URBANA CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the six months ended June 30, 2022

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 six months ended June 30, 2022 (the "Interim Financial Statements") and the audited financial statements of Urbana 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 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. 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 non-voting Class A shares (the "Class A Shares"). This MD&A is current as of August 10, 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 recent 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-IFRS 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 June 30, 2022 and December 31, 2021 is presented in the following table:

	June 30, 2022	December 31, 2021
Assets ($)	336,453,356	348,099,367
LESS Liabilities ($)	42,737,154	46,959,689
EQUALS Net Assets ($)	293,716,202	301,139,678
DIVIDED BY Number of Shares Outstanding	41,832,700	43,000,000
EQUALS Net assets per Share ($)	7.02	7.00

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-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 geographic region. There were no material changes to Urbana's investment style during the second financial quarter of 2022 ("2022 Q2") 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 private entity investing risk, market fluctuations, currency risk and macroeconomic risk.

OVERALL PERFORMANCE AND DISCUSSION OF OPERATIONS

"Ugly" was a word often used to describe stock market performance in 2022 Q2.

The Dow Jones Industrial Average Total Return Index (in Canadian dollars) ("DJIA Index") declined by 8.2% and the S&P/TSX Composite Total Return Index ("S&P/TSX Index") fell by 13.2% in 2022 Q2.

The focus appears to be a fixation with a progression from inflation, to high interest rates to recession. More on this later.

Urbana's net assets per share declined by 8.6% in 2022 Q2, but still remained in positive territory for the year to date to June 30, 2022 at 1.7%, even after the payment of a dividend of ten cents ($0.10) per Share[1] in January 2022.

Nothing to rejoice about, but we are still beating the two other indices at -12.8% for the DJIA Index and -9.9% for the S&P/TSX Index, for the year to date to June 30, 2022.

Urbana's public securities trading in 2022 Q2 saw us take some profits in the energy sector through reductions in Whitecap Resources Inc. and Tamarack Valley Energy Ltd. holdings.

During 2022 Q2, Urbana repurchased and cancelled 597,300 Class A Shares for a total of 2,267,300 Class A Shares during this repurchase approval period from September 7, 2021 to September 6, 2022.

Our private equity component saw no substantive change in the quarter. During the first quarter of 2022, we received our first dividend from Evolve Funds Group Inc. as that company continues to grow. Overall performance of the component has been stable.

That being said, we did take a write down in June on our CNSX Markets Inc., the operator of the Canadian Securities Exchange, position reflecting an earnings hit from decreased trading volumes and a non-recurring expense item.

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

Going forward, our view is that inflation will abate somewhat. Central banks will continue to raise rates but not enough to unwind economic growth.

Building on the comment, we see a slowdown, not a major recession on the horizon. The only caveat is if central banks over play their hand regarding interest rate increases.

Stock markets have pulled back to reasonable valuations and in some sectors, present opportunities.

Our U.S. bank positions should work well for us as interest rate spreads work to their benefit.

Corporate finance activities by the major U.S. banks also should pick up as America begins to re-invest in moving production back to the United States.

On balance, our outlook remains positive for the balance of the year.

Please feel free to contact us whenever you wish.

During 2022 Q2, Urbana purchased and cancelled 597,300 Class A Shares under a Normal Course Issuer Bid ("NCIB") at an average price of $3.90 per Class A Share. Subsequent to June 30, 2022, Urbana purchased an additional 83,600 Class A Shares at an average price of $3.86 per Class A Share. Since May 2010, Urbana has purchased and cancelled a total of 45,777,220 Class A Shares under its normal course issuer bid programs. The number of Class A Shares now outstanding is 31,749,100.

Urbana's long-term performance, represented by its CAGR of net assets per share since inception on October 1, 2002 to June 30, 2022, was 14.6% (after-tax). This compares favorably with the CAGR of the S&P/TSX Index of 8.7% and the CAGR of the DJIA Index of 8.8%, for the same period.[2] Our long-term goal is to strive for and maintain superior long-term performance.

In 2022 Q2, dividend income was $936,473, up from $643,355 in the second quarter of 2021 ("2021 Q2"). Both domestic and foreign dividends increased primarily due to increased dividend payment rates in 2022 Q2. In 2022 Q2, interest income amounted to $144,816, up from $78,076 in 2021 Q2. 2022 Q2 revenue reflects interest on debt securities held by Urbana in Highview Financial Holdings Inc. ("Highview"), Integrated Grain Processors Co-operative Inc. ("IGPC"), Vive Crop Protection Inc. ("Vive") and Kognitiv Corporation. In 2021 Q2, interest income related only to Highview and IGPC. Subsequent to June 30, 2022, the Vive promissory note plus accrued interest was converted to Class C1 preferred shares of Vive.

Urbana realized a net gain of $7.6M from the sale and disposal of investments in 2022 Q2 (2021 Q2 - $6.1M). This gain stemmed from the partial sales of Whitecap Resources Inc. ("Whitecap") ($3.9M), Tamarack Valley Energy Ltd. ("Tamarack") ($3.0M) and Citigroup Inc. ($0.7M).

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

Urbana recorded $39.7M in unrealized losses in 2022 Q2 (2021 Q2 - $24.3M gain). Virtually all holdings experienced unrealized losses due to a general decline in the markets. Large valuation decreases related to Whitecap ($6.9M) and Tamarack ($4.8M), however, when a portion of these investments were sold, parts of these unrealized losses were converted to realized gains, as discussed above. Other notable underperformers included CNSX Markets Inc., the operator of the Canadian Securities Exchange ($8.9M), Intercontinental Exchange ($4.4M) and Bank of America ($4.0M).

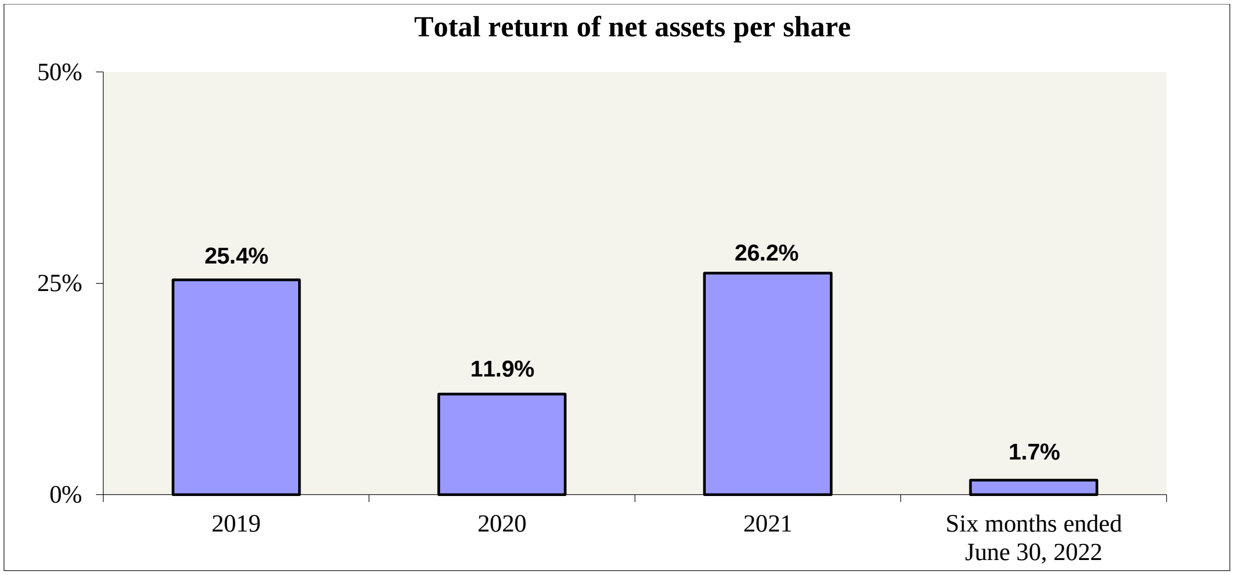
During 2022 Q2, Urbana recorded a net loss before income taxes of $33.6M (2021 Q2 - $29.0M net income) entirely due to unrealized losses on investments. Investment management fees in 2022 Q2 were $2.0M, up from $1.7M in 2021 Q2, due to an increase in the average net assets under management. Interest expense in 2022 Q2 amounted to $219,600, up from $176,444 in 2021 Q2, due to increased average borrowings in 2022 Q2, despite slightly lower borrowing rates in 2022 Q2. Transaction costs, which relate entirely to purchases under the NCIB, amounted to $19,528 in 2022 Q2, up from $3,000 in 2021 Q2, due to increased NCIB purchases this year. Transaction costs in respect of all trades, excluding NCIB trades, are absorbed by Caldwell Investment Management Ltd., our investment manager. Professional fees, comprised of audit fees and legal costs, were $79,407 in 2022 Q2, up from $75,423 in 2021 Q2, due to increased audit fees. Administrative expenses in 2022 Q2 were $355,664, up from $298,319 in 2021 Q2, primarily due to increased marketing and compensation costs in 2022 Q2. Foreign withholding tax expense in 2022 Q2 was $85,744, up from $67,740 in 2021 Q2, due to an increase in foreign dividends this year. A deferred income tax recovery of $4.2M has been recorded in 2022 Q2 (2021 Q2 - $3.6M expense) due to the unrealized losses recorded during 2022 Q2.

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 June 30, 2022

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	84,130,488	25.0%
1,327,620	Miami International Holdings Inc.	12,257,268	13,700,507	4.1%
800,000	Caldwell Financial Ltd.	1,826,650	2,856,000	0.8%
2,350,000	Radar Capital Inc. Class A Common	50	-	-%
16,755,081	Radar Capital Inc. Class B Common	11,561,006	5,085,167	1.5%
1,544,236	Evolve Funds Group Inc. Class B Preferred	1,772,788	2,903,164	0.9%
3,000,000	Evolve Funds Group Inc. Class C Preferred	2,130,658	5,640,000	1.7%
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	5.8%
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	7,477,021	2.2%
4,538,460	Four Lakes Capital Fund Limited Partnership	4,999,998	7,873,543	2.4%
84,012	Caldwell Growth Opportunities Fund (CGOF) (i)	703,437	636,973	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	1.0%
3,250,000	Vive Crop Protection Inc. (Vive) Warrants (ii)	-	-	-%
27,428	Kognitiv Corporation Preferred	353,000	241,651	0.1%
122,222	Kognitiv Corporation	2,404,596	253,833	0.1%
6,047,895	FundThrough Inc. Preferred	6,250,000	8,104,179	2.4%
208,290	Varo Money, Inc.	2,565,000	2,489,596	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	10,948,318	3.3%
	Public equity investments			
715,599	Caldwell Canadian Value Momentum Fund	13,703,577	14,633,432	4.4%
110,000	Cboe Global Markets, Inc.	3,637,004	16,061,038	4.8%
100,000	Intercontinental Exchange Group Inc.	4,153,846	12,130,690	3.6%
150,000	Citigroup Inc.	7,632,146	8,898,720	2.6%

350,000	Bank of America Corp.	4,882,387	14,054,650	4.2%
250,000	Morgan Stanley	6,933,526	24,528,399	7.3%
1,600,000	Real Matters Inc.	6,352,346	8,128,000	2.4%
4,000,000	Tamarack Valley Energy Ltd.	10,719,252	17,320,000	5.2%
200,000	KKR & Co. Inc. Class A	7,516,623	11,942,357	3.5%
30,000	Stelco Holdings Inc.	1,166,907	965,400	0.3%
2,500,000	Whitecap Resources Inc.	8,776,111	22,350,000	6.7%
	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%
1,000,000	Kognitiv Corporation (vii)	1,000,000	1,000,000	0.3%
	Cash	208,265	208,339	0.1%
	Total	169,646,511	335,673,660	100.0%

(i) Urbana owns 11.54% of CGOF, which owns 5.50% of the Class B common shares of Radar Capital Inc.
(ii) Each Vive warrant is exercisable at $0.75 until December 31, 2022.
(iii) UII, a wholly-owned subsidiary of Urbana, formed for the sole purpose of investing in Blue Ocean Technologies, LLC (“Blue Ocean”), holds 5,621.5 units of Blue Ocean.
(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 and convertible into equity at a conversion price of 90% in year one. Subsequent to June 30, 2022, the note, as well as accrued and unpaid interest, have been converted into 2,492,279 Class C1 preferred shares of Vive.
(vii) Secured subordinated convertible note maturing on July 31, 2023 with interest at 12% per annum payable monthly. In lieu of a monthly cash interest payment, Kognitiv makes a payment-in-kind by capitalizing the interest payable on each monthly interest payment date.

In addition to the investments listed above, Urbana holds 44 mining claims in Urban Township, Quebec. No mining expenditures were incurred in 2022 or 2021. 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 June 30 2022, the outstanding balance of the loan was $19.4M. The minimum and maximum amounts borrowed during 2022 Q2 were $19.4M and $30.7M 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 27, 2021, the Toronto Stock Exchange (the "TSX") accepted a notice of intention to conduct a normal course issuer bid from Urbana to purchase up to 3,373,358 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, and 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 June 30, 2022, Urbana had purchased and cancelled 2,267,300 Class A Shares pursuant to the 2021 NCIB at an average purchase price of $3.58 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 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 31, 2022, the Corporation paid a cash dividend of $0.10 per Share on the issued and outstanding Common and Class A Shares as at January 17, 2022. 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 August 10, 2022, the Corporation has 10,000,000 Common Shares and 31,749,100 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 June 30, 2022 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 in the six month periods ended June 30, 2022 and 2021, and during the years ended December 31, 2021 and 2020 were $19,528, $3,000, $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.

As at June 30, 2022 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.

As at June 30, 2022 Urbana had an 11.54% 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*").

In February 2022, Urbana redeemed 189,837 units of Caldwell Canadian Value Momentum Fund ("CCVMF") for $4.3M. As a result, as at June 30, 2022 Urbana had a 7.15% ownership interest in CCVMF, 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*").

As at June 30, 2022 Urbana owned 49.92% of CNSX Markets Inc., the operator of the Canadian Securities Exchange.

As at June 30, 2022 Urbana had a 73.42% ownership interest in Highview Financial Holdings Inc. ("HFHI") and held a $3M convertible promissory note from 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.

Urbana holds an investment in 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. As at June 30, 2022 Urbana had a receivable of $98,876 from UII in respect of operating expenses incurred by UII.

As at June 30, 2022 there were no fees payable to related parties, other than a management fee of $624,446 payable to CIM.

During the six month period ended June 30, 2022, Urbana, as lender, increased its loan to one director of the Corporation, Michael B. C. Gundy. Prior to 2022, Urbana issued loans to three directors of the Corporation, Charles A. V. Pennock, George D. Elliott and Michael B. C. Gundy and to one officer of the Corporation, Sylvia V. Stinson. 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 June 30 2022, the total outstanding principal amount of such loans is $280,973, being $50,090, $97,321, $72,452 and $61,110 in respect of Messrs. Elliott, Gundy and Pennock and Ms. Stinson, respectively. As at June 30, 2022, Messrs. Elliott, Gundy and Pennock have purchased, respectively, 19,000 Common Shares, 29,900 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 2022 Q2, CIM earned $2.0M of investment management fees from Urbana. The investment management fees are accrued daily and paid monthly in arrears. As at June 30, 2022 there was an investment management fee of $624,446 payable to CIM.

SUMMARY OF QUARTERLY RESULTS

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

	2nd Quarter 2022 ($)	1st Quarter 2022 ($)	4th Quarter 2021 ($)	3rd Quarter 2021 ($)
Realized gain (loss)	7,637,705	763,754	(1,086,827)	7,761,289
Change in unrealized gain (loss)	(39,683,841)	36,119,008	5,697,504	5,483,826
Dividend income	936,473	948,923	3,124,096	812,225
Interest income	144,816	133,443	117,644	96,439
Total expenses	2,644,888	2,521,385	2,576,642	2,439,739
Net income (loss) before income taxes	(33,609,735)	35,443,743	5,275,775	11,714,040
Net income (loss) before income taxes per Share	(0.80)	0.83	0.12	0.27
Net assets per Share (beginning of period)	7.68	7.00	6.84	6.56
Net assets per Share (end of period)	7.02	7.68	7.00	6.84
	2nd Quarter 2021 ($)	**1st Quarter 2021 ($)**	**4th Quarter 2020 ($)**	**3rd Quarter 2020 ($)**
Realized gain (loss)	6,132,354	(2,791,871)	(358,322)	299,738
Change in unrealized gain	24,323,963	26,252,702	29,357,732	3,864,600
Dividend income	643,355	663,466	738,495	804,739
Interest income	78,076	69,868	80,554	68,787
Total expenses	2,224,435	2,144,406	2,202,164	1,858,471
Net income before income taxes	28,953,313	22,049,759	27,616,295	3,179,393
Net income before income taxes per Share	0.66	0.50	0.60	0.07
Net assets per Share (beginning of period)	5.98	5.64	4.93	4.80
Net assets per Share (end of period)	6.56	5.98	5.64	4.93

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 (see above under the heading "*Demand Loan Facility*"). The Corporation currently holds approximately 45% of its assets, with a fair value of approximately $160.0M, 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 2022 Q2, 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 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 2022 Q2 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 June 30, 2022 (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 June 30, 2022 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 April 1, 2022 and ending on June 30, 2022 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.