



May 18, 2006

Dear Fellow Shareholder:

When taking over as Chief Executive Officer last year, I set out to build on an already solid foundation and committed to you to make positive changes for the good of the Company.

My plan was straight forward: resolve old matters, reduce expenses and most importantly grow the business towards profitability and take steps that may allow us to gain a listing for our stock on a stock exchange or other active trading market. The task was monumental, but with the help of a team committed and working diligently, I am pleased to say we are making progress on all of these goals.

We anticipate that the future will bring even more positive change and growth. I am confident in saying that the next few months and the balance of 2006 will be some of the most exciting times in Viper Networks' history.

As many of you know, Vonage® will soon be entering the public markets via an Initial Public Offering (IPO). This brings more attention to the rapidly growing VoIP marketplace and a positive benefit for all those involved. Our industry will continue to see more exposure, media attention and consolidation - all which, in my opinion, will positively affect Viper and others involved in the industry. Keep in mind that Viper Networks has been a pioneer in the VoIP industry and continues to execute its plan to become a formidable and profitable voice over the Internet Company.

As I mentioned earlier, we are on track to accomplish several of the goals we had set out to do. I would like to take a brief moment to outline a few of the most important accomplishments that you may not be aware of and keep you informed on our progress:

***NextPhase Wireless, Inc. Dividend***

In the next few weeks we plan on releasing the details on the planned NextPhase Wireless stock dividend. We are completing the details with our counsel now.

### ***Greenland Dispute and other legal matters***

As you may know, Viper Networks received a positive interim ruling in its binding arbitration with Greenland Corporation. While the decision is not final, the terms require Greenland to return all of the common shares of Viper Networks and the \$25,000 cash payment that Viper paid to Greenland at closing. The arbitrator essentially granted Viper's request to rescind the entire transaction, which took place in 2003. Upon finalization by the arbitrator Viper intends to cancel the common shares and return them to treasury.

Also virtually all other outstanding legal matters have been settled or resolved by the Company.

### ***Debt Retirement and Share Return***

Over the last year we have reduced operating and other expenses and most recently retired over \$600,000 in long term debt. We have also reduced the total number of issued and outstanding shares of the company in part by the return of common shares by Officers and Directors in return for options with a value of \$0.25 per share.

### ***Sales Office Expansion***

Recently we announced the opening of our Michigan sales office and the addition of Mr. Nabil Youkhana our recently appointed Senior Vice President. The new 4,000 square foot East Coast sales office is located at 530 Stephenson Highway, Suite 100, Troy, MI 48083. A sales team of 8 people is being put in place and we will be adding more as we grow the operation.

With the addition of the Michigan sales office and if our current trends continue, we currently estimate 2006 sales to be approximately \$7,000,000 and based on our plans and if current trends continue, we hope to double those figures in 2007. I expect that our recently announced positive testing conducted with Sprint® Wireless' and Verizon® Broadband wireless cards as well as testing that is underway with other carriers will help us reach our goals.

### ***Fully Reporting Status***

Rest assured that this is something we continue to work towards on a daily basis. We are working hard to prepare and file a large number of Form 10-QSBs and Form 10-KSBs and take every step to comply with our obligations as a corporate citizen in meeting the requirements of our federal securities laws. As you may have seen, over the past one year and eight months, we have filed numerous periodic reports (Form 10-QSBs and Form 10-KSBs) with the S.E.C. and we have more that we will be filing as well. We recently filed our quarterly report for the nine months ended September 30, 2005 on Form 10QSB and we are currently due to file our annual report for the year ending December 31, 2005 in the near future. Once this most recent annual report is filed and after we file amendments to our prior filings, we will be seeking clearance from the S.E.C. to move up from our current listing on the Pink Sheets to the OTC Bulletin Board. We have come a long way in the past few years and while I believe that we will achieve this objective, we are hopeful that the S.E.C. will clear us to obtain listing on the OTC Bulletin Board.

I hope that all of you are as pleased with the success and performance of your Company thus far and can see the trend of positive change and momentum we have achieved. As I stated earlier, I believe that the “best is yet to come” for Viper Networks, and rest assured we are working towards the future.

Farid Shouekani  
Chief Executive Officer

*Except for the historical information contained herein, this press release contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially from the results predicted and reported results should not be considered an indication of future performance. In addition to the factors discussed in the filings with the Securities and Exchange Commission, among the other factors that could cause actual results to differ materially are the following: the decisions that the SEC makes with respect to our ability to clear comments to gain tradability on the OTC Bulletin Board, adverse changes in the business conditions and the general economy; competitive factors, such as rival companies' pricing and marketing efforts; availability of third-party material products at reasonable prices; the financial condition of the customer; risks of obsolescence due to shifts in market demand; and litigation involving product liabilities and consumer issues. Viper Networks Inc. cautions readers not to place undue reliance upon any such forward looking statements, which speak only as of the date made. Viper Networks Inc. expressly disclaims any obligations or undertaking to release publicly any updates or revisions to any such statements to reflect any change in the company's expectations or any change in events, conditions or circumstances on which any such statement is based.*