



**Source:** Mitec Telecom Inc.  
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## MITEC TELECOM REPORTS ON ANNUAL MEETING EVENTS

**Montreal, October 28, 2011** - Mitec Telecom Inc. ("Mitec") (TSX: MTM) today made several announcements at its Special and Annual General Meeting after receiving shareholder support for the various resolutions that were proposed to shareholders in Mitec's Management Proxy Circular.

Mitec has received a binding Letter of Intent (the "LOI"), to acquire certain assets, mainly representing Mitec's VSAT division from a group of Mitec senior employees. These employees have agreed to acquire 100% of Mitec's VSAT division for anticipated proceeds of \$3.4 million. The LOI is subject to execution of definitive agreements, (financing) and any regulatory approvals. Mitec's machine shop facility located at 104 Gun Avenue, Pointe-Claire, Quebec, will form part of the assets being sold to the senior employees as part of this divestiture.

Mitec anticipates that the initial closing for this transaction will take place on or about December 1, 2011. Final closing is expected to take place soon thereafter, subject to receiving commitments from one or more institutions who have indicated an interest in financing some aspects of this transaction.

Mitec also provided an update to shareholders on the status of its convertible debentures which were scheduled for repayment on October 19, 2011. Mitec has successfully negotiated new terms with the majority of the debenture holders to extend the maturity date to October 19, 2012, to increase the annual rate of interest payable from 12% to 15% and to amend the conversion price into common shares of Mitec from \$.06 per share to \$.03 per share until October 19, 2012.

Notwithstanding these revised terms and receiving consents from debenture holders who have indicated their acceptance of them, Mitec is obligated to redeem the debentures once the VSAT division divestiture has closed. Consequently, immediately after the initial VSAT closing takes place, Mitec intends to notify all convertible debenture holders in order to determine whether they wish to redeem their debentures or to continue to hold their debentures until maturity.

### **About Mitec Telecom Inc.**

Mitec 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. Mitec 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, Mitec also operates a facility in California. Mitec is listed on the Toronto Stock Exchange under the symbol MTM. On-line information about Mitec is available at [www.mitectelecom.com](http://www.mitectelecom.com).