ASX Announcement

28 February 2012

Renewed strategy delivers strong revenue growth

Perth, Western Australia – ipernica Ltd (ASX: IPR) today announced its results for the six months ended 31 December 2011 (1H12), with revenue up 85% to $2.91 million.

Commenting on the 1H12 results, ipernica Managing Director Simon Crowther, said that the result reflect the Company's renewed strategy and focus on nearmap.com.

"The last six months have been transformational for ipernica. A number of operational initiatives were implemented in line with the company's realigned growth strategy centred on nearmap.com, our online photomap business. Whilst still early in the transformation process, the initial results are very encouraging with strong growth in revenue," added Mr Crowther.

Key 1H12 highlights:

- Revenue up 85% to $2.91 million (1H11: $1.57million)
- Customer receipts up 110% to $3.75 million (1H11: $1.70 million)
- Total customer sales up 23% to $2.25 million (1H11: $1.84 million)
- nearmap subscription model growing:
  - subscription renewal rate >90%
  - new subscription customers across local, state and federal government and commercial sectors
- Launch of nearmap's first e-commerce site targeting the education sector, and appointment of first reseller Omnilink Pty Ltd
- Reseller agreement signed by nearmap.com with Digital Mapping Solutions
- Successful start to execution of nearmap.com's monetisation strategy, with $10 million sales milestone exceeded within two years
- Appointment of two key nearmap executives – Paul Cousins as VP of Sales, and Wilfried Schaffner as VP of Engineering
- Capture of North-West Australia hotspots by nearmap
- Business associates – Financial Systems Technology (Intellectual Property) Pty Ltd and Financial Systems Technology Pty Ltd – filing two claims in the US for infringements of US patents
- On track to move into positive cashflows during 2012

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

Options over Unissued Shares

6.29 million @ 16c

21.41 million @ 20c

27.70 million

Cash Reserves:

A$7.49M as at 31 Dec 2011

“We are progressing through a period of great change at ipernica. Our growth engine, nearmap.com is in the early stages of commercialisation, and is set to deliver sustainable revenue growth and profitability in the future.

“Our renewed strategy provides multiple revenue streams for ipernica, better visibility of earnings, and a growing sustainable revenue base. We are focusing the business on content monetisation in both government and commercial sectors via a subscription based model,” said Mr Crowther.

Reflecting the Company’s realigned strategy and growth focus, the Directors intend to seek shareholder approval to change the Company’s name from ipernica to nearmap. A Notice of Extraordinary General Meeting will shortly be distributed to shareholders.

Monetisation of nearmap.com

Commenting on the monetization of nearmap.com, Simon Crowther said:

“We have put in place a dedicated sales team to monetise nearmap.com’s digital content platform. nearmap.com’s unique competitive position and quality content is highlighted by the recent contract renewals and expanded subscriptions by Main Roads WA and the Public Transport Authority.

“Over the past six months we have achieved new subscription customers across local, and state government and commercial, and most importantly our subscription renewal rate is above 90 per cent. Customer receipts are up an impressive 110 per cent and total customer sales are up 23 per cent on the same period last year.

“In the last six months we surpassed the $10 million cumulative sales milestone within two years of integrating nearmap.com, highlighting the significant growth opportunities available to the business.

“Our first e-commerce site targeting the education sector was launched this half and we also appointed our first re-seller, Omnilink Pty Ltd, an Australian company specialising in data management and location based information.

“We are expanding and strengthening our team and have introduced two key executives, Paul Cousins as VP of Sales, and Wilfried Schaffner as VP of Engineering. These two highly skilled and successful executives enhance our management capabilities at a key point in the Company’s growth history.”

Intellectual Property

The business associates of our intellectual property (IP) licensing business, the Financial Systems Technology group, launched two new actions in the United States against Microsoft Corporation and IBM Corporation (and another party in each case) for alleged patent infringement.

Outlook

In commenting on the outlook for ipernica Mr Crowther said that he was excited by the opportunities that lay ahead for the business.

“We now have the right foundations in place to drive future growth. We are still transitioning from an over reliance on licensing/assertion revenues to the more resilient nearmap.com revenue model that is designed to deliver sustainable profitability in future years.

“We are delighted with nearmap.com’s progress over the past two years are on track to reach a cash flow positive position this year,” added Mr Crowther.

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ABOUT NEARMAP.COM

nearmap.com is an innovative online photomap content provider that creates and serves high quality, current and changing photomaps. The Company's breakthrough technology enables photomaps to be updated much more frequently than other providers. With more than 75% of Australia's population covered regularly, nearmap.com is changing the way Australian governments, companies and communities see their world.

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ABOUT IPERNICA

ipernica ltd (ASX: IPR) is a digital content and technology commercialisation group with two major lines of business:

- nearmap.com
- Intellectual Property ("IP") Licensing: the licensing of intellectual property rights on an international basis.

Further information can be found at www.ipernica.com