511**	511	13
Retained earnings (accumulated deficit)		**4,535**	(583)	2,297
		5,046	(72)	2,310
Total Equity (Deficiency)		**5,300**	(72)	2,310
Total Liabilities and Equity		**$14,677**	$13,459	$12,195

Approved by:

Blaine Hobson (signed) — Non-Executive Chairman **Garry M. Foster** (signed) — Audit Committee Chair

The accompanying notes are an integral part of these consolidated financial statements.

LINEAR TITLE & CLOSING, LTD.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)

For the fifteen-month period ended March 31, 2016 and the year ended December 31, 2014
(In thousands of United States dollars, except per share amounts)

	Notes	March 31, 2016 (15-months)	December 31, 2014
			(Note 4)
Revenues		**$68,506**	$25,976
Transaction costs		**22,461**	9,529
Operating expenses	14	**36,645**	18,112
Depreciation and amortization	6 & 8	**1,920**	1,607
Interest expense		**551**	679
Interest income		**(11)**	(6)
Net income from equity accounted investees	9	**(1,019)**	(1,065)
Net income (loss) and comprehensive income (loss)		**$ 7,959**	$ (2,880)
Attributable to:			
Common shareholders		**$ 7,539**	$ (2,880)
Non-controlling interests		**420**	—
		$ 7,959	$ (2,880)
Net income (loss) per share, basic and diluted	13	**$ 567**	$ (222)
Weighted average number of shares outstanding, basic and diluted, in thousands	13	**13**	13

The accompanying notes are an integral part of these consolidated financial statements.

LINEAR TITLE & CLOSING, LTD.

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the fifteen-month period ended March 31, 2016 and the year ended December 31, 2014
(In thousands of United States dollars)

	March 31, 2016 (15 months)	December 31, 2014
		(Note 4)
Net inflow (outflow) of cash related to the following activities		
Operating		
Net income (loss)	**$ 7,959**	$(2,880)
Items not affecting cash		
Depreciation and amortization	**1,920**	1,607
Gain on fair value of pre-existing interests (Note 5)	**—**	(78)
Net income from equity accounted investees	**(1,019)**	(1,065)
Interest expense	**551**	679
Changes in non-cash working capital items (Note 15)	**(2,101)**	1,416
Interest paid	**(515)**	(140)
Cash generated from (used in) operating activities	**6,795**	(461)
Investing		
Cash (paid) received on acquisition (divesture) of a business (Note 5)	**(347)**	135
Dividends received from equity accounted investees	**1,044**	1,054
Purchase of property and equipment (Note 8)	**(485)**	(60)
Intangible asset additions (Note 6)	**(45)**	(103)
Investment in equity accounted investee	**(108)**	—
Cash generated from investing activities	**59**	1,026
Financing		
Dividends paid to shareholders	**(2,421)**	—
Repayment of long-term debt	**(5,304)**	(472)
Proceeds from long-term debt	**909**	1,388
Repayment of finance lease obligations	**(187)**	(137)
Common shares issued (Note 12)	**—**	498
Dividends paid to non-controlling interests	**(191)**	—
Cash (used in) generated from financing activities	**(7,194)**	1,277
Net cash (ouflow) inflow	**(340)**	1,842
Cash, beginning of period or year	**4,398**	2,556
Cash, end of period or year	**$ 4,058**	$ 4,398

The accompanying notes are an integral part of these consolidated financial statements.

LINEAR TITLE & CLOSING, LTD.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the fifteen-month period ended March 31, 2016 and the year ended December 31, 2014
(In thousands of United States dollars)

	Non-controlling interests	Common shares	Retained earnings (accumulated deficit)	Total equity (deficiency)
Balance at January 1, 2014	$ —	$ 13	$ 2,297	$ 2,310
Net loss and comprehensive loss	—	—	(2,880)	(2,880)
Common shares issued	—	498	—	498
Balance at December 31, 2014	$ —	$511	$ (583)	$ (72)
Non-controlling interests, acquired	25	—	—	25
Net income and comprehensive income	420	—	7,539	7,959
Dividends paid to shareholders	—	—	(2,421)	(2,421)
Dividends paid to non-controlling interests	(191)	—	—	(191)
Balance at March 31, 2016	$ 254	$511	$ 4,535	$ 5,300

The accompanying notes are an integral part of these consolidated financial statements.

1. Nature of Operations

Linear Title & Closing, Ltd., incorporated in Rhode Island on December 31, 2004, its wholly owned subsidiaries, and its controlled majority owned subsidiaries (“the Company”) predominately provides nationwide residential and commercial real estate title and closing services. The Company is licensed or authorized to provide title services in 42 states, as well as Puerto Rico. In the remaining 8 states, the Company offers a title solution through agreements with licensed title providers. The Company also derives revenue from its abstracting services which are offered nationwide to clients in the real estate industry. The Company’s head office is located at 127 John Clarke Road, Middletown, Rhode Island.

2. Basis of Presentation and Significant Accounting Policies

Statement of compliance

The consolidated financial statements (“financial statements”) have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and its interpretations issued by the International Accounting Standards Board (“IASB”). These are the Company’s first financial statements prepared in accordance with IFRS and IFRS 1 “First-Time Adoption of International Financial Reporting Standards” has been applied. The Company’s financial statements were previously prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”). An explanation of how the transition to IFRSs has affected the reported financial position, financial performance and cash flows of the Company is provided in Note 4.

The financial statements were authorized for issue by the Board of Directors on May 4, 2017.

Basis of measurement

The financial statements are presented in thousands of United States dollars, which is the Company’s functional currency, and have been prepared on a historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the asset at the date it is acquired.

The significant accounting policies and methodologies outlined below have been applied consistently throughout the Company and to all periods presented in these financial statements.

Basis of consolidation

These financial statements include the accounts of the Company and subsidiaries controlled by the Company. The Company is deemed to control a subsidiary when it is exposed to, or has the right to, variable returns from its involvement with an investee and it has the ability to direct the activities of the investee that significantly affects the investee’s returns through its power over the subsidiary. Where the Company’s interest in a subsidiary is less than one hundred percent, the Company recognizes a non-controlling interest in the investee. The results of subsidiaries acquired during the year are consolidated from the date of acquisition. All intercompany transactions, balances, revenues and expenses are eliminated on consolidation.

Subsequent to acquisition, the carrying amount of non-controlling interests is the amount recognized initially, plus the non-controlling interests’ share of changes in the capital of the company in addition to changes in ownership interests. Total comprehensive income or loss is attributed to non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The financial statements of controlled entities are included in these financial statements from the date control is effective until control ceases to exist.

Revenue recognition

The Company recognizes revenue when all of the following criteria have been met:

- Significant risks and rewards of ownership have transferred to the buyer;
- The amount can be reliably measured;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The stage of completion for the transaction can be reliably measured; and
- The costs incurred, or to be incurred, in the transaction can be reliably measured.

2. Basis of Presentation and Significant Accounting Policies (Continued)

The Company measures revenue at the fair value of consideration received or receivable, taking into account any contractually defined terms for volume discounts or refunds. It records payments received in advance of satisfying the revenue recognition criteria as deferred revenues until all criteria are satisfied.

When the Company sells multiple services to the same customer it assesses whether the delivered element is considered a separate transaction that can be recorded separately. However, in certain circumstances, it is necessary to apply the recognition criteria to the separately identifiable components of a single transaction in order to reflect the substance of the transaction. Conversely, the recognition criteria are applied to two or more transactions together when they are linked in such a way that the commercial effect cannot be understood without reference to the series of transactions taken as a whole.

The Company also assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Company records revenue on a gross basis, as a principal to the transaction, unless otherwise indicated below.

Title and Closing

The Company provides title and closing services to residential and commercial customers which include title search procedures for title insurance policies, escrow and other closing services. Title insurance revenues, which are recorded net of amounts remitted to third-party insurance underwriters, and title and closing service fees are recorded at the time a home sale transaction or refinancing closes which is considered the significant act. Recording services are recognized at the time the documents are submitted to the county for recording.

Search Services

The Company provides current owner, tax and commercial title search and property reports to other title insurance companies or property investment companies. Search revenues are recorded at the time the report is delivered to the customer.

Software Services

The Company provides three hosted software solutions. These contracts are generally term based ranging from 1 to 3 years. Set up and implementation fees typically do not meet the criteria as a separate transaction. Accordingly, revenues are deferred and recognized on a straight-line basis over the longer of the term of the contract or the estimated customer life. On-going service fees are recognized as revenue over the service period. Any usage-based fees and minimum transaction fees are recognized monthly over the term.

Transaction costs

Transaction costs comprise expenses that are directly attributable to a specific revenue transaction including: external abstractor costs, title and closing agent costs and external quality review costs.

Cash

Included in cash is $2,257 (December 31, 2014 — $2,253, January 1, 2014 — $1,751) set aside by the Company to demonstrate that it has sufficient liquidity to carry on business and retain its California county title license.

The Company's residential and commercial real estate title and closing services requires it to hold cash in escrow accounts that it does not have title to. Accordingly, cash held in escrow, escrow receivables and escrow liabilities, are not recorded to assets or liabilities on the Company's consolidated statement of financial position. All cash held in escrow is deposited in non-interest bearing bank accounts.

Intangible assets

Intangible assets with finite lives consist of acquired and internally developed software, licenses and customer relationships. Intangible assets with finite lives are amortized on a straight-line basis over their estimated useful lives and are measured at cost less accumulated

2. Basis of Presentation and Significant Accounting Policies (Continued)

amortization and accumulated impairment losses, if any. Costs for intangible assets acquired in a business combination represent the fair value of the asset at the time of the acquisition. Intangible assets with finite lives are amortized over the following periods:

Internally developed software	3 years
Customer relationships	3 years
Technologies	4 years
Licenses	5 - 10 years

Internally developed intangible assets are capitalized if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset is expected to make it available for use or sale;
- The Company's intention to complete and use or sell the intangible asset;
- The Company's ability to use or sell the intangible asset;
- How the Company expects the intangible asset will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the intangible asset exists; and
- The Company's ability to reliably measure the expenditures attributable to its development.

The amount initially recognized for internally developed intangible assets is the sum of the costs incurred from the date when the intangible asset first meets the recognition criteria listed above until the asset is available for use. The costs capitalized include materials, direct labour and directly attributable overhead expenditures on qualifying assets. Other development and research costs that don't quality for capitalization are expensed as incurred.

When the asset is available for use, the cost model is applied which requires the asset to be carried at cost less any accumulated amortization and accumulated impairment losses, if any. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment at least annually.

Internally developed intangible assets consist of computer software costs associated with the enhancement of the Company's Latitude software platform. Costs associated with the maintenance of the Company's Latitude software and other platforms are expensed as incurred.

Goodwill

Goodwill represents the excess of consideration over the fair value of the net identifiable assets acquired in a business combination. Goodwill is recorded at cost less accumulated impairment losses, if any. Goodwill is not amortized. For the purpose of impairment testing, goodwill is allocated to each of the Company's cash-generating units ("CGU or "CGUs") or group of CGUs that benefit from the acquisition, irrespective of whether other assets or liabilities acquired are assigned to those units.

Goodwill is tested annually for impairment, or more frequently when there is an indication that goodwill may be impaired. If the recoverable amount, representing the higher of its fair value less cost to sell and its value in use, of the CGU is less than its carrying amount, any resulting impairment loss is first allocated to goodwill and subsequently to other assets on a pro rata basis for the CGU. Any goodwill impairment loss is recorded in the consolidated statement of operations and comprehensive income (loss) in the period of impairment. Previously recognized impairment losses for goodwill are not reversed in subsequent periods.

On disposal of a CGU or group of CGUs, the portion of goodwill attributable to the CGU is included in the determination of profit or loss recorded in the consolidated statement of operations and comprehensive income (loss).

Goodwill is tested for impairment annually as at December 31.

Property and equipment

Property and equipment is recorded at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of property and equipment. When the costs of certain components of an item of property and equipment are significant in relation to the total cost of the item and the components have different useful lives, they are depreciated separately.

2. Basis of Presentation and Significant Accounting Policies (Continued)

Gains and losses on the disposal of an item of property and equipment are determined by comparing the proceeds on disposal to the carrying amount of the property and equipment, and are recognized in income.

Depreciation is recognized using the straight-line method for each component over its estimated useful life to its residual value. Capitalized finance lease assets are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will transfer at the end of the lease term, capitalized financial lease assets are depreciated over the lesser of the lease term and their useful lives. The Company reviews the depreciation methods, useful lives and residual values at each reporting date. The estimated useful lives are as follows:

Furniture and fixtures	5 years
Computer equipment	3 to 5 years
Leasehold improvements	Lesser of useful life or remaining term of the lease

Investment in equity accounted investees

Investments over which the Company has joint control ("joint arrangements") or the ability to exercise significant influence, where significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies, are accounted for using the equity method of accounting.

A joint venture is a joint arrangement whereby the parties of the arrangement have rights to the net assets of the arrangement. Joint control is the contractual sharing of control in an arrangement, which only exists when decisions about the relevant activities require the unanimous consent of the parties sharing control. To determine whether significant influence or joint control is present, considerations similar to those necessary to determine control over subsidiaries are reviewed.

The equity method of accounting requires the Company to record its initial investment at cost. At the time of initial recognition, if the cost of the associate or joint venture is lower than the Company's proportionate share of the investment's underlying fair value, the Company records a gain on the difference between the cost and the underlying fair value of the investment to the statement of operations and comprehensive income or loss. If the cost of the associate or joint venture is greater than the Company's proportionate share of the underlying fair value, goodwill relating to the associate or joint venture is included in the carrying amount of the investment.

The carrying value of the Company's initial investment is adjusted to include its pro rata share of the investee's post-acquisition earnings which is included in the Company's determination of net income or loss. Investments are reviewed at each reporting period to determine whether there is any objective evidence of impairment. If evidence of impairment exists, the Company compares the carrying amount of the investment to its recoverable amount.

Should the Company lose joint control of a joint venture, the Company re-measures its remaining investment at fair value. Any resulting difference between the carrying amount of its investment in the joint venture and its fair value of the retained investment and any proceeds from disposal is recognized in the consolidated statement of operations and comprehensive income (loss).

The financial statements of the equity accounted investees are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring their accounting policies in line with those of the Company.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Leases for which the risks and rewards are retained by the lessor are considered operating leases. Lease payments, including lease incentives, under an operating lease are recognized as an expense on a straight-line basis over the lease term.

Assets held under finance leases are initially recognized as assets at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Income taxes

Under the provisions of Subchapter S of the Internal Revenue Code (Section 1363), the Company does not pay federal and state corporate income taxes. Instead, each shareholder of the S Corporation separately accounts for their pro rata share of corporate items

2. Basis of Presentation and Significant Accounting Policies (Continued)

of income, deduction, loss and credit in their tax year in which the Company's tax year ends. The Company has elected to treat eligible wholly owned subsidiaries as qualified Subchapter S subsidiaries. Under this election, wholly owned limited liability companies are treated as disregarded entities for federal income purposes. As such, the subsidiaries' assets, liabilities and items of income, deduction and credit are treated as those of the Company.

Business combinations

Business combinations are accounted for using the acquisition method of accounting, where the fair value of consideration is allocated to the fair values of the assets acquired and the liabilities assumed at the date of acquisition.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses if it has correctly identified all of the assets acquired and liabilities assumed and reviews the procedures used to measure the amounts recognized at the date of acquisition. If following its reassessment, the Company concludes that the fair value of net assets acquired exceeds the aggregate consideration transferred, the Company will record a gain to the consolidated statement of operations and comprehensive income (loss).

The excess of consideration over the fair value of the identifiable net assets acquired is recorded as goodwill and allocated to CGUs. For each business combination that includes a non-controlling interest, the Company, at its election, measures the non-controlling interest's investment in the acquiree at fair value or at the proportionate share of the acquiree's net identifiable assets acquired.

Any contingent consideration is recognized at fair value on the acquisition date. All contingent consideration (except that which is classified as equity) is measured at fair value with changes in fair value recorded to the statement of operations and comprehensive income or loss. Contingent consideration classified to equity is not re-measured and settlement is accounted for within equity.

Transaction costs that are incurred in connection with a business combination, other than costs associated with the issuance of debt or equity securities, are expensed as incurred.

Provisions

Provisions are recognized when it is probable that the Company is required to settle an obligation (legal or constructive), as a result of a past event, and the obligation can be reliably estimated. The provision represents the Company's best estimate of the amounts required to settle the obligation at the end of the reporting period. When a provision is determined applying a measure of cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the amounts required to settle a provision are expected to be recoverable from a third party, a receivable is recognized when it is virtually certain reimbursement is receivable and the expected reimbursement can be reliably measured.

Financial instruments

Financial assets and financial liabilities, including derivatives and embedded derivatives, are recognized in the consolidated statement of financial position when the Company becomes party to the contractual provisions of the contract.

A financial instrument is any contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. All financial instruments are measured at fair value on initial recognition and subsequently measured at either fair value or amortized cost using the effective interest method, depending upon their classification. Financial instruments are classified as one of the following: (i) held-to-maturity, (ii) loans and receivables, (iii) fair value through profit or loss ("FVTPL"), (iv) available-for-sale, or (v) other financial liabilities. The Company's financial assets and financial liabilities are classified and measured as follows:

Asset/liability	Classification	Measurement
Cash	Loans and receivables	Amortized cost
Trade and other receivables	Loans and receivables	Amortized cost
Due from related parties	Loans and receivables	Amortized cost
Trade and other payables	Other financial liabilities	Amortized cost
Accrued expenses	Other financial liabilities	Amortized cost
Accrued expenses (contingent consideration)	Fair value through profit and loss	Fair value
Due to related parties	Other financial liabilities	Amortized cost
Long-term debt	Other financial liabilities	Amortized cost

2. Basis of Presentation and Significant Accounting Policies (Continued)

The Company offsets financial assets and liabilities and presents them net on the consolidated statements of financial position when the Company has a legal right to offset and intends to settle on a net basis or realize the asset and liability simultaneously.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment. Gains and losses are recognized in the consolidated statement of operations and comprehensive income (loss) in the period the asset is derecognized or impaired.

Other financial liabilities

Other financial liabilities are subsequently measured at amortized cost, using the effective interest method. Gains and losses are recognized in the consolidated statement of operations and comprehensive income (loss) in the period the liability is derecognized.

FVTPL

FVTPL financial assets or financial liabilities are measured at fair value at each reporting date, with changes in fair value recognized in the consolidated statement of operations and comprehensive income (loss). Derivatives are classified as FVTPL unless they are designated as effective hedging instruments.

Transaction costs directly attributable to the acquisition or issue of financial assets and financial liabilities, other than financial assets and financial liabilities classified as FVTPL, are added to or deducted from the fair value of financial assets or financial liabilities, as appropriate. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities classified as FVTPL are expensed in the statement of operations and comprehensive income (loss).

Costs of issuing debt and equity

The cost of issuing debt is included as part of long-term debt and is accounted for at amortized cost using the effective interest method. The cost of issuing equity is reflected as a direct charge to equity.

Impairment

Financial assets

A financial asset, other than those classified as FVTPL, is assessed at each reporting date for indicators of impairment. A financial asset is deemed to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risks and all impairment losses are recognized immediately in the consolidated statement of operations and comprehensive income (loss).

Impairments of financial assets recognized in a prior period are re-assessed at the end of each reporting period to determine if the indicators of impairment have reversed or no longer exist. An impairment loss is reversed if the estimated recoverable amount exceeds the asset or asset groups carrying amount. The reversal of an impairment loss may not exceed the carrying amount of the asset or asset group had no impairment loss been recognized. Reversals of impairment losses are recognized immediately in the consolidated statement of operations and comprehensive income (loss).

Non-financial assets

The carrying value of property and equipment and intangibles are reviewed at each reporting period to determine if indicators of impairment are present. If any such indication exists, the asset's recoverable amount is determined.

For the purpose of impairment testing, the recoverable amount is determined for an individual asset or are grouped together into CGUs, representing the smallest group of assets that generates independent cash inflows. If the carrying amount of the asset or CGU exceeds its recoverable amount, an impairment loss is recognized in the consolidated statement of operations and comprehensive income (loss) as a reduction in the carrying amount of the asset to its recoverable amount. The recoverable amount of an asset or CGU

2. Basis of Presentation and Significant Accounting Policies (Continued)

is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGUs.

Impairments of non-financial assets recognized in a prior period are re-assessed at the end of each reporting period to determine if the indicators of impairment have reversed or no longer exist. An impairment loss is reversed if the estimated recoverable amount exceeds the asset or CGU's carrying amount. The reversal of an impairment loss may not exceed the carrying amount, net of amortization, of the asset or CGU had no impairment loss been recognized.

Net income (loss) per share

Basic net income (loss) per share is calculated by dividing the net income (loss) attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the reporting period. Diluted net income (loss) per share is calculated by dividing the net income (loss) attributable to common shareholders of the Company by the weighted average number of shares outstanding adjusted for all potentially dilutive equity instruments, as applicable.

Operating segments

An operating segment is a component of the Company that engages in business activities. An operating segment may earn revenues and incur expenses, including revenues and expenses incurred by virtue of activities with any of the Company's other operations. An operating segment has discrete financial information available which is regularly reviewed by the Company's Chief Operating Decision Maker ("CODM") to assess performance or make resource allocation decisions.

Significant judgments, estimates and assumptions

The preparation of these financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at least annually or more frequently as required. Revisions to accounting estimates are recognized in the period of revision, which may impact future reporting periods. Areas that are subject to judgment and estimate include revenue recognition, the identification of cash generating units, impairment of goodwill and non-financial assets, the determination of fair values in connection with business combinations, internally developed intangible assets and financial instruments, the useful lives of property and equipment and intangible assets, provisions and contingencies.

Critical accounting judgments and estimates

Management believes the following accounting policies are subject to the most critical judgments and estimates and could have the most significant impact on the amounts recognized in the financial statements.

(a) Revenue recognition

Transactions which contain separately identifiable components must be recognized at the fair value of consideration received or receivable to reflect the substance of the transaction. The Company is required to make judgments about the fair value of each component, including its allocation to each separately identified component, by considering the following: its overall pricing objectives, the market in which the transaction occurs, the uniqueness of each component, the work performed, the size of the transaction and any historical sales and contract prices.

The Company uses judgment in its assessment of whether it is acting as an agent or principal in a transaction. When the Company does not have exposure to the significant risks and rewards associated with the sale of goods or the rendering of services it is acting as an agent in the transaction. The Company is acting as a principal when it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services. The Company considers these factors, amongst others, in its assessment.

2. Basis of Presentation and Significant Accounting Policies (Continued)

(b) Identification of CGUs

The Company has allocated its tangible assets, intangible assets and goodwill to the smallest identifiable group of assets that generate cash inflows and that are largely independent of the cash inflows from other assets. The determination of CGUs or groups of CGUs for the purpose of annual impairment testing requires judgment.

(c) Impairment of goodwill and non-financial assets

Goodwill is tested for impairment annually or more frequently if there is an indication of impairment. The carrying value of property and equipment and intangible assets is reviewed each reporting period to determine whether indications of impairment exist. The recoverable amounts attributed to CGUs reflect the higher of fair value less cost to sell or value in use. The Company's determination of a CGU's recoverable amount, which could include an estimate of fair value less cost to sell, uses market information to estimate the amount the Company could obtain from disposing of the asset in an arm's length transaction, less the estimated cost of disposal. The Company estimates value in use by discounting estimated future cash flows from the CGU or asset to its present value using a pre-tax discount rate reflecting a current market assessment of the time value of money and certain risks specific to the asset. Estimated cash flows are based on management's assumptions and business plans which are supported by internal strategies, plans and external information.

The estimate of the recoverable amount for an asset or CGU requires significant estimates such as future cash flows and growth, terminal growth and discount rates.

(d) Business combinations

Applying the acquisition method to business combinations requires an entity to measure each identifiable asset and liability at fair value. The excess, if any, of the fair value of the consideration over the fair value of the net identifiable assets acquired is recognized as goodwill. The purchase price allocation involves judgment with respect to the identification of intangible assets acquired and estimates of fair value for assets acquired and liabilities assumed, including pre-acquisition contingencies and contingent consideration. Changes in any of the assumptions or estimates used to determine the fair value of acquired assets and liabilities assumed, including pre-acquisition contingencies or contingent consideration, could affect the amounts assigned to assets, liabilities and goodwill in the purchase price allocation.

The Company makes estimates, assumptions, and judgments when valuing goodwill and other intangible assets in connection with the initial purchase price allocation of an acquired entity, in addition to evaluating the recoverability of goodwill and other intangible assets on an ongoing basis. These estimates are based upon a number of factors, including historical experience, market conditions, and information obtained from the management of acquired companies. Critical estimates in valuing certain intangible assets include, but are not limited to, historical and projected attrition rates, discount rates, anticipated revenue growth from acquired customers, acquired technology, and the expected use of the acquired assets. These factors are also considered in determining the useful life of acquired intangible assets. The amounts and useful lives assigned to identified intangible assets also impacts the amount and timing of future amortization expense.

Unanticipated events and circumstances may affect the accuracy or validity of such assumptions, estimates or actual results.

(e) Internally developed intangible assets

Initial capitalization of costs is based on management's judgment that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the useful life of the internally developed intangible asset, management makes assumptions regarding the expected period of benefits. The amounts and useful lives assigned to internally developed intangible assets impacts the amount and timing of future amortization expense. The Company also makes judgments with regards to the point in time in which an internally developed intangible asset may not be viable and the related costs are written-off.

(f) Depreciation and amortization of property and equipment and intangible assets

Judgment is applied to determine an asset's useful life, and where applicable, salvage value, used in the computation of depreciation and amortization. Accordingly, an asset's actual useful life and salvage value may differ significantly from these estimates.

2. Basis of Presentation and Significant Accounting Policies (Continued)

Where an item of property and equipment can be subdivided into its major components, and these components are assessed as having different useful lives, the components are accounted for as separate items of property and equipment. The application of this policy requires judgment in the determination of each significant identifiable component.

(g) Provisions

Due to the uncertain nature of provisions, there is a degree of uncertainty inherent in their measurement. Management uses its best estimate to provide for potential losses. Assumptions used reflect the most probable set of economic conditions and planned courses of action by the Company.

(h) Other

Other areas where the Company employs judgment and estimate include, the determination of its allowance for doubtful accounts, its control assessment of subsidiaries and contingencies related to litigation, claims and assessments.

3. Recent Accounting Pronouncements

Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15 "Revenue from Contracts with Customers" ("IFRS 15"), which replaces International Accounting Standards ("IAS") 18 "Revenue", IAS 11 "Construction Contracts" and IFRIC 13 "Customer Loyalty Programmes", as well as various other interpretations applicable to revenue. IFRS 15 outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers, except for contracts that are within the scope of the standards on leases, insurance contracts, and financial instruments. The core principle of IFRS 15 requires an entity to recognize revenue in accordance with the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition: identify the contract(s) with a customer; identify the performance obligations in the contract; determine the transaction price; allocate the transaction price to the performance obligations in the contract; and recognize revenue when (or as) the entity satisfies a performance obligation. IFRS 15 also contains enhanced disclosure requirements. This new standard is effective for annual periods beginning on or after January 1, 2018 and will be applied using either a full retrospective approach for all periods presented in the period of adoption or a modified retrospective approach. Early adoption is permitted. The Company is currently evaluating the impact of IFRS 15 on its financial statements.

Property, Plant and Equipment and Intangible Assets

In May 2014, the IASB issued amendments to IAS 16 "Property, Plant and Equipment" ("IAS 16") and IAS 38 "Intangibles Assets" ("IAS 38"). The amendments clarify that a revenue-based approach to calculate depreciation and amortization is generally not appropriate as it does not reflect the consumption of the economic benefits embodied in the underlying asset. Under IAS 38, this presumption can be rebutted in the following two limited circumstances: when the intangible asset is expressed as a measure of revenue; or, when it can be demonstrated that revenue and consumption of economic benefits of the intangible asset are highly correlated. Amendments to IAS 16 and IAS 38 are effective for annual periods beginning on or after January 1, 2016, applied prospectively. The Company does not expect these changes to have a significant impact on its financial statements.

Accounting for Acquisitions of Interest in Joint Arrangements

In May 2014, the IASB issued amendments to IFRS 11 "Accounting for Acquisitions of Interest in Joint Arrangements ("IFRS 11"). The amendments to IFRS 11 provide guidance on how to account for the acquisition of a joint operation that constitutes a business as defined in IFRS 3 "Business Combinations" ("IFRS 3"). Specifically, the amendments state that the relevant principles on accounting for business combinations in IFRS 3 and other standards should be applied. The same requirements should be applied to the formation of a joint operation if, and only if, an existing business is contributed to the joint operation by one of the parties that participate in the joint operation. A joint operator is also required to disclose the relevant information required by IFRS 3 and other standards for business combinations. The amendments should be applied prospectively to acquisitions of interests in joint operations (in which the activities of the joint operations constitute businesses as defined in IFRS 3) occurring for annual periods beginning on or after January 1, 2016. The Company does not expect these changes to have a significant impact on its financial statements.

3. Recent Accounting Pronouncements (Continued)

Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 "Financial Instruments" ("IFRS 9"). IFRS 9 issued in November 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in October 2010 to include classification and measurement requirements for financial liabilities and de-recognition. In November 2013, follow on amendments included new requirements for general hedge accounting. The final revision to IFRS 9 was issued in July 2014, which included impairment requirements for financial assets and limited amendments to the classification and measurement requirements for certain simple debt instruments. The new standard established a single classification and measurement approach for financial assets that reflects the business model in which they are managed and their cash flow characteristics. It also provides guidance on an entity's own credit risk relating to financial liabilities. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 and permits early adoption. The Company is currently evaluating the impact of IFRS 9 on its financial statements.

Disclosure Initiative

In December 2014, the IASB issued Disclosure Initiative Amendments to IAS 1 as part of the IASB's Disclosure Initiative. These amendments encourage entities to apply professional judgment regarding disclosure and presentation in their financial statements and are effective for annual periods beginning on or after January 1, 2016. The implementation of these amendments will not have a significant impact on the financial statements of the Company.

In January 2016, the IASB issued Disclosure Initiative Amendments to IAS 7 "Statement of Cash Flows", which is also part of the IASB's Disclosure Initiative. These amendments require entities to provide additional disclosures to enable financial statements users to evaluate changes in liabilities arising from financing activities, including changes arising from cash flows and non-cash changes. These amendments are effective for annual periods beginning on or after January 1, 2017, with earlier application permitted. The Company is currently assessing the potential impact of these amendments on its financial statements.

Leases

In January 2016, the IASB issued IFRS 16 — "Leases" ("IFRS 16"), which replaces IAS 17 — Leases ("IAS 17") and related interpretations. IFRS 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is 12 months or less or the underlying asset has a low value. IFRS 16 substantially carries forward the lessor accounting in IAS 17 with the distinction between operating leases and finance leases being retained. IFRS 16 will be applied retrospectively for annual periods beginning on or after January 1, 2019. Early adoption of IFRS 16 is permitted if IFRS 15 has also been applied. The Company is currently evaluating the potential impact of IFRS 16 on its financial statements.

4. First Time Adoption of IFRS

These are the Company's first financial statements prepared in accordance with IFRS and IFRS 1 — "First Time Adoption of IFRS" ("IFRS 1"). The accounting policies set out in Note 2 have been applied in preparing the financial statements for the fifteen-month period ended March 31, 2016, the comparative information presented in these financial statements for the year ended December 31, 2014 and in the preparation of the opening IFRS statement of financial position as at January 1, 2014, the date of transition.

In preparing its opening IFRS statement of financial position, the Company has adjusted amounts reported previously in the financial statements prepared in accordance with its old basis of accounting ("US GAAP"). An explanation of how the transition from US GAAP to IFRSs has affected the Company's financial position, financial performance and cash flows is set out below:

(a) Elected exemptions to retrospective application

In preparing these financial statements in accordance with IFRS 1, the Company has applied certain of the optional exemptions permitted under IFRS 1. The optional exemptions applied are described below.

Business combinations

The Company has elected to apply the provisions of IFRS 3 — "Business Combinations", prospectively to all business combinations from the date of transition to IFRS. There is no impact to the financial statements as a result of this election. The company completed an impairment test on January 1, 2014 and determined that goodwill was not impaired.

4. First Time Adoption of IFRS (Continued)

Property and equipment and intangible assets

The Company did not elect to use fair value as deemed cost on transition for any assets included in property and equipment or intangible assets. Therefore, they are carried at cost less impairment loss, if any, with retrospective application of IAS 16 — "Property, Plant and Equipment" and IAS 38 — "Intangible Assets".

Leases

The Company elected to apply the transitional provisions in IFRIC 4 — "Determining whether an Arrangement contains a Lease". This election allows the Company to determine whether an arrangement existing at the date of transition contains a lease on the basis of facts and circumstances existing at that date. This election resulted in no additional arrangements being identified as a lease, and thus had no impact on these financial statements.

Borrowing Costs

The Company elected to prospectively apply IAS 23 — "Borrowing Costs" from the IFRS transition date of January 1, 2014. There is no impact to the financial statements as a result of this election.

(b) Mandatory exceptions to retrospective application

In preparing these financial statements in accordance with IFRS 1, the Company has applied certain mandatory exceptions versus full retrospective application of IFRS.

Estimates

The estimates at January 1, 2014 and at December 31, 2014 are consistent with those made for the same dates in accordance with US GAAP (after adjustments to reflect any differences in accounting policies).

(c) Accounting difference

There were no accounting differences applicable to the Company on transition from US GAAP to IFRS.

5. Acquisitions

Certus Recording Solutions LLC

On January 8, 2014, the Company acquired the remaining 50% of outstanding membership interests in Certus Recording Solutions LLC ("Certus") located in Middleton, Rhode Island, previously held by a third-party. Prior to the acquisition, the Company held a 50% stake in the Certus membership interests, which were re-measured to fair value at the date of acquisition.

The acquisition further strengthens the Company's product offering by providing a more complete suite of solutions to its customers. Certus assists with the accuracy of quotes provided by lenders to their customers for government recording fees and taxes that are presented on the Loan Estimate or Closing Disclosure Statement.

The acquisition of Certus qualified as a business and was accounted for using the acquisition method of accounting. Accordingly, the results of the acquisition have been included in the financial statements of the Company from the date of closing.

5. Acquisitions (Continued)

Consideration and the fair value allocation to net assets acquired as at the date of acquisition, was as follows:

	2014
Consideration	
Cash	$150
Fair value of previously held equity interests	150
	$300
Net assets acquired	
Cash	$ 13
Trade and other receivables	141
Intangible assets — technologies (Note 6)	153
Trade and other payables	(7)
Total net assets acquired	$300

The Company recognized a gain of $78 from the re-measurement to fair value of the Company's 50% equity interest in Certus before the business acquisition.

Since the acquisition closed, Certus has contributed revenues of $154 and net income of $32 to the Company's consolidated statement of operations and comprehensive income (loss).

Performance Title, LLC

On December 31, 2014, the Company, through its subsidiary Performance Lender Solutions, LLC, acquired 100% of the outstanding membership interests of Performance Title, LLC ("Performance"), a Louisiana limited liability company. Performance provides nationwide title insurance and closing services for refinance, purchase, short sale and Real Estate Owned transactions.

The Company completed the acquisition of Performance with the objective of leveraging its customer relationships in the title and closing market.

The acquisition of Performance qualified as a business and was accounted for using the acquisition method of accounting. Accordingly, the results of the acquisition have been included in the financial statements of the Company from the date of closing.

Consideration and the fair value allocation to net assets acquired as at the date of acquisition, was as follows:

	2014
Consideration	
Cash	$ 100
Notes payable	462
Contingent consideration	382
	$ 944
Net assets acquired	
Cash	$ 372
Trade and other receivables	229
Prepaid expenses	30
Property and equipment (Note 8)	100
Intangible assets — customer relationships (Note 6)	320
Goodwill (Note 7)	322
Trade and other payables	(278)
Accrued expenses	(151)
Total net assets acquired	$ 944

5. Acquisitions (Continued)

Goodwill arising on the acquisition reflects the benefits attributable to synergies, revenue growth, future market development and the estimated fair value of an assembled workforce. These benefits are not recognized separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

Contingent consideration includes an earn-out payment due to the seller for meeting a certain performance condition. The seller is entitled to additional consideration of up to $382 for achieving a pre-established revenue target. The Company has assessed the amount payable at full for the earn-out payment, reflecting its assessment of the markets, the economic environment and other factors. The estimated amount payable has not been discounted since the amount payable is current and is included in accrued expenses on the Company's consolidated statement of financial position at December 31, 2014. The Company's estimate of contingent consideration is subject to change.

Costs related to the acquisition in the amount of $73 were expensed as incurred and were recorded to operating expenses in the consolidated statements of operations and comprehensive income (loss).

On January 8, 2015, Performance Lender Solutions, LLC disposed of 50% of its membership interests to an unrelated party resulting in the Company's loss of control. Accordingly, the subsidiary was deconsolidated from the Company's financial statements at that date. No gain or loss was recognized as a result of this disposal. The Company's remaining 50% interest provides it joint control over Performance and accordingly, is accounted for using the equity method of accounting.

6. Intangible Assets

Intangible assets comprised the following:

	Internally developed software	Licenses	Customer relationships	Technologies	Total
Cost					
Balance at January 1, 2014	$ 144	$ 772	$ 1,015	$ 1,777	$ 3,708
Additions	95	8	—	—	103
Additions, acquisitions	—	—	320	153	473
Balance at December 31, 2014	$ 239	$ 780	$ 1,335	$ 1,930	$ 4,284
Additions	—	45			45
Disposals	—	—	(320)	—	(320)
Balance at March 31, 2016	$ 239	$ 825	$ 1,015	$ 1,930	$ 4,009
Accumulated amortization					
Balance at January 1, 2014	$ —	$ —	$ (254)	$ (333)	$ (587)
Amortization	(59)	(160)	(338)	(483)	(1,040)
Balance at December 31, 2014	$ (59)	$(160)	$ (592)	$ (816)	$(1,627)
Amortization	(99)	(159)	$ (423)	$ (603)	(1,284)
Balance at March 31, 2016	$(158)	$(319)	$(1,015)	$(1,419)	$(2,911)
Net carrying value at January 1, 2014	**$ 144**	**$ 772**	**$ 761**	**$ 1,444**	**$ 3,121**
Net carrying value at December 31, 2014	**$ 180**	**$ 620**	**$ 743**	**$ 1,114**	**$ 2,657**
Net carrying value at March 31, 2016	**$ 81**	**$ 506**	**$ —**	**$ 511**	**$ 1,098**

7. Goodwill

Goodwill is comprised of the following:

	Total
Cost	
Balance at January 1, 2014	$2,785
Acquisitions (Note 5)	322
Balance at December 31, 2014	$3,107
Disposals (Note 5)	(322)
Balance at March 31, 2016	$2,785

For purposes of testing goodwill impairment, the Company reports its results as a single CGU.

For the fifteen months ended March 31, 2016, the recoverable amount of the CGU has been determined based on the CGU's fair value less costs of disposal. The CGU's fair value less costs of disposal was determined based on the definitive asset purchase agreement to sell substantially all of the assets and liabilities of the Company to an unrelated party for proceeds of $97,937. Substantially all of the assets and liabilities of the Company were sold on April 1, 2016.

For the year ended December 31, 2014 and as at January 1, 2014, the recoverable amount of the CGU was determined based on the CGU's fair value less management's best estimate for costs of disposal. The CGU's fair value was determined using a market capitalization approach with adjustments to reflect an appropriate risk premium.

Management believes that any reasonably possible change in the key assumptions would not cause the carrying amounts of the CGU to exceed its recoverable amount.

8. Property and Equipment

Property and equipment comprised the following:

	Furniture and fixtures	Computer equipment	Leasehold improvements	Total
Cost				
Balance at January 1, 2014	$ 758	$ 1,559	$ 277	$ 2,594
Additions	—	122	1	123
Additions, acquisitions	—	100	—	100
Balance at December 31, 2014	$ 758	$ 1,781	$ 278	$ 2,817
Additions	86	967	132	1,185
Disposals	—	(100)	—	(100)
Balance at March 31, 2016	$ 844	$ 2,648	$ 410	$ 3,902
Accumulated depreciation				
Balance at January 1, 2014	$(347)	$ (950)	$ (22)	$(1,319)
Depreciation	(143)	(372)	(52)	(567)
Balance at December 31, 2014	$(490)	$(1,322)	$ (74)	$(1,886)
Depreciation	(156)	(398)	(82)	(636)
Balance at March 31, 2016	$(646)	$(1,720)	$(156)	$(2,522)
Net carrying value at January 1, 2014	**$ 411**	**$ 609**	**$ 255**	**$ 1,275**
Net carrying value at December 31, 2014	**$ 268**	**$ 459**	**$ 204**	**$ 931**
Net carrying value at March 31, 2016	**$ 198**	**$ 928**	**$ 254**	**$ 1,380**

At March 31, 2016, the net carrying value of assets under finance leases totaled $682 (December 31, 2014 — $149, January 1, 2014 — $214). There were no impairment provisions or any reversals of previous write-downs in the periods presented.

9. Investment in Equity Accounted Investees

Details of the Company's equity accounted investees ("joint ventures") are as follows:

Name of entity		Place of incorporation	Ownership interest March 31, 2016	December 31, 2014	January 1, 2014
Keylink National Title, LLC		Rhode Island, U.S.	**51%**	nil	nil
Linear Title & Settlement Services, LLC		Rhode Island, U.S.	**49%**	49%	49%
Performance Lender Solutions, LLC	(a)	Delaware, U.S.	**50%**	100%	nil
Certus Recording Solutions LLC	(b)	Rhode Island, U.S.	**100%**	100%	50%

(a) Performance Lender Solutions, LLC was controlled by the Company at December 31, 2014 and therefore, fully consolidated. The Company later disposed of 50% of its membership interests to an unrelated third party resulting in the Company accounting for the investment using the equity method of accounting. Please refer to Note 5.

(b) The Company acquired 50% of the outstanding membership interests of Certus Recording Solutions LLC previously held by a third-party on January 8, 2014. Certus was subsequently consolidated as result of this acquisition as further described in Note 5.

The Company does not control Keylink National Title, LLC, since decisions regarding all significant activities are made jointly through unanimous approval of the joint venture partners or the Board of Directors. Accordingly, the Company has concluded that it has joint control.

The investment in equity accounted investees are accounted for applying the equity method of accounting and each had the following carrying values:

	March 31, 2016	December 31, 2014	January 1, 2014
Keylink National Title LLC	$ 38	$ —	$ —
Linear Title & Settlement Services LLC	160	173	165
Performance Lender Solutions LLC	157	—	—
Certus Recording Solutions LLC	—	—	72
	$355	**$173**	**$237**

Outlined below is summarized aggregate financial information for the Company's joint ventures extracted from the joint venture's financial statements prepared in accordance with IFRS.

	Fifteen-months ended March 31, 2016	Year ended December 31, 2014
Summarized statement of operations and comprehensive income:		
Revenues	$9,718	$4,956
Net income and comprehensive income	$2,072	$2,164

The Company provides services to, and purchases services from, its equity accounted investees. Transactions during the year are as follows:

	Fifteen-months ended March 31, 2016	Year ended December 31, 2014
Services sold	$1,920	$834
Services purchased	$ 637	$ 29

9. Investment in Equity Accounted Investees (Continued)

The following balances were outstanding at the end of the year between the Company and its equity accounted investees:

	March 31, 2016	December 31, 2014	January 1, 2014
Amounts owed to equity accounted investees	$233	$34	$146
Amounts owed by equity accounted investees	$896	$85	$100

10. Other Assets

Other assets comprised the following:

	Note	March 31, 2016	December 31, 2014	January 1, 2014
Statutory escrow deposit with the California Insurance Commissioner	(a)	$435	$435	$—
Other		359	148	50
		$794	**$583**	**$50**
Current		577	148	50
Non-current		$217	$435	$—

(a) Statutory escrow deposit with the California Insurance Commissioner

California requires an escrow deposit be placed temporarily with each licensed county the Company operates in. This deposit has been refunded back to the Company subsequent to March 31, 2016.

11. Long-Term Debt

Long-term debt comprised the following:

	Note	March 31, 2016	December 31, 2014	January 1, 2014
Bank line of credit	(a)	$ —	$ 725	$ —
Note payable to bank	(b)	410	720	961
Note payable to bank	(c)	909	—	—
Note payable to bank	(d)	875	1,422	1,560
Note payable to bank	(e)	280	463	—
Loan payable to Business Development Company	(f)	36	115	177
Notes payable to former members of a subsidiary	(g)	1,077	4,338	4,369
Notes payable to shareholder	(h)	—	200	—
Total		**$3,587**	**$7,983**	**$7,067**
Current		$3,587	$7,931	$6,952
Non-current		**$ —**	**$ 52**	**$ 115**

(a) Bank line of Credit

The Company has a $625 (December 31, 2014 — $750, January 1, 2014 — $750) bank line of credit which is secured by all the Company's assets and matures in November 2016. Borrowings under this line of credit are $nil as at March 31, 2016 (December 31, 2014 — $725, January 1, 2014 — $nil). The interest rate applicable to the bank line of credit is the bank's prime rate (December 31, 2014 — 3.25%). The loan is subject to a financial covenant which requires the Company to maintain a debt service ratio of at least 1.2:1.

11. Long-Term Debt (Continued)

(b) Note payable to bank

Note payable of $410 (December 31, 2014 — $720, January 1, 2014 — $961) to a bank is payable in 48 monthly installments of $22 including interest at 2.78% through October 2014 and then at 2.4% thereafter plus the 1 year Federal Home Loan Bank Classic Advance Rate (March 31, 2016 — 0.84%, December 31, 2014 — 0.56%) adjusted annually through October 2017. The note is secured by a first lien on all company assets. The note is subject to a financial covenant which requires the Company to maintain a debt service ratio of at least 1.2:1.

(c) Note payable to bank

Note payable of $909 (December 31, 2014 — $nil, January 1, 2014 — $nil) to a bank is payable in 41 monthly installments of $25 including interest at 3.57% through May 2019. The interest rate is adjusted annually to the one year Federal Home Loan Bank Classic Advance Rate plus 1.7% beginning November 20, 2016. The note is secured by a first lien on all Company assets. The note is subject to a financial covenant to maintain a debt service ratio of at least 1.2:1.

(d) Note payable to bank

Note payable of $875 (December 31, 2014 — $1,422, January 1, 2014 — $1,560) to a bank is payable in monthly installments of $36 plus interest at 1.7% through August 2017 with a final balloon payment of $256 due September 2017. This note is a temporary line of credit and advances were available through March 10, 2014. The note is subject to a financial covenant which requires the Company to maintain a debt service ratio of at least 1.1:1.

(e) Note payable to bank

Note payable of $280 (December 31, 2014 — $463, January 1, 2014 — $nil) to a bank is payable in monthly installments of $12 plus interest at LIBOR of 0.44% at March 31, 2016 (December 31, 2014: 0.171%) plus 1.5% through February 2018. The note is subject to a financial covenant which requires the Company to maintain a debt service ratio of at least 1.1:1.

(f) Loan payable to Business Development Company

A subsidiary of the Company has a loan payable of $36 (December 31, 2014 — $115, January 1, 2014 — $177) to a business development company in monthly installments of $5 plus interest at 11% through October 2016. The loan is secured by a first lien on all the subsidiary's assets and guaranteed by the Company.

(g) Notes payable to former members of a subsidiary

The Company has $1,077 (December 31, 2014 — $4,338, January 1, 2014 — $4,369) of notes payable to the former members of Nexgen Compliance Solutions LLC as a result of the March 31, 2013 acquisition. The notes were originally due October 14, 2014 but were extended by the holders. The notes bear interest at a rate of 6% from the execution date through January 15, 2014 and then bear interest at 12% until all accrued and unpaid interest and principal are paid in full. The notes may be prepaid without penalty and are subordinate to the bank line of credit and notes payable to the bank.

(h) Notes payable to shareholder

The Company has $nil (December 31, 2014 — $200, January 1, 2014 — $nil) of notes payable to a shareholder originally due November 2014. The notes bear interest at 15% until November 2014 and then increases by 3% each month thereafter until the note is paid in full. This note was repaid in full on November 30, 2015. This note is subordinate to the bank line of credit and notes payable to the bank.

Compliance — March 31, 2016

The Company was in compliance with all covenants as at March 31, 2016.

11. Long-Term Debt (Continued)

Compliance — December 31, 2014 and January 1, 2014

The Company was not in compliance with the financial covenants as at December 31, 2014 and January 1, 2014. The bank waived the noncompliance subsequent to the periods ended December 31, 2014 and January 1, 2014. Therefore, these borrowings have been classified as current in the consolidated statements of financial position.

All borrowings were repaid in full subsequent to March 31, 2016. Please see Note 22.

12. Shareholder's Equity (Deficiency)

Common shares

The Company is authorized to issue 13,299 common shares with a $1 par value.

Details of common shares is as follows:

	Number of shares	Amount
Balance at January 1 2014	12,613	$ 13
Common shares issued during the year	684	498
Balance at December 31, 2014	13,297	$511
Balance at March 31, 2016	13,297	$511

On June 30th, 2014, the Company issued 684 common shares in exchange for cash proceeds of $498.

13. Net Income or Loss Per Share

The following table outlines the components used in the calculation of basic and diluted net income or loss per share attributable to common shareholders:

	Fifteen-months ended March 31, 2016	Year ended December 31, 2014
Net income (loss) atributable to common shareholders	$7,539	$(2,880)
Weighted average number of shares, basic, in thousands	13	13
Weighted average number of shares, diluted, in thousands	13	13
Net income (loss) per weighted average share, basic and diluted	$ 567	$ (222)

14. Operating Expenses

	Fifteen-months ended March 31, 2016	Year ended December 31, 2014
Salaries and benefits	$26,315	$12,411
Sales and marketing	1,127	670
Travel and entertainment	959	532
Office and computer	6,427	3,537
Professional fees	806	455
Other	1,011	507
	$36,645	$18,112

15. Changes in Non-Cash Working Capital Items

The following table outlines changes in non-cash working capital items:

	Fifteen-months ended March 31, 2016	Year ended December 31, 2014
Trade and other receivables	$(2,746)	$ 719
Prepaid expenses	(115)	158
Due from related parties	40	3
Other assets	(211)	(533)
Trade payables	1,476	1,376
Accrued charges	(545)	(307)
	$(2,101)	**$1,416**

16. Compensation of Key Management Personnel

The Company's key management personnel are comprised of the Board of Directors and certain members of the executive team. Compensation for key management personnel, recorded to operating expenses, is as follows:

	Fifteen-months ended March 31, 2016	Year ended December 31, 2014
Salaries and benefits	$2,021	$882

Salaries and benefits include expenses for base salaries, bonuses and other benefit expenses.

17. Commitments and Contingencies

The Company leases office space and equipment under various operating leases. Payments for the next five years ending March 31 and thereafter are as follows:

	Total
2017	$ 977
2018	851
2019	566
2020	12
2021	—
Thereafter	—
	$2,406

17. Commitments and Contingencies (Continued)

The Company has entered into finance leases for computer equipment with maturities and interest rates ranging from 2016 to 2019 and 6% to 12.5%, respectively. Future minimum lease payments required under finance lease obligations in each of the next five years ending March 31 and thereafter are as follows:

2017	$320
2018	282
2019	208
2020	—
2021	—
Thereafter	—
	$810
Less: amount representing interest	122
	$688
Less: current portion	264
	$424

The Company administers escrow accounts which represent undisbursed funds received for the settlement of certain residential and commercial real estate title and closing transactions. Deposits at Federal Deposit Insurance Corporation ("FDIC") institutions are insured up to $250. Cash deposited in these escrow accounts totaled $26,124 at March 31, 2016 (December 31, 2014 — $16,226, January 1, 2014 — $11,313) which are not assets of the Company and therefore excluded from the Company's consolidated statement of financial position. However, the Company remains contingently liable for the distribution of these deposits.

18. Financial Instruments

The carrying value of cash, trade and other receivables, due from related parties, trade and other payables, accrued expenses and due to related parties approximate their fair values due to the relatively short-term maturities of these instruments.

At March 31, 2016, the estimated fair value of long-term debt approximates its carrying amount as the Company believes that renegotiation of its variable rate long-term debt would result in similar pricing.

There are no financial instruments that are measured at fair value.

Financial risk management

In the normal course of business, the Company is exposed to financial risks that have the potential to impact its financial performance, including credit risk, liquidity risk and market risk. The Company's primary objective is to protect its operations, cash flows and ultimately shareholder value. The Company designs and implements risk management strategies but does not typically use derivative financial instruments to manage these risks.

Credit risk

Credit risk is the risk that the Company's counterparties will fail to meet their financial obligations to the Company, causing a financial loss. The Company's principal financial assets are cash and trade and other receivables. The carrying amounts of financial assets on the consolidated statement of financial position represent the Company's maximum credit exposure at that date. The Company's credit risk is primarily attributable to its trade receivables which is limited by the Company's broad customer base. As at March 31, 2016, one customer represents more than 10% (December 31, 2014 — 2 customers and January 1, 2014 — 2 customers) of the Company's total trade and other receivables.

To limit credit risk, the Company monitors its aged receivable balances on a continuous basis. In addition, a significant portion of the Company's revenue is settled on closing through an escrow account having no credit terms attributable to collection. The Company's customers are financial and lending institutions that are typically well funded, which also limits the Company's exposure to credit risk. In certain circumstances, the Company may also require customer deposits or pre-payments to limit credit risk. While the Company has risk mitigation processes in place, there can be no certainty that they will eliminate all credit risk. Accordingly, these processes may not be effective in the future and the risk for credit losses may increase.

18. Financial Instruments (Continued)

Trade and other receivables

	March 31, 2016	December 31, 2014	January 1, 2014
Trade receivables	$4,111	$1,344	$1,891
Allowance for doubtful accounts	139	16	58
	$3,972	$1,328	$1,833
Settlement receivables	35	162	88
	$4,007	$1,490	$1,921

Settlement receivables represent revenues earned on real estate transactions closed during the period but not yet received by the Company from escrow accounts.

The following table outlines the change in the allowance for doubtful accounts:

	March 31, 2016	December 31, 2014
Balance, beginning of the year	$ 16	$58
Impairment losses recognized	216	64
Write-offs	93	64
Recoveries	—	42
Balance, end of the period	$139	$16

The aging of trade and other receivables is as follows:

	March 31, 2016	December 31, 2014	January 1, 2014
Current	$ 935	$ 676	$ 263
1-30 days	413	369	472
Over 30 days	1,295	264	394
Over 60 days	115	36	272
Over 90 days	1,388	161	578
Total gross trade and other receivables	$4,146	$1,506	$1,979
Less: allowance for doubtful accounts	139	16	58
Total trade and other receivables, net	$4,007	$1,490	$1,921

Interest rate risk

The Company is exposed to interest rate risk primarily through its secured debt borrowings. At March 31, 2016, the Company's primary interest rate exposure was to interest rate fluctuations, specifically bank prime, LIBOR and the Federal Home Loan Bank Classic Advance Rate, resulting from annual interest rate adjustments on these borrowings. These variable rates will be the Company's primary market risk exposure for the foreseeable future. At March 31, 2016, the Company had variable interest rate long-term debt of $280 and $1,319 bearing interest at LIBOR and the Federal Home Loan Bank Classic Advance Rate, adjusted annually, respectively. A 1.0% rise or fall in the variable interest rates for the period ended March 31, 2016 results in a $16 (December 31, 2014 — $14) change in interest expense, all else equal.

18. Financial Instruments (Continued)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company's objective is to manage operational uncertainties that include, but are not limited to: unfavourable real estate trends and volume of sales. The Company maintains sufficient levels of working capital to settle financial liabilities when they are contractually due. Also, the Company manages its liquidity risk to ensure it complies with its debt covenants.

Actual results could vary significantly with a related impact on liquidity. As at March 31, 2016, the Company has borrowings of $3,587 (December 31, 2014 — $7,983, January 1, 2014 — $7,067).

The following tables outline the Company's remaining contractual maturities for its non-derivative financial liabilities based on the earliest date the Company is required to pay the principal amounts owing:

	March 31, 2016				
	Payments due				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Trade and other payables	$4,727	$4,727	$ —	$ —	$ —
Accrued expenses	340	340	—	—	—
Finance lease obligations	810	320	490	—	—
Long-term debt	3,587	3,587	—	—	—
	$9,464	**$8,974**	**$490**	**$ —**	**$ —**

	December 31, 2014				
	Payments due				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Trade and other payables	$ 3,530	$ 3,530	$ —	$ —	$ —
Accrued expenses	1,862	1,862	—	—	—
Finance lease obligations	168	98	70	—	—
Long-term debt	7,983	7,931	52	—	—
	$13,543	**$13,421**	**$122**	**$ —**	**$ —**

	January 1, 2014				
	Payments due				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Trade and other payables	$1,937	$1,937	$ —	$ —	$ —
Accrued expenses	662	662	—	—	—
Finance lease obligations	237	124	113	—	—
Long-term debt	7,067	6,952	115	—	—
	$9,903	**$9,675**	**$228**	**$ —**	**$ —**

19. Capital Management

The Company actively manages its debt and equity capital in support of its growth objectives and to ensure sufficient liquidity is available to support its financial obligations and operating and strategic plans, with a view to maximizing shareholder returns.

19. Capital Management (Continued)

The Company defines capital as equity (primarily common share capital), short-term and long-term indebtedness and cash. The Company manages its capital structure, commitments and maturities and makes adjustments, where required, based on general economic conditions, financial markets, operating risks and working capital requirements. To maintain or adjust its capital structure, the Company may, with approval from its Board of Directors, as required, issue or repay debt and/or short-term borrowings, issue share capital or undertake other activities deemed appropriate. The Board of Directors reviews and approves the annual operating budgets, and any material transactions that are not part of the ordinary course of business, including proposals for acquisitions or other major capital transactions.

The Company monitors its capital structure by measuring its key covenants which include a debt-to-earnings ratio and interest coverage ratio. Key financial covenants contained in existing debt agreements are reviewed by management on an ongoing basis to monitor compliance.

The Company is not subject to any externally-imposed capital requirements.

20. Segmented Reporting

The Company reports segment information based on internal reports used by the CODM to make operating and resource decisions and to assess performance. The CODM is the Chief Executive Officer. The CODM makes decisions and assesses performance of the Company on a consolidated basis such that the Company is a single reportable operating segment.

The Company operates in one principal geographical area, the United States of America.

Information about major customers

One customer comprised more than 10% of the Company's revenue for the 15-month period ended March 31, 2016 which amounted to $9,438 (period ended December 31, 2014 — one that comprised more than 10% which amounted to $3,570).

21. Related Parties

Balances and transactions between the Company and its equity accounted investees can be found in Note 9.

Details of transactions between the Company and other related parties are disclosed below.

	Fifteen-months ended March 31, 2016	Year ended December 31, 2014
Services sold	$6,496	$2,247

The Company generates sales to customers referred by Amerisave which is controlled by a shareholder of the Company. The Company also remitted payments to Amerisave for shared costs of closing services. These shared costs were recorded net of the revenue earned.

A shareholder of the Company also provides outside legal services.

The following balances were outstanding at the end of the reporting periods:

	March 31, 2016	December 31, 2014	January 1, 2014
Amounts owed by related parties	$ —	$ 5	$ 8
Amounts owed to related parties	$ 35	$ —	$ —

22. Subsequent Events

On April 1, 2016, substantially all of the assets and liabilities of the Company were acquired by an unrelated party for proceeds of $97,937. In conjunction with the close of the acquisition, all long-term debt was repaid.

SOUTHWEST FINANCIAL SERVICES, LTD

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT**

For the years ended December 31, 2014, December 31, 2013 and December 31, 2012

SOUTHWEST FINANCIAL SERVICES, LTD

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INDEPENDENT AUDITORS' REPORT

Directors and Officers
Southwest Financial Services, LTD
537 Pete Rose Way, Suite 300
Cincinnati, OH 45202

We have audited the accompanying financial statements of Southwest Financial Services, LTD which comprise the statements of financial position as at December 31, 2014, December 31, 2013 and December 31, 2012 and the statements of comprehensive income, statements of changes in member's equity and statements of cash flows for each of the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Southwest Financial Services, LTD, as at December 31, 2014, December 31, 2013, and December 31, 2012, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Mort, White and Bushman, CPA's

Cincinnati, Ohio
July 8, 2016

1241 Nagel Rd.
Cincinnati, Ohio 45255

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SOUTHWEST FINANCIAL SERVICES, LTD

STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2014, 2013, and 2012

	Note	2014	2013	2012
		$	$	$
Gross Revenues	10	42,265,104	56,867,330	59,986,656
Transaction Expenses		33,317,847	46,051,714	48,537,271
		8,947,257	10,815,616	11,449,385
Operating Expenses	11	5,883,739	6,007,057	5,705,438
Income Before Depreciation, Finance Costs, and Other Income and Expenses		3,063,518	4,808,559	5,743,947
Depreciation		143,199	153,232	128,744
Finance Costs	4	35,827	20,001	1,774
Other Income/(Expenses)				
Captive Insurance Expense	12	(853,884)	(1,802,250)	(1,798,040)
Gain/(Loss) on Sale of Assets	6	14,139	—	(13,010)
Net and Comprehensive Income		2,044,747	2,833,076	3,802,379
All Net Income and Comprehensive Income is Attributable to the Owner				
Earnings per Membership Unit (Basic and Diluted)		**2,044,747**	**2,833,076**	**3,802,379**
Weighted Average of Membership Units Outstanding		**1**	**1**	**1**

See Independent Auditor's Report and accompanying notes.

SOUTHWEST FINANCIAL SERVICES, LTD

STATEMENTS OF FINANCIAL POSITION

As of December 31, 2014, 2013, and 2012

	Note	December 31, 2014	December 31, 2013	December 31, 2012
		$	$	$
ASSETS				
Current Assets				
Cash		1,333,831	268,158	2,620,933
Accounts Receivable	5	3,781,888	3,438,900	5,512,905
Member Advances Receivable	12	—	3,000,000	—
Other Advances		—	109	2,872
Prepaid Expenses		254,443	908,525	517,782
Total Current Assets		5,370,162	7,615,692	8,654,492
Non-current				
Real Estate	6	608,707	597,857	597,857
Equipment and Vehicles	6	2,551,112	2,594,647	2,525,769
		3,159,819	3,192,504	3,123,626
Less Accumulated Depreciation		2,480,306	2,503,764	2,407,529
Total Real Estate, Equipment, and Vehicles		679,513	688,740	716,097
Total Assets		6,049,675	8,304,432	9,370,589
LIABILITIES AND MEMBER'S EQUITY				
Current Liabilities				
Line of Credit	7	—	1,322,712	—
Borrowings	8	45,035	—	—
Accounts Payable	14	151,766	146,839	217,781
Accrued Payroll and Withheld Payroll Liabilities	14	1,335,904	1,663,627	3,121,616
Total Current Liabilities		1,532,705	3,133,178	3,339,397
Total Liabilities		1,532,705	3,133,178	3,339,397
Member's Equity				
Contributed Surplus	9	2,956,138	2,956,138	2,956,138
Retained Earnings	9	1,560,832	2,215,116	3,075,054
Total Member's Equity		4,516,970	5,171,254	6,031,192
Total Liabilities and Member's Equity		6,049,675	8,304,432	9,370,589

The accompanying notes are an integral part of these financial statements.

SOUTHWEST FINANCIAL SERVICES, LTD

STATEMENTS OF CHANGES IN MEMBER'S EQUITY

Years ended December 31, 2014, 2013 and 2012

	Contributed Surplus	Retained Earnings	Total
	$	$	$
Balance as of January 1, 2012	1,850,000	3,476,201	5,326,201
Net Income and Comprehensive Income for the Year	—	3,802,379	3,802,379
Contributed Surplus	1,106,138	—	1,106,138
Distributions to Member	—	(4,203,526)	(4,203,526)
Balance as of December 31, 2012	2,956,138	3,075,054	6,031,192
Net Income and Comprehensive Income for the Year	—	2,833,076	2,833,076
Distributions to Member	—	(3,693,014)	(3,693,014)
Balance as of December 31, 2013	2,956,138	2,215,116	5,171,254
Net Income and Comprehensive Income for the Year	—	2,044,747	2,044,747
Distributions to Member	—	(2,699,031)	(2,699,031)
Balance as of December 31, 2014	2,956,138	1,560,832	4,516,970

The accompanying notes are an integral part of these financial statements.

SOUTHWEST FINANCIAL SERVICES, LTD

STATEMENTS OF CASH FLOWS

For the years ended December 31, 2014, 2013 and 2012

	Note	2014	2013	2012
		$	$	$
Cash Flows From Operating Activities				
Net Income		2,044,747	2,833,076	3,802,379
Reconciliation of Net Income with Cash Flows from Operations				
Depreciation	6	143,199	153,232	128,744
Loss/(Gain) on Sale of Assets	6	(14,139)	—	13,010
Changes In				
Accounts Receivable		(342,988)	2,074,005	411,652
Prepaid Expenses		654,082	(390,743)	963,594
Other Advances		109	2,766	87,528
Accounts Payable		4,927	(70,942)	75,773
Accrued and Withheld Liabilities		(327,723)	(1,457,988)	(453,505)
Cash Provided by Operations		2,162,214	3,143,406	5,029,175
Cash Flows From Investing Activities				
Purchase of Fixed Assets	6	(134,833)	(125,879)	(292,140)
Proceeds from Sale of Fixed Assets	6	15,000	—	—
Cash Used In Investing Activities		(119,833)	(125,879)	(292,140)
Cash Flows From Financing Activities				
Change in Line of Credit	7	(1,322,712)	1,322,712	—
Proceeds from Borrowings	8	55,160	—	—
Repayments on Borrowings	8	(10,125)	—	—
Member Advances Receivable	12	3,000,000	(3,000,000)	—
Member Contributions	9	—	—	1,106,138
Member Distributions	9	(2,699,031)	(3,693,014)	(4,203,526)
Cash Used In Financing Activities		(976,708)	(5,370,302)	(3,097,388)
Net Change in Cash		1,065,673	(2,352,775)	1,639,647
Beginning Cash Balance		268,158	2,620,933	981,286
Ending Cash Balance		1,333,831	268,158	2,620,933

The accompanying notes are an integral part of these financial statements.

SOUTHWEST FINANCIAL SERVICES, LTD
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014, December 31, 2013, December 31, 2012

1. Business Description

Southwest Financial Services, LTD (the "Company") is a single member Limited Liability Company organized under the laws of the State of Ohio, United States of America on November 20, 1995. The Company's principal place of business is located in the United States of America at 537 Pete Rose Way, Suite 300, Cincinnati, Ohio 45202. The Company performs documentation services for mortgage refinancing loans issued by banks and other financial institutions throughout the United States.

The Company has only one reportable segment consisting of the continental United States of America.

2. Significant Accounting Policies

Statement of Compliance

The financials have been prepared in accordance with International Financial Reporting Standards (IFRS), utilizing the accounting polices as described in these footnotes.

These are the Company's first financial statements reported under IFRS. Therefore, IFRS 1 — First Time Adoption of IFRS has been applied. The Company has previously reported operating results under United States Generally Accepted Accounting Principles (GAAP) and management has determined that there was no financial impact from converting to the IFRS reporting framework. The Company did not provide an opening balance sheet as at January 1, 2012 as there were no adjustments required due to the adoption of IFRS.

These financial statements were approved and authorized for issuance by Management on July 8, 2016.

Organization and Principles of Consolidation

The financial statements of Southwest Financial Services, LTD do not include GLS Dist., Inc. Southwest Financial Services, LTD is a wholly owned limited liability company of GLS Dist., Inc., an S-Corporation holding Company. GLS Dist., Inc's only significant asset is the membership units of Southwest Financial Services, LTD.

Basis of Preparation and Measurement

The financial statements have been prepared on the historical cost basis. All financial information is presented in United States dollars.

Revenue Recognition

Revenue is recognized as services are performed and billed and is measured at fair value of the consideration received or receivable.

Income per Unit

Basic net earnings per membership unit is calculated by dividing the net earnings available to the member by the weighted average number of membership units outstanding.

Income Taxes

The Company is wholly owned by GLS Dist., Inc., therefore, the Company's operations are reported on GLS Dist., Inc.'s tax return. GLS Dist., Inc. has elected under Section 1362 of the United States Internal Revenue Code to be taxed as an 'S' Corporation. Under the provisions of this chapter, most of the tax liabilities and benefits from the entity pass directly to the stockholders. As such, any timing differences between financial statement and taxable income will also be taxed to the stockholders of GLS Dist., Inc.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the obligation.

Cash

Cash includes cash on hand and cash in banks held in checking and savings accounts.

2. Significant Accounting Policies (Continued)

Real Estate, Equipment, and Vehicles

Real estate, equipment, and vehicles are stated at cost and depreciated over the estimated useful lives of the related assets. Depreciation is computed using the straight-line and accelerated methods for both financial reporting purposes and for income tax reporting purposes.

Maintenance and repairs are charged to operations when incurred. Significant betterments and renewals are capitalized. When real estate, equipment, and vehicles are sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included in operations.

Impairment of Real Estate, Equipment, and Vehicles

The Company reviews the carrying amounts of its Real Estate, Equipment and Vehicles at the end of each reporting period in order to determine if there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the assets is reduced to its recoverable amount. An impairment loss equal to the difference between the carrying and recorded amounts is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, provided that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset previously. A reversal of an impairment loss is recognized immediately in profit or loss.

Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of an instrument.

Financial assets and financial liabilities are initially recorded at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Fair value estimates are made at the statement of financial position date based on relevant market information and information about the financial instrument.

Cash, accounts receivable, and advances are classified as loans and receivables. Accounts payable, borrowings and accrued payroll and withheld payroll liabilities are classified as other liabilities.

Loans and Receivables are non-derivative financial instruments with fixed or determinable payments that are not quoted in an active market. Loans and Receivables are measured at amortized cost using the effective interest method, less any impairment. Interest income is recognized by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. When the lessor retains all the risks and rewards of ownership, the lease is classified as an operating lease. Lease payments under an operating lease are recognized as an expense on a straight line basis over the term of the lease. Assets held under finance leases are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, the present value of the minimum lease payments. A corresponding liability to the lessor is recorded and shown in the statement of financial position as a finance lease obligation.

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets.

Other financial liabilities are initially measured at fair value, net of transaction costs. Subsequently, other financial liabilities are measured at amortized cost using the effective interest method.

2. Significant Accounting Policies (Continued)

The effective interest method calculates the amortized cost of a financial liability, allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all transaction costs) through the expected life of the financial liability, or when appropriate, a shorter period, to the net carrying amount on initial recognition.

Future Changes in Accounting Policies

IFRS 15 "Revenue from Contracts with Customers" The main principle of this standard is for companies to recognize revenue resulting from the transfer of goods or services in an amount that reflects the consideration to which the company expects to be entitled to in exchange for those goods or services. IFRS 15 will also result in enhanced disclosures about revenue and provide guidance for transactions that were not previously addressed comprehensively (such as contract modifications). Application of the standard is mandatory and it applies to nearly all contracts with customers: significant exemptions include leases, financial instruments, and insurance contracts. IFRS 15 is available foe early application, mandatory adoption is required for fiscal years commencing on or after January 1, 2018 and is to be applied using the retrospective or the modified transition approach. The Company is currently assessing the impact of this standard on its financial statements.

Amendment to IAS 16 "Property, Plant and Equipment" and IAS 38 "Intangible Assets" Clarifies that a revenue-based approach to calculate depreciation and amortization is generally not appropriate since it does not reflect the consumption of the economic benefits embodied in the related asset. IAS 16 must be applied for annual periods commencing on or after January 1, 2016. There is no impact from these amendments on these financial statements.

3. Application of Critical Accounting Policies and Estimates

In the application of the Company's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, and actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis, and revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods that are affected.

Real Estate, Equipment and Vehicles

The useful lives of real estate, equipment, and vehicles for purposes of computing depreciation are:

Real Estate — Leasehold Improvements	15 to 39 Years
Equipment and Vehicles	3 to 10 Years

Income and Other Taxes

The Company is a pass-through entity for purposes of reporting federal income tax. Most tax liabilities and benefits pass through to the owner of the membership unit, therefore, no provision or liability for federal income taxes has been included in these financial statements. The Company is subject to various state and local income taxes based on the allocated taxable income reported in the state and local jurisdictions.

The Company's income tax returns are subject to examination by the appropriate tax jurisdictions. As of December 31, 2014, the Company's federal and various state tax returns generally remain open for the last three years.

4. Cash Flow Information

Cash paid for financing and interest costs was $35,827 for the year ended December 31, 2014 (2013 — $20,001, 2012 — $1,774).

5. Accounts Receivable

Accounts receivable are stated at their contractual outstanding balances, net of any allowance for doubtful accounts. Accounts are considered past due if any portion of an account has not been paid in full within the contractual terms of the account. The Company begins to assess its ability to collect receivables that are over 90 days past due based on the Company's collection history, the financial stability and recent payment history of the customer and other pertinent factors. Based on these criteria, the Company has estimated an allowance for doubtful accounts of $0 at December 31, 2014, 2013 and 2012, since it expects no material losses.

5. Accounts Receivable (Continued)

Accounts Receivable consists of the following:

	December 31, 2014	December 31, 2013	December 31, 2012
	$	$	$
Current	3,153,503	2,714,607	4,125,153
30-60 days	451,953	391,922	814,941
60-90 days	168,824	289,108	520,795
Over 90 days	7,608	43,263	52,016
	3,781,888	3,438,900	5,512,905

6. Real Estate, Equipment and Vehicles

Real Estate, Equipment and Vehicles consist of the following:

	Leasehold Improvements	Computer Hardware and Software	Office Equipment	Vehicles	Total
	$	$	$	$	$
Cost					
At 1/1/2012	540,879	1,276,866	979,453	147,852	2,945,050
Additions	56,978	80,845	154,317	—	292,140
Retirements	—	(35,558)	—	(78,006)	(113,564)
At 12/31/2012	597,857	1,322,153	1,133,770	69,846	3,123,626
Additions	—	116,790	9,089	—	125,879
Retirements	—	(52,230)	(4,771)	—	(57,001)
At 12/31/2013	597,857	1,386,713	1,138,088	69,846	3,192,504
Additions	10,850	43,933	—	80,050	134,833
Retirements	—	(138,018)	(1,300)	(28,200)	(167,518)
At 12/31/2014	608,707	1,292,628	1,136,788	121,696	3,159,819

	Leasehold Improvements	Computer Hardware and Software	Office Equipment	Vehicles	Total
	$	$	$	$	$
Accumulated Depreciation					
At 1/1/2012	152,590	1,163,298	962,890	109,264	2,388,042
Depreciation	14,948	73,037	26,914	13,845	128,744
Retirements	—	(44,262)	—	(64,995)	(109,257)
At 12/31/2012	167,538	1,192,073	989,804	58,114	2,407,529
Depreciation	15,330	89,334	42,613	5,955	153,232
Retirements	—	(52,227)	(4,770)	—	(56,997)
At 12/31/2013	182,868	1,229,180	1,027,647	64,069	2,503,764
Depreciation	15,585	76,263	32,288	19,063	143,199
Retirements	—	(138,018)	(1,300)	(27,339)	(166,657)
At 12/31/2014	198,453	1,167,425	1,058,635	55,793	2,480,306

7. Line of Credit

The Company had established a line of credit at a bank collateralized by all Company assets and personally guaranteed by the majority stockholder of the holding company. The maximum available borrowing under this line of credit was $3,000,000. Interest on the outstanding balance of the line was payable monthly at 4%. At December 31, 2014 there were no outstanding borrowings on the line. The line is scheduled for renewal in June, 2015 but was not renewed due to the sale of the membership interests of the Company prior to the renewal date. See Subsequent Events footnote.

8. Borrowings and Provisions

During 2014, the Company entered into an installment note payable with a financial institution bearing interest at 1.3% and collateralized by the related asset. The terms of the installment note call for monthly payments of principle and interest through April of 2016. At December 31, 2014 the outstanding principle balance is $45,035. The note was paid in full in May, 2015.

No Provisions have been recorded as management has determined that a reliable estimate can not be made of probable future obligations related to it's current activities.

9. Member's Equity

The Company has one issued and outstanding membership unit.

10. Revenue

The Company earns revenue from performing home-equity documentation services, for mortgage refinancing loans issued by banks and other financial institutions, and flood determination services. The Company has only one reporting unit and does not track revenue for different services. Management has concluded that the cost to segregate revenue in this manner would be excessive.

11. Operating Expenses

	December 31, 2014	December 31, 2013	December 31, 2012
	$	$	$
General and Administrative	5,580,953	5,706,340	5,328,149
Sales and Marketing	302,786	300,717	377,289
	5,883,739	6,007,057	5,705,438

12. Related Party Transactions

Advances to Member

During the year ended December 31, 2013, the Company advanced $3,000,000 to one of the stockholders of GLS Dist., Inc. which was repaid in 2014.

Captive Insurance Expense

The Company paid insurance premiums to two captive insurance companies for coverage in excess of its umbrella limits on its commercial policy. Both captive insurance companies are owned by the stockholders of GLS Dist., Inc. Premiums paid to these Captive insurance companies for this excess liability coverage totaled $853,884 for the year ended December 31, 2014, (2013 — $1,802,250, 2012 — $1,798,040). No premiums have been paid since mid 2014 and the two captive insurance companies are in the process of being closed as of May, 2015.

Rent Expense

The Company has entered into a lease agreement with 537 Associates, LLC to rent a facility used by the Company for its primary operations. The majority stockholder of GLS Dist., Inc. is also a member of 537 Associates, LLC. The lease has an initial five year term ending in December, 2015 with two additional five year options for renewable. The lease calls for monthly minimum rent of $31,998. The annual rent commitment is $383,979.

12. Related Party Transactions (Continued)

Key Management Compensation

The following table illustrates the total compensation of key management:

	December 31, 2014	December 31, 2013	December 31, 2012
	$	$	$
Base Salaries	1,342,846	1,293,154	1,170,654
Bonuses	86,750	102,156	8,636
Profit Sharing Match	40,285	51,726	71,440
Health and Life Insurance Benefits	79,347	74,627	75,561
Vehicle Use and Other Benefits	5,209	5,139	7,047
Total Key Management Compensation	1,554,437	1,526,802	1,333,338

13. Operating Leases

The Company leases secondary office space, vehicles and office equipment under non-cancelable operating leases. Some of the leases contain renewal options and some of the leases are month-to-month.

Rent Expense under these leases was $504,393 for the year ended December 31, 2014 (2013 — $490,190, 2012 — $496,999).

Minimum future lease payments are as follows:

Years Ending December 31,	Office	Vehicles	Office Equipment	Total
2015	$ 483,979	$14,518	$ 8,460	$ 506,957
2016	442,312	6,430	8,462	457,204
2017	383,979	5,358	2,820	392,157
2018	383,979	—	—	383,979
2019	383,979	—	—	383,979
	$2,078,228	$26,306	$19,742	$2,124,276

14. Risk Managment

Capital Management

The Company includes the following items in its definition of capital:

Components of Capital	December 31, 2014	December 31, 2013	December 31, 2012
	$	$	$
Line of Credit	—	1,322,712	—
Other Borrowings	45,035	—	—
Total Debt	45,035	1,322,712	—
Contributed Capital	2,956,138	2,956,138	2,956,138
Member's Equity	1,560,832	2,215,116	3,075,054
	4,562,005	6,493,966	6,031,192

The Company makes adjustments to its capital based on available funds and in order to supports its ongoing operations to ensure that it is able to continue as a going concern.

Management continuously reviews it capital management approach and feels the available borrowings and current equity balances fulfills its current needs. There were no changes in the Company's approach to capital management during the years ended December 31, 2014, December 31, 2013 and December 31, 2012.

14. Risk Managment (Continued)

Risk Management

Management's objective is to protect the Company against material economic exposures, and variability of results from financial risks consisting of interest rate risk and credit risk.

Interest Rate Risk

Interest rate risk is the risk that the Company's financial assets will increase or decrease in value due to a change in the interest rates. The Company is exposed to interest rate risk as its Line of Credit facility bears interest at a variable rate.

For the years ended December 31, 2014, 2013 and 2012, with all other variables held constant, a 50 basis point increase in interest rates would have had an immaterial effect on net income and equity. This is attributable to the Company's exposure to interest rate risk on its variable interest rate Line of Credit facility.

Credit Risk

The Company usually grants credit to customers on an unsecured basis, credit risk arises from the possibility that customers may experience financial difficulty and may be unable to fulfill their financial obligations.

To manage this risk, management has established credit limits and payment terms based on the evaluation of the customer's financial performance and other pertinent factors. As of December 31, 2014, approximately 58% (December 31, 2013 was 42%: December 31, 2012 was 39%) of the Company's accounts receivable are from two major customers.

Credit risk on cash balances is managed by ensuring all deposits are in well established financial institutions with high credit ratings.

Liquidity Risk

The following details the Company's remaining contractual maturities for its financial liabilities with contractual repayment periods. The tables reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay, including both interest and principal cash flows. All of the Company's financial liabilities are presented as due within one year and any borrowings were repaid in full in May, 2015.

	December 31, 2014			
	Less Than One Year	One Year to Five Years	Greater Than Five Years	Total
	$	$	$	$
Line of Credit and Accounts Payable	151,766	—	—	151,766
Borrowings	45,035	—	—	45,035
Accrued Payroll and Withheld Payroll Liabilities	1,335,904	—	—	1,335,904
	1,532,705	—	—	1,532,705

	December 31, 2013			
	Less Than One Year	One Year to Five Years	Greater Than Five Years	Total
	$	$	$	$
Line of Credit and Accounts Payable	1,469,551	—	—	1,469,551
Borrowings	—	—	—	—
Accrued Payroll and Withheld Payroll Liabilities	1,663,627	—	—	1,663,627
	3,133,178	—	—	3,133,178

14. Risk Managment (Continued)

	December 31, 2012			
	Less Than One Year	One Year to Five Years	Greater Than Five Years	Total
	$	$	$	$
Line of Credit and Accounts Payable	217,781	—	—	217,781
Borrowings	—	—	—	—
Accrued Payroll and Withheld Payroll Liabilities	3,121,616	—	—	3,121,616
	3,339,397	—	—	3,339,397

15. Segment Information

The Company has only one reportable segment, as all revenues and expenses are related to performing documentation services for mortgage refinancing loans issued by banks and other financial institutions. Therefore, these financial statements represent that single reportable segment.

Sales to the Company's five major customers totaled $36,323,376, representing approximately 85% of revenues for the year ended December 31, 2014 (2013 was $43,727,670 or 77%: 2012 was $49,807,075 or 83%).

As of December 31, 2014, approximately 58% (December 31, 2013 was 42%: December 31, 2012 was 39%) of the Company's accounts receivable were from two major customers.

16. Subsequent Events

On May 1, 2015, 100% of the Company's membership interests were sold to an unrelated third party for an amount in excess of Member's Equity as reported on the financial statements.

The Company's Line of Credit was scheduled for renewal in June, 2015 but was not renewed due to the sale of the membership interests of the Company prior to the renewal date.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF

REAL MATTERS INC.

for the year ended September 30, 2016

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These Unaudited Pro Forma Condensed Consolidated Financial Statements ("Unaudited Pro Forma Financial Statements") of Real Matters, Inc. ("Real Matters" or the "Company") reflect the following transaction:

- The acquisition of substantially all of the assets and liabilities of Linear Title & Closing Ltd. (the "Linear Acquisition") on April 1, 2016 (the "Transaction").

The Unaudited Pro Forma Condensed Consolidated Statement of Operations for the year ended September 30, 2016 gives effect to the Transaction as if it had been consummated on October 1, 2015. An Unaudited Pro Forma Condensed Consolidated Statement of Financial Position has not been prepared as the Transaction is reflected in the audited consolidated statement of financial position of the Company as at September 30, 2016 and the unaudited condensed consolidated interim statement of financial position of the Company as at December 31, 2016, which are included elsewhere in this Prospectus.

All financial data in the Unaudited Pro Forma Condensed Consolidated Statement of Operations is presented in thousands of United States ("U.S.") dollars and has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The Unaudited Pro Forma Financial Statements reflect pro forma adjustments to the historical audited consolidated statement of operations of the Company (as described below) after giving effect to the Transaction.

The Unaudited Pro Forma Condensed Consolidated Statement of Operations was derived from the following, as presented elsewhere in this Prospectus:

- the audited consolidated financial statements of Real Matters as at and for the year ended September 30, 2016 and the related notes prepared in accordance with IFRS;
- the audited consolidated financial statements of Linear Title & Closing Ltd. ("Linear") as at and for the 15 month period ended March 31, 2016 and related notes prepared in accordance with IFRS;
- internally constructed financial information of Linear for the period October 1, 2015 through March 31, 2016;

The historical consolidated financial information has been adjusted to give effect to pro forma events that are directly attributable to the Transaction for which there are firm commitments and for which the complete financial effects are objectively determinable.

The Unaudited Pro Forma Condensed Consolidated Statement of Operations is based on preliminary estimates, accounting judgments and currently available information and assumptions that management believes are reasonable. The notes to the Unaudited Pro Forma Condensed Consolidated Statement of Operations provide a detailed discussion of how such adjustments were derived and presented in the Unaudited Pro Forma Condensed Consolidated Statement of Operations. The Unaudited Pro Forma Condensed Consolidated Statement of Operations should be read in conjunction with "Consolidated Capitalization", "Summary Financial Information", "Management's Discussion and Analysis" and the audited consolidated financial statements of the Company, Linear and related notes thereto, included elsewhere in this Prospectus. The Unaudited Pro Forma Condensed Consolidated Statement of Operations has been prepared for illustrative purposes only and is not indicative of the Company's results of operations had the Transaction actually occurred on the date indicated, nor is such pro forma financial information indicative of the results to be expected in any future period. A number of factors may affect these results.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended September 30, 2016

		Pro forma adjustments			
	Real Matters Inc.	Linear acquisition	Pro forma adjustments	Notes	Pro forma Real Matters Inc.
				A	
Revenues	$248,547	$27,943	$ —		$276,490
Transaction costs	180,247	9,432	—		189,679
Operating expenses	55,476	16,088	—		71,564
Acquisition and initial public offering costs	3,005	—	(2,202)	B	803
Amortization	14,001	791	7,440	C	22,232
Interest expense	687	123	(36)	D	774
Interest income	(20)	(6)	—		(26)
Net foreign exchange gain	(2,841)	—	—		(2,841)
Loss on fair value of warrants	5,437	—	—		5,437
Net income from equity accounted investees	(475)	(408)	—		(883)
(Loss) income before income tax recovery	(6,970)	1,923	(5,202)		(10,249)
Income tax (recovery) expense	(891)	—	(1,312)	E	(2,203)
Net (loss) income	(6,079)	1,923	(3,890)		(8,046)
Net (loss) income — attributable to common shareholders	$ (6,281)	$ 1,905	$ (3,890)		$ (8,266)
Net income — attributable to non controlling interests	$ 202	$ 18	$ —		$ 220
Net loss per weighted average share, basic	$ (0.05)	$ —	$ —		$ (0.06)
Net loss per weighted average share, diluted	$ (0.05)	$ —	$ —		$ (0.06)
Weighted average number of shares outstanding, basic	138,977	—	11,279	F	150,256
Weighted average number of shares outstanding, diluted	153,211	—	11,279	F	164,490

NOTES TO THE UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

Acquisition of Linear Title & Closing Ltd.

On April 1, 2016, the Company acquired substantially all of the assets and liabilities of a title and closing services company, Linear Title & Closing Ltd. ("Linear"), located in Middleton, Rhode Island, for total consideration of $97.9 million.

The Linear Acquisition was accounted for using the acquisition method under IFRS 3 "Business Combinations", with the Company identified as the accounting acquirer. Acquisition related costs were $2.2 million. A preliminary purchase price allocation has been completed for this acquisition, which is included in note 4 to the Company's audited consolidated financial statements as at and for the year ended September 30, 2016, included elsewhere in this Prospectus. The final fair value and purchase price allocation may differ from this preliminary determination.

Explanatory notes:

A. In connection with the Linear Acquisition, the following table outlines the pro forma adjustments made to give effect to the acquisition as if it had occurred on October 1, 2015. The unaudited pro forma condensed consolidated statement of operations of the Company for the year ended September 30, 2016, includes Linear's results from operations for the period since April 1, 2016, the date of acquisition. Accordingly, Linear's results for the 15 month period January 1, 2015 through March 31, 2016, as presented in the "Linear historical" column, have been adjusted to isolate Linear's results for the period October 1, 2015 through March 31, 2016 which are presented in the "Linear acquisition" column outlined below. Accordingly, the Pro forma adjustments column excludes Linear's results of operations for the period January 1, 2015 through September 30, 2015 constructed from internal unaudited financial information. The financial statements of Linear used to prepare the pro forma financial statements were prepared for the purpose of the pro forma financial statements.

Pro forma Linear acquisition	Linear historical — January 1, 2015 to March 31, 2016	Pro forma adjustments — January 1, 2015 to September 30, 2015	Linear acquisition — October 1, 2015 to March 31, 2016
Revenues	$68,506	$40,563	$27,943
Transaction costs	22,460	13,028	9,432
Operating expenses	36,668	20,580	16,088
Acquisition and initial public offering costs	—	—	—
Amortization	1,920	1,129	791
Interest expense	528	405	123
Interest income	(11)	(5)	(6)
Net income from equity accounted investees	(1,019)	(611)	(408)
Net income before income tax expense	7,960	6,037	1,923
Income tax expense	—	—	—
Net income	7,960	6,037	1,923
Net income — attributable to common shareholders	$ 7,539	$ 5,634	$ 1,905
Net income — attributable to non controlling interests	$ 420	$ 402	$ 18

B. To reverse acquisition related costs of $2.2 million for the year ended September 30, 2016 incurred by the Company, since these costs are directly attributable to the Transaction.

C. To eliminate intangible amortization expense recorded by Linear for the period October 1, 2015 through March 31, 2016, $0.3 million and to further adjust for intangible amortization expense had the acquisition of Linear occurred on October 1, 2015.

Intangible amortization	Linear — preliminary purchase price equation	Amortization period — expressed in years	Annual amortization	Pro forma period (expressed in months)	Pro forma amortization
Customer relationships	$37,000	3	$12,333	6	$6,167
Brand name	1,380	3	460	6	230
Technology	3,700	3	1,233	6	617
Licenses	13,840	10	1,384	6	692
Total	$55,920		$15,411		$7,706
Less intangible amortization recorded by Linear					(266)
Pro forma adjustment					$7,440

NOTES TO THE UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS (Continued)

D. To eliminate interest expense recorded by Linear for the period October 1, 2015 through March 31, 2016, $0.1 million and to further adjust interest expense for acquisition debt of $7.5 million incurred in connection with the Linear Acquisition; the stated interest rate applicable to this debt was LIBOR plus 2.0% which is used to calculate the pro forma interest expense of $0.1 million for the year ended September 30, 2016.

E. To recognize the related tax impacts applicable to the pro forma adjustments applying an estimated income tax rate of 40.0%.

Financial statement line item	Note	Pro forma adjustment	Estimated tax rate	Income tax impact of pro forma adjustment
Linear's income before income tax expense	**A**	$(1,923)	40.0%	$ 769
Acquisition and initial public offering costs	**B**	(2,202)	40.0%	881
Amortization	**C**	7,440	40.0%	(2,976)
Interest expense	**D**	(36)	40.0%	14
Total		$ 3,279		$(1,312)

F. To adjust the weighted average basic and diluted shares count, issued and outstanding, to reflect the issuance of 7,496 shares to the sellers of Linear as partial consideration for the acquisition of Linear had the acquisition been completed on October 1, 2015.

LINEAR TITLE & CLOSING LTD.

MD&A FOR THE FIFTEEN-MONTH PERIOD ENDED MARCH 31, 2016 AND YEAR ENDED DECEMBER 31, 2014

(tabular amounts are expressed in thousands of U.S. dollars and thousands of shares, excluding per share amounts, unless otherwise stated)

The following is Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations of Linear Title & Closing Ltd. for the fifteen-month period ended March 31, 2016, with comparatives for year ended December 31, 2014. Throughout this MD&A, unless otherwise specified, Linear Title & Closing Ltd. and its subsidiaries are referred to as "Linear," "Company," "we," "our," or "us".

The following is a discussion of our consolidated financial condition and results of operations for the fifteen-month period ended March 31, 2016 and has been prepared with all available information up to and including the date of this prospectus. All amounts are reported in thousands of U.S. dollars, unless otherwise stated, and have been prepared in accordance with International Financial Reporting Standards ("IFRS"). This discussion should be read in conjunction with our consolidated financial statements for the fifteen month period ended March, 31, 2016 and year end December 31, 2014, including notes thereto. These are the Company's first financial statements prepared in accordance with IFRS and IFRS 1 "First-Time Adoption of International Financial Reporting Standards" has been applied. Our financial statements were previously prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). There were no accounting differences applicable to the Company on transition from US GAAP to IFRS.

The Company was incorporated in Rhode Island with its principal registered office located at Middletown, Rhode Island. All amounts in this MD&A are expressed in thousands of U.S. dollars, unless otherwise noted.

This MD&A is effective as of the date of this prospectus.

Caution Regarding Forward-Looking Statements

This MD&A contains forward-looking statements and forward-looking information. Forward-looking statements are not based on historical facts but instead reflect our expectations, estimates or projections concerning future results or events. These statements can generally be identified by the use of forward-looking words or phrases such as "anticipate," "believe," "budget," "continue," "could," "estimate," "expect," "forecast," "goals," "intend," "intent," "belief," "may," "plan," "foresee," "likely," "potential," "project," "seek," "strategy," "synergies," "targets," "will," "should," "would," or variations of such words and other similar words. Forward-looking statements include, but are not limited to, statements relating to future financial and operating results and our plans, objectives, prospects, expectations and intentions. These statements represent our intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors. Numerous factors could cause our actual results to differ materially from those expressed or implied in these forward-looking statements. We cannot assure you that any of our expectations, estimates or projections will be achieved.

Numerous important factors could cause our actual results, performance or achievements to differ materially from those expressed in or implied by these forward-looking statements, including, without limitation, those factors outlined in the Risks and Uncertainties section of this MD&A. We caution readers that the list of factors is illustrative and by no means exhaustive.

All forward-looking statements should be evaluated with the understanding of their inherent uncertainty. All forward-looking statements in this MD&A are qualified by these cautionary statements. The forward-looking statements in this MD&A are made as of the date of this MD&A and we disclaim any obligation to publicly update any forward-looking statement to reflect subsequent events or circumstances, except as required by law.

Corporate Overview

Company Background

The Company provides nationwide residential and commercial real estate title and closing services in the United States of America ("U.S.") to lenders for refinance, purchase and real estate owned transactions. The Company is licensed or authorized to provide these services in 42 states, as well as Puerto Rico. In eight states, the Company offers title and closing solutions through agreements with licensed title providers. Linear delivers technology-driven title and closing solutions to a broad spectrum of real estate service providers and has a tradition of developing services for its clients that improve operating profitability and enhance customer outcomes.

Company Services

The Company offers the following services: refinance, purchase, real estate owned ("REO") and short sale title and closing services; commercial real estate title; closing and securitization; deed in lieu conveyances; property reports; collateral review; title fee and recording fee software; and a technology platform for lenders to manage their vendor partners. Included below is a summary of certain services that drive a significant proportion of the Company's revenue:

- *Title search* — search property records and compile all necessary documents including active mortgages, liens, easements and deeds, as well as property tax information in the form of a tax certificate. The Company reviews every property's chain of title, legal description and tax certificates to verify all past transactions involving the parcel of land were done properly and accurately, and it cures any issues.
- *Closing services* — schedule the closing of files, prepares and reviews all documents for closing, including balancing the closing disclosure.
- *Escrow* — disburse the funds in accordance with the lenders' instructions and records the mortgage with the appropriate county.
- *Collateral review services* — provide lenders and servicers of closed mortgages a platform to cure problems on older files with missing information and to issue polices allowing the loans to be packaged and sold as investments.
- *Title fee quoting* — with the addition of new regulations, lenders must supply a closing statement with accurate fees to consumers in advance of a closing. Linear has created proprietary title fee quoting products which update and maintain current title insurance premiums, required county fees and taxes.

Industry and Trends

Mortgage origination unit volumes in the U.S. are a key driver of the Company's operations and financial performance. Refinance and purchase transaction volumes are dependent upon mortgage origination unit volumes, such that the Company's business is directly correlated to the health of the U.S. housing market and U.S. economy. Mortgage unit volumes are also impacted by other factors such as interest rate fluctuations, housing prices, the availability of funds for mortgage loans, regulatory changes, household indebtedness, and employment levels.

The Company's services are also subject to multi-year or evergreen Master Service Agreements ("MSAs"). These agreements generally do not have minimum unit volume guarantees. Instead, we rely on our ability to outperform competitors to increase our market share of transaction volumes with our clients.

Financial Highlights

	Fifteen-month period ended March 31, 2016	Year ended December 31, 2014	$ Change	% Change
Revenue	$68,506	$25,976	$42,530	163.7%
Expenses	61,566	29,921	31,645	105.8%
Other income	(1,019)	(1,065)	46	−4.3%
Net income (loss) and comprehensive income (loss)	$ 7,959	$ (2,880)	$10,839	376.4%
Non-GAAP Measures(1)				
Adjusted EBITDA	$ 9,400	$ (1,665)	$11,065	664.6%
Net revenue	$46,045	$16,447	$29,598	180.0%

	As at			
	March 31, 2016	December 31, 2014	$ Change	% Change
Total assets	$14,677	$13,459	$ 1,218	9.0%
Total liabilities	$ 9,377	$13,531	$ (4,154)	−30.7%

(1) Non-GAAP measures are discussed and defined below.

Corporate Developments

On April 1, 2016 Real Matters Inc. ("Real Matters"), a leading technology company focused on operating networks of independent field agents ("field agent") who provides services to the mortgage lending and insurance industries, acquired the Company for total consideration of $97.9 million, subject to achieving certain performance targets.

Strategy and Outlook

The Company was acquired on April 1, 2016 and has been subsequently integrated into the business of Real Matters from the date of acquisition. Accordingly, the strategy and outlook of the Company as a stand-alone entity is no longer relevant and we direct readers of this MD&A to the "Management's Discussion and Analysis" or "Risk Factors" section of this prospectus for the Strategy and Outlook of Real Matters.

Financial Performance

The following is a discussion of our consolidated financial condition and results of operations for the fifteen-month period ended March 31, 2016 and the year ended December 31, 2014 and has been prepared with all available information up to and including the date of this prospectus. All amounts are reported in thousands of U.S. dollars, unless otherwise stated, and have been prepared in accordance with IFRS. This discussion should be read in conjunction with our Financial Statements, including notes thereto.

Non-GAAP Measures

Non-GAAP measures like Adjusted EBITDA and Net Revenue are not earnings measures recognized by IFRS and do not have standardized meanings prescribed by IFRS. Therefore, Adjusted EBITDA and Net Revenue may not be comparable to similar measures presented by other companies.

These measures provide additional information to users of the MD&A to enhance their understanding of our financial performance. Readers of this MD&A are cautioned that Adjusted EBITDA and Net Revenue should not be construed as alternative to net income determined in accordance with IFRS or as indicators of our performance or to cash flows from operating, investing and financing activities as measures of liquidity and cash flows. The calculations of Adjusted EBITDA and Net Revenue are outlined below.

(A) Adjusted EBITDA — All references to "Adjusted EBITDA" in this MD&A are to net income or loss before depreciation and amortization, interest expense, interest income and net income or loss from equity accounted investees. Adjusted EBITDA is a term used by us that does not have a standardized meaning prescribed by IFRS and may not be comparable to similar measures used by other entities. Adjusted EBITDA is a measure of our operating profitability, and by definition, excludes certain items detailed above. These items are viewed by us as either non-cash (in the case of depreciation and amortization and net income or loss from equity accounted investees) or non-operating (in the case of interest expense and interest income). Adjusted EBITDA is a useful financial and operating metric for us as it represents a measure of our operating performance that we use to assess the value of our Company relative to our peers.

	Fifteen-month period ended March 31, 2016	Year ended December 31, 2014
Net income (loss)	$ 7,959	$(2,880)
Depreciation and amortization	1,920	1,607
Interest expense	551	679
Interest income	(11)	(6)
Net income from equity accounted investees	(1,019)	(1,065)
Adjusted EBITDA	$ 9,400	$(1,665)

(B) Net Revenue — Net Revenue should not be construed as a measure of income or of cash flows. The reconciling items between net income or loss and Net Revenue are detailed in the consolidated statement of operations and comprehensive income or loss. A reconciliation between net income or loss and Net Revenue is provided below.

	Fifteen-month period ended March 31, 2016	Year ended December 31, 2014
Net income (loss)	$ 7,959	$ (2,880)
Depreciation and amortization	1,920	1,607
Interest expense	551	679
Interest income	(11)	(6)
Net income from equity accounted investees	(1,019)	(1,065)
Operating expenses	36,645	18,112
Net revenue	**$46,045**	**$16,447**

All references to "Net Revenue" in this MD&A are to Adjusted EBITDA (as defined above) plus operating expenses. Net Revenue is a term used by us that does not have a standardized meaning prescribed by IFRS and may not be comparable to similar measures used by other entities. Net Revenue is an additional measure of our

operating profitability, and by definition, excludes certain items detailed above. Net Revenue comprises revenues less transaction costs, where transaction costs comprise expenses that are directly attributable to a specific revenue transaction including: title and closing agent costs, external abstractor costs and external quality review costs. Net Revenue is a useful financial and operating metric for us and our Board of Directors as it represents a measure of our operating performance that we use to assess the value of our Company relative to our peers.

Selected Financial Information

This section provides detailed financial information and analysis about the Company's performance for the fifteen-month period ended March 31, 2016 compared to the year ended December 31, 2014.

Results of Operations and Supplementary Financial Information

	Fifteen-month period ended March 31, 2016	Year ended December 31, 2014	$ Change	% Change
Revenues	$68,506	$25,976	$42,530	163.7%
Transaction costs	22,461	9,529	12,932	135.7%
Operating expenses	36,645	18,112	18,533	102.3%
Depreciation and amortization	1,920	1,607	313	19.5%
Interest expense	551	679	(128)	−18.9%
Interest income	(11)	(6)	(5)	83.3%
Net income from equity accounted investees	(1,019)	(1,065)	46	−4.3%
Net income (loss) and comprehensive income (loss)	$ 7,959	$ (2,880)	$10,839	376.4%
Non-GAAP Measures				
Adjusted EBITDA[(A)]	$ 9,400	$ (1,665)	$11,065	664.6%
Net revenue[(B)]	$46,045	$16,447	$29,598	180.0%

Review of Operations for the Fifteen-Month Period Ended March 31, 2016 and the Year Ended December 31, 2014

Financial Performance

Revenues

Recognizing the longer period of fifteen-months compared to twelve-months, revenues increased 163.7% to $68.5 million for the fifteen-months ended March 31, 2016 compared with $26.0 million for the year ended December 31, 2014. Approximately $15.0 million of the $42.5 million increase period-over-period, was due to the longer period. Several factors contributed to the remaining increase of $27.5 million, including: successful diversification into new product lines which increased revenue by $10.2 million; improvements in the overall real estate market which led to increased revenues within our core customer base of $7.2 million; on-boarding of new clients which resulted in an increase of $5.3 million; strong growth in title search revenues of $4.3 million; and, an increase in software licensing fees of $0.5 million.

Transaction Costs

Transaction costs comprise expenses that are directly attributable to a specific revenue transaction including: title and closing agent costs, external abstractor costs and external quality review costs.

Recognizing the longer period of fifteen-months compared to twelve-months, transaction costs increased 135.7% to $22.5 million for the fifteen-months ended March 31, 2016 compared with $9.5 million for the year ended December 31, 2014. Of the $12.9 million increase, $5.1 million or 53.5% was due to the longer period. The remainder, $7.8 million, or 82.2%, was due to a 106% increase in sales volume during 2015 compared to 2014. Net Revenue improved to 67.2% during the 15 month period compared with 63.3% during the previous year, represented by an improvement in operating leverage.

Operating Expenses

Recognizing the longer period of fifteen-months compared to twelve-months, operating expenses increased 102.3% to $36.6 million for the fifteen-months ended March 31, 2016 compared with $18.1 million for the year ended December 31, 2014. Of the $18.5 million period-over-period increase, $8.7 million was due to the longer period with $9.8 million of the remaining increase due to an increase in salaries and benefits of $7.8 million, higher office and computer expenses of $1.3 million and an increase in various other administrative expenses of $0.7 million incurred to support the growth of the business.

Depreciation and Amortization

Recognizing the longer period of fifteen-months compared to twelve-months, depreciation and amortization increased 19.5% to $1.9 million for the fifteen-months ended March 31, 2016 compared with $1.6 million for the year ended December 31, 2014. Of the $0.3 million period-over-period increase, the longer period accounted for an increase of $0.4 million, offset by a $0.1 million decrease due to fully amortized property and equipment.

Interest Expense

Recognizing the longer period of fifteen-months compared to twelve-months, interest expense decreased 18.9% to $0.6 million for the fifteen-months ended March 31, 2016 compared with $0.7 million for the year ended December 31, 2014 due to the repayment of a portion of long-term debt during the period.

Interest Income

The period-over-period increase in interest income was insignificant and not attributable to one significant change or series of changes.

Equity Accounted Investees

Recognizing the longer period of fifteen-months compared to twelve-months, net income from equity accounted investees decreased 4.3% to $1.0 million for the fifteen-months ended March 31, 2016 compared with $1.1 million for the year ended December 31, 2014. The longer period accounted for an increase of $0.1 million offset by a $0.2 million decrease due to a decline in foreclosure referrals to an equity accounted investee.

Financial Condition

Included below is selected balance sheet information as at March 31, 2016, December 31, 2014 and January 1, 2014:

	March 31, 2016	December 31, 2014	$ Change	% Change	January 1, 2014	$ Change	% Change
Total assets	$14,677	$13,459	$ 1,218	9.0%	$12,195	$ 1,264	10.4%
Total liabilities	$ 9,377	$13,531	$(4,154)	−30.7%	$ 9,885	$ 3,646	36.9%
Trade and other receivables	$ 4,007	$ 1,490	$ 2,517	168.9%	$ 1,921	$ (431)	−22.4%
Intangible assets	$ 1,098	$ 2,657	$(1,559)	−58.7%	$ 3,121	$ (464)	−14.9%
Goodwill	$ 2,785	$ 3,107	$ (322)	−10.4%	$ 2,785	$ 322	11.6%
Working capital deficit (current assets less current liabilities)	$ (111)	$(7,256)	$ 7,145	98.5%	$(4,886)	$(2,370)	−48.5%

Total Assets

March 31, 2016 versus December 31, 2014

Total assets increased by $1.2 million, or 9.0%, to $14.7 million at March 31, 2016, due primarily to an increase in trade and other receivables of $2.5 million and property and equipment of $0.4 million, partially offset by a decrease in intangible assets and goodwill of $1.9 million in aggregate. The increase in property and equipment was due in large part to investments in computer equipment to meet the demands of business growth, partially offset by normal course depreciation and the deconsolidation of Performance Lender Solutions, LLC on January 8, 2015. All other period-to-period changes are outlined in the discussions that follow.

December 31, 2014 versus January 1, 2014

Total assets increased by $1.3 million or 10.4% to $13.5 million, due primarily to an increase in cash of $1.8 million and other assets of $0.4 million, partially offset by a decrease in trade and other receivables of $0.4 million and property and equipment of $0.3 million. The increase in cash was due to proceeds from long-term debt of $1.4 million and dividends received from equity accounted investees of $1.1 million, partially offset by negative cash generated from operating activities of $0.5 million. The increase in other assets represented a temporary deposit placed with the California Insurance Commissioner in connection with state licenses. The decline in property and equipment was due to amortization outpacing investment. A weak operating environment and financial performance was the primary reason for reduced investment in property and equipment. The decline in trade and other receivables is outlined below.

Total Liabilities

March 31, 2016 versus December 31, 2014

Total liabilities of $9.4 million decreased by $4.2 million due to a reduction in long-term debt of $4.4 million on a stronger business performance and strong cash generated from operations.

December 31, 2014 versus January 1, 2014

Total liabilities of $13.5 million increased by $3.6 million due to increases in trade and other payables of $1.6 million, accrued expenses of $1.2 million and long-term debt of $0.9 million. The increase in trade and other

payables and accrued expenses is the result of timing and the acquisition of Performance Title LLC, while the increase in long-term debt represented drawings for general corporate purposes.

Trade and Other Receivables

March 31, 2016 versus December 31, 2014

Trade and other receivables increased by 168.9% to $4.0 million at March 31, 2016, reflecting stronger revenues leading up to the periods ended March 31, 2016.

December 31, 2014 versus January 1, 2014

Trade and other receivables decreased by 22.4% to $1.49 million at December 31, 2014, in line with a decline in revenues in 2014 as compared to 2013.

Intangibles

March 31, 2016 versus December 31, 2014

Intangibles decreased by 58.7% to $1.1 million at March 31, 2016 due to amortization of $1.3 million and a disposal of $0.3 million for customer relationship intangibles in connection with Performance Lender Solutions, LLC issuance of a 50% membership interest to an unrelated party.

December 31, 2014 versus January 1, 2014

Intangibles decreased by 14.9% to $2.7 million at December 31, 2014 due to amortization of $1.0 million, partially offset by acquisitions of customer relationship and technology intangible assets of $0.5 million.

Goodwill

March 31, 2016 versus December 31, 2014

Goodwill decreased by 10.4% to $2.78 million at March 31, 2016 due to the deconsolidation of Performance Title, LLC and its related goodwill of $0.3 million in connection with Performance Lender Solutions, LLC issuance of a 50% membership interest to an unrelated party.

December 31, 2014 versus January 1, 2014

Goodwill increased by 11.6% to $3.1 million at December 31, 2014 due to the acquisition of Performance Title, LLC.

Working Capital

March 31, 2016 versus December 31, 2014

Working capital improved by $7.1 million, or 98.5%, to a net deficit of $0.1 million at March 31, 2016 due to an increase in trade and other receivables of $2.5 million and a $4.4 million reduction in current portion of long-term debt. Each of these changes are addressed in the discussions above.

December 31, 2014 versus January 1, 2014

Working capital declined by $2.4 million, or 48.5%, to a net deficiency of $7.3 million at December 31, 2014 as an increase in cash of $1.8 million was more than offset by a decrease in trade and other receivables of

$0.4 million, and an increase in trade and other payables of $1.6 million, accrued expenses of $1.2 million and current portion of long-term debt of $1.0 million. Each of these changes are addressed in the discussions above.

Share Capital

Authorized Capital

We are authorized to issue 13,299 common shares with a par value of $1. Currently, 13,297 common shares are issued.

Changes to Share Capital

On June 30, 2014, the Company issued 684 common shares in exchange for cash proceeds of $0.5 million. There was no change in share capital during the fifteen-month period ended March 31, 2016.

Liquidity and Capital Resources

	Payments due				
	Total	**Less than 1 year**	**1-3 years**	**4-5 years**	**After 5 years**
Long-term debt	**$3,587**	**$3,587**	**$ —**	**$ —**	**$ —**
Interest on long-term debt	**14**	**14**	**—**	**—**	**—**
Finance leases	**816**	**320**	**496**	**—**	**—**
Operating leases	**2,406**	**977**	**1,417**	**12**	**—**
Total contractual obligations	**$6,823**	**$4,898**	**$1,913**	**$ 12**	**$ —**

Long-Term Debt

Summarized details of our long-term debt facilities at March 31, 2016, December 31, 2014 and January 1, 2014 are as follows:

	March 31, 2016	December 31, 2014	January 1, 2014
Bank line of credit	$ —	$ 725	$ —
Note payable to bank	410	720	961
Note payable to bank	909	—	—
Note payable to bank	875	1,422	1,560
Note payable to bank	280	463	—
Loan payable to business development company	36	115	177
Notes payable to a former member of a subsidiary	1,077	4,338	4,369
Notes payable to a stockholder	—	200	—
Total	**$3,587**	**$7,983**	**$7,067**

Specific details of our long-term debt facilities can be found in Note 11 of the Financial Statements. All borrowings were repaid in full subsequent to March 31, 2016 in connection with the Company's acquisition by Real Matters.

Cash Flows

	Fifteen-month period ended March 31, 2016	Year ended December 31, 2014	$ Change	% Change
Cash flows generated from (utilized in):				
Operating activities	$ 6,795	$ (461)	$ 7,256	1,574.0%
Investing activities	$ 59	$1,026	$ (967)	−94.0%
Financing activities	$(7,194)	$1,277	$(8,471)	−663.0%

Operating Activities

Cash flows generated from operations increased by $7.3 million due to an increase in net income of $10.8 million, partially offset by an increase in non-cash working capital items of $3.5 million, which included an increase in trade and other receivables of $3.5 million. The increase in trade and other receivables is included in the Financial Condition section of this MD&A.

Investing Activities

Cash flows generated from investing activities decreased by $1.0 million due to an increase in the purchase of property and equipment of $0.4 million and an increase of $0.5 million in cash paid to acquire a business. The increase in property and equipment purchases reflected investment in computer equipment to support business growth and refresh aged equipment.

Financing Activities

Cash used in financing activities increased by $8.5 million due to an increase in net repayments of long-term debt of $5.3 million, dividends paid of $2.4 million during the fifteen-months ended March 31, 2016, and lower proceeds from the issuance of common shares of $0.5 million. Strong cash from operations was used to repay long term debt advances. Higher dividends paid also reflected strong cash generated from operations, which compared to no dividends paid for the year ended December 31, 2014.

Critical Accounting Estimates

We use information from our consolidated financial statements, prepared in accordance with IFRS and expressed in U.S. dollars, to prepare our MD&A. Our financial statements include estimates and judgments that affect the reported amounts of our assets, liabilities, revenues, expenses and, where and as applicable, disclosures of contingent assets and liabilities. On a periodic basis we evaluate our estimates, including those that require a significant level of judgment or are otherwise subject to an inherent degree of uncertainty. Areas that are subject to judgment and estimate include revenue recognition, impairment of goodwill and non-financial assets and the determination of fair values in connection with business combinations. Our estimates and judgments are based on historical experience, our observance of trends and information, valuations and other assumptions that we believe are reasonable to consider when making an estimate of an asset or liability's carrying value. By their nature, judgments and estimates may change in light of new facts and circumstances. Areas requiring the most significant estimate and judgment are outlined below.

(a) Revenue Recognition

Transactions which contain separately identifiable components must be recognized at the fair value of consideration received or receivable to reflect the substance of the transaction. We are required to make judgments about the fair value of each component, including its allocation to each separately identified component, by considering the following: its overall pricing objectives, the market in which the transaction occurs, the uniqueness of each component, the work performed, the size of the transaction and any historical sales and contract prices.

We apply judgment in our assessment of whether it is acting as an agent or principal in a transaction. When we don't have exposure to the significant risks and rewards associated with the sale of goods or the rendering of services it is acting as an agent in the transaction. We act as a principal to the transaction when we have exposure to the significant risks and rewards associated with the sale of goods or the rendering of services. We consider these factors, amongst others, in our assessment.

(b) Identification of CGUs

We have allocated our tangible, intangible assets and goodwill to the smallest identifiable group of assets that generate cash inflows and that are largely independent of the cash inflows from other assets. The determination of CGUs or groups of CGUs for the purpose of annual impairment testing requires judgment.

(c) Impairment of Goodwill and Non-Financial Assets

Goodwill is tested for impairment annually or more frequently if there is an indication of impairment. The carrying value of property and equipment and intangible assets is reviewed each reporting period to determine whether indications of impairment exist. The recoverable amounts attributed to CGUs reflect the higher of fair value less cost to sell or value in use. Our determination of a CGU's recoverable amount, which could include an estimate of fair value less cost to sell, uses market information to estimate the amount we could obtain from disposing of the asset in an arm's length transaction, less the estimated cost of disposal. We estimate value in use by discounting estimated future cash flows from the CGU or asset to its present value using a pre-tax discount rate reflecting a current market assessment of the time value of money and certain risks specific to the asset. Estimated cash flows are based on management's assumptions and business plans which are supported by internal strategies, plans and external information.

The estimate of the recoverable amount for an asset or CGU requires significant estimates such as future cash flows and growth, terminal growth and discount rates.

(d) Business Combinations

Applying the acquisition method to business combinations requires an entity to measure each identifiable asset and liability at fair value. The excess, if any, of the fair value of the consideration over the fair value of the net identifiable assets acquired is recognized as goodwill. The purchase price allocation involves judgment with respect to the identification of intangible assets acquired and estimates of fair value for assets acquired and liabilities assumed, including pre-acquisition contingencies and contingent consideration. Changes in any of the assumptions or estimates used to determine the fair value of acquired assets and liabilities assumed, including pre-acquisition contingencies or contingent consideration, could affect the amounts assigned to assets, liabilities and goodwill in the purchase price allocation.

We make estimates, assumptions, and judgments when valuing goodwill and other intangible assets in connection with the initial purchase price allocation of an acquired entity, in addition to evaluating the recoverability of goodwill and other intangible assets on an ongoing basis. These estimates are based on a

number of factors, including historical experience, market conditions, and information obtained from the management of acquired companies. Critical estimates in valuing certain intangible assets include, but are not limited to, historical and projected attrition rates, discount rates, anticipated revenue growth from acquired customers, acquired technology, and the expected use of the acquired assets. These factors are also considered in determining the useful life of acquired intangible assets. The amounts and useful lives assigned to identified intangible assets also impacts the amount and timing of future amortization expense.

Unanticipated events and circumstances may affect the accuracy or validity of such assumptions, estimates or actual results.

(e) Internally Developed Intangible Assets

Initial capitalization of costs is based on our judgment that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the useful life of the internally developed intangible asset, we make assumptions regarding the expected period of benefit. The amounts and useful lives assigned to internally developed intangible assets impacts the amount and timing of future amortization expense. We also make judgments with regards to the point in time in which an internally developed intangible asset may not be viable and the related costs are written-off.

(f) Amortization of Property and Equipment and Intangible Assets

Judgment is applied to determine an asset's useful life, and where applicable, salvage value, used in the computation of amortization. Accordingly, an assets actual useful life and salvage value may differ significantly from these estimates.

Where an item of property and equipment can be subdivided into its major components, and these components are assessed as having different useful lives, the components are accounted for as separate items of property and equipment. The application of this policy requires judgment in the determination of each significant identifiable component.

(g) Provisions

Due to the uncertain nature of provisions, there is a degree of uncertainty inherent in their measurement. Management uses its best estimate to provide for potential losses. Assumptions used reflect the most probable set of economic conditions and planned courses of action by us.

(h) Other

Other areas where we employ judgment and estimate include, the determination of our allowance for doubtful accounts, our control assessment of subsidiaries and contingencies related to litigation and claims and assessments.

New Accounting Policies Adopted or Requiring Adoption

Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15 "Revenue from Contracts with Customers" ("IFRS 15"), which replaces IAS 18 "Revenue", IAS 11 "Construction Contracts" and IFRIC 13 "Customer Loyalty Programs", as well as various other interpretations applicable to revenue. IFRS 15 outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers, except for contracts that are

within the scope of the standards on leases, insurance contracts, and financial instruments. The core principle of IFRS 15 requires an entity to recognize revenue in accordance with the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition: identify the contract(s) with a customer; identify the performance obligations in the contract; determine the transaction price; allocate the transaction price to the performance obligations in the contract; and recognize revenue when (or as) the entity satisfies a performance obligation. IFRS 15 also contains enhanced disclosure requirements. This new standard is effective for annual periods beginning on or after January 1, 2018 and will be applied using either a full retrospective approach for all periods presented in the period of adoption or a modified retrospective approach. Early adoption is permitted. We continue to evaluate the impact IFRS 15 will have on our financial statements.

Property, Plant and Equipment and Intangible Assets

In May 2014, the IASB issued amendments to IAS 16 "Property, Plant and Equipment" ("IAS 16") and IAS 38 "Intangibles Assets" ("IAS 38"). The amendments clarify that a revenue-based approach to calculate depreciation and amortization is generally not appropriate as it does not reflect the consumption of the economic benefits embodied in the underlying asset. Under IAS 38, this presumption can be rebutted in the following two limited circumstances: when the intangible asset is expressed as a measure of revenue; or, when it can be demonstrated that revenue and consumption of economic benefits of the intangible asset are highly correlated. Amendments to IAS 16 and IAS 38 are effective for annual periods beginning on or after January 1, 2016, applied prospectively. We do not expect these changes to have a significant impact on our financial statements.

Accounting for Acquisitions of Interest in Joint Arrangements

In May 2014, the IASB issued amendments to IFRS 11 "Accounting for Acquisitions of Interest in Joint Arrangements ("IFRS 11"). The amendments to IFRS 11 provide guidance on how to account for the acquisition of a joint operation that constitutes a business as defined in IFRS 3 "Business Combinations" ("IFRS 3"). Specifically, the amendments state that the relevant principles on accounting for business combinations in IFRS 3 and other standards should be applied. The same requirements should be applied to the formation of a joint operation if, and only if, an existing business is contributed to the joint operation by one of the parties that participate in the joint operation. A joint operator is also required to disclose the relevant information required by IFRS 3 and other standards for business combinations. The amendments should be applied prospectively to acquisitions of interests in joint operations (in which the activities of the joint operations constitute businesses as defined in IFRS 3) occurring for annual periods beginning on or after January 1, 2016. We do not expect these changes to have a significant impact on our financial statements.

Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 "Financial Instruments" ("IFRS 9"). IFRS 9 issued in November 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in October 2010 to include classification and measurement requirements for financial liabilities and de-recognition. In November 2013, follow on amendments included new requirements for general hedge accounting. The final revision to IFRS 9 was issued in July 2014, which included impairment requirements for financial assets and limited amendments to the classification and measurement requirements for certain simple debt instruments. The new standard established a single classification and measurement approach for financial assets that reflects the business model in which they are managed and their cash flow characteristics. It also provides guidance on an entity's own credit risk relating to

financial liabilities. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 and permits early adoption. We are currently evaluating the impact of IFRS 9 will have on our financial statements.

Disclosure Initiative

In December 2014, the IASB issued Disclosure Initiative Amendments to IAS 1 as part of the IASB's Disclosure Initiative. These amendments encourage entities to apply professional judgment regarding disclosure and presentation in their financial statements and are effective for annual periods beginning on or after January 1, 2016. The implementation of these amendments will not have a significant impact on our financial statements.

In January 2016, the IASB issued Disclosure Initiative Amendments to IAS 7 "Statement of Cash Flows", which is also part of the IASB's Disclosure Initiative. These amendments require entities to provide additional disclosures to enable financial statements users to evaluate changes in liabilities arising from financing activities, including changes arising from cash flows and non-cash changes. These amendments are effective for annual periods beginning on or after January 1, 2017, with earlier application permitted. We are currently assessing the impact these amendments will have on our financial statements.

Leases

In January 2016, the IASB issued IFRS 16 — "Leases" ("IFRS 16"), which replaces IAS 17 — Leases ("IAS 17") and related interpretations. IFRS 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is twelve-months or less or the underlying asset has a low value. IFRS 16 substantially carries forward the lessor accounting in IAS 17 with the distinction between operating leases and finance leases being retained. IFRS 16 will be applied retrospectively for annual periods beginning on or after January 1, 2019. Early adoption of IFRS 16 is permitted if IFRS 15 has also been applied. We are evaluating the impact IFRS 16 will have on our financial statements.

Related Party Transactions

The Company generated sales to customers referred by Amerisave which is controlled by a stockholder of the Company. The Company also remitted payments to Amerisave for shared costs of closing services. These shared costs were recorded net of the revenue earned the details of which have been disclosed below.

	For the fifteen-month period ended March 31, 2016	For the year ended December 31, 2014
Services sold	**$6,496**	$2,247

The following balances were outstanding at the end of the reporting period:

	March 31, 2016	December 31, 2014	January 1, 2014
Amounts owed by related parties	$ —	$ 5	$ 8
Amounts owed to related parties	35	—	—
	$ 35	$ 5	$ 8

Prior to its sale, a stockholder of the Company provided general legal services totaling $18 thousand in 2015 and $9 thousand in 2014.

Other than the above, the Company had no further transactions with related parties except those pertaining to transactions with key management personnel in the ordinary course of their employment or directorship.

Risk Factors

Risk Management Objectives

We employ a top down risk management process in order to collectively manage all of the risks that we have identified. Key risks identified across our operations, financial reporting, information technology and corporate governance processes are being monitored and managed on an ongoing basis.

Financial Risk Factors

Financial risk stems from our accounting, operations and financial reporting processes. In the normal course of business, we are exposed to financial risks that have the potential to impact our financial performance, including credit risk, market risk, and liquidity risk. Our primary objective is to protect our operations, cash flows and ultimately shareholder value. We have designed and implemented risk management strategies, however, we don't typically use derivative financial instruments to manage these risks.

(a) Credit Risk

Credit risk is the risk that counterparties to a transaction will fail to meet their financial obligations to us, causing us financial loss. Our principal financial assets are cash and trade and other receivables.

The carrying amounts of financial assets in the Financial Statements represent our maximum credit exposure at the balance sheet date. Our credit risk was primarily attributable to our trade and other receivables which was limited by our broad customer base. As at March 31, 2016, no customer represented more than 10% (December 31, 2014 — 2 customers and January 1, 2014 — 3 customers) of our total trade and other receivables balances.

To limit credit risk, we monitor our aged trade receivable and other balances on a continuous basis. In addition, a significant portion of our revenue is settled on closing through an escrow account having no credit terms attributable to collection. Our customers are financial and lending institutions that are typically well funded, which also limits our exposure to credit risk. In certain circumstances, we may also require customer deposits or pre-payments to limit credit risk. While we have risk mitigation processes in place, there can be no certainty that they will eliminate all credit risk. Accordingly, these processes may not be effective in the future and the potential for credit losses may increase.

(b) Market Risk

We are exposed to market risk from changes in interest rates primarily through our secured debt borrowings. At March 31, 2016, our primary interest rate exposure was to interest rate fluctuations, specifically LIBOR and the Federal Home Loan Bank Classic Advance Rate, due to its impact on annual rate adjustments to the borrowings. These two variable rates were our primary market risk exposures. At March 31, 2016, we had variable interest rate long term debt, which was based on LIBOR from the outstanding term loans of $0.3 million, and $1.3 million of long term debt which is based on the Federal Home Loan Bank Classic Advance Rate, adjusted annually. All of our debt obligations were extinguished upon the sale to Real Matters on April 1, 2016.

(c) Liquidity Risk

Liquidity risk is the risk that we will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Our objective is managing operational uncertainties that include, but are not limited to, unfavourable real estate trends and volume of sales. We maintain sufficient levels of working capital to settle financial liabilities when they are contractually due. Also, we manage our liquidity risk to ensure we comply with our debt covenants. At March 31, 2016, we were in compliance with all debt covenants.

Other Risk Factors

Key business and operational risks relate to the core business processes performed on a daily basis. These center on our title and closing services and span all divisional lines, as well as to external vendor relationships. Information technology risks originate in the organization's server based environment, as well as through our operations related to software development. Entity level risk relates to our governance structure, specifically the executive leadership team and the oversight employed.

Subsequent Events

On April 1, 2016, substantially all of the assets and liabilities of the Company were acquired by an unrelated party for proceeds of $97.9 million. In conjunction with the close of the acquisition, all long-term debt was repaid.

SOUTHWEST FINANCIAL SERVICES, LTD.

MD&A FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

(tabular amounts are expressed in thousands of U.S. dollars, unless otherwise stated)

Throughout this Management Discussion and Analysis ("MD&A"), Southwest Financial Services, Ltd. is referred to as "Southwest," "Company," "we," "our," or "us".

Caution Regarding Forward-Looking Statements

This MD&A contains forward-looking statements and forward-looking information. Forward-looking statements are not based on historical facts but instead reflect our expectations, estimates or projections concerning future results or events. These statements can generally be identified by the use of forward-looking words or phrases such as "anticipate," "believe," "budget," "continue," "could," "estimate," "expect," "forecast," "goals," "intend," "intent," "belief," "may," "plan," "foresee," "likely," "potential," "project," "seek," "strategy," "synergies," "targets," "will," "should," "would," or variations of such words and other similar words. Forward-looking statements include, but are not limited to, statements relating to future financial and operating results and our plans, objectives, prospects, expectations and intentions. These statements represent our intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors. Numerous factors could cause our actual results to differ materially from those expressed or implied in these forward-looking statements. We cannot assure you that any of our expectations, estimates or projections will be achieved.

Numerous important factors could cause our actual results, performance or achievements to differ materially from those expressed in or implied by these forward-looking statements.

All forward-looking statements should be evaluated with the understanding of their inherent uncertainty. All forward-looking statements in this MD&A are qualified by these cautionary statements. The forward-looking statements in this MD&A are made as of the date of this MD&A and we disclaim any obligation to publicly update any forward-looking statement to reflect subsequent events or circumstances, except as required by law.

Industry Overview

The consumer lending market in the United States of America ("U.S."), comprising home equity loans and lines of credit, is primarily affected by real estate prices, the availability of funds for consumer loans, mortgage interest rates, employment levels and the overall state of the U.S. economy.

Corporate Overview

Since its inception in 1983, Southwest Financial Services, Ltd. ("SWFS" or the "Company") has been a trusted partner of many of the nation's largest lending institutions. The Company performs documentation services, including appraisal and flood determination, for home equity lenders in the U.S.

Seasonality

The origination of home equity loans and lines of credit typically follow the same seasonal patterns as mortgage origination, with the winter months being the low points in the annual cycle. These seasonally lower periods can be offset by larger institutions launching specific programs to promote the origination of home equity loans and lines of credit through various incentives, including discounted interest rates.

Introduction

The following is a discussion of our financial condition and results of operations for the years ended December 31, 2014 and 2013, and has been prepared with all available information up to and including the date of this prospectus. All amounts are reported in thousands of U.S. dollars, unless otherwise stated, and have been prepared in accordance with International Financial Recording Standards ("IFRS"). This discussion should be read in conjunction with our financial statements, including notes thereto. These are the Company's first

financial statements prepared in accordance with IFRS and IFRS 1 "First-Time Adoption of International Financial Reporting Standards" has been applied. Our financial statements were previously prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). There were no accounting differences applicable to the Company on transition from U.S. GAAP to IFRS.

Review of Operations

Gross revenues

	Year Ended December 31,				
	2014	2013	2012	Change (2014 - 2013)	Change (2013 - 2012)
Total	**$42,265**	$56,867	$59,987	$(14,602)	$(3,120)

2014

Year ended

Gross revenues declined $14.6 million year-over-year. The principal reason for the decline reflects reduced order volumes between periods due to higher average interest rates in 2014 compared to 2013. Additionally, a certain lender requested that various conditions be met to service their appraisal orders, including their desk top appraisals. We concluded that the terms imposed by this lender were inappropriate for us to pursue and therefore we ceased doing business with this lender beginning in 2014. Separately, another lender directed certain appraisal volumes to an appraisal management company, resulting in a further reduction in appraisal volumes serviced by us in 2014 compared to 2013.

2013

Gross revenues declined $3.1 million between 2013 and 2012. An increase in the average interest rate was the primary reason for the decline in volumes and gross revenues versus 2012. In addition, a regulatory change requiring that certain valuations, which we had performed in the past, were to be full appraisals, which we couldn't service, also contributed to the decline in gross revenues year-to-year.

Transaction expenses

	Year Ended December 31,				
	2014	2013	2012	Change (2014 - 2013)	Change (2013 - 2012)
Total	**$33,318**	$46,052	$48,537	$(12,734)	$(2,485)

2014

The decline in transaction costs were directly correlated with the decline in gross revenues. However, certain changes in product mix were favourable to gross margins, where gross margins represent the percentage of transaction expenses relative to gross revenues. We also recognized declines in certain costs attributable to appraiser, abstractor and connectivity fees.

2013

The decline in transaction costs in 2013 was directly correlated to the decline in gross revenues.

Operating expenses

	Year Ended December 31,				
	2014	2013	2012	Change (2014 - 2013)	Change (2013 - 2012)
Total	**$5,883**	$6,007	$5,706	$(124)	$301

2014

While certain operating costs are variable in nature, a significant portion of the decline in revenues between 2014 and 2013 reflected reduced volumes of desk top appraisals, which are outsourced to third-parties and recognized as transaction costs. Accordingly, operating costs remained largely unchanged year-to-year.

2013

The increase in operating expenses over 2012, was due to higher salary costs paid to certain key management personnel, coupled with increasing benefit costs across the entire employee group. In addition, we incurred additional expense attributable to our use of a third-party disaster recovery site for certain equipment and technology.

Depreciation

	Year Ended December 31,				
	2014	2013	2012	Change (2014 - 2013)	Change (2013 - 2012)
Total	**$143**	$153	$129	$(10)	$24

2014

The decline in 2014 was due to certain computer and other equipment being fully amortized during the year, partially offset by higher depreciation attributable to new computer equipment purchased in 2013 in response to new customer requirements for a more formalized business continuity and disaster recovery plan.

2013

The increase in depreciation expense in 2013 over 2012, was due to the purchase of new computer equipment in response to new customer requirements for a formalized business continuity and disaster recovery plan.

Finance costs

	Year Ended December 31,				
	2014	2013	2012	Change (2014 - 2013)	Change (2013 - 2012)
Total	**$36**	$20	$2	$16	$18

2014

Higher average drawings on our line of credit facility was the primary reason for the rise in finance costs over 2013, coupled with an increase in the average rate of interest borne on these drawings.

2013

Higher average drawings on our line of credit facility was the primary reason for the rise in finance costs over 2012.

Captive insurance expense

	Year Ended December 31,				
	2014	2013	2012	Change (2014 - 2013)	Change (2013 - 2012)
Total	**$854**	$1,802	$1,798	$(948)	$4

2014

In 2014, we paid insurance premiums to two companies owned by our parent for insurance coverage in excess of our umbrella limits on our commercial insurance policy. No premiums were paid subsequent to June 2014 accounting for the decline in captive insurance expense over 2013.

2013

There were no significant changes to captive insurance expense between 2013 and 2012, representing excess coverage paid to two companies owned by our parent.

(Gain) loss on sale of assets

	Year Ended December 31,				
	2014	2013	2012	Change (2014 - 2013)	Change (2013 - 2012)
Total	**$(14)**	$ —	$13	$(14)	$(13)

2014

The sale of a company-owned vehicle in 2014 was the primary reason for the increase in gains recognized on the sale of assets.

2013

No gain or loss was recognized in 2013 on the disposal of assets. The loss recognized in 2012 was due to the sale of a company-owned vehicle and various computer and related equipment.

Distribution to member

2014 and 2013

There was one issued and outstanding membership unit as at December 31, 2014 and 2013. Distributions to the member occurred annually and the amount distributed was a reflection of the Company's profitability and the cash that was determined to be surplus. Cash distributed to the member totaled $2.7 million in 2014 and $3.7 million in 2013.

Selected Annual Information

	Year ended December 31,		
	2014	**2013**	**2012**
Gross revenues	**$42,265**	$56,867	$59,987
Net income	**$ 2,045**	$ 2,833	$ 3,802
Net income per weighted average membership unit, basic and diluted	**$ 2,045**	$ 2,833	$ 3,802
Total assets	**$ 6,050**	$ 8,304	$ 9,371
Total liabilities	**$ 1,533**	$ 3,133	$ 3,339

Gross revenues

2014 and 2013

The decline in gross revenues is detailed in the Review of Operations — Gross revenues section of this MD&A.

Net income

2014 and 2013

The decline in net income comprises various changes which are detailed in the Review of Operations — section of this MD&A.

Total assets

2014

Total assets declined from $8.3 million in 2013 to $6.1 million in 2014 or $2.2 million over 2013. The decline in advances to the member was the primary reason for this change. At December 31, 2013, we had advanced $3.0 million to a shareholder of our parent company. The amount was subsequently repaid in full in 2014, a portion of which was used to repay line of credit advances. The balance of the change represented a $0.7 million decline in prepaid expenses, offset by a $1.1 million increase in cash. The decline in prepaid expenses was the result of ceasing excess umbrella coverage with two insurance companies owned by our parent. The year-over-year increase in cash reflected cash from operations totaling $2.2 million, coupled with the receipt of cash from the repayment of a member advance of $3.0 million, partially offset by the full repayment of amounts drawn on our line of credit and distributions paid to the member of $4.0 million, in aggregate.

2013

Total assets declined year-to-year by $1.1 million. The decline was a function of lower cash and accounts receivable balances, partially offset by an increase in member advances. Changes in accounts receivable were impacted by the timing of receipt year-to-year from our two largest customers. The decline in cash was the culmination of cash from operations and advances from our line of credit of $4.5 million, offset by member advances and distributions totaling $6.7 million.

Total long-term liabilities

2014

Total long-term liabilities declined $1.6 million over 2013. The decline was due primarily to the repayment of advances on our line of credit of $1.3 million, and lower accrued and withheld liabilities representing the timing of payroll accruals.

2013

Total long-term liabilities declined $0.2 million over 2012. An increase in amounts borrowed on our line of credit was offset by a decline in accrued payroll amounts, due to the timing of payment.

Financial Condition

Select Balance Sheet Information

2014

	December 31, 2014	December 31, 2013	Change
Accounts receivable	$3,782	$3,439	$ 343
Prepaid expenses	$ 254	$ 908	$(654)
Real estate, equipment and vehicles	$ 680	$ 689	$ (9)
Working capital position	$3,837	$4,482	$(645)

2013

	December 31, 2013	December 31, 2012	Change
Accounts receivable	$3,439	$5,513	$(2,074)
Prepaid expenses	$ 908	$ 518	$ 390
Real estate, equipment and vehicles	$ 689	$ 716	$ (27)
Working capital position	$4,482	$5,316	$ (834)

Accounts receivable

2014 and 2013

Accounts receivable are influenced by our invoicing to, and the timing of payment from, our two largest customers. The change in accounts receivable reflects the timing of payment receipt from our two largest customers.

Prepaid expenses

2014

At December 31, 2013, prepaid expenses included insurance premiums paid to two companies owned by our parent for insurance coverage in excess of our umbrella limits on our commercial insurance policy. No premiums were paid subsequent to June 2014, such that no amounts were recorded to prepaid expense at December 31, 2014. The decline in prepaid insurance was the primary reason for the decline in prepaid expenses year-to-year.

2013

The change in prepaid expenses from 2012 was due to prepaid insurance premiums paid to a related-party. At December 31, 2012, prepaid insurance recorded to prepaid expenses was $0.3 million, which compared to $0.6 million at December 31, 2013.

Real estate, equipment and vehicles

2014

Real estate, equipment and vehicles declined over 2013. Current year additions were principally due to the purchase of a vehicle, coupled with continued investment in computer equipment. Normal course depreciation surpassed current year additions, and current year retirements comprised aged computer equipment and a vehicle.

2013

The decline from 2012 in real estate, equipment and vehicles, was due to normal course depreciation outpacing additions. We made investments in computer hardware and software and office equipment in 2013 to update aged equipment and retired much of the equipment that we replaced.

Working capital position

2014

Our working capital position declined $0.6 million year-over-year. The primary reason for this decline was due to a decline in advances to the member, which was repaid in full by the end of 2014. This decline, combined with lower prepaid expenses of $0.7 million, due to lower insurance premiums paid to a related-party for excess umbrella coverage, comprised the bulk of the year-to-year decline in our working capital position.

These amounts were partially offset by higher cash and accounts receivable balances, and lower amounts drawn on our line of credit on a comparative basis. The increase in cash was discussed above in the Selected Annual Information section of this MD&A. The increase in accounts receivable reflects the timing of payment receipt from our two largest customers and lower amounts drawn on our line of credit reflect repayments we made in 2014 from cash received on the repayment of member advances and cash generated from operations.

2013

Our working capital position declined $0.8 million year-over-year on account of lower cash and accounts receivable balances and higher line of credit advances. The decrease in cash was discussed above in the Selected Annual Information section of this MD&A, while the decline in accounts receivable reflects the timing of payment receipt from our two largest customers. Higher drawings on our line of credit were due in part to the advance of amounts to our member in 2013.

These declines to our working capital position were partially offset by a $3.0 million receivable due from the member, coupled with higher outstanding prepaid amounts, due to higher prepaid insurance. Lower accrued payroll and withheld payroll liabilities, principally impacted by the timing of payment, also partially offset the year-over-year decline in our working capital position.

Disclosure of outstanding membership units

	December 31, 2014, 2013 and 2012	
	Units	$
Membership units	1	—

Member's equity

The Company had a sole member, GLS Dist., Inc., who was authorized to admit additional members. However, additional members admitted did not have the power, right or authority to act on behalf of the Company unless specifically provided by amendment to the Company's Operating Agreement.

Profits, losses, gains, expenses and credits of the Company were allocated to the sole member. The member was entitled to receive distributions of assets upon dissolution subject to the priority rights of liabilities owing to creditors, liabilities to the member, and the establishment of a reserve for the payment of anticipated Company expenses.

There were no changes to members units for the period 2012, 2013 and 2014.

Liquidity and Capital Resources

	December 31, 2014				
	Payments due				
Contractual obligations	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Line of credit	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**
Borrowings	**45**	**35**	**10**	**—**	**—**
Operating leases	**2,124**	**507**	**849**	**768**	**—**
Total contractual obligations	**$2,169**	**$ 542**	**$ 859**	**$ 768**	**$ —**

	December 31, 2013				
	Payments due				
Contractual obligations	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Line of credit	$1,323	$1,323	$ —	$ —	$ —
Borrowings	—	—	—	—	—
Operating leases	2,967	505	1,310	768	384
Total contractual obligations	$4,290	$1,828	$1,310	$ 768	$ 384

Line of credit

Details of our line of credit at December 31, 2014 were as follows:

	Available lending	Facility drawn	Available capacity
Line of credit	**$3,000**	**$ —**	**$3,000**

Details of our line of credit at December 31, 2013 were as follows:

	Available lending	Facility drawn	Available capacity
Line of credit	$3,000	$1,323	$1,677

Line of credit

Our line of credit was collateralized by all of our assets and personally guaranteed by the majority stockholder of our parent company. The maximum available capacity under the line of credit was $3.0 million.

Amounts drawn on the facility incurred interest at 4% annually. At December 31, 2014 there were no outstanding borrowings on the line. The line of credit was scheduled for renewal in June, 2015, but was not renewed due to the sale of the Company prior to the renewal date.

Borrowings

In 2014, we entered in to an instalment note payable bearing interest at 1.3% annually. The borrowing was collateralized by the company-owed vehicle. The terms of the instalment note required monthly payments of principal and interest through April 2016. The instalment note was paid in full in May 2015 in connection with the sale of the Company.

Risks and restrictions

Our line of credit was subject to interest rate risk. A 1.0% rise or fall in the variable interest rate results in a $nil (2013 — $13 thousand) change in annualized financing costs.

Access to capital

Our access to capital depended on, among other things, suitable market conditions and the maintenance of our credit standing. Our credit standing could have been adversely affected by various factors, including increased debt levels, decreased earnings, declines in customer demands, increased competition, a deterioration in general economic and business conditions and adverse publicity. Any impacts to our credit standing may have impeded our access to debt financing or raise our borrowing rates.

Cash flows

	Year ended December 31,				
	2014	**2013**	**2012**	**Change (2014 - 2013)**	**Change (2013 - 2012)**
Cash flows generated from (utilized in):					
Operating activities	**$2,162**	$ 3,143	$ 5,029	$ (981)	$(1,886)
Investing activities	**$ (120)**	$ (126)	$ (292)	$ 6	$ 166
Financing activities	**$ (977)**	$(5,370)	$(3,097)	$4,393	$(2,273)

2014

Operating activities

The decline in cash generated from operations was due in part to the decline in order volumes as outlined in the Review of Operations — Gross revenues section of this MD&A. Lower volumes resulted in lower income before depreciation, finance costs and other income and expense of $1.7 million. This amount was partially offset by non-cash working capital changes, which were addressed in the Financial Condition — Working capital position section of this MD&A.

Investing activities

Cash utilized in investing activities was relatively unchanged between years. The change, over 2013, was due to proceeds received from the sale of a vehicle in 2014 which partially offset the slightly higher 2014 investment in real estate and equipment and vehicles.

Financing activities

Cash utilized in financing activities declined $4.4 million. In 2013, member advances totaled $3.0 million, which were partially offset by line of credit drawings of $1.3 million and resulted in a net use of cash totaling $1.7 million. In 2014, member advances made in 2013 were repaid in full, as were all drawings on our line of credit. Accordingly, net cash generated from financing activities totaled $1.7 million. Combined, these changes resulted in a $3.4 million decline in cash used in financing activities year-over-year. Our weaker operating performance in 2014 translated into lower distributions paid to our member by $1.1 million.

2013

Operating activities

Cash generated from operating activities declined $1.9 million, due in part to lower volumes, as outlined in the Review of Operations — Gross revenues section of this MD&A. Lower volumes resulted in a decline in income before depreciation, finance costs and other income and expense of $0.9 million. This amount, together with non-cash working capital changes, which were addressed in the Financial Condition — Working capital position section of this MD&A, were the primary reasons for the decline over the same period a year ago.

Investing activities

Cash utilized in investing activities declined year-over-year due to the purchase in 2012 of computer equipment in response to new customer requirements for a formalized business continuity and disaster recovery plan. This same level of spending was not repeated in 2013, leading to the decline in cash utilized in investing activities.

Financing activities

Cash utilized in financing activities was lower by $2.3 million in 2013. Member advances, net of line of credit drawings, resulted in a net use of cash in 2013 of $1.7 million. The remainder of the decline was attributable to a softer operating performance which resulted in lower distributions paid to the member of $0.5 million in 2013.

Critical Accounting Estimates

General

We use information from our financial statements, prepared in accordance with IFRS, to prepare our MD&A. Our financial statements include estimates and judgments that affect the reported amounts of our assets, liabilities, revenues, expenses and, where and as applicable, disclosures of contingent assets and liabilities. On a periodic basis we evaluate our estimates, including those that require a significant level of judgment or are otherwise subject to an inherent degree of uncertainty. Areas that are subject to judgment and estimate include the useful lives of real estate, equipment and vehicles, and income and other taxes. Our estimates and judgments are based on historical experience, our observance of trends, and information and other assumptions that we believe are reasonable to consider when making an estimate of an asset or liabilities fair value. Due to the inherent complexity, judgment and uncertainty in estimating fair value, actual amounts could differ significantly from our estimates.

Areas requiring the most significant estimate and judgment are outlined below.

Real estate, equipment and vehicles

The useful lives of real estate, equipment and vehicles for purposes of computing depreciation.

Income and other taxes

We have determined that we are a pass-through entity for federal income tax purposes. Accordingly, tax liabilities and benefits pass through the Company to the owner of the membership unit. As such, no provision or liability for federal income taxes was recorded in these financial statements. Should we determine that the tax liabilities and benefits accrue to the Company, we would be required to recognize both income tax expense or recovery and deferred tax assets and liabilities. We are however subject to various state and local income taxes based on the allocated taxable income reported in state and local jurisdictions.

The Company's income tax returns are subject to examination by the appropriate tax jurisdictions. As of December 31, 2014, the majority of the Company's federal and various state tax returns remain open for the last three years.

New Accounting Policies Adopted or Requiring Adoption

Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15 "Revenue from Contracts with Customers" ("IFRS 15"), which replaces IAS 18 "Revenue", IAS 11 "Construction Contracts" and IFRIC 13 "Customer Loyalty Programmes", as well as various other interpretations applicable to revenue. IFRS 15 outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers, except for contracts that are within the scope of the standards on leases, insurance contracts, and financial instruments. The core principle of IFRS 15 requires an entity to recognize revenue in accordance with the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition: identify the contract(s) with a customer; identify the performance obligations in the contract; determine the transaction price; allocate the transaction price to the performance obligations in the contract; and recognize revenue when (or as) the entity satisfies a performance obligation. IFRS 15 also contains enhanced disclosure requirements. This new standard is effective for annual periods beginning on or after January 1, 2018 and will be applied using either a full retrospective approach for all periods presented in the period of adoption or a modified retrospective approach. Early adoption is permitted. We continue to evaluate the impact IFRS 15 will have on our financial statements.

Property, Plant and Equipment and Intangible Assets

In May 2014, the IASB issued amendments to IAS 16 "Property, Plant and Equipment" ("IAS 16") and IAS 38 "Intangibles Assets" ("IAS 38"). The amendments clarify that a revenue-based approach to calculate depreciation and amortization is generally not appropriate as it does not reflect the consumption of the economic benefits embodied in the underlying asset. Under IAS 38, this presumption can be rebutted in the following two limited circumstances: when the intangible asset is expressed as a measure of revenue; or, when it can be demonstrated that revenue and consumption of economic benefits of the intangible asset are highly correlated. Amendments to IAS 16 and IAS 38 are effective for annual periods beginning on or after January 1, 2016, applied prospectively. We do not expect these changes to have a significant impact on our financial statements.

Related Party Transactions

Member advances receivable

At December 31, 2013, we had advanced $3.0 million to a shareholder of our parent company. The amount was repaid in full in 2014.

Captive insurance expense

We paid premiums to two captive insurance companies for coverage in excess of our umbrella limits on our commercial insurance policy. Both captive insurance companies were owned by the shareholders of our parent company. Premiums paid to these companies totaled $0.9 million in 2014 (2013 — $1.8 million and 2012 — $1.8 million).

Rent Expense

We entered into a lease agreement with 537 Associates, LLC to rent the facility primarily used by the Company for its operations. The majority stockholder of our parent company was also a member of 537 Associates, LLC. The lease had an initial term of five years ending December 2015 and two additional five year renewal options. The lease called for monthly minimum rent payments representing an annual commitment of $0.4 million.

Financial Instruments

Risk management objectives

Management's objective is to protect the Company against material economic exposures, and variability of results from financial risks consisting primarily of its exposure to credit risk.

Credit risk

Credit risk is defined as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge its obligation. Our exposure to credit risk is limited principally to cash, accounts receivable, and when and as applicable, member advances. In all instances, our risk management objective, whether of credit, liquidity, market or otherwise, is to mitigate our risk exposures to a level consistent with our risk tolerance.

Cash

Certain management are responsible for determining which financial institutions we bank and hold deposits with. Management reviewed the Company's exposure to credit risk from time-to-time or as a condition indicated that the Company's exposure to credit risk was subject to change. Our maximum exposure to credit risk was equal to the fair value of cash recorded on our statement of financial position of $1.3 million at December 31, 2014, $0.3 million at December 31, 2013 and $2.6 million at December 31, 2012. We held no collateral or other credit enhancements as security over our cash balances. We deemed the credit quality of our cash balances to be high and no amounts were impaired.

Accounts receivable

We are subject to credit risk on our accounts receivable through the normal course of business. Our maximum exposure to credit risk was equal to the fair value of accounts receivable recorded on our statement of financial position of $3.8 million at December 31, 2014, $3.4 million at December 31, 2013 and $5.5 million at December 31, 2012. We performed credit checks or accept payment or security in advance of service to limit our exposure to credit risk. We assigned various employees to carry out collection efforts in a manner consistent with our accounts receivable and credit and collections policies. These policies establish procedures to manage, monitor, control, investigate, record and improve accounts receivable credit and collection. Our policies and procedures included estimating our allowance for doubtful accounts. These calculations were generally based on historical collection and specific account balance review, giving due consideration to the credit quality of the customer, historical payment history, and other factors specific to the customer, including bankruptcy or

insolvency. At approximately 58%, two customers represented a significant portion of accounts receivable amounts owing at December 31, 2014 (2013 — 42% and 2012 — 39%).

Accounts receivable were deemed by management to be at risk of collection were provided for. When accounts receivable are considered uncollectable, they are written-off against the provision. Recoveries of amounts previously written-off are recorded to the provision while other changes are recorded operating expenses.

Our accounts receivable are generally due upon invoice receipt. Accordingly, all amounts which were outstanding for a period that exceeds this date are past due. Based on historical collections, we were successful in collecting amounts that were not outstanding for greater than 90 days. We assess the credit quality of accounts receivable that are neither past due nor impaired as high. Our maximum exposure to accounts receivable credit risk was equivalent to our net carrying amount. Accounts receivable considered impaired at the end of 2014, 2013 and 2012 were not considered significant.

Member advances receivable

At December 31, 2014 and 2012, there were no member advances receivable. An advance made during 2013 and outstanding at December 31, 2013, was later repaid in 2014.

Liquidity risk

Liquidity risk represents the risk that we could encounter difficulty in meeting obligations associated with the settlement of our financial liabilities. Our management and member were responsible for ensuring that we had sufficient short, medium and long-term liquidity. We managed liquidity risk on a daily basis by continually monitoring actual and forecasted cash flows and monitoring our available liquidity.

Appendix A
MANDATE OF THE BOARD OF DIRECTORS

REAL MATTERS

(the "**Company**")

MANDATE OF THE BOARD OF DIRECTORS

As approved by the Board of Directors of the Company (the "**Board**") on December 15, 2016.

A. MANDATE

The Board directly, and through its committees, oversees the management of Company and is responsible for the stewardship of the Company, ensuring that long-term value is being created for all of its shareholders while considering the interests of the Company's various stakeholders including employees, customers, suppliers and the community.

B. BOARD COMPOSITION

The Board is currently comprised of seven directors and is comprised of a majority of independent directors. A director shall be considered independent if he or she would be considered independent for the purposes of National Instrument 58-101 — *Disclosure of Corporate Governance Practices* ("**NI 58-101**").

The number of directors may be set from time to time by the Board within the minimum and maximum numbers approved by the Company's shareholders. The directors shall be elected by the Company's shareholders, except as permitted by the *Canada Business Corporations Act*. If a vacancy occurs, the Board may identify, select and approve a replacement director, or may decide to reduce the size of the Board.

The Board will appoint a Chair of the Board (the "**Chair**") and a Corporate Secretary. The Chair shall be designated from among the members of the Board. If the Chair is an executive of the Company, then a majority of the Board's independent directors shall appoint an independent lead director (the "**Lead Director**") from among the directors, who shall serve for such term as the Board may determine. The Lead Director or non-executive Chair shall chair any meetings of the independent directors and assume such other responsibilities as the independent directors may designate in accordance with any applicable positon descriptions or other applicable guidelines that may be adopted by the Board from time to time.

C. MEETINGS AND BOARD PROCESS

The Board shall meet at least five (5) times per year, once after each quarter, and once when the drafts of the annual continuous disclosure materials required by the Canadian Securities Administrators have been prepared. The Board will meet more frequently if circumstances dictate.

Board meetings will allow for input from all Board members. Any director may request that the Lead Director or non-executive Chair co-ordinate a meeting of the non-executive members of the Board.

The Chair shall be responsible for establishing or causing to be established the agenda for each Board meeting. The Board and the Board committee liaison with the Company will be principally through the Company's Chief Executive Officer. The Board may, from time to time, assign specific duties and tasks to individuals or committees.

An Audit Committee and a Compensation Committee (collectively, the "**Committees**") have been established. Each of the Committees shall operate under a written mandate document approved by the Board.

Periodically the Board will evaluate the effectiveness of the Board as a whole and ensure that appropriate succession plans are in place. This may include reviewing the process for nominating, orienting and remunerating Board members, determining the committees required and changing the mandates for the Committees.

The Board has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and has direct access to the books, records, facilities and personnel of the organization. The Board has the ability to retain, at the Company's expense, special legal, accounting or other consultants or experts it deems necessary in the performance of its duties.

D. RESPONSIBILITIES

The Board members shall ensure that:

1. all Board members understand the business of the Company;
2. processes are in place to effectively plan, monitor and manage the long-term viability of the Company;
3. there is a balance between long and short-term goals and risks;
4. management's performance is adequate and that an adequate management succession plan is in place;
5. communication with shareholders and other stakeholders is timely and effective;
6. the Board shall adopt appropriate procedures designed to permit the Board to receive feedback from shareholders on material issues;
7. business is conducted ethically and in compliance with applicable laws and regulations; and
8. all matters requiring shareholder approval are referred to them.

E. OPERATIONAL MATTERS

In the process of executing its responsibilities the Board will:

1. review corporate performance on a quarterly basis;
2. review and approve dividend payments;
3. review and approve Company banking and borrowing resolutions;
4. review and approve any changes in the issued shares;
5. review accounting policies, internal control and audit procedures;
6. review and approve the annual continuous disclosure materials required by the Canadian Securities Administrators;
7. review and approve the annual financial statements and the interim quarterly results;
8. recommend to the shareholders the appointment of auditors and their remuneration; and
9. provide advice to management.

F. CODE OF CONDUCT

The Board must adopt a written Code of Ethics and Business Conduct (the "**Code**") as part of its efforts to promote a culture of integrity and honesty throughout the Company. The Code will apply to the Board itself and to the Company's management and employees. Only the Board may grant any waivers to the Code. If the Board grants a waiver to the Code, the Board will determine if disclosure of the waiver is necessary in accordance with applicable laws and stock exchange rules. Contents of such disclosure will be in compliance with National Policy 58-201 — *Corporate Governance Guidelines* and NI 58-101.

G. WHISTLEBLOWER POLICY

The Board will, in conjunction with the Audit Committee, establish a whistleblower policy for the Company allowing Company employees, officers, directors and other stakeholders, including the public, to raise, anonymously or not, questions, complaints or concerns about the Company's practices, including fraud, policy violations, any illegal or unethical conduct and any Company accounting, auditing or internal control matters. The Board will ensure that any questions, complaints or concerns are adequately received, reviewed, investigated, documented and resolved.

Appendix B
MANDATE OF THE AUDIT COMMITTEE

REAL MATTERS

(the "**Company**")

MANDATE OF THE AUDIT COMMITTEE

As approved by the Board of Directors of the Company (the "**Board**") on December 15, 2016.

A. PURPOSE AND SCOPE

The Audit Committee (the "**Committee**") of the Board shall be responsible for assisting in the Board's oversight of the reliability and integrity of the accounting principles and practices, financial statements and other financial reporting and disclosure practices followed by management of the Company. The Committee shall also have oversight responsibility for: (i) the qualifications, independence and performance of the independent auditors; (ii) the establishment by management of an adequate system of internal controls; (iii) the preparation by management of quarterly and annual financial statements; and (iv) the maintenance by management of practices and processes to ensure compliance with applicable laws.

B. COMPOSITION AND MEETINGS

The Committee shall be comprised of a minimum of three directors as appointed by the Board, each of whom shall meet the criteria for independence, financial literacy and audit committee composition requirements (collectively, the "**Applicable Requirements**") of National Instrument 52-110 — *Audit Committees* ("**NI 52-110**") of the Canadian Securities Administrators, any exchange upon which securities of the Company are traded or any governmental or regulatory body exercising authority over the Company (each a "**Regulatory Body**", and collectively, the "**Regulatory Bodies**").

A majority of the members of the Committee shall constitute a quorum at any meeting of the Committee, but in no case shall a quorum be comprised of less than two members of the Committee, and the action of a majority of those present, after determining a quorum, shall be the act of the Committee.

The Committee shall ensure that all necessary and proper disclosures shall be made in all applicable filings with Regulatory Bodies as to composition of the Committee. Committee members may enhance their familiarity with finance and accounting by participating in education programs conducted by the Company or an outside consultant.

The members of the Committee shall be appointed by the Board at the meeting of the Board following each annual meeting of shareholders and shall serve until their successors shall be duly elected and qualified or until their earlier death, resignation or removal. The Board may fill a vacancy in the membership of the Committee and remove a member of the Committee at any time for any reason. The Board shall appoint the chair of the Committee (the "**Chair**") from the Committee members. In the absence of the Chair at a duly convened meeting, the Committee shall select a temporary substitute from among its members.

The Committee shall meet on a regularly-scheduled basis at least four (4) times per year or more frequently as circumstances dictate. At the invitation of the Committee, members of the Company's management and others may attend Committee meetings as the Committee considers necessary or desirable. The Company's independent auditors are entitled to attend and be heard at each Committee meeting. The Committee shall meet without management present at each Committee meeting. All independent directors may attend Committee meetings, provided that directors who are not members of the Committee shall not be entitled to vote, nor shall their attendance be counted as part of the quorum of the Committee.

The Chair, any member of the Committee, the Company's independent auditors, the Chair of the Board or the Chief Executive Officer or Chief Financial Officer may call a meeting by notifying the Company's Corporate Secretary who will notify members of the Committee. Ordinarily, meetings of the Committee should be convened with no less than seven (7) days' notice having been given. In exceptional circumstances, the requirement for notice can be waived subject to the formal consent of no less than the number of Committee members that constitutes a quorum of the Committee or instruction by a resolution of the Board.

The Committee shall report its actions to the members of the Board and the Corporate Secretary of the Company. The Committee may appoint a Committee member or any other attendee to be the secretary of a meeting and shall keep written minutes of its meetings which shall be recorded and filed with the books and records of the Company. Minutes of each meeting will be made available to the members of the Board and the Company's auditors. The Committee shall report its decisions and recommendations to the Board promptly after each Committee meeting.

C. RESPONSIBILITIES AND DUTIES

To fulfill its responsibilities and duties the Committee shall:

1. review and assess the adequacy of this Mandate annually, and recommend any proposed changes to the Board for approval;
2. review, at least annually, the performance of the independent auditors, and annually recommend to the Board, for approval by the shareholders, the appointment of the independent auditors of the Company in accordance with the *Canada Business Corporations Act;*
3. at least every five (5) years, perform a comprehensive review of the performance of the external auditors over multiple years to provide further insight on the audit firm, its independence and application of professional standards;
4. engage in an active dialogue with the independent auditors on their independence from the Company, and where it is determined that independence no longer exists, recommend that the Board take appropriate action;
5. review and recommend to the Board for approval, the terms of any annual audit engagement of the independent auditors, including the appropriateness of the proposed audit fees and the auditors independence with respect to the engagement of the independent auditors for any audit related services;
6. approve any non-audit services to be provided by the firm of the independent auditors to the Company in accordance with NI 52-110;
7. review and approve annually the overall scope of the independent auditors' annual audit plan;
8. periodically review the status and findings of the independent auditors' audit plan and the adequacy of internal controls established by management and, where appropriate, make recommendations or reports thereon to the Board;
9. understand the scope, principal risks and integrity of internal and external auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses;
10. annually, and at any time in response to a specific request by management or the independent auditors, meet separately with the relevant parties with respect to such matters as the effectiveness of the system of internal controls established by management, the adequacy of the financial reporting process, the quality and integrity of the financial statements, the evaluation of the performance of the independent auditor and any other matter that may be appropriate;
11. review and discuss the Company's major financial risk exposures and the steps taken to monitor and control such exposures, including the use of any financial derivatives and hedging activities;
12. review and make recommendations to the Board regarding, the adequacy of the Company's risk management policies and procedures with regard to identification of the Company's principal risks and implementation of appropriate systems and controls to manage such risks including an assessment of the adequacy of insurance coverage maintained by the Company;
13. periodically review the Company's policies and procedures for reviewing and approving or ratifying related-party transactions;

14. review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements;
15. review the quarterly and annual financial statements and corresponding management discussion and analysis, and consider whether they are complete, consistent with information known to Committee members and reflect appropriate accounting principles;
16. review and recommend to the Board for approval, where appropriate, financial information contained in any prospectuses, annual information forms, annual reports to shareholders, management proxy circulars, business acquisition reports, material change disclosures of a financial nature and similar disclosure documents prior to the public disclosure of such documents or information;
17. review significant changes in the accounting principles to be observed in the preparation of the accounts of the Company and its subsidiaries, or in their application, and in financial statement presentation;
18. review and, following discussion with the independent auditors (following their review of the financial statements) and management, recommend to the Board, approval of unaudited quarterly and audited annual consolidated financial statements of the Company;
19. review the Company's policies relating to the avoidance of conflicts of interest and review and approve all material payments to be made pursuant to any related party transactions involving executive officers and members of the Board, as required by any Regulatory Body;
20. cause the Chair to review and approve all expense reimbursements of the Chief Executive Officer;
21. review and monitor practices and procedures adopted by management to assure compliance with applicable laws, and, where appropriate, make recommendations or reports thereon to the Board; and
22. monitor and periodically review the Whistleblower Policy of the Company and associated procedures for:
    - the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters;
    - the confidential, anonymous submission by directors, officers and employees of the Company of concerns regarding questionable accounting or auditing matters; and
    - if applicable, any violations of applicable law, rules or regulations that relates to corporate reporting and disclosure, or violations of the Company's Code of Conduct.

D. ACCESS TO MANAGEMENT AND INDEPENDENT ADVICE

The Committee shall have unrestricted access to the Company's management and employees and to the books and records of the Company and, from time to time may hold unscheduled or regularly scheduled meetings or portions of meetings in executive session or otherwise with the Company's independent auditors, the Chief Financial Officer, the Chief Executive Officer or the Chief Legal Officer and Corporate Secretary.

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities and duties as described above, and may seek, retain and terminate accounting, legal, consulting or other expert advice from a source independent of management, at the expense of the Company, with notice to either the independent lead director of the Board or the non-executive Chair of the Board or the Chief Executive Officer of the Company, as deemed appropriate by the Committee. In furtherance of the foregoing, the Committee shall have the sole authority to retain and terminate any such consultant or advisor to be used to assist in the evaluation of such matters and shall have the sole authority to approve the consultant or advisor's fees and other retention terms.

While the Committee has the responsibilities and powers set forth in this Mandate, it is not the duty of the Committee to plan or conduct audits, to establish the Company's accounting and financial reporting systems, or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles.

*****

CERTIFICATE OF THE ISSUER

Dated: May 5, 2017

This prospectus (which includes the marketing materials included or incorporated by reference) constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces and territories of Canada.

(Signed) "Jason Smith" President and Chief Executive Officer	(Signed) "William Herman" Chief Financial Officer

On behalf of the Board of Directors
of Real Matters Inc.

(Signed) "Blaine Hobson" Director	(Signed) "Garry Foster" Director

CERTIFICATE OF THE SELLING SHAREHOLDERS

Dated: May 5, 2017

This prospectus (which includes the marketing materials included or incorporated by reference) constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces and territories of Canada.

On Behalf of the Selling Shareholder CYMBRIA CORPORATION	On Behalf of the Selling Shareholder EDGEPOINT WEALTH MANAGEMENT INC. as Trustee of EDGEPOINT CANADIAN PORTFOLIO	On Behalf of the Selling Shareholder EDGEPOINT WEALTH MANAGEMENT INC. as Trustee of EDGEPOINT CANADIAN GROWTH & INCOME PORTFOLIO
By: (Signed) "Geoff MacDonald"	By: (Signed) "Geoff MacDonald"	By: (Signed) "Geoff MacDonald"
On Behalf of the Selling Shareholder EDGEPOINT WEALTH MANAGEMENT INC.	On Behalf of the Selling Shareholder CYPRESS CAPITAL MANAGEMENT LTD.	On Behalf of the Selling Shareholder AGF CANADIAN GROWTH EQUITY CLASS
By: (Signed) "Geoff MacDonald"	By: (Signed) "Michael Fricker"	By: (Signed) "Peter Imhof"
On Behalf of the Selling Shareholder LONDON LIFE GROWTH EQUITY	On Behalf of the Selling Shareholder GREAT WEST LIFE GROWTH EQUITY	On Behalf of the Selling Shareholder FIERA CAPITAL CORPORATION
By: (Signed) "Peter Imhof"	By: (Signed) "Peter Imhof"	By: (Signed) "Marcus Barrett" (Signed) "Patrick Potvin"
On Behalf of the Selling Shareholder 370271 ONTARIO LIMITED	On Behalf of the Selling Shareholder PROPERTY VALUES INCOME AND COMMON SHARES LP, by its investment advisor ROBSON CAPITAL MANAGEMENT INC.	On Behalf of the Selling Shareholder MOSAIC CAPITAL CORP.
By: (Signed) "Angelo Grossi"	By: (Signed) "Jeffrey Shaul"	By: (Signed) "Michael Egan"
On Behalf of the Selling Shareholder MAPLECASTLE CORPORATION	On Behalf of the Selling Shareholder HEIDI BLACKBURN	On Behalf of the Selling Shareholder ESTATE OF ALISTAIR BLACKBURN, DECEASED
By: (Signed) "David Strom"	By: (Signed) "Heidi Blackburn"	By: (Signed) "Heidi Blackburn"

CERTIFICATE OF THE UNDERWRITERS

Dated May 5, 2017

To the best of our knowledge, information and belief, this prospectus (which includes the marketing materials included or incorporated by reference) constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required under the securities legislation of each of the provinces and territories of Canada.

BMO Nesbitt Burns, Inc.	INFOR Financial Inc.	Merrill Lynch Canada Inc.
(Signed) "Craig King"	(Signed) "Neil M. Selfe"	(Signed) "Jamie Hancock"
Scotia Capital Inc.	TD Securities Inc.	Wells Fargo Securities Canada, Ltd.
(Signed) "Rob Sainsbury"	(Signed) "Scott Penner"	(Signed) "Darin Deschamps"
Canaccord Genuity Corp.	National Bank Financial Ltd.	Raymond James Ltd.
(Signed) "Mike Lauzon"	(Signed) "Brent Layton"	(Signed) "Jimmy Leung"

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