

FOR IMMEDIATE RELEASE

TSX Venture Exchange symbol: FOX

FOX-TEK Continues Expansion into Saudi Arabia with Al Hoty Stanger Project
New Al-Khobar Regional Office Targets Saudi Industrial Market

TORONTO, Ontario (May 17, 2007) – Fiber Optic Systems Technology, Inc. (“FOX-TEK”), a developer and marketer of patented non-intrusive sensing systems, today announced a field project in Saudi Arabia with Al Hoty Stanger Ltd., a major Saudi industrial laboratory and inspection services company.

Al Hoty Stanger Ltd. (www.alhotystanger.com) has chosen FOX-TEK’s FT technology to monitor crack growth in concrete for a large industrial facility in the Eastern Provinces of Saudi Arabia. Thierry Cherpillod, FOX-TEK’s Director of Operations - Saudi Arabia, attributes the project and FOX-TEK’s growing prospects in the region to the recent opening of a regional office in Al-Khobar.

“Opening an office in Saudi Arabia has led to many more opportunities such as this,” Cherpillod said. “This new partnership is a further validation of our vision of the huge growth potential for the use of our innovative technology, particularly in Saudi Arabia and the surrounding Gulf region.”

For the Al Hoty project, field technicians will take periodic measurements on site using FOX-TEK’s new FT 3410 portable monitor. Records over time will be correlated with other data to better understand the structural integrity of the facility in relation to local settling of the ground.

“We’ve continually strived to provide the type of quality assessment and testing services our clients have come to expect over the past two decades,” said Dr. George Korobokis, Deputy General Manager of Al Hoty Stanger Ltd. “Implementing FOX-TEK’s FT system is an excellent opportunity for us to expand our services and implement the use of non-intrusive fiber optic sensors in structural health monitoring.”

“We have always believed that having a senior full-time person in Saudi Arabia would speed up our sales cycle and allow us to offer better service to our clients,” said Dr. Essam Zaghoul, President and CEO of FOX-TEK. “Our work with Al Hoty Stanger Ltd. and their talented staff should be a stepping-stone to future projects. With the significant demand to monitor the structural integrity of buildings and industrial facilities in Saudi Arabia, we hope to advance discussions we are having with other large organizations in the area and other neighboring Gulf countries.”

About Fiber Optic Systems Technology

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; Calgary; Houston; 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.

About Al Hoty Stanger Ltd.

Al Hoty Stanger Ltd. was established in 1975 as independent laboratories and materials testing. Offering a wide range of independent testing/inspection services including physical, mechanical and chemical testing of all kinds of materials (e.g. construction materials, metals, water, oil, fuel, food etc), Al Hoty Stanger Ltd. has 10 test facilities throughout the region. The company is third-party approved by a number of authorities, including Saudi Aramco, and carry ISO 9001.2000 certification from BVQI. The Company is home to one of the best-equipped laboratories in the Middle East and holder of the first National Laboratory Accreditation Certificate by the Saudi Arabian Standards Organization (SASO) in July 1988. In the KSA Al Hoty Stanger Ltd. is approved by MEPA, in the UAE by Dubai Municipality.

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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