



NO. S-231354
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED**

AND

**IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
S.B.C. 2002, c.57, AS AMENDED**

AND

**IN THE MATTER OF THE CANADA BUSINESS CORPORATIONS ACT,
R.S.C. 1985, C.-44, AS AMENDED**

AND

**IN THE MATTER OF A PLAN OR COMPROMISE AND ARRANGEMENT OF
CANWEST AEROSPACE INC. AND CAN WEST GLOBAL AIRPARTS INC.**

FOURTH REPORT OF THE MONITOR

MAY 3, 2023

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INTRODUCTION AND PURPOSE

1. This report (“**Fourth Report**”) has been prepared by FTI Consulting Canada Inc. in its capacity as the court-appointed Monitor (the “**Monitor**”) of CanWest Aerospace Inc. (“**CW Aerospace**”) and Can West Global Airparts Inc. (“**CW Airparts**”) (collectively “**CanWest**” or the “**Petitioners**”) by an order of the Supreme Court of British Columbia (the “**Court**”) pronounced March 8, 2023 (the “**Initial Order**”) pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985 c.36, as amended (the “**CCAA**”).
2. CW Aerospace was incorporated in British Columbia on May 12, 2004. It was previously known as Canam Components Inc. and prior to that Can West Components Inc. CW Aerospace was established to provide maintenance, repair and overhaul services to helicopter and fixed-wing aircraft customers throughout the world.
3. CW Airparts was incorporated in British Columbia on October 19, 2000. It was previously known as R.T.D. Avionics Ltd. CW Airparts was incorporated to sell new and certified repaired parts to customers, including but not limited to CW Aerospace.
4. The sole director, officer and shareholder of both CW Aerospace and CW Airparts is Thomas Jackson (“**T. Jackson**”).
5. Tara Lundy (“**T. Lundy**”) is the Chief Financial Officer of both CW Aerospace and CW Airparts.
6. On March 8, 2023 the Petitioners sought and obtained a stay of proceedings which the Petitioners deemed necessary to allow them the time to restructure their affairs and meet their obligations to the Royal Bank of Canada (“**RBC**”) and other creditors.

7. On March 17, 2023, the Petitioners sought and obtained an Amended and Restated Initial Order (the “**ARIO**”) that provided for among other things, an extension of the Petitioners stay of proceedings to April 14, 2023.
8. On April 13, 2023, the Petitioners sought and obtained an extension of the stay of proceedings pursuant to the ARIO to April 24, 2023 with the consent of RBC.
9. On April 24, 2023, the Petitioners sought and obtained the approval of this Honourable Court of a Share Purchase Agreement (the “**SPA**”) between Can West and MAR ONE Aviation L.L.C. (the “**Purchaser**”).
10. A provision of the SPA required the Purchaser to provide a 10% deposit (the “**Deposit**”) to the Monitor within seven days of Court approval of the SPA.
11. Accordingly, on April 24, 2023 a short extension was also sought and obtained by the Petitioners extending the stay of proceedings to May 4, 2023 to allow for confirmation of the Deposit prior to seeking any additional relief.
12. The purpose of the Fourth Report of the Monitor is to provide this Honourable Court with an overview of the following:
 - (a) The activities of the Monitor, specifically in relation to receipt of the deposit;
 - (b) The Petitioners cash flow for the period from March 13, 2023 to April 30, 2023;
 - (c) The Petitioners’ Third Cash Flow Statement for the period of May 1, 2023 to June 25, 2023;
 - (d) The Monitor’s views of the Claims Process Order and Plan of Arrangement being proposed by the Petitioners; and
 - (e) The Monitor’s view on extension of the stay of proceedings being proposed by the Petitioners.

13. The reports of the Monitor and other information in respect of these proceedings are posted on the Monitor's website at cfcanada.fticonsulting.com/CWA

TERMS OF REFERENCE

14. In preparing this report, the Monitor has relied upon unaudited financial information, other information available to the Monitor and, where appropriate, the Petitioners' books and records and discussions with various parties (collectively, the "**Information**").
15. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook.
16. The Monitor has not examined or reviewed financial forecasts and projections referred to in this report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
17. Future oriented financial information reported or relied on in preparing this report is based on assumptions regarding future events; actual results may vary from forecast and such variations may be material.
18. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.

ACTIVITIES OF THE MONITOR

19. As indicated previously, the Petitioners entered into an SPA with the Purchaser, the details of which are as follows:

- (a) The Purchaser will purchase all of the assets of both CW Aerospace and CW Airparts for consideration of US \$1.7 million (approximately CAD \$2.2 million);
- (b) The Purchaser will allocate \$1 of the purchase price to T. Jackson for the acquisition of all of the shares of CW Aerospace and CW Airparts;
- (c) Within seven days of Court approval the Purchaser will provide the Deposit to the Monitor; and
- (d) Completion of the SPA is conditional upon the satisfaction of the following conditions precedent:
 - i. Execution and delivery of the SPA by both parties;
 - ii. Payment of the Deposit by the Purchaser;
 - iii. The Petitioners obtaining Court approval of the SPA;
 - iv. Approval by the secured and unsecured creditors of the Petitioners of a plan of arrangement to be filed by the Petitioners in accordance with the CCAA; and
 - v. The Petitioners obtaining a sanction order of the plan of arrangement accepted by the requisite number and value of creditors.

20. On May 1, 2023, the Monitor was advised by T. Lundy that the Deposit had been received from the Purchaser in the form of a cheque made out to a numbered company owned by T. Lundy.
21. The intention was to put the Deposit into a bank account with the Toronto Dominion Bank (“TD”) controlled by T. Lundy’s numbered company and subsequently wire the funds from TD to the trust account set up by the Monitor.
22. However, T. Lundy was advised by a representative of TD that the Deposit was subject to a five-day hold, pending clearance of the Deposit by the Purchaser’s issuing bank.
23. Accordingly, the Monitor requested a copy of the deposit receipt and any other documentation evidencing the receipt of the Deposit (attached as Appendix A).
24. Although the Deposit is not yet in an account controlled by the Monitor, the Monitor understands that the order being sought by the Petitioners will include a provision ordering T. Lundy’s company (0854271 B.C. Ltd.) to transfer the Deposit funds to the Monitor once the hold is lifted by TD.
25. The Monitor is of the view that this is an appropriate resolution to this issue and that the Purchaser has satisfied Deposit requirements pursuant to the SPA.
26. With the receipt of the Deposit, the remaining conditions precedent to the SPA are the acceptance of a plan of arrangement by the Petitioners’ secured and unsecured creditors and court sanction of an approved plan.
27. Accordingly, as outlined in subsequent sections, the Petitioners are now seeking additional relief to allow them the time necessary to satisfy the remaining two conditions precedent.

CLAIMS PROCESS

28. The Petitioners are seeking the approval of this Honourable Court for a claims process order (the “**Claims Process Order**”) in preparation for the holding of creditor meeting to vote on the Petitioners’ plan of arrangement.
29. The provisions of the Claims Process Order can be summarized as follows:
 - (a) The Monitor will send out notices to all known creditors informing them of the claims process within five business days of the Claims Process Order being granted (projected to be May 11, 2023);
 - (b) Any creditor with a claim against the Petitioners, including an unsecured, secured, contingent or unliquidated claim, will be required to submit its completed proof of claim to the Monitor by no later than 5:00 pm Pacific Time on June 3, 2023 (the “**Claims Bar Date**”);
 - (c) The Monitor will have five days from the Claims Bar Date (projected to be June 8, 2023), to accept submitted claims or to send a notice of revision or disallowance to the creditor; and
 - (d) The creditor will have 10 days from the receipt of a Notice of Revision or Disallowance to appeal such notice.
30. Given the tight timelines, the Monitor will work with the Petitioners to obtain email addresses for creditors such that the notice may be sent electronically in addition to the physical package sent by regular mail.
31. The creditor package will also be posted to the Monitor’s website set up for the Petitioners.

32. Due to the Petitioners limited resources, the Petitioners are not contemplating placing an advertisement in the newspaper. The Monitor is of the view that the additional cost for a newspaper advertisement is not warranted given the tight timelines for the claims process, the fact that a notice was published in a national newspaper at the commencement of the CCAA proceedings and the Monitor has not been contacted by anyone seeking to be added to the creditor list resulting from the publication of the original notice.
33. Although the timelines are quite tight, the Monitor is of the view that they are achievable and necessary given the Petitioners limited liquidity.
34. The Monitor notes that the deadline for any creditor appeals of a notice of revision or disallowance is after the projected date for the creditor meeting.
35. The Monitor suggests that it will tabulate the results of any disputed claims and report to the Court at the sanction hearing whether the outcome of a disputed claim would affect the vote and if so determined, then work with the Petitioners and its counsel to determine a process to resolve such disputes.
36. The Claims Process Order anticipates the holding of a meeting of creditors would occur on June 13, 2023 to vote on the proposed plan of arrangement.

CASH FLOW STATEMENTS

37. The Petitioners, in conjunction with the Monitor, have prepared the Third Cash Flow Statement (the “**Third Cash Flow Statement**”) setting out the liquidity requirements and cash position of CanWest for the period May 1, 2023 to June 25, 2023. A copy of the Third Cash Flow Statement is attached as Appendix B.
38. A summary of the Third Cash Flow Statement is set out in the below table:

CanWest			
Cash Flow Statement			
Fifteen-Week Period Ended June 25, 2023	Weeks 1-7	Weeks 8-15	Weeks 1-15
(CAD)	Actual	Forecast	Total
Opening Cash	80,900	75,177	80,900
Cash Receipts			
Sales	105,008	156,000	261,008
Collection of A/R	62,193	30,000	92,193
Inventory Liquidation	-	50,000	50,000
Loan Proceeds	39,259	10,000	49,259
Total - Operating Receipts	206,460	246,000	452,460
Cash Disbursements			
Rent	33,359	72,032	105,391
Utilities	1,957	9,301	11,258
Insurance	2,787	12,204	14,991
Plant Labour	59,771	80,544	140,315
Parts	85,085	55,000	140,085
Professional fees	25,000	30,000	55,000
Office Supplies/Packaging Supplies	4,224	20,000	24,224
Total - Operating Disbursements	212,183	279,081	491,263
Total Net Cash Flow	(5,722)	(33,081)	(38,803)
Ending Cash	75,177	42,096	42,096

39. The Third Cash Flow Statement is based on the following key assumptions:
- (a) Sales receipts from Week 9 onwards assume access to the Langley Premise is granted and so weekly collections are forecast at a third higher than the actual run rate;
 - (b) Amounts forecast to be collected in accounts receivable have been agreed by the Monitor to invoices issued by the Petitioners;
 - (c) Inventory Liquidation receipts relate to proceeds from actively seeking to liquidate parts. The Petitioners estimate \$100,000 can be collected in this manner, which has been discounted by 50% in order to be conservative;

- (d) Loan proceeds relate to advances from 0854271 B.C. Ltd. (a company related to the Petitioners) provided on an unsecured basis;
- (e) Rent payments are forecast to be made for both the Langley and Abbotsford premises although given the Petitioners lack of access to the Langley premise, the Petitioners would oppose any payment of rent for the period it has been locked out;
- (f) Parts purchases are expected to decrease from the average spend during Weeks 1-7 on the assumption that the Petitioners will regain access to the parts inventory held in the Langley premise; and
- (g) Professional fees relate to relate to the Petitioners' counsel, Monitor and Monitor's counsel.

THE LANGLEY PREMISE

- 40. As noted in the Second Report, on April 1, 2023 the Monitor was advised by T. Lundy that the landlord of the hangar from which the Petitioners operated in Langley had changed the locks to the premise and was refusing to permit access to the Petitioners.
- 41. The landlord subsequently allowed the Petitioners access to the hangar to retrieve the electronic file server and some parts for work-in-process.
- 42. However, the landlord requested the Petitioners submit a plan to the landlord's bailiff indicating how it intended to vacate the premises and the timing for such activity.
- 43. The Monitor understands that the Petitioners have provided a plan as requested, however an agreement with the landlord has not yet been finalized.

44. The Monitor notes that the Petitioners lack of access to its parts inventory has negatively impacted its ability to complete work-in-progress impairing the Petitioners' cash flow.
45. The Monitor understands that the Petitioners counsel has filed materials in support of injunctive relief to allow the Petitioners access to its premise in Langley.
46. Although the Monitor takes no position on this specific notice of application, the Monitor is of the view that this issue needs to be resolved as this is having a negative impact on the Petitioners' operations and its ability to realize on inventory which is an integral part of the cash flow.

PETITIONERS' REQUEST TO INCREASE THE ADMINISTRATION CHARGE

47. On March 8, 2023, the Petitioners obtained the Initial Order which provided an administration charge to secure the fees and disbursements of the Petitioners' legal counsel, the Monitor, and its legal counsel (the "**Administration Charge**") in priority to all other encumbrances against the Petitioners' Property for an amount up to \$50,000.
48. By a further order of the Court dated March 17, 2023 the Administration Charge was increased from \$50,000 to \$75,000.
49. The Petitioners' legal counsel and the Monitor were each provided with a \$50,000 retainer prior to the commencement of the CCAA proceedings.
50. As indicated in the Third Cash Flow, the Petitioners have disbursed a further \$25,000 to its legal counsel subsequent to the granting of the Initial Order given the Petitioners' limited resources.
51. The Monitor estimates the approximate amount of fees and expenses unpaid as of the date of the Fourth Report to be approximately \$120,000.

52. The Petitioners are optimistic that if they are given access to the premise in Langley they can liquidate some inventory and use the proceeds to reduce the outstanding fees of their professional advisors.
53. However, the Monitor notes that even with renewed access, it will take the Petitioners some lead time to complete any sales and collect the cash.
54. Accordingly, the Petitioners are seeking this Honourable Court's approval to increase the amount of the Administration Charge to \$250,000 on the assumption that this Honourable Court approves the relief being sought.
55. The Monitor believes it is important to ensure that the Petitioners continue to have the support of its professional advisors to assist the Petitioners through its CCAA proceedings including the completion of the claims process, holding of a creditor meeting and preparation of reports in support of the Petitioners' CCAA proceedings. As such, the Monitor supports the relief being sought to increase the amount of the Administration Charge to \$250,000.

PROPOSED PLAN OF ARRANGEMENT

56. The Petitioners plan of compromise and arrangement pursuant to the CCAA (the "**Plan**") is premised on waterfall distribution utilizing the sale proceeds of US\$ 1.7 million from closing the SPA (the "**Sale Proceeds**").
57. The balance of the Sale Proceeds will be distributed to the secured creditors on a pro rata basis pursuant to the value of their proven secured claims after payment of the following:
 - (a) A distribution to the unsecured creditors of an amount equal to 10 cents on the dollar of their proven claim with a cap of \$100,000 for the aggregate amount paid to the unsecured creditor class;
 - (b) Payment of any amounts outstanding pursuant to the Administration Charge

- (c) Payment to any employees or former employees for amounts that such employees and former employees would have been qualified to receive under paragraph 136(1)(d) of the BIA if the Petitioners had become bankrupt on the date of the Initial Order;
 - (d) Payment of any amounts due to creditors arising from goods provided or services rendered to the Petitioners subsequent to the date of the Initial Order; and
 - (e) Payment of any amounts due to Canada Revenue Agency that would have been considered a deemed trust amount as of the date of the Initial Order.
58. The Plan would seek to have two classes of creditors, secured and unsecured, and accordingly would require the requisite number and value of creditors to vote to accept the Plan from both classes.
59. If both creditor classes approve the Plan, the Petitioner shall be looking to return to Court for a hearing on or before June 19 seeking a Sanction Order.
60. The Monitor notes that the Plan has not been reviewed yet by any of the creditors. However, the Monitor also notes that the Plan provides for modifications to be made prior to the creditor meeting.

THE PETITIONERS' REQUEST TO EXTEND THE STAY OF PROCEEDINGS

61. The Petitioners are seeking the approval of this Honourable Court of the Claims Process Order, to file the Plan, increase the Administration Charge and authorize an extension of the current stay of proceedings to June 19, 2023. Absent such extension, the stay will expire on May 4, 2023.
62. The Petitioners are seeking an extension of the stay to allow the time required for a claims process to be conducted and the holding of creditor meeting to vote on the Petitioners' Plan.

63. The Cash Flow Statement as prepared by T. Lundy appears to provide sufficient liquidity to support an extension of the stay of proceedings to June 19, 2023.
64. The Monitor has considered the tests that the Court must be satisfied with in order to grant an extension of the stay of proceedings to the Petitioners, namely that:
 - (a) The Petitioners must be acting in good faith and with due diligence; and
 - (b) The Petitioners satisfy the Court that the circumstances exist that make the order appropriate.
65. The Monitor is of the view that the Petitioners are acting in good faith and with due diligence.
66. The Monitor is also of the view, as detailed in the Third Report, that the closing of the SPA will result in the best recovery for all stakeholders and is the only way that unsecured creditors will receive a distribution.
67. As detailed in the Third Report, the Monitor's high-level analysis of the Petitioners' liquidation value (before any estimate of liquidation costs) was in the range of \$450,000 to \$1.6 million. The Monitor notes that the purchase price indicated in the SPA is between \$600,000 to \$1.8 million higher than the Monitor's estimated range of liquidation value.
68. In addition the Monitor also notes in its Third Report several factors that would contribute to significant additional costs associated with the liquidation such as returning third-party goods. These costs are not taken into account in the above referenced analysis.
69. Accordingly, the Monitor supports the granting of the Claims Process Order, approval to file the Plan, approval to increase the Administration Charge and the Petitioners' request for an extension of the stay of proceedings to June 19, 2023.

All of which is respectfully submitted this 3rd day of May, 2023.

FTI Consulting Canada Inc.,
in its capacity as Monitor of CanWest
Aerospace Inc. and Can West Global Airparts
Inc.

A handwritten signature in black ink, appearing to read 'Craig Munro', written over a horizontal line.

Name: Craig Munro
Title: Managing Director,
FTI Consulting Canada Inc.

Appendix A

Documentation Evidencing the Deposit



Branch: 9194 LANGLEY CENTRE
19711 WILLOWBROOK DRIVE
LANGLEY, BC

Date: May 1, 2023, 04:48 PM
Reprint Date: May 1, 2023, 06:30 PM
Ref #: 00679132/10 - ZTAE

From: Cheque Total
225,000.00

To: 9193-50***76
Deposit
Cash: 0.00 CAD
Number of Items: 1
225,000.00

Hold 225,000.00 9193-50***76
Funds will be available on May
9, 2023

Customer Signature

X

Thank You for banking with TD.
For information call
EasyLine 1-866-222-3456
or visit td.com

The information that you have provided will
be used to fulfill regulatory requirements and
will be treated in accordance with our Privacy
Code which is available at www.TD.com.



Prepared for:
0854271 B.C. LTD.
400 BARRARD ST UNIT 1130
VANCOUVER, BC, CAN
V6C 3A6

Prepared by:
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EasyLine: 1-866-222-3456
EasyWeb: www.tdcanadatrust.com

As at: May 1, 2023

TD Assets

Account(s)	Balance	Description
TD BASIC BUSINESS PLAN - 9190 7303834	USD \$80.52	
TD EVERY DAY A BUSINESS PLAN - 9193 5004876	\$239,962.99	
	Total TD Assets: CDN	\$239,962.99
	Total TD Assets: USD	\$80.52

Total Assets: CDN \$239,962.99
Total Assets: USD \$80.52

TD Liabilities

Account(s)	Balance	Description
TD BUSINESS TRAVEL VISA - 4520 7100 5753 4536	\$8,546.88	OWNER Credit Limit: \$9,500.00
	Total TD Liabilities: CDN	\$8,546.88

Total Liabilities: CDN \$8,546.88

Consolidated Balance: CDN \$231,416.11
Consolidated Balance: USD \$80.52
Consolidated Balance* \$231,496.63

TD Services

Account(s)	Branch	Description
SMALL BUS FULL ACCES - 5892971305678396873		OWNER
AUTO INT DEPOSIT SYSTEM - 5760097		
CONCEPTS - 85X*BCO		
TDA - 5905 G5E4D801	5905	OWNER

TD Bank balances reflect the funds available for immediate withdrawal. It includes pending debit card transactions, as well as any deposited funds that have been made available. It does not include checks that you have written that have not cleared. To determine the availability of funds you have deposited, please refer to your account documentation.

The Consolidated Balance value is a combination of both the CDN and USD products on your Portfolio. * The Consolidated Balance value assumes USD \$1 = CDN \$1.



9194 LANGLEY CENTRE
19711 WILLOWBROOK DRIVE
LANGLEY, BC

Date: May 1, 2023, 06:17 PM

Operator: 8 - ZNAY

0854271BC 9193 5004876 TEAM 00
ACCOUNT OPEN SINCE 2009/10/15
NO MESSAGES
HOLDS
PARTIAL HOLD(S)
TELLER OVR. RQD. 225000.00 MAY 09, 2023
BR 9194
NO STOP PAYMENTS
ACCOUNT BALANCE \$239,962.99
AVAILABLE BALANCE \$14,962.99
HOLD DURATION THRESHOLD AMT 1500.00
HOLD DURATION BELOW THRESHOLD 04
DAYS
HOLD DURATION OVER THRESHOLD 05
DAYS

This is not an official record of your transaction(s). Please refer to your statement.

Account Activity - Details

TD EVERY DAY A BUSINESS PLAN - 9193 5004876 \$239,962.99 ▾

OK

Current month ▾

Balance Date: May 01, 2023
 Statement Balance: \$239,962.99
 Available Balance*: \$14,962.99

Reverse Date Order

[Bottom](#)

Date	Description	Debit	Credit	Balance
May 01, 2023	GC 9194-DEPOSIT		225,000.00	\$239,962.99
May 01, 2023	E-TRANSFER ***B6v		1,718.06	\$14,962.99

Date	Description	Debit	Credit	Balance
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[Top](#)

*Includes available overdraft limit and any funds subject to a hold.

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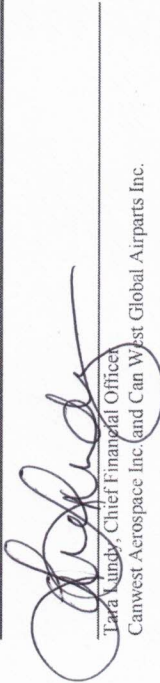
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 SYS_DATE - 2023/05/01)

Appendix B

Third Cash Flow Statement

Canwest Aerospace Inc. and Can West Global Airparts Inc.
Cash Flow Statement
For the eight-week period ending June 25, 2023

(CAD)	Week Ending	Notes	Week 8 07-May-23	Week 9 14-May-23	Week 10 21-May-23	Week 11 28-May-23	Week 12 04-Jun-23	Week 13 11-Jun-23	Week 14 18-Jun-23	Week 15 25-Jun-23	Total 25-Jun-23
			Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Opening Cash			75,177	36,384	33,939	53,939	47,227	56,211	36,021	46,021	75,177
Cash Receipts											
Sales	[1]		16,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	156,000
Collection of A/R	[2]		10,000	10,000	10,000	-	-	-	-	-	30,000
Inventory Liquidation	[3]		-	-	-	-	50,000	-	-	-	50,000
Loan Proceeds	[4]		10,000	-	-	-	-	-	-	-	10,000
Total - Operating Receipts			36,000	30,000	30,000	20,000	70,000	20,000	20,000	20,000	246,000
Cash Disbursements											
Rent	[5]		36,016	-	-	-	36,016	-	-	-	72,032
Utilities	[6]		6,101	750	-	-	-	2,450	-	-	9,301
Insurance	[7]		6,102	-	-	2,787	-	3,315	-	-	12,204
Plant Labour	[8]		4,074	24,195	-	13,925	-	24,425	-	13,925	80,544
Parts	[9]		5,000	5,000	7,500	7,500	7,500	7,500	7,500	7,500	55,000
Professional fees	[10]		15,000	-	-	-	15,000	-	-	-	30,000
Office Supplies/Packaging Supplies	[11]		2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	20,000
Total - Operating Disbursements			74,793	32,445	10,000	26,712	61,016	40,190	10,000	23,925	279,081
Total Net Cash Flow			(38,793)	(2,445)	20,000	(6,712)	8,984	(20,190)	10,000	(3,925)	(33,081)
Ending Cash			36,384	33,939	53,939	47,227	56,211	36,021	46,021	42,096	42,096


Lara Vandy, Chief Financial Officer
Canwest Aerospace Inc. and Can West Global Airparts Inc.

Notes:
Management has prepared this Cash Flow Statement solely for the purposes of determining the liquidity requirements of the Company during the CCAA Proceedings.
The Cash Flow Statement is based on the probable and hypothetical assumptions detailed below. Actual results will likely vary from performance projected and such variations may be material.

- [1] Sales relate to the manufacture, sale, repair and installation of parts.
- [2] The majority of accounts receivable outstanding for less than 60 days is expected to be collected within the forecast period.
- [3] Inventory Liquidation relates to the sales of parts.
- [4] Loan proceeds relate to monies provided by 0854271 B.C. Ltd. (a related company).
- [5] Rent relates to both the Langley and Abbotsford premises of the Petitioners.
- [6] Utilities relate to the expenditures required to continue to advance work-in-progress.
- [7] Insurance relates to monthly aviation liability coverage and employee extended benefits.
- [8] Plant Labour is assumed to continue at current run rates.
- [9] Parts include items required to complete outstanding work-in-progress.
- [10] Professional fee payments relate to the Petitioners' counsel, Monitor and Monitor's counsel.
- [11] Office Supplies/Packaging Supplies contain miscellaneous expenses.