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**For Immediate Release**

**Telenetics<sup>®</sup> Announces Prepayment of Third Installment  
of Settlement with Corlund Electronics  
Recognizes Gain of Approximately \$541 Thousand**

LAKE FOREST, California — August 11, 2003 — Telenetics Corporation (OTC-BB: TLNT), a provider of wired and wireless data communications products for customers worldwide, today announced it has prepaid the third installment called for under its Settlement Agreement with Corlund Electronics. As a result of this payment, Telenetics has recognized a gain of \$541,000.

**ABOUT TELENETICS**

Based in Lake Forest, California, Telenetics designs, manufactures and distributes wired and wireless data communications products for customers worldwide. Telenetics offers a wide range of industrial grade modems and wireless products, systems and services for connecting its customers to end-point devices such as meters, remote terminal units, traffic and industrial controllers and remote sensors. Telenetics also provides high-speed communications products for complex data networks used by financial institutions, air traffic control systems and public and private wireless network operators. Additional information is available at [www.telenetics.com](http://www.telenetics.com).

*Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995*

*With the exception of historical information, the matters discussed in this press release contain forward-looking statements that involve a number of risks and uncertainties. Actual future results of Telenetics could differ from those statements. These risks include but are not limited to Telenetics' ability to make additional payments required under the terms of the Settlement Agreement, financial constraints that may affect Telenetics' ability to increase its revenues in 2003, the ability to ship current backlog, the continued demand for Telenetics products despite worldwide economic conditions, the ability to have satisfactory deliveries of products from Telenetics contract manufacturers, changes in governmental regulations and policies, the emergence of competitive products and unforeseen technical issues. Other risks are detailed in filings with the Securities and Exchange Commission made from time to time by Telenetics, and Telenetics Form 10-KSB for the year ended December 31, 2002, Form 8-K filed June 25, 2003 and Forms 10-QSB for the quarters ended March 31, 2003 and June 30, 2003. Telenetics undertakes no obligation to release publicly any revisions to any forward-looking statements to reflect events or circumstances occurring after the date hereof.*

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