INTERMAP™

Intermap Technologies Corporation
First Quarter Ended March 31, 2011

DENVER, Colorado – May 19, 2011 (TSX: IMP) – Intermap Technologies Corporation ("Intermap" or the "Company") today reported financial results for the first quarter ended March 31, 2011. A conference call will be held today at 4:30 p.m. Eastern Time to discuss the results.

The financial information presented herein has been prepared on the basis of International Financial Reporting Standards (IFRS) for interim financial statements and is expressed in United States dollars. The amounts in this earnings release including the interim financial statements for the three months ended March 31, 2010 have been restated to reflect the adoption of IFRS, with effect from January 1, 2010.

First quarter 2011 revenue was $6.8 million, a 96% increase over the $3.5 million for the same period last year. Of the revenue recognized in the first quarter, $2.9 million was attributable to the Company's contract services business and $3.9 million was derived from the licensing of the multi-client data library (MCDL) from the Company's NEXTMap database. These amounts represent year-over-year growth of 143% and 71%, respectively. During the quarter ended March 31, 2011, approximately 67% of the MCDL revenue was associated with the NEXTMap USA dataset, 22% was associated with the Company's Asia dataset, and 11% was associated with the NEXTMap Europe dataset.

During the first quarter of 2011, the Company received $3.0 million in cash receipts towards a $12.4 million contract announced at the end of 2010. The bulk of the remainder of the contract receipts are expected in the second and third quarters of 2011, with smaller amounts to be received later in the year. During the fourth quarter of 2010, Intermap announced three significant contracts. As of March 31, 2011, there remained $11.6 million in revenue from existing contracts to be recognized in future periods ($10.1 million in contract services and $1.5 million in MCDL license contracts).

Total operating costs in the first quarter were $9.4 million, compared to $9.3 million for the same period last year. The Company made significant workforce reductions during 2010 and again in the first quarter of 2011. The first quarter operating costs of $9.4 million include $1.0 million of restructuring related costs. On an annualized basis, the combined restructuring costs have a net reduction impact on total expenses (after severance-related costs) of approximately $10.1.

First quarter 2011 adjusted EBITDA, a term not defined under IFRS, was negative $1.4 million, an improvement compared with the first quarter 2010 of negative $5.4 million. The Company reported a first quarter 2011 net loss of $4.9 million, or $(0.08) per share, compared with a net loss of $10.5 million, or ($0.20) per share, for the same period last year.

At March 31, 2011, Intermap held cash and cash equivalents of $1.1 million and working capital of negative $6.0 million. To strengthen its balance sheet, subsequent to the close of the first quarter, Intermap completed a private placement financing for gross proceeds of $6.8 million.

The negative working capital position of the Company at March 31, 2011 is primarily driven by deposits for sale of assets of $4.0 million and unearned revenue of $4.8 million. The deposits for sale of assets resulted from the receipt of payments for the purchase of an aircraft and radar system in the fourth quarter of 2010 for which the Company expects to deliver the assets to the purchaser in the second half of 2011. At March 31, 2011, $4.5 million of the unearned revenue balance relates to payments received from customers on contracts for which the Company expects to recognize revenue during the remainder of 2011. Management believes these two current obligations will not negatively impact the Company's ability to meet financial or operational obligations during 2011 and the ultimate relief of the obligations, combined with anticipated improved operating results, is expected to result in the Company returning to a positive working capital position during 2011.

"After the significant losses posted in 2010, we knew that 2011 would be a stabilizing year for the Company leading to expected profitable growth in 2012. I'm pleased to report that our previously communicated plans to transition the Company to a partner and channel driven sales approach using web services, and to revitalize our mapping services business is gaining momentum. Our improved first quarter results are a positive barometer reflecting the stabilization of the Company that needs to occur while we continue to implement our new business plan" said Todd Oseth, president and CEO of Intermap.

The Company believes it has reasonable near-term visibility to meaningful sales opportunities during the remainder of 2011 for telecommunications applications in North America, additional mapping services contracts internationally, and risk management applications in Europe as well as opportunities in several other market segments. Intermap will support these opportunities through new product development, improved marketing programs, and expanded pricing plans. New product offerings will provide a growing catalog of data layer options, including the integration of third-party data. Additionally, Management has refocused the Company's marketing and sales disciplines and believes that the value of the Company's data lies in application solutions for specific vertical markets, and not solely in the data as a standalone product. Please visit our new web site at www.intermap.com for additional information about the Company.

As of March 31, 2011, there were 61,481,183 common shares outstanding. Subsequent to the previously disclosed April 2011 financing, the number of shares outstanding at the close of business on May 18, 2011, was 77,606,180.

Important factors, including those discussed in the Company's regulatory filings (www.sedar.com) could cause actual results to differ from the company's expectations and those differences may be material. Detailed financial results and management's discussion and analysis can be found on SEDAR at: www.sedar.com.

Conference Call

Intermap will host a conference call today, at 4:30 pm ET (2:30 pm MT). To participate in the call, please dial +1-416-695-7848 or 1-800-952-6845 approximately 10 minutes prior to the conference call. A recording of the conference call will be available through May 29, 2011. Please dial +1-905-694-9451 or 1-800-408-3053 and provide the password 3276541 to listen to the rebroadcast.

About Intermap Technologies

Intermap (TSX: IMP) is a worldwide leader in providing geospatial solutions that allow customers to make better terrain-based decisions. By providing the best-of-breed 3D terrain information, Intermap® enables commercial enterprises and government agencies to build a wide variety of innovative geospatial applications and efficiently perform analyses. Intermap is committed to helping geospatial professionals leverage the Company's products and services so they can increase productivity and decrease costs. Industries such as energy, engineering, government, risk management, telecommunications, water resource management, and automotive can benefit from the Company's high-quality 3D terrain products and advanced geospatial services.

Headquartered in Denver, Colorado, Intermap has offices in Calgary, Jakarta, Munich, Prague and Washington, D.C. For more information, visit www.Intermap.com.

Adjusted EBITDA is not a recognized performance measure under GAAP and does not have a standardized meaning prescribed by IFRS. The term EBITDA consists of net income (loss) and excludes interest, taxes, depreciation, and amortization. Adjusted EBITDA also excludes restructuring costs, stock-based compensation, 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 IFRS is net income (loss).

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.

Reference is made to the Company's audited Consolidated Financial Statements for the years ended December 31, 2010 and 2009, together with the accompanying notes, which includes a going concern disclosure (Note 1) and such disclosure remains applicable as of the date of the financial statements included herein. Management has taken actions to address the Company's going concern issues including the closing of an additional financing in April 2011 with gross proceeds to the Company of $6.8 million.

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Management's Discussion and Analysis

For the quarter ended March 31, 2011

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 June 1, 2011, and should be read together with the Company's unaudited Condensed Consolidated Interim Financial Statements and the accompanying notes for the three months ended March 31, 2011, and the audited Consolidated Financial Statements for the years ended December 31, 2010 and 2009, together with the accompanying notes, prepared under previous Canadian generally accepted accounting principles (GAAP).

As of January 1, 2011, the Company adopted International Financial Reporting Standards (IFRS). The results reported herein have been prepared in accordance with International Standard 34, Interim Financial Reporting, (IAS 34) and using policies consistent with IFRS and, unless otherwise noted, are expressed in United States dollars. See "Change in Accounting Policies" for a discussion of IFRS and its impact on the Company's financial statement presentation.

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 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 MD&A 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 upon assumptions that Intermap believes 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 MD&A 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 developments and other factors that it believes are appropriate.

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 and services 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 products into customers' existing and proposed products; and (x) superior 3D mapping technologies / products do not develop that would render the Company's current product offerings obsolete.

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 MD&A, the Company's most recently filed 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 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. Digital maps are used in a wide range of applications, including, but not limited to geographic information systems (GIS), engineering, GPS maps, insurance risk assessment, oil and gas, renewable energy, hydrology, environmental planning, wireless communications, transportation, 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.

NEXTMAP®

The NEXTMap dataset is included in the Company's multi-client data library (MCDL), which was built from the acquisition and processing of elevation data and geometric images. The NEXTMap datasets include terrain elevation and imagery data. The Company maintains all ownership rights to the data, and sells licenses to the data on a non-transferable basis. The MCDL includes data from the NEXTMap® USA and NEXTMap® Europe programs.

NEXTMap USA, the largest NEXTMap program to date, was completed during the second quarter of 2010. The program covers an area of nearly 8.0 million square kilometers of the contiguous United States and Hawaii.

The NEXTMap Europe dataset was completed in 2009 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. As of March 31, 2011, the net book values of the NEXTMap USA and NEXTMap Europe datasets were $12.3 million and $9.6 million, respectively. The net book values of the NEXTMap USA and NEXTMap Europe datasets at December 31, 2010 were $12.9 million and $10.1 million, respectively.

FINANCIAL INFORMATION

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

US $ millions, except per share data		**Three months ended March 31, 2011**		Three months ended March 31, 2010 [1]
Revenue:				
Contract services	**$**	**2.9**	$	1.2
Multi-client data licenses		**3.9**		2.3
Total revenue	**$**	**6.8**	$	3.5
Net loss	**$**	**(4.9)**	$	(10.5)
EPS basic and diluted	**$**	**(0.08)**	$	(0.20)
Adjusted EBITDA	**$**	**(1.4)**	$	(5.4)

(1) Amounts presented for Q1 2010 have been restated for IFRS.

Revenue

Consolidated revenue for the quarter ended March 31, 2011 totaled $6.8 million, compared to $3.5 million for the same period in 2010, representing a 94% increase. As of March 31, 2011, there remained $11.6 million in revenue from existing contracts to be recognized in future periods ($10.1 million in contract services and $1.5 million in MCDL license contracts).

Contract services revenue for the quarter ended March 31, 2011 increased to $2.9 million from $1.2 million for the same period in 2010. The increase was primarily the result of an increase in revenue from mapping projects in Southeast Asia where the Company had $2.8 million in revenue during the first quarter of 2011, compared to $0.7 million in the first quarter of 2010.

MCDL license revenue for the quarter ended March 31, 2011 totaled $3.9 million, compared to $2.3 million for the same period in 2010. For the quarter ended March 31, 2011 there were large sales of data from the Company's NEXTMap USA dataset and of previously collected Asian data, which generated $2.0 million and $0.8 million of revenue, respectively. During the quarter ended March 31, 2010, there was one large sale of NEXTMap Europe data which generated $1.2 million in revenue. During the quarter ended March 31, 2011, approximately 67% of the MCDL revenue was associated with the NEXTMap USA dataset, 22% was associated with sales of Asian data, and 11% was associated with the NEXTMap Europe dataset. For the same period in 2010, approximately 28% of the MCDL revenue was associated with the NEXTMap USA dataset, 10% was associated with the Company's Asian data, and 62% was associated with the NEXTMap Europe dataset.

We believe that world economic difficulties are continuing to affect the Company's revenues during 2011. Existing and potential customers appear to be maintaining 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 continuing to see proposal activity, we believe the current challenging economic environment, especially with the U.S. federal and local governments, will continue to impact the Company's ability to enter into new contract services arrangements and to monetize the NEXTMap datasets in the foreseeable future.

Classification of Operating Costs

In connection with the transition to International Financial Accounting Standards (IFRS") during the first quarter of 2011, the Company presented expenses by their nature in the Condensed Consolidated Interim Statements of Comprehensive Income. The composition of the operating costs classification is as follows:

US $ millions		**Three Months ended March 31, 2011**		Three Months ended March 31, 2010 (1)
Personnel	$	**5.4**	$	5.6
Purchased services & materials		**2.8**		2.5
Travel		**0.5**		0.4
Facilities and other expenses		**0.7**		0.8
Operating costs	$	**9.4**	$	9.3

(1) Amounts presented for Q1 2010 have been restated for IFRS.

Personnel

Personnel expense includes direct labor, employee compensation, employee benefits, and commissions. For the quarters ended March 31, 2011 and 2010, personnel expense was $5.4 million and $5.6 million, respectively. This decrease of $0.2 million from the first quarter of 2010 to the first quarter of 2011 is primarily due to workforce and salary reductions of $1.1 million, offset by one-time severance and termination costs of $0.9 million.

Consolidated active employee headcount was 324 (including 183 in Jakarta, Indonesia) at March 31, 2011, a decrease from 633 (including 384 in Jakarta, Indonesia) at March 31, 2010. The decrease in personnel count was driven by a decrease in the following functional areas: operations 53%, or 225 personnel; sales and marketing 40%, or 31 personnel; research and development 52%, or 33 personnel; and administrative 31%, or 20 personnel. On an annualized basis, the net impact on total expenses (after severance and termination related costs) of the workforce reductions made in January 2011 will be a reduction of approximately $5.5 million of additional personnel related expenses.

Non-cash compensation expense is included in operating costs and relates to stock options and stock shares granted to employees and non-employees. Non-cash stock-based compensation for the quarters ended March 31, 2011 and 2010 totaled $0.4 million and $0.2 million, respectively. The increase of $0.2 million was primarily due to stock compensation granted to employees in March 2011.

Purchased Services and Materials

Purchased services and materials (PS&M) includes aircraft costs, professional and consulting costs, third-party support services related to the collection, processing, and editing of Intermap's mapping data, and software expenses (including maintenance and support). For the quarters ended March 31, 2011 and 2010, PS&M expense was $2.8 million and $2.5 million, respectively. The increase in this category of expense is primarily related to an increase in job expenses of $0.7 million associated with work performed on one large contract services project in Southeast Asia. This increase was offset by a decrease of $0.4 million resulting from overall cost cutting measures initiated during the second half of 2010 and carried through the first quarter of 2011, which focused on the reduction of non-critical professional consulting and purchased materials expenses.

Travel

For the quarter ended March 31, 2011 and 2010, travel expense was $0.5 million and $0.4 million, respectively. The increase during the first quarter of 2011 compared to the same period in 2010 is primarily the result of operations personnel travel associated with a large mapping services project being performed in Southeast Asia.

Facilities and Other Expenses

For the quarter ended March 31, 2011 and 2010, facilities and other expense were $0.7 million and $0.8 million, respectively. In the first quarter of 2011, the Company decreased the size of its leased office space in its Denver, Colorado-based facility which resulted in a decrease in rent expense of $0.1 million.

Adjusted EBITDA

Adjusted EBITDA is not a recognized performance measure under GAAP and does not have a standardized meaning prescribed by IFRS. The term EBITDA consists of net income (loss) and excludes interest, taxes, depreciation, and amortization. Adjusted EBITDA also excludes restructuring costs, stock-based compensation, 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 IFRS 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, 2011**		Three months ended March 31, 2010 (1)
Net loss	**$**	**(4.9)**	$	(10.5)
Depreciation of property and equipment		**1.0**		1.2
Amortization of multi-client data library		**1.2**		3.2
Amortization of intangible assets		**0.1**		0.1
Restructuring costs		**1.0**		0.2
Stock-based compensation		**0.1**		0.2
Loss (gain) on foreign currency translation		**0.1**		0.2
Adjusted EBITDA	**$**	**(1.4)**	$	(5.4)

(1) Amounts presented for Q1 2010 have been restated for IFRS.

Adjusted EBITDA for the quarter ended March 31, 2011 was a loss of $1.4 million, compared to a loss of $5.4 million for the same period in 2010. The decrease in the adjusted EBITDA loss for the three months ended March 31, 2011 as compared to the same period in 2010 is primarily attributable to an increase in revenue of $3.3 million and the reduction of operating costs (net of restructuring costs) of $0.9 million.

Depreciation of Property and Equipment

Depreciation expense for the quarters ended March 31, 2011 and 2010 totaled $1.0 million and $1.2 million, respectively. The decrease in depreciation expense is primarily the result of certain NEXTMap dedicated assets reaching the end of their useful lives.

Amortization of MCDL

Amortization expense relating to the MCDL for the quarter ended March 31, 2011 decreased to $1.2 million from $3.2 million for the same period in 2010. The decrease in amortization expense was due to the impairment of the MCDL asset during the year ended December 31, 2010.

Finance Costs

Finance income is generated from investment of cash in low-yield government-backed securities (see "Liquidity and Capital Resources"). The investment of these funds earned the Company $nil in finance income during the quarter ended March 31, 2011, compared to $1 thousand during the same period in 2010.

Finance costs for the quarter ended March 31, 2011 totaled $27 thousand, compared to $45 thousand for the same period in 2010. The decrease in finance costs in the first quarter of 2011 compared to the same period in 2010 is due to the reduction of principal resulting from recurring payments on long-term debt and a term loan being paid in full on August 9, 2010.

Loss on Foreign Currency Translation

The Company continuously monitors the level of foreign currency assets and liabilities carried on the consolidated 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, 2011, a foreign currency translation loss of $0.1 million was recognized, compared to a loss of $0.2 million for the same period in 2010. The loss for 2011 was primarily the result of losses on the amounts receivable balances held in foreign currencies.

Income Tax

Current income tax expense of $34 thousand was incurred during the quarters ended March 31, 2011 and 2010. This expense relates to taxable income generated from the Company's Indonesian, Slovak Republic, United Kingdom, Czech Republic, and Australian subsidiaries.

During the quarter ended March 31, 2011, a deferred income tax recovery of $20 thousand, compared to $42 thousand for the same period in 2010, was recognized. The reduction was a result of deferred tax expense related to the German subsidiary and a deferred income tax recovery resulting from the amortization of intangible assets held in the Czech Republic subsidiary, which have no tax basis. The Company did not recognize any income tax expense on any other operations during the quarters ended March 31, 2011 and 2010 due to losses incurred in the United States and Canada.

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 consolidated balance sheet as unbilled revenue.

Amounts receivable and unbilled revenue increased to $5.5 million at March 31, 2011 from $5.2 million at December 31, 2010. The increase was primarily due to billings in the first quarter of 2011 related to a large contract services project in Southeast Asia totaling $1.6 million, offset by collections in the quarter related to two European projects. These amounts represent 78 days' sales at March 31, 2011, compared to 120 days sales at December 31, 2010, and reflect specific project billing milestones on current contracts that were in progress on those dates.

The unearned revenue balance at March 31, 2011 remained consistent at $4.8 million from December 31, 2010. This balance consists of $4.5 million of payments received from customers on revenue contracts for which the Company has not yet fulfilled its obligations or which the necessary revenue recognition criteria has not been met. The revenue associated with these contracts is expected to be recognized during the second and third quarters of 2011.

Work in Process

Work in process generally results from the collection and processing of data for future 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, 2011 decreased to $58 thousand from $59 thousand at December 31, 2010.

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 slightly from $4.8 million at December 31, 2010 to $4.7 million at March 31, 2010. Accounts payable at December 31, 2010 and at March 31, 2011 includes $1.6 million that was converted to a promissory note during 2010 that defines the payment terms of the outstanding accounts payable balance. The balance is payable during the second or third quarter of 2011.

Assets Held for Sale and Deposit for Sale of Assets

During 2010, the Company committed to sell one of its IFSAR enabled aircraft, which is no longer required subsequent to the completion of the NEXTMap USA and NEXTMap Europe datasets. The aircraft and IFSAR radar equipment (including associated processing technology and software tools) have a net book value of $1.4 million and $0.3 million, respectively. The aircraft and associated IFSAR radar equipment are available for immediate sale and are presented as non-current assets held for sale at March 31, 2011. The Company received payments totaling $4.0 million from the purchaser in December 2010, and such payments are presented as deposit for sale of assets at March 31, 2011, pending delivery of the aircraft and associated radar equipment to the customer.

Capital Lease Obligations and Long-term Debt

Capital lease obligations and long-term debt totaled $1.2 million at March 31, 2011, compared to $1.4 million at December 31, 2010. The decrease is the result of recurring payments on outstanding capital lease obligations and long-term bank loan obligations.

Provisions

Provisions totaled $1.3 million at March 31, 2011, compared to $1.6 million at December 31, 2010. The decrease is the result of separation payments made to former employees of $1.2 million, off-set by $0.9 million of additions related to a reduction in workforce that occurred in January of 2011. At March 31, 2011 $0.6 million of the provisions balance relates to workforce reduction costs and $0.7 million relates to excess facility costs.

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 2009	Q3 2009	Q4 2009	Q1 2010(1)	Q2 2010(1)	Q3 2010(1)	Q4 2010(1)	**Q1 2011**
Revenue:								
Contract services	$ 3.5	$ 7.4	$ 4.9	$ 1.2	$ 1.6	$ 0.7	$ 0.8	**$ 2.9**
Multi-client data licenses	2.7	3.0	3.3	2.3	3.7	0.9	2.8	**3.9**
Total revenue	$ 6.2	$ 10.4	$ 8.2	$ 3.5	$ 5.3	$ 1.6	$ 3.6	**$ 6.8**
Depreciation and amortization	$ 4.2	$ 4.3	$ 4.9	$ 4.5	$ 5.0	$ 5.0	$ 4.9	**$ 2.2**
Net income (loss)	$ (6.9)	$ (4.3)	$ (7.6)	$ (10.5)	$ (10.6)	$ (12.1)	$ (64.7)	**$ (4.9)**
Net income (loss) per share basic and diluted	$ (0.14)	$ (0.08)	$ (0.15)	$ (0.21)	$ (0.21)	$ (0.20)	$ (1.13)	**$ (0.08)**

(1) Amounts presented for Q1 through Q4 2010 have been restated for IFRS, and the amounts presented for Q2 through Q4 2009 have not been restated and are the originally disclosed amounts under GAAP.

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 used in operations during the quarter ended March 31, 2011 totaled $3.1 million, compared to cash provided by operations of $2.5 million during the same period in 2010. The total cash used in operations during the first quarter of 2011 was impacted by a negative change to non-cash operating working capital as compared a positive change in the same period in 2010, offset by a lower net loss in the first quarter of 2011. In the first quarter of 2010, non-cash operating working capital increased due to a significant decrease in amounts receivable and unbilled revenue of $9.0 million.

Net cash used in investing activities totaled $0.1 for the quarter ended March 31, 2011, compared to $1.7 million during the same period in 2010. Cash used in investing activities during the quarter ended March 31, 2011 was primarily for the purchase of property and equipment of $0.1 million, compared to investment in the MCDL of $1.5 million and the purchase of property and equipment of $0.2 million during the same period in 2010. For the quarter ended March 31, 2011, compared to the same period in 2010, investment in the MCDL decreased as the NEXTMap Europe and the NEXTMap USA datasets were completed in 2010.

Net cash used for financing activities totaled $0.2 million during the quarter ended March 31, 2011, compared to $0.3 million during the same period in 2010. The net cash used for financing activities during the quarter ended March 31, 2011 and March 31, 2010 is due to the repayment of long-term debt and capital leases.

The cash position of the Company at March 31, 2011 (cash and cash equivalents) was $1.1 million compared to $4.4 million at December 31, 2010. Working capital decreased to a negative $6.0 million as of March 31, 2011 from a negative $3.5 million as of December 31, 2010.

The negative working capital position at March 31, 2011 is primarily driven by deposits for sale of assets of $4.0 million and deferred revenue of $4.8 million. The deposits for sale of assets resulted from the receipt of payments for the purchase of an aircraft and radar system in the fourth quarter of 2010 for which the Company expects to deliver the assets to the purchaser in the second or third quarter of 2011. At March 31, 2011, $4.5 million of the deferred revenue balance relates to payments received from customers on contracts for which the Company expects to recognize revenue during the second or third quarter of 2011. Management believes these two current obligations will not negatively impact the Company's ability to meet financial or operational obligations during 2011 and the ultimate relief of the obligations, combined with anticipated improved operating results and / or financing activities, is expected to result in the Company returning to a positive working capital position during 2011.

During the quarter ended March 31, 2011, the Company incurred a loss of $4.9 million and had negative cash flow from operations of $3.1 million. In addition, the Company has an accumulated deficit of $174.6 million and its 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.

The above factors raise significant doubt about the Company's ability to continue as a going concern. Management has taken actions to address these issues including several organizational restructurings, new senior management, sale of excess capacity assets, a company-wide cost-reduction program, and the raising of additional capital (see additional disclosure below). 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 if required. 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.

On April 28, 2011, the Company issued, on a non-brokered private placement basis, 16,125,000 Units (Units") at a price of $0.40 CDN per unit, representing gross proceeds of $6.8 million. Each unit consists of one Class A Common share of the Company and one common share purchase warrant (Warrant) of Intermap. Each Warrant will entitle the holder thereof to purchase one common share at a purchase price of $0.48 CDN per share for a period of three years from the issue date.

The Company cannot be certain that its cash generated from operations and the financing cash generated of $6.8 million in April 2011 will be sufficient to satisfy its liquidity requirements.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Revenue Recognition
Revenue is recognized when (i) persuasive evidence of an arrangement exists; (ii) the significant risks and rewards of ownership, including managerial involvement have been transferred to the buyer; (iii) the amount of revenue can be measured reliably; and (iv) costs incurred or to be incurred can be measured reliably. Billings in excess of revenue are recorded as unearned revenue. Revenue recognized in excess of billings is recorded as unbilled revenue.

Goods Sold
Revenue from the sale of MCDL licenses in the ordinary course is measured at the fair value of the consideration received or receivable.

Fixed-price Contracts
Revenue from fixed-price contracts is recognized using the percentage-of-completion method, based on the ratio of costs incurred to estimated final costs. The use of the percentage of completion method 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. Contract losses are measured in the amount by which the estimated costs of the related project exceed the estimated total revenue for the project.

Multiple Component Arrangements
When a single sales transaction requires the delivery of more than one product or service (multiple components), the revenue recognition criteria are applied separately to identifiable components. A component is considered to be separately identifiable if the product or service delivered has stand-alone value to that customer and the fair value associated with the product or service can be measured reliably. The amount recognized as revenue for each component is the fair value of the element in relation to the fair value of the arrangement as a whole.

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.

The remaining MCDL balance as of December 31, 2011 is being amortized on a monthly basis using the straight-line amortization method over 60 months.

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. The Company has determined that the NEXTMap USA and NEXTMap Europe datasets represent separate cash generating units for impairment testing purposes. The Company has identified addressable markets for each of these datasets and has estimated future MCDL license sales and cash flows within these addressable markets. The forecasts of estimated MCDL cash flows are reviewed each quarter taking into account economic and market trends, technical advances, competitive developments, and actual sales versus forecasts.

In December 2010, a strategic review of the Company's approach to selling the NEXTMap datasets in the United States and Europe was undertaken by the new executive management of the Company. Upon completion of this review, it was determined that the historical pricing strategy of the NEXTMap datasets required downward adjustment and the Company could no longer afford to invest the resources necessary to exploit certain target markets previously identified. These changes, coupled with the Company's history of losses, led the Company to perform an asset impairment review to determine if the carrying value of the NEXTMap USA and NEXTMap Europe cash generating units were recoverable. The Company determined that the future expected cash flows of the datasets were insufficient to recover the carrying value of the assets, resulting in an impairment charge being taken during the year ending December 31, 2010. Subsequent to the impairment charge, the net book value of the NEXTMap USA and NEXTMap Europe datasets at December 31, 2010 were $12.9 million and $10.1 million, respectively.

INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Company prepared its condensed consolidated interim financial statements in accordance with International Accounting Standard 34, Interim Financial Reporting (IAS 34) as issued by the International Accounting Standards Board (IASB) and using the accounting policies the Company expects to adopt in its consolidated financial statements as at and for the year ending December 31, 2011.

These are the Company's first quarterly condensed consolidated interim financial statements subsequent to the Company's transition to International Financial Reporting Standards (IFRS), effective as of January 1, 2010 (the Transition Date). IFRS 1, First-time adoption of IFRS (IFRS 1), has been applied.

The policies applied in these condensed consolidated interim financial statements are based on IFRS issued and outstanding as of May 18, 2011, the date the Board of Directors approved the condensed consolidated interim financial statements. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending December 31, 2011 could result in restatement of these condensed consolidated interim financial statements, including the transition adjustments recognized on change-over to IFRS.

IFRS Transition

In preparing its opening IFRS condensed consolidated interim balance sheet, the Company has adjusted amounts reported previously in financial statements prepared in accordance with previous Canadian Generally accepted accounting principles (GAAP). An explanation of how the transition from previous GAAP to IFRS has affected the Company's condensed consolidated interim balance sheet is included below.

As a result of the policy choices we have selected and the changes we were required to make under IFRS, we have recorded a reduction in shareholders' equity of approximately $6.6 million as of January 1, 2010. The table below outlines the adjustments to shareholders' equity on adoption of IFRS on January 1, 2010, and at March 31, 2010 and December 31, 2010.

	Note		**January 1, 2010**		**March 31, 2010**		**December 31, 2010**
Shareholders' equity under GAAP		$	116,194	$	105,542	$	26,412
Non-current assets held for sale	*a*		-		-		(212)
Property and equipment	*a*		(78)		(75)		142
Multi-client data library	*b*		2,244		2,603		-
Intangible assets	*f*		147		106		63
Provisions	*c*		(714)		(714)		-
Shareholders' equity under IFRS		**$**	**117,793**	**$**	**107,462**	**$**	**26,405**

A reconciliation of comprehensive income under GAAP and IFRS for the three months ended March 31, 2010 and the year ended December 31, 2010 is as follows:

	Note		**March 31, 2010**		**December 31, 2010**
Comprehensive loss under GAAP		$	11,163	$	96,872
Net loss adjustments:					
Operating costs	*c*		344		1,330
Depreciation of property and equipment	*a*		3		10
Amortization and impairment of multi-client data library	*b*		358		(2,244)
Amortization of intangible assets	*f*		-		(50)
Loss on foreign currency translation	*f*		(19)		(15)
Total net loss adjustments			686		(969)
Comprehensive loss adjustments:					
Foreign currency translation differences	*e*		(21)		(19)
Comprehensive loss under IFRS		**$**	**10,498**	**$**	**97,860**

a. **Property and equipment**
Under IFRS, the Company is required to identify the significant components of property and equipment and depreciate these separately over their respective useful lives. Under previous GAAP, the standards were less specific as to the grouping of similar assets. Upon transition to IFRS, management determined that the aircraft and aircraft engines should be separate components and accounted for with differing

useful lives. Under previous GAAP, the total value of the aircraft was amortized over 10 years. Upon transition to IFRS, aircraft and engines are required to be amortized separately and are being amortized over a period of 12 years for the aircraft and 7 years for the engines.

b. Multi-client data library
The Company applied a sales forecast method of amortization for the MCDL under previous GAAP. Under IFRS, the Company will amortize this asset on a straight-line basis over its useful life. The net book value of the MCDL asset was increased by $2.2 million as of the transition date to retroactively apply the Company's amortization policy under IFRS.

c. Restructuring
In October of 2009, the Company announced a restructuring plan that included a reduction in workforce and the closure of the Company's Ottawa, Ontario office. Under previous GAAP, a provision related to the expense for employee severance associated with the reduction was recorded. Under previous GAAP a liability related to the Ottawa office lease was not recognized until the second quarter of 2010, when the Company ceased use of the facility.

Under IFRS, a provision is recorded for onerous contracts when it is known that the costs of meeting the Company's obligation under the contract exceed the economic benefits. As a result, under IFRS, the provision for the excess costs over expected economic benefits associated with the Ottawa lease have been recognized as of January 1, 2010.

d. Share-based payments
The Company awards stock-based compensation to certain employees and non-employees. Under previous GAAP, the Company valued the awards in tranches based upon the awards' grant date. All tranches were valued using the expected life of the award, and share-based compensation was recognized straight-line over the vesting period. Under IFRS, the Company must assign a fair value to each tranche of awards based on the expected life and the individual tranche. Share-based compensation is then recognized separately over the vesting period of each tranche.

e. Cumulative translation differences
In accordance with IFRS 1, the Company has elected to deem all foreign currency translation differences that arose prior to the date of transition in respect of foreign operations to be zero at the date of transition.

f. Foreign currency translation
Assets and liabilities of entities with functional currencies other than United States dollars are translated at the period end rates of exchange, and the results of their operations are translated at average rates of exchange for the period. The resulting translation adjustments are included in accumulated other comprehensive income in shareholders' equity.

Presentation
Certain amounts on the unaudited condensed consolidated interim statement of income and condensed consolidated interim statement of cash flows have been reclassified to conform to the presentation adopted under IFRS. On the unaudited condensed consolidated interim statement of income the Company has elected to present the expenses by nature.

Cash flow impact

There were no IFRS transition adjustments that impacted our cash balance in 2010.

We have presented financing costs, current income tax expense, interest paid, and income tax paid separately as adjustments for non-cash items. Under previous GAAP, these were included in change in non-cash operating working capital. This presentation change will have no impact on sour cash flows from operating activities.

Control activities

For all changes to policies and procedures that have been identified, the effectiveness of internal controls over financial reporting and disclosure controls and procedures has been assessed and any required changes have been implemented. In addition, controls over the IFRS changeover process have been implemented, as necessary. We have identified and implemented the required accounting process changes that resulted from the application of IFRS accounting policies and these changes were not significant.

Business activities and key performance measures

The IFRS transition project did not have a significant impact on our business activities or key performance measures.

Information technology and systems

The IFRS transition project did not have a significant impact on our information systems for the convergence periods. We also do not expect significant changes in the post-convergence periods.

Post implementation

The post-implementation phase will involve continuous monitoring of changes in IFRS in future periods. We note that the standard-setting bodies that determine IFRS have significant ongoing projects that could impact the IFRS accounting policies that we have selected. In particular, we expect that there may be additional new or revised IFRS standards or International Financial Reporting Interpretations Committee (IFRIC) interpretations in relation to consolidation, financial instruments, leases, and revenue e recognition. We have processes in place to ensure that potential changes are monitored and evaluated. The impact of any new IFRS standards and IFRIC interpretations will be evaluated as they are drafted and published.

OUTSTANDING SHARE DATA

The Company'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 June 1, 2011, 77,606,183 Class A common shares were issued and outstanding. There are no preferred shares currently issued and outstanding.

As of June 1, 2011, 5,875,295 stock options are outstanding in the Company's stock option plan with a weighted average exercise price of C$2.60. In addition, there are 17,875,000 warrants outstanding that are exercisable with a weighted average exercise price of C$0.49, 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, 2011, 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, 2011 to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Other than changes related to our IFRS transition plan, there have been no changes in the design of internal controls over financial reporting that occurred during the quarter ended March 31, 2011 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 2010 Annual Report and the Annual Information Form of the Company have not changed materially.

Condensed Consolidated Interim Balance Sheets

(In thousands of United States dollars)
(Unaudited)

		March 31, 2011		December 31, 2010		January 1, 2010
Assets						
Current assets:						
Cash and cash equivalents	$	1,071	$	4,356	$	10,355
Amounts receivable		4,867		4,156		12,270
Unbilled revenue		676		1,016		343
Work in process		58		59		2,057
Prepaid expenses		1,040		1,039		1,481
Non-current assets held for sale (Note 4)		1,488		1,488		-
		9,200		12,114		26,506
Property and equipment (Note 5)		7,019		7,908		13,302
Multi-client data library (Note 6)		21,897		23,049		87,520
Intangible assets		462		551		1,056
Deferred tax assets		5		5		136
	$	38,583	$	43,627	$	128,520
Liabilities and Shareholders' Equity						
Current liabilities:						
Accounts payable and accrued liabilities (Note 7)	$	4,743	$	4,780	$	5,916
Current portion of provisions (Note 12)		836		1,109		398
Current portion of deferred lease inducements		102		123		171
Unearned revenue		4,832		4,873		674
Deposit for sale of assets (Note 4)		4,000		4,000		-
Income taxes payable		47		50		42
Current portion of obligations under finance lease		110		151		229
Current portion of long-term debt (Note 8)		549		527		1,383
		15,219		15,613		8,813
Deferred lease inducements		303		286		129
Long-term provisions (Note 12)		490		531		316
Obligations under finance lease		33		41		130
Long-term debt (Note 8)		535		658		1,121
Deferred tax liabilities		73		93		218
		16,653		17,222		10,727
Shareholders' equity:						
Share capital (Note 10)		187,579		187,253		181,623
Accumulated other comprehensive income		128		128		147
Contributed surplus (Note 10(c))		8,814		8,700		7,858
Deficit		(174,591)		(169,676)		(71,835)
		21,930		26,405		117,793
Going concern (Note 2(a))						
Commitments (Note 11)						
Subsequent event (Note 18)						
	$	38,583	$	43,627	$	128,520

See accompanying notes to condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Comprehensive Income

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

(Unaudited)

For the Three Months Ended March 31,		**2011**		2010
Revenue:				
Contract services	**$**	**2,945**	$	1,210
Multi-client data licenses		**3,883**		2,267
		6,828		3,477
Expenses:				
Operating costs (Note 9)		**9,407**		9,258
Depreciation of property and equipment		**956**		1,196
Amortization of multi-client data library		**1,152**		3,153
Amortization of intangible assets		**104**		104
		11,619		13,711
Operating loss		**(4,791)**		(10,234)
Financing costs		**(27)**		(44)
Loss on foreign currency translation		**(83)**		(207)
Loss before income taxes		**(4,901)**		(10,485)
Income tax (expense) recovery:				
Current		**(34)**		(34)
Deferred		**20**		42
		(14)		8
Net loss for the period	**$**	**(4,915)**	$	(10,477)
Other comprehensive income (loss):				
Foreign currency translation differences		**-**		(21)
Total comprehensive loss for the period	**$**	**(4,915)**	$	(10,498)
Basic and diluted loss per share	**$**	**(0.08)**	$	(0.20)
Weighted average number of Class A common shares - basic and diluted (Note 10(d))		**60,955,575**		52,432,037

See accompanying notes to condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Changes in Equity

(In thousands of United States dollars)
(Unaudited)

	Share Capital	Contributed Surplus	Cumulative Translation Adjustments	Deficit	Total
Balance at January 1, 2010	$ 181,623	$ 7,858	$ 147	$ (71,835)	$ 117,793
Comprehensive loss for the period	-	-	(21)	(10,477)	(10,498)
Stock-based compensation	-	167	-	-	167
Balance at March 31, 2010	181,623	8,025	126	(82,312)	107,462
Comprehensive loss for the period	-	-	2	(87,364)	(87,362)
Stock-based compensation	198	675	-	-	873
Issuance of shares	6,157	-	-	-	6,157
Issuance costs	(725)	-	-	-	(725)
Balance at December 31, 2010	187,253	8,700	128	(169,676)	26,405
Comprehensive loss for the period	-	-	-	(4,915)	(4,915)
Stock-based compensation	326	114	-	-	440
Balance at March 31, 2011	$ 187,579	$ 8,814	$ 128	$ (174,591)	$ 21,930

See accompanying notes to condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Cash Flows

(In thousands of United States dollars)
(Unaudited)

For the Three Months Ended March 31,	**2011**	2010
Cash flows (used in) provided by:		
Operating activities:		
Net loss for the period	**$ (4,915)**	$ (10,477)
Adjusted for the following non-cash items:		
Depreciation of property and equipment	**956**	1,196
Amortization of multi-client data library	**1,152**	3,153
Amortization of intangible assets	**104**	104
Share-based compensation expense	**440**	167
Gain on disposal of equipment	**(1)**	(6)
Amortization of deferred lease inducements	**(7)**	18
Deferred taxes	**(20)**	(42)
Financing costs	**27**	44
Current income tax expense	**34**	34
Interest paid	**(22)**	(45)
Income tax paid	**(45)**	(36)
Change in non-cash operating working capital	**(777)**	8,390
	(3,074)	2,500
Investing activities:		
Purchase of property and equipment	**(67)**	(214)
Investment in multi-client data library	**-**	(1,532)
Proceeds from sale of equipment	**1**	12
	(66)	(1,734)
Financing activities:		
Repayment of obligations under finance lease	**(48)**	(76)
Repayment of long-term debt	**(130)**	(239)
	(178)	(315)
Effect of foreign exchange on cash	**33**	(3)
Increase (decrease) in cash and cash equivalents	**(3,285)**	448
Cash and cash equivalents, beginning of period	**4,356**	10,355
Cash and cash equivalents, end of period	**$ 1,071**	$ 10,803

See accompanying notes to condensed consolidated interim financial statements.

1. Reporting entity:

Intermap Technologies® Corporation (the Company) is incorporated under the laws of Alberta, Canada. 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.

The Company is a digital mapping company creating uniform high-resolution 3D digital models of the earth's surface. The Company is building a geospatial database, called NEXTMap®, consisting of elevation data and geometric images.

2. Basis of preparation:

a. *Going concern:*

These financial statements have been prepared assuming the Company will continue as a going concern. The going concern basis of presentation assumes the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. During the three months ended March 31, 2011, the Company incurred a loss of $4,915 and negative cash flow from operations of $3,074. In addition, the Company has an accumulated deficit of $174,591 and its 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, to generate positive cash flows from operations.

The above factors raise significant doubt about the Company's ability to continue as a going concern. Management has taken actions to address these issues including an organizational restructuring, sale of excess capacity assets, a company-wide cost reduction program, a revised approach to pricing and selling of the Company's products and services, and has obtained additional financing (see Note 18). 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 obtain additional financing, if required. 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.

The Company cannot be certain that cash generated from its operations will be sufficient to satisfy its liquidity requirements and it may need to continue 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 financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these financial statements, then adjustments would be necessary to the carrying value of assets and liabilities, the reported revenues and expenses, and the balance sheet classifications used.

b. *Statement of compliance:*

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (IAS 34) as issued by the

International Accounting Standards Board (IASB) and using the accounting policies the Company expects to adopt in its consolidated financial statements as at and for the year ending December 31, 2011.

These are the Company's first quarterly condensed consolidated interim financial statements subsequent to the Company's transition to International Financial Reporting Standards (IFRS), effective as of January 1, 2010 (the Transition Date). IFRS 1, First-time adoption of IFRS (IFRS 1), has been applied. An explanation of how the transition to IFRS has affected the consolidated financial statements is included in Note 17.

The policies applied in these condensed consolidated interim financial statements are based on IFRS issued and outstanding as of May 18, 2011, the date the Board of Directors approved the condensed consolidated interim financial statements. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending December 31, 2011 could result in restatement of these condensed consolidated interim financial statements, including the transition adjustments recognized on change-over to IFRS.

These condensed consolidated interim financial statements should be read in conjunction with the Company's 2010 annual consolidated financial statements prepared in accordance with Canadian generally accepted accounting principles (GAAP) and in consideration of the IFRS transition disclosures included in Note 17 to these condensed consolidated interim financial statements.

c. Measurement basis:
The financial statements have been prepared mainly on the historical costs basis. Other measurement bases used are described in the applicable notes.

d. Use of estimates:
Preparing financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

Significant management estimates are used in the assessment of impairment and useful lives of, long-lived assets, net realizable value of work in process, and in the estimated final costs to complete contracts accounted for under the percentage-of-completion method.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are reviewed and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes:

- Note 3 (b) – Work in process
- Note 3 (k) – Impairment
- Note 3 (l) – Revenue recognition

e. Functional and presentation currency:

These consolidated financial statements are presented in United States dollars, which is the Company's functional currency. All financial information presented in United States dollars has been rounded to the nearest thousand.

f. Foreign currency translation:

Items included in the financial statements of each of the Company's subsidiaries are measured using the currency of the primary economic environment in which the entity operates (the functional currency). Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities not denominated in the functional currency of an entity are recognized in net loss for the period.

Assets and liabilities of entities with functional currencies other than United States dollars are translated at the period end rates of exchange, and the results of their operations are translated at exchange rates prevailing at the dates of transactions. The resulting translation adjustments are included in accumulated other comprehensive income in shareholders' equity.

3. Summary of significant accounting policies:

a. Consolidation:

The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Intermap Technologies Inc. and Intermap Federal Services Inc. (both U.S. corporations); Intermap Technologies GmbH (a German corporation); Intermap Technologies UK Limited (a U.K. corporation); Intermap Technologies PTY Ltd (an Australian corporation); Intermap Technologies s.r.o. (a Czech Republic corporation); Intermap Technologies s.r.o. Slovak Republic (a Slovak Republic corporation); and a 90% owned subsidiary, PT ExsaMap Asia (an Indonesian corporation).

Inter-company balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. The accounting policies of all subsidiaries are consistent with the Company's policies.

b. Work in process:

Work in process is measured at the lower of cost or net realizable value. Expenditures incurred in acquiring, processing, and editing digital map data are included in the cost of work in process. When work in process is sold, the carrying amount of the work in process is recognized as an expense in the period in which the related revenue is recognized. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completing and selling expenses. The amount of any write-down of work in process to net realizable value is recognized as an expense in the period in which the write-down or loss occurs.

c. Property and equipment:

Property and equipment are measured at cost, less accumulated depreciation. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of aircraft overhauls are capitalized and depreciated over the period until the next overhaul. When parts of an item of property and equipment have different useful lives, they are accounted for as separate items. Depreciation is calculated over the depreciable amount which is the cost of an asset, less its residual value. Depreciation is provided on the straight-line basis over the useful lives of the assets at the following annual rates:

Assets	Rate
Aircraft	9 %
Aircraft engines	15%
Mapping equipment and software	33%
Radar equipment	20%
Furniture and fixtures	20%
Automobiles	20%
Leasehold improvements	Shorter of useful life or term of lease

Depreciation methods, useful lives, and residual values are reviewed at each financial year end and adjusted, if appropriate.

Assets under construction are not depreciated until available for use by the Company. Expenditures for maintenance and repairs are expensed when incurred.

The cost of replacing an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property and equipment are recognized in profit or loss as incurred.

Gains and losses on disposal of property and equipment are determined by comparing the proceeds from disposal with the carrying amount, and are recognized net of costs associated with the disposal within other income in net loss for the period.

d. Non-current assets held for sale:

Non-current assets, or disposal groups comprising assets and liabilities, that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets, or components of a disposal group, are remeasured in accordance with the Company's accounting policies. Thereafter the assets, or disposal group, are measured at the lower of their carrying amount and fair value less cost to sell. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognized in profit or loss. Gains are not recognized in excess of any cumulative impairment loss.

e. Multi-client data library (MCDL):

The Company maintains a MCDL, which results from the acquisition and processing of digital map data. In general, all ownership rights to this data are retained by the Company, and the data is licensed to customers on a non-transferable basis.

Capitalized costs represent all of the direct costs of acquiring and processing the digital map data and are capitalized. 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.

Subsequent expenditures are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures are expensed as incurred.

MCDL capitalized costs are amortized on a straight-line basis over five years. The amortization period represents the minimum estimated useful life over which benefits from the data are expected to be derived. Amortization is recognized in profit or loss on a straight-line basis over the estimated useful life of the MCDL, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

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.

f. Intangible assets:
Upon acquisition, identifiable intangible assets are recorded at fair value and are carried at cost less accumulated amortization.

Identifiable intangible assets represent assets acquired in a business combination. All intangible assets held by the Company are amortized on a straight-line basis, based on their estimated useful life of five years. The intangible assets recorded represent technology, customer relationships, and contracts. The amortization method and estimate of the useful life and residual values of intangible assets are reviewed annually.

g. Leases:
Leases are classified as either finance or operating in nature.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments under an operating lease (net of any incentives received from the lessor) are recognized in net loss on a straight-line basis over the period of the lease.

Finance leases are those that substantially transfer the benefits and risks of ownership to the lessee. Assets acquired under finance leases are measured at the lower of the present value of the minimum lease payments or the fair value of the leased asset at the inception of the lease. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Obligations recorded under finance leases are reduced by the principal portion of lease payments. The imputed interest portion of lease payments is charged to finance costs.

h. Provisions:
A provision is recognized, if as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

Restructuring:
A provision for restructuring is recognized when the Company has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for.

Onerous Contracts:

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with the contract.

i. Deferred lease inducements:

Deferred lease inducements represent the unamortized cost of lease inducements on certain of the Company's leased commercial office space. Amortization is provided on the straight-line basis over the term of the lease and recognized as a reduction in rent expense.

j. Income taxes:

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously. A deferred tax asset is recognized for unused tax losses, tax credits, and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

k. Impairment:

The carrying values of all property and equipment, MCDL and intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If any such indication exists, then the assets recoverable amount is estimated.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the cash-generating unit, or CGU).

An impairment loss is recorded when the recoverable amount of an asset or its CGU is less than its carrying amounts. Impairment losses are evaluated for potential reversals when events or changes in circumstances warrant such consideration.

l. Revenue recognition:

Revenue is recognized when (i) persuasive evidence of an arrangement exists; (ii) the significant risks and rewards of ownership, have been transferred to the buyer; (iii) the amount of revenue can be measured reliably; and (iv) costs incurred or to be incurred can be measured reliably. Billings in excess of revenue are recorded as deferred revenue. Revenue recognized in excess of billings is recorded as unbilled revenue.

Goods Sold:

Revenue from the sale of MCDL data in the ordinary course is measured at the fair value of the consideration received or receivable.

Fixed-price Contracts:

Revenue from fixed-price contracts is recognized using the percentage-of-completion method, based on the ratio of costs incurred to estimated final costs. The use of the percentage of completion method requires estimates to determine the cost to complete each contract. The stage of completion is determined by costs incurred and labor hours worked in comparison to total expected costs and hours. 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. Contract losses are measured in the amount by which the estimated costs of the related project exceed the estimated total revenue for the project.

Multiple Component Arrangements:

When a single sales transaction requires the delivery of more than one product or service (multiple components), the revenue recognition criteria are applied separately to identifiable components. A component is considered to be separately identifiable if the product or service delivered has stand-alone value to that customer. The consideration is allocated to deliverables based on their relative fair values. The fair value of each component is determined using vendor specific objective evidence, third party evidence of selling price, or estimated selling price.

m. Research and development:

Research costs are expensed as incurred. Development costs are expensed in the year incurred unless management believes a development project meets the specified criteria for deferral and amortization.

n. Stock-based compensation:

The grant date fair value of share-based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period the employees unconditionally become entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Share-based payment arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions, regardless of how the equity instruments are obtained by the company.

o. Earnings per share:

The basic earnings per share is computed by dividing net earnings (loss) by the weighted average number of common shares outstanding during the reporting period. Diluted earnings per share is computed similar to basic earnings per share, except the weighted average number of common shares outstanding are increased to include additional shares from the assumed exercise of stock options and warrants, if dilutive.

p. Financial instruments:

Non-derivative financial assets:

The Company initially recognizes loans and receivables on the date that they are originated. All other financial assets are recognized initially on the date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that are created or retained by the Company is recognized as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the condensed consolidated balance sheet when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired.

The Company has loans and receivables, financial assets, and non-derivative financial liabilities.

Loans and receivables:

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Non-derivative financial liabilities:
The Company initially recognizes debt liabilities on the date that they are originated. All other financial liabilities are recognized initially on the date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expired.

The Company has the following non-derivative financial liabilities: loans and borrowings, bank overdrafts, and trade and other payables.

Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

The following is a summary of the classification the Company has applied to each of its significant categories of financial instruments outstanding:

Financial instrument:	Classification:
Cash and cash equivalents	Loans and receivables
Amounts receivable	Loans and receivables
Unbilled revenue	Loans and receivables
Accounts payable and accrued liabilities	Other liabilities
Long-term debt	Other liabilities

4. Non-current assets held for sale:

During 2010, the Company committed to sell one of its IFSAR enabled aircraft, which is no longer required subsequent to the completion of the NEXTMap USA and NEXTMap Europe datasets. The aircraft and IFSAR radar equipment have a carrying value of $1,142 and $346, respectively. The aircraft and associated IFSAR radar equipment are available for immediate sale and are presented within current assets as non-current assets held for sale on the March 31, 2011 and December 31, 2010 condensed consolidated balance sheets. The Company received a payment of $4,000 from the purchaser in December 2010, and such payment is presented in the March 31, 2011 and December 31, 2010 condensed consolidated balance sheets within current liabilities as deposit for sale of assets, pending delivery of the aircraft and associated radar equipment to the customer. The assets held for sale were determined to have a fair value (less estimated costs to sell) in excess of the carrying value, and are therefore recorded at carrying value as of March 31, 2011 and December 31, 2010.

5. Property and equipment:

Property and equipment	Aircraft	Mapping equipment	Furniture, fixtures & auto	Leases	Under construction	Total
Balance at January 1, 2010	$ 6,180	$ 6,278	$ 143	$ 310	$ 391	$ 13,302
Additions	-	142	-	370	873	1,385
Disposals	-	(8)	-	(84)	-	(92)
Depreciation	(1,063)	(3,242)	(66)	(196)	-	(4,567)
Capitalized depreciation (Note 6)	-	(632)	-	-	-	(632)
Transfer from under construction	-	1,233	-	-	(1,233)	-
Transfer to held for sale	(1,488)	-	-	-	-	(1,488)
Balance at December 31, 2010	3,629	3,771	77	400	31	7,908
Additions	-	67	-	-	-	67
Disposals	-	-	-	-	-	-
Depreciation	(159)	(741)	(14)	(42)	-	(956)
Transfer from under construction	-	30	-	-	(30)	-
Balance at March 31, 2011	$ 3,470	$ 3,127	$ 63	$ 358	$ 1	$ 7,019

The gross amount of property and equipment at March 31, 2011 was $40,539 (year ended December 31, 2010 – $40,507). The accumulated depreciation at March 31, 2011 was $33,520 (year ended December 31, 2010 – $32,599).

6. Multi-client data library:

Multi-client data library	
Balance at January 1, 2010	$ 87,520
Direct costs and overhead	4,605
Capitalized depreciation (Note 5)	632
Amortization and impairment charge	(69,708)
Balance at December 31, 2010	23,049
Amortization	(1,152)
Balance at March 31, 2011	$ 21,897

In December of 2010, a strategic review of the Company's approach to selling the NEXTMap datasets in the United States and Europe was undertaken by the new executive management of the Company. Upon completion of this review, it was determined that the historical pricing strategy of the NEXTMap datasets required downward adjustment and the Company could no longer afford to invest the resources necessary to exploit certain target markets previously identified. As a result, an impairment test was triggered and a review was performed during the fourth quarter of 2010 to determine if the carrying value of the NEXTMap USA and NEXTMap Europe asset groups were recoverable.

The Company reviewed its cash-generating units which represent the smallest group of assets that generate cash in-flows from continuing use that are largely independent of the cash flows of other assets. The Company determined that an impairment test was required for its NEXTMap Europe, NEXTMap USA, and contract services cash-generating units.

The recoverable amount of the NEXTMap datasets was determined using the value in use of each of the cash-generating units. Value in use was determined by discounting the future cash flows generated from continuing use of the unit. The calculation of value in use was based on the following key assumptions for all units:

- Cash flows were projected based on past experience, actual operating results, and the business plans of the Company.
- Cash flows were projected for a period of five years being the minimum expected useful life of each unit. Five years was used as this period coincided with the Company's business plans and the expected minimum useful life of the assets. The assets were recently completed or completion is in progress and a steady rate of growth has not been achieved.
- The revenues were based on specific opportunities identified, historical experience, and market studies.
- Costs have been estimated based on the Company's strategic plans and estimated effort involved in achieving the forecasted revenues.
- A pre-tax discount rate of 9% was applied in determining the recoverable amount. The discount rate was estimated based on past experience, current rates of interest, the current market place, and current offers received for capital.

The values assigned to the key assumptions represent management's assessment of future trends in the mapping industry and are based on external and internal sources.

The Company determined the future expected cash flows of the datasets were insufficient to recover the carrying value of the assets, resulting in an impairment charge during the year ended December 31, 2010. The impairment charge was included in net loss for the year ended December 31, 2010.

The Company performed a similar analysis at January 1, 2010 and March 31, 2010 and determined that the recoverable amount of the cash-generating units exceeded the carrying values and therefore no impairment charges were recorded.

The following table outlines the charges associated with the impairment for the period ended December 31, 2010:

	Historical Cost	Impairment and Accumulated Amortization	December 31, 2010
NEXTMap USA	$ 81,064	$ (68,119)	$ **12,945**
NEXTMap Europe	39,266	(29,162)	**10,104**
	$ 120,330	$ (97,281)	$ **23,049**

7. Accounts payable and accrued liabilities:

		March 31, 2011		December 31, 2010		January 1, 2010
Accounts payable	$	2,606	$	2,355	$	1,280
Accrued liablities		2,106		2,410		4,364
Other taxes payable		31		15		192
Related company payable		-		-		80
	$	4,743	$	4,780	$	5,916

At March 31, 2011, accounts payable and accrued liabilities include a promissory note with a service provider that defines the payment terms of an outstanding accounts payable balance. The note bears interest at 4% per annum and is secured by an aircraft owned by the Company. The payment terms of the note are designated as a percentage of the proceeds received under a specified mapping services contract during 2011. The principal balance of the promissory note at March 31, 2011 was $1,655, of which $16 is interest (year ended December 31, 2010 – $1,639).

8. Long-term debt:

		March 31, 2011		December 31, 2010		January 1, 2010
Bank term loan	**$**	**1,084**	$	1,185	$	1,589
Term loans		**-**		-		915
		1,084		1,185		2,504
Less current portion		**(549)**		(527)		(1,383)
	$	**535**	$	658	$	1,121

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.

Principal repayments of long-term debt are as follows:

Twelve months ended March 31,		
2012	$	549
2013		535
	$	1,084

9. Operating costs:

Three months ended		March 31, 2011		March 31, 2010
Personnel (1)	**$**	**5,465**	$	5,552
Purchased services & materials (2)		**2,786**		2,491
Travel		**457**		384
Facilities and other expenses		**699**		831
	$	**9,407**	$	9,258

1. Includes $987 and $290 of separation costs during the quarters ended March 31, 2011 and 2010, respectively.
2. Purchased services and materials include aircraft costs, project costs, professional and consulting fees, and selling and marketing costs.

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, 2011			December 31, 2010		
Class A common shares	**Number of Shares**		**Amount**	Number of Shares		Amount
Balance, beginning of period	**60,796,507**	**$**	**187,253**	52,432,037	$	181,623
Stock-based compensation	**684,676**		**326**	239,470		198
Issuance of shares	**-**		**-**	8,125,000		6,157
Issuance costs	**-**		**-**	-		(725)
Balance, end of period	**61,481,183**	**$**	**187,579**	60,796,507	$	187,253

On March 15, 2011, 79,689 Class A common shares were issued to directors of the Company as compensation for services. Compensation expense for these Class A common shares is included in operating costs for $33 (see Note 10(e)).

On March 15, 2011, 548,376 Class A common shares were issued to employees of the Company as compensation for services. Compensation expense of $263 for these Class A common shares is included in operating costs (see Note 10(f)).

On February 28, 2011, 56,611 Class A common shares were issued to an employee of the Company as compensation for services. Compensation expense of $30 for these Class A common shares is included in operating costs (see Note 10(f)).

On October 1, 2010, 136,770 Class A common shares were issued to employees of the Company as compensation for services. Compensation expense of $98 for these Class A common shares is included in operating costs (see Note 10(f)).

On July 6, 2010, the Company issued, on a bought deal basis, 8,125,000 Class A common shares at a price of $0.80 CDN per Class A common share, representing gross proceeds to the Company of $6,157 ($6,500 CDN). In connection with the share issuance, the Company issued a compensation option to its underwriters entitling them to purchase an aggregate of 500,000 Class A common shares at a price of $0.80 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 $110, bringing total costs of the issuance to $725.

On June 30, 2010, 102,700 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 is included in operating costs (see Note 10(e)).

c. Contributed surplus:

		March 31, 2011		December 31, 2010
Balance, beginning of period	$	**8,700**	$	7,858
Stock-based compensation related to stock options and warrants		**114**		732
Compensation option issued to underwriter		**-**		110
Balance, end of period	$	**8,814**	$	8,700

d. Loss per share:

The calculation of 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 are not included in the calculation of diluted loss per share. The Company has incurred a net loss for each period presented and the inclusion of outstanding options and warrants in the loss per share calculation are considered to be anti-dilutive and are therefore not included in the calculation.

The underlying Class A common shares pertaining to 5,875,295 outstanding stock options and 525,000 outstanding 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 shares to non-employee directors of the Company as part of their annual compensation. At the Annual General and Special Meeting of the Shareholders on May 10, 2010, an amendment to the director's share compensation plan was approved to increase the maximum number of Class A common shares of the Corporation issuable there under from 200,000 to 400,000 of the issued and outstanding Class A common shares of the Corporation. As of March 31, 2011, 36,183 Class A common shares remain available under the plan. Compensation expense for issued shares is included in operating costs.

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 shares to employees. As of March 31, 2011, 338,260 Class A common shares remain available for issuance under the plan. Compensation expense for issued shares is included in operating costs.

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 Class A common shares of the Company. As of March 31, 2011, 6,148,118 Class A common shares were authorized under the plan, of which 25,000 warrants (See Note 10(i)) and 5,875,295 stock options are issued and outstanding under the plan and 247,823 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 Class A common shares 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. Options granted to directors generally vest on the date of the grant and expire on the fifth anniversary of the date of such grant.

The following table summarizes information regarding stock options outstanding at March 31, 2011:

	March 31, 2011			December 31, 2010		
	Number of shares under option		**Weighted average exercise price (CDN)**	Number of shares under option		Weighted average exercise price (CDN)
Options outstanding, beginning of period	**3,844,800**	**$**	**3.98**	4,135,217	$	4.42
Granted	**2,373,320**		**0.46**	677,000		0.76
Expired	**(180,625)**		**5.62**	(337,942)		5.39
Forfeitures	**(162,200)**		**2.78**	(629,475)		2.64
Options outstanding, end of period	**5,875,295**	**$**	**2.60**	3,844,800	$	3.98
Options exercisable, end of period	**2,582,400**	**$**	**4.85**	2,686,275	$	4.93

Exercise Price (CDN$)	Options outstanding	Weighted average remaining contractual life	Options exercisable
0.43	1,698,320	5.99 years	-
0.48	450,000	5.77 years	-
0.50	450,000	5.69 years	-
0.66	300,000	5.57 years	75,000
1.49	219,250	3.70 years	133,250
1.60	76,000	4.80 years	26,500
1.78	25,000	2.15 years	6,250
1.84	559,475	4.75 years	370,400
2.36	110,000	4.62 years	27,500
2.98	73,000	3.45 years	73,000
4.16	135,000	3.10 years	100,000
5.75	373,250	1.95 years	373,250
5.95	50,000	2.16 years	45,000
6.04	18,750	0.16 years	18,750
6.20	18,750	2.51 years	15,000
6.30	1,318,500	1.12 years	1,318,500
	5,875,295	4.10 years	2,582,400

For the three months ended March 31, 2011, 2,373,320 options were granted. The per share weighted-average fair value of the options granted during the three months ended March 31, 2011, was $0.28 per share, 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 2.86% to 3.04%, volatilities ranging from 68.1% to 71.4%, and an expected life of six years. The estimated forfeiture rate was 5.43%.

h. Share-based compensation expense:

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

		Three months ended March 31, 2011		Three months ended March 31, 2010
Employees	**$**	**440**	$	158
Non-employees		**-**		9
Non-cash compensation	**$**	**440**	$	167

i. Class A common share purchase warrants:

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

	March 31, 2011	December 31, 2010
Balance, beginning of year	**575,000**	3,200,000
Issued	**-**	500,000
Expired	**(50,000)**	(3,125,000)
Balance, end of year	**525,000**	575,000

Each warrant entitles its holder to one Class A common share upon payment of an exercise price ranging from $0.80 CDN to $1.90 CDN, with a weighted average exercise price of $0.85 CDN. The outstanding warrants expire as follows: 500,000 on July 6, 2011; and 25,000 on May 15, 2012.

j. Restricted shares:

The Company is committed to the issuance of 450,000 restricted shares to a key executive under terms subject to the Board of Directors approval. The restricted shares are expected to be issued in 2011.

11. 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:

2012	$	1,336
2013		1,133
2014		935
2015		717
2016		553
2017		232
	$	4,906

12. Restructuring:

In the fourth quarter of 2009, the Company announced an organizational restructuring to reduce the capacity of data collection and production operations. This restructuring program included workforce reductions and the closure of the Company's Ottawa, Canada facility. The Company incurred additional restructuring costs in connection with a further reduction of data collection and production operations personnel in January 2010 as a continuation of the 2009 actions.

In September 2010, the Company announced and completed an organizational restructuring. Total employee headcount was decreased by 17%, including a significant reduction at the executive level. The restructuring followed the Company's completion of the NEXTMap Europe and NEXTMap USA datasets, and supports the Company's effort to lower overall operating expenses and preserve cash.

In January 2011, the Company announced and completed an additional organizational restructuring. Total employee headcount was decreased by 30% in the Company's North American and European offices and 42% in its Indonesian office.

A summary of the cost related to the restructuring events is as follows:

	Workforce Reduction	Excess Facility	Total
Amounts recorded for the twelve months ended December 31, 2009	$ 673	$ 714	$ 1,387
Amounts recorded for the twelve months ended December 31, 2010	1,421	406	1,827
Amounts recorded for the three months ended March 31, 2011	987	-	987
Total	$ 3,081	$ 1,120	$ 4,201

At March 31, 2011, the provision associated with the restructuring and other related charges consisted of the following:

	Workforce Reduction	Excess Facility	Total
Balance at January 1, 2010	$ 442	$ 714	$ 1,156
2010 provisions	1,421	406	1,827
Payments	(1,035)	(308)	(1,343)
Balance at December 31, 2010	828	812	1,640
3 months ended March 31, 2011 provisions	987	-	987
Payments	(1,222)	(79)	(1,301)
Balance at March 31, 2011	593	733	1,326
Current portion of provisions	550	286	836
Long-term provisions	43	447	490
	$ 593	$ 733	$ 1,326

The workforce reduction accrual of $593 is scheduled to be paid in installments through September 2012. The excess facility accrual of $733 is scheduled to be relieved by November 2013, the lease termination date. Total restructuring related costs of $987 are recorded in operating costs for the three months ended March 31, 2011 (year ended December 31, 2010 – $1,827).

13. 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 March 31, 2011		Data Licenses 3 months ended March 31, 2011		Contract Services 3 months ended March 31, 2010		Data Licenses 3 months ended March 31, 2010
United States of America	**$**	**63**	**$**	**2,615**	$	52	$	627
Asia/Pacific		**2,673**		**838**		730		229
Europe		**209**		**430**		428		1,411
	$	**2,945**	**$**	**3,883**	$	1,210	$	2,267

Property and equipment of the Company are located as follows:

		March 31, 2011		December 31, 2010
Canada	**$**	**599**	$	748
United States of America		**5,989**		6,662
Asia/Pacific		**371**		418
Europe		**60**		80
	$	**7,019**	$	7,908

The multi-client data library is located in the United States of America, the intangible assets are located in the Czech Republic and the non-current assets held for sale are located in the United States of America.

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

		Three months ended March 31, 2011		Three months ended March 31, 2010
Customer A	**$**	**2,673**	**$**	**-**
Customer B		**2,000**		2
Customer C		**764**		20
Customer D		**27**		1,195
Customer E		**8**		423
Customer F		**-**		426
	$	**5,472**	$	2,066

14. 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, 2010.

Amounts receivable as of March 31, 2011 and December 31, 2010 consist of:

		March 31, 2011		December 31, 2010		January 1, 2010
Trade amounts receivable	$	**4,653**	$	3,991	$	11,982
Employee receivables		**20**		23		51
Other miscellaneous receivables		**194**		142		237
	$	**4,867**	$	4,156	$	12,270

Trade amounts receivable by geography consist of:

		March 31, 2011		December 31, 2010		January 1, 2010
United States of America	$	**612**	$	166	$	8,863
Canada		**171**		-		-
Asia/Pacific		**3,086**		2,284		2,550
Europe		**784**		1,541		569
	$	**4,653**	$	3,991	$	11,982

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

		March 31, 2011		December 31, 2010		January 1, 2010
Current	$	**3,485**	$	1,968	$	9,068
31-60 days		**257**		768		417
61-90 days		**240**		73		1,208
Over 91 days		**671**		1,182		1,289
	$	**4,653**	$	3,991	$	11,982

As of March 31, 2011, $910 of trade amounts receivable (year ended December 31, 2010 - $1,255) were past due, of which $281 was deemed uncollectible and was fully reserved.

15. Capital risk management:

The Company is exposed to credit risk, market risk and liquidity risk. The Company's objectives when managing these risks are to safeguard its assets, while at the same time maintaining investor, creditor, and market confidence, and to sustain future development of the business and ultimately protect shareholder value. The Company manages these risks and exposures by implementing the strategies below.

The Company includes shareholders' equity and long-term debt in the definition of capital. To maintain or adjust the capital structure, the Company may issue new shares, issue new debt with different characteristics, acquire or dispose of assets, or adjust the amount of cash and short-term investment balances held.

The Company has established a budgeting and planning process with a focus on cash, working capital, and operational expenditures and continuously assesses its capital structure in light of current economic conditions and changes in the Company's short-term and long-term plans. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

16. Transition to IFRS:

The Company has adopted IFRS effective January 1, 2011. The accounting policies set out in Note 3 have been applied in preparing the financial statements for the three months ending March 31, 2011 as well as for the comparative information for the three months ended March 31, 2010 and in preparation of consolidated opening IFRS condensed consolidated balance sheet at January 1, 2011 (the Company's date of transition to IFRS) and condensed consolidated financial statements at March 31, 2010 and December 31, 2010.

In preparing its opening IFRS statement of financial position, the Company has adjusted amounts reported previously in financial statements prepared in accordance with previous GAAP. An explanation of how the transition from previous GAAP to IFRS has affected the Company's consolidated financial statements is included below and reconciliations are provided in Note 17.

a. ***Elected exemptions from full retrospective application:***

In preparing these consolidated financial statements in accordance with IFRS 1, the Company has applied certain of the optional exemptions from full retrospective application of IFRS. The optional exemptions applied are described below.

i. *Business combinations:*

The Company has elected to not apply IFRS 3 Business Combinations retrospectively to past business combinations. Accordingly, the Company has not restated business combinations that took place prior to the transition date.

ii. *Cumulative translation differences:*

The Company has elected to set the cumulative translation account, which was included in accumulated other comprehensive income, to zero at January 1, 2010 and reclassified the cumulative translation balance into deficit. This exemption has been applied to all subsidiaries.

iii. *Share-based payment transactions:*

The Company has elected to apply IFRS 2 Share-based Payment to equity instruments granted after January 3, 2006 that had not vested by the transition date.

iv. *Borrowing costs:*

The Company has elected to apply IAS 23 Borrowing costs prospectively as of the date of transition. Accordingly, the Company has not restated borrowing costs that were expensed prior to the transition date.

b. ***Mandatory exceptions to retrospective application:***

i. *Estimates:*

The estimates previously made by the Company under GAAP are consistent with their application under IFRS.

17. Reconciliations of IFRS transition adjustments:

GAAP to IFRS Consolidated Balance Sheet reconciliation as of January 1, 2010 is as follows:

	Note	GAAP 1/1/2010	Effect of Transition to IFRS	IFRS 1/1/2010
Assets				
Current assets:				
Cash and cash equivalents		$ 10,355	-	$ 10,355
Amounts receivable		12,270	-	12,270
Unbilled revenue		343	-	343
Work in process		2,057	-	2,057
Prepaid expenses		1,481	-	1,481
		26,506	-	26,506
Property and equipment	(a)	13,380	(78)	13,302
Multi-client data library	(b)	85,276	2,244	87,520
Intangible assets	(e)	909	147	1,056
Deferred tax assets		136	-	136
		$ 126,207	**$ 2,313**	**$ 128,520**
Liabilities and Shareholders' Equity				
Current liabilities:				
Accounts payable and accrued liabilities		$ 5,916	-	$ 5,916
Current portion of provisions	(c)	-	398	398
Current portion of deferred lease inducements		171	-	171
Unearned revenue		674	-	674
Income taxes payable		42	-	42
Current portion of obligations under finance lease		229	-	229
Current portion of long-term debt		1,383	-	1,383
		8,415	398	8,813
Deferred lease inducements		129	-	129
Long-term provisions	(c)	-	316	316
Obligations under finance lease		130	-	130
Long-term debt		1,121	-	1,121
Deferred tax liabilities		218	-	218
		10,013	714	10,727
Shareholders' equity:				
Share capital		181,623	-	181,623
Contributed surplus	(d)	6,882	976	7,858
Deficit		(78,505)	6,670	(71,835)
Accumulated other comprehensive income	(e)	6,194	(6,047)	147
		116,194	1,599	117,793
		$ 126,207	**$ 2,313**	**$ 128,520**

GAAP to IFRS Consolidated Interim Balance Sheet reconciliation as of March 31, 2010 is as follows:

	Note	GAAP 3/31/2010	Effect of Transition to IFRS	IFRS 3/31/2010
Assets				
Current assets:				
Cash and cash equivalents		$ 10,803	-	$ 10,803
Amounts receivable		3,148	-	3,148
Unbilled revenue		472	-	472
Work in process		1,985	-	1,985
Prepaid expenses		1,290	-	1,290
		17,698	-	17,698
Property and equipment	*(a)*	12,486	(75)	12,411
Multi-client data library	*(b)*	83,570	2,603	86,173
Intangible assets	*(e)*	805	106	911
Deferred tax assets		113	-	113
		$ 114,672	**$ 2,634**	**$ 117,306**
Liabilities and Shareholders' Equity				
Current liabilities:				
Accounts payable and accrued liabilities		$ 5,111	-	$ 5,111
Current portion of provisions	*(c)*	-	398	398
Current portion of deferred lease inducements		258	-	258
Unearned revenue		506	-	506
Income taxes payable		55	-	55
Current portion of obligations under finance lease		196	-	196
Current portion of long-term debt		1,283	-	1,283
		7,409	398	7,807
Deferred lease inducements		447	-	447
Long-term provisions	*(c)*	-	316	316
Obligations under finance lease		87	-	87
Long-term debt		1,034	-	1,034
Deferred tax liabilities		153	-	153
		9,130	714	9,844
Shareholders' equity:				
Share capital		181,623	-	181,623
Contributed surplus	*(d)*	7,393	632	8,025
Deficit		(89,668)	7,356	(82,312)
Accumulated other comprehensive income	*(e)*	6,194	(6,068)	126
		105,542	1,920	107,462
		$ 114,672	**$ 2,634**	**$ 117,306**

GAAP to IFRS Consolidated Balance Sheet reconciliation as of December 31, 2010 is as follows:

	Note	GAAP 12/31/2010	Effect of Transition to IFRS	IFRS 12/31/2010
Assets				
Current assets:				
Cash and cash equivalents		$ 4,356	-	$ 4,356
Amounts receivable		4,156	-	4,156
Unbilled revenue		1,016	-	1,016
Work in process		59	-	59
Prepaid expenses		1,039	-	1,039
Non-current assets held for sale	*(a)*	1,700	(212)	1,488
		12,326	(212)	12,114
Property and equipment	*(a)*	7,766	142	7,908
Multi-client data library	*(b)*	23,049	-	23,049
Intangible assets	*(e)*	488	63	551
Deferred tax assets		5	-	5
		$ 43,634	**$ (7)**	**$ 43,627**
Liabilities and Shareholders' Equity				
Current liabilities:				
Accounts payable and accrued liabilities		$ 5,889	-	$ 5,889
Current portion of deferred lease inducements		123	-	123
Unearned revenue		4,873	-	4,873
Deposits for sale of assets		4,000	-	4,000
Income taxes payable		50	-	50
Current portion of obligations under finance lease		151	-	151
Current portion of long-term debt		527	-	527
		15,613	-	15,613
Deferred lease inducements		286	-	286
Long-term provisions		531	-	531
Obligations under finance lease		41	-	41
Long-term debt		658	-	658
Deferred tax liabilities		93	-	93
		17,222	-	17,222
Shareholders' equity:				
Share capital		187,253	-	187,253
Contributed surplus	*(d)*	8,342	358	8,700
Deficit		(175,377)	5,701	(169,676)
Accumulated other comprehensive income	*(e)*	6,194	(6,066)	128
		26,412	(7)	26,405
		$ 43,634	**$ (7)**	**$ 43,627**

GAAP to IFRS Consolidated Interim Statement of Comprehensive Income for the three months ended March 31, 2010 is as follows:

For the Three Months Ended March 31,	Note	GAAP 2010	Effect of Transition To IFRS	IFRS 2010
Revenue:				
Contract services		$ 1,210	$ -	$ 1,210
Multi-client data licenses		2,267	-	2,267
		3,477	-	3,477
Expenses:				
Operating costs	*(d)*	9,602	(344)	9,258
Depreciation of property and equipment	*(a)*	1,199	(3)	1,196
Amortization of multi-client data library	*(b)*	3,511	(358)	3,153
Amortization of intangible assets		104	-	104
		14,416	(705)	13,711
Operating loss		(10,939)	705	(10,234)
Financing costs, net		(44)	-	(44)
Loss on foreign currency translation	*(e)*	(188)	(19)	(207)
Loss before income taxes		(11,171)	686	(10,485)
Income tax (expense) recovery:				
Current		(34)	-	(34)
Deferred		42	-	42
		8	-	8
Net loss for the period		(11,163)	686	(10,477)
Other comprehensive income (loss)				
Foreign currency translation differences	*(e)*	-	(21)	(21)
Total comprehensive loss for the period		(11,163)	665	(10,498)
Deficit, beginning of period		(78,505)	6,670	(71,835)
Deficit, end of period		$ (89,668)	$ 7,356	$ (82,312)
Basic and diluted loss per share		$ (0.21)	$ 0.01	$ (0.20)
Weighted average number of Class A common shares - basic and diluted (Note 10(d))		52,432,037	-	52,432,037

GAAP to IFRS Consolidated Statement of Comprehensive Income for year ended December 31, 2010 is as follows:

For the year ended December 31,	Note	GAAP 2010	Effect of Transition To IFRS	IFRS 2010
Revenue:				
Contract services		$ 4,280	$ -	$ 4,280
Multi-client data licenses		9,652	-	9,652
		13,932	-	13,932
Expenses:				
Operating costs	*(d), (c)*	37,783	(1,330)	36,453
Depreciation of property and equipment	*(a)*	4,577	(10)	4,567
Amortization and impairment of multi-client data library	*(b)*	67,464	2,244	69,708
Amortization of intangible assets	*(e)*	421	50	471
		110,245	954	111,199
Operating loss		(96,313)	(954)	(97,267)
				-
Financing costs		(142)	-	(142)
Loss on foreign currency translation	*(e)*	(354)	(15)	(369)
Loss before income taxes		(96,809)	(969)	(97,778)
Income tax expense:				
Current		(57)	-	(57)
Deferred		(6)	-	(6)
		(63)	-	(63)
Net loss for the period		(96,872)	(969)	(97,841)
Other comprehensive income (loss)				
Foreign currency translation differences	*(e)*	-	(19)	(19)
Total comprehensive loss for the period		(96,872)	(988)	(97,860)
Deficit, beginning of period		(78,505)	6,670	(71,835)
Deficit, end of period		$ (175,377)	$ 5,701	$ (169,676)
Basic and diluted loss per share		$ (1.71)	$ (0.02)	$ (1.73)
Weighted average number of Class A common shares - basic and diluted (Note 10(d))		**56,502,778**	**-**	**56,502,778**

The following notes describe the adjustments required by the transition to IFRS:

a. ***Property and equipment:***

Under IFRS, the Company is required to identify the significant components of property and equipment and depreciate these separately over their respective useful lives. Under previous GAAP, the standards were less specific as to the grouping of similar assets. Upon transition to IFRS, management determined that the aircraft and aircraft engines should be separate components and accounted for with differing useful lives. Under previous GAAP the total value of the aircraft was amortized over 10 years. Upon transition to IFRS, aircraft and engines are required to be amortized separately and are being amortized over a period of 12 years for the aircraft and 7 years for the engines.

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

The Company applied a sales forecast method of amortization for the MCDL under previous GAAP. Under IFRS, the Company will amortize this asset on a straight-line basis over its useful life. The net book value of the MCDL asset was increased by $2.2 million as of the transition date to retroactively apply the Company's amortization policy under IFRS.

c. ***Restructuring:***

In October of 2009, the Company announced a restructuring plan that included a reduction in workforce and the closure of the Company's Ottawa, Ontario office. Under previous GAAP, a provision related to the expense for employee severance associated with the reduction was recorded. Under previous GAAP, a liability related to the Ottawa office lease was not recognized until the second quarter of 2010, when the Company ceased use of the facility.

Under IFRS, a provision is recorded for onerous contracts when it is likely that the expected costs of meeting the Company's obligation under the contract exceed the expected economic benefits. As a result, under IFRS, the provision for the excess costs over expected economic benefits associated with the Ottawa lease have been recognized as of January 1, 2010.

d. ***Share-based payments:***

The Company awards stock-based compensation to certain employees and non-employees. Under previous GAAP, the Company valued the awards in tranches based upon the awards' grant date. All tranches were valued using the expected life of the award and share-based compensation was recognized straight-line over the vesting period. Under IFRS, the Company must assign a fair value to each tranche of awards based on the expected life and the individual tranche. Share-based compensation is then recognized separately over the vesting period of each tranche.

e. ***Cumulative translation differences:***

In accordance with IFRS 1, the Company has elected to deem all foreign currency translation differences that arose prior to the date of transition in respect of foreign operations to be zero at the date of transition.

IFRS does not distinguish between integrated and self-sustaining foreign operations. The current rate method is required to be applied to all entities where the functional currency is different from the presentation currency, resulting in an adjustment on transition to IFRS.

f. Presentation:

Certain amounts on the unaudited condensed consolidated interim statement of comprehensive income have been reclassified to conform to the presentation adopted under IFRS. On the unaudited condensed consolidated interim statement of comprehensive income the Company has presented the expenses by nature.

g. Cash flow impact:

There were no IFRS transition adjustments that impacted our cash balance in 2010. We have presented financing costs, current income tax expense, interest paid and income tax paid separately as adjustments for non-cash items. Under previous GAAP, these were included in changes in non-cash operating working capital. This presentation change will have no impact on our cash flows from operating activities.

18. Subsequent event:

On April 28, 2011, the Company issued, on a non-brokered basis, a private placement of 16,125,000 Units (Units) at a price of $0.40 CDN per unit, representing gross proceeds of CDN $6,450. Each unit consists of one Class A Common share of the Company and one common share purchase warrant (Warrant). Each Warrant will entitle the holder thereof to purchase one Common Share at a purchase price of CDN $0.48 per share for a period of three years from the issue date. The proceeds of the offering will be used by the Company to fund working capital, expand its Internet commerce capabilities, integrate third-party terrain data, and for general corporate purposes.

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