

FORM 7

MONTHLY PROGRESS REPORT

Name of CNSX Issuer: Plaintree Systems Inc ("Plaintree", the "Issuer" or the "Company").

Trading Symbol: NPT

Number of Outstanding Listed Securities: 12,925,253

Date: January 14, 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 the CSE 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 CSE.ca 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 CSE 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.

The Issuer continued its efforts growing the business of its two business divisions: specialty structures and electronics, including the businesses of its wholly-owned subsidiaries: Spotton Corporation (precision machining) and Summit Aerospace USA Inc. (high precision machining). During the month of December 2018, the Issuer ceased operations of its Madawaska Doors (high end custom doors) business.

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

Plaintree's management team focused on continued business development, marketing activities and engineering development.

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.

3. 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.

During the month of December 2018, 9366920 Canada Inc., a wholly-owned subsidiary of the Issuer, ceased the operations of its Madawaska Doors business.

4. 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.

The Electronics division of the Issuer continued to deal with its long standing customers who are now starting to resume normal sales volumes. The Speciality Structures division sells products into the mining industry.

5. 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.

None.

6. 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.

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

In the month of December 2018, the Issuer's Specialty Structures division continued to receive orders from numerous parties for its varied products. Almost every purchase order the Issuer receives through for its Specialty Structures division is with a new customer with few repeat orders received to date.

8. 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.

9. Report on any employee hiring's, terminations or lay-offs with details of anticipated length of lay-offs.

During the month of December 2018, the Issuer hired three (3) new employees and laid off three (3) employees. In addition, the Issuer terminated ten (10) employees as a result of its decision to discontinue the operations of its Madawaska Doors business.

10. 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.

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

None.

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

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾

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

None.

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

None.

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

No changes.

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

Both the Electronics division and the Specialty Structures division continue to experience a growth in revenues with the largest growth occurring in the Specialty Structures division.

For further information please refer the Management's Discussion and Analysis of Financial Condition and Results of Operations for the year ended March 31, 2018 dated August 1, 2018.

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 were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CSE 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 CSE Requirements (as defined in CS Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated 2017-01-14

s/“David Watson”

David Watson
President/CEO

Issuer Details Name of Issuer: Plaintree Systems Inc	For Month End December 2018	Date of Report 2018-01-14
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