



ASX Announcement

26 July 2011

Quarterly Update including Appendix 4C

ipernica ltd

ABN 37 083 702 907

Head Office:

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West Perth, WA

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Fax: +61 8 9420 8547

Email: ipernica@ipernica.com

Postal Address:

Postal Address: P O Box 1327,
West Perth, WA 6872, Australia

Australian Stock Exchange:

Code: IPR

Board of Directors

Non-executive Chairman:

Ross Norgard

Managing Director:

Graham Griffiths

Non-executive Directors:

Karl-Christian Agerup

Rob Newman

Brad Rosser

Senior Management:

nearmap.com Chief Executive:

Simon Crowther

Chief Financial Officer:

Mark Maitland

General Counsel:

Jonathan Lawe Davies

Capital Structure

Fully-Paid Shares on Issue:

323.1 million

Unlisted Options on Issue:

7.76 million @ 16c

28.92 million @ 20c

12.50 million @ 40c

49.18 million

Cash Reserves:

A\$11.1M as at 30 Jun 2011

Perth, Western Australia – Diversified technology and intellectual property group, ipernica ltd (ASX:IPR), today released the quarterly cash flow report for the quarter ended 30 June 2011.

The Company achieved a positive cash flow for the year of \$0.7 million, compared to a net cash burn of \$7.7 million in the previous year. The cash balance at the end of the financial year was \$11.1 million.

nearmap.com

nearmap.com earned revenue for FY11 was in excess of \$3.5 million (unaudited), an increase of over 2000% on the previous year's result.

A detailed analysis of nearmap.com performance over the last two years is provided below. The Company offers a subscription service for its online photomaps as well as "on request" services where areas not currently covered are captured and served online (and subsequently can be licensed to other customers).

The subscription fees are further broken out by new customer sales and renewals to reflect new customer growth and customer retention rates.

nearmap.com has approximately 70 Government users, as well as penetrating a number of commercial sectors including major clients in insurance, real estate, utilities and mining & exploration. Total contract value of all subscription and on request sales to all of those sectors to 30 June 2011 was \$8.3 million (approximately 69% Government), broken up as follows:

- New Sales : 62%
- Renewals : 23%
- On Request : 15%

Customer retention rates following the first years subscription are running at 95% (total renewal clients 27), with most licensees renewing for 2 years. The Department of Climate Change & Energy Efficiency recently renewed its license for a further 12 months with a total contract value of \$1 million. These renewals reflect a high level of customer satisfaction with nearmap.com and the unique capability the Company delivers through its capture, processing and serving of high quality and current photomaps.

This renewal rate provides nearmap.com with an increasingly assured revenue stream to fund growth.

The following table highlights nearmap.com performance by quarter for FY11 and for FY10 (unaudited). Growth was achieved across the board, including annual increases of 159% for Total Sales and 187% for Customer Receipts.

	New Sales \$'000s	Renewals \$'000s	On Request \$'000s	Total Sales \$'000s	Customer Receipts \$'000s	Receivables \$'000s
Q4 2011	\$1,056	\$1,650	\$122	\$2,828	\$995	\$2,618
Q3 2011	\$767	\$250	\$301	\$1,318	\$1,462	\$1,200
Q2 2011	\$420	\$25	\$836	\$1,281	\$608	\$1,100
Q1 2011	\$558	-	-	\$558	\$1,094	\$110
FY 2011	\$2,801	\$1,925	\$1,259	\$5,985	\$4,159	
Increase % p.a.	21%			159%	187%	
FY 2010	\$2,310	-	-	\$2,310	\$1,450	
TOTAL	\$5,111	\$1,925	\$1,259	\$8,295	\$5,609	
	62%	23%	15%			

During the quarter, nearmap.com also incurred expenditure on international certification costs for its Hyperpod aerial capture system in preparation for international deployment as well as upgrades to its computer storage capacity.

IP Assertion

Highlights for the June 2011 quarter included:

- ipernica earned a net A\$1.9m from the Stat Mux program. The majority of monies were received early July 2011 and therefore only a net \$283k is reflected in the 30 June 2011 cash balance.
- As a result, an outstanding provision (guaranteed payment) of A\$1 million to be paid to profit share partner Curtin University, will be extinguished. Accordingly, the net gain to ipernica was A\$2.9 million (A\$1.9 million + A\$1 million) before tax.
- The gross revenue generated by ipernica from the Stat Mux program totals approximately A\$43 million, with licenses having been negotiated with all of the relevant telecommunication vendors and hence the program reached a conclusion during the quarter.

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about nearmap.com

nearmap.com is an online photomap content provider. The Company's breakthrough technology enables the 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 governments, companies and communities see their world.

**about ipernica**

ipernica is a diversified technology and intellectual property ("IP") commercialisation group which is focused on the creation and exploitation of IP rights on a global basis, including 100% owned subsidiary nearmap.com.

Further Information:	Graham Griffiths, Managing Director, ipernica ltd Tel: +618 9420 8500 Email: graham.griffiths@ipernica.com Website: http://www.ipernica.com
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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

ipernica ltd

ABN

37 083 702 907

Quarter ended ("current quarter")

30 JUNE 2011

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from customers	995	4,159
1.2 Payments for		
(a) staff costs	(1,360)	(4,846)
(b) advertising and marketing	(18)	(35)
(c) research and development	(9)	(64)
(d) leased assets	(172)	(649)
(e) other working capital	(1,085)	(3,071)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	162	524
1.5 Interest and other costs of finance paid	(3)	(17)
1.6 Income taxes refund received	-	30
1.7 Other - Litigation costs	(73)	(327)
1.8 Other - Profit share payments	(788)	(1,183)
1.9 Other - Litigation receipts	936	7,614
Net operating cash flows	(1,415)	2,135

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Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date (12 months) \$A'000
1.8 Net operating cash flows (carried forward)	(1,415)	2,135
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	(178)	(441)
(d) physical non-current assets	(532)	(949)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	147	147
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other	-	(3)
Net investing cash flows	(570)	(1,252)
1.14 Total operating and investing cash flows	(1,978)	889
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	(42)	(162)
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
Net financing cash flows	(42)	(162)
Net increase (decrease) in cash held	(2,020)	727
1.21 Cash at beginning of quarter/year to date	13,209	10,463
1.22 Exchange rate adjustments to item 1.20	(57)	(58)
1.23 Cash at end of quarter	11,132	11,132

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Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	312
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

N/A

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

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Appendix 4C
Quarterly report for entities
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Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	965	1,178
4.2	Deposits at call	591	969
4.3	Bank overdraft	-	-
4.4	Other (provide details) – Term Deposits	9,576	11,062
Total: cash at end of quarter (item 1.23)		11,132	13,209

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity	N/A
5.2	Place of incorporation or registration	N/A
5.3	Consideration for acquisition or disposal	N/A
5.4	Total net assets	N/A
5.5	Nature of business	N/A

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.



Sign here: Date: 26 July 2011
 (Company secretary)

Print name: MARK MAITLAND

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Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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