



For Immediate Release:

NETIFICE AND MEGAPATH ANNOUNCE COMPLETION OF MERGER CREATING THE LARGEST IP MANAGED SERVICE PROVIDER IN NORTH AMERICA

Combined Company to Operate Under the MegaPath Brand

COSTA MESA, CA, May 10, 2006 -- Netifice Communications Inc. and MegaPath Networks Inc., leading providers of Virtual Private Network (VPN) solutions and other managed IP services to businesses worldwide, announced that the companies have completed their merger, forming the largest independent provider of managed broadband VPNs in North America, with over \$125 million in revenue.

Craig Young continues to serve as Chairman and Chief Executive Officer of the combined company, and industry veteran Jim Cragg has been appointed President and Chief Operating Officer. "I am excited to have Jim as part of the MegaPath senior management team," said Craig Young. "The extensive management and operational experience that Jim brings to the company will play a key role in expanding our leadership position within the managed IP services industry."

The combined company will be headquartered in Costa Mesa, California, and operate under the name MegaPath to capitalize on that brand name's awareness and reputation within the marketplace. MegaPath will build upon both companies' success in marketing managed IP data, voice and security services to enterprise businesses by combining the strengths of both companies and creating service bundles tailored to the needs of small-to-medium size businesses (SMBs). To drive this expanded enterprise and SMB marketing strategy, MegaPath will invest in marketing and sales distribution initiatives to further advance its leadership position.

"This merger enables us to better serve our customers, which is our number one objective," said Craig Young, Chairman and Chief Executive Officer. "MegaPath can now offer a wider selection of products, greater network reach and expanded resources to address the needs of both small-to-medium size businesses and large enterprises. Our technical and operational expertise in delivering managed IP services exceeds any of our competitors, and makes MegaPath the obvious choice for businesses looking to securely connect their distributed offices, employees and retail locations."

With over 18,000 customers, MegaPath is now the undisputed leader in providing managed IP services to key vertical markets, including retail, manufacturing, healthcare and financial services/insurance.

- continued -

About MegaPath

MegaPath is the leading provider of managed IP communications services in North America. MegaPath leverages its wide selection of broadband connectivity, Virtual Private Networks, Voice over IP (VoIP) and security technologies to enable businesses to lower costs, increase security and enhance productivity. Businesses of all sizes can easily and securely communicate between their headquarters, branch offices, retail locations, mobile workers, and business partners.

To learn more about why over 18,000 companies have chosen MegaPath's managed IP data, voice and security services to improve their business communications, visit www.megapath.com or call 1-877-MegaPath (638-4342).

#

Contact:

Tony Welz
Welz & Weisel Communications
(703) 323-6006
Tony@W2comm.com