



**South American Missile Developer Selects Infrared Technology from Cantronic's
QWIPTECH Subsidiary
For Major Defense Contract in South America**

January 29, 2007 – Vancouver, British Columbia – Cantronic Systems Inc. (TSXV – CTS) and its U.S. subsidiary QWIP Technologies, Inc. (QWIPTECH) today announced the award of a contract for the customization and supply of two color multi-element infrared detectors by a South American missile developer and defense contractor. The contract has a base portion for the customization and supply of two color multi-element infrared detectors, as well as an option for production of a small quantity of detectors, with a total value of US\$810,000 if the option is exercised.

“This contract is of major significance for us, both in the continued acceptance of our incomparable technology by the missile and defense industry and for the future program potential that could stem from this development contract,” said Mark Mandell, Managing Director at QWIP Technologies, Inc. “We look forward to working with the customer to help in meeting its strategic initiatives.”

The missile developer cited the dual color infrared detector's ability to provide longer-range detection and better discrimination capability as key factors in its decision to select Cantronic's QWIP technology.

In addition to the South American missile developer, Cantronic's and QWIP's technologies have been implemented by military, transportation, medical, industrial, and homeland security industries worldwide.

Company Contact

James Zahn
President/CEO
Cantronic Systems Inc
Toll Free: 1-866-391-6970
james@cantronic.com

About Cantronic Systems Inc.

Cantronic is a leader in infrared night vision technology, specializing in passive and active Infrared cameras, infrared illuminators, low light infrared sensitive CCD cameras and long-range night vision surveillance systems for demanding homeland security applications. Cantronic has also been approved by Health Canada as a Medical Device manufacturer and is working on using imaging as a diagnostic tool for breast cancer screening. Cantronic's technology has been widely featured by national and local media.

Cantronic, through its US subsidiary QWIP Technologies, Inc. (“QWIPTECH”), holds a worldwide exclusive license from the California Institute of Technology (“Caltech”) to produce and sell infrared detectors and sensors based on Caltech's Quantum Well Infrared Photodetector technology. This technology, developed by the renowned NASA Jet Propulsion Laboratory in Pasadena, California, has many applications in defense as well as in the field of



security and surveillance. To date, in excess of US \$15 million has been spent on developing the technology, which, in April 2001, was inducted into the NASA Space Technology Hall of Fame. QWIPTECH is currently developing an aerial land mine detection system for the US Army Research Laboratory. It has also been contracted by SELEX (formerly BAE Systems), a world-renowned leader in infrared systems, to supply infrared detectors for their Sigma Hunter large format infrared camera.

Cantronic is a Tier 1 issuer on the TSXV trading under the symbol **CTS**. For further information about Cantronic and QWIPTECH, please visit our websites at www.cantronics.com and www.qwip.com

###

TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of the contents of this news release. All referenced product names are trademarks of their respective owners.