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IPVOICE COMMUNICATIONS, INC.
(Symbol: IPVO - OTC Bulletin Board)
(Recent Price: \$0.88)

The Company

IPVoice Communications, Inc. ("IPVoice" or "the Company") is a six-year-old Texas-based company that has reported as a research and development firm for most of its history. In 2002, IPVoice launched a new business plan resulting in the Company posting five consecutive profitable quarters and establishing an annualized \$15 million in revenue. The Company continues to actively acquiring early-stage proprietary technology companies and financially distressed systems integration companies in specific global markets.

Indeed, a great deal has evolved since our last report (April, 2003 at \$0.08) and much more is planned going forward. Later in 2003, IPVoice acquired Infotel Technologies in Singapore and IP Global Voice (since renamed "XIPTTEL"), led by CEO Peter Geddis, a former Executive Vice President and Chief Operating Officer of Qwest Communications (NYSE:Q). IPVoice plans to acquire additional companies similar to Infotel and XIPTTEL.

Given the Company's diverse expansion of profit streams, IPVoice maintains its concentration on the continuous market introduction of emerging communication innovations. The Company's unique marketing approach packages new communication innovations with incumbent brand name powerhouses. In conjunction with an expanding line of proprietary in-house products, IPVoice currently markets the advanced Internet Protocol (IP) software technologies of Cisco Systems, Inc. (NASDAQ:CSCO) and Sun Microsystems, Inc. (NASDAQ:SUNW).

IPVoice has a history of introducing first-to-market technologies that drive consumer demand for network bandwidth by making existing voice, data and video communications better. Recently, the Company expanded its reach to include communication innovations in Healthcare and - Homeland Security with additional market segment expansions planned.

The Company has recently announced closed and prospective acquisitions of -companies with proprietary IP technology - to expand their current in-house product line. While some of these transactions are still in development, the strategic priority is to build a solid customer base through which new products can be market tested, refined, and rolled out into full production. Though the Company has deemphasized previously released specifics regarding a merger and acquisition effort to build an initial incumbent customer base of \$100 million in revenue through the aggregation of Internet Protocol (IP) service providers, management is nevertheless committed and making substantial progress towards this revenue goal.. Indeed, the initial \$20 million in annualized revenue forecast for 2004 has been updated based on Q1'04 progress to \$37 million in annualized revenue. To date, in addition to the Infotel and IP Global Voice acquisitions, the Company has completed the acquisitions of Medical Office Software Inc. in Fort Lauderdale, Florida with annual sales of \$3 million and Digital Computer Integration Corp. with forecasted sales of \$6 million in 2004.

The Company is also aggressively expanding into developing economies with current business development in Venezuela, China and Southeast Asia. The Company has announced a Letter of

Intent (LOI) to acquire RKM Technologies in Venezuela. This acquisition would add \$2 million to IPVoice's overall annualized revenue and contribute to the Company's exceeding the \$15 Million in forecasted annualized revenue projected by the end of first quarter 2004. The RKM and Infotel acquisitions are representative of IPVoice's overall efforts to establish a sales foothold in a number of developing economies.

The Company recently announced completely retiring \$3 million in preferred convertible debt. The Company has started 2004 with no outstanding obligation to any investor that would increase the current issued and outstanding in 2004 by converting preferred shares into common. The improved balance sheet has enabled IPVoice to build a 2004 financial plan that does not include any new commitment to convert preferred shares into common in order to fund operations.

The Company also recently announced its expansion into the Healthcare and Homeland Security Markets represented by the MOS and DCI acquisitions. The Company has further announced the parallel formation of the Innoprise Fund, with \$11 million currently subscribed, to support IPVoice's rapid growth strategy.

The Company is -pushing its merger and acquisition campaign to expand its existing emerging communication technology product portfolio into multiple industry segments. IPVoice has a unique strategy to acquire innovative technology properties by purchasing a controlling stock interest in a target company offering synergies with IPVO, in exchange for long-term convertible debt. With outside funding led by the recently announced Innoprise Fund, these subsidiary emerging technology properties are funded independent of the parent Company's capital structure.

The Business

IPVoice Communications, Inc. has been a rapidly emerging player in the multi-billion dollar telecommunications arena and is further implementing its solid business plan with expansion to a diverse array of significant markets including Homeland Security and healthcare. With current clients including CompUSA, Cisco Systems and Siemens, the IPVoice technology focus is broader than just the voice market. However, voice service in North America alone is more than a \$300 billion market place annually. IP solutions are expected to account for more than \$6 billion of that market place in the current year and approaching \$50 billion within the next three years.

In addition to building progressive sales in the U.S., the Company has implemented strategic efforts to accelerate growth by closing large international sales opportunities. The communication technology IPVoice sells is the platform of choice for new infrastructure build-out in Developing World Countries. The Company has made substantial strides in Latin America, Eastern Europe and China, which offer major upside in IPVoice's growth plan.

The Company's diversified product line includes its own unified communications service offering, which can connect all of a customer's existing communication services, including: pager, cellular, home, office, fax, voice mail and even e-mail under one, single, easy to remember telephone number. The Company also offers an array of carrier and service provider grade products from basic prepaid minutes to full feature bundled communications that include both voice and data from point to point. The Company recently announced its ongoing commitment to Sun Microsystems following Sun's transition of its previous iPlanet partner program to the new iForce Partnership for Sun One.

A significant development is the Company's market launch of new communication technology offerings in Healthcare and Homeland Security, two of the most significant market segments in the world today. Penetration of these market sectors offers the Company further diversification and establishes itself as a dynamic well-rounded growth vehicle.

Management

IPVoice Communications, Inc. can proudly boast its senior management, scientific advisors and affiliates to, perhaps, be its greatest single asset. Indeed, the Company has meticulously assembled a team of hands-on industry and business professionals to ensure the Company's future success. Led by Philip Verges, the Company's Chairman and Chief Executive Officer, IP voice has implemented an aggressive, yet cost-sensitive approach to attaining its goals. Prior to joining the Company, Mr. Verges served as President and Chief Executive Officer at Vergetech, Inc. ("VTI"), which recently merged into IPVoice. Mr. Verges is an experienced executive manager, with a successful track record in both telecommunications and high technology. A graduate of the U.S. Military Academy at West Point, Mr. Verges served with distinction in a wide variety of important engagements to include research and development of counter terrorism communication technologies and practices. Mr. Verges' early career after the Army includes time in the Computer Sciences Research and Development Department of General Motors. Mr. Verges' first business start-up experience was at EDS in a new division concentrating on call center technology in financial institutions. Later, Mr. Verges added to his start-up experience at a thirty million-dollar technology services business with the responsibility to open a new geographic region. -. Mr. Verges founded VTI and led the firm from \$300,000 in first year sales to over \$11 million in sales in year four, funding growth primarily from operational income..

Dan Scofield, President Chief Operating Officer, has more than 15 years in operations and service management for consumer and technology companies, including computer and telecom manufacturing organizations. Scofield has led a \$260 million revenue business and launched major new product initiatives. He has successfully created two service companies (Global Service Solutions and Product Support Services), in addition to holding several senior management positions with CompUSA and Uniden, where he served as Division President and Vice President of Operations respectively. Prior to Uniden, he was Vice President of Professional Services for MicroAge Computer Centers and served twelve years in the United States Navy as a commander of Information Services and Aviation Maintenance operations.

Peter Geddis, CEO IP Global Voice, brings over 25 years experience building growth and profitability for leading companies and smaller firms. He has CEO and COO experience with a strong entrepreneurial background and strategic knowledge in information systems, IP, optical and local networks. In addition to experience at Qwest and its predecessor, SP Telecom, Mr. Geddis has held executive positions at PacTel Spectrum Services, British Telecom, GTE Sprint and New Jersey Bell Telephone.

David Palmer, Vice President – Software Development, is a VTI founder with more than twenty years of government and Fortune 500 operations and management experience. Mr. Palmer, a U.S. Naval Academy Graduate, started his technology career with EDS, during which time he completed their Systems Engineering Development program and held several technical leadership positions. The majority of Mr. Palmer's development efforts at EDS resulted in the creation of new and proprietary technology. Mr. Palmer has won industry recognition and holds numerous technology certifications.

Anastasia Turrell, Vice President – Professional Services, is a VTI founder with a premier technology consulting background earned through years of experience and advancement at Ernst and Young. Ms. Turrell is a Sigma Cum Laude Graduate from the University of Texas at Austin with a B.S. in Electrical Engineering and a B.A. in Liberal Arts.

Jim Rogers, Business Development Manager - China, brings to the Company extensive experience in developing US business opportunities in China. Mr. Rogers will be serving to develop IPVoice sales in China, as well as providing sourcing and negotiating high-tech merger and acquisition opportunities.

Dr. Larry Xianghong Wu, Business Development Manager – China has recently joined IPVoice in Beijing, China. Dr. Wu previously served in the Chinese State Council, Research Office as a Senior Advisor to the Premier, Mr. WEN Jiabao. Prior to his position at the State Council, Research Office, Dr. Wu worked as a Secretary for Science and Technology. in Washington D.C. - leading Chinese efforts to promote technology and telecommunications trade and investment, as well as research and development collaborations between Chinese and American companies. Dr. Wu's earned his PH.D in Public Policy on Science and Technology at Renmin University of China. Dr. Wu is a published author in his field with three books and numerous articles to include U.S. publications in Business Week and Red Herring.

Together, this highly capable and experienced group represented here by only a small number of over the more than 75 employees, has already demonstrated an exceptional ability to identify and react to emerging opportunities within a niche environment and deliver solid results. Both individually and collectively, their talents should bode well for the Company's further continued success.

Outlook

IPVoice Communications, Inc. is poised to further embark on a period of unbridled growth as it furthers its well-conceived business plan. Recently, the Company unveiled plans to achieve \$20 million in sales in 2004 before realizing any additional revenue growth from ongoing merger and acquisition activity. At the time, the Company had achieved an annualized revenue run rate of \$7 million. Based on current progress, the anticipated annualized revenue run rate by the end of first quarter in 2004 is \$15 million.

In the past quarter, IPVoice has announced over \$2 million in new sales and two acquisitions. This substantial rate of growth is rooted in the Company's continually improving balance sheet. As mentioned, recent announcements also included the retirement of \$3 million in preferred convertible debt and the establishment of a \$1 million conventional debt facility (recently - expanded to \$1.5 million) to support its rapidly growing sales.

The growth achieved in 2003 has put IPVoice one step ahead of a rebounding emerging technology market. The Company stock's average closing share price in 2003 grew over 400 percent. The trading activity places the Company equity in the top 100 most actively traded stocks on the OTCBB and frequently in the top 20 most actives. Most significantly for its seemingly regular inclusion in the OTCBB most active list, is that IPVoice is one of the higher priced stocks listed, in addition to having one of the lowest shares issued and outstanding.

The 2004 plan involves the expansion of the emerging technology market lead established by the Company's 2003 performance. The success in 2003 resulted from the implementation of a new business model concentrated on introducing new technologies to market. In 2004 the Company will replicate this new business model validated by IPVoice's success to extend the Company's current lead in the revitalized emerging technology market.

The Company's Voice over Internet Protocol (VoIP) solution set is the first emerging communication technology offering the Company has introduced to the market. In 2004, the Company will introduce a Healthcare industry communication technology solution set and a Homeland Security communication technology solution set. The Company will also continue to expand the underlying systems integration capacity they believe is essential to successfully launching any new technology offering.

The IPVoice name will remain central to the Company's VoIP business. -However, he Company will introduce the new corporate name, "NewMarket Technology", to represent the expanded emerging technology market initiative. The Company will also introduce the name "Strategic Sourcing" to represent the ongoing expansion of the underlying essential systems integration

capacity. The Healthcare and Homeland Security communication technology market opportunities are fragmented multi-billion dollar markets with no clear-cut market leaders.

With the Company's shares currently trading in the \$0.80-\$0.90 range, it seems apparent the financial community has still yet to factor in the enormous growth and profit potential of IPVoice's acquisition model and quality revenue enhancements. It appears the Street has left the Company's shares relatively undiscovered and unrecognized, as well as seemingly undervalued, based on the Company's significant turnaround and management's intermediate term outlook. Indeed, IPVoice appears to be ahead of the curve with its rebound and further economic progress will only enhance the dramatic positive transition. We are of strong belief that a new regime of companies will emerge in the next technology cycle and we continue to attempt to identify some potentially significant names from the micro-cap arena. With a strong core business, first-rate business alliances, innovative product line, incumbent customer base, virtual worldwide penetration, solid margins, diligent business plan, aggressive merger and acquisition strategy and an accomplished hands-on management team, the Company represents a compelling risk/reward situation in the lucrative telecommunications solutions arena. Our 12-month target for the shares of IPVoice Communications, Inc. is \$1.15-\$1.40, with the potential for strong upside surprises.

Since completing our review of IPVoice, the Company has announced a substantial potential acquisition. IPVoice has entered into a LOI to acquire 51% of the issued and outstanding common stock of Wireless Frontier ISP (OTC:WFRI). Our assessment does not include the potential impact of this acquisition, which would increase IPVoice's current annualized revenue by 100% with the inclusion of Wireless Frontier's own \$15 million in annualized revenue. When IPVoice closes the Wireless Frontier acquisition, we plan to update our assessment and valuations at that time.

Michael Scheft
March, 2004

Contact Philip Verges at (972) 386-3372x 209 or visit the Company's websites at www.ipvoice.com, www.newmarkettechnology.com and www.xiptel.com.

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