



ASX Announcement

27 January 2011

Appendix 4C Quarterly Report

ipernica ltd

ABN 37 083 702 907

Head Office:

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West Perth, WA
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Email: ipernica@ipernica.com

Postal Address:

Postal Address: PO 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
Stuart Nixon

Senior Management:

Group Chief Financial Officer:

Mark Maitland

General Counsel:

Jonathan Lawe Davies

CEO nearmap.com:

Simon Crowther

Capital Structure

Fully-Paid Shares on Issue:
323.1 million

Unlisted Options on Issue:
7.76 million @ 16c
27.88 million @ 20c
12.50 million @ 40c
48.14 million

Cash Reserves:

A\$7.5 M as at 31 Dec. 2010

Perth, Western Australia – Diversified technology and intellectual property group, ipernica ltd (ASX:IPR), today released the quarterly cash flow report for the quarter ended 31 December 2010. The cash balance at the end of the quarter was \$7.5 million compared to \$9.16 million at the end of the previous quarter. The Appendix 4C is attached.

The Company remains confident based on revenue forecasts that it will not require further capital injection to fund current nearmap.com operational requirements or growth of the IP assertion portfolio.

Highlights for the December quarter included:

nearmap.com

- \$608k in customer receipts
- \$1.25m in new customer sales
- Debtors outstanding at 31 December 2010 of \$1.1m
- Further penetration into the commercial sector, including QGC, a BG Group business, with orders to date of \$707k. QGC is a leading Australian coal seam gas explorer and producer focused on developing its world-class reserves for domestic and international supply
- 100% existing customer annual subscription fees renewed following expiry of initial 12 months of license
- Signed a Memorandum of Understanding ("MOU") to enter into a joint reseller agreement with Sensis (Telstra's information and advertising arm). A formal binding agreement is expected to be finalised soon which will allow both Sensis and nearmap.com to on-sell either company's products to nominated government or commercial clients in Australia or New Zealand
- Customer survey : 90%+ recommend nearmap.com
- Wagga Wagga commissioned (paid for) survey for flood emergency services

Post quarter end (January 2011), nearmap.com responded to the emergency flood situation with further commissioned surveys and we continue to work with the various flood emergency services to assist with the reconstruction effort.

- Queensland: approximately five terrabytes of raw data captured over 600km² in two days (13th and 14th of January 2011) at 2cm resolution (8 times better resolution than nearmap.com's normal resolution of 7.5cm and 15 times more information than typically provided by Google at 10cm resolution). The captured data was processed on nearmap.com's automated HyperVision processing system and published online commencing the weekend of 15 January 2011 (this process would take several months for competitors if they had captured this information).
- Main areas captured included Brisbane (Rocklea, West End, CBD, New Farm, Bulimba, Eagle Farm, Breakfast Creek and the Brisbane River mouth), Ipswich, Riverview, Goodna, River Hills, Archerfield, Jindalee, Mount Crosby).
- nearmap.com's rapid response generated considerable interest and traffic to its site, as well as local and international media coverage (some of which is included at ipernica's home page www.ipernica.com) – most impressive being ABC online pre and post flood pictures highlighting the flood devastation.
- Victoria: (captured 19 January 2011 at 5cm resolution and published shortly thereafter):
 - Horsham (530km² area)
 - Warracknabeal (270km²)
 - Kerang (380km²)

IP Assertion

- Stat Mux Case: ipernica succeeded in its appeal to the US Patent and Trademark Office for the re-examination of its Statistical Multiplexing ("Stat Mux") patent, with confirmation that the claims of the Stat Mux patent are valid in their original form. Subsequently, the District Court for the Eastern District of Texas lifted the stay that was in place for this patent infringement case against Ericsson and set the following hearing dates:
 - Claim Construction (Markman) hearing: 25 March 2011
 - The trial will commence on or soon after 6 September 2011
- Oracle case: a Markman hearing took place in the District Court for the Eastern District of Texas in October. "Markman" hearings are pre-trial hearings at which each side presents their arguments to a judge, as to how the claims of the particular patent being asserted should be interpreted. This interpretation of the patent claims is applied by the jury at trial to determine infringement and validity of the patent.

about nearmap.com

nearmap.com is a location based media company that creates high quality, current and changing PhotoMaps. The Company's breakthrough technology enables the PhotoMaps to be updated much more frequently than other providers, which can be months, if not years out of date. With more than 75% of Australia's population covered regularly, including 60% updated every month, nearmap.com is changing the way governments, companies and communities see their world online.



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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")

31 DECEMBER 2010

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from customers	608	1,702
1.2 Payments for		
(a) staff costs	(1,200)	(2,431)
(b) advertising and marketing	(9)	(13)
(c) research and development	(30)	(43)
(d) leased assets	(174)	(333)
(e) other working capital	(593)	(1,303)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	96	243
1.5 Interest and other costs of finance paid	(4)	(10)
1.6 Income taxes refund received	-	30
1.7 Other - Litigation costs	(155)	(254)
1.8 Other – Profit share payments	-	-
1.9 Other – Litigation receipts	-	-
Net operating cash flows	(1,461)	(2,412)

+ See chapter 19 for defined terms.

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

	Current quarter \$A'000	Year to date (6 months) \$A'000
1.8 Net operating cash flows (carried forward)	(1,461)	(2,412)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	(67)	(167)
(d) physical non-current assets	(88)	(296)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(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	(155)	(466)
1.14 Total operating and investing cash flows	(1,616)	(2,878)
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	(40)	(79)
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
Net financing cash flows	(40)	(79)
Net increase (decrease) in cash held	(1,656)	(2,957)
1.21 Cash at beginning of quarter/year to date	9,162	10,463
1.22 Exchange rate adjustments to item 1.20	(2)	(2)
1.23 Cash at end of quarter	7,504	7,504

+ See chapter 19 for defined terms.

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	255
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	-	-

+ See chapter 19 for defined terms.

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

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	434	835
4.2	Deposits at call	508	765
4.3	Bank overdraft	-	-
4.4	Other (provide details) – Term Deposits	6,562	7,562
Total: cash at end of quarter (item 1.23)		7,504	9,162

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: 27 January 2011
 (Company secretary)

Print name: MARK MAITLAND

+ See chapter 19 for defined terms.

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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