

NEWS RELEASE

IP Applications Corp. narrows loss in the 2006 fiscal year

VANCOUVER, BC – April 30, 2007 – IP Applications Corp. (TSX-Venture: IPX) today announced its quarterly and financial year end results for the periods ended December 31, 2006.

For the year ended December 31, 2006 revenue was \$9.3 million, an 18% increase compared to \$7.9 million for the twelve-month period ended December 31, 2005, and the net loss decreased 10% to \$(2.9) million from \$(3.5) million. Significantly, the EBITDA loss was \$(0.6) million, a 58% decrease from the previous period.

For the quarter ended December 31, 2006 revenue was \$2.1 million compared to \$2.3 in the corresponding period in 2005. The net loss decreased 14% to \$(1.4) million from \$(1.6) million. EBITDA loss was \$(0.3), a 37% decrease from \$(0.5) million in the corresponding quarter in 2005.

John Jacobson, President and CEO said “We are building IP Applications into a platform for future growth, based on products that use our broad base of technology and services, to capitalize on emerging market opportunities. The first stage was getting the base business of the Company operating efficiently and delivering a level of performance that would limit the need for cash injections to sustain operations. To achieve this, we concentrated time and resources on growing profitable segments of the business, we reduced costs and we ended unprofitable contracts whenever we could. These efforts had a dramatic impact on the Company’s EBITDA loss, cutting it by more than half from \$(1.4) million in 2005 to \$(0.6) million.

This was all achieved in an environment that was very challenging. The exchange rate continued to move against us, and customer attrition and a few unplanned departures meant that we were unable to achieve complete operating cash self-sufficiency. Nevertheless, we’re much closer and we’re continuing to work toward it. Meanwhile, we’ve begun the second stage of IP Applications’ evolution: developing and marketing new products in 2007, and investigating a number of exciting new growth opportunities.

The first of the three new 2007 products is Voyager Software-as-a-Service, the company’s internal trouble-ticketing and customer support software application modified and delivered to outside customers as a web-based service. The second is MyHelpDesk™, a service product to solve customer computer problems over the internet using remote desktop technology. The third, Affinipower, is a custom application and related web commerce portal that helps multi-level marketing companies reduce customer attrition and enhance revenue. In addition to these new offerings, we’ve been adding more internet service offerings to our product mix. Soon we will be introducing VoIP services, DSL, video email, online security and data backup products to provide the right Internet product stack for our customers.”

Achievements in 2006:

- Reduced the net EBITDA loss in 2006 by \$0.8 million relative to 2005
- Negotiated cost savings in the fourth quarter in respect of network traffic, resulting in annualized savings of approximately \$0.45 million
- Reduced overhead by concentrating on larger contract opportunities. The Company’s revenue per contract increased by 45% and revenue per full-time equivalent (FTE) staff improved by 6% relative to 2005
- Reformulated our Help Desk strategy from purely technical support for Internet Service providers (ISP’s) to delivering “customer care” programs for Microsoft and Re/Max.
- Raised gross proceeds of \$0.5 million through two private placements

Non-GAAP measures

EBITDA is a key measure used by management to evaluate the Company's performance. Management believes that EBITDA is useful as it provides an indication of the results generated by the Company's business activities prior to taking into consideration how those activities are financed and taxed and also prior to taking into consideration asset depreciation and other non-cash expenditures. EBITDA is not a recognized measure under Canadian GAAP, and accordingly, investors are cautioned that EBITDA should not be construed as an alternative to net earnings or loss determined in accordance with GAAP as an indicator of the financial performance of the Company or as a measure of the Company's liquidity and cash flows. EBITDA may not be comparable to similar measures presented by other issuers. The schedule below details how IP Applications reconciles its net loss per GAAP to EBITDA for the most recent four quarters:

(000's)	December 31 2006	September 30 2006	June 30 2006	March 31 2006
Operating Loss	\$(1,361)	\$(472)	\$(640)	\$(411)
Amortization	322	318	318	312
Stock-Based Compensation	48	88	83	79
Write-down of Intangible assets	609	-	-	-
Other	75	17	18	6
EBITDA	\$ (307)	\$ (49)	\$(221)	\$(14)

Additional details on the quarterly and year end results, including the audited Consolidated Financial Statements and Management Discussion and Analysis, are available at www.sedar.com under IP Applications Corp.

Option grant

The Company further announces that an officer has been granted options to purchase 150,000 common shares of the Company at \$0.28 per share for a period of five years. The grant is subject to regulatory approval.

About IP Applications

IP Applications Corp. supports clients that are bringing online products, services, content and Internet access to market. The Company provides a flexible combination of technology, systems and expertise for customers who have identified channels and products but who lack the delivery and support capabilities. IP Applications' integrated Operational Support System (OSS) and Customer Care help desk services dramatically reduce the cost, complexity and time to market for online products and services.

Forward-Looking Statements

This press release may contain forward-looking statements. Actual events or results may differ materially from those described in the forward-looking statements due to a number of risks and uncertainties. Forward-looking statements are based on management's estimates, beliefs, and opinions. The company assumes no obligation to update forward-looking statements.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

Contact:

Richard Topham, CFO

D 604.630.5657

E rtopham@ipapplications.com