

**FOR IMMEDIATE RELEASE**

**TSX Venture Exchange symbol: FOX**

**FOX-TEK PinPoint System Contract from Major Pipeline Company**  
*Current Customer Orders Pitting Corrosion Monitoring System*

TORONTO, Ontario (July 4, 2007) – Fiber Optic Systems Technology, Inc. (“FOX-TEK”), (TSX-V: FOX), a manufacturer of patented non-intrusive sensing systems, today announced the sale of a PinPoint corrosion monitoring system to a major Canadian pipeline company. The contract involves the installation and ongoing remote monitoring of a 16 inch bypass line in one of the pipeline company’s stations in southern Ontario, Canada.

Eric Kubian, Director of EFM Technology for PinPoint FOX-TEK Inc. stated, “This installation within the station gives us the opportunity to demonstrate that our PinPoint systems are ideal for reducing inspection costs - even in accessible areas - by providing automated monitoring of corrosion.” Mr. Kubian added, “The PinPoint system is designed for the difficult task of monitoring the growth of corrosion pits. In stations, and other areas of intensive activity, repeating traditional inspections can not only be costly, but they can hamper daily operations. Our system minimizes the cost and operational impact with a buried sensor system that can monitor independently and send data out to us for analysis.”

Dr. Essam Zaghoul, FOX-TEK’s president and CEO said, “We are pleased that this pipeline company has added our PinPoint system to their integrity management program. Since they are also using our FT fiber optic sensor system for corrosion monitoring, they clearly see the benefits of remote, on-demand monitoring to help prevent track pipeline health. This is another step that shows the growing recognition of the many benefits of our monitoring systems within the oil and gas industry.”

**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](http://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.

FOX-TEK Company contact:

Dr. Essam Zaghloul, president and CEO, Fiber Optic Systems Technology, Inc.  
(416) 665-2288, [ezaghloul@fox-tek.com](mailto:ezaghloul@fox-tek.com)

Investor Relations contact:

Barry Mire, Renmark Financial Communications Inc.  
(514) 939-3989, [bmire@renmarkfinancial.com](mailto:bmire@renmarkfinancial.com)

Media contact:

Neil Torres, Public Relations, Antenna Group for FOX-TEK  
(415) 977-1942, [neil@antennagroup.com](mailto:neil@antennagroup.com)