URBANA CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three months ended March 31, 2021

This Management's Discussion and Analysis ("MD&A") supplements, but does not form part of, the unaudited condensed interim financial statements of Urbana Corporation ("Urbana" or the "Corporation") and notes thereto for the three months ended March 31, 2021 (the "Interim Financial Statements") and the audited financial statements of Urbana and notes thereto for the year ended December 31, 2020 (the "Annual Audited Financial Statements"). Consequently, the following discussion and analysis of the financial condition and results of operations should be read in conjunction with the Interim Financial Statements and the Annual Audited Financial Statements, both of which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts shown in this MD&A, unless otherwise specified, are presented in Canadian dollars. This MD&A is current as of May 12, 2021. The Corporation's Audit Committee reviewed this document, and prior to its release, the Corporation's Board of Directors approved it, on the Audit Committee's recommendation.

You can obtain information relating to the Corporation, including the Corporation's annual information form and Annual Audited Financial Statements, at no cost, by calling Urbana collect at (416) 595-9106, by writing to us at: 150 King Street West, Suite 1702, Toronto, Ontario M5H 1J9 or by visiting our website at www.urbanacorp.com or the SEDAR website at www.sedar.com.

REPORTING REGIME

Urbana is subject to National Instrument 51-102 ("NI 51-102") *Continuous Disclosure Obligations*. For accounting purposes, Urbana is treated as an investment entity under IFRS.

NON-GAAP MEASURES

The Corporation prepares audited annual financial statements and unaudited condensed interim financial statements in accordance with IFRS. This MD&A complements IFRS results with the following financial measures which are not recognized under IFRS and which do not have a standard meaning prescribed by IFRS: "net assets per share", "total return of net assets per share" and "compound annual growth rate of net assets per share since inception".

Net assets per share

The three financial measures used to calculate "net assets per share", namely assets, liabilities and number of shares outstanding, are individually recognized under IFRS, but "net assets per share" is not. The calculation of net assets per share as at March 31, 2021 and December 31, 2020 is presented in the following table:

	March 31, 2021	**December 31, 2020**
Assets ($)	300,070,206	288,334,640
LESS Liabilities ($)	35,727,014	39,165,354
EQUALS Net Assets ($)	264,343,192	249,169,286
DIVIDED BY Number of Shares Outstanding	44,189,627	44,211,727
EQUALS Net assets per share ($)	5.98	5.64

Total return of net assets per share

The total return of net assets per share over a given period refers to the increase or decrease of Urbana's net assets per share over a specified time period, expressed as a percentage of Urbana's net assets per share at the beginning of the time period**,** assuming that each dividend paid during the period was reinvested at a price equal to the net assets per share at the relevant time.

Compound annual growth rate of net assets per share since inception

Compound annual growth rate ("CAGR") of net assets per share since inception is the compound annual growth rate of Urbana's net assets per share from October 1, 2002, when Caldwell Investment Management Ltd., the investment manager of Urbana, started managing Urbana's investment portfolio, to the end of the period in question.

We calculate CAGR of net assets per share since inception by dividing Urbana's net assets per share at the end of the period in question by its net assets per share at inception (i.e. October 1, 2002), raising the result to the power of the quotient obtained by having one divided by the number of years representing the period length, and then subtracting one.

The Corporation provides the three non-IFRS measures indicated above because it believes each measure can provide information that may assist shareholders to better understand the Corporation's performance and to facilitate a comparison of the results of ongoing operations. No measure that is calculated in accordance with IFRS is directly comparable to or provides investors with this net assets per share information. As a result, no quantitative reconciliation from "net assets per share" to an IFRS measure is provided in this MD&A.

Non-IFRS measures should not be construed as alternatives to net comprehensive income (loss) determined in accordance with IFRS as indicators of the Corporation's performance. CAGR of net assets per share since inception describes the historical rate at which Urbana's net assets per share would have increased at a steady rate. This single historical rate is only an illustration and does not represent the actual annual growth rate of Urbana's net assets per share in any given year. The growth rate of Urbana's net assets per share in any given year since 2002 may have been higher or lower than the CAGR of net assets per share due to market volatility and other factors.

BUSINESS OBJECTIVES AND STRATEGIES, AND RISK FACTORS

The business objectives and strategies of Urbana are to seek out, and invest in, private investment opportunities for capital appreciation and to invest in publicly traded securities to provide growth, income and liquidity. Urbana has the scope to invest in any sector in any region. There were no material changes to Urbana's investment style during the first financial quarter of 2021 ("2021 Q1") that affected the overall level of risk associated with investment in the Corporation. Some of the risk factors associated with investing in Urbana are described in Urbana's most recent annual information form, which is available on the Corporation's website at www.urbanacorp.com and on SEDAR at www.sedar.com. Risks and uncertainties that may materially affect Urbana's future performance include individual corporate risk, macroeconomic risk, currency risk and product price risk.

Overall Performance and Discussion of Operations

Public equity markets continued their upward move in 2021 Q1. Although COVID-19 infections remain stubbornly high and variants are threatening, the focus has been on the availability of vaccines and the race to herd immunity.

The economies where lockdown restrictions are easing are showing remarkably strong economic recoveries. This speaks to an optimistic scenario when "normal" returns.

The challenge could be governments who want to be seen as "doing something" could add fuel to the recovery flames with inflationary pressures and higher interest rates resulting.

During 2021 Q1, Urbana's net assets per share increased from $5.64 to $5.98, after the payment of a dividend of nine cents ($0.09) per share[1] in January 2021, resulting in a 7.8% total return of net assets per share. During the same period, the S&P/TSX Composite Total Return Index ("S&P/TSX Index") increased by 8.1% and the Dow Jones Industrial Average Total Return Index (converted to Canadian Dollars) ("DJIA Index") increased by 6.9%.

The performance of virtually all investment portfolios since March of last year has been spectacular as prices have bounced from crisis lows. The key last year was to not get scared out of the market when frightening news dominated.

During 2021 Q1, we took some profits in Metamaterial Inc. and offset those gains by taking losses in Suncor Energy. Metamaterial Inc. gained approximately $6 million in the quarter.

Our U.S. bank holdings added approximately $10.6 million. Real Matters Inc. suffered a major pull back of approximately $7.9 million on the basis of fears regarding interest rate increases.

Within our private equity component, CNSX Markets Inc., the operator of the Canadian Securities Exchange (the "CSE"), was marked up by $3.8 million reflecting an independent transaction at $3.35 per share. Evolve Funds Group Inc., an ETF (exchange traded fund) provider, was marked up by $1.2M as a result of the company's strong growth in assets under management.

Our Four Lakes Capital trading account has contained a good recovery and added approximately $1.4 million since year end.

Looking forward, interest rates still hold the key to overall equity market tone. At present, we feel low rates will probably remain for the next one to two years.

Urbana's long-term performance, represented by its CAGR of net assets per share since inception on October 1, 2002 to March 31, 2021, was 14.6% (after-tax). This compares favourably with the CAGR of the S&P/TSX Index of 9.1% and the CAGR of the DJIA Index of 9.6%, for the same period.[2] Our long-term goal is to strive for and maintain superior long-term performance.

In 2021 Q1, dividend income was $663,466, down from $879,293 in the first quarter of 2020 ("2020 Q1"). This decrease stemmed primarily from the sale of some of our Canadian dividend

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[1] The common shares and the Class A shares participate equally in dividends.

[2] The CAGR of the indexes is calculated in the same way as the CAGR of net assets per share since inception.

paying stocks, namely CIBC, Husky Energy, Suncor Energy and Teck Resources. In 2021 Q1, interest income amounted to $69,868, up from $36,986 in 2020 Q1. 2021 Q1 revenue reflects interest on promissory notes held by Urbana in Highview Financial Holdings Inc. and Radar Capital Inc. and interest on a debenture held by Urbana in Integrated Grain Processors Co-operative Inc. whereas 2020 Q1 revenue related to Highview and Radar.

Urbana realized a net loss of $2.8M from the sale and disposal of investments in 2021 Q1 (2020 Q1 - $7.9M gain). This loss stemmed from the redemption of Caldwell India Holdings Inc. ("CIH") shares ($6.0M), the disposal of Suncor Energy ($497,585) and Husky Energy ($99,021) and foreign exchange transactions. These losses were partially offset by gains from the disposal of Metamaterial Inc. ($2.5M) and TD Bank ($1.4M).

Urbana recorded $26.3M in unrealized gains in 2021 Q1 (2020 Q1 - $59.4M loss). The best performers during 2021 Q1 were Metamaterial Inc. ($6.2M), CIH ($6.1M), CNSX Markets Inc. ($3.8M), Bank of America ($3.5M), Citigroup ($2.6M) and Morgan Stanley ($2.6M). The large valuation increase related to CIH stemmed from the redemption of CIH shares, whereby the unrealized gain was converted to a realized loss, as discussed above. By far the weakest performer during 2021 Q1 was Real Matters, which generated an unrealized loss of $7.9M.

During 2021 Q1, Urbana recorded net income before income taxes of $22.0M (2020 Q1 - $52.7M loss) primarily due to $26.3M in unrealized gains on investments. Investment management fees in 2021 Q1 were $1.6M, up from $1.5M in 2020 Q1, due to an increase in the average net assets under management. Interest expense in 2021 Q1 amounted to $197,167 compared to $286,213 in 2020 Q1 since both borrowings and borrowing rates were down in 2021 Q1. Transaction costs, which relate entirely to purchases under the normal course issuer bid ("NCIB"), amounted to $663 in 2021 Q1, down from $9,568 in 2020 Q1. Since Urbana aggressively made purchases under its NCIB in late 2020, there is very little room left to continue making purchases during the course of the current NCIB program. Transaction costs in respect of all trades, excluding NCIB trades, are absorbed by Caldwell Investment Management Ltd. ("CIM" or the "Manager"). Professional fees, comprised of audit fees and legal costs, were $51,545 in 2021 Q1, up from $33,080 in 2020 Q1, because 2020 Q1 included a small reversal of over accrued legal costs from 2019. Administrative expenses in 2021 Q1 were $344,159, up from $284,558 in 2020 Q1, primarily due to costs related to special projects incurred in 2021 Q1 as well as increased stock exchange fees in 2021 Q1, which were paid in a different quarter in 2020, thus representing a timing difference. Foreign withholding tax expense in 2021 Q1 was $68,209, down from $124,312 in 2020 Q1, because 2020 Q1 included excess withholding taxes that were subsequently reimbursed. A deferred income tax expense of $2.8M has been recorded in 2021 Q1 (2020 Q1 - $7.3M recovery) due to the unrealized gains recorded during 2021 Q1 whereas 2020 Q1 had unrealized losses.

Urbana purchased and cancelled 22,100 non-voting Class A shares ("Class A shares") in 2021 Q1 at an average price of $2.83 per Class A share. Subsequent to March 31, 2021, Urbana purchased an additional 19,200 Class A shares at an average price of $3.20 per Class A share. Since May 2010, Urbana has purchased and cancelled a total of 43,355,893 Class A shares under its normal course issuer bid programs. The number of Class A shares now outstanding is 34,170,427.

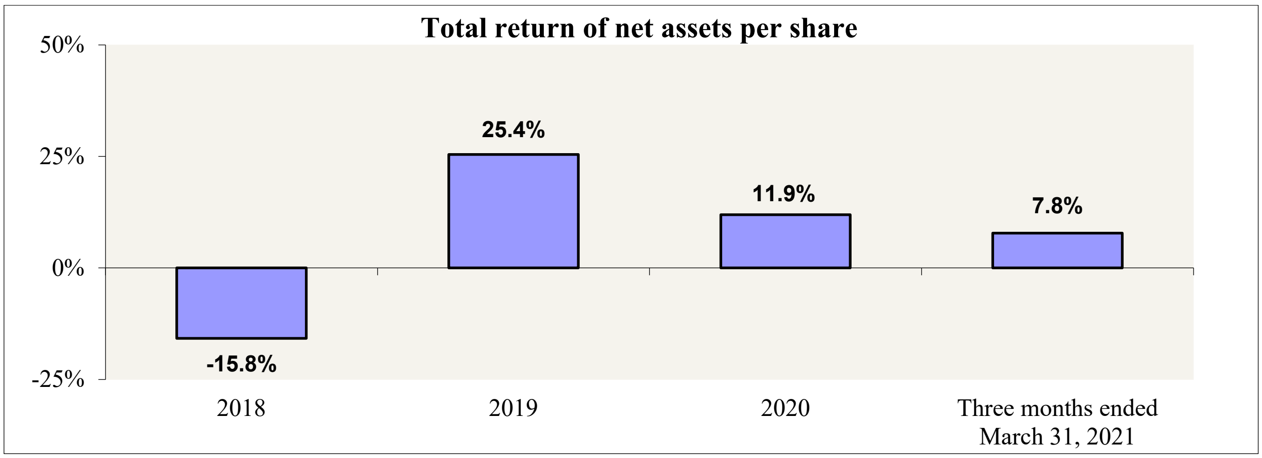
Past Performance

The performance information presented in this section shows how Urbana has performed in the past and does not necessarily indicate how it will perform in the future.

Year-by-Year Performance

The following bar chart shows the net assets per share performance of Urbana's common shares for the financial periods indicated. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial period would have grown or decreased by the last day of each financial period based on the net assets per share of Urbana, assuming that each dividend paid during the period was reinvested.

Urbana's Class A shares, which have the same rights as the common shares as to dividends and upon liquidation, are treated as if they are common shares for the purposes of the net assets per share calculation**.**



Summary of Investment Portfolio as at March 31, 2021

The following data is extracted from Urbana's Interim Financial Statements:

Number of securities	Description	Cost ($)	Fair value ($)	% of Portfolio Fair Value
	Private equity investments			
13,260,878	CNSX Markets Inc.	7,248,349	44,423,941	14.8%
1,327,620	Miami International Holdings Inc.	12,257,268	12,931,799	4.3%
800,000	Caldwell Financial Ltd.	1,826,650	2,272,000	0.8%
2,350,000	Radar Capital Inc. Class A Common	50	-	-%
16,755,081	Radar Capital Inc. Class B Common	12,566,311	10,260,812	3.4%
3,000,000	Evolve Funds Group Inc. Class A Preferred	3,000,000	4,380,000	1.5%
1,544,236	Evolve Funds Group Inc. Class B Preferred	1,850,000	2,254,585	0.8%
16,259,886	Highview Financial Holdings Inc.	11,546,243	17,548,869	5.9%
5	Integrated Grain Processors Co-operative Inc. Memb.	500	500	-%
1,400,999	Integrated Grain Processors Co-operative Inc. Class E	3,572,547	3,572,547	1.2%
4,538,460	Four Lakes Capital Fund Limited Partnership	4,999,998	6,894,134	2.3%
84,012	Caldwell Growth Opportunities Fund ("CGOF") (i)	703,437	740,333	0.3%
7,000	Caldwell India Holdings Inc. ("CIHI") (ii)	152,472	88,580	0.1%
465,381	Vive Crop Protection Inc. Class A2 Preferred	314,132	314,132	0.1%
455,671	Vive Crop Protection Inc. Class B1 Preferred	45,567	45,567	-%
6,500,000	Vive Crop Protection Inc. Class B3 Preferred	3,250,000	3,250,000	1.1%

3,250,000	Vive Crop Protection Inc. ("Vive") Warrants (iii)	-	-	-%
27,428	Kognitiv Corporation Preferred	353,000	353,000	0.1%
122,222	Kognitiv Corporation	2,404,596	1,399,430	0.5%
6,047,895	FundThrough Inc. Preferred	6,250,000	6,250,000	2.1%
	Public equity investments			
796,939	Caldwell Canadian Value Momentum Fund	15,000,000	16,633,542	5.6%
343,238	Urbana Mauritius Inc. ("UMI") (iv)	6,346,517	4,232,021	1.4%
110,000	Cboe Global Markets, Inc.	3,637,004	13,644,238	4.6%
100,000	Intercontinental Exchange Group Inc.	4,153,846	14,036,501	4.7%
200,000	Citigroup Inc.	10,176,194	18,287,168	6.1%
350,000	Bank of America Corp.	4,882,387	17,019,634	5.7%
250,000	Morgan Stanley	6,933,526	24,401,743	8.1%
1,600,000	Real Matters Inc.	6,214,667	22,880,000	7.6%
50,000	SNC Lavalin Group Inc.	1,125,286	1,345,000	0.5%
104,000	Telus Corporation	2,636,400	2,603,120	0.9%
700,000	AGF Management Ltd. Class B	4,044,556	5,243,000	1.8%
200,000	KKR & Co. Inc. Class A	7,516,623	12,279,425	4.1%
3,000,000	Whitecap Resources Inc.	10,531,333	16,560,000	5.5%
2,300,000	Metamaterial Inc.	1,421,818	7,797,000	2.6%
	Private debt investments			
3,000,000	Highview Financial Holdings Inc. (v)	3,000,000	3,000,000	1.0%
1,000	Integrated Grain Processors Co-operative Inc. (vi)	1,000,000	1,000,000	0.3%
	Cash	1,838,963	1,838,963	0.6%
		162,800,240	299,781,584	100.0%

(i) Urbana owns 12.06% of CGOF, which owns 5.50% of the Class B common shares of Radar Capital Inc.
(ii) CIHI, a wholly-owned subsidiary of Urbana, formed for the purpose of holding equity shares of the Bombay Stock Exchange (the "BSE"), completed the sale of all of the BSE shares it held in February 2021. Subsequently, almost all of the sale proceeds have been repatriated to Urbana, leaving approximately $90,000 in cash in CIHI for administrative purposes.
(iii) Each Vive warrant is exercisable at $0.65 until December 31, 2021 and then at $0.75 from January 1, 2022 to December 31, 2022.
(iii) UMI, a wholly-owned subsidiary of Urbana, holds 10,589 BSE shares and cash from the sale of BSE shares previously held.
(vi) Unsecured convertible promissory note maturing on June 30, 2023 with interest at 8% per annum payable quarterly. This promissory note was issued in connection with a $3 million revolving line of credit and is convertible (in whole or in part) into common shares on the maturity date at $1.07 per common share.
(v) Debenture maturing on July 31, 2023 with interest at 7% per annum payable quarterly.

In addition to the investments listed above, Urbana holds 44 mining claims in Urban Township, Quebec. No mining expenditures were incurred in 2021 or 2020.

The above summary of the investment portfolio may change due to ongoing portfolio transactions. Weekly and quarterly updates are available at Urbana's website at www.urbanacorp.com.

Demand Loan Facility

On February 15, 2008, Urbana entered into a demand loan facility with a major Canadian chartered bank (the "Bank"). On March 2, 2015, the loan facility agreement was amended to allow Urbana to borrow up to $25M. Interest is charged on the outstanding balance of the loan facility at the Bank's prime rate plus 1.25%, calculated on a daily basis and paid monthly. The loan facility is secured by a general charge on Urbana's assets. Loan proceeds may be used to make additional investments and/or for general corporate purposes. As at March 31, 2021, the outstanding balance of the loan was $16.5M. The minimum and maximum amounts borrowed during 2021 Q1 were $16.5M and $24.5M respectively. As at the date of this MD&A, the Corporation has complied with all covenants, conditions and other requirements of the loan facility.

Normal Course Issuer Bid
On August 31, 2020 the Toronto Stock Exchange (the "TSX") accepted a notice of intention to conduct a normal course issuer bid from Urbana to purchase up to 3,754,840 of its own Class A shares (the "2020 NCIB"), representing 10% of the public float, pursuant to TSX rules. Purchases under the 2020 NCIB were permitted starting on September 4, 2020, and will terminate on the earlier of September 3, 2021, the date Urbana completes its purchases pursuant to the notice of intention to conduct a normal course issuer bid filed with the TSX or the date of notice by Urbana of termination of the bid. As at March 31, 2021, Urbana had purchased and cancelled 3,648,600 Class A shares pursuant to the 2020 NCIB at an average purchase price of $2.58 per Class A share.

Mining Claims
Urbana has owned mineral claims in Urban Township, Quebec for a number of years. Management monitors the exploration activity in the area on an ongoing basis and may carry out exploration work on its mineral claims if and when it is deemed suitable. Urbana has received several enquiries from companies operating in the area but has not yet decided on a partner for further development. Urbana holds 44 claims in the area totaling 1,154.4 hectares (2,852.7 acres). A report which summarizes both the exploration work and results to date has been completed and will assist in determining next steps.

Urbana has incurred mining expenditures totaling $1.1M, all of which relate to periods prior to 2019. These expenditures were recorded in the financial statements of the Corporation as a loss in computing "net realized gain on sale and disposal of investments", in accordance with IFRS 6 *"Exploration for and Evaluation of Mineral Resources"*. Management has elected to expense exploration and evaluation costs related to the mineral claims as the property holds no known proven reserves or resources. Although the property has several interesting gold occurrences, there has been no ore body tonnage proven up at this time. The property is therefore still highly speculative. If ore body type tonnage is proven up in the future, and the determination has been made to move into the development phase, then future expenditures on development will be capitalized and tested for impairment. The amount of money laid out on exploration has not been material for Urbana and is expected to continue to be immaterial for the near-term.

Dividend Policy and Dividend Declared
Currently the Corporation has a dividend policy that it intends to pay a cash dividend to the shareholders as soon as practical after the end of each year. The amount of the dividend to be paid is determined each year by the Board, taking into consideration all factors that the Board deems relevant, including the performance of the Corporation's investments, the economic and market conditions, and the financial situation of the Corporation.

On January 29, 2021, the Corporation paid a cash dividend of $0.09 per share on the issued and outstanding common and Class A shares as at January 15, 2021. Pursuant to subsection 89(14) of the *Income Tax Act* of Canada (ITA) each dividend paid by Urbana qualifies as and is designated an eligible dividend for Canadian income tax purposes, as defined in subsection 89(1) of the ITA.

Outstanding Share Data
As at May 12, 2021, the Corporation has 10,000,000 common shares and 34,170,427 Class A shares outstanding.

Related Party Disclosures

Caldwell Financial Ltd. ("CFL"), a company under common management with Urbana, is the parent company of CIM, which is the investment manager of Urbana, and of Caldwell Securities Ltd. ("CSL"). Urbana pays CIM investment management fees for investment management services that CIM provides to Urbana – refer to "Management Fees" below. As at March 31, 2021 Urbana had a 20% ownership interest in CFL.

CSL, a sister company of CIM and a registered broker and investment dealer, handles Urbana's portfolio transactions. The total amount of commission fees paid to CSL by Urbana in the three month periods ended March 31, 2021 and 2020, and during the years ended December 31, 2020 and 2019, were $663, $9,568, $143,922 and $179,281 respectively. Commissions paid subsequent to 2019 related solely to NCIB trades. All securities transactions conducted through CSL are reviewed by Urbana's independent directors on a quarterly basis.

Pursuant to an administrative services agreement between Urbana and CSL dated and effective March 1, 2019 Urbana pays CSL a monthly fee of $28,702 (HST inclusive) for administrative services, including investor relations, information technology, professional corporate office, and office and conference room access for Urbana's staff, directors and officers. On April 1, 2021 the administrative services agreement was amended to increase the fee by $2,260 per month due to the increase in investor relations services performed by CSL on behalf of Urbana.

In March 2021 Urbana paid a fee of $13,482 to CSL for their services in respect of arranging for the transfer of private equity securities to Urbana by way of a "share transfer platform" that CSL manages.

As at March 31, 2021 Urbana owned 50% of the voting class A common shares and 68.49% of the voting class B common shares of Radar Capital Inc. ("RCI"), a private capital company. As a result, Urbana owns a total of 65.51% of the voting common shares of RCI with each class A and class B common share entitled to one vote. In February 2021, RCI repaid in full the $2.1M principal balance of the unsecured promissory note held by Urbana plus accrued interest.

As at March 31, 2021 Urbana had a 12.06% ownership interest in Caldwell Growth Opportunities Fund, which is a private equity pool managed by CIM, on which Urbana does not pay a management fee pursuant to the investment management and advisory agreement between Urbana and CIM (see "*Management Fees*" below).

As at March 31, 2021 Urbana had a 12.49% ownership interest in Caldwell Canadian Value Momentum Fund, which is a mutual fund managed by CIM, on which Urbana pays a 0.5% per annum management fee, instead of the regular 2% per annum pursuant to the investment management and advisory agreement between Urbana and CIM (see "*Management Fees*" below).

As at March 31, 2021 Urbana owned 49.25% of the common shares of CNSX, the operator of the CSE.

In February 2021 Urbana purchased $5.9M of common shares of Highview Financial Holdings Inc. ("HFHI") from RCI at a price per share based on the prescribed formula in the HFHI shareholders' agreement. As a result, as at March 31, 2021 Urbana had a 73.43% direct ownership interest in HFHI and RCI had a Nil ownership interest in HFHI. This shareholding allows Urbana to exercise control over the majority of HFHI's common shares. Pursuant to the HFHI amended and restated shareholders' agreement dated and effective as of December 30, 2020, Urbana has agreed that it shall not be entitled to elect a majority of the board of directors of HFHI and therefore it is not considered a subsidiary of Urbana.

As at March 31, 2021, there were no fees payable to related parties, other than a management fee of $1.5M payable to CIM.

During 2020, Urbana, as lender, issued loans to three directors of the Corporation, Charles A. V. Pennock, George D. Elliott and Michael B. C. Gundy. Each loan agreement provides for a revolving credit facility of up to $100,000 for each such director, which they may use for the sole purpose of purchasing Urbana shares. Interest is charged at the interest rate used by the Canada Revenue Agency to calculate taxable benefits for employees and shareholders from interest-free and low-interest loans. The securities of Urbana purchased by each director with funds advanced under each revolving credit facility are held in a broker's account as security for the loan. As at March 31, 2021, the total outstanding principal amount of such loans is $149,463, being $50,090, $26,921 and $72,452 in respect of Messrs. Elliott, Gundy and Pennock respectively. As at March 31, 2021, Messrs. Elliott, Gundy and Pennock have purchased, respectively, 19,000 Common Shares, 9,900 Common Shares, and 6,000 Common Shares and 20,000 Class A Shares, of the Corporation with funds borrowed under each respective credit facility.

MANAGEMENT FEES

Pursuant to an investment management and advisory agreement effective as of January 1, 2020, CIM is entitled to an investment management fee equal to 2.0% per annum of the market value of Urbana's investment portfolio, and, with the exception of NCIB purchases, CIM will pay a fee to CSL to cover all charges for brokerage, trade execution and other necessary investment-related services rendered directly or indirectly for the benefit of Urbana by CSL. In 2021 Q1, CIM earned $1.6M of investment management fees from Urbana (2020 Q1 - $1.5M). The investment management fees are accrued daily and were paid quarterly in arrears until April 1, 2021, when the investment management and advisory agreement was amended to change the frequency with which the management fee is paid from quarterly to monthly. As at March 31, 2021 there was an investment management fee of $1.5M payable to CIM (March 31, 2020 - $1.5M).

SUMMARY OF QUARTERLY RESULTS

The table below shows the key operating results of the Corporation for each of the eight most recently completed quarters:

	1st Quarter 2021 ($)	4th Quarter 2020 ($)	3rd Quarter 2020 ($)	2nd Quarter 2020 ($)
Realized gain (loss)	(2,791,871)	(358,322)	299,738	13,991,997
Change in unrealized gain	26,252,702	29,357,732	3,864,600	23,142,602
Dividend income	663.466	738,495	804,739	648,107
Interest income	69,868	80,554	68,787	184,050
Total expenses	2,144,406	2,202,164	1,858,471	1,696,689
Net income before income taxes	22,049,759	27,616,295	3,179,393	36,270,067
Net assets per share (beginning of period)	5.64	4.93	4.80	4.13
Net assets per share (end of period)	5.98	5.64	4.93	4.80

	1st Quarter 2020 ($)	4th Quarter 2019 ($)	3rd Quarter 2019 ($)	2nd Quarter 2019 ($)
Realized gain	7,861,268	45,457	2,572,660	286,079
Change in unrealized gain (loss)	(59,361,039)	40,107,536	15,814,135	9,953,631
Dividend income	879,293	848,672	822,878	756,625
Interest income	36,986	91,205	49,612	2,064
Total expenses	2,144,626	2,004,909	1,664,371	1,325,177
Net income (loss) before income taxes	(52,728,118)	15,441,490	17,594,914	9,673,222
Net assets per share (beginning of period)	5.12	4.83	4.51	4.32
Net assets per share (end of period)	4.13	5.12	4.83	4.51

The variations shown in the table above relate to the timing of investment decisions and do not reflect any general trends or seasonality.

LIQUIDITY AND CAPITAL RESOURCES

The Corporation has no significant financial or contractual obligations other than a demand loan facility with a major Canadian bank – refer to “Demand Loan Facility” above. The Corporation currently holds approximately 60% of its assets, with a fair value of approximately $188.1M, in cash and marketable securities. It has the liquidity to readily meet all of its operating expense requirements and its obligations under the loan facility.

In 2021 Q1, the Corporation did not conduct any additional financing activities. As at the date of this MD&A, the Corporation does not have any capital expenditure commitments, which the Corporation plans to fund from sources other than the existing loan facility or by liquidating some of its marketable securities.

Currently, holdings of readily marketable securities generate dividend income and can be disposed of with relative ease. Should in future the composition of its portfolio be weighted significantly more toward private investments, which do not produce income and cannot be readily sold, the Corporation may need to rely on its loan facility or issue securities to help meet its liquidity needs. There is no immediate need to rely on these liquidity sources.

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Corporation’s financial statements in accordance with IFRS requires management to make estimates and exercise judgments that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses for the period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which the estimates are revised and in any future period affected. The following discusses the most significant accounting judgments that Urbana has made in preparing the financial statements:

Fair value measurement of private investments

Urbana holds private investments that are not quoted in active markets and for which there may or may not be recent comparable transactions. In determining the fair value of these investments, Urbana has made significant accounting judgments and estimates. See Notes 1 and 2 of the Interim

Financial Statements for more information on the fair value measurement techniques and types of unobservable inputs employed by the Corporation in its valuation of private investments.

Changes in Accounting Policies
There have been no changes in accounting policies during 2021 Q1 that affect the Corporation.

DISCLOSURE CONTROLS AND PROCEDURES ("DC&P") AND INTERNAL CONTROL OVER FINANCIAL REPORTING ("ICFR")

Urbana's management ("Management"), under the supervision of its chief executive officer ("CEO") and chief financial officer ("CFO"), is responsible for establishing and maintaining the Corporation's DC&P and ICFR (as defined in National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*).

Consistent with NI 52-109, the Corporation's CEO and CFO have reviewed the design of the Corporation's DC&P and ICFR and have concluded that as at March 31, 2021 (A) the Corporation's DC&P provide reasonable assurance that (i) material information relating to the Corporation has been made known to them, particularly during the financial quarter ended March 31, 2021 and (ii) information required to be disclosed by the Corporation in its annual filings, interim filings or other reports filed or submitted by it under securities legislation has been recorded, processed, summarized and reported within the time periods specified in securities legislation; and (B) the Corporation's ICFR provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

There have been no changes in the Corporation's ICFR that occurred during the period beginning January 1, 2021 and ending on March 31, 2021 that have materially affected, or are reasonably likely to materially affect, the Corporation's ICFR. All control systems contain inherent limitations, no matter how well designed. As a result, Management acknowledges that the Corporation's ICFR will not prevent or detect all misstatements due to error or fraud. In addition, Management's evaluation of controls can provide only reasonable, not absolute, assurance that all control issues that may result in material misstatements, if any, have been detected.

FORWARD-LOOKING STATEMENTS

Certain information contained in this MD&A constitutes forward-looking information, which is information relating to possible events, conditions or results of operations of the Corporation, which are based on assumptions about future economic conditions and courses of action and which are inherently uncertain. All information other than statements of historical fact may be forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "target", "intend", "could", "might", "should", "believe", and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook. Forward-looking information in this MD&A includes, but is not limited to, statements with respect to: the Corporation's investment approach, objectives and strategy, including its focus on specific sectors; the structuring of its investments and its plans to manage its investments; the Corporation's financial performance; and its expectations regarding the performance of certain sectors.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. The Corporation believes that the expectations reflected in the forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct. Some of the risks and other factors which could cause results to differ materially from those expressed in forward-looking information contained in this MD&A include, but are not limited to: the nature of the Corporation's investments; the available opportunities and competition for its investments; the concentration of its investments in certain industries and sectors; the Corporation's dependence on its management team; risks affecting the Corporation's investments; global political and economic conditions; investments by the Corporation in private issuers which have illiquid securities; management of the growth of the Corporation; exchange rate fluctuations; and other risks and factors referenced in this MD&A including under "Business Objectives And Strategies, And Risk Factors".

Although the Corporation has attempted to identify important factors that could cause actual events or results to differ materially from those described in forward-looking information, there may be other factors that cause events or results to differ from those intended, anticipated or estimated. Readers are cautioned that the foregoing list of risks and factors is not exhaustive. The forward-looking information contained in this MD&A is provided as at the date of this MD&A, based upon the opinions and estimates of management and information available to management as at the date of this MD&A, and the Corporation undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on forward-looking information contained in this MD&A.