FOR IMMEDIATE RELEASE **TSX Venture Exchange symbol: FOX**

FOX-TEK Deepens Corrosion Monitoring Capabilities with Acquisition of PinPoint

TORONTO, Ontario, (January 22, 2007) -- Fiber Optic Systems Technology, Inc. (TSX-V: FOX), a developer of patented fiber optic sensing products, today announced the acquisition of PinPoint Corrosion Monitoring, Inc. ("PinPoint"), a Canadian developer and manufacturer of pipeline wall thickness monitoring technologies, at a purchase price of $50,000 and 171,428 shares in FOX-TEK at $1.75 per share, with such shares to be held in escrow and released in three equal installments over the next three years. In addition, a royalty of 5% of the net sales of PinPoint will be paid to one of the vendors up to a maximum of $300,000.

"We've received positive feedback regarding our technology offering, but were looking to increase our visibility within the industry," said Eric Kubian, President of PinPoint. "Working with FOX-TEK will provide us with a much broader market reach and will highlight the value of our corrosion monitoring system."

The acquisition of this complementary technology offering gives FOX-TEK the ability to combine the data from both technologies and provide customers with a complete picture of the generalized and pitting corrosion condition of their assets. FOX-TEK utilizes fiber optic sensors, which are bonded to the outside of a pipeline or vessel to measure the effects of corrosion. PinPoint's system features a removable sensor sleeve that contains an array of electrodes that produce readings that correlate with size of corrosion defects or "pits" inside a pipeline. Both technologies allow for continuous monitoring and provide precise data alerting operators at the first sign of corrosion.

"We've conducted successful installations of our technology at sites in many locations, working with some of the biggest names in the oil and gas industry – but one of the keys to being a market leader is continued improvement," said Dr. Essam Zaghloul FOX-TEK's President and CEO. "Acquiring PinPoint adds to the depth of our corrosion monitoring solution, and allows us to become a true "one-stop shop" for customers dedicated to maintaining pipeline integrity."

On a separate note, FOX-TEK's Special Shareholders Meeting which will take place on Tuesday, January 23, 2007 at 10:00 am can be viewed by webcast using the following link:

English Event URL:
http://www.newswire.ca/en/webcast/viewEvent.cgi?eventID=1714460

About Fiber Optic Systems Technology

Established in 2000, Fiber Optic Systems Technology, Inc. "FOX-TEK" has developed and patented a technology which uses non-intrusive fiber optic sensors 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 system is extremely sensitive and measures changes in pipe wall thicknesses that are a small fraction of one percent. Its fiber optic sensors are permanently bonded to the outside of a pipe or vessel without the need to halt operations or penetrate the wall, as most other sensor types require. FOX-TEK's sensors are ideal for use near flammable and hazardous materials since they operate on light, not electricity. FOX-TEK's system provides continuous, real-time 24/7 monitoring, which allows an operator to better schedule maintenance operations, avoid unnecessary shutdowns, and prevent accidents and leaks. By allowing operators to know exactly when to perform maintenance on their infrastructure, FOX-TEK's system increases the productive capacity of a refinery or pipeline. In addition to its monitoring systems, FOX-TEK delivers a full range of professional services to its customers, including engineering design services, training, supervision of on-site installation and turnkey monitoring systems. FOX-TEK is headquartered in Toronto, Ontario and is traded on the TSX Venture Exchange under the symbol "FOX". For more information, visit www.**fox-tek**.com.

About PinPoint Corrosion Monitoring, Inc.

Pinpoint Corrosion Monitoring, Inc. is a recently established Canadian corporation specializing in the development and manufacturing of technology for continuous wall thickness monitoring of oil field pipelines and petrochemical processing equipment. The PinPoint corrosion monitoring system features a unique removable sensor sleeve that can be secured around buried steel pipelines and facility process piping. The sensing system measures the advancement of internal corrosion damage by individual defect, or cluster. Pipe wall measurements are recorded daily then routinely uploaded to a central server for processing. Connected to automated measurement and control electronics, the solar powered systems are designed for harsh climate operation in remote pipeline right-of-way locations. For more information visit www.pinpoint-corrosion.ca.

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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