

January 13, 2015



5BARz CEO Issues Letter to Shareholders

SAN DIEGO-- [5BARz International, Inc.](#) (OTCQB: [BARZ](#)), (www.5BARz.com) ("5BARz" or "the Company") a technology leader in the cellular network extender industry, has issued the following letter to the shareholders:

Dear Fellow 5BARz Shareholders,

Technological advancements and progress in the mobile culture is at the center of many important discussions today. The number of mobile devices has now surpassed the global human population according to [OpenMarket](#), with nearly 90% of consumers owning a mobile phone. More than anything else, this is the year that mobile phones will be used more than all other devices in the market. As the industry continues to focus on the proliferation and reliance of the mobile phones, I'm proud to say that we are engaging in larger discussions on capturing the lion's share of the market opportunity with our product development, which is now entering into commercialization.

We begin 2015 at 5BARz preparing for the commercial rollout of our ground-breaking product, the *5BARz Network Extender*. We had many achievements and accomplishments in 2014 despite the broad challenges we faced associated with developing our revolutionary products. Nevertheless, with our exceptional engineering team, headed by our Chief Technology Officer Naresh Soni, we were able to successfully complete the development of our *Network Extender*, generating results from independent field trials that far exceeded our previously published performance objectives. The *Network Extender* not only demonstrated a definitively improved mobile experience for the consumers, but is also the first ever, single-box, integrated, plug and play product in the industry. Now that we are ready to bring the *Network Extender* to market, and the fact mobile phones are used for surfing the net and streaming music and video, the demand is stronger than ever for seamless clear strong signals with 5BARz.

I believe that our recently finalized, first generation *Network Extender* product will prove to be the best product on the market in its class. Furthermore, we continue to make new advances at our innovation lab in San Diego so that future versions of our *Network Extender* and other products will position us as industry leaders. As the massive market for improved connectivity continues to grow at a steady pace, we are very confident about the future of our Company and its growth potential as we begin commercialization and

deployment of our *Network Extenders*.

Please find below, a review of 2014 and specific highlights of our activities and achievements that have brought us to this significant inflection point in our development and also a peek forward of what we see for the future of 5BARz and outline of our plans for 2015.

In February 2014, we presented the *Network Extender* at an invitation-only gala held at the Majestic hotel in Barcelona, Spain, in conjunction with the Mobile World Congress 2014. A video of the product launch is available on our website www.5barz.com. This event was attended by many top-tier mobile carrier executives, shareholders and other industry luminaries and telecom executives who openly expressed their excitement for our cellular network extender product. We met with many tier-one mobile carriers from around the world and in the ensuing months actually established strong working relationships with seven tier-one carriers based in India, Africa, Europe and Latin America. Furthermore, we have either formed, or are in the process of completing the formation of our first three operating subsidiaries in India, Africa and Latin America. We will be focusing the vast majority of our business development efforts in these regions during the first half of 2015. To that end we were happy to announce, in late summer, the hiring of Marcelo Caputo to serve as CEO of 5BARz Latin America. Marcelo had spent the last 17 years working for Telefonica and most recently served as it's President and CEO of Telefonica USA, making him the most qualified executive to run our Latin American (LATAM) division.

Road Warrior

We also began 2014 by shipping 1,000 units of our *Road Warrior* devices to Mexico from our manufacturing partner in the Philippines with the objective of completing the sale of a total of 16,000 *Road Warrior* devices. Getting the product imported, obtaining the necessary approvals, and forming our distribution infrastructure in the country proved to be extremely difficult and lengthy to complete. After nearly nine months, we were ultimately successful in accomplishing this task. We also recently announced that we have begun working with Grupo BTMex of Mexico City, given their specialization in commercializing top electronic brands in Mexico. We are confident that together we will be able to grow the *Road Warrior* business into Mexico in 2015. We believe the *Road Warrior* is the best automobile cellular booster product in the market in Mexico today, and we look forward to announcing our sales results in the coming months.

Intellectual property

In addition to our three existing patents, in 2014 we filed three additional provisional patents and have seven more patent applications in process as we continue to innovate. In the coming year we expect to file eleven new provisional patents, further building the Company's IP asset portfolio, creating a competitive advantage, and adding shareholder value to the company.

Financing

The Company's recent developments have not escaped the notice of the investment community. As a result, we also have developed working relationships with some tier-one investment banks and associated bridge financing arrangements are in place and expanding. This additional working capital will facilitate the global corporate roll-out of our products in 2015, a year in which we are expecting to achieve sufficient cash flows from operations which would not only further grow shareholder value, but also clean up our balance sheet and improve shareholder equity.

Results of Operations

In 2014 we raised just under \$5 million to fund operations. We will be delivering our annual audited financial statements in early March.

2015 and Beyond

I believe that 5BARz products will have a significant role in improving cellular connectivity for consumers as the need to stay connected is now more relevant than ever. Our vision is clear and our strategy is progressing very well. I am confident that we will achieve our primary vision of providing an improved mobile experience to mobile consumers around the world. I'm proud of our accomplishments thus far and am excited about what the future holds for 5BARz. We thank you for your support and look forward to providing you with our next update.

Yours truly,

Daniel Bland
Chief Executive Officer

Legal Notice Regarding Forward-Looking Statements

The information contained in this release consists of forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. These statements may involve risks and uncertainties that could cause actual results to differ materially from those described in such statements. Such forward-looking statements involve known and unknown risks and uncertainties, including all business uncertainties relating to product development, marketing, market acceptance, future capital requirements, and competition in general that may cause actual results to be materially different from those described herein as anticipated, believed, estimated or expected. The Company is under no obligation to (and expressly disclaims any such obligation to) update or alter its forward-looking statements whether as a result of new information, future events or otherwise.

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