

FOR IMMEDIATE RELEASE

TSX Venture Exchange symbol: FOX

FOX-TEK Meets Its 2007 Goals and Starts 2008 on Strong Note

Key Targets Met for Revenue, Repeat Orders and Expansion of Territories

TORONTO, Ontario (January 21, 2008) – Fiber Optic Systems Technology, Inc. (“FOX-TEK”), (TSX-V: FOX), a developer and manufacturer of proprietary non-intrusive sensing systems, today announced successful performance for all of 2007, and a strong start for 2008.

Dr. Essam Zaghloul, President and CEO of FOX-TEK said, “Everyone at FOX-TEK worked very hard to achieve our key goals last year:

- We achieved our revised financial forecast by obtaining approximately \$1M in contracted sales of our systems, which may not have a direct co-relation to sales reported for Canadian generally accepted accounting principles.
- The company acquired and integrated PinPoint, broadening our product offering. As a result numerous sales in the pipeline pitting corrosion monitoring market have been made to Major and Super-Major oil and gas companies worldwide.
- Re-orders increased for both FT and PinPoint systems, and order quantity increased, as benefits of our solutions were recognized by clients.
- Reduced manufacturing costs and increased salability with lower prices
- Our product offering was broadened with new models in the fiber optic and FBG sensor lines. This increased access to more customers with new problems, such as plant integrity and leak detection.
- FOX-TEK expanded into Russia, a key market. Three pipeline bending sales were completed and several more large quotes were issued.
- Additional sales in Saudi Arabia were made for pipeline corrosion and leak detection.
- Interest grew in both FT and PinPoint solutions in Southeast Asia, following our initial sale and installation of a PinPoint system to Petronas in Malaysia.
- We solidified our understanding of the Mexican and South American market and generated active quotations for pipeline corrosion and bending monitoring.
- The Strategic Alliances we forged throughout the year are providing important sales channel benefits.
- We have stayed on the lookout for further complimentary acquisitions, considering the financial markets”

Dr. Zaghloul continued, “We have orders on the books to start off Q1 of 2008. Our sales forecast for the rest of 2008 shows solid growth. We will continue our push for sustainable and

profitable operations. Many thanks to our customers, channel partners, staff, and shareholders for your support.”

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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