



Xten Receives TMC Labs 2005 Innovation Award for INTERNET TELEPHONY® Magazine

Xten Pocket PC SIP Softphone Singled Out for Outstanding Innovation

SANTA CLARA, CA – June 16, 2005 – Xten Networks, Inc. (OTCBB: XNWK), a provider of VoIP (Voice over Internet Protocol), Video over IP, Instant Messaging (IM), and Presence SIP softphones, today announced that Technology Marketing Corporation's TMC Labs division named the Xten Pocket PC SIP Softphone as a 2005 Innovation Award winner from INTERNET TELEPHONY magazine.

“Award winning open standards IP communications technology is coming out of our labs,” stated Erik Lagerway, president and chief operating officer at Xten. “The engineering department here is top notch and it shows every time we win one of these awards. Once again we are honored to have been selected for the Innovation of the Year Award.”

“The Xten Pocket PC SIP Softphone has clearly demonstrated to the staff of TMC Labs that Xten's product is truly innovative in the burgeoning VoIP/IP telephony industry. Never before in this industry has there been a greater need to highlight the most inventive VoIP products and services,” said Rich Tehrani, Group Publisher and Editor-in-Chief of INTERNET TELEPHONY.

“The TMC Labs Innovation Awards are based solely upon the uniqueness of the company's offering or how pioneering the particular product or service is. It is not based on company revenue or number of products sold. It is based on the concept that the Xten Pocket PC SIP Softphone is innovative,” according to Tom Keating, CTO and TMC Labs Editorial Director.

Keating continued, “the Xten Pocket PC SIP Softphone deserves this great honor for creating a groundbreaking VoIP product or service. I look forward to seeing other innovative solutions from Xten as they continue to contribute to the future of the VoIP/IP telephony marketplace.”

The TMC Labs 2005 Innovation Award highlights will be published in the July and August 2005 issues of INTERNET TELEPHONY magazine.

About Xten Networks, Inc.

Xten Networks is a developer of award-winning, high-quality, carrier-grade VoIP (Voice over IP) and Video over IP SIP softphones for service providers, cable operators, Internet telephony service providers, IP PBX manufacturers and OEMs. Xten's SIP softphones are available either pre-configured or as a software development kit (SDK), and provide VoIP (Voice over IP), Video over IP, IM (Instant Messaging), and Presence functionality. eyeBeam -- Xten's feature-rich SIP Video over IP softphone with IM and Presence -- recently received both Communications Solutions® Magazine's and INTERNET TELEPHONY® Magazine's "Product of the Year" Award for 2004. Through deployments with leading service providers, Xten technology is deployed in more than 5,400,000 IP endpoints worldwide. For more information please visit www.xten.com.

About TMC®

Technology Marketing Corporation (TMC) publishes two print magazines: Customer Interaction Solutions, and Internet Telephony; five digital publications, SIP Magazine, Speech-World, WiFi Telephony Magazine, VoIP Developer, WiMAX Magazine; and the online publications TMCnet.com, Planet PDA Magazine, WiFi Revolution, Alternative Power and BiometriTech. TMC is also the first publisher to test new products in its own on-site laboratories, TMC Labs. TMC produces INTERNET TELEPHONY Conference & EXPO, The VoIP Developer Conference, Speech-World Conference, IP Contact Center Summit and The Global Call Center Outsourcing Summit. TMCnet.com publishes more than 25 topical online newsletters. For more information about TMC, visit its Web site at www.tmcnet.com.

For more information on TMC, please contact:

Julie Preuss
+1.203.852.6800 ext 275
jpreuss@tmcnet.com

For more information on Xten, please contact Investor Relations - KCSA Worldwide:

Todd Fromer
+1.212.896.1215
tfromer@kcsa.com

Michael Cimini
+1.212.896.1233
mcimini@kcsa.com

For more information on Xten products, please contact Media Relations:

Tiffany Zinck
+1.604.628.2127
pr@xten.com