



NEWS RELEASE

Plaintree Systems Inc. releases 2007 fiscal results and announces sale of property and delay of 2007 AGM

2007 fiscal results

Ottawa, July 20, 2007 - Plaintree Systems Inc. ("Plaintree" or "Company") announced today that it has released its audited financial statements and related management discussion and analysis for the year ended March 31, 2007. Reflective of the move by Plaintree, commenced in fiscal 2006, to increase Management Service business, the Company recorded Management Services Revenue for 2007 of \$2,014,500, up from \$1,545,750 in 2006. Product revenue increased 1.8% from \$145,584 in 2006 to \$148,296 in 2007. Other Revenue, primarily made up of partnership income was down by \$84,553 to \$516,577 in 2007 from \$602,130 in 2006. The Company notes that its investment in the partnership has expired and does not expect any additional revenue from the partnership beyond Q1 2008.

Actual cash used by the Company in operating activities remained relatively constant, climbing only \$28,273 to \$1,059,871 from \$1,031,598 in the previous year.

The net income for fiscal 2007 was \$969,752 as compared to the net loss of \$330,011 for fiscal year 2006. The shift to profitability from a net loss position in 2006 relates primarily to the increased Management Services Revenue as well as ongoing cost reduction measures. The Company notes that there is no guarantee that it will be able to continue to generate Management Services Revenue at the same level going forward as its Management Services agents are terminable on minimal notice.

Further information regarding Plaintree's fiscal 2007 results can be found by examining the Company's 2007 annual report and management discussions and analysis report for the year ended March 31, 2007, both located on the Company's website at www.plaintree.com or on SEDAR at www.sedar.com by searching Plaintree Systems Inc.

Sale of building

Plaintree announced today that it has reached an agreement to sell its building, located at 110 Decosta Street (in the Town of Arnprior), for the purchase price of \$290,000.00. This transaction is subject to standard closing conditions and is expected to close on or about August 15, 2007.

The Company also announced that it has reached an agreement to lease space in a building to be owned by a company controlled by David Watson, the Company's CEO and that such premises should be sufficient to meet the Company's current requirements.

Application to delay 2007 AGM

Plaintree Systems Inc. reported today that it filed an application with the Superior Court of Justice to extend the time for calling its annual meeting of shareholders for a period of six months following September 30, 2007. Plaintree is currently undergoing a strategic review that may result in changes to its corporate structure requiring shareholder approval. It will not be possible to complete this review in time for consideration by the statutory deadline of September 30, 2007, for holding the 2007 annual general meeting of shareholders. The six month delay is being sought to save the company significant costs that it would incur if it was required to hold two shareholder meetings in a relatively short period of time.

About Plaintree Systems

Ottawa-based, Plaintree Systems Inc. (www.plaintree.com), founded in 1988 provides executive Management Services to companies as well as develops and manufactures the WAVEBRIDGE series of wireless products using Class 1, eye-safe LED (Light Emitting Diode) infra red technology providing high-speed connectivity for ISPs, enterprises, traditional telcos, GSM or cellular service providers, and campus networks. Acting as a replacement for cable, fiber, copper or radio frequency systems, the WAVEBRIDGE links offer broadband access with no spectrum interference problems, and same day installation for rapid and easy network deployment.

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 August 28, 2006.

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