

NEWS RELEASE

IP Applications Corp. Reports Q3 2007 Results and Continuing Progress

VANCOUVER, BC – November 29, 2007 – IP Applications Corp. (TSX-Venture: IPX) today announced its quarterly and year-to-date results for the period ended September 30, 2007.

For the three months ended September 30, 2007 revenue was \$1.9M compared to \$2.4M in the corresponding period in 2006. The net loss decreased to \$197K from \$472K. EBITDA loss was \$6K, an improvement over the loss of \$49K in the corresponding quarter in 2006.

For the nine months ended September 30, 2007 revenue was \$5.9M compared to \$7.2M in the corresponding period in 2006. The net loss decreased substantially to \$630K from \$1.52M. EBITDA was \$6K, as compared to the loss of \$284K in the corresponding period in 2006.

John Jacobson, President and CEO said “For a company in a turn-around situation, IP Applications is showing positive progress – the third quarter results show that revenue has stabilized and EBITDA remains near cash break-even levels. However, approximately 84% of IP Applications’ revenue is invoiced in US dollars and the continued decline in the dollar’s value has masked the very real operational improvements we’ve accomplished over the past year and that we continue to work on. Had the exchange rate remained at Q1 levels through Q2 and Q3, we would’ve reported an increase in Q3 revenue over Q2, positive cash flow and operating results trending toward profitability in the fourth quarter. We haven’t experienced any impact from the credit crisis or from slowing consumer spending that might affect our customers, although several new contracts signed in the early fall have taken longer to begin delivering revenue than was expected. We have no reason to believe that these contracts won’t soon perform as originally budgeted.”

Achievements through the first nine months of 2007:

- Fiscal year-to-date, the Company achieved positive EBITDA of \$6K compared to the loss of \$284K over the same nine-month period in 2006. This despite the negative impact of the rapidly depreciating US\$ which has resulted in a foreign exchange loss of \$103K year-to-date.
- Gross margin improved to 44.7% year-to-date, as compared to 40.3% in the comparable nine-month period in 2006.
- Operating expenses declined 26% to \$3.3M year-to-date, as compared to \$4.4M for the same nine-month period in 2006.
- Net loss decreased 59% to \$(630K) year-to-date from \$(1.52M) in the comparable nine-month period in 2006.
- In November 2007, the Company concluded a debt settlement arrangement and closed a private placement which dramatically improved the balance sheet. The bank indebtedness, demand loan and convertible debentures were all extinguished and the Company expects to exit 2007 with cash resources of at least \$500K.

Non-GAAP measures

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

(000's)	September 30 2007	June 30 2007	March 31 2007	December 31 2006
Operating Loss	\$(197)	\$(247)	\$(186)	\$(1,361)
Amortization	107	122	122	322
Stock-Based Compensation	31	60	37	48
Write-down of Intangible assets	-	-	-	609
Other	52	52	52	75
EBITDA (loss)	\$ (7)	\$ (13)	\$ 25	\$ (307)

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

Option grant and Stock Option Plan amendment

The Company announces that under the existing fixed Stock Option Plan ("Plan"), it has granted an Officer and a Director options to purchase 151,000 common shares of the Company and granted employees options to purchase an additional 600,000 common shares. All options are priced at \$0.18 per share, are exercisable for a period of 5 years and vest over a period of not less than 18 months. This grant is subject to regulatory approval.

The Directors have resolved to amend the Plan to increase the total number of options reserved for issuance to 3,810,389 from 2,624,935 and to grant Officers and Directors options to purchase 587,000 common shares of the Company. These options are priced at \$0.18 per share and may not be exercised until shareholder approval of the amendment to the Plan is obtained at the next AGM. Further, the Company intends to re-price 270,000 options previously granted to employees (non-insiders). Of these, 172,000 options with an exercise price of \$0.33 per share and 98,000 options with an exercise price of \$0.55 per share will be re-priced to \$0.18 per share. This re-pricing is subject to regulatory and shareholder approval and the re-priced options may not be exercised until such approvals are obtained.

About IP Applications

The Company delivers business process automation and customer care for companies in the rapidly expanding Software-as-a-Service ("SaaS") market. IP Applications' customers use the Company's data center and staff to run particular segments of their business operations. While customers are left to focus on their product marketing and technology, IP Applications solves the end user satisfaction and subscriber management issues for them.

Forward-Looking Statements

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

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

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