

FOX-TEK PROVIDES CORPORATE UPDATE

TORONTO, ON (June 21, 2006) – Fiber Optic Systems Technology, Inc. (the “Company” or “FOX-TEK”), a developer of patented fiber optic sensing products, today provided an update about major corporate activities.

FOX-TEK has just been advised by a large Middle Eastern oil and gas customer that an ongoing test project has concluded successfully. The customer has requested proposals from FOX-TEK that address the monitoring requirements of three divisions: Pipelines, Civil Infrastructure and Offshore Installations. The conclusion of the test project marks a transition by the customer to the commercial and implementation phase.

FOX-TEK also reported that it is in advanced negotiations with major pipeline companies and refineries in Mexico, the United States and Canada. FOX-TEK will communicate additional information as details become available.

The Company further reported today that it is in final negotiations with a major Middle Eastern engineering firm that will provide marketing, sales, engineering and support services in the Middle East outside of the Kingdom of Saudi Arabia. FOX-TEK is also in advanced discussions with a Russian engineering firm to provide similar services for the oil and gas markets in Russia and Central Asia.

About Fiber Optic Systems Technology

Established in 2000, FOX-TEK has developed patented fiber optic sensing products that deliver a cost-effective solution for companies to continually monitor their critical infrastructure. The company’s primary market is the global oil and gas industry, for the monitoring of pipelines and refineries. In addition to its monitoring systems, FOX-TEK delivers a full range of professional services to its customers, including engineering design services, training, supervision of on-site installation and turnkey fiber optic sensing systems. FOX-TEK is headquartered in Toronto, Ontario and is traded on the TSX Venture Exchange under the symbol “FOX”.

This press release contains forward-looking statements based on assumptions, uncertainties, and managements’ best estimates of future events. Actual results may differ materially from those currently anticipated. Investors are cautioned that such forward-looking statements involve risks and uncertainties. Important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements are detailed from time to time in FOX-TEK’s periodic reports filed with the Ontario Securities Commission and other regulatory authorities. FOX-TEK has no intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this press release.

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