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MITEC WINS MULTI-YEAR EXTENSION TO SUPPLY AGREEMENT

- Scope Expanded to Include GSM, CDMA and UMTS (3G) Products
- Deliveries to Commence Immediately

Montreal, January 9, 2004—Mitec Telecom Inc. (TSX: MTM), today announced that it has received a multiple-year extension to a major supply agreement with one of the key network equipment providers. This agreement replaces and extends a previous supply agreement signed in mid-2003 and calls for the supply for a range of both new third-generation and reengineered second-generation products.

"Over the past few months, the market has clearly demonstrated an appetite for new wireless products," said Rajiv Pancholy, Mitec's President and CEO. "Our drive to introduce a range of new subsystems continues unabated."

ABOUT MITEC TELECOM

Mitec Telecom is a leading designer and provider of products for the telecommunications sector as well as a variety of other industries. 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 facilities in the United States, the United Kingdom and China.

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