

NEWS RELEASE

IP Applications Corp. Announces Non-brokered Private Placement

VANCOUVER, BC – June 20, 2008 – IP Applications Corp. (the “Company”) (IPX: TSX-V) today announces that it intends, subject to receipt of all necessary regulatory approvals, to complete a non-brokered private placement to raise between \$750,000 and \$1,500,000 through the issuance of up to 7,500,00 units at a price of \$0.20 per unit (the “Offering”).

Each unit will consist of one common share and one-half common share purchase warrant. Each whole warrant will entitle the holder thereof to acquire an additional common share of the Company at a price of \$0.25 for a period of two years after closing. Pender Financial Group Corporation and insiders of the Company are expected to participate in this financing. A Finder's fee of 8% payable in cash and warrants equal to 8% of the number of units issued to the subscribers may be paid to arm's length third parties in connection with the Offering, however no finder's fee will be payable on any shares purchased by insiders. IP Applications intends to use the net proceeds for working capital necessary to advance a strong initiative into the rapidly expanding Software as a Service (“SaaS”)/Cloud computing markets

John Jacobson, President and CEO said “We've spent a lot of time this year planning our entry into the fast growing Software as a Service and Cloud Computing markets. Major players in the enterprise software space are searching for technical solutions to billing, administration and marketing services required by these new computing models. This financing funds the product upgrades and marketing to move IP Applications as rapidly as possible into this fast-growing high-value market.”

About IP Applications Corp.

IP Applications 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 technology while IP Applications solves the end user satisfaction and delivery management issues for them.

Forward-Looking Statements

This press release may contain forward-looking statements. 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. Such risks and uncertainties include, but are not limited to: 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 the Company's products and service; changes in the relative value of the US and Canadian dollars; 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. 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