

MTY FOOD GROUP INC.

(the "Company")

September 17, 2008

TSXV Trading Symbol: "MTY"

NEWS RELEASE

BINDING AGREEMENT SIGNED WITH TACO TIME CANADA INC.

The Company is pleased to announce that its wholly-owned subsidiary MTY Tiki Ming Enterprises Inc., (the "MTY") has entered into a binding agreement to purchase from Mr. Ken Pattenden and Mrs. Aarol Pattenden of Taco Time Canada Inc. of Calgary, Alberta (the "Vendor") all of the business assets of Taco Time Canada Inc. (www.tacotimecanada.com) and to undertake of the Vendor's exclusive Canadian franchising rights of Taco Time in Canada pursuant to a master franchise agreement with Kahala Franchise Corporation of Scottsdale, Arizona, USA, for an all cash undisclosed amount. There are presently 117 franchised Taco Time Canadian outlets in operation, located in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario, for the retail sale of Mexican-style food for carry-out and on-premise consumption.

Presently, 51% of the 117 Taco Time Canadian outlets are in shopping malls, with the balance of the outlets located on street front locations or in power centres. Taco Time's Canada system-wide sales were over \$54 million for the 12-month period ended June 30, 2008.

This will be a great acquisition for MTY as it further fortifies the Company's position in Western Canada and provides the Company with an opportunity to further develop an international/national brand with a great history and reputation.

The closing of the acquisition is subject to the completion of certain conditions, and the acceptance of the TSX Venture Exchange. Targeted closing of this acquisition is scheduled to be within the next 60 days.

The proposed acquisition does not represent a reverse take-over or change in business of the Company.

Upon closing of the acquisition, MTY intends to maintain Taco Time Canada Inc.'s present office in Calgary, Alberta.

This acquisition will complement and expand MTY's existing quick-service franchise operations, and bring MTY's store counts to over 1,000 outlets, with 97% franchised and 3% corporate-owned.

**On Behalf of the Board of Directors of
MTY Food Group Inc.**

Stanley Ma, Chairman, President and CEO

For more information please contact Jean-Francois Dube, investor relations at 1-450 226-8475 or by e-mail at jfcinc@cgocable.ca or visit our website: www.mtygroup.com This news release was prepared by management who takes full responsibility for its contents. The TSX Venture Exchange neither approves nor disapproves the contents of this news release.