

21st November 2005
TSX Symbol: TIR
For immediate release

TIR SYSTEMS SUCCESSFULLY CLOSES \$9.0 MILLION IN CONVERTIBLE DEBENTURE FINANCING
- Current financing now totals \$23.2 million

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Vancouver, British Columbia - TIR Systems Ltd. (TSX: TIR), a world leader in light enabling technology, announces today that it has successfully closed \$9.0 million of the previously announced private placement of 7% convertible debentures due in January of 2011. This financing structure, which has yielded \$23.2 million to date, permits subsequent closings on the same terms.

The debentures are convertible into shares of TIR common stock at a price of \$1.30 for the term of the debenture. For every \$1,000 of debentures purchased, investors also received warrants providing the right to purchase 200 common shares of the Company for a period of three years at a price of \$1.50 per share. The debentures are secured by the assets of the Corporation and bear interest at an initial rate of 7%. The interest rate is subject to reduction depending on the quarterly trading price of the Company's common shares. The interest rate is reduced to 0% when such quarterly trading price exceeds the conversion price by more than 225%. Interest on the debentures is payable quarterly, commencing December 31, 2006.

In conjunction with this financing, Corridor Capital, LLC, which is controlled by Craig Enenstein, a Director of TIR Systems Ltd., has invested approximately \$500,000, bringing its total investment in the convertible debenture to \$4.8 million.

About TIR Systems Ltd.

TIR Systems Ltd., a world leader in delivering specialty lighting systems, is building the foundations for tomorrow's lighting. Through sound innovation and proven technical capability, TIR is developing, designing and marketing the core technologies that will allow Solid State Lighting (SSL) to move to the forefront of mainstream lighting.

About LEXEL™ Technology

The LEXEL™ is "the essential element for perfect lighting" and targeted to replace the conventional light bulbs used in more than 60% of the US\$78 billion general illumination market, including mainstream household and retail market segments. Today 25% of the world's electricity generated is being consumed for lighting. The LEXEL™ will deliver the same amount of light but offers massive energy savings of between 50% to 90% over conventional lighting and promises to accelerate SSL adoption.

This News Release does not constitute an offer to sell or a solicitation of an offer to buy any of the debentures or warrants for sale in the United States or to U.S. Persons. The debentures, warrants and common shares issuable upon conversion of the debentures or exercise of the warrants have not been and will not be registered under the *United States Securities Act of 1933*, as amended (the U.S. Securities Act) or any other US State securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws, or an exemption from such registration is available.

This News Release is published as a matter of record only and does not constitute an offer to sell or a solicitation of an offer to buy any of the common shares, nor shall there be any sale of these shares in any jurisdiction in which such an offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such jurisdiction.

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This News Release contains forward-looking statements concerning the anticipated financing and its expected impact on the Company's business. Forward-looking statements are statements about the future and include, but are not limited to, our expectations that the offering will be successful, the gross proceeds of the offering and our expectations as to the use of proceeds from the offering. Such statements are inherently uncertain, and the actual events or results could be materially different than those anticipated in those forward-looking statements as a result of numerous factors, including without limitation, our ability to negotiate commercially acceptable financial terms for the offering; the completion of any negotiated financing will be subject to customary closing conditions, and the concomitant risk that the offering may not be successfully completed consistent with the terms outlined above, or at all; the Company's need for additional future capital, which may not be available in a timely manner, or at all; as well the other risks and uncertainties affecting the Company and its business, as contained in the Company's most recent Annual Information Form and other subsequent news releases and filings with the Canadian Securities Regulatory Authorities, any of which could cause actual events or results to vary materially from the Company's expectations. Forward-looking statements are based on the beliefs, opinions and expectations of the Company's management at the time they are made, and the Company does not assume any obligation to update its forward-looking statements if those beliefs, opinions or expectations, or other circumstances should change.