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**FOR IMMEDIATE RELEASE**  
**FOX**

**TSX Venture Exchange symbol:**

**FOX-TEK Announces Year End Results**  
**Ends 2006 With New CEO and Crude Oil Customer Installation in Canada**

**TORONTO, Ontario, (March 9, 2007)** -- 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, 2006. The annual statements have been filed on SEDAR ([www.sedar.com](http://www.sedar.com)). All amounts are expressed in Canadian dollars unless otherwise noted.

Among the financial results for the year ended December 31, 2006, FOX-TEK reported revenue of \$104,000 compared to \$117,000 in 2005. The net loss for 2006 was \$5,444,000 or \$.15 per share, compared to a net loss of \$2,944,000, or \$.10 per share in 2005. The loss reflects the Company's increased expenses as it continues to build the sales, marketing and operational teams working toward successful product roll out and commercialization.

"We're working toward the expansion of our global presence through increased efforts targeting the Canadian, U.S. and Middle Eastern markets," said Dr. Essam Zaghoul, President and CEO of FOX-TEK. "We are currently very focused on achieving sales traction in the oil and gas industry through our sales and marketing efforts to secure our foothold in these markets."

**2006 Developments**

During the year, Dr. Essam Zaghoul joined FOX-TEK as President and CEO to transition the Company from R&D to a global commercialization phase. Dr. Zaghoul is charged with building the foundation for FOX-TEK to assume leadership in the oil and gas industry with its corrosion monitoring and structural integrity systems. With strategic relationships in key markets, Dr. Zaghoul brings to FOX-TEK an impressive track record of growing oil & gas and technology companies.

Additionally, the Company raised net \$8.5 million in financing through the issue of warrants, issue of common shares from the exercise of options and a private placement with Research Capital. The funds are to be used to expedite product rollout and expand FOX-TEK's sales and marketing presence in North America and the world.

FOX-TEK also reported in the fourth quarter of 2006 that it added continuous monitoring and remote data retrieval capability to a previous installation on a large crude oil pipeline in western Canada. This is part of FOX-TEK's recent push to commercially supply non-intrusive fiber optic sensing systems for applications in the Oil and Gas sector such as pipeline bending and internal corrosion monitoring.

### **About Fiber Optic Systems Technology**

Fiber Optic Systems Technology, Inc. "FOX-TEK" provides non-intrusive sensor systems to the oil and gas market to monitor 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 and Houston. 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.

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