



Updated: August 13, 2007

Whistleblower Policy

As a reporting issuer in Canada, the integrity of the financial information of Aeroquest International Limited (the “**Company**”) and its subsidiaries (collectively, “**Aeroquest**”) is vital. Aeroquest recognizes the necessity of transparency and accountability in its administration and management practices. As such, Aeroquest is committed to providing a work environment in which its directors, employees, officers and consultants collectively, “**Personnel**”) can, when based on a reasonable belief, raise concerns over accounting/audit matters, potential violations of laws or internal policies or misconduct, without fear of discrimination, retaliation, threats or harassment. The purpose of this “Whistleblower Policy” is to provide Aeroquest’s Personnel with a mechanism by which they can raise these concerns.

Improper activity

This policy is designed to cover all concerns relating to any accounting, internal control or auditing matters, including, without limitation, the following:
questionable accounting, internal accounting controls, or auditing matters.

These can involve (each, an “**Improper Activity**”):

- fraud, deliberate error or misrepresentation in the preparation, recording, maintenance, evaluation, review or audit of any financial statement of Aeroquest, deficiencies in or noncompliance with Aeroquest’s internal accounting controls, misrepresentation or false statements to or by a senior officer or accountant regarding a matter contained in Aeroquest’s financial records, financial reports or audit reports, or deviation from full and fair reporting of Aeroquest’s financial condition, including any attempt to fraudulently influence, coerce, manipulate or mislead the Company’s auditors;
- altering, concealing or destroying a document that you believe is inappropriate;
- substantial mismanagement or misappropriation of Aeroquest’s resources, funds or assets;
- reporting fraudulent financial information to shareholders, the regulatory authorities or the financial markets;
- unethical business conduct;
- actual or potential violations of applicable provincial or federal law, rules or regulations by Aeroquest, including, without limitations, including any rule or policy of the Ontario Securities Commission, the securities regulators of other jurisdictions in which the

Company is a reporting issuer, the TSX Venture Exchange, and the laws and regulations of any jurisdiction in which Aeroquest operates;

- any other matter which could harm the business or public position of Aeroquest;
- any attempt to conceal a potential Improper Activity or evidence of an Improper Activity; or
- any retaliation for any good faith report of an Improper Activity, complaint or other disclosure made pursuant to this policy.

Reporting

It is the policy of the Company to encourage anyone, who believes in good faith that any Improper Activity has occurred or is occurring, to report those concerns. Good faith does not mean that you have to be right. However, good faith does mean that you have to believe that you are providing truthful

information. Personnel should promptly report an Improper Activity by:

- reporting, openly, confidentially or anonymously to the Chair of the Audit Committee;
- calling the confidential Aeroquest "Whistleblower Voice Mailbox at **1-866-693-9129 Ext:333** to leave a message; or
- (Be advised that leaving a message on this voice mail system may not necessarily protect your anonymity. For a completely anonymous submission, please use the option below)

sending in your written concerns or complaints anonymously, in an envelope marked "confidential" to this address:

Aeroquest International Limited, 7687 Bath Road, Mississauga, Ontario, L4T 3T1
Attention: In House Legal Counsel OR Human Resources Manager There may be a request to document the report in writing. **All complaints and concerns will be taken seriously and kept confidential except to the extent information is required to be disclosed in the investigation process as described in this policy, or is required by law.**

If you identify yourself when raising a complaint or concern, your name will not be disclosed unless you consent or unless the law requires such disclosure. However, if you raise a complaint or concern and after an investigation it is determined that the complaint was made maliciously or recklessly your identity may be disclosed. Aeroquest will exercise particular care to keep confidential the identity of any individual making a complaint under this policy until a formal investigation is launched. Thereafter, the identity of the individual will be kept confidential, unless such confidentiality is incompatible with a fair investigation, there is overriding reason for identifying or otherwise disclosing the identity of the individual or the law requires such disclosure. In this instance, the individual will be informed in advance of his or her being identified. Where disciplinary proceedings are invoked against any individual under this policy, Aeroquest will normally require the name of the person who made the complaint to be disclosed to the person subject to such proceedings. If you believe that a director or officer of Aeroquest is involved in an Improper Activity, those facts should be reported directly to the audit committee of the Company's Board of Directors ("**Audit Committee**") or through the anonymous means described

above.

Reports of Improper Activity should include as much of the following information as possible:

- when and how you became aware of the Improper Activity;
- the individuals and/or department suspected of the Improper Activity;
- any steps, if any, taken prior to reporting the Improper Activity, including reporting it to a supervisor and the supervisor's reaction;
- who, if anyone, may be harmed or affected by the Improper Activity;
- whether the Improper Activity is ongoing or completed; and
- all of the other relevant facts.

If the report was not submitted anonymously, you may wish to include your contact information, but are in no way required to do so.

Discrimination, Retaliation or Harassment

Section 425.1 of the Criminal Code of Canada makes it an offence to retaliate against an employee that reports wrongdoing to a person who is responsible for the enforcement or reporting of federal or provincial laws. The Company ensures Personnel that they will not be disciplined, discharged, demoted, suspended, threatened, harassed, harmed, in any other manner discriminated against or subject to retaliation (collectively, "**Retaliate**" or "**Retaliation**") because the Personnel reported an Improper Activity. As well, Personnel will not be subject to Retaliation for providing information in assistance with the investigation of an Improper Activity. If a Personnel member believes that he or she has been subject to Retaliation, they should immediately report those facts to the Company's in-house legal counsel. If, for any reason, the Personnel member does not feel comfortable discussing the matter with such individual, the Personnel member should bring the matter to the attention of the Audit Committee. It is imperative that the Personnel member bring the matter to the Company's attention promptly so that any concern of Retaliation can be investigated and addressed swiftly and appropriately. Personnel should note that they may be subject to criminal liability if they Retaliate against an individual because that individual provided truthful information to law enforcement officials regarding the commission or possible commission of an offense.

Treatment of Complaints

Upon receiving a complaint, the receiving party will immediately deliver a copy of the complaint to the **In House Legal Counsel**, who will retain a log of all complaints or concerns. This log will be maintained in a manner that protects the confidentiality of the sender. The Legal Counsel will, when possible, acknowledge receipt to the sender and will expeditiously determine whether or not to commence an investigation of the complaint. All reports will be taken seriously. The Company ensures that reports will be promptly and thoroughly investigated. The specific action taken in any particular case depends on the nature and gravity of the circumstances reported and the quality of the information provided. All information reported and disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and

take any remedial action, in accordance with applicable law. All Personnel have a duty to cooperate in the investigation of reports of Improper Activity or Retaliation. In addition, a Personnel member will be subject to disciplinary action, including the termination of their employment, if the Personnel member fails to cooperate in an investigation, or deliberately provides false information during an investigation. If, at the conclusion of its investigation, the Company determines that a violation of policy has occurred, the Company will take effective remedial action equal to the severity of the offense. This action may include disciplinary action against the accused party, up to and including termination. Reasonable and necessary steps will also be taken to prevent any further violations of policy.

Retention

All documents related to the reporting, investigation and enforcement of this policy, as a result of a report of Improper Activity or Retaliation, will be kept in accordance with the Company's record retention policy and applicable law.

Additional Enforcement Information

In addition to the Company's internal complaint procedure, you should also be aware that certain local, provincial and federal law enforcement agencies are authorized to review questionable accounting or auditing matters, or potentially fraudulent reports of financial information. The Company's policies and practices have been developed as a guide to our legal and ethical responsibilities to achieve and maintain the highest business standards. Conduct that violates the Company's policies will be viewed as unacceptable under the terms of employment of the Company. Certain violations of the Company's policies and practices could even subject the Company and individual Personnel members to civil and criminal penalties. Before issues can rise to that level, you are encouraged to report Improper Activity or Retaliation. However, nothing in this policy is intended to prevent a Personnel member from reporting information to the appropriate agency when the Personnel member has reasonable cause to believe that the violation of a local, provincial or federal law, rule or regulation has occurred.

Modification

The Audit Committee or the Board can modify this policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with local, provincial and federal regulations and/or accommodate organizational changes within the Company.

Annual Review and Reporting

The Company shall provide regular reports, at least annually to the Audit Committee of the number of reports made, the number of investigations commenced in response to reports, the number of wrongdoings discovered, and all disciplinary actions taken in response to matters discovered through reports. This policy will be reviewed annually by the Audit Committee. This review will take into account the effectiveness of the policy in promoting proper disclosure, but with a view to minimize the opportunities to cause improper

investigations.

Acknowledgement By Personell

Please sign the acknowledgement form below and return it to the Manager of Human Resources. This will let the Company know that you have received the Whistleblower Policy and are aware of the Company's commitment to a work environment free of Retaliation for reporting Improper Activity, as well as your obligations to report such information.

Acknowledgement and Agreement

This is to acknowledge that I have received a copy of the Company's Whistleblower Policy. I understand that, as a public company, the integrity of the financial information of the Company is paramount. I further understand that the Company is committed to a work environment free of Retaliation for employees who have raised concerns regarding Improper Activity. The Company specifically prohibits Retaliation whenever an employee makes a good faith report regarding such concerns.

Accordingly, I specifically agree that to the extent I have concerns that I reasonably believe to be related to Improper Activity, or which are otherwise in violation of the Company's policies, I will immediately report such conduct in accordance with the Company's Whistleblower Policy.