



FOR IMMEDIATE RELEASE

TSX Venture Exchange symbol: FOX

**FOX-TEK ANNOUNCES YEAR-END RESULTS AND THE CLOSING OF A
DEBENTURE FINANCING**

TORONTO, Ontario, (May 7, 2010) -- Fiber Optic Systems Technology, Inc. ("FOX-TEK"), (TSX-V: FOX), a developer of patented non-intrusive sensing systems, today announced financial and operating results for the year ended December 31, 2009. The annual statements have been filed on SEDAR (www.sedar.com). All amounts are expressed in Canadian dollars unless otherwise noted.

- **Revenue totals \$1,003,000, an increase of 33% over 2008.**
- **Operating costs decrease by \$1,437,000 from 2008 to 2009.**
- **Sold 13 more PinPoint systems on a year-over-year basis.**
- **Revenue outside North America was \$264,000 versus \$13,000 in 2008.**

FOX-TEK reported revenue of \$1,003,000 compared to \$751,000 in 2008. We continue to be encouraged by the increased demand for our PinPoint technology. "This past year was certainly filled with a multitude of challenges" said Sean Carr President & CFO of FOX; "but the technological advances that were first implemented in late, 2008, (spring loaded pins, high temperature applications and the introduction of DMAT web) started to see some market acceptance during 2009", Sean continued. Despite the economic downturn, FOX-TEK was able to significantly increase its install base and has been requested to bid on many more multiple system orders than ever before.

Current trading halt of FOX-TEK shares

As part of the announcement of the proposed reverse take-over with Marcon International Inc., the TSX Venture Exchange halted trading of FOX-TEK's stock in accordance with section 3.2 of TSX Venture Exchange Policy 5.2. Management expects the trading halt to be lifted as soon as the exchange has completed its preliminary assessment of the transaction.

Debenture Financing

FOX-TEK also announces the successful closing of its non-brokered private placement of secured convertible debentures of \$365,000, with 4,055,555 detachable warrants in accordance with the conditional approval of the TSX Venture Exchange. The debentures bear interest at a rate of 12% per annum payable in cash at maturity. Each warrant entitles the holder to purchase one common share at \$0.10 for a period of 12 months from May 7, 2010. The conversion price of the debentures will be \$0.09. All or any part of the principal of the debenture can be converted into common shares by the holder prior to maturity. The debentures will mature on the earlier of May 7, 2011 or the completion of an equity financing with gross proceeds to the Company in excess of \$1,500,000. The debentures are secured by a first charge on the assets of the Company. The securities issued as part of the private placement are subject to a hold period

expiring on September 8, 2010. Mr. Allen Lone, the sole shareholder of Marcon International Inc., is one of the subscribers to the private placement.

About FOX-TEK:

FOX-TEK develops patented 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, 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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