



NEWS RELEASE

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OMT Reports Results for Three Months Ended September 30, 2007

Winnipeg, Manitoba, November 19, 2007 -- OMT Inc. (TSXV: OMT) announced today the Company's consolidated results for the period ended September 30, 2007.

Third Quarter Highlights

- *OMT continued its strategic planning focusing on both accelerated revenue growth and financial alternatives for its debt obligations due December 20, 2008. The Board will continue to identify and pursue alternatives to best position OMT within a total strategic framework.*
- *The Commercial segment signed agreements with significant radio broadcast clients including a new Saga Broadcasting cluster and NPR stations such as KLCC. These clients continue to support OMT's belief that its iMediaTouch automation software suite offers a strong, technically advanced platform.*
- *The Retail segment also deployed its initial Digital Signage platform to a growing liquor chain in western Canada. Management expects this expanded product offering that includes digital signage greatly enhances our total offering that supports its In-store radio service offering and will provide a growing revenue opportunity.*

Description of Business

OMT Inc. (TSXV: OMT) is a digital media content and technology solution provider to radio broadcasters and retailers with two business units. Intertain Media, the digital entertainment division, offers background music and messaging services as well as digital signage services to major retailers and commercial businesses. The OMT Technologies division delivers radio automation systems to both domestic and international clients. OMT's broadcasting, multi-media technology, and content are heard daily by over 50 million people worldwide through radio, satellite, television and Internet delivered broadcasts. To learn more about the Company, its products and services, visit its website at www.omt.net.

Management's Discussion and Analysis

Certain statements made in the following Management's Discussion and Analysis contain forward-looking statements including, but not limited to, statements concerning possible or assumed future results of operations of the Company. Forward-looking statements represent the Company's intentions, plans, expectations and beliefs, and are not guarantees of future performance. Such forward-looking statements represent our current views based on information as at the date of this report. They involve risks, uncertainties and assumptions and the Company's actual results could differ, which in some cases may be material, from those anticipated in these forward-looking statements. Unless otherwise required by applicable securities law, we disclaim any intention or obligation to publicly update or revise this information, whether as a result of new information, future events or otherwise. The Company cautions investors not to place undue reliance upon forward-looking statements.

Results of Operations

This review contains Management's discussion of the Company's operational results and financial condition, and should be read in conjunction with the unaudited interim consolidated financial statements for the three and nine month periods ended September 30, 2007 and the associated notes.

The unaudited consolidated financial statements provide a comparison of the three and nine month periods ended September 30, 2007 to the three and nine month periods ended September 30, 2006 and have been prepared in accordance with Canadian Generally Accepted Accounting Principles. Unless otherwise stated, all amounts are in Canadian dollars.

Revenue this year to date as compared to last year has increased \$121,000 (5%). Retail Radio product sales are up from \$192,000 in 2006 to \$499,000 this year, an increase of \$307,000 (160%). This represents significant growth for this product line and management will continue to focus on developing this opportunity in the future. Sales in the traditional commercial radio market are down from \$2,112,000 last year to \$1,926,000 this year, a decrease of \$186,000 (9%). This decline was greater than expected partially due to the strong Canadian dollar, which is expected to continue impacting revenues, but primarily because of delays in closing several sales opportunities. Year to-date recurring revenue, in the commercial segment was up \$66,000 (16%). In the retail segment, year-to-date recurring revenue was up \$38,000 (61%).

Eight Quarter Review (numbers shown in '000s) (unaudited)

The Eight Quarter Review figures have been adjusted to reflect the discontinued retail preview operations.

| | 2007 | | | 2006 | | | | 2005 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 |
| Total Sales | \$637 | \$1,008 | \$781 | \$737 | \$673 | \$917 | \$713 | \$637 |
| Gross Profit | \$446 | \$463 | \$533 | \$517 | \$452 | \$566 | \$489 | \$413 |
| Gross Profit % | 70% | 46% | 68% | 70% | 67% | 62% | 69% | 65% |
| Operating Expenses | \$500 | \$605 | \$596 | \$586 | \$573 | \$599 | \$582 | \$622 |
| EBITDA | (\$54) | (\$142) | (\$63) | (\$69) | (\$121) | (\$33) | (\$93) | (\$209) |
| Other Expenses | \$187 | \$169 | \$176 | \$213 | \$197 | \$196 | \$194 | \$229 |
| Net Loss | (\$241) | (\$311) | (\$239) | (\$282) | (\$318) | (\$229) | (\$287) | (\$438) |
| Net Loss per share (basic & diluted) | (\$0.008) | (\$0.011) | (\$0.008) | (\$0.010) | (\$0.011) | (\$0.008) | (\$0.010) | (\$0.015) |

Total sales in the third quarter were \$637,000, which was \$371,000 (37%) lower than the previous quarter and \$36,000 (5%) lower than the same quarter last year. In the second quarter of this year, a large Retail Radio system was installed at a customer site which accounts for most of the sales increase in that quarter. There were no single large new installations in the Retail sector in the third quarter this year. Sales to the commercial radio industry were relatively flat when compared to the second quarter this year as well as the third quarter last year. There were no Commercial Custom Project sales in the third quarter, of this year or last year.

Gross Profit in the third quarter was down \$17,000 (4%) from both the second quarter this year and \$6,000 (1%) down from the same quarter last year. This gross profit decrease was a direct result of the reduced sales discussed above. Gross Profit margins, however, were up 24% over the last quarter and 3% over last year. Gross margins will always vary based on the mix of hardware and software sales in that period.

Operating expenses continue to be an area of focus for management. Operating expenses were 13% lower than the same period last year as a result of vacation accruals and targeted expense reductions.

EBITDA is defined as Earnings before interest, tax, depreciation and amortization and is a measure that has no standardized meaning under Canadian GAAP and is considered a non-GAAP earnings measure. Therefore this measure may not be comparable to similar measures reported by other companies. EBITDA can be used to compare the Company's operating performance on a consistent basis. It is presented in this MD&A to provide the reader with additional information regarding the Company's liquidity and ability to generate funds to finance its operations. In the third quarter of 2007, EBITDA was (\$54,000), as compared to (\$142,000) in the previous quarter and (\$121,000) in the same period last year. This significant improvement is due to the decrease in operating expenses as discussed above.

| Other expenses that reduce EBITDA to arrive at net loss include: | <u>Q3-2007</u> | <u>Q3-2006</u> |
|--|----------------|----------------|
| | [000's] | |
| Interest, finance and related expense | \$174 | \$146 |
| Amortization | <u>\$ 12</u> | <u>\$ 51</u> |
| Total | <u>\$186</u> | <u>\$197</u> |

Cash Flow

Cash flow in the third quarter was positive \$12,000. For the year to date, cash flow was negative \$170,000. Projections to the end of the year continue to show a positive cash balance, but it is possible that the Company may find it necessary to use the bank line of credit to finance large customer orders.

Changes in Accounting Policies

A change to one accounting policy involving the way convention expenses are prepaid was implemented in the first quarter of 2007. Details of this change and other significant accounting policies are fully disclosed in the financial statements.

Liquidity

OMT was in compliance with its financial covenants with all lenders as at September 30, 2007.

Working capital, as defined by the Company's principal lenders, includes all of the current liabilities except deferred revenue. Deferred revenue (customer deposits on projects and service contracts) at September 30, 2007 and December 31, 2006 was \$348,000 and \$729,000 respectively. This reduction in customer deposits of \$381,000 is the primary reason for the reduction in cash as well and working capital. Working capital at September 30, 2007 was \$242,000 as compared to \$722,000 at December 31, 2006, a decrease of \$480,000. The working capital ratio of 1.15:1 is well within the limit as set by the Company's lenders.

The subordinated debt of \$3,995,000 (present value \$3,476,867) will mature on December 20, 2008. Management anticipates that the Company will not be able to generate enough cash from normal business operations and that additional financing or other supporting strategies will be required to retire or refinance this debt. On December 21, 2007 the debt will become a current liability because the repayment date will be less than one year into the future. This means that the working capital of the company will change from positive to negative. As a result, OMT would be in breach of its working capital covenant as it relates to the subordinated debt. Management is actively exploring possible alternatives to find a solution that is acceptable to all parties and avoids any breach of covenants.

Management does not expect to require any new funding for its operations in the current year in excess of its available line of credit. At the end of the third Quarter and as at November 19, 2007, OMT's Bank Line of Credit of \$400,000 was unused and the accounts payable are current. In the fourth Quarter, a further deterioration in working capital may occur. This would be the result of operating losses, and possible increases in accounts receivable as well as inventory. If necessary, the Company would borrow funds from the bank on its established Line of Credit; however, it is not anticipated that this will be a significant amount if any for year-end 2007.

Sale of Retail Preview Business

On May 28, 2007, OMT entered into a binding Purchase Agreement to sell the Retail Preview business assets and operations to Farr Media Corporation (“FMC”). FMC is a corporation owned and controlled by OMT’s past President & CEO, Scott Farr. Retail Preview is a service offered to media retail stores to enable consumers to preview CDs and DVDs prior to making a final purchase decision.

OMT has recognized a gain from this transaction in the amount of \$181,412, which was included in the second quarter financial results. In addition, Intertain is entitled to receive quarterly royalties beginning January 1, 2008 and ending December 31, 2011 on any ongoing subscription revenues from the current customers of Retail Preview.

The retail sale of music CDs and video DVDs continues to undergo an accelerated transition with the availability of competing online services. As a result, Retail Preview was viewed as a non-strategic asset for OMT going forward. OMT’s iMediaTouch and Retail Radio product suites currently enjoy a strong market position with continued growth prospects, and therefore, are better aligned with the strategic vision of our Company. The accompanying financial statements have been changed to remove sales and cost of sales of the discontinued business from current and past numbers including the eight quarter review above.

Related Party Transactions

In October 2005, a major shareholder provided a guarantee for \$400,000 to the Bank of Nova Scotia in support of the Company’s line of credit. This guarantee is ongoing and requires payments of a monthly administration fee of \$1,000 as well as a monthly standby fee of \$1,000. If the Company actually draws down on the guarantee, then the interest rate would be 20% of the amount received. The Company consummated this related party transaction to ensure continued support the operating Line of Credit with the Bank.

During the period, the Company made debt interest payments totaling \$60,000 to three major shareholders.

The Company has contracted to supply Radio Automation Software and Services to a company of which one of OMT’s directors is also an officer and director. The project, which is valued at approximately \$575,000, began in 2005 and at September 30, 2007 the revenue for the work completed and recognized was \$375,000.

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

An evaluation of the effectiveness of the Company’s disclosure controls and procedures (“DC&P”) and an assessment of the design of its internal control over financial reporting (“ICFR”) was conducted as of the end of the period covered by this MD&A, by and under the supervision of the President and the Chief Financial Officer (CFO), pursuant to the requirements of Multilateral Instrument 52-109.

Management has established and maintained DC&P for the Company in order to provide reasonable assurance that material information relating to the Company is made known to it in a timely manner, particularly during the period in which the annual filings are being prepared. Management has evaluated the effectiveness of the Corporation’s DC&P as of the date of this report and believes them to be effective in providing such reasonable assurance.

Management is responsible for designing internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian generally accepted accounting principles. There are inherent weaknesses in the systems of internal control due to the small size of the Company and its inability to segregate incompatible functions and the use of manual systems as a result. Management believes that

this weakness has not caused any material information to be withheld in its financial disclosures, or impacted reported financial results. The Company plans to remediate these weaknesses by expanding the number of individuals involved in accounting and administrative functions as the Company grows. Effective design of internal controls over financial reporting are achieved, despite this weakness, because of management's direct involvement in the internal controls over the financial reporting process.

During the process of review and evaluation it was determined that the design of internal controls over financial reporting as of September 30, 2007 was adequate and provided management with the ability to fairly represent the financial affairs of OMT.

Management has performed supplementary procedures in addition to the normal recurring control procedures over the above business cycles to conclude that the 2007 consolidated financial statements are fairly stated.

Recent Accounting Pronouncements

The following new handbook sections are effective for fiscal years beginning on or after October 1, 2006 and have been adopted in 2007. The Company believes that adoption of these standards has not had a material effect on the results of operations and financial positions.

CICA 3855 – Financial Instruments – Recognition and Measurement

This section prescribes when a financial instrument is to be recognized on the balance sheet and at what amount, either fair value or a cost-based measure. The section also provides standards for reporting gains and losses on financial instruments.

CICA 1530 – Comprehensive Income

This section provides a new requirement that certain gains and losses are to be temporarily presented outside of net earnings and recognized as "other comprehensive income". Comprehensive income is the change in equity of an enterprise during a period from transactions and other events and circumstances from non-owner sources. Other comprehensive income comprises revenues, expenses, gains and losses that are recognized in comprehensive income, but are excluded from net earnings. The components of comprehensive income are disclosed in the consolidated statement of Operations, Comprehensive Income and Deficit.

Financial Instruments

The current assets and liabilities of the Company, which are subject to normal trade terms, are financial instruments for which the recorded carrying values approximate the fair value. The long-term debt obligations of the Company, for which no ready market exists, are now measured using the effective interest rate method. This change in accounting resulted in a transitional adjustment to decrease the accumulated deficit and a corresponding decrease to the long-term debt of \$122,926, as well as non-cash increased interest accretion to September 30, 2007 of \$12,567. For further detail, see note 1p to the financial statements.

Risks and Uncertainties

We are confident about OMT Inc.'s long-term prospects. However, the risks and uncertainties discussed below must be taken into account, as they may affect our ability to achieve our strategic goals. Investors are therefore advised to consider the following items in assessing the Company's future prospects as an investment.

Competition and technological obsolescence

Our products' markets experience ongoing technological changes and apart from the fact that OMT Inc. must compete with existing technology and service providers, new companies and advancing technologies remain a competitive fact. In order to remain fully competitive in our target markets, OMT must continue to innovate and respond with advanced generations of software, products and services. The inability to react in a timely OMT Inc.

fashion to technological and competitive changes could have an impact on the value of the Company's intangible assets and our ability to attract and retain our customers. Moreover, the highly competitive market in which we operate could cause the Company to reduce its prices and offer other favorable terms in order to compete successfully with its rivals. These practices could, over time, limit the prices that OMT can charge for its products. If we were unable to offset such potential price reductions by a corresponding increase in sales or to lower expenses, such a decline in revenues from software sales and related products could negatively impact our profit margins and operating results.

Growth management and market development

There can be no assurance that OMT Inc. will be able to significantly develop its market, which would affect its profitability. On the other hand, rapid growth would put significant pressure on management, operations and technical resources. To manage significant new growth, the Company would have to increase its technical and operational complement and manage its staff while effectively maintaining numerous relationships with third parties.

Capital requirements

OMT Inc. will need to find the necessary funds to execute its strategic goals and restructure or refinance its long term debt obligations as net revenues from operations will be insufficient to do so. There can be no assurance that additional capital will be available under acceptable conditions for OMT and according to terms favorable to its growth.

Additional Information

Additional information related to the Company, including all public filings, is available on SEDAR. (www.sedar.com).