# ipernica ltd Annual General Meeting

## ASX : IPR

## Mr Graham Griffiths (Managing Director)

## 29 November 2010

www.ipernica.com

# ipernica Board of Directors

## **Ross Norgard** (Non Exec Chairman)

- Former managing partner of a “Big 4” accounting firm
- Multiple Directorships eg BRM

## **Karl-Christian Agerup** (Non Exec Director)

- International media and venture capital executive
- Director of Schibsted ASA (Scandinavian media group)

## **Graham Griffiths** (Managing Director)

- 33+ years Information & Communication Technology Sales & Marketing career
- Held senior positions with AT&T (US) and NCR (Asia Pacific)

## **Stuart Nixon** (Non Exec Director)

- Internationally recognized technology innovator
- Previously CEO & Founder of nearmap.com & ER Mapper

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# Business Focus

Intellectual Property Rights

Commercialise valuable IP

Assertion

# ipernica Snapshot

- Diversified technology group
  - ASX : “IPR”
  - Market Cap $29M @ 9c share price (26 Nov 2010)
- Stable financial position
  - $9.2M cash at bank (30 Sept 2010)
  - No dilutive capital raising during Global Financial Crisis
  - Cash burn reducing substantially
- nearmap.com acquisition (100% owned)
  - www.nearmap.com launched Nov 2009 ✓
  - 75% of Aus population covered regularly ✓
  - $3.5M annual subscription sales todate ✓
  - Platform for growth established ✓
- IP Assertion
  - Portfolio of US patent cases

# Financial Performance

| | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
|---|---|---|---|---|
| Revenue | $21.3M | $45.2M | $3.1M | $1.5M |
| Profit Before Tax | $5.5M | $17.9M | -$4.7M | -$7.8M |
| Net Profit After Tax | $4.4M | $15.2M | -$4.7M | -$7.4M |
| Earnings Per Share | 1.79c | 5.8c | -1.56c | -2.29c |
| Net Equity | $12M | $28M | $27M | $20M |
| Dividend Per Share | - | 1.0c | - | - |
| Cash at Bank | $9.2M (at 30 Sept 2010) | | | |

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# Capital Structure

| | |
|---|---|
| Shares (Market cap @9c = $29M) | 323.1 million |
| Investors | 1,424 |
| Employee Share Option Program | 34.9 million (av. price 19.1c) |
| Investor Options | 12.5 million (price 40c, expiry Nov 2011) |

***Major Shareholders***

(as at 24 Nov 2010)

| | |
|---|---|
| Ross Norgard (Non-Exec Chairman) | 15.4% |
| Stuart Nixon (Founder NearMap.com) | 12.5% |
| Planetek Italia s.r.l. | 4.9% |
| JP Morgan Nominees Aust | 3.2% |

***Shareholder Analysis***

| | |
|---|---|
| Directors and Management | 30.1% |
| Top 20 | 57.4% |

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# IP Assertion Business

- Involves the defence of intellectual property rights against infringement by third parties
- ipernica offers specialised expertise in the design and implementation of IP enforcement strategies
- Our strategy is to build a portfolio of programs, leveraging third party funding where appropriate
- Objective is to obtain compensation for unpaid royalties (past and future) and/or prevent continuing infringement

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# IP Assertion Track Record

- A$68M gross revenue todate
- A$19M Net Profit After Tax contribution '07 & '08

Stat Mux
A$35M

SAR
A$30M

other
A$3M

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# IP Assertion Portfolio

| *Program* | | | *Status* |
|---|---|---|---|
| Database | ORACLE | *USA* | *Trial Jan 2012* |
| Stat Mux II | ERICSSON | *USA* | *Markman Mar 2011*<br>*Trial Sept 2011* |
| FST Billing | **US Billing systems** | *USA* | *Contingent counsel due diligence* |
| Other Programs | **Several underway** | *USA/AU* | *Design & implementation of IP enforcement strategies* |
| Opportunities | **Numerous under investigation** | *USA/EU/AU* | *IPR due diligence* |

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# Group Summary & Outlook

- Platform for sustainable revenue and profit established

- IP Assertion : substantial IP Portfolio

- Significant annual revenue growth opportunity

# nearmap.com

# Year in Review

Mr Simon Crowther : Chief Executive Officer

# Revisiting Potential

- Unique and disruptive technology
- Potential to generate multiple revenue streams
- End to end solution – in house capabilities
- Genuine rival to Google Maps
- Maps represent international content – transcend boundaries and cultures
- Compelling proposition – personal ‘holy cow’ moment

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# Year in Review Highlights

- Launched www.nearmap.com (Nov 2009)
- 12 month operational track record
- Regular coverage 75% of the Australian population
- Customer validation - sales to date $3.5m
- Appointment to Fed. Govt geospatial supplier panel
- Reseller agreement (MOU) with Sensis
- Major Federal Govt Licensee
- Customer survey – 90% + recommend us

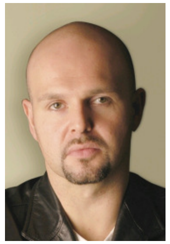
# nearmap.com Board

**Rob Newman** (Non Exec Chairman)
- High tech entrepreneur (Australia & Silicon Valley)
- Venture capital investor

**Karl-Christian Agerup** (Non Exec)
- International media & venture capital executive
- Director of Schibsted ASA (European media group)

**Ross Norgard** (Non Exec)
- Multiple directorships eg IPR, BRM

**Graham Griffiths** (Non Exec)
- ipernica MD
- 33+ years ICT Sales, Marketing & R&D



**Simon Crowther** (CEO)
- International media executive
- Former MD Canada's largest Communications agency

**Stuart Nixon** (Founder)
- International recognition spatial industry
- Previously Founder of ER Mapper

**Simon Cope** (CTO)
- Extensive technology & management experience in spatial industry
- Former Chief Technologist ERDAS

**Adrian Young** (Sales Director)
- Extensive experience in public sector

# What makes us unique?

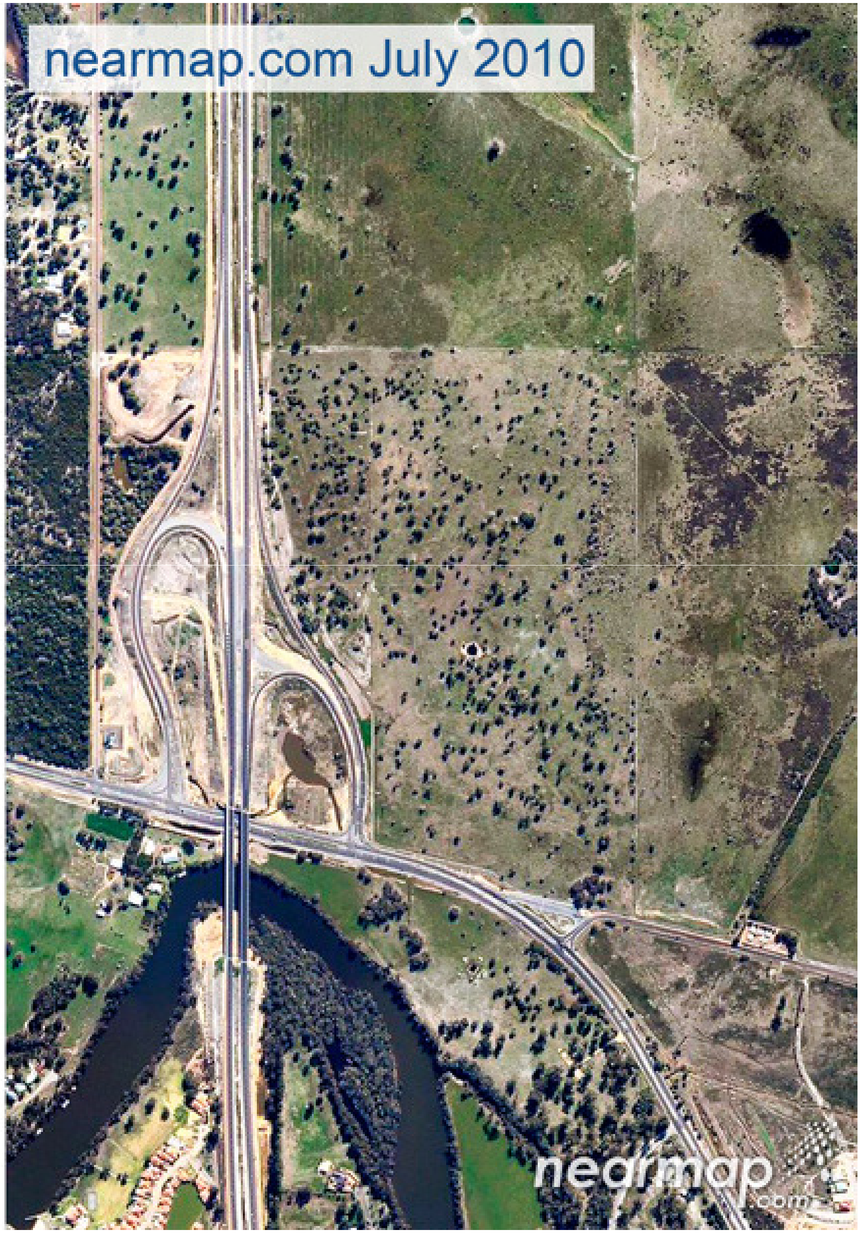
Our competitive advantage

Currency

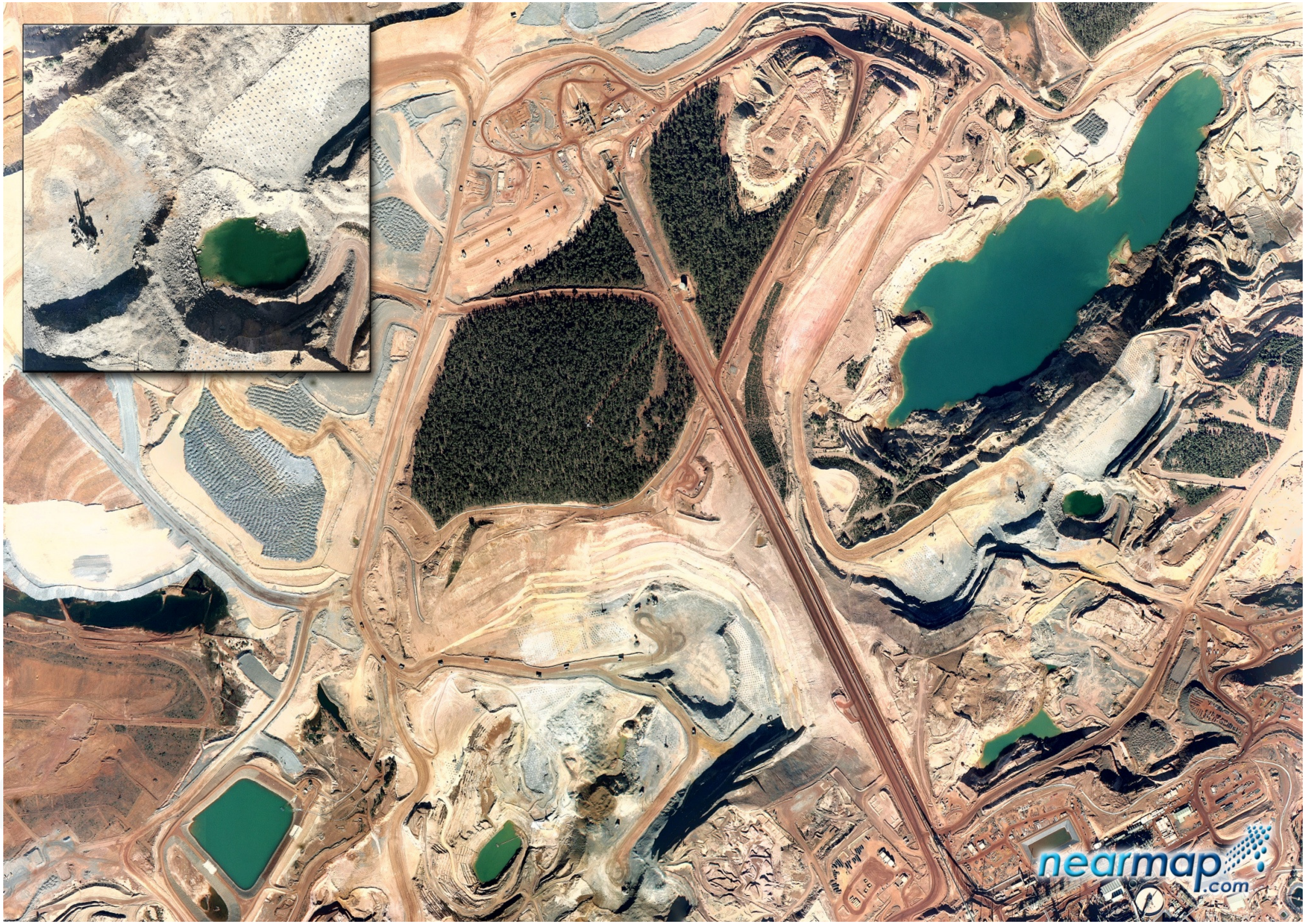
Clarity

Change

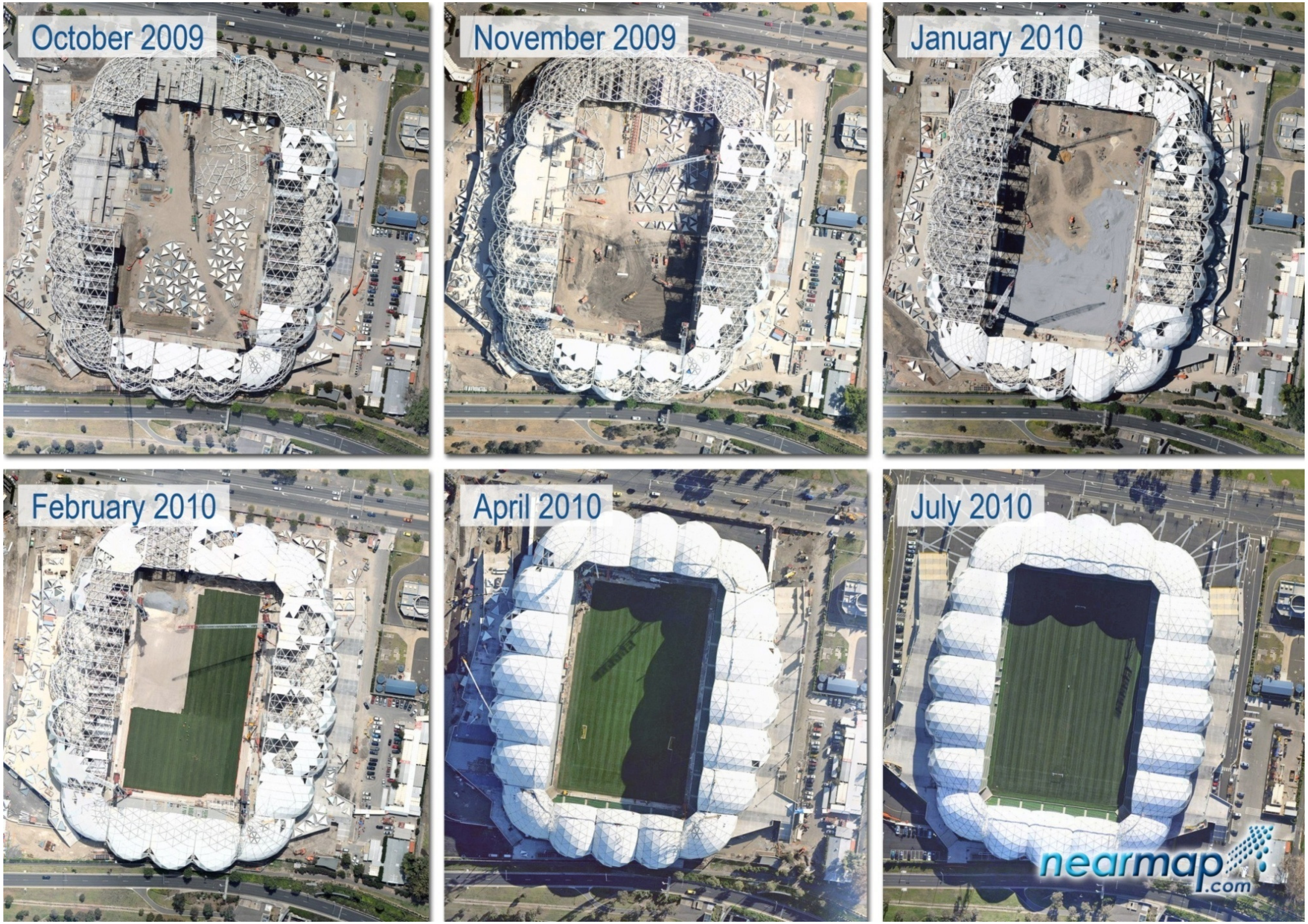
# Currency - We win the Google comparison

# Clarity - Boddington Gold Mine



# Change - Melbourne Soccer Stadium



# Our disruptive proposition

- Currency - Our content is more current than competition
- Change - Our content updated more frequently than competition
- Cost - better value than competition

# Our disruptive proposition

- Clarity - Our content has better clarity than competition


# Getting the job done in Australia

- 75% of Australian population covered regularly
- 60% of the population monthly (Sydney, Melbourne, Brisbane, Perth & Adelaide)
- 15% covered quarterly (Canberra, Geelong, Wollongong, Bunbury, Shepparton, Gold Coast, Sunshine Coast, Newcastle, Ballarat, Bendigo, Mandurah, etc)
- PhotoMap acquisition to date exceeds 510,000km$^2$

Our currency proposition tested

- 20% of Victoria captured in less than 40 days : 50,000 km$^2$
- Queensland floods - captured 10,000km$^2$ March 8-10, live March 22

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# Revenue Model

Multiple revenue streams

- Government - Live
- Commercial - Live
- Media - In Development

Focus - monetise core B2B market first

# Revenue Model - Government

Market for Austn Govt - $56m p.a.

Sales to date $2.74M / 50 + customers

Big names now licensees!

- Federal Dept of Climate Change
- Main Roads WA
- Public Transport Authority WA
- Water Corp WA
- 40+ Councils across 5 states

# Business Model - Commercial

- Targeting resources, energy, utilities, infrastructure & construction industries

- Sales to date $760k

Doing business with great companies
- Sensis
- QGC (a BG Group business)
- RP Data

Significant growth opportunities
– on request services

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# Revenue Model - Media

Significant opportunity to monetise our content and site traffic

Strategy in development will be announced shortly

As a digital play things are progressing well

- High awareness level
- Earned media - Channel 7 Telethon partnership
- Growth in site traffic +25% unique visitors per month
- Healthy > 8 minutes online per user session a main metric

# Our Focus

- **License Renewals** - achieve high retention level & multi year commitment
- **Resellers** - in negotiation with multiple partners
- **Customers** - investment in Customer Service
- **Direct Sales** - Regional BDM’s East Coast based – target State & Federal customers
- **Site Development** - various enhancements and upgrades in second half of the year
- **Media** - Implement our strategy

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# Questions

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Intellectual Property Rights

Assertion

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