

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Aquarius Surgical Technologies Inc. (the "Issuer").

Trading Symbol: ASTI

Number of Outstanding Listed Securities: 19,508,139

Date: February 7, 2019

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

Further enhancing the functionality, value proposition and return on investment of ASTI's flagship BPH laser, the incumbent has identified and selected Key Opinion Leaders (KOL's) to be clinically trained on ASTI's new Diode Laser Enucleation of the Prostate (DILEP) procedure. ASTI's BPH laser is the only high performance, portable laser on the market today

which equally supports both vaporization and enucleation of the prostate, with identical clinical, operational and practical benefits. The new enucleation procedure (DILEP) is a minimally invasive procedure well suited for larger prostates and expands the versatility of this device, which already adds measurable value to operating room and office based procedures BPH procedures.

Clinical training for the KOL's for ASTI's new DILEP procedure will take place in Barcelona, Spain under the direction of ASTI's Clinical Investigator; Dr. O. Busian, internationally renowned for his experience, research and clinical publications in this specific clinical procedure. Training will encompass patient selection & diagnosis, operational technique, clinical outcomes, review of the current research and a comparison to, and advantages over, alternative modalities.

Secondly, interest in ASTI's new compact, high performance, full function lithotripsy laser has significantly increased over the last 6 months. Requests for, and subsequent scheduling of product evaluations comprising procedures in hospitals and surgical centers with live patients across the country have doubled compared to this time last year.

The outcome of every live side by side evaluation with competitive technology over the last six months has been consistent; equal or superior performance, with greater control. These positive outcomes are facilitated by ASTI's engineering design which delivers the highest output energy of any holmium laser currently on the market (8 joules) as well as the longest pulse duration, which leads to greater control over inadvertent stone mobility, of specific concern in the upper ureter and kidney in adults and with pediatric patients in general. The product evaluations of the last six months are now paying dividends in pending negotiations for purchase/lease of the lasers.

2. Provide a general overview and discussion of the activities of management.

Further to the above, management of ASTI has retained the services of CHF Capital Markets to develop an IR program to increase the visibility of ASTI with investors, brokers and analysts.

Management is in continuous discussions with potential lenders regarding working capital financing for ASTI.

The short-term loan incurred in October for working capital purposes was repaid with the proceeds of a loan from a major shareholder.

Management of ASTI remain in continuous discussions with Brokers and HNW Investors regarding Investment in ASTI.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

None

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

None

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

None

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

The contract with Oak Hill Financial Inc. was terminated on January 25, 2019

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

None

8. Describe the acquisition of new customers or loss of customers.

None

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

None

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

None

11. Report on any labour disputes and resolutions of those disputes if applicable.

Not applicable

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

None

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

ASTI repaid a short-term loan of \$750,000 from an unrelated party. (See 15)

14. Provide details of any securities issued and options or warrants granted.

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
Common	12,500	Issued at \$0.40 – payment for services	Working capital
Common	9,756	Issued at \$0.41 – payment for services	Working capital

(1) State aggregate proceeds and intended allocation of proceeds.

15. Provide details of any loans to or by Related Persons.

Forest Lane Holdings Limited, a major shareholder, advanced \$750,000 to ASTI. The advance is non-interest bearing and has no fixed terms of repayment. The proceeds were used to repay short-term borrowings.

16. Provide details of any changes in directors, officers or committee members.

None

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer’s market(s) or political/regulatory trends.

No current changes

Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated February 7, 2019

N. Gary Van Nest
Name of Director or Senior
Officer

Signed "Gary Van Nest"
Signature
CEO
Official Capacity

Issuer Details		For Month End	Date of Report YY/MM/D
Name of Issuer Aquarius Surgical Technologies Inc.		January 2019	19/02/7
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City/Province/Postal Code Toronto, ON M5R 1G4		Issuer Fax No. (902)484-7599	Issuer Telephone No. (902) 496-7594
Contact Name Gary Van Nest		Contact Position CEO	Contact Telephone No (647) 308-0685.
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