INTERMAP
TECHNOLOGIES

Intermap Technologies Corporation
First Quarter Ended March 31, 2010

NEXTMap USA completed, ahead of schedule
Q1 NEXTMap license revenues increase 95%
Intermap announces $2.2 million contract service project

DENVER – May 13, 2010 (TSX: IMP.TO) – Intermap Technologies Corporation ("Intermap" or the "Company") today reported financial results for the first quarter ended March 31, 2010. A conference call will be held today, May 13, at 4:30 p.m. eastern time to discuss the results.

All amounts in this news release are in United States dollars unless otherwise noted.

On May 7, Intermap successfully completed the final processing of NEXTMap USA, on budget and two months ahead of schedule. NEXTMap USA is expected to be fully commercially available in Q2 of this year and represents the conclusion of an ambitious 5-year project. With NEXTMap Europe, completed in 2009, together with NEXTMap USA, Intermap has built a valuable asset: the world's most uniform, accurate, and complete 3D digital maps of the United States and Western Europe. The completion of these datasets allows Intermap to license this data into a myriad of applications that benefit from contiguous continent wide coverage including, automotive safety and fuel efficiency, flood risk modeling, consumer handheld navigation, online and in-car map visualization. Other countries currently available in the database include Malaysia and significant regions in Indonesia, Afghanistan, the Philippines and Australia. With the completion of these data sets, management has now refocused its attention from highly successful and accurate data production operations to sales and marketing of this valuable and unique asset. The transition which began in 2009 has accelerated with the principal objective of achieving positive cash flows from operations at the earliest possible date. The expansion and maintenance of the NEXTMap datasets will continue as a priority as internally generated funds permit.

FINANCIAL REVIEW

For the quarter ended March 31, 2010, Intermap reported total revenue of $3.5 million, a decrease from $5.5 million for the same period in 2009. The decline in overall revenue was the result of lower revenue from Intermap's contract services business. Partially offsetting the decline in contract services revenue, NEXTMap revenue continued to grow year-over-year following the commercial release of NEXTMap Europe last year. The Company's NEXTMap multi-client data library ("MCDL") license revenue for the first quarter of 2010 grew to $2.3 million, up 95% from $1.2 million for the first quarter of 2009. In the first quarter, approximately 62% of MCDL license revenue was associated with the NEXTMap Europe dataset, 28% was associated with the NEXTMap USA dataset, and 10% was associated with the Asia-Pacific dataset.

Revenue from contract services work during the first quarter of 2010 was $1.2 million as compared to $4.3 million for the same period in 2009. The first quarter is typically the softest quarter of the year primarily due to the timing of government budgets and associated awarding of contracts. However, the Company is seeing a significant increase in proposal requests and believes there are several significant projects that Intermap is positioned to win in the second half of 2010.

"Our NEXTMap achievements are the foundation for the future growth of the company," commented Brian Bullock, president and CEO of Intermap Technologies. "Early indications of the value of NEXTMap Europe appeared in the form of increased license sales in Europe in the last two quarters. While the early revenue is coming from sales in the government and telecom sectors, Intermap also signed important new agreements with Tele Atlas, Skyguide, Ericsson, and Garmin for use of NEXTMap data in new products and web services."

With NEXTMap USA completed, Intermap believes this expanded database will be key in driving increased MCDL revenue going forward. Mr. Bullock explains, "The availability of the entire NEXTMap USA database opens new revenue opportunities that would not otherwise be available without complete national coverage. This has been demonstrated in Europe, for instance, as the completion last spring enabled new opportunities in the automotive, telecommunications, and other markets. We have now sold NEXTMap licenses to four wireless carriers in Germany totaling more than $4 million in license revenue."

2010 will reflect a substantial reduction in cash outlays when compared to 2009 now that the NEXTMap USA and Europe databases are complete. Intermap has reduced data collection and production operations, and is finalizing the closure its facility in Ottawa, Canada. Intermap expects to complete this restructuring during the second quarter of 2010. Consolidated headcount was 633 at March 31, 2010, a decrease from 864 at March 31, 2009. The decrease was primarily driven by a decrease in operations personnel by approximately 33%, or 211 full-time personnel. The Company expects to reduce cash outlays by $11 million per year as a result of the reductions in production operations and completion of the acquisition portion of the NEXTMap datasets. The company will continue to reduce costs now that both databases are complete.

Gross operations expense, prior to capitalization, for the quarter ended March 31, 2010 was $4.1 million, compared to $6.1 million during the same period in 2009. The decrease in gross operations expense was primarily due to the reduction in production operations as a result of the completion of the NEXTMap Europe program and the completion of the airborne collection associated with the NEXTMap USA program. Net operations expense for the quarter ended March 31, 2010 totaled $2.9 million compared to $1.7 million for the same period in 2009.

Sales, general and administrative ("SG&A") expense for the quarter ended March 31, 2010 was $6.0 million, a decrease from $6.2 million for the same period in 2009. Gross SG&A expense for the period ended March 31, 2010 and 2009, prior to capitalization, was $6.3 million and $6.9 million, respectively. The decrease in SG&A expense during 2009 resulted primarily from a reduction in corporate service personnel in connection with the reduction in production operations.

Adjusted EBITDA, a non-GAAP measure, for the quarter ended March 31, 2010 was a loss of $5.7 million compared to a loss of $2.9 million for the same period in 2009. The adjusted EBITDA loss for the 3 months ended March 31, 2010 is primarily attributable to a decrease in revenue of $2.0 million and an increase in net operations costs of $1.1 million as compared to the same period in 2009.

Amortization expense of the MCDL database increased 94% to $3.5 million from $1.8 million in the first quarter of 2009. The increase is due to increased MCDL sales, and the expansion of the underlying NEXTMap datasets.

For the first quarter of 2010, Intermap reported a net loss of $11.2 million or ($0.21) per share, compared to a net loss of $7.0 million or ($0.15) per share for the first quarter of 2009.

The cash position of the Company at March 31, 2010 (cash and cash equivalents) was $10.8 million, compared to $10.4 million at December 31, 2009. Working capital decreased to $10.3 million as of March 31, 2010 from $18.1 million as of December 31, 2009.

Management believes that the improvement in both contract services and NEXTMap license revenue, combined with decreasing operating expenses will allow Intermap to operate within its current working capital for at least the next twelve months. Management and the board of directors are fully engaged in a process to generate positive cash flow from operations as soon as reasonably possible. This includes considering a number of marketing, strategic relationship, cost containment, and risk reduction initiatives that may contribute to this objective.

As of May 10, 2010, there were 52,432,037 common shares outstanding.

Detailed financial results and management's discussion and analysis can be found on SEDAR at: www.sedar.com.

OPERATING HIGHLIGHTS

NEXTMap Databases
On May 7, 2010, Intermap completed the final processing on NEXTMap USA. The 5-year project was completed months ahead of schedule and on budget. The entire database will be commercially available in the second quarter of 2010. NEXTMap USA joins NEXTMap Europe which became commercially available in its entirety in mid-2009, enabling several previously unavailable opportunities in certain market segments including automotive, telecommunications, and aviation.

Intermap now has direct sales representation in the USA, the four largest European economies, Malaysia, and Australia. Current sales activity is anticipated to result in significantly increased NEXTMap sales.

Contract Services
Following several months of weakness in contract services revenue, Intermap has begun to see a recovery in various global regions. Subsequent to the close of the first quarter, on May 13, 2010, Intermap received notification of a $2.2 million initial contract to immediately begin IFSAR mapping of a selected region of interest. The project is sponsored by several government agencies. The objective is to have the entire region mapped over the next few years, with a total budget estimated at $60 million.

GPS Navigation Devices and Smartphones
In the first quarter Intermap signed an agreement with Garmin to integrate data from NEXTMap Europe and NEXTMap USA with Garmin's GPS and navigation products. Initial Garmin products using NEXTMap data are expected to reach the consumer market in Europe beginning in the first half of 2010. Discussions concerning the expanded use of NEXTMap data in other Garmin products are underway. Intermap believes that NEXTMap data can be applied to Garmin's outdoor GPS products, automotive portable navigation devices, and aviation product lines.

In the United States, Intermap has agreements to supply its AccuTerra GPS recreational maps on Magellan, Pronounced Technologies, Apple, and Navico/Lowrance devices. Intermap's advanced AccuTerra topographic maps provide access to digital terrain data, off-road and recreation-related roads, trails, and points of interest such as campgrounds, service facilities, and landmarks. In addition, customers can benefit from a land management data layer that displays the location of public lands (national forest, wilderness areas, state parks, etc.) and private property for most recreation areas in the United States.

Tele Atlas

Tele Atlas has licensed NEXTMap data to enhance digital map displays for automotive in-dash, portable navigation, and local search solutions. NEXTMap enables Tele Atlas to easily conflate visual assets such as building models, roads, and landmarks for a very accurate visualization product that matches the outside world. This supply agreement was a significant accomplishment for the Company's automotive division. Getting NEXTMap data into the vehicle is seen as a critical first step to supporting a variety of applications in partnership with Tele Atlas. Intermap's NEXTMap digital maps set the baseline standard for true 3D in-dash visualization and are uniquely able to deliver real-world views of not only the road network, but the entire surface of the earth.

Intermap is delivering NEXTMap data with a targeted launch into equipped automobiles in late 2010. Intermap is working closely with Tele Atlas to identify numerous opportunities for partnerships between the companies.

Automotive Market – Safety, Navigation, and Fuel Efficiency

In the first quarter Intermap responded to requests for quotations for provision of 3D road data to three Tier 1 automotive suppliers. While a contract has not been awarded yet, we believe this is early evidence of the need for 3D road data to support high priority applications such as energy management and carbon emission reduction. NEXTMap can be utilized to improve fuel efficiency through eco routing and eco drive, to accurately and dynamically predict range for Electric Vehicles and to improve vehicle safety. NEXTMap Europe 3D road enhancements have been completed for Germany and France with Italy underway. Intermap is creating 3D road vector datasets for all road classes to support demand within the automotive manufacturing sector. It is important that vehicle safety systems encompass 3D road vectors for all classes of roads, including smaller rural roads, as these are often where the more difficult curves, dips, and slopes are encountered. The enhancement is expected to be available for all of Europe by the end of 2010.

Intermap is also collaborating with Hella KGaA Hueck & Co. and Visteon Corp., both leading providers of innovative driver assistance systems, for a predictive front lighting system which provides a significant increase in visibility for drivers at night and during inclement weather by automatically directing the headlamps before the driver manually steers the vehicle into a bend or up and down a slope.

This lighting application is the first of many advanced driver assistance systems (ADAS) and safety applications leveraging reliable 3D maps anticipated to come in the next generations of passenger vehicles. Headlight control and other vehicle functions can be enabled via an independent 3D map database, separate from that of the onboard 2D navigation system.

Other partners are also testing NEXTMap data for eco-routing applications in Europe.

Telecommunications

Since completing NEXTMap Europe, the Company has licensed a total of $4 million of NEXTMap data to several wireless telecommunications companies for Germany and border countries. The NEXTMap digital terrain models (DTM) and digital surface models (DSM) will enable the optimization of existing wireless networks enabling advanced radio network planning in support of new antenna placement throughout the country. Network planners can determine optimal antenna heights and locations, field strength coverage and predictions, and ensure current and future network advancements are meeting the needs of their customers.

Without NEXTMap data, wireless companies would have to rely on inconsistent and unreliable maps or be forced to perform time-consuming on-site measurements and costly antenna adjustments, thus delaying new services and increasing costs associated with the necessary expansion and consolidation of radio networks. Telecommunications companies in Western Europe and the United States can all benefit from the richness of NEXTMap elevation data.

Flood Risk Management

Completing NEXTMap Europe has enabled Intermap to sign three significant new agreements related to flood risk applications including Ireland's Office of Public Works (OPW), the lead agency for flood-risk management in Ireland, GMES an EU-wide license for flood researchers, and Guy Carpenter for a flood model of France. Intermap has also used the completion of NEXTMap Europe to open discussions with the largest insurance group companies in Europe about pan European solutions for flood risk modeling.

Intermap has developed flood risk management models for a large portion of Europe, including the UK, France, Hungary, Switzerland, and the Czech and Slovak Republics. Insurance companies can use NEXTMap's superior insurance risk information to better define risk. The result can be more effective portfolio management and a net reduction of costs through a reduced need for reinsurance coverage and lower payouts after insurable events occur.

Conference Call

Intermap will host a conference call today, May 13 at 4:30 p.m. ET (2:30 p.m. MT). To participate in the call, please dial 1-416-695-6622 or 1-800-766-6630 approximately 10 minutes prior to the conference call. A recording of the conference call will be available through May 27, 2010. Please dial 1-416-695-5800 or 1-800-408-3053 and provide the password 6200146 to listen to the rebroadcast.

About Intermap Technologies

Intermap (TSX: IMP.TO) is a preeminent digital mapping company creating uniform high-resolution 3D digital models of the earth's surface. The Company has proactively remapped entire countries and is building uniform national datasets, called NEXTMap®, consisting of elevation data and geometric images of unprecedented accuracy. Demand for NEXTMap data continues to grow as new commercial applications emerge within the GIS, engineering, automotive, consumer electronics, insurance risk assessment, oil and gas, renewable energy, hydrology, environmental planning, wireless communications, transportation, aviation, and 3D visualization markets.

Intermap is headquartered in Denver, Colorado, with additional offices in Calgary, Detroit, Jakarta, London, Madrid, Munich, Paris, Perth, Prague and Washington, D.C. For more information, visit www.Intermap.com or www.AccuTerra.com.

NEXTMap data is available directly from Intermap, online at www.TerrainOnDemand.com, or through selected partners worldwide.

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Intermap Reader Advisory
Certain information provided in this news release constitutes forward-looking statements. The words "anticipate", "expect", "project", "estimate", "forecast" and similar expressions are intended to identify such forward-looking statements. Although Intermap believes that these statements are based on information and assumptions which are current, reasonable and complete, these statements are necessarily subject to a variety of known and unknown risks and uncertainties. You can find a discussion of such risks and uncertainties in our Annual Information Form and other securities filings. While the Company makes these forward-looking statements in good faith, should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary significantly from those expected. Accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that the Company will derive therefrom. All subsequent forward-looking statements, whether written or oral, attributable to Intermap or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. The forward-looking statements contained in this news release are made as at the date of this news release and the Company does not undertake any obligation to update publicly or to revise any of the forward-looking statements made herein, whether as a result of new information, future events or otherwise, except as may be required by applicable securities law.

Management's Discussion and Analysis

For the quarter ended March 31, 2010

For purposes of this discussion, "Intermap" or the "Company" refers to Intermap Technologies Corporation and its subsidiaries.

This management's discussion and analysis ("MD&A") is provided as of May 10, 2010, and should be read together with the Company's Consolidated Interim Financial Statements for the three months ended March 31, 2010 and the audited Consolidated Financial Statements for the years ended December 31, 2009 and 2008, together with the accompanying notes. The results reported herein have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and, unless otherwise noted, are expressed in U.S. dollars.

Additional information relating to the Company, including the Company's Annual Information Form (AIF), can be found on the Company's Web site at www.intermap.com and on SEDAR at www.sedar.com.

FORWARD-LOOKING STATEMENTS

In the interest of providing the shareholders and potential investors of Intermap Technologies Corporation 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 Management's Discussion and Analysis constitutes forward-looking statements or information (collectively, "forward-looking statements"). Forward-looking statements are typically identified by words such as "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 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 material factors and 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 effective production capabilities with respect to the cost to produce the Company's products; (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; (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/products do not develop prior to Intermap establishing its technology as the 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" in the Company's most recently filed Annual Information Form 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 MD&A, 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.

BUSINESS OVERVIEW

Intermap is a digital mapping company creating uniform, high-resolution 3D digital models of the earth's surface. The Company has proactively remapped entire countries and built uniform national databases called NEXTMap®, consisting of elevation data and geometric images with high accuracy. These digital maps are used in a wide range of applications, including geographic information systems (GIS), engineering, automotive, GPS maps, insurance risk assessment, oil and gas, renewable energy, hydrology, environmental planning, wireless communications, transportation, aviation, and 3D visualization. The products are also used to improve the positional accuracy of airborne and satellite images. Working for private industry, governments, and individual consumers worldwide, Intermap employs interferometric synthetic aperture radar (IFSAR) mapping technology, which provides the ability to digitally map large areas accurately and quickly and acquire data at any time of the day including overcast and dark conditions.

The NEXTMap Europe dataset is complete and represents 2.5 million square kilometers of area and includes 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.

The NEXTMap USA program, the largest NEXTMap program to date, is virtually complete. The program covers nearly 8.0 million square kilometers of the contiguous United States and Hawaii. The NEXTMap USA program includes terrain elevation and image data accurate to 1 meter or better in the vertical dimension and 2 meters or better in the horizontal dimension. As of March 31, 2010, the NEXTMap USA program has data available off the shelf representing approximately 7.9 million square kilometers of area, or approximately 97% of the entire NEXTMap USA program. The entire dataset is expected to be available for sale during the second quarter of 2010.

FINANCIAL INFORMATION

The following table sets forth selected annual financial information for the periods indicated.

US $ millions except per share data		Three months ended March 31, 2010		Three months ended March 31, 2009
Revenue:				
Contract services	$	1.2	$	4.3
Multi-client data licenses		2.3		1.2
Total revenue	$	3.5	$	5.5
Net loss	$	(11.2)	$	(7.0)
EPS basic and diluted	$	(0.21)	$	(0.15)
Adjusted EBITDA	$	(5.7)	$	(2.9)

Selected Quarterly Information

Revenue

Consolidated revenue for the quarter ended March 31, 2010 totaled $3.5 million compared to $5.5 million for the same period in 2009, representing a 36% decrease. As of March 31, 2010, there remained $1.7 million in revenue from existing contracts ($0.7 million in contract services and $1.0 million in multi-client data library ("MCDL") license contracts) to be recognized in future periods.

Contract services revenue for the quarter ended March 31, 2010 decreased to $1.2 million from $4.3 million for the same period in 2009. The decrease was primarily the result of a reduction in revenue from mapping projects in South East Asia where the Company had $4.0 million in revenue during the first quarter of 2009, compared to only $700 in the first quarter of 2010. The remaining contract services revenue for the quarter ended March 31, 2010 was generated primarily by contract work performed in relation to our risk management initiatives in Europe.

MCDL license revenue for the quarter ended March 31, 2010 totaled $2.3 million, compared to $1.2 million for the same period in 2009, representing a 92% increase. The increase was primarily the result of a large sale of NEXTMap Europe – Germany data which generated $1.2 million in revenue during the quarter ended March 31, 2010, without a similar size contract in the first quarter of 2009. During the quarter ended March 31, 2010, approximately 62% of MCDL license revenue was associated with the NEXTMap Europe dataset, 28% was associated with the NEXTMap USA dataset, and 10% was associated with the Asia dataset. For the same period in 2009, approximately 68% of the MCDL license revenue was associated with the NEXTMap USA dataset, 30% was associated with the NEXTMap Europe dataset, and 2% was associated with the Asia dataset.

World economic difficulties continued to affect the Company's revenues during the first quarter of 2010. Existing and potential customers have maintained a cautious approach to their businesses, conserving cash by deferring previously planned projects and re-evaluating their short-term operating budgets. Although the

Company is starting to see more proposal activity, we believe the current challenging economic environment will continue to impact contract service revenue during the first half of 2010.

Operations
Operations expense includes aircraft costs, employee compensation, data processing costs, and third-party expenses related to the collection, processing, and editing of Intermap's mapping data.

Gross operations expense, prior to capitalization, for the quarter ended March 31, 2010 and 2009 was $4.1 million and $6.1 million, respectively. The decrease in gross operations expense was primarily the result of the reduction in production operations which reflects the completion of the NEXTMap Europe program and the completion of the airborne collection associated with the NEXTMap USA program. Net operations expense for the quarter ended March 31, 2010 totaled $2.9 million, compared to $1.7 million for the same period in 2009. The increase in net operations expense resulted from a reduction of the capitalization of costs to the NEXTMap programs to $1.2 million in the first quarter of 2010 from $4.3 million in the first quarter of 2009 due to the completion of NEXTMap Europe and NEXTMap USA.

Research and Development
Research and development ("R&D") expense includes engineering personnel and their associated costs. For the quarter ended March 31, 2010 and 2009, R&D expense was $0.8 and $0.9 million, respectively. The research and development costs incurred during both periods were primarily attributable to software development efforts associated with the continued development of internal data editing and processing tools and the expansion of the Company's NEXTMap services solutions (e.g., risk management and consumer electronics applications).

Sales, General and Administrative
Sales, general and administrative ("SG&A") expense includes employee compensation, database infrastructure costs, business development, sales, marketing, finance, administration, human resources, and facilities. For the quarter ended March 31, 2010, net SG&A expense was $6.0 million compared to $6.2 million for the same period in 2009. Gross SG&A expense for the period ended March 31, 2010 and 2009, prior to capitalization, was $6.3 million and $6.9 million, respectively. The decrease in SG&A expense for 2010 resulted primarily from a reduction in personnel costs within the business development areas of the Company (see "Personnel" below), offset by a reduction of the capitalization of costs to the NEXTMap programs.

Personnel
Consolidated headcount was 633 at March 31, 2010, a decrease from 864 at March 31, 2009. The decrease was primarily driven by a decrease in operations personnel by approximately 33%, or 211 full-time personnel. The decrease in operations personnel resulted from the Company's completion of the NEXTMap Europe program and completion of the airborne collection associated with the NEXTMap USA program. R&D and administrative personnel also decreased by 13%, or 20 employees during the year. Salaries and related personnel costs (including workforce reduction costs) for the quarter ended March 31, 2010 and 2009 were $6.1 million and $5.7 million, respectively. Salaries and related personnel costs increased primarily due to workforce reduction costs of $0.3 million incurred during the first quarter of 2010 in relation to the reduction in workforce initiated in the fourth quarter of 2009. In 2010, The Company will realize annual savings

of approximately $6.0 in personnel expense as a result of the headcount and salary reduction initiatives implemented during 2009.

Non-cash stock-based compensation for the quarter ended March 31, 2010 totaled $0.5 million, compared to $0.4 million for the same period in 2009. The increase of $0.1 million was primarily due to the additional stock option grants in December 2009.

Adjusted EBITDA

Adjusted EBITDA is not a recognized performance measure under GAAP and does not have a standardized meaning prescribed by GAAP. The term EBITDA consists of net income (loss) and excludes interest, taxes, depreciation, and amortization. Adjusted EBITDA also excludes stock-based compensation, gain or loss on the disposal of property and equipment, and gain or loss on foreign currency translation. Adjusted EBITDA is included as a supplemental disclosure because management believes that such measurement provides a better assessment of the Company's operations on a continuing basis by eliminating certain non-cash charges and charges that are nonrecurring. The most directly comparable measure to Adjusted EBITDA calculated in accordance with GAAP is net income (loss). The following is a reconciliation of the Company's net income (loss) to Adjusted EBITDA.

US $ millions		Three months ended March 31, 2010		Three months ended March 31, 2009
Net loss	$	(11.2)	$	(7.0)
Depreciation of property and equipment		1.2		1.5
Amortization of multi-client data library		3.5		1.8
Amortization of intangible assets		0.1		0.1
Interest expense(income)		-		0.1
Stock-based compensation		0.5		0.4
(Gain) loss on foreign currency translation		0.2		0.2
Adjusted EBITDA	$	(5.7)	$	(2.9)

Adjusted EBITDA for the quarter ended March 31, 2010 was a loss of $5.7 million, compared to a loss of $2.9 million for the same period in 2009. The increase in the adjusted EBITDA loss for the three months ended March 31, 2010 is primarily attributable to a decrease in revenue of $2.0 million and an increase in net operations costs of $1.1 million as compared to the same period in 2009.

Depreciation of Property and Equipment

Depreciation expense for the quarters ended March 31, 2010 and 2009 totaled $1.2 million and $1.5 million, respectively. The capitalization of depreciation was $0.3 million for the quarter ended March 31, 2010, compared to $0.5 million for the same period in 2009. The capitalization of depreciation expense relates to the creation of the MCDL, and specifically relates to the dedication of internal resources (aircraft, radar, and production equipment) for the purpose of collecting and processing NEXTMap data.

Amortization of MCDL

Amortization expense relating to the MCDL for the quarter ended March 31, 2010 increased to $3.5 million from $1.8 million for the same period in 2009. The increase in amortization expense was primarily due to size of the underlying MCDL asset on the balance sheet and the consistent application of the Company's amortization policy. See "Critical Accounting Policies and Estimates – Multi-client Data Library."

Interest Income and Expense

Interest income is generated from investment of cash in only low-yield, government-backed securities (see "Liquidity and Capital Resources" below). The investment of these funds earned the Company $1 thousand in interest income during the quarter ended March 31, 2010, compared to $3 thousand during the same period in 2009.

Interest expense for the quarter ended March 31, 2010 totaled $45 thousand compared to $60 thousand for the same period in 2009. The decrease in interest expense for the first quarter of 2010 compared to the same period in 2009 is due to the reduction of principal resulting from recurring payments on long-term debt.

Loss on Foreign Currency Translation

The Company continuously monitors the level of foreign currency assets and liabilities carried on the balance sheet in an effort to minimize as much of the foreign currency translation exposure as possible. Steps taken to minimize translation effects have included the movement of cash and cash equivalents between Canadian dollar, Australian dollar, Euro, and United States dollar currencies. The result is a partial natural currency hedge for the Company.

During the quarter ended March 31, 2010, a foreign currency translation loss of $188 thousand was recognized compared to a loss of $150 thousand for the same period in 2009. The loss for 2010 was primarily the result of losses on the accounts receivable balances held in foreign currencies and cash held in Euros as a result of the strengthening of the United States dollar. At March 31, 2010, the Company held approximately $1.8 million in net cash, amounts receivable and liabilities denominated in Euros.

Income Tax

Current income tax expense of $34 thousand was incurred during the quarter ended March 31, 2010 compared to $52 thousand during the same period in 2009. This expense relates to taxable income generated from the Company's Indonesian, Slovak, and Australian subsidiaries. During the quarter ended March 31, 2010 and 2009, future income tax recoveries of $42 thousand and $6 thousand, respectively, were recognized as a result of future tax expense related to the German subsidiary and a future income tax recovery resulting from the amortization of intangible assets held in the Czech Republic subsidiary, which have no tax basis. The decrease from December 31, 2009 was due to the reduction of the corporate tax rate in the Czech Republic from 24% to 19%. The Company did not recognize any income tax expense on any other operations during the quarters ended March 31, 2010 and 2009, due to losses incurred in the United States and Canada. The benefit of unused tax losses in Germany have been recognized in the financial statements as it was determined that the German subsidiary was more likely than not to be able to realize the benefit from these losses. The benefit of unused tax losses from all other subsidiaries have not been recognized in the financial statements, as the potential benefit has been offset by a valuation allowance.

Amounts Receivable and Unbilled Revenue

Work is performed on contracts that provide invoicing upon the completion of identified contract milestones. Revenue on certain of these contracts is recognized using the percentage-of-completion method of accounting based on the ratio of costs incurred to date over the estimated total costs to complete the contract. While an effort is made to schedule payments on contracts in accordance with work performed, the completion of milestones does not always coincide with the costs incurred on a contract, resulting in revenue being recognized in excess of billings. These amounts are recorded in the balance sheet as unbilled revenue.

Amounts receivable and unbilled revenue in the aggregate, net of deferred revenue, decreased to $3.1 million at March 31, 2010 from $11.9 million at December 31, 2009. The decrease was primarily due to the collection of cash related to one large project for $6.5 million in January 2010. These amounts represent 119 days' sales at March 31, 2010, compared to 116 days' sales at December 31, 2009, and reflect specific project billing milestones on current contracts that were in progress on those dates.

Work in Process

Work in process generally results from the collection and processing of data for licensing. The Company has recorded the costs incurred for this data collection as work in process, and such costs will be expensed (i) once a contract has been received and the data is delivered, or (ii) if it is determined that the costs are greater than the net realizable value. Work in process for the quarter ended March 31, 2010 and for the year ended December 31, 2009 totaled $2.0 million.

Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities generally include trade payables, project-related accruals and personnel-related costs. Accounts payable and accrued liabilities decreased 14% from $5.9 million at December 31, 2009 to $5.1 million at March 31, 2010. The decrease resulted primarily from a reduction in personnel and project-related accruals.

Capital Lease Obligations and Long-term Debt

Capital lease obligations and long-term debt totaled $2.6 million at March 31, 2010, compared to $2.9 million at December 31, 2009. The decrease is the result of recurring payments on outstanding capital lease obligations and long-term bank loan obligations.

QUARTERLY FINANCIAL INFORMATION

Selected Quarterly Information

The following table sets forth selected quarterly financial information for Intermap's eight most recent fiscal quarters. This information is unaudited, but reflects all adjustments of a normal, recurring nature that are, in the opinion of management, necessary to present a fair statement of Intermap's consolidated results of operations for the periods presented. Quarter-to-quarter comparisons of Intermap's financial results are not necessarily meaningful and should not be relied on as an indication of future performance.

US $ millions except per share data	Q2 2008	Q3 2008	Q4 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	Q1 2010
Revenue:								
Contract services	$ 2.5	$ 10.3	$ 7.5	$ 4.3	$ 3.5	$ 7.4	$ 4.9	$ 1.2
Multi-client data licenses	4.4	2.5	2.1	1.2	2.7	3.0	3.3	2.3
Total revenue	$ 6.9	$ 12.8	$ 9.6	$ 5.5	$ 6.2	$ 10.4	$ 8.2	$ 3.5
Depreciation and amortization	$ 3.5	$ 2.6	$ 3.1	$ 3.4	$ 4.2	$ 4.3	$ 4.9	$ 4.8
Net income (loss)	$ (6.2)	$ 0.2	$ (3.7)	$ (7.0)	$ (6.9)	$ (4.3)	$ (7.6)	$ (11.2)
Net income (loss) per share basic and diluted	$ (0.13)	$ -	$ (0.08)	$ (0.15)	$ (0.14)	$ (0.08)	$ (0.15)	$ (0.21)

LIQUIDITY AND CAPITAL RESOURCES

Management continually assesses liquidity in terms of the ability to generate sufficient cash flow to fund the business. Net cash flow is affected by the following items: (i) operating activities, including the level of amounts receivable, unbilled receivables, accounts payable, and deferred revenue; (ii) investing activities, including the investment in the MCDL and the purchase of property and equipment; and (iii) financing activities, including debt financing and the issuance of capital stock.

Cash generated by operations during the quarter ended March 31, 2010 totaled $2.5 million compared to cash used in operations of $0.2 million during the same period in 2009. The total cash generated during the first quarter of 2010 was impacted by changes in working capital, specifically a decrease in amounts receivable and unbilled revenue of $9.0 million.

Net cash used in financing activities totaled $0.3 million during the quarter ended March 31, 2010 and 2009. The net cash used in financing activities during the first quarter of 2010 and 2009 is due to the repayment of long-term debt and capital leases.

Net cash used in investing activities totaled $1.7 million for the quarter ended March 31, 2010, compared to $5.3 million during the quarter ended March 31, 2009. Cash used during the quarter ended March 31, 2010 in investing activities was primarily for investment in the MCDL of $1.5 million ($5.0 million in 2009) and investment in computer/storage equipment and software of $0.1 million ($0.2 million in 2009). For the quarter ended March 31, 2010, investment in the MCDL decreased $3.5 million as compared to the same period in 2009 due to the completion of the NEXTMap Europe dataset and the completion of the airborne collection associated with the NEXTMap USA dataset.

As a result of the completion of the NEXTMap Europe dataset and significant progress toward the completion of the NEXTMap USA dataset, during the third quarter of 2009 the Company announced plans to reduce the capacity of data collection and production operations. This restructuring program included reductions in personnel and the ongoing closure of a facility in Ottawa, Canada. The expected completion date of the restructuring program is during the second quarter of 2010.

The cash position of the Company at March 31, 2010 (cash and cash equivalents) was $10.8 million, compared to $10.4 million at December 31, 2009. Working capital decreased to $10.3 million as of March 31, 2010 from $18.1 million as of December 31, 2009.

The continuing operations of the Company are dependent upon its ability to generate positive cash flow or obtain additional financing to fund future operations. However, management believes that the existing cash resources of $10.8, together with anticipated data and contract service sales, and the cost reductions initiatives implemented will be sufficient to fund operations through at least March 31, 2011. As the year progresses management will continue to monitor the level of sales and take appropriate actions to ensure that the company can fund future operations.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Revenue Recognition

Revenue from fixed-price contracts is recognized using the percentage-of-completion method of accounting, based on the ratio of costs incurred to estimated final costs. The utilization of the percentage-of-completion method of accounting requires estimates to determine the cost to complete each contract. These estimates are reviewed monthly and adjusted as necessary. Provisions for estimated losses, if any, are recognized in the period in which the loss is determined. Project losses are measured by the amount by which the estimated costs of the project exceed the estimated total revenue for the project.

Contracts that include elements of MCDL licensing and either fixed price or consulting arrangements are divided into separate units of accounting based on the fair value of the undelivered elements. If the elements cannot be separated into separate units of accounting, the elements are recognized as one unit of accounting and recognized ratably over the term of the contract or upon completion of the contract.

MCDL

The Company maintains an MCDL, which results from the acquisition and processing of digital map data. All ownership rights to this data are retained by the Company and the data is licensed to customers on a non-transferable basis. All of the direct costs of acquiring and processing the data are capitalized as an investment in the MCDL. These costs include direct overhead associated with the acquisition and processing of the data and the depreciation of the property and equipment used in the production of the data.

For NEXTMap programs, capitalized costs are amortized based on the percentage of total estimated costs to total estimated sales, multiplied by actual sales in the period. In the event the percentage changes as a result of a change in the estimate of total costs and / or total sales, amortization is adjusted accordingly.

Any costs which remain unamortized 18 months after being capitalized are amortized on a monthly basis at the greater of (i) a straight-line monthly amortization charge over 60 months, and (ii) the calculated charge based on sales during the period.

The amortization period of 60 months represents the minimum estimated useful life over which benefits from the data are expected to be derived. The carrying value of the MCDL is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable through future cash flows. The Company uses operating and financial assumptions to estimate cash flows. No adjustments have been recorded against the net book value of the MCDL to date.

Operations expenses that were capitalized for NEXTMap programs totaled $1.4 million during the quarter ended March 31, 2010 and $4.3 million for the same period in 2009. The decrease in capitalization of operations expense on a quarter-over-quarter basis is due to decreased airborne data collection and processing as a result of the completion of the NEXTMap Europe dataset and the completion of the airborne collection associated with the NEXTMap USA dataset.

Work In Process

Work in process is valued at the lower of cost and realizable value. Management reviews the work in process regularly, and if in the estimation of Management the net realizable value of the work in process is less than cost, a provision is recorded to reduce the carrying value of the work in process, and a corresponding expense is recognized thereby reducing the net income for the period.

FUTURE CHANGES IN ACCOUNTING POLICIES

In February 2008, the Canadian Accounting Standards Board confirmed that Canadian public enterprises will need to adopt International Financial Reporting Standards (IFRS) effective for interim and annual periods beginning on or after January 1, 2011. Companies will be required to provide IFRS comparative information for the previous fiscal year. Accordingly, the conversion from Canadian GAAP to IFRS will be applicable to the Company's reporting for the first quarter of 2011, for which the current and comparative information will be prepared under IFRS.

The Company commenced its IFRS conversion project in 2008. The project consists of three main phases: project plan and scoping, evaluation and design, and implementation and review.

The Company has completed phase one, which includes a high-level conversion program and a scoping exercise to identify priorities, a diagnostic review of the Company's financial statements, and a preliminary determination of the expected accounting impact. Based on this exercise, the Company determined the required resources, training, and timeline for the project.

The Company has commenced phase two, which consists of a comprehensive analysis of the major differences between GAAP and IFRS applicable to the Company, identification of accounting policy alternatives, a review of information technology systems and the impact of the conversion on the business activities and internal control environment. The Company has hired an additional resource necessary to establish appropriate IFRS financial reporting expertise at all levels of the business, and training of key finance personnel will be delivered starting in the third quarter of 2010.

As the review of accounting policies is completed, appropriate changes to ensure the integrity of internal control over financial reporting and disclosure controls and procedures will be made. For example, any changes in accounting policies could result in additional controls or procedures being required to address reporting of first-time adoption as well as ongoing IFRS reporting requirements.

Phase three will consist of implementation of the changes, evaluation, and revision of business metrics, if required, and modification to the financial reporting schedules. Phase three is planned to commence in the second half of 2010.

The Company will also ensure that its key stakeholders are informed about the anticipated effects of the IFRS transition. In the current year, the Company will provide IFRS information as part of its Board of Director presentations to highlight such anticipated effects. The Company anticipates a significant increase in disclosure resulting from the adoption of IFRS as well as certain presentation differences. The IFRS project is on target to meet the changeover date.

OUTSTANDING SHARE DATA

The Corporation's authorized capital consists of an unlimited number of Class A common shares without par value and an unlimited number of Class A participating preferred shares without par value. At the close of business on May 10, 2010, 52,432,037 Class A common shares were issued and outstanding. There are no preferred shares currently issued and outstanding.

As of May 10, 2010, 4,166,650 stock options are outstanding in the Company's stock option plan with a weighted average exercise price of C$4.31. In addition, there are 3,200,000 warrants outstanding that are exercisable with a weighted average exercise price of C$2.99, and each warrant entitles the holder to purchase one Class A common share.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS

Disclosure Control Risks

Disclosure controls and procedures have been designed to provide reasonable assurance that information required to be disclosed is accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure. Pursuant to Multilateral Instrument 52-109, the Chief Executive Officer and Chief Financial Officer have concluded, based on their evaluation of the effectiveness of the disclosure controls and procedures as at March 31, 2010, that disclosure controls and procedures provide reasonable assurance that material information is made known to them by others within the Company.

Internal Control Risks

Internal controls over financial reporting have been designed to provide reasonable assurance regarding the reliability of financial reporting. Management, including the Chief Executive Officer and Chief Financial Officer, reviewed and evaluated the design and operating effectiveness of the internal controls over financial reporting (as defined by Multilateral Instrument 52-109) and concluded that sufficient controls exist at March 31, 2010 to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian GAAP. There have been no changes in the design of internal controls over financial reporting that occurred during the quarter ended March 31, 2010 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

RISKS AND UNCERTAINTIES

The risks and uncertainties described in Management's Discussion and Analysis presented in the 2009 Annual Report and the Annual Information Form of the Company have not changed materially.

Consolidated Balance Sheets

(In thousands of United States dollars)

	March 31, 2010 (unaudited)	December 31, 2009
Assets		
Current assets:		
Cash and cash equivalents	**$ 10,803**	$ 10,355
Amounts receivable	**3,148**	12,270
Unbilled revenue	**472**	343
Work in process	**1,985**	2,057
Prepaid expenses	**1,290**	1,481
	17,698	26,506
Property and equipment (Note 5)	**12,486**	13,380
Multi-client data library (Note 6)	**83,570**	85,276
Intangible assets (Note 7)	**805**	909
Future income taxes (Note 11)	**113**	136
	$ 114,672	$ 126,207
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	**$ 5,111**	$ 5,916
Current portion of deferred lease inducements	**258**	171
Deferred revenue	**506**	674
Income taxes payable	**55**	42
Current portion of obligations under capital lease (Note 8)	**196**	229
Current portion of long-term debt (Note 9)	**1,283**	1,383
	7,409	8,415
Deferred lease inducements	**447**	129
Obligations under capital lease (Note 8)	**87**	130
Long-term debt (Note 9)	**1,034**	1,121
Future income taxes (Note 11)	**153**	218
	9,130	10,013
Shareholders' equity:		
Share capital (Note 10)	**181,623**	181,623
Contributed surplus (Note 10(c))	**7,393**	6,882
Deficit	**(89,668)**	(78,505)
Accumulated other comprehensive income	**6,194**	6,194
	105,542	116,194
Commitments (Note 12)		
	$ 114,672	$ 126,207

See accompanying notes to consolidated financial statements.

Consolidated Statements of Operations, Comprehensive Loss and Deficit

(In thousands of United States dollars, except per share information)

For the Three Months Ended March 31,	**2010**	2009
	(unaudited)	(unaudited)
Revenue:		
Contract services	**$ 1,210**	$ 4,333
Multi-client data licenses	**2,267**	1,164
	3,477	5,497
Operating costs:		
Operations	**2,861**	1,742
Research and development	**767**	909
Sales, general and administrative	**5,980**	6,191
Depreciation of property and equipment	**1,199**	1,465
Amortization of multi-client data library	**3,511**	1,814
Amortization of intangible assets	**104**	104
Gain on disposal of equipment	**(6)**	-
	14,416	12,225
Loss before interest, foreign exchange and income taxes	**(10,939)**	(6,728)
Interest expense	**(45)**	(60)
Interest income	**1**	3
Loss on foreign currency translation	**(188)**	(150)
Loss before income taxes	**(11,171)**	(6,935)
Income tax expense (recovery):		
Current	**34**	52
Future	**(42)**	(6)
	(8)	46
Net loss and comprehensive loss	**(11,163)**	(6,981)
Deficit, beginning of period	**(78,505)**	(52,665)
Deficit, end of period	**$ (89,668)**	$ (59,646)
Basic and diluted loss per share	**$ (0.21)**	$ (0.15)
Weighted average number of Class A common shares - basic and diluted (Note 10(d))	**52,432,037**	46,188,713

See accompanying notes to consolidated financial statements.

Consolidated Statements of Cash Flows

(In thousands of United States dollars)

For the Three Months Ended March 31,	**2010**	2009
	(unaudited)	(unaudited)
Cash flows (used in) provided by:		
Operations:		
Net loss	**$ (11,163)**	$ (6,981)
Items not involving cash and cash equivalents:		
Depreciation of property and equipment	**1,199**	1,465
Amortization of multi-client data library	**3,511**	1,814
Amortization of intangible assets	**104**	104
Stock-based compensation	**511**	432
Gain on disposal of equipment	**(6)**	-
Amortization of deferred lease inducements	**18**	(55)
Future income taxes	**(42)**	(6)
Change in non-cash operating working capital	**8,368**	3,045
	2,500	(182)
Financing:		
Repayment of obligations under capital lease	**(76)**	(100)
Repayment of long-term debt	**(239)**	(206)
	(315)	(306)
Investments:		
Purchase of property and equipment	**(214)**	(270)
Investment in multi-client data library	**(1,532)**	(5,000)
Proceeds from sale of equipment	**12**	-
	(1,734)	(5,270)
Effect of foreign exchange on cash	**(3)**	(48)
Increase (decrease) in cash and cash equivalents	**448**	(5,806)
Cash and cash equivalents, beginning of period	**10,355**	27,247
Cash and cash equivalents, end of period	**$ 10,803**	$ 21,441
Supplemental cash flow information:		
Cash paid for interest expense	**$ 45**	$ 60
Cash paid for income taxes	**$ 36**	$ 15

Cash and cash equivalents include deposits with financial institutions that can be withdrawn without prior notice or penalty.

See accompanying notes to consolidated financial statements.

Notes to Consolidated Financial Statements

(In thousands of United States dollars, except per share information)
First Quarter ended March 31, 2010

1. **Incorporation:**

   Intermap Technologies Corporation (the "Company") is incorporated under the laws of Alberta, Canada. Intermap is a digital mapping company creating uniform high-resolution 3D digital models of the earth's surface. The Company is mapping entire countries and building a uniform national database, called NEXTMap®, consisting of elevation data and geometric images.

   These consolidated financial statements have been prepared using Canadian generally accepted accounting principles applicable to a going concern, which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Accordingly, it does not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than the normal course of business and at amounts different from those shown in the financial statements. The continuing operations of the Company are dependent upon its ability to generate future profitable operations or obtain additional financing to fund future operations and, ultimately, to generate positive cash flows from operations. There can be no assurance that positive cash flow from operations will be attained or that financing will be available.

2. **Summary of significant accounting policies:**

   These interim consolidated financial statements have been prepared using the same accounting policies and methods as were used for the consolidated financial statements for the year ended December 31, 2009. The interim consolidated financial statements and related notes should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2009. When necessary, the financial statements include amounts based on informed estimates and best judgments of management. The results of operations and comprehensive loss for the interim periods reported are not necessarily indicative of results for the full year.

3. **Future accounting standards:**

   In February 2008, the Canadian Accounting Standards Board confirmed that Canadian public enterprises will need to adopt International Financial Reporting Standards (IFRS) effective for interim and annual periods beginning on or after January 1, 2011. Companies will be required to provide IFRS comparative information for the previous fiscal year. Accordingly, the conversion from GAAP to IFRS will be applicable to the Company's reporting for the first quarter of 2011, for which the current and comparative information will be prepared under IFRS. The Company commenced its IFRS conversion project in 2008, and a project plan is in place to meet the required conversion date.

4. **Joint Venture:**

During 2008, the Company entered into a joint venture agreement with PASCO Corporation. The joint venture, PASCOMap LLC, is 49.9% owned by the Company and 50.1% owned by PASCO Corporation and was formed to develop, market, and license digital elevation model data using radargrammetry technology and satellite radar data. As of March 31, 2010, amounts included in the Company's consolidated financial statements related to PASCOMap were cash of $42 (year ended December 31, 2009 – $19), accounts payable of $nil (year ended December 31, 2009 – $56) and operating costs of $4 (year ended December 31, 2009 – $39). As of March 31, 2010, the joint venture has no material commitments or contingencies.

5. **Property and equipment:**

March 31, 2010		**Cost**		**Accumulated depreciation**		**Net book value**
						(unaudited)
Aircraft	**$**	**13,543**	**$**	**8,086**	**$**	**5,457**
Mapping equipment and software		**23,011**		**18,591**		**4,420**
Radar equipment		**12,403**		**11,041**		**1,362**
Furniture and fixtures		**587**		**513**		**74**
Automobiles		**99**		**49**		**50**
Leasehold improvements		**1,598**		**971**		**627**
Assets held under capital leases:						
Mapping equipment and software		**1,430**		**1,155**		**275**
Assets under construction:						
Mapping equipment and software		**221**		**-**		**221**
	$	**52,892**	**$**	**40,406**	**$**	**12,486**

December 31, 2009		Cost		Accumulated depreciation		Net book value
Aircraft	$	13,543	$	7,819	$	5,724
Mapping equipment and software		22,409		17,484		4,925
Radar equipment		12,403		10,868		1,535
Furniture and fixtures		587		500		87
Automobiles		99		44		55
Leasehold improvements		1,228		918		310
Assets held under capital leases:						
Mapping equipment and software		1,880		1,527		353
Assets under construction:						
Mapping equipment and software		391		-		391
	$	52,540	$	39,160	$	13,380

During the three months ended March 31, 2010, property and equipment was acquired at an aggregate cost of $214 (year ended December 31, 2009 – $1,288), and no property and equipment was acquired by means of capital lease (year ended December 31, 2009 – $nil). The Company also received $370 (year ended December 31, 2009 – $100) in leasehold improvements that were paid for by the landlord in connection with the signing of a new lease on the Calgary, Canada facility.

During the first quarter of 2010, the Company received $20 in proceeds from the sale of equipment. The equipment had a net book value of $6, and the Company incurred $8 of cost in order to accommodate the sale.

6. **Multi-client data library:**

	March 31, 2010	December 31, 2009
	(unaudited)	
Cost:		
Balance, beginning of year	$ 115,093	$ 100,899
Add:		
Direct costs and overhead	1,532	12,627
Capitalized depreciation	273	1,567
Balance, end of year	116,898	115,093
Accumulated amortization	(33,328)	(29,817)
	$ 83,570	$ 85,276

7. **Intangible assets:**

March 31, 2010	Cost	Accumulated amortization	Net book value
			(unaudited)
Technology	$ 1,747	$ 1,079	$ 668
Customer relationships	233	144	89
Contracts	126	78	48
	$ 2,106	$ 1,301	$ 805

December 31, 2009	Cost	Accumulated amortization	Net book value
Technology	$ 1,747	$ 992	$ 755
Customer relationships	233	133	100
Contracts	126	72	54

8. Obligations under capital lease:

Future minimum capital lease payments as of March 31 are:

		2010
Twelve months ended March 31:		(unaudited)
2011	$	202
2012		88
Total minimum lease payments		290
Less amount representing interest (at rates ranging from approximately 3.3% to 5.9%)		(7)
Present value of minimum lease payments		283
Less current portion of obligations under capital lease		(196)
	$	87

9. Long-term debt:

		March 31, 2010		December 31, 2009
		(unaudited)		
Bank term loan (a)	$	1,527	$	1,589
Term loans (b)		790		915
		2,317		2,504
Less current portion		(1,283)		(1,383)
	$	1,034	$	1,121

a. In December 2007, the Company obtained a term loan from a Canadian bank in the amount of $2,522 ($2,500 CDN). The loan is repayable in monthly installments of $42 ($40 CDN) over a term of 60 months maturing on February 28, 2013. The loan bears interest at 6.25% and is secured by a general security agreement. An aircraft owned by the Company is listed as the primary collateral under the general security agreement.

b. In January 2008, the Company obtained a term loan from a Canadian financing company in the amount of $605. The loan is repayable in monthly installments of principal and interest of $21 over a term of 31 months maturing on August 9, 2010. The loan bears interest at a rate of 7.86% and is secured by a general security agreement. As of March 31, 2010, $103 was outstanding on the loan.

In August 2005, the Company obtained a term loan from a Canadian financing company in the amount of $1,715. The loan is repayable in monthly installments of principal and interest of $25 over a term of 60 months maturing on August 9, 2010, at which point the remaining balance of $578 will be due. The loan bears interest at a rate of 6.5% and is secured by a general security agreement. As of March 31, 2010, $687 was outstanding on the loan.

Principal repayments of long-term debt are as follows:

Twelve months ended March 31,		
2011	$	1,283
2012		524
2013		510
	$	2,317

10. Share capital:

a. Authorized:

The authorized share capital of the Company consists of an unlimited number of Class A common shares and an unlimited number of Class A participating preferred shares. There are no Class A participating preferred shares outstanding.

b. Issued:

	March 31, 2010			December 31, 2009		
Class A common shares	**Number of Shares**		**Amount**	Number of Shares		Amount
			(unaudited)			
Balance, beginning of period	**52,432,037**	**$**	**181,623**	46,188,713	$	172,288
Stock-based compensation	**-**		**-**	493,324		813
Issuance of shares for cash	**-**		**-**	5,750,000		9,540
Issuance costs	**-**		**-**	-		(1,018)
Balance, end of period	**52,432,037**	**$**	**181,623**	52,432,037	$	181,623

On June 4, 2009, 73,338 Class A common shares were issued to non-employee directors of the Company as compensation for services. Compensation expense for these Class A common shares has been included in sales, general and administrative expenses (see Note 10(e)).

On May 15, 2009, 419,986 Class A common shares were issued to employees of the Company as compensation for services provided in 2008 following shareholder approval on May 12, 2009.

On April 27, 2009, the Company issued, on a bought deal basis, 5,000,000 units ("Units") at a price of $2.00 CDN per unit, representing gross proceeds of $8,200 ($10,000 CDN). Each unit consisted of one Class A common share of the Company and one-half of one common share purchase warrant ("Warrant"). Each whole Warrant will be exercisable at a price of $3.00 CDN per common share for a period of one year after the closing date. The Company paid the underwriters a cash commission equal to 5.5% or $451 ($550 CDN) of the gross proceeds of the offering, and incurred additional transaction-related fees of $310 ($368 CDN).

In connection with the April 27, 2009 share issuance, the Company issued a compensation option to its underwriters, entitling them to purchase an aggregate of 250,000 Class A common shares, at a price of $2.00 CDN per Class A common share, at any time for a period of 12 months following the closing of the offering. The Company recorded non-cash issuance costs related to these awards based on the fair value of the award at the date of the closing of $177 ($217 CDN).

In connection with the April 27, 2009 share issuance, the Company granted the underwriters an over-allotment option to purchase up to an additional 750,000 Units, resulting in the issuance of an additional 750,000 Class A common shares for gross proceeds of $1,340 ($1,500 CDN) on May 26, 2009. The Company recorded additional commission and transaction fees of $80 ($83 CDN) related to this issuance.

c. Contributed surplus:

		March 31, 2010 (unaudited)		December 31, 2009
Balance, beginning of period	**$**	**6,882**	$	4,590
Stock-based compensation related to stock options and warrants		**511**		2,115
Stock options issued to securities agent		**-**		177
Balance, end of period	**$**	**7,393**	$	6,882

d. Loss per share:

The calculation of the loss per share is based on the weighted average number of Class A common shares outstanding. Where the impact of the exercise of options or warrants is anti-dilutive, they have not been included in the calculation of diluted loss per share.

The options and warrants to purchase common shares are not included in the calculation of diluted loss per share because the Company was a loss for each period presented and to do so would be anti-dilutive.

The underlying Class A common shares pertaining to the outstanding 4,166,650 stock options and 3,200,000 warrants could potentially dilute earnings.

e. Director's share compensation plan:

The Company has a director's share compensation plan allowing for the issuance of up to 200,000 shares of the Company's Class A common stock to non-employee directors of the Company as part of their annual compensation. As of March 31, 2010, 18,572 Class A common shares remain available under the plan. Compensation expense for issued shares is included in sales, general and administrative expense. There were no shares granted in the current period (2009 – $nil).

f. Employee share compensation plan:

The Company established an employee share compensation plan to compensate employees for services performed. The plan was approved by the shareholders of the Company at the Annual General Meeting on May 12, 2009. The plan permits the issuance of up to 1,500,000 shares of the Company's Class A common stock to employees. As of March 31, 2010, 1,080,014 Class A common shares remain available for issuance under the plan. Compensation expense for issued shares is included in operating costs. There were no shares granted in the current period (2009 – $nil).

g. Stock option plan:

The Company established a stock option plan to provide long-term incentives to attract, motivate, and retain certain key employees, officers, directors, and consultants providing services to the Company. The plan permits the granting of options to purchase up to 10% of the outstanding shares of the Company. As of March 31, 2010, 5,243,203 Class A common shares were authorized under the plan, of which 75,000 warrants and 4,027,900 stock options are issued and outstanding, and 1,140,303 options remain available for issuance. Under the plan, no one individual shall be granted an option which exceeds 5% of the issued and outstanding Class A common shares of the Company. In addition, the exercise price of each option shall not be less than the market price of the Company's stock on the date of grant. The options are exercisable for a period of not greater than six years, and generally vest over a period of one to four years, with the first vesting occurring on the one-year anniversary of the date of the grant. Directors' options generally vest on the date of the grant and expire on the fifth anniversary of the date of the grant.

A summary of the status of the plan is as follows:

	March 31, 2010		December 31, 2009	
	Number of shares under option	**Weighted average exercise price (CDN)** (unaudited)	Number of shares under option	Weighted average exercise price (CDN)
Options outstanding, beginning of period	**4,135,217**	**$ 4.42**	3,232,086	$ 5.25
Granted	**152,000**	**1.60**	1,149,800	1.97
Expired	**(120,567)**	**4.71**	(246,669)	3.96
Forfeitures	**(138,750)**	**4.40**	-	-
Options outstanding, end of period	**4,027,900**	**$ 4.31**	4,135,217	$ 4.42
Options exercisable, end of period	**2,008,375**	**$ 5.61**	1,953,042	$ 5.61

The following table summarizes information regarding stock options outstanding at March 31, 2010:

Exercise Price (CDN$)	Options outstanding	Weighted average remaining contractual life	Options exercisable
1.49	355,750	4.67 years	92,875
1.60	152,000	5.85 years	10,000
1.78	25,000	5.33 years	-
1.84	882,400	5.67 years	38,000
2.36	110,000	5.58 years	-
2.90	45,000	4.58 years	11,250
2.98	85,000	4.42 years	85,000
4.16	195,000	4.11 years	93,750
5.75	465,250	2.92 years	354,375
5.95	60,000	3.17 years	30,000
6.04	18,750	1.08 years	18,750
6.20	20,000	3.42 years	10,000
6.30	1,548,750	2.08 years	1,209,375
6.37	45,000	3.17 years	45,000
6.59	20,000	3.42 years	10,000
	4,027,900	3.67 years	2,008,375

For the three months ended March 31, 2010, 152,000 options were granted. The per share weighted-average fair value of the options granted during the three months ended March 31, 2010, was $1.17, determined using the Black-Scholes option pricing model on the date of grant with the following assumptions: expected dividend yield 0%, risk-free interest rate of ranging from 2.83% to 3.07%, volatilities ranging from 69.1% to 69.3%, and an expected life of five to six years.

Non-cash compensation expense has been included in operating costs with respect to stock options granted to employees and non-employees as follows:

	Three months ended March 31, 2010	Three months ended March 31, 2009
	(unaudited)	(unaudited)
Employees	$ 502	$ 432
Non-employees	9	-
Non-cash compensation	**$ 511**	**$ 432**

h. Class A common share purchase warrants:

A summary of the status of Class A common share purchase warrants is as follows:

	March 31, 2010 (unaudited)	December 31, 2009
Balance, beginning of year	**3,200,000**	75,000
Issued	**-**	3,150,000
Expired	**-**	(25,000)

Each warrant entitles its holder to one Class A common share upon payment of an exercise price ranging from $1.90 CDN to $7.75 CDN, with a weighted average exercise price of $2.99 CDN. The warrants expire as follows: 2,750,000 on April 27, 2010; 375,000 on May 27, 2010; 50,000 on February 22, 2011; and 25,000 on May 15, 2012.

11. Income taxes:

Future income taxes reflect the impact of temporary differences between amounts of assets and liabilities for financial reporting purposes and such amounts as measured by tax laws. The tax effects of temporary differences that give rise to significant portions of the future tax asset and future tax liability at March 31, 2010 and December 31, 2009 are as follows:

	March 31, 2010 (unaudited)	December 31, 2009
Future tax asset:		
Tax effect of loss carryforwards	**$ 31,109**	$ 28,116
Tax effect of amounts deductible for tax purposes in excess of amounts deductible for accounting purposes	**1,825**	1,122
Tax effect of unrealized foreign exchange losses	**1,015**	943
Tax effect of scientific research expenditures	**1,534**	1,529
Future tax asset	**35,483**	31,710
Less valuation allowance	**(31,209)**	(27,369)
Net future tax asset	**4,274**	4,341
Future tax liability:		
Tax effect of amounts deductible for accounting purposes in excess of amounts deductible for tax purposes	**(4,314)**	(4,423)
Future tax liability	**(4,314)**	(4,423)
Net future tax liability	**$ (40)**	$ (82)

The differences in the amounts deductible for tax and accounting purposes relate primarily to differences in the values of property and equipment on these bases.

The recognition of intangible assets from an acquisition in 2007 resulted in a temporary difference between the assigned value for book purposes and the tax basis of the intangible assets. The carrying values of the intangible assets were grossed up, and a future tax liability of $505 was recorded to reflect this temporary difference. The future tax liability is utilized over a period of five years (consistent with the amortization of intangible assets) as future income tax recovery.

A valuation allowance is provided when it is more likely than not that some or all of the future tax asset will not be realized. The Company has established a valuation allowance for the future tax asset due to the uncertainty of future Company earnings.

At March 31, 2010 approximately $93,692 of loss carry forwards and $1,599 of tax credits were available in various jurisdictions.

Income tax expense varies from the amount that would be computed by applying the basic federal and provincial income tax rates to the net loss before taxes as follows:

	Three months ended March 31, 2010	Nine months ended March 31, 2009
	(unaudited)	(unaudited)
Tax rate	**28.6%**	32.0%
Expected Canadian income tax (recovery) expense	**$ (3,195)**	$ (2,219)
Decrease resulting from:		
Change in valuation allowance	**3,840**	4,122
Change in Canadian statutory rate	**107**	331
Difference between Canadian statutory rate and those applicable to U.S. and other foreign subsidiaries	**(750)**	(228)
Non-deductible expenses and non-taxable income	**60**	21
Foreign exchange	**(24)**	241
Impact of US$ functional currency tax reporting election	**-**	(2,218)
Adjustment for prior years income tax matters	**(26)**	(5)
Other	**(20)**	1
	$ (8)	$ 46

12. Commitments:

The Company has commitments related to operating leases for office space and equipment which require the following payments for each year ending March 31:

2011	$	1,422
2012		460
2013		435
2014		351
2015		140
	$	2,808

13. Restructuring:

The Company expects to incur a total $950 of restructuring costs in connection with the production workforce reduction implemented during the fourth quarter of 2009 and first quarter of 2010. The Company incurred $270 during the quarter ended March 31, 2010 (year ended December 31, 2009 – $673). The remaining $7 of restructuring costs is expected to be recognized as an expense during the second quarter of 2010. The Company paid $443 of the total costs during the quarter ended March 31, 2010 (year ended December 31, 2009 – $231) and $269 (year ended December 31, 2009 – $442) is included in accrued liabilities at March 31, 2010.

14. Segmented information:

The operations of the Company are in one industry segment: digital mapping and related services.

Geographic segments of revenue are as follows:

		Contract Services 3 months ended 2010		**Data Licenses 3 months ended 2010**		Contract Services 3 months ended 2009		Data Licenses 3 months ended 2009
		(unaudited)		(unaudited)		(unaudited)		(unaudited)
United States of America	**$**	**52**	**$**	**627**	$	214	$	795
Asia/Pacific		**730**		**229**		3,978		24
Europe		**428**		**1,411**		141		345
	$	**1,210**	**$**	**2,267**	$	4,333	$	1,164

Property and equipment of the Company are located as follows:

		March 31, 2010		December 31, 2009
		(unaudited)		
Canada	**$**	**1,668**	$	1,638
United States of America		**9,920**		10,686
Asia/Pacific		**738**		882
Europe		**160**		174
	$	**12,486**	$	13,380

The multi-client data library is located in the United States of America and the intangible assets are located in the Czech Republic.

A summary of sales to major customers that exceeded 10% of total sales during each period are as follows:

		Three months ended March 31, 2010		Three months ended March 31, 2009
		(unaudited)		(unaudited)
Customer A	**$**	**1,195**	$	-
Customer B		**426**		1
Customer C		**423**		4,165
	$	**2,044**	$	4,166

15. Financial risk management:

The Company has exposure to the following risks from its use of financial instruments: credit risk, market risk, and liquidity risk. Management, the Board of Directors, and the Audit Committee monitor risk management activities and review the adequacy of such activities. There have been no significant changes to the Company's risk management strategies since December 31, 2009.

Amounts receivable as of March 31, 2010 and December 31, 2009 are comprised of:

		March 31, 2010		December 31, 2009
		(unaudited)		
Trade amounts receivable	**$**	**2,919**	$	11,982
Employee receivables		**36**		51
Other miscellaneous receivables		**193**		237
	$	**3,148**	$	12,270

Trade amounts receivable by geography are comprised of:

		March 31, 2010		December 31, 2009
		(unaudited)		
United States of America	**$**	**610**	$	8,863
Canada		**10**		-
Asia/Pacific		**1,821**		2,550
Europe		**478**		569
	$	**2,919**	$	11,982

An aging of the Company's trade amounts receivable are as follows:

	March 31, 2010	December 31, 2009
	(unaudited)	
Current	**$ 766**	$ 9,068
31-60 days	**451**	417
61-90 days	**576**	1,208
Over 91 days	**1,126**	1,289
	$ 2,919	$ 11,982

As of March 31, 2010, $1,702 of trade amounts receivable were past due, but not impaired (year ended December 31, 2009 – $2,497).

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Stock Exchange
Intermap stock is listed on the Toronto Stock Exchange under the symbol “IMP.”