URBANA CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended December 31, 2021

This Management's Discussion and Analysis ("MD&A") supplements, but does not form part of, the audited financial statements of Urbana Corporation ("Urbana" or the "Corporation") and notes thereto for the year ended December 31, 2021 (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 Annual Audited Financial Statements, 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. Unless specifically referred to a particular class of shares, all references to "Shares" or "per Share" refer collectively to the Corporation's common shares (the "Common Shares") and Class A shares (the "Class A Shares"). This MD&A is current as of March 23, 2022. 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 most current 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 December 31, 2021 and 2020 is presented in the following table:

	December 31, 2021	December 31, 2020
Assets ($)	348,099,367	288,334,640
LESS Liabilities ($)	46,959,689	39,165,354
EQUALS Net Assets ($)	301,139,678	249,169,286
DIVIDED BY Number of Shares Outstanding	43,000,000	44,211,727
EQUALS Net assets per Share ($)	7.00	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 (determined as described above) 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.

The Common Shares and the Class A Shares participate equally in dividends and upon liquidation. Therefore, they are treated the same for purposes of the net assets per Share calculation.

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 dividing one by the number of years representing the period length, and then subtracting one.

The Corporation provides the three non-GAAP 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-GAAP 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 geographic region. There were no material changes to Urbana's investment style in 2021 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 the SEDAR website 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 to rise in the first quarter of 2021 ("Q1") based on the availability of vaccines and the race to herd immunity. 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 in Q1.

In the second quarter of 2021 ("Q2") Urbana's net assets grew by 9.7% as its net assets per Share increased from $5.98 to $6.56. Q2 was positive for overall equity markets and represented an upward continuation of Q1.

The third quarter of 2021 ("Q3") continued to be positive for the Corporation as substantial liquidity and low interest rates continued to drive investors to look for better returns and asset growth to match or beat inflation. During this quarter, Urbana's net assets per Share increased from $6.56 to $6.84, resulting in a 4.3% total return of net assets per Share.

The final quarter of 2021 ("Q4") was more of a quiet period for Urbana. We conducted minor trades around new issues, added to our Tamarack Valley Energy Ltd. position and reduced our holdings in AGF Management Ltd. Further, we took a write-down in two of our private holdings – namely Kognitiv Corporation and Radar Capital Inc. In the public holdings sector, Real Matters Inc. continued to move lower in the face of increasing interest rates and the resulting decline in the mortgage refinancing market. Urbana sold over half of its original position in Real Matters Inc. at significantly higher levels. Our holdings in major U.S. financials saw good price improvement in the final quarter as did our energy investments.

In Q4 Urbana's net assets per Share increased from $6.84 to $7.00, representing a 2.3% 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 6.5% and the Dow Jones Industrial Average Total Return Index (converted to Canadian Dollars) ("DJIA Index") increased by 7.5%. Urbana's Q4 was impacted by the write-offs in Urbana's two private holdings as noted above.

Overall, equity markets appear overextended in the technology sector but aside from the generally high valuations of that group, good values are still in place in many major companies.

[1] The Common Shares and the Class A Shares participate equally in dividends.

Our public focus remains on the financial services and energy sectors for the early part of the coming year.

During 2021, Urbana's net assets per Share increased from $5.64 to $7.00, after the payment of a dividend of nine cents ($0.09) per Share[1] in January 2021, resulting in a 26.2% total return of net assets per Share. During the same period, the S&P/TSX Index increased by 25.1% and the DJIA Index increased by 20.1%.

Urbana's long-term performance, represented by its CAGR of net assets per Share since inception to December 31, 2021, was 14.9%. This compares favourably with the CAGR of the S&P/TSX Index of 9.6% and the CAGR of the DJIA Index of 9.9%, for the same period.[2] Our long-term goal is to strive for and maintain long-term performance.

All references to "millions" within this MD&A will be described as "M" hereafter. In 2021, dividend income amounted to $5.2M, an increase of $2.1M over the $3.1M in 2020. The increase in 2021 primarily relates to a $2.3M dividend from Caldwell Canadian Value Momentum Fund that was re-invested in additional units of the fund. In 2021, interest income amounted to $362,027, down slightly from $370,377 in 2020. Interest income in 2021 is primarily comprised of interest on promissory notes held by Urbana in Highview Financial Holdings ("HV") and Vive Crop Protection Inc. ("Vive"), as well as interest on a debenture held by Urbana in Integrated Grain Processors Co-operative Inc. In 2020, interest income related to HV, Vive, Kognitiv Corporation and Radar Capital Inc.

Urbana realized a net gain of $10.0M from the sale of investments in 2021 (2020 - $21.8M). The 2021 gain stemmed primarily from the disposition of Metamaterial ($17.4M), Stelco Holdings ($1.6M), TD Bank ($1.4M) and others. These gains were offset by realized losses on the wind-up of Caldwell India Holdings Inc. ($6.2M), Urbana Mauritius Inc. ($2.4M) and Urbana Special Investment Holdings Ltd. ($3.8M). The 2020 gain resulted from the disposition of Real Matters, Minneapolis Grain Exchange, Kirkland Lake and Bank of America.

Urbana recorded $61.8M in unrealized gains in 2021 (2020 - $3.0M losses), with $33.3M related to private equity investments and the balance of $28.5M stemming from our public holdings. The vast majority of Urbana's investments experienced unrealized gains, with the largest increase being for CNSX Markets, the operator of the Canadian Securities Exchange ($13.8M). The financial services industry and energy sector accounted for most of Urbana's strong investment performance with notable performers being its investments in Morgan Stanley ($9.2M), KKR & Co. ($8.5M), Whitecap Resources ($7.9M), Bank of America ($6.2M), Tamarack Valley Energy ($5.9M) and Cboe Global Markets ($5.1M). The most notable underperformer was Real Matters, which experienced an unrealized loss of $17.9M in 2021. The 2020 unrealized loss related primarily to holdings in US financials and Canadian resource stocks, which was partially offset by the strong performance of CNSX Markets.

During 2021, Urbana recorded net income before income taxes of $68.0M (2020 - $14.3M) primarily due to $61.8M in unrealized gains on investments. Investment management fees in 2021

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

were $7.0M, a $1.3M increase from $5.7M in 2020, due to increased average assets under management. Interest expense in 2021 amounted to $718,899, up from $557,470 in 2020 due to substantially higher average borrowings in 2021, notwithstanding reduced borrowing rates in 2021. In 2021, transaction costs, which relate entirely to normal course issuer bid ("NCIB") trades, were $37,249, down from $143,922 in 2020, due to fewer NCIB purchases in 2021. Transaction costs in respect of all non-NCIB trades are absorbed by Caldwell Investment Management Ltd. ("CIM" or the "Manager"). Professional fees, comprised of audit fees and legal costs, were $296,876 in 2021, up from $265,014 in 2020, primarily due to higher audit fees in 2021. Administrative expenses in 2021 were $1.4M, up from $1.3M in 2020 due primarily to increased costs for key management personnel (including directors) in 2021. Foreign withholding tax expense in 2021 was $308,633, up from $272,955 in 2020, due to higher foreign dividend income in 2021. A deferred income tax expense of $7.7M has been recorded in 2021 (2020 - $1.0M) primarily due to increased unrealized losses recorded during 2021.

Urbana purchased and cancelled 1,211,727 non-voting Class A shares ("Class A Shares") in 2021 at an average price of $3.34 per Class A Share. Subsequent to December 31, 2021, Urbana purchased an additional 550,000 Class A Shares at an average price of $3.68 per Class A Share. Since May 2010, Urbana has purchased and cancelled a total of 45,076,320 Class A Shares under its normal course issuer bid programs. The number of Class A Shares now outstanding is 32,450,000.

Selected Annual Information

The following table shows selected annual information about Urbana for the three most recently completed fiscal years of the Corporation:

		2021 ($)	2020 ($)	2019 ($)
Total revenue		77,378,109	22,239,587	63,036,821
Profit from continuing operations attributable to owners of the parent:				
	Total	59,994,254	13,083,682	50,744,969
	Per Share	1.37	0.27	1.02
	Diluted per Share	1.37	0.27	1.02
Profit attributable to owners of the parent:				
	Total	59,994,254	13,083,682	50,744,969
	Per Share	1.37	0.27	1.02
	Diluted per Share	1.37	0.27	1.02
Total assets		348,099,367	288,334,640	290,705,461
Total non-current financial liabilities		22,331,000	14,641,000	13,660,000
Cash dividends declared per Share:				
	Common Shares	0.09	0.08	0.07
	Class A Shares	0.09	0.08	0.07

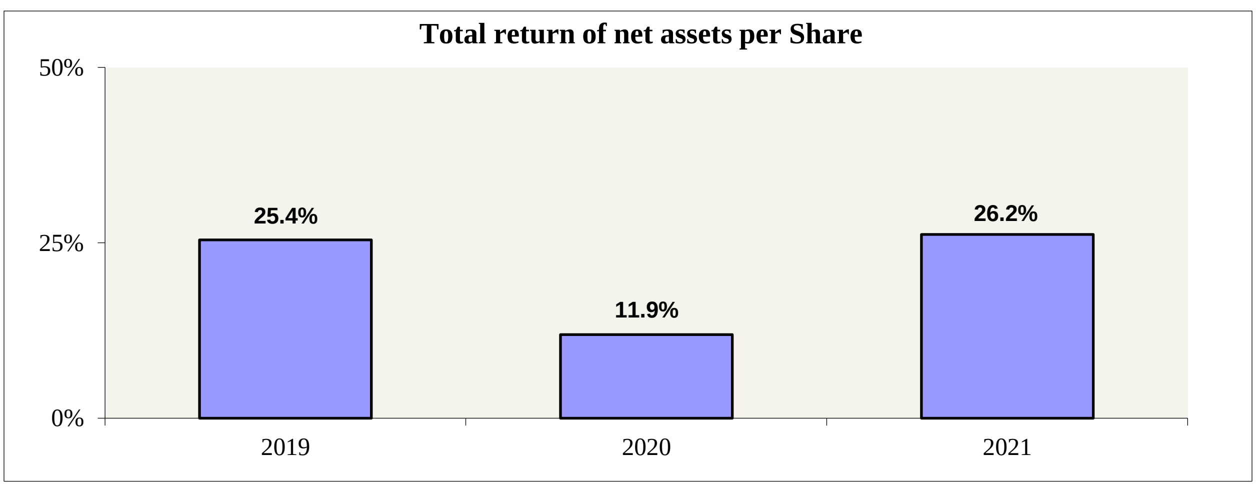
Revenue and profit levels in 2021, 2020 and 2019 were determined primarily by the unrealized and realized gains on the Corporation's investment portfolio. Variations among the years relate to the investment decisions made, market price fluctuations of securities held in Urbana's investment portfolio and changes in foreign exchange rates. There have been no changes in accounting policies during the years 2019 to 2021 that had any impact on the financial performance of the Corporation during these years (see also below under the heading "*Changes in Accounting Policies").* There have been no discontinued operations during the years 2019 to 2021. Total assets decreased slightly during 2020 because of reduced market values of the investment portfolio and increased during 2021 due to increased market values of the investment portfolio. Non-current financial liabilities, namely deferred income tax liability, increased during 2020 because loss carryforwards, that shelter future gains, decreased, and increased during 2021 because of increased unrealized gains. Dividends amounted to $0.07 per Share in January 2019 and increased to $0.08 per Share in January 2020 due to improved results in 2019. A dividend of $0.09 per Share was paid in January 2021, an increase of 12.5% over 2020 also due to improved results in 2020. In all instances, Common Shares and the Class A Shares participated equally in dividends. For each of the years 2019 to 2021, the financial data has been prepared in accordance with IFRS and the Canadian Dollar has been the presentation currency.

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 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.



Summary of Investment Portfolio as at December 31, 2021

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

Number of securities	Description	Cost ($)	Fair value ($)	% of Portfolio Fair Value
	Private equity investments			
13,460,878	CNSX Markets Inc.	8,048,349	55,189,600	15.9%
1,327,620	Miami International Holdings Inc.	12,257,268	13,415,866	3.9%
800,000	Caldwell Financial Ltd.	1,826,650	2,648,000	0.8%
2,350,000	Radar Capital Inc. Class A Common	50	-	-%
16,755,081	Radar Capital Inc. Class B Common	11,561,006	5,398,487	1.5%
1,544,236	Evolve Funds Group Inc. Class B Preferred	1,850,000	3,381,877	1.0%
3,000,000	Evolve Funds Group Inc. Class C Preferred	2,280,658	6,570,000	1.9%
719,342	Evolve Funds Group Inc. Class D Preferred	719,342	719,342	0.2%
15,259,886	Highview Financial Holdings Inc.	11,546,243	19,532,654	5.6%
5	Integrated Grain Processors Co-operative Inc. Membership Shares	500	500	-%
1,759,299	Integrated Grain Processors Co-operative Inc. Class E Preferred	4,486,212	4,486,212	1.3%
4,538,460	Four Lakes Capital Fund Limited Partnership	4,999,998	8,344,803	2.4%
84,012	Caldwell Growth Opportunities Fund (CGOF) (i)	703,437	770,250	0.2%
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	0.9%
3,250,000	Vive Crop Protection Inc. (Vive) Warrants (ii)	-	-	-%
27,428	Kognitiv Corporation Preferred	353,000	315,622	0.1%
122,222	Kognitiv Corporation	2,404,596	301,822	0.1%
6,047,895	FundThrough Inc. Preferred	6,250,000	7,620,348	2.2%
208,290	Varo Money, Inc.	2,565,000	2,437,872	0.7%
1,750,000	Tetra Trust Company	1,750,000	1,750,000	0.5%
5,622	Urbana International Inc. (UII) (iii)	10,479,725	10,642,738	3.0%
	Public equity investments			
905,436	Caldwell Canadian Value Momentum Fund	17,338,902	20,234,763	5.8%
110,000	Cboe Global Markets, Inc.	3,637,004	18,118,624	5.2%
100,000	Intercontinental Exchange Group Inc.	4,153,846	17,276,103	5.0%
200,000	Citigroup Inc.	10,176,194	15,256,326	4.4%
350,000	Bank of America Corp.	4,882,387	19,669,140	5.7%
250,000	Morgan Stanley	6,933,526	30,997,701	8.9%
1,500,000	Real Matters Inc.	5,826,250	12,450,000	3.6%
5,000,000	Tamarack Valley Energy Ltd.	13,399,065	19,250,000	5.5%
200,000	KKR & Co. Inc. Class A	7,516,623	18,820,935	5.4%
3,000,000	Whitecap Resources Inc.	10,531,333	22,470,000	6.5%
	Private debt investments			
3,000,000	Highview Financial Holdings Inc. (iv)	3,000,000	3,000,000	0.9%
1,000	Integrated Grain Processors Co-operative Inc. (v)	1,000,000	1,000,000	0.3%
1,500,000	Vive Crop Protection Inc. (vi)	1,500,000	1,500,000	0.4%
	Cash	387,090	387,090	0.1%
		177,973,953	347,566,374	100.0%

(i) Urbana owns 11.66% of CGOF, which owns 5.50% of the Class B common shares of Radar Capital Inc.
(ii) Each Vive warrant was exercisable at $0.65 until December 31, 2021 and is now exercisable at $0.75 from January 1, 2022 to December 31, 2022.
(iii) UII, a wholly-owned subsidiary of Urbana, holds 5,621.5 units of Blue Ocean Technologies, LLC. Urbana also owns 100 common shares of UII, which have a nominal value.

(iv) 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.
(vi) Secured convertible promissory note maturing on August 17, 2024 with interest at 10% per annum in year one, 15% per annum in year two and 20% per annum in year three. Interest is payable on maturity. The note is convertible into equity at a conversion price of 90% in year one, 85% in year two and 80% in year three of the per share price paid by purchasers if certain financing or sale events (each an "Event") occur. In the absence of an Event, upon maturity, Urbana may elect that the note be repaid in full or that the note be converted into equity at a conversion price of 80% of the per share fair market value at the time.

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. See below under the heading *"Mining Claims"* for more information.

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

Pursuant to a loan facility agreement between Urbana and a major Canadian chartered bank (the "Bank") dated February 15, 2008, as amended on March 2, 2015, the Bank provided a demand loan facility to Urbana, which allowed Urbana to borrow up to $25M. On July 2, 2021, the loan facility agreement was amended and restated to allow Urbana to borrow up to $50M. Effective as of the date of the amended and restated loan facility agreement, interest is charged on the outstanding balance of the loan facility at the Bank's prime rate plus 0.25%, calculated on a daily basis and paid monthly. Previously, interest was charged at the Bank's prime rate plus 1.25%. 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 December 31, 2021, the outstanding balance of the loan was $23.7M. The minimum and maximum amounts borrowed during 2021 were $12.1M and $30.0M 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 terminated on September 3, 2021. Urbana purchased and cancelled 3,738,227 Class A Shares pursuant to the 2020 NCIB at an average purchase price of $2.60 per Class A Share.

On August 27, 2021, the TSX accepted a notice of intention to conduct a normal course issuer bid from Urbana to purchase up to 3,373,358 of its own Class A Shares (the "2021 NCIB"), representing 10% of the public float, pursuant to TSX rules. Purchases under the 2021 NCIB were permitted starting on September 7, 2021, and will terminate on the earlier of September 6, 2022, 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. The Class A Shares purchased under the 2021 NCIB must be cancelled. As at December 31, 2021, Urbana had purchased and cancelled 1,100,000 Class A Shares pursuant to the 2021 NCIB at an average purchase price of $3.35 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 exploration expenditures 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 certain 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 March 23, 2022, the Corporation has 10,000,000 Common Shares and 32,450,000 Class A Shares outstanding.

RELATED PARTY DISCLOSURES

Caldwell Financial Ltd. ("CFL"), a company under common management with Urbana, is the parent company of Caldwell Investment Management Ltd. ("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 (see below under the heading *"Management Fees"*). As at December 31, 2021 Urbana had a 20% ownership interest in CFL.

CSL, an affiliate 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 during the years ended December 31, 2021 and 2020 were $37,249 and $143,922 respectively. Commissions paid relate 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 and as amended on April 1, 2021, Urbana pays CSL a monthly fee of $30,962 (HST inclusive) for administrative services, including investor relations services, information technology services, professional corporate office services, and office and conference room access for Urbana's staff, directors and officers.

In March and April 2021 Urbana paid total fees of $16,063 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 December 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 December 31, 2021 Urbana had an 11.66% ownership interest in Caldwell Growth Opportunities Fund, which is a private equity pool managed by CIM. Urbana does not pay a management fee as described below, on this investment (see below under the heading "*Management Fees*").

As at December 31, 2021 Urbana had a 9.08% ownership interest in Caldwell Canadian Value Momentum Fund, which is a mutual fund managed by CIM. Urbana pays a 0.5% per annum management fee on this investment pursuant to an agreement dated July 30, 2020 between Urbana and CIM, instead of the 2.0% per annum management fee paid to CIM (see below under the heading "*Management Fees*").

In August 2021, Urbana purchased an additional 200,000 common shares of CNSX Markets Inc. ("CNSX"), the operator of the Canadian Securities Exchange, for $800,000. As a result, as at December 31, 2021 Urbana owned 49.92% of the common shares of CNSX.

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 December 31, 2021, Urbana had a 73.42% direct ownership interest in HFHI. Pursuant to the HFHI amended and restated shareholders' agreement 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.

In April and June of 2021, Urbana invested a total of $10.5M in 5,621.5 units of Blue Ocean Technologies, LLC ("Blue Ocean") through Urbana International Inc. ("UII"), its wholly-owned subsidiary. UII was formed for the sole purpose of investing in Blue Ocean. Urbana funded UII with $10.5M in exchange for 5,621.5 common shares of UII. As at December 31, 2021 Urbana had a receivable of $92,407 from UII in respect of operating expenses incurred by UII.

In March and May 2021 respectively, Urbana redeemed its shares of Caldwell India Holdings Inc. ("CIHI") and its shares of Urbana Mauritius Inc. ("UMI"), both wholly-owned subsidiaries of Urbana, for proceeds of $8.5M and $3.9M, respectively. Subsequently, both CIHI and UMI were wound up. CIHI and UMI had been created for the sole purpose of holding equity shares of the Bombay Stock Exchange, which shares were sold prior to Urbana's redemption of its CIHI and UMI shares.

In July 2021, Urbana transferred 500,000 shares of Meta Material Inc. valued at $3.6M, to Urbana Special Investment Holdings Ltd. ("USIH"), a wholly-owned subsidiary of Urbana, in exchange for 500,000 common shares of USIH. In December 2021, USIH was liquidated for proceeds of $2.7M and was subsequently wound up. USIH had been used by Urbana to hold certain investments.

As at December 31, 2021, there were no fees payable to related parties, other than a management fee of $638,274 payable to CIM.

During the year ended December 31, 2021 Urbana, as lender, issued a loan to one officer of the Corporation, Sylvia V. Stinson. Prior to 2021, Urbana 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 person, which they may use for the sole purpose of purchasing Urbana Shares, in the discretion of the borrower. 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 or officer with funds advanced under each revolving credit facility are held in a broker's account as security for the loan. As at December 31, 2021, the total outstanding principal amount of such loans is $210,573, being $50,090, $26,921, $72,452 and $61,110 in respect of Messrs. Elliott, Gundy and Pennock and Ms. Stinson, respectively. As at December 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, and Ms. Stinson has purchased 3,000 Common Shares and 15,000 Class A Shares of the Corporation with funds borrowed under each respective credit facility.

Management Fees

Pursuant to an investment management and advisory agreement dated December 6, 2019 (as amended on April 1, 2021) and 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 pays 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, CIM earned $7.0M (2020 - $5.7M) of investment management fees from Urbana. 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 of the investment management payment from quarterly to monthly. As at December 31, 2021 there was an investment management fee of $638,274 payable to CIM (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:

	4th Quarter 2021 ($)	3rd Quarter 2021 ($)	2nd Quarter 2021 ($)	1st Quarter 2021 ($)
Realized gain (loss)	(1,086,827)	7,761,289	6,132,354	(2,791,871)
Change in unrealized gain	5,697,504	5,483,826	24,323,963	26,252,702
Dividend income	3,124,096	812,225	643,355	663,466
Interest income	117,644	96,439	78,076	69,868
Total expenses	2,576,642	2,439,739	2,224,435	2,144,406
Net income before income taxes	5,275,775	11,714,040	28,953,313	22,049,759
Net income before income taxes per Share	0.12	0.27	0.66	0.50
Net assets per Share (beginning of period)	6.84	6.56	5.98	5.64
Net assets per Share (end of period)	7.00	6.84	6.56	5.98
	4th Quarter 2020 ($)	**3rd Quarter 2020 ($)**	**2nd Quarter 2020 ($)**	**1st Quarter 2020 ($)**
Realized gain (loss)	(358,322)	299,738	13,991,997	7,861,268
Change in unrealized gain (loss)	29,357,732	3,864,600	23,142,602	(59,361,039)
Dividend income	738,495	804,739	648,107	879,293
Interest income	80,554	68,787	184,050	36,986
Total expenses	2,202,164	1,858,471	1,696,689	2,144,626
Net income (loss) before income taxes	27,616,295	3,179,393	36,270,067	(52,728,118)
Net income (loss) before income taxes per Share	0.60	0.07	0.73	(1.07)
Net assets per Share (beginning of period)	4.93	4.80	4.13	5.12
Net assets per Share (end of period)	5.64	4.93	4.80	4.13

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

FOURTH QUARTER

Realized losses of $1.1M were generated in Q4 compared to realized gains of $7.8M in Q3. This quarter over quarter variation does not reflect any type of pattern or seasonality. Rather, variations relate to the timing of investment decisions. Similarly, variations between Q4 in 2021 and Q4 in 2020 also relate to the timing of investment decisions, which are influenced by market movements, cash flow requirements and expectations regarding the economy, the political landscape and considerations related to the specific investments held. See above under the heading "*Overall Performance and Discussion of Operations*" for additional Q4 information.

LIQUIDITY AND CAPITAL RESOURCES

The Corporation has no significant financial or contractual obligations other than a demand loan facility with a major Canadian bank (see above under the heading "*Demand Loan Facility*"). The Corporation currently holds approximately 49% of its assets, with a fair value of approximately $192.4M, 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, 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 the Corporation's 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

The Corporation has 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 Annual Audited 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 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 December 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 year ended December

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.

The Corporation's CEO and CFO have evaluated the effectiveness of the Corporation's DC&P as at December 31, 2021 and have concluded that the Corporation's DC&P were effective as of that date.

The Corporation's CEO and CFO have also evaluated the effectiveness of the Corporation's ICFR as at December 31, 2021, using the Internal Control-Integrated Framework 2013 issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and have concluded that the Corporation's ICFR was effective as at that date.

There have been no changes in the Corporation's ICFR that occurred during the year beginning January 1, 2021 and ending on December 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 within the meaning of applicable Canadian securities laws, which is information relating to possible events, business, operations, financial performance, condition or results of operations of the Corporation, that 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", "schedule", "may", "will", "project", "predict", "potential", "target", "intend", "could", "might", "should", "believe", and similar words (including negative or grammatical variations) or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative connotation or grammatical variation thereof. 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 ability to achieve and maintain long-term performance; the structuring of its investments and its plans to manage its investments; the timing for the disposition of investments and the performance of such investments; the Corporation's financial performance; the Corporation's ability to manage relevant conflicts of interest; the Corporation's plans regarding future dividends; the Corporation's ability to meet its liquidity and debt needs; any purchases under the Corporation's normal course issuer bid; statements related to future development or prospects of Urbana's mineral claims; and its expectations regarding the performance of its investments and 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; fluctuations in the value of investments; the available opportunities and competition for its investments; the availability of good values in many major companies and the Corporation's ability to realize on such values; the concentration of its investments in certain industries and sectors; the Corporation's dependence on its management team; risks affecting the Corporation's investments; factors affecting and fluctuations in markets; private entity investing; limited liquidity of certain assets; global political and economic conditions; any impact of the COVID-19 pandemic; 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. Forward-looking information and statements serve to provide information about management's current expectations and plans and to allow investors and others to get a better understanding of the Corporation's operating environment. 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 applicable securities laws. Readers are cautioned not to place undue reliance on forward-looking information contained in this MD&A.