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ipernica group restructure

ipernica ltd
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Australian Securities Exchange:

Code: IPR

Board of Directors

Non-executive Chairman:
Ross Norgard
Managing Director:
Simon Crowther
Non-executive Directors:
Karl-Christian Agerup
Rob Newman

Senior Management:

Director of Finance:
Mark Maitland
VP Licensing & General Counsel:
Jonathan Lawe Davies

Capital Structure

Fully-Paid Shares on Issue:
323.1 million
7.76 million @ 16c
27.57 million @ 20c
12.50 million @ 40c
47.83 million

Cash Reserves:

A$10.9M as at 30 Sep 2011

Perth, Western Australia – Diversified technology commercialisation group, ipernica ltd (ASX:IPR), today announced a key change to the Company structure and executive management team.

After 11.5 years of service, ipernica Managing Director Mr Graham Griffiths has decided to resign from the Company to pursue other business opportunities, effective immediately.

In light of this and the sales momentum 100% owned subsidiary nearmap.com has achieved, the Board has taken the decision to restructure the group under the leadership of Simon Crowther (currently Chief Executive Officer of nearmap.com) who has now been appointed the new Group Managing Director.

Commenting on the restructure, Mr Ross Norgard, ipernica Chairman, said "The Board is very pleased with Simon's involvement in Nearmap and excited about the future prospects of both business units under Simon's leadership."

Mr Norgard noted the Board was very appreciative of the contribution Mr Griffiths had made including successfully listing the Company on the ASX in 2000 and building the Company's diversified lines of business with strong results achieved in FY11.

He added "Mr Griffiths played a pivotal role in rebuilding ipernica from the previous QPSX entity to the company we see today and laying the foundation for future success. On behalf of the Board, I would particularly like to thank Mr Griffiths for his significant contribution over many years and wish him success in his future endeavours."

Background

Following the acquisition of nearmap.com in 2008 and subsequent investment in that business ipernica achieved cash flow positive in FY11.

The FY11 results included:

- nearmap.com earned $3.7 million revenue from its subscription and on request services for FY11, an increase of over 2000% on the previous financial year's result. It has achieved $8.3 million of subscription and on request contracts since launch in November 2009 (to 30 June 2011). nearmap.com is confident that its Business to Business content strategy will deliver substantive additional sales in FY12 and that it will become cashflow positive on an ongoing operational basis in FY12. Customer retention rates following the first year's subscription are running at 95%, with most licensees renewing for 2 years. These renewals reflect a high level of customer satisfaction with nearmap.com and provides it with an increasingly assured revenue stream to fund growth.

- IP Licensing division contributed $12.7 million income in FY11. ipernica is confident that the existing portfolio of programs within this division will continue to generate substantial revenues over the next 1-3 years, with a healthy pipeline of new programs currently under development.

The Company remains focused on delivering shareholder value through:

- maximising the returns from nearmap.com with growth planned both in Australia and though international deployment into much larger markets
- maximising returns from the IP licensing programs and
- continuing to exercise cost restraint.

In relation to his appointment as Group Managing Director, Mr Crowther said "I am delighted to accept the position and look forward to building on the group's success to date".

Following the restructure General Counsel, Mr Jon Lawe Davies position will become VP Licensing & General Counsel and Group CFO Mr Mark Maitland will become Director of Finance.

about ipernica

ipernica is a diversified technology commercialisation group involved in technology innovation and the commercialisation of valuable intellectual assets. ipernica has two main business activities providing diversified income streams:

- nearmap.com, an innovative online PhotoMap content company that creates and serves high quality, current and changing PhotoMaps.

- Intellectual Property Licensing, which involves the licensing of intellectual property ("IP") rights, with the Company assisting IP owners to create and implement international licensing programs.