

FOR IMMEDIATE RELEASE

TSX Venture Exchange symbol: FOX

FOX-TEK Announces \$3,000,000 Non-Brokered Private Placement

Proceeds Will Support Expanded Sales and Product Line, and Acquisitions

TORONTO, Ontario (February 1, 2008) – Fiber Optic Systems Technology, Inc. (“FOX-TEK” or the “Company”), (TSX-V: FOX), a developer and manufacturer of patented non-intrusive sensing systems, today announced a non-brokered private placement (the “Offering”) to raise gross proceeds to the Company of up to \$3,000,000 by the issuance of units at \$0.30 per unit. Each unit consists of one common share of FOX-TEK and one-half of one warrant. Each whole warrant entitles the holder to acquire one common share of the Company at any time within twenty-four (24) months from the closing date of the Offering at a price of \$0.50 per common share.

The Company has agreed to pay a finder’s fee equal to 9.6% of the aggregate gross proceeds of the Offering payable by way of issuance of units on the same terms and conditions as applicable to the units sold pursuant to the Offering and to issue finder’s units equal in number to 12% of the number of units sold under the Offering at \$0.30 per finder’s unit. Each finder’s unit will have the same characteristics as the units in the Offering.

The proceeds from the private placement will be used for working capital and to support possible acquisitions.

As part of the 2008 employee compensation plan, FOX-TEK granted 290,000 options to six members of management on January 28, 2008. These options vest over three years in equal annual installments, have a term of five years and have an exercise price of \$0.25, being the closing price of the FOX-TEK shares on January 25, 2008.

About FOX-TEK:

Fiber Optic Systems Technology, Inc. "FOX-TEK" develops non-intrusive asset health monitoring sensor systems for the oil and gas market to help operators track the thinning of pipelines and refinery vessels due to corrosion/erosion, strain due to bending/buckling, and process pressure and temperature. FOX-TEK's FT fiber optic sensor and Pinpoint systems allow cost-effective, 24/7 remote monitoring capabilities to improve scheduled maintenance operations, avoid unnecessary shutdowns, and prevent accidents and leaks.

FOX-TEK has offices in Toronto, ON; Calgary, AB; Montreal, QC; Houston, TX; and Al-Khobar, Saudi Arabia. FOX-TEK is traded on the TSX Venture Exchange under the symbol “FOX”. For more information, visit www.fox-tek.com.

This press release contains forward-looking statements based on assumptions, uncertainties and management’s 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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