INTERMAP TECHNOLOGIES CORPORATION

ANNUAL INFORMATION FORM

YEAR ENDED DECEMBER 31, 2010

Corporate Office
8310 South Valley Highway
Suite 400
Englewood, Colorado 80112
U.S.A.

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FORWARD LOOKING INFORMATION

In the interest of providing the shareholders and potential investors of Intermap Technologies® Corporation ("Intermap" or the "Company) with information about the Company and its subsidiaries, including management's assessment of Intermap's® and its subsidiaries' future plans and operations, certain information provided in this Annual Information Form ("AIF") constitutes forward-looking statements or information (collectively, "forward-looking statements"). Forward-looking statements are typically identified by words such as "may", "will", "should", "could", "anticipate," "expect," "project," "estimate," "forecast," "plan," "intend," "target," "believe," and similar words suggesting future outcomes or statements regarding an outlook. Although Intermap believes that these forward-looking statements are based on assumptions that Intermap considers to be reasonable based on the information available on the date such statements are made, such statements are not guarantees of future performance and readers are cautioned against placing undue reliance on forward-looking statements. By their nature, these statements involve a variety of assumptions, known and unknown risks and uncertainties, and other factors which may cause actual results, levels of activity, and achievements to differ materially from those expressed or implied by such statements. The forward looking information contained in this AIF is based on certain assumptions and analysis by management of the Company in light of its experience and perception of historical trends, current conditions and expected future development and other factors that it believes are appropriate.

The material assumptions used to develop the forward-looking statements herein include, but are not limited to, the following: (i) Intermap will continue to maintain sufficient and cost-effective production capabilities; (ii) there will be no significant reduction in the availability of qualified and cost-effective human resources; (iii) the continued sales success of Intermap's products and services; (iv) the continued success of business development activities; (v) the continued existence and productivity of subsidiary operations; (vi) there will be no significant delays in the development and commercialization of Intermap products; (vii) new products will continue to be added to the Intermap portfolio; (viii) demand for 3D mapping products will continue to grow in the foreseeable future, and new markets will continue to develop; (ix) there will be no significant barriers to the integration of Intermap's technology and products into customers' existing and proposed products; and (x) superior 3D mapping technologies will not be developed prior to Intermap establishing its products as an industry standard.

Intermap's forward-looking statements are subject to risks and uncertainties pertaining to, among other things, revenue fluctuations, loss of key customers, nature of government contracts, breakdown of strategic alliances, economic conditions, common share price volatility, availability of capital, information technology security, loss of proprietary information, competing technologies, and international and political considerations, including, but not limited to those risks and uncertainties discussed under the heading "Risk Factors" and elsewhere in this AIF and the Company's other filings with securities regulators. The impact of any one risk, uncertainty, or factor on a particular forward-looking statement is not determinable with certainty as these are interdependent, and Intermap's future course of action depends on management's assessment of all information available at the relevant time. Except to the extent required by law, Intermap assumes no obligation to publicly update or revise any forward-looking statements made in this AIF, whether as a result of new information, future events, or otherwise. All subsequent forward-looking statements, whether written or oral, attributable to Intermap or persons acting on the Company's behalf, are expressly qualified in their entirety by these cautionary statements.

UNLESS OTHERWISE NOTED, ALL DOLLAR REFERENCES IN THIS AIF ARE EXPRESSED IN UNITED STATES DOLLARS.

CORPORATE STRUCTURE

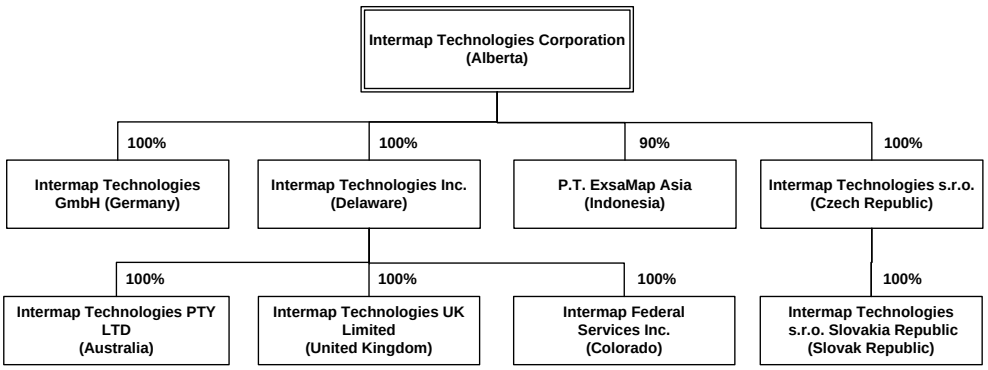
Intermap Technologies Corporation ("Intermap" or the "Company") was formed through the issuance of a Certificate of Amalgamation under the *Business Corporations Act* (Alberta) on February 25, 1997, as Intermap Technologies Limited. The Company changed its name to Intermap Technologies Corporation and consolidated its Class A Common shares (the "Shares" or "Common Shares") on a 12.5-to-one basis by Articles of Amendment filed on May 25, 1999.

The head office of Intermap is located at 8310 South Valley Highway, Suite 400, Englewood, Colorado, USA 80112. Its registered office is located at 1250 Standard Life Building, 639 – 5th Avenue S.W., Calgary, Alberta, T2P 0M9.

Intermap has seven active, wholly-owned subsidiaries: Intermap Technologies, Inc. ("Intermap U.S.A."), a corporation registered under the laws of Delaware, with its head office located in Englewood, Colorado; Intermap Federal Services, Inc., a corporation registered under the laws of Colorado, with its head office located in Englewood, Colorado (a wholly-owned subsidiary of Intermap U.S.A.); Intermap Technologies UK Limited ("Intermap UK"), a corporation registered under the laws of the United Kingdom (a wholly-owned subsidiary of Intermap U.S.A.); Intermap Technologies GmbH ("Intermap GmbH"), a corporation registered under the laws of Germany with its head office located in Munich, Germany; Intermap Technologies s.r.o. ("Intermap s.r.o."), a corporation registered under the laws of the Czech Republic with its head office located in Prague, Czech Republic; Intermap Technologies s.r.o. Slovak Republic ("Intermap Slovak"), a corporation registered under the laws of the Slovak Republic (a wholly-owned subsidiary of Intermap s.r.o.); Intermap Technologies PTY LTD ("Intermap PTY"), a corporation registered under the laws of Australia; and, one majority-owned subsidiary P.T. ExsaMap Asia registered under the laws of the Republic of Indonesia.

Intermap U.S.A. satisfies a United States federal government requirement that a United States entity own certain of the technologies used by Intermap. Intermap GmbH was incorporated to operate certain of the assets acquired from Kreissparkasse München Starnberg of Munich, Germany. Intermap UK was incorporated to provide sales support activity within the United Kingdom and Europe. Intermap s.r.o. provides software development services for the Company. Intermap Slovak provides sales support activity in the Slovak Republic. Intermap PTY provides sales support activity in Australia. P.T. ExsaMap Asia provides data processing services for the Company's mapping operations. The Company actively conducts business through Intermap, Intermap U.S.A., Intermap Federal Services Inc., Intermap GmbH, Intermap s.r.o, Intermap PTY, and P.T. ExsaMap Asia.

The following chart illustrates the structure of the Company's subsidiaries and percentage of ownership.



GENERAL DEVELOPMENT OF THE BUSINESS

General History

Intermap was formed on January 31, 1996 and commenced active business operations on September 1, 1996. On November 11, 1996 the Company acquired all of the assets that had comprised the image mapping services division of Intera Information Technologies Corporation ("IITC"). These assets included cash and cash equivalents, employees, contracts, software, equipment, and goodwill. On November 11, 1996, Intermap acquired the rights to certain digital mapping technology under a Transfer, Assignment, and License Agreement (the "ERIM Agreement") among Intermap, Environmental Research Institute of Michigan ("ERIM"), and Intermap U.S.A.

ERIM had developed a digital mapping technology known as interferometric synthetic aperture radar for elevation ("IFSAR") with funding from the United States of America Defense Advanced Research Projects Authority ("DARPA"). Under the agreement between ERIM and DARPA, any commercial exploitation of the system had to be conducted through a United States based company. Under the ERIM Agreement, ERIM assigned its rights to commercially exploit the technology to Intermap U.S.A. The original ERIM technology formed the basis of Intermap's IFSAR mapping technology, however, as a result of continuous improvement initiatives, Intermap has since replaced all of the software code that controls, operates, and processes the data associated with the IFSAR system. To date, more than 95 percent of the original hardware has also been replaced. Intermap's improvements to the original ERIM technology have resulted in elevation accuracy improvements of more than six times and resolution improvements of more than four times, compared to the original ERIM technology. ERIM (now part of General Dynamics) retained the ability to license the original IFSAR technology to other parties; however, ERIM has no rights to any of the software or new hardware designs and improvements created by Intermap. To date, ERIM has not licensed its IFSAR technology to any other entity.

On February 25, 1997, Intermap amalgamated with a junior capital pool corporation (effectively a publicly listed shell company) listed on the Alberta Stock Exchange (now the TSX Venture Exchange).

From its inception until 2002, Intermap's business was primarily focused on providing 3D digital elevation maps for customers under specific fee-for-service contract arrangements using its

proprietary IFSAR technology. These projects typically involved specified areas to be mapped around the world and were generally procured by governmental mapping or defense agencies.

In 2002, Intermap commenced its NEXTMap® program, which is focused on collecting and processing 3D digital elevation datasets for entire countries and large contiguous areas using its proprietary IFSAR technology. The NEXTMap program allows the Company to offer its products on an immediate delivery basis to a broad range of customers through low-cost licenses. The first country mapped under the NEXTMap program was Great Britain, which was completed in 2003. The Company then began collecting data in Europe and the United States. The primary objective of the initial NEXTMap program was to make commercially available terrain elevation data for Western Europe (completed in April 2009) and the contiguous United States and Hawaii (completed in July 2010).

In addition to the NEXTMap program, Intermap continues to provide digital mapping services under fee-for-service contract arrangements. Under both the fee-for-service and NEXTMap program, Intermap typically retains ownership of the IFSAR-created map data and licenses the use of the data to its customers. Certain data collected under fee-for-service contracts may also become part of the Company's NEXTMap database.

On May 5, 2008, Intermap announced that it had completed the airborne collection portion of its NEXTMap Europe mapping program. Approximately 2.57 million square kilometers ("km^2") of data was collected across Europe, including the countries of Austria, Belgium, Czech Republic, Denmark, England, France, Germany, Irish Republic, Italy, Luxembourg, Netherlands, Northern Ireland, Portugal, Scotland, Spain, Switzerland, and Wales.

On March 23, 2009, the Company announced the completion of the airborne collection portion of the contiguous United States and Hawaii under its NEXTMap USA program. This nationwide mapping program consisted of nearly 8.0 million km^2 of high-resolution 3D map data.

On April 30, 2009, the NEXTMap Europe program was completed and became commercially available in its entirety with approximately 2.5 million km^2 of area in the 17 countries of Austria, Belgium, Czech Republic, Denmark, England, France, Germany, Irish Republic, Italy, Luxembourg, Netherlands, Northern Ireland, Portugal, Spain, Scotland, Switzerland, and Wales.

On May 12, 2010, Intermap announced the completion of its web-based tool for wireless network planning. The tool produces terrain profiles for microwave link planning that enable users to optimize their wireless network design by identifying obstructions penetrating the Fresnel zone or blocking the lines of sight between towers.

On June 24, 2010, Audi Electronics Venture GmbH, a wholly owned subsidiary of Audi AG, licensed Intermap's 3D Roads for all of Germany – a dataset that provides highly accurate 3D models for virtually every road, from the largest highway to the smallest urban and rural roads. The product was delivered to VW Group for developing, testing, and enhancing various advanced driver assistance systems and vehicle energy management applications.

On June 28, 2010, Intermap announced its Risk Assessment Portal, the Company's central access point for web-based risk assessment tools for insurance risk underwriting in the United Kingdom,

France, Switzerland and Hungary. The portal enables users to quickly access detailed, seamless, nation-wide hazard maps for calculating risks.

On July 13, 2010 the NEXTMap USA program was completed and became commercially available in its entirety. The dataset provides seamless, wide-area, and current digital elevation models and orthorectified radar images for the contiguous United States and Hawaii, totaling approximately 8.0 million km^2 of area.

DESCRIPTION OF THE BUSINESS

General Overview

Unlike many other mapping companies, Intermap typically retains ownership of its IFSAR-produced data and licenses only the use of this 3D digital map data to its customers. Through its NEXTMap program, Intermap is striving to become the premier worldwide provider of digital topographic map products for large contiguous areas and entire countries. Intermap currently has 3D maps commercially available for 17 countries in Western Europe, the contiguous United States and Hawaii, and many other areas worldwide.

Beginning in 2011, the Company will begin transitioning its NEXTMap program from primarily an internally created, IFSAR only dataset to an aggregated dataset of IFSAR-derived and third-party data collected by multiple sensor technologies, including LIDAR, photogrammetry, satellite, and other sources. The Company has decades of experience integrating data derived from a number of different sensor technologies, and it is expected that it will be among the first to commercialize broad access to multi-sensor 3D terrain information. The Company is preparing to disseminate the NEXTMap data to customers through a low-cost, web-based delivery mechanism, allowing for a rapid and more economical means of distributing terrain data.

Intermap's NEXTMap products are intended to replace older and less accurate national and regional maps provided by some in-country government agencies. Applications for Intermap's 3D digital maps include:

- Geographic Information Systems ("GIS")
- Insurance risk modeling and watershed analysis
- Satellite and aerial image rectification
- Military
- Aviation
- Line-of-sight analysis
- Base mapping
- 3D visualization
- Flight simulation
- Forestry
- Surface analysis
- Landslide hazard analysis
- Internet visualization and mapping
- Automotive (for improved fuel efficiency, emissions reductions, and safety)

Intermap creates its own 3D map products using its proprietary IFSAR radar technology mounted in an aircraft. The Company has two IFSAR-equipped aircraft which provide operational flexibility related to geographical location of data collection. Intermap's radar-based technology allows it to collect data at any time of the day, including under conditions such as cloud cover or darkness, which are conditions that limit most competitive technologies. The IFSAR technology also enables data to be collected over larger areas, at higher collection speeds, and at accuracy levels that are difficult to achieve with competitive systems. Once the raw digital map data is collected, it is then processed to create three different geospatial datasets: digital surface models, digital terrain models, and orthorectified radar images. These datasets can then be further processed and / or augmented with additional data to create value-added products such as contour maps and topographic line maps.

All of the Company's data production is controlled and managed through Intermap's ISO 9001:2000 quality management system. The majority of the data production is carried out in-house, although Intermap has available alternative suppliers who can provide additional capacity on an as-required basis.

The Company licenses its 3D digital maps to customers either on a fee-for-service contract basis or through its NEXTMap programs. Intermap typically retains ownership of the mapping data and is able to sell the mapping data multiple times to different customers within the same market and across different markets. The Company distributes its mapping products through direct sales, channel partners, and distributor arrangements, both nationally and internationally.

Summary of Products

Intermap's IFSAR sensor systems create three core digital map products as follows:

Digital Surface Model ("DSM") – a digital elevation model that measures the top surface of the earth and objects located on it. The DSM is derived from the radar hitting the top of objects or the "first-reflective-surface." The DSM data includes vegetation, buildings, roads, and natural terrain features. Examples of DSM-related applications include line-of-sight calculations for cell tower placement, property development analysis, and military operations support. A DSM can also be used as a comparatively inexpensive means to improve the accuracy of cartographic products such as topographic line maps and road maps.

Digital Terrain Model ("DTM") – a topographic model of the "bare earth." A DTM is a DSM that has had vegetation, buildings, and other cultural features digitally removed, leaving just the underlying terrain. This is achieved using Intermap's proprietary software tools that create terrain elevations based on measurements of the ground contained in the original radar data. A DTM provides a geometrically correct reference frame over which other data layers, such as aerial photography and other types of images, can be draped. The DTM, coupled with surface analysis tools, supports applications such as the development of accurate topographic maps. The DTM is also a valuable component in analysis involving various terrain characteristics such as profile, cross-section, line-of-sight, aspect, and slope. Examples of DTM-related applications include flood modeling, agricultural land analysis, recreational GPS applications, Internet mapping, and automotive applications.

Orthorectified Radar Image ("ORI") – a grayscale image of the earth's surface that looks similar to a black-and-white photograph. The ORI is derived from the intensity of the radar wave that is rebounded from the earth's surface back to the IFSAR system. The radar image is then processed using the DSM to remove the distortions that are inherent with any image collection process. This rectification process results in each pixel in the image being located in its correct geometric position. The ORI is typically used as the basis for extracting terrain features such as roads, trees, and buildings and for other mapping applications such as topographic line maps.

Using the above core products as foundation elements, Intermap produces other mapping and image products for its customers tailored to customer-specific accuracy requirements, file formats, and coordinate systems. These products include:

Contour Map – a topographic map that shows contour intervals. Because these contour maps are based on the DTM, Intermap is able to offer higher accuracy digital map products than traditional publicly available products.

Topographic Line Map ("TLM") – a map that shows major features such as hydrology, major transportation routes, physical features, and political boundaries.

Thematic Map – a map that focuses on certain features such as vegetation, geology, hydrology, and land use. These maps are processed to accentuate relevant features to the customer and to leave out irrelevant features.

Related Mapping Services

Intermap produces value-added map and image products on a fee-for-service contract basis by layering publicly and commercially available data onto the Company's base digital map data. These layers can include objects such as roads, hydro-lines, waterways, sewers, building structures, and vegetation. This information can then be manipulated, enhanced, and analyzed using commercially available GIS software. This service allows the customer to analyze a variety of data for use in utility planning, land-use planning, wetland and vegetation monitoring, land resources inventory, water management, coastal flood zone monitoring, telecommunications network planning, forest cover analysis, forest harvest analysis, soil erosion monitoring, forest depletion, and forest regeneration planning.

Intermap also provides training services to its customers. This training generates revenue and is used as part of the Company's overall marketing program to educate customers, suppliers, and partners about Intermap's products and services. Internet-based e-learning programs are available and are preferred delivery channels for training.

Applications Software

Although Intermap's customers often use industry-available software packages from companies such as Esri and Autodesk to view, analyze, and manipulate GIS data, the Company also provides its own software to customers who do not have these advanced software packages or to customers who require a more specialized application. Intermap's current application software includes products such as Global Mapper® (basic GIS tools), eyeTour® (3D visualization), and Acquarius.net® (a software development platform). These software applications allow users to display, measure,

manipulate, edit, and manage images, elevation data, vector datasets (such as roads), property boundaries, and flood zones.

Global Mapper – allows users to display, make measurements, convert, edit, print, track GPS, and apply GIS functionality to datasets in a software package meant for desktop applications.

eyeTour – is a 3D visualization engine that does not require data to be stored in a proprietary format as is the case with other similar commercially available products. The eyeTour application works directly with National Spatial Data Infrastructure (NSDI)-compliant data formats and allows pan, zoom, and roam features with the movement of the user's mouse. The application can handle full-resolution NEXTMap products, which is a benefit over competing products.

Acquarius.net – enables Internet or intranet GIS applications to work across multiple servers and platforms. It allows users to access a wide diversity of geospatial data types and to be able to overlay, interact with, and use those data types to solve problems on an address-specific basis (e.g., flood risk analysis). It also features ease-of-use as it is built on Microsoft.net® technology.

Revenue and Business Model

Intermap operates in one industry segment, digital mapping and related services, with two different classifications of revenue: Contract Services (fee-for-service contracts) and Multi-client Data Library licenses (NEXTMap).

Contract Services

The Company's contract services business typically involves a client requesting a digital map for a specific area and purpose. Intermap creates the digital maps on a fee-for-service contract basis and then typically licenses the use of the data and / or digital maps to the customer. These custom projects have traditionally been conducted as a result of government or commercial contracts. From time-to-time, the Company also collects data on a speculative basis, that is, without a contract in place for the collection or licensing of the data to be collected. Prior to the start of any speculative collection, the Company typically receives an expression of interest in all or part of the data from one or more customers, which may include indications of the price that the customer may be prepared to pay and the estimated timing before a commitment to purchase the data could be made. Project-specific contractual mapping and speculative data sales have historically generated significant revenues and margins for the Company, however they are unpredictable in timing and value, thus creating sources of revenue and margins that can vary significantly on a quarter-to-quarter and year-over-year basis. See "Risk Factors – Revenue Fluctuations and Speculative Data Collection."

Multi-client Data Library Licenses (NEXTMap)

With its NEXTMap business, Intermap is creating a library of digital maps around the world which can be licensed to a broad group of customers. In addition to the Company's IFSAR-collected data, Intermap is planning on partnering with data providers throughout the world to offer LIDAR, photogrammetry, satellite, and other geospatial information to its customers and partners as part of its NEXTMap business. This aggregation of third-party data will allow Intermap to offer a variety of high-quality digital map products to customers at a price that is significantly lower than under a custom project basis. The Company believes the lower price also serves to expand the available market for the data by enabling a wider range of applications to be developed and makes the use of

the data attractive for customers who otherwise could not afford to use it. As such, the customers for NEXTMap products include not only large government agencies, but also commercial companies and smaller government agencies at the state, county, local, and municipal level.

The Company currently uses third party data in selected areas to enhance the edit process used in the creation of its NEXTMap datasets. Certain third party data is, and is expected to be made available to the Company on a no-charge basis. When third party data is not available on a no-charge basis, a royalty for the use of such data is typically paid by the Company to the provider.

Demand for NEXTMap data has been further enhanced by the immediate availability of the data from the Company's e-commerce data store or from the e-commerce capabilities of its value-added business partners. Provided the requested data is in inventory, customers can receive within days their digital map data via the Internet, a CD or DVD, or from other available storage media. Small areas can be downloaded immediately from the Internet. This contrasts with competitive offerings where data delivery could take months because the data must first be collected and processed prior to its delivery to the end customer.

Intermap also believes the NEXTMap business model provides a competitive advantage. Any future competitors hoping to offer 3D digital maps on the same basis as Intermap will likely be faced with higher capital costs and a lower probability of success, as they will be competing for customers who are able to purchase map data with immediate availability from Intermap.

Revenues by Product Category

The Company recorded revenues for the following categories of products and services during the two most recently completed financial years:

(in thousands)	2010	2009
Contract Services	**$4,280**	**$20,143**
Multi-client Data Library licenses (NEXTMap)	**9,652**	**10,164**

Pricing

Pricing for contract services varies by customer and their individual requirements. The project price under a contract is typically negotiated with the customer as a function of the area requested, its location, terrain characteristics, and the type of license requested.

Our NEXTMap pricing will be based off of a per-user, per-month plan through a software-as-a-service ("SaaS") model (a subscription-based, recurring revenue model) and through larger one-time purchases of enterprise level data licenses. The Company is planning on the continuous update of its 3D terrain database with new types of data. The access to this updated data is expected to be primarily via maintenance fees charged to participating customers.

Principal Markets

Market Overview

Intermap believes that several markets requiring reliable 3D terrain data are gaining support as follows:

Telecom

With the increase in smartphone adoption, tower placement and wireless coverage is becoming a key component to the wireless communications markets. The telecom industry has numerous planning activities surrounding the creation of wireless networks, including the provision of point-to-point radio frequency (RF) communications known as microwave link planning ("MLP") and point-to-multipoint communications known as microwave cellular planning ("MCP").

Intermap has created a web service for network planning utilizing NEXTMap data and a proprietary web-based delivery system. Using this service, customers are able to input details of point-to-point links they wish to test into a form that is compatible with their planning software. The web service helps users optimize their network design by instantly identify obstructions penetrating the Fresnel zone or blocking the lines of sight between towers. The user can sign up for a pay-as-you-go or subscription service to allow them to run multiple queries. While other mapping companies may have DSMs over localized areas, Intermap believes it is the only company that can offer a countrywide solution for national telecommunications providers. The Company has entered into several contracts for this service and believes there is significant interest from additional customers within Europe, North America, and other areas around the world.

Insurance Risk Management

Intermap believes that flood modeling applications will have a broad appeal to insurance companies, government agencies, and corporate enterprises. In 2003, an address-specific flood risk analysis was produced by a third party engineering firm for Norwich Union Insurance ("NUI") in the United Kingdom using NEXTMap data. NUI reported that its use of this risk analysis product provided significant savings to them by providing better management of their overall flood risk portfolio. This NEXTMap-based product allowed NUI to improve their underwriting practice, to better purchase reinsurance associated with their flood risk exposure, and to significantly reduce their payouts during flood events.

Intermap currently provides similar risk management applications to insurance companies throughout Western Europe that utilize the Company's comprehensive NEXTMap dataset. The applications are web-based and allow users to quickly and efficiently perform natural hazard risk assessment, based on the best-available and seamless flood hazard maps across countries. The Company's web-based tools include an underwriting tool for property-specific risk underwriting and an accumulation tool for portfolio-based accumulation control for single risks or a larger portfolio of risks. Eventually, Intermap envisions that its insurance risk management products will also become consumer-focused products offered over the Internet to home owners and prospective property buyers.

Automotive

Automotive initiatives require patience and a long-term focus. Given the multi-year duration of automotive product life cycles, applications and / or markets tend to develop slowly, and final implementation may take place over a period of several years. However, once an application has been accepted and implemented, past history of suppliers to the automotive industry has shown that unit growth and associated revenue can occur rapidly and over a condensed period of time. Potential applications for the Company's data in automotive applications include (i) eco-routing; (ii) in-dash visualization; (iii) energy management; and (iv) enhancement of safety applications. Although we

believe that the use of Company's NEXTMap data in automotive applications will eventually occur, the time frame for the adoption and meaningful revenue generation from such applications remains at least two to three years away.

Other Markets

Web Services: Intermap is focusing on the further expansion of its web services offering to leverage NEXTMap data by adding value by packaging it under a SaaS model and delivering these hosted services over the internet (the "cloud"). The criteria that would be used for any offering that would utilize NEXTMap data is that it be scalable and create recurring revenue for the Company. Some of the key web services to be offered by Intermap are as follows:

Data Service: As a part of its web services offering, Intermap will be offering a data service on a subscription basis. Users will be able to sign up to download NEXTMap data directly into a GIS software package in a user-friendly manner. The user will also be able to use analytical tools built into the system as part of the subscription. 3D flythrough capability is another feature that will be available to the user.

Enterprise Server: For customers who have purchased via an enterprise license agreement ("ELA") or intend to purchase large amounts of NEXTMap data, Intermap has created an enterprise server. This service provides customers with a comprehensive solution to manage and utilize not only NEXTMap data purchased, but also to store and access other compatible data sources, allowing customers to better analyze existing datasets. The Enterprise server can also be provided in connection with Intermap's contract services business.

3D Visualization: The Company believes that traditional 3D visualization applications involving the draping of thematic or place-specific data over 3D landscapes has primarily been associated with activities such as land-use planning (visual impact on new developments), in-office viewing of real estate properties, and virtual tourism. Intermap's DTM products can provide the base data layer for such applications, but at an improved accuracy level than has historically been achieved through traditional map suppliers.

Flight Simulation: During 2004, Intermap's 3D terrain data of England and Wales was used by Horizon Simulation Ltd. ("Horizon") to create a plug-in for the Microsoft Flight Simulator consumer product. In 2006, Microsoft released the Flight Simulator-X product, which featured a new visualization engine that could handle the full resolution of Intermap's NEXTMap datasets. Accordingly, Horizon released a new version of the terrain plug-in that provided clarity, accuracy, and detail in the terrain visuals. In 2008, FS Dreamscapes entered into an agreement with Intermap to use NEXTMap USA data to also create terrain plug-ins for Microsoft's Flight Simulator-X product.

GIS: Intermap is marketing NEXTMap data to a number of traditional GIS markets. In these markets, customers typically use desktop-based GIS and engineering systems offered by strategic partners such as Esri and Autodesk for planning, engineering, environmental management, site, or route selection and permitting.

Aviation: The Company believes the global aviation industry may be able to benefit from seamless, cross-border data for air navigation services. In Europe, the International Civil Aviation

Organization ("ICAO") has recommended the use of electronic terrain and obstacle data ("eTOD") for all airports by 2015. Under ICAO mandates, member states are required to provide more accurate terrain and obstacle data in the vicinity of aerodromes as part of a strategy to increase safety while efficiently managing the growth in air traffic. Intermap is studying the possibility of creating an aviation data service that would allow air navigation service providers ("ANSPs") and civil aviation authorities ("CAAs") to meet the eTOD recommendations enabled by the accuracy and consistency of Intermap's NEXTMap elevation data and its multi-country coverage. To do this, Intermap is working with a European air navigation services company, Skyguide Air Navigation Services, Ltd., to offer the service within Western Europe. Using Intermap's NEXTMap data library, the service would provide the user with access to elevation data for more accurate aviation terrain solutions. With this initiative, historical cross-border harmonization problems such as increased costs, difficulty of use, and a lack of a standardized data format would no longer be an issue.

While Intermap's NEXTMap terrain data provides the framework to address certain of the eTOD requirements for ANSPs and CAAs, Intermap believes further opportunity exists to provide terrain data as the reference for obstacles to be accurately depicted and placed on the terrain surface. Intermap believes its 3D mapping experience, production capability, and strategic production partnerships create an opportunity for future revenues within this industry.

Samples of the seamless NEXTMap data have been submitted for evaluation to the Federal Aviation Administration ("FAA") for a Type 1 Letter of Acceptance. If accepted by the FAA, Certification by the European Aviation Safety Administration ("EASA") is expected to follow.

Government Agencies

Intermap's primary source of revenue has historically come from government contracts with national mapping agencies. The Company is a leading commercial supplier of DSMs and DTMs to United States federal agencies, including the NGA, USGS, NOAA, and the USDA. As the Company collects NEXTMap data around the world, increased opportunities exist for selling licensed DEM products to government agencies outside of the United States as well.

Commercial Target Markets

In addition to the markets discussed above, Intermap sells data licenses to other commercial organizations. Clients include oil and gas companies, pipeline companies, power distribution companies, wind power companies, mining companies, and forest management companies. Wireless carriers are the largest commercial purchaser of NEXTMap data as they use the data to determine the most effective placement of their transmission towers.

In some cases, Intermap's data is so detailed that it needs to be de-resolved so that it does not overwhelm the software tools used by the customer. Intermap expects that the commercial suppliers of this software will eventually offer upgraded products that will make it possible to use Intermap's full-resolution data as has already occurred in the flight simulation market. Intermap believes that the availability of upgraded engineering and analysis software will also enhance the demand for its data.

Selling and Distribution Methods

Data distribution occurs through direct sales, channel partners, value-added partners, or through the Company's Internet-based store.

Direct Sales

Direct sales are carried out through a commissioned sales team employed by the Company. The direct sales team is responsible for the sales of both contract services work and the licensing of NEXTMap data.

Channel Partners

In order to reach markets not easily accessed by traditional direct selling efforts, the Company uses a network of channel partners. These partnerships are established to broaden the Company's customer base, penetrate new markets, and establish recurring revenue streams. The channel partners are generally well-positioned in broad and diverse vertical markets. The channel partners distribute the Company's NEXTMap data to their principal markets, and create and sell solutions or consumer products based on the Company's NEXTMap data. Ultimately, Intermap's selection of a channel partner is governed by its ability to promote an integrated solution or product to mass markets, thereby creating an opportunity for recurring revenue to the Company.

Production Process

The Company owns all of the technology required to collect, process, edit, and deliver products to its customers. All of the Company's production processes, quality assurance and quality control processes are documented under the Company's ISO 9001:2000 Quality Management System.

Areas targeted for IFSAR collection are first flight-planned by Intermap's operations staff. Field crews are then dispatched to install GPS-based ground control points, as required. The aircraft and radar are subsequently flown to collect data over the target locations. The collected raw radar data is sent to the Company's interferometric processing ("IP") center in Denver, Colorado. During IP, the raw radar data and GPS information are converted into a fully orthorectified (corrected) image and a digital surface model on a flight line basis. These flight line products are then mosaiced together into map sheets.

The resulting map sheets are then sent to the Company's editing center in Jakarta where the data undergoes a 3D edit to remove any radar-induced artifacts. At this time, the DTM is produced through proprietary algorithms that select all points on the ground, while points on the tops of trees or buildings are removed. Throughout the production process, the data is continually checked through the quality assurance process, which is undertaken throughout the production process. Should customers have data requirements other than for core products, a team modifies the core product to meet the customer requirements. Within its production processes, the Company uses over 45 exclusive and proprietary software programs.

The Company needs well-trained technical staff having knowledge in radar-related disciplines and / or mapping. Intermap fills a portion of this requirement for engineers, scientists, and technicians through recruitment programs at accredited colleges and universities. Career paths usually lead from technician, to design engineer or software developer, to manager. In addition, the requirement for

mapping specialists is fulfilled from the conventional mapping community or through graduates of GIS programs at both community colleges and universities.

Technology

The Company's ability to produce digital maps over large areas and with a high level of detail and accuracy results from its proprietary IFSAR digital mapping technology. This technology remotely and simultaneously collects latitude, longitude, and elevation (x, y, and z coordinates) data with an extremely high level of efficiency relative to other mapping technologies. An added benefit of the IFSAR technology is the ability to collect data in poor visibility conditions (night or overcast) and to fly at high altitudes, which facilitates a wide swath of data collection of 10 km. The Company's highest level of IFSAR technology DEM product provides a vertical accuracy of up to 50 cm and horizontal resolution of up to 62.5 cm. Intermap believes it has a strong leadership position in the mapping industry as a result of its IFSAR technology.

The Company operates two IFSAR systems which consist of two X-band radar antennae coupled to a transmitter receiver and data storage system mounted in two Learjet 36A aircraft. A digital correlation process then extracts terrain height information used to geometrically correct the radar image. The IFSAR technology uses GPS data, together with onboard laser-based inertial measurement data to attain highly accurate positioning control. The accuracy of the system's positioning information, along with careful baseline calibration, reduces the likelihood that additional location measurements are required in subsequent processing steps.

Compared to competing technologies, the Company's ability to produce data on time and within a specified budget is largely due to the IFSAR technology's all-weather acquisition capability (with the exception of abnormally high winds and turbulence) and its superior speed and efficiency. The post-collection processing of the data is also less labor-intensive than competing technologies (see "Competition").

Technology Development

The predecessor technology to the current IFSAR system was acquired from ERIM in 1996. To meet the needs of its customers and to reach a larger section of the conventional mapping market, Intermap completed a major upgrade to its IFSAR technology in the fall of 2001. The upgrade increased the vertical accuracy of the IFSAR production system from 3 meters to 1 meter or less and improved the image resolution from 2.5 meters to 1.25 meters.

In early 2003, Intermap began development of the fourth generation of its proprietary IFSAR radar technology. The upgrade took the best of the Company's prior technologies and repackaged them into an easier-to-maintain, line-replaceable system to increase accuracy, image quality, and production levels. This development also upgraded overall performance to 50 cm in the vertical and 62.5 cm image resolution in the horizontal. The system went into service during the first quarter of 2005.

During the fourth quarter of 2004 and throughout 2005, Intermap developed enhancements to its pre-existing X / P-band radar system. P-band technology operates at a specific radar wavelength that allows it to penetrate vegetation cover and to reveal underlying areas of the ground. Intermap demonstrated its P-band technical capability with the completion of several P-band contracts in

Southeast Asia tropical areas during 2005; however, it also determined that the technology had some limitations related to its use in populated areas.

In 2005, Intermap's engineering division produced an enhanced IP system installed in the Company's Denver office. This system processes the initial spatially accurate image data collected from the aircraft. The result of the enhanced IP system was a 46 percent increase in data processing throughput without any increase in associated staffing.

In January 2006, the Company acquired a second Learjet 36A and commenced the building of the latest-generation IFSAR radar system designed for that aircraft. This IFSAR radar system went into service during the second quarter of 2007 and was used predominately on NEXTMap USA collection during the remainder of the year.

Beginning in 2007 and continuing into 2009, Intermap undertook the development and testing of an L-band IFSAR radar system to replace the previously developed P-band system. Even though Intermap's P-band system has the ability to penetrate vegetation, it is difficult to use in populated areas because of the electromagnetic interference it causes with other signal emitters. L-band IFSAR does not interfere with other emitters and may prove capable of measuring the ground surface beneath vegetation cover. Additional L-band system development is expected to occur at some time in the future once the Company is able to generate positive cash flows from operations and / or research funding is received from one or more third parties.

Competition

Aerial photography, coupled with photogrammetry, has historically been the technology used by the mapping industry to create elevation models. It provides relatively detailed images at a high relative cost and is primarily applicable to local area maps (counties and towns). It is also the means by which elevation data was created in most national topographical maps, including those supplied by the USGS in the United States. The photogrammetric approach, when coupled with large-scale aerial photography, can produce high-resolution elevation data (better than 15 cm). The limitation is that each elevation point must be measured individually by an operator. This makes the map-making process extremely time consuming and expensive. Intermap estimates that it took the USGS 60 years and approximately $2 billion to originally map the United States. Many of Intermap's competitors use only aerial photographs for map creation. As a result of a low barrier to entry, the aerial photography market segment is crowded, offers low margins as a result of the intense competition, and is now only used in small areas.

There are a number of remote sensing technologies that compete with Intermap's IFSAR technology as summarized in the table below:

Parameters	IFSAR - NEXTMap	Laser - LiDAR	IFSAR-Other	Optical Satellites
Description	Airborne X-HH single-pass high-resolution sensor. Flies 6-10 km above the ground.	Collected using laser pulse technology, waveforms and point clouds. Collected 50m - 3.5km above the ground.	Multi-wavelength (X-DSM/P-DTM) airborne - collected at 12km above ground; X-band Satellite	Collected using optical satellites, stereo-auto-correlation DTM methods. Collected ~825km above the ground.
Company - System	Intermap - STAR	Many suppliers - low barrier to entry	EarthData-GeoSAR, Oribsat, Astrium - Tandem-X, CosmoSkyMed	ASTRIUM-HRS DEM-SPOT; MS-ClearView; DG
DEM Vertical Accuracy RMSE (m)	**60cm** - barren low sloped; **2m** obstructed, low slope; **4m** obstructed, high slope	**15-25cm** - barren low sloped; **30cm** obstructed, low slope; **>50cm** obstructed, high slope	**1.2m** - barren low sloped; **2m** obstructed, low slope; **4m** obstructed, high slope	**2m** - barren low sloped; **4m** obstructed, low slope; 6**m** obstructed, high slope
DEM Horizontal Accuracy RMSE (m)	2 m	0.5 - 1.0m	>3.0m	15.0m
Collection Rates	5,000 km^2/hr	200 km^2/hr	12,000 km^2/hr	5,000 km^2/hr
DTM Costs	\$10-50/ km^2	\$150-250/ km^2	+\$38/ km^2	\$4-11/ km^2

LiDAR

Intermap believes that LiDAR is the most competitive technology to IFSAR based on its availability and accuracy. The equipment is easily obtainable, and mapping services are usually offered by companies on a fee-for-service basis. Pricing, while project-specific, typically ranges from approximately \$150 to \$250 per square kilometer, roughly six to ten times the cost of Intermap's products. However, given the high level of competition in the LiDAR sector, it is likely that prices will be driven down. Although LiDAR is capable of higher accuracy than Intermap's IFSAR technology, the major obstacles to its widespread adoption are its inability to cover large areas efficiently, limited ability to fly in poor weather conditions, non-standard processing methods to derive hydro-enforced DSM and DTM finished data products and a much higher cost associated with collecting large areas relative to IFSAR.

Other IFSAR Systems

The Company believes there are two other active commercial companies worldwide with IFSAR technology.

In 2002, a new company called Orbisat da Amazonia S.A. ("Orbisat") undertook the building of an IFSAR system to use on a project in South America. The key technical personnel at Orbisat include a former founder of AeroSensing, so the Company expects the design philosophy used in the Orbisat IFSAR system to be similar to the design of the system Intermap acquired from AeroSensing in 2002. Orbisat was largely inactive in the market place until early 2007, when it appeared as a bidder for new business in Southeast Asia.

Fugro has an IFSAR system mounted in a Gulfstream II aircraft called GeoSAR. Fugro has historically concentrated its IFSAR sales efforts on fee-for-service work with the United States military and its business does not incorporate the strategy of building and licensing a digital map database. Fugro is active in the IFSAR market and the Company believes that they will remain an active competitor to Intermap during 2011.

Satellite Imagery

Three high-resolution commercial satellite imagery companies have either recently launched or intend to launch satellites designed to create digital images from space.

For technical and economic reasons, Intermap believes it is difficult to use satellite data to generate stereo images of large areas and apply photogrammetry to create elevation data. Intermap has previously sold terrain data to two satellite companies in order to provide them with the elevation data they require to rectify their satellite imagery for their customers. Intermap also sells terrain data to NGA, which is the largest customer for the satellite companies. The Company regards satellite imagery as a complementary data layer, providing color images that can be draped over Intermap's terrain data.

A new radar satellite ("TerraSAR-X") was launched in 2007 by the German military. The initial satellite is a two-dimensional SAR satellite with 3-meter pixel resolution in strip map mode and 1-meter resolution in spotlight mode. TerraSAR-X could not provide elevation data (3D data) from an IFSAR mode until a second satellite was launched, which occurred in 2010. Intermap has analyzed the data from the TerraSAR-X satellite to determine the level of accuracy of elevation data that can be achieved through the use of its radargrammetry technology – a technique that Intermap used with previous-generation airborne SARs and the RADARSAT satellite. Intermap has the ability to bring data production processes, know-how, and tools into this effort, as well as providing data distribution capabilities that could be coupled with future NEXTMap initiatives.

A NASA space shuttle mission flown in February 2000 generated near worldwide digital map coverage of the Earth's surface, using IFSAR radar. Intermap was a member of one of two teams chosen by the NGA to produce and edit the shuttle mission data. The digital maps generated by the mission appear to have a vertical accuracy of 10–16 meters with approximately 30–90 meter horizontal resolution. Intermap believes that this data is not sufficiently precise for most commercial applications such as automobile navigation, aviation safety, environmental control, engineering, and flood management.

While Intermap expects competitors to eventually develop or acquire technology that competes with its IFSAR digital mapping capabilities, the Company believes that it has a lead in accuracy, efficiency, production throughput and know-how, and software tools to manage the production process. The Company's business initiatives, NEXTMap, and its e-commerce data store are intended to capitalize on the market lead Intermap believes it currently enjoys.

Intangible Properties

To significantly increase its market share, the Company is positioning itself as an industry leader and innovative enabler in GIS / Geospatial markets and 3D applications in consumer markets.

Print and online branding: all Intermap advertising and lead-generation campaigns are focused on brand recognition by using the Intermap Technologies name product brand in all online and print copy.

NEXTMap®, TerrainOnDemand®, and Terrainscapes™: trade marking these unique brand names has increased industry awareness within the domains the trademarks are used.

Webinars: these 50-minute topical online events fall under the Terrainscapes umbrella and attract geospatial users and decision makers worldwide who are unable to spend time away from the office at a physical seminar event.

White papers and case studies: these intellectual properties are showcased on both the Company and Partner websites.

Websites: the Company continued to provide updates to its websites during 2010 and will produce a new corporate website in 2011. All customer-facing materials are updated and new material is created to support the expanding nature of the Company's product lines, drive brand recognition, and support marketing campaigns directed at promoting thought leadership and industry enablement. The Company reaches target audiences through the following websites; Intermap.com, TerrainOnDemand Data Store, microsites in support of targeted campaigns, and various social media outlets.

Business Cycles

The Company's business is dependent on two cycles. The Company's contract services business is highly dependent on United States federal government and foreign government budgeting cycles and, to a lesser extent, data re-sales to state and local governments that are also subject to government budgeting cycles. In addition to these governmental cycles, the Company's data acquisition functions are restricted in the northern United States, Canada, and Europe by weather activity, including snow on the ground and increased wind turbulence associated with winter weather patterns.

Employees

As of December 31, 2010, Intermap had 509 employees located as follows: 42 in Calgary and Ottawa, Canada; 84 in Englewood, Colorado; 1 in California, 1 in Texas; 1 in Washington; 1 in Virginia; 1 in Arizona; 22 in Munich, Germany; 1 in France; 1 in England; 22 in the Czech Republic; 2 in Australia; and 330 in Jakarta, Indonesia.

Foreign Operations

The Company operates through its seven active subsidiaries which are based in the United States, Germany, Czech Republic, United Kingdom, Australia, and Indonesia. The Company has a long history of performing projects in a wide variety of countries in addition to the countries in which it resides. For 2010, approximately 30% of Intermap's revenue was derived from the United States, 20% from Asia, 45% from Europe, and 5% from Australia. For more details, see "Risk Factors – Foreign Operations" below and the financial statement note entitled "Segmented Information" of the consolidated financial statements for the year ended December 31, 2010, a copy of which is filed and is available on SEDAR at www.sedar.com

Restructuring

Consolidated active employee headcount for Intermap was 509 (including 330 in Jakarta, Indonesia) at December 31, 2010, a decrease from 714 (including 437 in Jakarta, Indonesia) at December 31, 2009. The decrease in personnel during 2010 was primarily driven by a decrease in operations-related personnel by approximately 28%, or 139 full-time people. This decrease in operations personnel resulted from the Company's completion of the NEXTMap Europe and NEXTMap USA datasets. In addition to the reductions in operations personnel, further reductions took place in the areas of research and development and sales, general and administrative leading to additional personnel decreases of 30%, or 66 employees during the year. On an annualized basis, the net impact on total expenses (after severance-related costs) of the workforce reductions made in 2010 will be a reduction of approximately $4.6 million of personnel related expenses.

In January 2011, the Company made further workforce reductions across all areas of the Company. On an annualized basis, the net impact on total expenses (after severance related costs) of the workforce reductions made in January 2011 will be a reduction of approximately $5.5 million of additional personnel-related expenses.

RISK FACTORS

The risks and uncertainties described below are not exhaustive. Additional risks not presently known or currently deemed immaterial may also impair the Company's business operation. If any of the events described in the following business risks actually occur, overall business, operating results, and the financial condition of the Company could be materially adversely affected.

Cash Flow and Liquidity

The cash position of the Company at December 31, 2010 (cash and cash equivalents) was $4.4 million, and working capital was a negative $3.4 million.

During the year ended December 31, 2010, the Company had negative cash flow from operations of $8.2 million. In addition, the Company's continuing operations are dependent on its ability to generate future profitable operations, sell excess capacity assets or obtain additional financing to fund future operations and, ultimately, generate positive cash flows from operations.

Management has taken actions to address these issues including several organizational restructurings, new senior management, sale of excess capacity assets, and a company-wide cost-reduction program. The Company's ability to continue as a going concern is dependent on Management's ability to successfully generate a profit from operations, sell assets, or raise additional financing. Failure to

achieve one or more of these requirements could have a material adverse effect on the Company's financial condition and / or results of operations.

Revenue Fluctuations

Intermap's revenue has fluctuated over the years. Mapping projects, the purchase of archived data, and the purchase of geospatial solutions are all scheduled according to client requirements and the timing of regulatory and / or budgetary decisions. The commencement or completion of mapping projects within a particular quarter or year, the timing of regulatory approvals, operating decisions of clients, and the fixed-cost nature of Intermap's business, among other factors, may cause the Company's results to vary significantly between fiscal years and between quarters in the same fiscal year.

Availability of Capital

The Company cannot be certain that cash generated from its operations will be sufficient to satisfy its liquidity requirements and it may need to raise capital by selling additional equity and / or by securing credit facilities. The Company's future capital requirements will depend on many factors, including, but not limited to, the market acceptance of its products and services. No assurance can be given that any such additional funding will be available or that, if available, it can be obtained on terms favorable to the Company.

The Company currently has no commitments for additional working capital funding and therefore its ability to meet any unexpected liquidity needs is uncertain. If additional funds are raised through the issuance of equity securities, the Company's shareholders may experience significant dilution. Furthermore, if additional financing is not available when required or is not available on acceptable terms, the Company may be unable to develop or market its products, take advantage of business opportunities, or may be required to significantly curtail its business operations.

The Company is uncertain what impact the current volatility in worldwide credit and equity markets may have on its ability to obtain future financing. Since 2008, there has been unprecedented turmoil in equity and credit markets, hedge fund closures, and massive market interventions by the United States and foreign governments. Because of the severity of these market events and because the markets currently remain volatile, the Company cannot predict what effect these events will have on its ability to obtain financing in the future, if required.

Nature of Government Contracts

Intermap conducts a significant portion of its business either directly or in cooperation with the United States government, other governments around the world, and international funding agencies. In many cases, the terms of these contracts provide for cancellation at the option of the government or agency at any time. In addition, many of Intermap's products and services require government appropriations and regulatory licenses, permits, and approvals, the timing and receipt of which are not within Intermap's control. Any of these factors could have an effect on Intermap's revenue, earnings, and cash flow.

General Economic Trends

The worldwide economic slowdown and tightening of credit in the financial markets may impact the business of our customers, which could have an adverse effect on Intermap's business, financial condition, or results of operations. Adverse changes in general economic or political conditions in

any of the major countries in which the Company does business could also adversely affect Intermap's operating results.

Key Customers

During 2010, the Company had five key customers that accounted for 50% of the Company's total revenue. In 2009, the Company had one customer that accounted for approximately 55% of the Company's total revenue. To the extent that significant customers cancel or delay orders, Intermap's revenue, earnings, and cash flow could be materially and adversely affected.

Executive Talent

Intermap is in a repositioning phase in its markets. This repositioning, coupled with the development of new product lines, web services, and developing applications, requires the retention of executive talent. The Company will continue to invest in training and leadership development in response to the changes within the Company to retain talent. Although Intermap has a talented team of experienced executives, it may not be able to further develop executive talent internally or attract and retain enough executive talent to effectively manage the anticipated growth and changes within the Company.

Common Share Price Volatility

The market price of the Company's Common Shares has fluctuated widely in recent periods and is likely to continue to be volatile. A number of factors can affect the market price of Intermap's common stock, including (i) actual or anticipated variations in operating results; (ii) the low daily trading volume of the Company's stock; (iii) announcement of technological innovations or new products by the Company or its competitors; (iv) competition, including pricing pressures and the potential impact of competitors products on sales; (v) changing conditions in the digital mapping and related industries; (vi) unexpected production difficulties; (vii) changes in financial estimates or recommendations by stock market analysts regarding Intermap or its competitors; (viii) announcements by Intermap or its competitors of acquisitions, strategic partnerships, or joint ventures; (ix) additions or departures of senior management; and (x) changes in economic or political conditions.

Additionally, in recent years, the stock market, in general, and shares of technology companies, in particular, have experienced extreme price and volume fluctuations. These fluctuations have often been unrelated or disproportionate to the operating performance of these technology companies. These broad market and industry fluctuations may harm the market price of Intermap's common stock, regardless of its operating results.

Loss of Proprietary Information

Intermap does not hold patents on the technology used in its operations and relies principally on trade secrets, know-how, expertise, experience, and the marketing ability of its personnel to remain competitive. Although Intermap requires all employees, consultants, and third parties to agree to keep its proprietary information confidential, no assurance can be given that the steps taken by Intermap will be effective in deterring misappropriation of its technologies. Additionally, no assurance can be given that employees or consultants will not challenge the legitimacy or scope of their confidentiality obligations, or that third parties, in time, could not independently develop and deploy equivalent or superior technologies.

Information Technology Security

The success of the NEXTMap programs has resulted in the NEXTMap database becoming the single most valuable asset of the Company. While Intermap has invested in database management, information technology security, firewalls, and offsite duplicate storage, there is a risk of a loss of data through unauthorized access or a customer violating the terms of the Company's end user licensing agreements and distributing unauthorized copies of its data. Intermap has, and will continue, to invest in both legal resources to strengthen its licensing agreements with its customers and in overall information technology protection.

Speculative Data Collection

From time to time, the Company collects data on a speculative basis. While the Company generally undertakes this activity with a reasonable expectation that it will be able to subsequently enter into a contract relating to the data collected, there is no assurance that it will be able to do so and, as a result, the costs of collecting the data may not be recovered on a timely basis or at all.

Breakdown of Strategic Alliances

Intermap has fostered a number of key alliances over the past several years and intends to enter into new alliances in the future. The Company believes these new alliances will help enable access to significant scalable markets that would not otherwise be accessible in a timely manner. The breakdown or termination of some or all of those alliances could have a material impact on the Company. At this time, the Company is not aware of any material issues in its strategic relationships. Should any one of these companies be unable to continue its alliance with Intermap, or otherwise choose to dissolve the relationship, the Company would seek to replace the connection with other entities, but there is no guarantee such replacement would occur.

New Competing Technologies

It is possible that commercially available satellite images could, in the future, match the image resolution offered by the Company's IFSAR technology. However, the Company believes that the technology to perform three-dimensional radar imaging from space at 1-meter resolution with postings every 5 meters is considered to be three or more years away. In any event, Intermap is developing modifications in its data collection capabilities to improve the performance of its IFSAR technology. Although there are only a few direct Intermap competitors currently, the industry is characterized by rapid technological progress. Intermap's ability to continue to develop and introduce new products and services, or incorporate enhancements to existing products and services, may require significant additional research and development expenditures and investments in equipment.

Another approach to production of digital elevation models is the use of auto correlation software to analyze common points in two or more optical images of the same area taken from different viewing angles. Essentially this is the same principle that is used by technicians as they extract elevation points using stereo photogrammetric techniques, but in this case it is automated using computer software image matching algorithms. This process is well known and has been used with limited success over small areas. Advances in computing power, coupled with massive storage solutions, may make this technology useful over larger areas in the future and, if so, could represent a significant competing technology.

Any required additional financing needed by the Company to remain competitive with these other technologies may not be available or, if available, may not be on terms satisfactory to the Company.

Exporting Products – Political Considerations

Intermap's data collection systems contain technology that is classified as a defense article under the International Traffic and Arms Regulations. All mapping efforts undertaken outside the United States, therefore, constitute a temporary export of a defense article, requiring prior written approval by the United States Department of State for each country within which mapping operations are to be performed. The Company does not currently anticipate that requirements for export permits will have a material impact on the Company's operations, although either government policy or government relations with select foreign countries may change to the point of affecting the Company's operational opportunities. The data produced by Intermap's IFSAR system falls under Department of Commerce regulations and is virtually unrestricted.

Foreign Operations

A significant portion of Intermap's revenue is expected to come from customers outside of the United States and is therefore subject to additional risks, including foreign currency exchange rate fluctuations, agreements that may be difficult to enforce, receivables difficult to collect through a foreign country's legal system, and the imposition of foreign-country-imposed withholding taxes or other foreign taxes. Intermap relies on contract prepayments or letters of credit to secure payment from certain of its customers when deemed necessary. The Company has in the past secured export credit insurance on certain of its international receivables, which greatly reduces the commercial and political risks of operating outside of North America.

Political Instability

Intermap understands that not every region enjoys the political stability that is taken for granted in North America. Developments in recent years in the Middle East and Asia illustrate this clearly. Political or significant instability in a region where Intermap is conducting data collection activities or where Intermap has clients could adversely impact Intermap's business.

Regulatory Approvals

The development and application of certain of the Company's products requires the approval of applicable regulatory authorities. A failure to obtain such approval on a timely basis, or material conditions imposed by such authority in connection with the approval, would materially affect the prospects of the Company.

Aircraft / Radar Lost or Damaged

Although the Company believes that the probability of one of the Company's aircraft or radar sustaining significant damage or being lost in its entirety is extremely low, such damage or loss could occur. Now that the data collection associated with the Company's NEXTMap USA and NEXTMap Europe programs is complete, the Company is expected to have available to it, for data collection purposes, one additional aircraft at any given time. The risk to the Company of loss from the damage of an aircraft is therefore considered to be minimal. In the event that a radar mapping system is lost in its entirety through the destruction of the aircraft, it would take the Company approximately six to nine months to replace the lost equipment, if required.

Global Positioning System ("GPS") Failure

GPS satellites have been available to the commercial market for many years. The continued unrestricted access to the signals produced by these GPS satellites is a requirement in the collection of the Company's IFSAR data. A loss of GPS would have such a global impact that it is believed that controlling authorities would almost certainly make another system available to GPS receivers in relatively short order.

Force Majeure

The Company's projects may be adversely affected by risks outside of its control including labor unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics, or quarantine restrictions.

DIVIDENDS

The Company has not paid any cash dividends on any class of shares during the three most recently completed financial years. Further, the Company has not paid any cash dividends since its inception and does not intend to pay any cash dividends in the foreseeable future. The Company intends to retain any earnings to finance its operations.

DESCRIPTION OF CAPITAL STRUCTURE

General Description of Capital Structure

The Company's authorized capital consists of an unlimited number of Common Shares and an unlimited number of Class A participating preferred shares ("Preferred Shares") without par value. At the close of business on December 31, 2010, there were 60,796,507 Common Shares issued and outstanding. There are no Preferred Shares currently issued and outstanding.

Each Common Share entitles the holder thereof to (i) dividends if, as and when declared by the directors; (ii) one vote at all meetings of holders of common shares; and (iii) participate in any distribution of the Company's assets upon liquidation, dissolution, or winding up.

Each Preferred Share entitles the holder thereof to (i) dividends if, as and when declared by the directors; (ii) one vote at all meetings of the shareholders of the Company; and (iii) participate (after receiving in priority to the holders of Common Shares, a sum equal to its purchase price) in any distribution of the Company's assets upon liquidation, dissolution, or winding up.

MARKET FOR SECURITIES

The outstanding common shares of the Company are listed and posted for trading on the Toronto Stock Exchange under the symbol "IMP".

Trading Price and Volume (in Canadian dollars):

Intermap Technologies Corporation TSX Share Price Information FY 2010			
Month	**High**	**Low**	**Total Volume**
January 2010	$2.35	$1.86	**527,200**
February 2010	2.06	1.60	**217,700**
March 2010	2.12	1.30	**1,043,100**
April 2010	1.56	1.33	**1,278,500**
May 2010	1.37	0.93	**1,744,900**
June 2010	0.98	0.63	**6,134,800**
July 2010	0.75	0.62	**2,076,900**
August 2010	0.75	0.65	**1,725,300**
September 2010	0.74	0.47	**4,571,200**
October 2010	0.73	0.54	**1,708,400**
November 2010	0.70	0.46	**1,475,900**
December 2010	0.58	0.35	**7,314,600**

DIRECTORS AND EXECUTIVE OFFICERS

Set out below are the names of the directors and executive officers of the Company as of the date of this AIF, their place of residence, their positions held within the Company, and their principal occupations in the last five years.

Name **Present Office Held** **Residence**	**Director Since**	**Principal Occupation**
Todd A. Oseth[6] President and CEO, Director Colorado, U.S.A.	December 6, 2010	**Chief Executive Officer and President of the Company**
Brian L. Bullock[6] Chairman of the Board Colorado, U.S.A.	February 25, 1997	**Chairman of the Board**
Terry J. Owen[1][2] Director Alberta, Canada	January 14, 2008	**Chief Executive Officer and President of Hammerstone Corp.**
Donald R. Gardner[1][2] Director Alberta, Canada	November 26, 1998	**Chief Executive Officer of Canadian Spirit Resources Inc.**

Name Present Office Held Residence	Director Since	Principal Occupation
Larry G. Garberding[(1)(3)] Lead Director Michigan, U.S.A.	August 15, 2001	**Member of the Board of Directors of several corporations**
Jerald S. Howe, Jr. [(2)(3)] Director Maryland, U.S.A.	January 13, 2005	**Senior Vice President and General Counsel of TASC**
Howard J. Nellor[(3)(4)(6)] Director Florida, U.S.A	March 4, 2010	**President, Integrated Consulting Services**
Richard Mohr[(5)] Senior Vice President and Chief Financial Officer Colorado, U.S.A	N/A	**Senior Vice President and Chief Financial Officer of the Company**
David Cunningham Senior Vice President, Global Sales Colorado, U.S.A.	N/A	**Senior Vice President of the Company**
J. Keith Tennant Vice President, Engineering Alberta, Canada	N/A	**Vice President of the Company**

Notes:

1. Member of Audit Committee
2. Member of Compensation Committee
3. Member of Nominating & Governance Committee
4. Mr. Nellor was appointed Director on March 4, 2010 to fill a vacancy
5. Mr. Mohr resigned as senior vice president and chief financial officer of the Company effective February 28, 2010 and returned to the Company in the same capacity effective January 1, 2011. Mr. Brian Musfeldt was appointed as chief financial officer effective March 1, 2010 and resigned from that position effective November 1, 2010. Mr. Nigel Jackson was appointed interim chief financial officer effective October 4, 2010 and served in that capacity through to December 31, 2010.
6. Mr. Bullock stepped down as president & chief executive officer of the Company effective August 6, 2010. Mr. Howard Nellor was appointed interim chief executive officer effective August 6, 2010 and served in that capacity until December 6, 2010. Mr. Oseth was appointed president & chief executive officer and became a director of the Company effective December 6, 2010.

The directors will hold office until the next annual general meeting of the shareholders. The directors and executive officers in aggregate own or control 1.0% of the issued and outstanding Common Shares of the Company.

During the past five years, each director's principal occupation has been as indicated above except as described in the following brief biographical notes.

Todd A. Oseth is chief executive officer and president of Intermap Technologies effective December 6, 2010. From 2009 to 2010, Mr. Oseth served as president and chief executive officer of Neterion, Inc. From 2008 to 2009, he served as president and chief executive officer of ColdStor Data, Inc. From 2007 to 2008 he served in the role of executive in residence for Storm Venture Capital, Sun Capital Partners. From 2005 to 2007, he served as chief operating officer for McData Corporation. From 2003 to 2005, he served as vice president of the infrastructure software group for EMC Corporation. Mr. Oseth also held executive positions with DataPlay, Inc., Accent Software, Sony, and Ramtron International Corporation.

Brian L. Bullock was president, chief executive officer, and a director of Intermap since its incorporation in 1997. Mr. Bullock stepped down as president and chief executive officer effective August 6, 2010. Since 1974, Mr. Bullock served as president, chief executive officer, and a director of IITC Holdings Ltd. and its predecessor companies.

Terry J. Owen is the chief executive officer and president of Hammerstone Corporation effective February 2009. Effective January 1, 2008, Mr. Owen retired as president and chief executive officer of Trimac Transportation Services L.P., a publicly traded income trust involved in bulk materials transportation and related logistics, a position he held since February 2005. From 1994 to February 2005, Mr. Owen held various other executive positions with Trimac Corporation and related companies including general counsel (1994-1996), chief financial officer (1997-1999), executive vice president (2000-2004), and president (2004-2005). Prior to joining Trimac, Mr. Owen was a partner of the Macleod Dixon law firm where he practiced corporate, securities, and mergers / acquisitions law.

Donald R. Gardner is chief executive officer of Canadian Spirit Resources Inc. of Calgary, Alberta. Mr. Gardner has over 20 years experience in the oil and gas industry and has held CFO positions with Canadian Spirit Resources Inc., Rigel Energy Corporation, and Esprit Exploration Ltd. (formerly Canadian 88 Energy Corp.), and other financial positions with Dome Petroleum Limited, ENCOR Energy Corporation Inc., Pemberton Securities Inc., and Alberta Energy Company Ltd. Mr. Gardner is also a member of Financial Executives International.

Larry G. Garberding serves as a member of the boards of director of several corporations involved primarily in energy technology. Until his retirement on December 31, 2001, he was a director, executive vice president and chief financial officer of DTE Energy Company, a leading energy provider in the Great Lakes region. He held financial and operating positions with energy companies prior to joining DTE Energy in 1990.

Jerald S. Howe, Jr. is senior vice president and general counsel of TASC effective April 2010. Prior to this position, Mr. Howe was a principal with InSequitur LLC, a Washington, D.C. consulting firm. From May 2006 to January 2008, he was senior vice president of the Olive Group. From December 2004 to November 2005, Mr. Howe was vice president of SRA International. From

October 2003 to December 2004, he was a principal with Argotyche Inc. From February 2000 through October 2003 he was senior vice president and general counsel for publicly traded Veridian Corporation of Arlington, Virginia (NYSE: VNX). Before that he was a partner with the law firm Steptoe & Johnson LLP, Washington, D.C., concentrating on aerospace law and transactions, federal contracts, and litigation in high technology procurements.

Howard Nellor is president of Integrated Consulting Services. His most recent engagement prior to this position and prior to his retirement was president and chief executive officer of Peerless Systems from 2000 to 2007.

Executive Officers Who Are Not Directors

Members of the Intermap executive management team are:

Richard Mohr, Senior Vice President and Chief Financial Officer (Monument, Colorado, U.S.A.) joined Intermap in June 2003 and resigned from the Company on February 28, 2010. From March 1, 2010 to December 31, 2010, Mr. Mohr was senior vice president and chief financial officer of Pure Energy Solutions, Inc. He rejoined the Company on January 1, 2011. Prior to joining Intermap in 2003, Mr. Mohr held executive financial management positions with DataPlay, Inc., Ramtron International Corporation, and Concord Services.

David Cunningham, Senior Vice President, Global Sales **(Broomfield, Colorado, U.S.A.)** joined Intermap as vice president of sales on October 5, 2009. Prior to joining Intermap, Mr. Cunningham was vice president of global sales Chordiant Software, Inc. from 2007 to 2009. Prior to that, he held executive sales positions with Symantec Corporation and IBM.

J. Keith Tennant, Vice President, Engineering (Calgary, Alberta, Canada) has held senior technical and executive management positions with Intermap since its inception. Prior to his joining Intermap, Mr. Tennant held senior technical positions with Intermap's predecessor company, IITC Holdings Ltd.

Cease Trade Orders

No director or executive officer of the Company is, as of the date of this AIF, or was, within the 10 years before the date hereof, a director, chief executive officer, or chief financial officer of any company (including the Company) that was the subject of a cease trade order, an order similar to a cease trade order, or an order that denied the company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days, that was issued (i) while that person was acting in such capacity; or (ii) after that person was acting in such capacity and which resulted from an event that occurred while that person was acting in such capacity.

Bankruptcies

Except as detailed below, no director or executive officer of the Company, or shareholder holding a sufficient number of securities to affect materially the control of the Company is, as of the date of this AIF, or has been, within 10 years before the date hereof, a director or executive officer of any company that, while that person was acting in such capacity, or within a year of that person ceasing to act in such capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement, or

compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold its assets. Mr. Oseth was the chief executive officer of Sanz, Inc. and resigned from such position early in November 2007. Subsequent to his resignation, Sanz filed for chapter 7 bankruptcy. Mr. Oseth had no further contact with the company or its trustees after his resignation.

No director or executive officer of the Company, or shareholder holding a sufficient number of securities to affect materially the control of the Company has, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Penalties or Sanctions

No director or executive officer of the Company, or shareholder holding a sufficient number of securities to affect materially the control of the Company has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Circumstances may arise where members of our board of directors or officers are directors or officers of corporations which are in competition to our interests. No assurances can be given that opportunities identified by such board members or officers will be provided to us. Pursuant to the Business Corporations Act (*Alberta*), directors who have a material interest in a proposed material transaction upon which our board of directors is voting are required to disclose their interests and refrain from voting on the transaction.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Management of the Company is not aware of any existing or contemplated legal proceedings material to the Company, to which the Company is, or during the financial year ended December 31, 2010 was, a party or of which any of its property is, or during the financial year ended December 31, 2010 was, subject.

Management of the Company is not aware of any penalties or sanctions imposed against the Company by a court relating to securities legislation or by a securities regulatory authority during the financial year ended December 31, 2010.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

There were no material interests, direct or indirect, of directors or executive officers of the Company, or of any of the shareholders of the Company who beneficially own, directly or indirectly, or exercises control or direction over more than 10 percent of the Company's outstanding common shares, or any known associate or affiliate of such persons in any transactions within the three most recently completed financial years of the Company or during the current financial year which has materially affected, or is reasonably expected to materially affect, the Company or a subsidiary.

TRANSFER AGENT AND REGISTRAR

The Company's transfer agent and registrar is Computershare Trust Company of Canada, located at 100 University Avenue, Toronto, Ontario, Canada M5J 2Y1.

MATERIAL CONTRACTS

The Company has not entered into any material contract within the most recently completed financial year, or before the most recently completed financial year that is still in effect, and was not in the ordinary course of business.

INTERESTS OF EXPERTS

There is no person or company whose profession or business gives authority to a statement made by such person or company and who is named as having prepared or certified a statement, report, or valuation described or included in a filing, or referred to in a filing, made by the Company under National Instrument 51-102 during, or related to, the Company's most recently completed financial year other than KPMG LLP, the Company's auditors. KPMG LLP is independent in accordance with the auditors' rules of professional conduct in Canada.

In addition, none of the aforementioned persons or companies, nor any director, officer, or employee of any of the aforementioned persons or companies, is or is expected to be elected, appointed, or employed as a director, officer, or employee of the Company or of any of the Company's affiliates.

AUDIT COMMITTEE INFORMATION

The text of Intermap Technologies Corporation's Audit Committee Charter is attached as **Schedule A.**

Composition of the Audit Committee

The members of our Audit Committee are Mr. Donald R. Gardner (Chair), Mr. Larry G. Garberding and Mr. Terry Owen, each of whom is independent and financially literate. The relevant education and experience of each Audit Committee member is outlined below.

Relevant Education and Experience

All members of the Audit Committee are financially literate and all members of the committee have accounting or related financial experience.

Mr. Gardner is currently the chief executive officer of an energy-related company in Calgary, Alberta, Canada. He has held chief financial officer and other financial management positions with this company and several other companies throughout his career. As part of his role in each of these positions, he was required to have extensive knowledge of the financial operations of the company for which he worked, including the understanding of balance sheets, income statements, and cash flow statements.

Mr. Garberding, prior to his retirement, was the executive vice president and chief financial officer of an energy-related company in the Great Lakes region of the United States. He also held financial-

related positions with other companies prior to his employment with this company. As part of his role in each of these positions, he was required to have extensive knowledge of the financial operations of the company for which he worked, including the understanding of balance sheets, income statements, and cash flow statements.

Mr. Owen currently holds the position of chief executive officer and president of a mining-related company and has previously held positions of president, chief executive officer, chief financial officer, and executive vice president of a publicly traded transportation services company prior to his retirement in January 2008. As part of his role in each of these positions, he was required to have extensive knowledge of the financial operations of the company for which he worked, including the understanding of balance sheets, income statements, and cash flow statements.

Audit Committee Oversight

No recommendation of the Audit Committee to nominate or compensate an external auditor was not adopted by the Board of Directors at any time since the commencement of its most recently completed financial year.

Pre-approval Policies and Procedures

Any engagement of non-audit services by the Company's external auditors / accountants, including estimated fees, must be pre-approved by the Audit Committee and the Audit Committee must obtain an annual statement from the auditors regarding non-audit services.

External Auditor Service Fees

Audit Fees

The aggregate fees billed by the Company's external auditor for audit services during 2010 and 2009 were C$273,053 and C$233,262, respectively.

Audit Related Fees

The aggregate fees billed by the Company's external auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under the "Audit Fees" caption above during 2010 and 2009 were minimal.

Tax Fees

The aggregate fees billed by the Company's external auditing firm for professional services relating to tax compliance, tax advice and tax planning during 2010 and 2009 were C$229,600 and C$336,212, respectively. The services provided were generally related to (i) the review of tax provisions; (ii) tax return preparation; (iii) personal tax returns for expatriate employees; (iv) transfer pricing studies; and (v) tax related due diligence on a foreign corporation acquisition.

All Other Fees

There were no other fees billed to the Company during the last two fiscal years for products and services provided by the Company's external auditors other than the services reported above in the prior three captions.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR at www.sedar.com. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under the Company's equity compensation plans, if applicable, is contained in the Company's information circular for the most recent annual meeting of shareholders that involved the election of directors. Additional financial information is provided in the financial statements and management's discussion and analysis for the year ended December 31, 2009.

SCHEDULE A

AUDIT COMMITTEE CHARTER

ADOPTION

This charter ("**Charter**") was approved by the Board of Directors ("Board") of Intermap Technologies Corporation ("**Corporation**") on the dated noted at the conclusion hereof.

PURPOSE

It is the policy of the Corporation to establish and maintain an Audit Committee (**"Committee**"), composed of independent directors, to assist the Board in carrying out their oversight responsibility for the Corporation's external audit, internal controls, disclosure, financial reporting, and related risk management.

The Committee's function is one of oversight only and shall not relieve management of its responsibilities.

The Corporation's external auditor shall report directly to the Audit Committee.

ORGANIZATION

1. The Committee shall consist of a minimum of three (3) directors.

2. Each director appointed to the Committee by the Board shall be independent as such term is defined in Section 1.4 of National Instrument 52-110 and Section 3.1 of the related companion policy.

3. Each member of the Committee shall be financially literate as such term is defined in Section 1.6 of National Instrument 52-110 and at least one (1) member shall have accounting or related financial management expertise.

4. The Board shall appoint the members of the Committee and may seek the advice and assistance of the Nominating and Corporate Governance Committee in identifying qualified candidates. The Board shall appoint one (1) member of the Committee to be the Chair of the Committee.

5. A director appointed by the Board to the Committee shall be a member of the Committee until replaced by the Board or until his or her resignation. A member shall cease to be a member of the Committee upon ceasing to be a director of the Corporation.

6. The Secretary of the Corporation shall be the Secretary of the Committee.

RESPONSIBILITIES

7. The Committee's primary duties and responsibilities are to:

   (a) Select and recommend the nomination and compensation of the external auditors.

(b) Oversee the independence, work, and performance of the Corporation's external auditors.

(c) Review the principal risks that could impact the financial reporting of the Corporation and monitor how management is dealing with such risks.

(d) Monitor the integrity of the Corporation's disclosure and financial reporting process and its system of internal controls regarding financial reporting and accounting compliance.

(e) Monitor the Corporation's compliance with laws, regulations, and internal policies that apply to financial or accounting matters.

(f) Oversee the resolution of any disagreements among external auditors, management, and the internal auditing department, if any.

8. The Committee shall annually select and recommend to the Board the nomination of an external auditor, recommend the replacement of the current external auditor when circumstances warrant it, and monitor the independence, work, and performance of the external auditors. This shall include:

(a) Considering the views of management in respect of the nomination of the external auditors.

(b) Reviewing and recommending for approval by the Board, the terms of the external auditors' engagement, including the reasonableness of the proposed audit fees.

(c) Pre-approving any engagement for non-audit services to be provided by the external auditors' firm or its affiliates, together with estimated fees. This shall involve considering the potential impact of such services on the independence of the external auditors.

(d) When there is to be a change of external auditors, reviewing all issues and documentation related to the change, including the information to be included in the Notice of Change of Auditors and documentation called for under National Instrument 51-102 as defined in Section 4.11 and the planned steps for an orderly transition.

(e) Reviewing all reportable events, including disagreements, unresolved issues and consultations with external auditors, as defined by applicable securities policies, on a routine basis, whether or not there is to be a change of external auditors.

9. In carrying out its primary duties and responsibilities, the Committee shall:

(a) Review the annual audit plan with the external auditors and with management.

(b) Discuss with management and the external auditors any proposed changes in major accounting policies or principles, the potential impact of significant risks and

uncertainties on future operations, and key estimates and judgments of management that may be material to financial reporting.

(c) Review with management and with the external auditors significant financial reporting issues arising during the most recent fiscal period and the resolution or proposed resolution of such issues.

(d) Review any problems experienced or concerns expressed by the external auditors in performing an audit, including any restrictions imposed by management or significant accounting issues on which there were a disagreement with management.

(e) Review periodically with management the Corporation's disclosure controls and procedures as such term is defined in National Instrument 52-109 and monitor the certification process set out therein.

(f) Review audited annual financial statements and related documents in conjunction with the audit findings report of the external auditors and obtain an explanation from management of all significant variances between comparative reporting periods.

(g) Review with management the adequacy and effectiveness of the internal financial controls of the Corporation including any deficiencies noted in the Audit or Interim Review Findings Report and subsequent follow-up to any identified weaknesses.

(h) Review with management and the external auditors the quarterly unaudited financial statements before release to the public.

(i) Before release, review and, if appropriate, recommend for approval by the Board, all public disclosure documents containing audited or unaudited financial information including any press release, annual report, annual information form, management discussion and analysis of operations, prospectus (and all documents which may be incorporated by reference into such prospectus), and all other securities offering documents of the Corporation.

(j) Review periodically with management the internal procedures implemented to review any other public disclosure of financial information extracted or derived from the Corporation's financial statements.

(k) Approve the hiring of any partners, employees, or former partners and employees of the Corporation's present and former external auditor.

10. In addition, the Committee shall:

(a) Oversee the receipt, review, and follow-up of questions, concerns, or complaints pursuant to the Corporation's Code of Business Conduct and Ethics and the procedures set out in Appendix "A" thereto.

(b) Review with management, at least annually, the capital management policies, the financing strategy and funding plans of the Corporation.

(c) Review the amount and terms of any insurance to be obtained or maintained by the Corporation with respect to insurable risks inherent in its operations and potential liabilities incurred by the directors or officers in the discharge of their duties and responsibilities.

(d) In conjunction with the Nominating and Corporate Governance Committee, monitor financial and accounting personnel succession planning within the Corporation and review the appointments of the Chief Financial Officer and any key financial managers who are involved in the financial reporting process.

(e) Inquire into and determine the appropriate resolution of any conflict of interest in respect of audit or financial matters.

(f) Periodically review with management the need for an internal audit function.

(g) Quarterly, review any legal matter that could have a significant impact on the Corporation's financial statements and any enquiries received from regulators or government agencies.

(h) Review periodically with management the adequacy and effectiveness of the Corporation's policies and procedures for compliance with securities laws, regulatory requirements, and stock exchange rules.

(i) Report to the Board at the earliest opportunity after each meeting the results of its activities and any reviews undertaken and make recommendations to the Board as deemed appropriate.

(j) Bi-annually assess the performance of the Committee.

(k) Annually review the Audit Committee Charter and report to the Board on Committee compliance with the Charter.

MEETINGS

1. The Committee shall convene a minimum of four (4) times each year at such time and places as may be designated by the Chair of the Committee and whenever a meeting is requested by the Board, a member of the Committee, the external auditors, or a senior officer of the Corporation.

2. Notice of each meeting of the Committee shall be given to each member and to the external auditors, who shall be entitled to attend each meeting of the Committee and shall attend whenever requested to do so by a member of the Committee or the Secretary of the Committee.

3. Notice of a meeting of the Committee shall:

   (a) Be in writing.

   (b) State the nature of the business to be transacted at the meeting in reasonable detail.

(c) To the extent practicable, be accompanied by copies of documentation to be considered at the meeting.

(d) Be given at least forty-eight (48) hours notice preceding the time stipulated for the meeting or such shorter period as the members of the Committee may permit.

4. A quorum for the transaction of business at a meeting of the Committee shall consist of two (2) members of the Committee.

5. A member of the Committee may participate in a meeting of the Committee by means of such telephonic, electronic, or other communication facilities, provided it permits all persons participating in the meeting to communicate adequately with each other, and a member participating in such a meeting by any such means is deemed to be present at the meeting.

6. The Chair of the Committee ("Chair") shall be appointed by the Board. The Chair shall have only those responsibilities and powers delegated to it herein and shall not have a second or casting vote. The Chair shall have the responsibility of reporting annually to the Board on the Committee's compliance with this Charter.

7. In the absence of the Chair of the Committee, the members of the Committee shall choose one of the members present to be Chair of the meeting and, in the absence of the Secretary of the Committee; the members shall choose one of the persons present to be the Secretary of the meeting.

8. By invitation, the CEO and other parties may attend meetings of the Committee; however, the Committee may meet separately at any time with the external auditors, invited management, or any other third parties as determined by the Committee.

9. At each regular meeting of the Committee, the agenda shall include an opportunity for the members of the Committee to meet in-camera.

10. Minutes shall be kept of all meetings of the Committee and shall be signed by the Chair and the Secretary of the meeting.

11. Minutes of the meetings of the Committee shall be retained by the Secretary of the Corporation and shall be available on request to any member of the Board.

RESOURCES AND AUTHORITY

1. The Committee will be provided with resources commensurate with the duties and responsibilities assigned to it by the Board, including administrative support. If deemed necessary by the Committee, it will have the discretion to institute investigations of improprieties or suspected improprieties, including the standing authority to retain independent counsel or advisors and to set their compensation.

2. The Committee shall have the authority to:

(a) Inspect any and all of the books and records of the Corporation, its subsidiaries, and affiliates.

(b) Discuss with any officer of the Corporation, its subsidiaries and affiliates, the Chief Financial Officer and senior staff of the Corporation, any affected party, and the

external auditors, such accounts, records, and other matters as any member of the Committee considers necessary and appropriate.

(c) Communicate directly with the internal and external auditors.

Approved by the Board of Directors on August 5, 2009