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MITEC CLOSES U.S. OPERATIONS AND ANNOUNCES STRATEGIC ALLIANCE WITH BROADBAND WIRELESS LLC

Montreal, January 31, 2007 - Mitec Telecom announced today that it is closing its U.S. operations, based in Reno, Nevada, as part of continuing consolidation efforts to return the Company to profitability. Mitec will concentrate all North American operations in its Montreal facility. This decision will reduce expenses and align operations in keeping with management's strategy of ensuring a profitable and highly efficient operation.

Mitec also announced a strategic alliance with Broadband Wireless to develop Multi-Carrier High-Power Amplifiers (MCPA) for wireless infrastructures. Mitec will join forces with Broadband Wireless which has proprietary MCPA technology. This technology will be combined with Mitec's filter and system design capability to create a new line of coverage-solution products aimed at CDMA operators. These solution-based products consist of Tower Mount Multi-carrier Boosters (TMB), High-Power Multi-carrier Distributed Antenna Systems (DAS) and very low-noise Tower Mount Amplifiers (TMA). This new line of products will allow Mitec access and address a growing demand from operators to solve a variety of coverage problems. As demand for wireless grows, broadband coverage is becoming a critical factor. These products will provide operators the ability to provide coverage that traditional base stations cannot solve.

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.

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