



February 21, 2008

NEWS RELEASE

SHAREHOLDER MEETING AND PROPOSED ACQUISITIONS

Plaintree Systems Inc. ("**Plaintree**" or the "**Company**") today announced that it has mailed to its shareholders a management proxy circular (the "**Circular**") for its annual and special meeting of shareholders to be held on March 18, 2008 (the "**Meeting**"). As was previously reported by press release issued on August 28, 2007, Plaintree applied for and was granted an order from the Superior Court of Justice (the "**Court**") to allow it to effectively defer its 2007 meeting of shareholders until no later than March 30, 2008. The annual business portion of the Meeting will constitute the Plaintree 2007 annual meeting of Shareholders.

Proposed Acquisitions

In addition to normal annual meeting business, the Company will be asking its shareholders at the Meeting to consider and vote on a number of matters including the acquisition (the "**Acquisition**") by the Company of all of the issued and outstanding share capital of (i) Hypernetics Limited ("**Hypernetics**"); and (ii) 4439112 Canada Inc. all of the share capital of Triodetic Holdings Inc. and other subsidiaries including Triodetic Building Products Inc. (the "**Triodetic Group of Companies**").

Hypernetics was established in 1972 and is a manufacturer of avionic components for various applications including aircraft antiskid braking, aircraft instrument indicators, solenoids, high purity valves and permanent magnet alternators. The Triodetic Group of Companies, with over 40 years of experience, is a design/build manufacturer of steel, aluminum and stainless steel specialty structures such as commercial domes, free form structures, barrel vaults, space frames and industrial dome coverings.

Assuming the completion of the Acquisition, the total purchase price of \$20 million for both Hypernetics and 4439112 Canada Inc. will be paid by the Company by the combination of cash, the issuance of common shares of the Company and the issuance of class A preferred shares of the Company. Following the completion of the Acquisition, Hypernetics and 4439112 Canada Inc. will become wholly-owned subsidiaries of Plaintree and Plaintree plans to amalgamate each of Hypernetics and 4439112 Canada Inc. and such other subsidiaries as may be determined by management into Plaintree. Following the completion of the amalgamation, the businesses of Hypernetics and the Triodetic Group of Companies will continue to be operated by Plaintree as separate divisions of the Company.

Concurrently with the completion of the Acquisition if approved by the shareholders, Targa Group Inc., a company controlled by William David Watson II and Nora Watson and Plaintree's largest shareholder, has agreed to provide a credit facility of up to \$2.8 million to Plaintree, consisting of (a) a demand loan of \$1.8 million; and (b) a revolving \$1 million credit line. All amounts advanced to Plaintree shall be payable on demand and bear interest at a rate per annum equal to 2% above the prime lending rate of the Company's banker as from time to time determined. The credit facility shall be secured by a security interest granted over the assets of Plaintree. \$1.5 million of the \$1.8 demand loan will be used to pay to William David Watson II and Nora Watson the cash portion of the purchase price for the shares of the Triodetic Group of Companies.

Hypernetics and the Triodetic Group of Companies are both currently controlled by William David Watson II and Nora Watson. William David Watson II is the President and Chief Executive

Officer of the Company and a director of the Company. William David Watson II and Nora Watson hold directly and indirectly 27.98% of the issued and outstanding common shares of Plaintree (38.1% on a fully-diluted basis). As a result of these relationships, the proposed Acquisition will be considered to be a “related party transaction” within the meaning of Rule 61-501 under the Ontario *Securities Act* which requires obtaining the majority of the minority shareholder approval. To be approved, the Acquisition resolution must be passed by a majority of the votes cast by shareholders at the Meeting in respect of this resolution, other than votes attaching to shares of Plaintree beneficially owned or over which control or direction is exercised by William David Watson II and Nora Watson or any other “interested party” (as defined in Rule 61-501) or a “related party” (as defined in Rule 61-501) of an interested party (the “**Excluded Shares**”). As of the date of the Circular, it is estimated that the aggregate number of Excluded Shares is 25,246,760 (27.98%).

Other Special Business

In addition to the consideration of the Acquisition resolution, shareholders will be asked to consider the following additional special matters:

- (a) the creation of class A preferred shares to be issued as consideration in the Acquisition;
- (b) the consolidate the outstanding common shares of the Company on a 10 pre-consolidation shares for 1 post-consolidation share basis; and
- (c) the deletion of an old class of preferred shares no longer being used by the Company.

The Acquisition and the other annual and special matters to be considered and voted on at the Meeting are fully described in the Circular, a copy of which can be obtained from the Company's website at www.plaintree.com and/or under Plaintree's name at www.sedar.com.

About Plaintree Systems

Ottawa-based, Plaintree Systems Inc. (www.plaintree.com), founded in 1988 provides management services and specializes in developing optical wireless communications equipment for the Local Area, Wide Area, Voice, Internet and Security Networks.

Plaintree is publicly quoted in the U.S. on the OTC BB (LANPF), with 90,221,634 shares outstanding.

This press release may include statements that are forward-looking and based on current expectations. The actual results of the company may differ materially from current expectations. The business of the company is subject to many risks and uncertainties, including changes in markets for the company's products, delays in product development and introduction to manufacturing and intense competition. For a more detailed discussion of the risks and uncertainties related to the company's business, please refer to documents filed by the company with the U.S. Securities and Exchange Commission, including the Company's Form 20-F dated September 28, 2007.

For further information: (613) 623-3434 Lynn Saunders