

NEWS RELEASE

IP Applications Corp. New Product Launch and Business Update

Vancouver, February 28, 2008 - IP Applications Corp. (TSX-V: IPX) wishes to update investors on the Company's activities to February 2008.

Product Launch

IP Applications recently launched a new automation product suite aimed at enterprise software companies entering the Software-as-a-Service ("SaaS") market. The market research firm Gartner, Inc. has forecast an annual growth rate of 22.1% for SaaS product demand, more than double the growth rate of the enterprise software market as a whole. IP Applications' core technology shortens the time-to-market and lowers costs for enterprise software companies re-releasing their existing software through SaaS subscription marketing.

IP Applications updated its corporate website (www.ipapplications.com) and launched a new product-specific website highlighting its SaaS Automation products (www.SaaSAutomation.com). The Company expects to produce and deliver most of the SaaS Automation services in conjunction with hosting companies and other technology partners. IP Applications has ongoing discussions with potential partners and customers, and will be attending three SaaS industry specific events in 2008. More details are on the www.SaaSAutomation.com website.

John Jacobson, President and CEO said "2008 is the year of the SaaS Automation launch. During 2007 we were successful at stabilizing the business, notwithstanding the decline in value of the US dollar. This enabled us to roll out a product for the new and fast-growing market in SaaS Automation."

Business Operations:

During the first three quarters of 2007, the Company achieved effective break-even on EBITDA, a significant improvement over the \$0.28M EBITDA loss during the nine months of 2006 and even greater improvement over the \$1.4M EBITDA loss in 2005.

During the first six weeks of 2008, the Company completed two important milestones in the payment processing sector of its business. It achieved certification to Payment Card Industry Data Security Standard ("PCI-DSS") standards and it completed the implementation of a new transaction interface to the Canadian and US banking systems. IP Applications now processes all of its customers' payments through its own PCI-DSS compliant data center, improving both cost and quality performance.

In 2007 the Company reported a number of new contract wins. Progress on implementation continues with two of the new contracts now producing recurring revenue, and with two existing customers expanding their business volume with the Company. Through 2007 growth from expanding customer relationships offset declines from shrinking customer relationships. Overall growth in volume of services delivered was small but positive, although the decline in the value of the US dollar produced an overall decline in the Company's revenue.

Revenue from our conventional business is expected to decline in the first half of 2008 as a result of a material customer's decision to repatriate technical support services delivered by IP Applications into their own internal operations commencing in March. The Company has identified several opportunities to replace this revenue and is actively pursuing new contracts in the same technical support area.

Investor Relations Agreement:

The Company is pleased to announce the engagement of QIS Capital (547853 BC Ltd.) as the Company's Investor Relations Consultant.

QIS Capital will serve to increase awareness of the Company in the investment community and will coordinate IP Applications' public and investor relations activities. QIS Capital will provide corporate information to its large following of investors and will also communicate the investment merits of the Company through its relationships with newsletter editors, brokers, media, and analysts. As part of this Investor Relations Agreement, IP Applications has also been invited to present at the bi-annual Small-Cap Conference Series held in Vancouver on March 8, 2008 and in Calgary on April 5, 2008.

QIS Capital (547853 BC Ltd.), an investor relations and small-cap investor research source, is a limited company located in Kamloops, BC. The company is owned and operated by Doren Quinton. IP Application Corp. and 547853 BC Ltd. operate at arms length and are independent of one another.

This Investor Relations Agreement covers a period of six months from February 21 - August 20, 2008 at a cost of \$3,000 per month. 547853 BC Ltd. has also been granted a total of 100,000 options exercisable at \$0.165 per share for a period of 2 years. These options will vest on a 25% basis every three months from the effective date of the agreement. The Investor Relations Agreement and the engagement of QIS Capital are subject to the approval of the TSX Venture Exchange.

547853 BC Ltd. and its principal shareholders do not currently hold any shares of IP Applications Corp. 547853 BC Ltd. and its shareholders may purchase shares in IP Applications Corp. from time to time for investment purposes.

About IP Applications

The Company delivers hosting, 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 instead of developing their own infrastructure and administrative software. Customers are free to focus on their product marketing and technology while IP Applications solves the end user satisfaction and delivery management issues for them.

Forward-Looking Statements

This press release contains forward-looking information regarding the expected revenue for the Company in the first half of 2008. The Company cautions users of this forward-looking information that actual results or events may vary materially either favorably or unfavorably from those described due to a number of risks and uncertainties, including the inability of the Company to accurately forecast the revenue from new and existing customers, the inability of the Company's customers to accurately forecast their own demand for Company products and services, changes in the relative value of the US dollar and the Canadian dollar, the possibility that one or more customers or suppliers might experience financial difficulties that could affect the Company's ability to deliver and get paid for its products and services and changes in the growth rate of technology and telecommunications concerns. Please refer to the Company's management's discussion and analysis ("MD&A") for further discussion of these and other risks and uncertainties in relation to such forward-looking information.

Forward-looking information is based on management's current expectations, estimates and opinions. Please refer to the MD&A for a discussion of the events and circumstances which occur that cause, or are likely to cause, actual results to differ materially from such forward-looking information.

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

Contact:

Richard Topham, CFO
D 604.630.5657
E ir@ipapplications.com