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MITEC TELECOM TO ACQUIRE KERAGIS CORPORATION

Purchase Brings Market Opportunities in U.S. Military and Communications

Montreal, August 15, 2007 – Mitec Telecom (TSX: MTM) has entered into an agreement to acquire California-based Keragis Corporation, a leading producer of unique, next generation amplifier solutions for commercial and military communications and radar systems.

Keragis' products will provide Mitec with leading, state-of-the-art, high power Solid State Power Amplifier (SSPA) technology for use in its current communication products. It will also allow Mitec to expand its customer base to include the U.S. military arena where Keragis enjoys an excellent reputation.

"Keragis' innovative amplifier solutions combined with Mitec's manufacturing and product development capability throw the door wide open for a whole new series of technology-leading products in industries with huge business potential," said Dan Piergentili, Mitec's President and Chief Executive Officer.

Solid state amplifiers have significant advantages over the traveling wave tube amplifiers currently used in satellite systems and military and radar equipment. The replacement tube market alone is valued at over \$1 billion.

"Now that Mitec's financial affairs are in order we intend to put more focus on strategic acquisitions as well as revenue and profitability growth," said Mr. Piergentili. "The Keragis acquisition provides Mitec with exciting new opportunities that are in line with our current growth strategy."

The cash and stock transaction is expected to close by the end of the month. The closing of the transaction is subject to standard conditions including due diligence and regulatory approvals. The terms of the transaction were not disclosed.

About Mitec Telecom

Mitec Telecom is a leading designer and provider of radio frequency (RF) products for the telecommunications and satellite communications industries, as well as a variety of other sectors. The Company sells its products worldwide to network providers for incorporation into high-performing wireless networks used in voice and data/internet communications. Headquartered in Montreal, Canada, the Company also operates a facility in China.

Mitec Telecom Inc. is listed on the Toronto Stock Exchange under the symbol MTM. On-line information about Mitec is available at www.mitectelecom.com.

Except for historical information provided herein, this press release may contain information and statements of a forward-looking nature concerning the future performance of the Company. These statements are based on suppositions and uncertainties as well as on management's best possible evaluation of future events. Such factors may include, without excluding other considerations, fluctuations in quarterly results, evolution in customer demand for the Company's products and services, the impact of price pressures exerted by competitors, and general market trends or economic changes. As a result, readers are advised that actual results may differ from expected results.