



NEWS RELEASE

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OMT Reports Results for Three Months Ended March 31, 2007

Winnipeg, Manitoba, May 30, 2007 -- OMT Inc. (TSXV: OMT) announced today the Company's consolidated results for the period ended March 31, 2007.

First Quarter Highlights

- *Increased overall sales of core products, iMediaTouch and iMediaLogger, by 17% to the Commercial radio station market over the same period last year*
- *Overall increased recurring revenue by 16% over same period last year, demonstrating our continued focus on this important business metric*
- *Divested the non-core Retail Preview business asset for a net gain on proceeds to enable better focus on core broadcast and retail growth products*

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 systems to major retailers and commercial businesses. The OMT Technologies division delivers radio automation systems to radio stations internationally. 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 consolidated financial statements for the three months ended March 31, 2007 and the associated notes, which were prepared in accordance with Canadian generally accepted accounting principles (GAAP). All amounts are in Canadian dollars unless otherwise indicated.

The unaudited consolidated financial statements provide a comparison of the three months ended March 31, 2007 to the three months ended March 31, 2006.

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

	2007	2006				2005		
	<u>Q1</u>	<u>Q4</u>	<u>Q3</u>	<u>Q2</u>	<u>Q1</u>	<u>Q4</u>	<u>Q3</u>	<u>Q2</u>
Total Sales	\$916	\$856	\$867	\$1,074	\$929	\$1,139	\$1,105	\$1,044
Gross Profit	\$644	\$620	\$579	\$668	\$625	\$661	\$695	\$611
Gross Profit %	70%	72%	67%	62%	67%	58%	63%	58%
Operating Expenses	\$596	\$586	\$573	\$599	\$582	\$622	\$598	\$633
EBITDA	\$48	\$34	\$6	\$69	\$43	\$39	\$97	(\$22)
Other Expenses	\$176	\$213	\$197	\$196	\$194	\$229	\$214	\$214
Net Income (Loss)	(\$128)	(\$179)	(\$191)	(\$127)	(\$151)	(\$190)	(\$117)	(\$236)
Net Income (Loss) per share (basic & diluted)	(0.004)	(\$0.006)	(\$0.007)	(\$0.004)	(\$0.004)	(\$0.007)	(\$0.004)	(\$0.008)

Sales in the first quarter of 2007 decreased slightly by \$13,000 (1%) over the same quarter last year. Lower margin hardware sales in the Retail segment were \$166,000 lower in 2007, as compared to 2006. To a large extent, this decrease in hardware sales was made up by an increase in higher margin recurring revenue across OMT's Commercial and Retail segments of \$55,000, as well as increased sales in the Commercial segment of \$80,000. When compared to the fourth quarter of 2006, sales increased by \$72,000. This increase of 8% was a general, across all products increase, and is not fully attributable to any specific product.

Gross profit in the first quarter of 2007 increased by \$19,000 (3%) over the same quarter last year and \$24,000 (3%) over the fourth quarter last year. These variances although positive, are not considered significant by management since gross margins will fluctuate somewhat when the mix of sales between hardware, software and services changes in any specific period.

Operating expenses in the first quarter of 2007 were \$14,000 (2%) higher than the same quarter last year and \$10,000 (2%) higher than the fourth quarter last year. The increases are a result of our continued efforts to invest in our marketing and sales initiatives. Other operating expenses remain very consistent with previous quarters.

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. EBITDA was positive in all four quarters of 2006 and amounted to \$152,000 for the year. EBITDA in the first quarter of 2007 was \$5,000 (11%) higher than in the first quarter of 2006 and \$14,000 (41%) higher than the fourth quarter last year.

Other expenses that reduce EBITDA to arrive at net loss include:	Q1-2007	Q1-2006
Interest, finance and related expense	\$144	\$144
Amortization	<u>\$ 32</u>	<u>\$ 50</u>
Total	<u>\$176</u>	<u>\$194</u>

Net loss of \$128,000 for the first quarter of 2007 is an improvement over the first quarter in 2006 of \$23,000 (15%) and \$51,000 (28%) over the fourth quarter last year. The loss per share, in both quarters is based on 28,922,090 shares issued and outstanding.

Cash Flow

Cash flow in the first quarter of 2007 was negative at \$111,000, primarily the result of an increased inventory position of \$98,000, which reflected the accumulated costs of two larger projects in progress.

Changes in Accounting Policies

A change to one accounting policy concerning the way convention expenses are prepaid was implemented in the first quarter of 2007. The change had no effect on either the balance sheet or the income statement in this quarter. Details of significant accounting policies are fully disclosed in the financial statements.

Liquidity

OMT was in compliance with its financial covenants with all lenders as at March 31, 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 March 31, 2007 and December 31, 2006 was \$613,000 and \$729,000 respectively. Working capital at March 31, 2007 was \$595,000 as compared to \$722,000 at December 31, 2006, a decrease of \$127,000. The working capital ratio of 2.4:1 is well within the limit as set by the Company's lenders.

Management does not expect to require any new funding for its operations in the coming year. At the time of writing (May 30, 2007), the Company had no borrowings on its available operating line of credit of \$400,000.

The subordinated debt of \$3,995,000 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 may be required to retire this debt. Management continues to explore additional options to address this issue.

Subsequent Event

On May 28, 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 the preview of CDs, DVDs and video game content prior to making a final purchase decision.

OMT will realize a gain from this transaction, which will be recorded 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 company intends to use the proceeds for continued strategic investments in its core product suites, market growth initiatives and ongoing operations.

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. "We see this transaction as an important step in enhancing our focus on our higher potential and well positioned core products", stated Marieke Wijtkamp.

The sale of Retail Preview to FMC allows for a smooth transition for Retail Preview's customers, as Scott Farr has been previously involved with this service during his past role with OMT Intertain. Scott Farr will cease to be employed by OMT and shall be involved on a full time basis with FMC and Retail Preview.

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 support the operating Line of Credit with the Bank.

During the period, the Company made debt interest payments totaling \$60,000 to its 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 \$600,000, began in 2005 and at March 31, 2007 the revenue for the work completed and invoiced in 2005, 2006 and 2007 amounted to \$320,000.

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 March 31, 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 will be effective for fiscal years beginning on or after October 1, 2006. The Company believes that adoption of these standards will not have 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.

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, have been evaluated on the basis of discounted cash flows and it is believed that the fair value of these obligations is approximately equal to the current carrying value.

No significant changes have occurred in the types of financial instruments, the Company's approach to evaluating these instruments and the Company's exposure to certain risks relating to these instruments, since the preparation of the MD&A section in the Company's 2006 annual report.

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.

Revenue recognition on a large contract

The \$600,000 project referred to under the heading Related Party Transactions, has been delayed due to technical issues. Correction of the problems could result in additional costs over and above those originally estimated, but the amount is unknown. Revenue has been recorded on this contract under the percentage of completion method based upon management's best estimate of costs still to be incurred. It is unknown if additional costs due to the technical issues will be incurred, but if there are, management estimates that the difference between revenue recognized in the financial statements and that which should have been recognized could amount to \$50,000.

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 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

Significant customer

Sales to one customer represents 65% [2006 – 66%] of the Retail segment sales revenues and 15% [2006 – 23%] of total company revenue for the year. The contract with this customer expires in 2007 and the ability to renew under similar terms is uncertain. On May 28, 2007 this segment of the business was sold. For additional information, please refer to the section on subsequent events.

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 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 secure new financing or renegotiate the terms of repayment on the subordinated debt which will mature on December 20, 2008, as it is anticipated that cash flow from operations will not be sufficient to repay the subordinated debt. As such, the ability of the Company to continue operating as a going concern is dependant on obtaining new financing and/or renegotiating the repayment terms of the subordinated debt.

Additional Information

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