



COURT FILE NUMBER 25-2386427
25-2386434

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

DOCUMENT FIRST REPORT OF THE TRUSTEE IN THE MATTER OF THE
NOTICE OF INTENTION TO MAKE A PROPOSAL OF
ASPEN AIR CORPORATION AND ASPEN AIR U.S. CORP

DATED JUNE 25, 2018

**ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT**

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Trustee

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Introduction and Notice to Reader

Introduction

1. On June 6, 2018, Aspen Air Corporation (“Aspen”) and Aspen Air U.S. Corp. (“Aspen U.S.” collectively the “Aspen Companies” or the “Applicants”) each filed a Notice of Intention to Make a Proposal (the “NOI(s)”) pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act, RSC 1985, c B-3* (the “BIA”). Deloitte Restructuring Inc. (“Deloitte”) consented to act as Trustee under the NOIs (the “Trustee”). Attached hereto as “Schedule 1” are copies of the Certificates of Filing a Notice of Intention to Make a Proposal issued by the Official Receiver. Attached hereto as “Schedule 2” are copies of the creditor’s package, which was mailed on June 11, 2018 and includes the NOIs. Information on these proceedings can be accessed on Deloitte’s website at www.insolvencies.deloitte.ca under the link entitled “Aspen Companies”.
2. On June 14, 2018, Statements of Projected Cash Flow for the Thirteen Week Period Ended September 1, 2018 (the “Cash Flows”) were filed for Aspen, Aspen U.S., and on a consolidated basis for the Aspen Companies. Attached hereto as “Schedule 3” are copies of the Cash Flows. Attached hereto as “Schedule 4” are the Report on the Cash Flow Statement by the Person Making a Proposal and the Trustee’s Report on the Cash Flow Statement for Aspen Air Corporation and Aspen Air U.S. Corp.
3. The Aspen Companies were granted an initial 30-day stay of proceedings pursuant to Section 69(1) of the BIA (the “Initial Stay”). The Aspen Companies are required to file a proposal within the Initial Stay or within any further extension of that period granted by the Court of Queen’s Bench of Alberta (the “Court”).
4. This report is the first report of the Trustee (the “First Report” or “this report”). The First Report is being filed in support of the relief sought by the Aspen Companies’ at a hearing scheduled for June 26, 2018 (the “June 26 Hearing”), as further described below.

Notice to Reader

5. In preparing this report, the Trustee has relied on unaudited financial information, the books and records of the Applicants and discussions with the Applicant’s employees, interested parties, and stakeholders.

6. The financial information of the Aspen Companies has not been audited, reviewed or otherwise verified by the Trustee as to its accuracy or completeness, nor has it necessarily been prepared in accordance with generally accepted accounting principles and the reader is cautioned that this report may not disclose all significant matters about the Applicants. Additionally, none of the Trustee's procedures were intended to disclose defalcations or other irregularities. If the Trustee were to perform additional procedures or to undertake an audit examination of the financial statements in accordance with generally accepted auditing standards, additional matters may have come to the Trustee's attention. Accordingly, the Trustee does not express an opinion nor does it provide any other form of assurance on the financial or other information presented herein. The Trustee may refine or alter its observations as further information is obtained or brought to its attention after the date of this report.
7. The Trustee assumes no responsibility or liability for any loss or damage occasioned by any party as a result of the circulation, publication, reproduction, or use of this report. Any use, which any party makes of this report, or any reliance or decision to be made based on this report, is the sole responsibility of such party.
8. All amounts included herein are in Canadian dollars unless otherwise stated.

Background

Operations

9. Aspen was incorporated under the *Alberta Business Corporations Act* on April 6, 2006 and Aspen U.S. was incorporated under the laws of the state of Montana on June 16, 2006. Aspen U.S. is a wholly owned subsidiary of Aspen. Management of the Applicants has advised that Aspen and Aspen U.S. have operated on a consolidated basis since they commenced operations in late December 2007. The Aspen Companies operate two air separation plants in Billings, Montana for the production and distribution of industrial and medical liquid air products (collectively the “Plant”). In 2017, Aspen also commenced a hauling and logistics business in Western Canada (the “Hauling Business”). The Hauling Business was discontinued in early 2018.
10. As further described in the Affidavit of Onkar Dhaliwal sworn on July 21, 2018 (the “Dhaliwal Affidavit”), all head office functions are directed from Aspen’s office located in Calgary, Alberta (the “Head Office”) and Aspen’s primary secured lender, Alberta Treasury Branches (“ATB”) is located in Calgary, Alberta.
11. The Aspen Companies had a significant contract with Sanjel Corporation (“Sanjel”), who commenced proceedings under the *Companies’ Creditors Arrangement Act R.S.C 1985 c. C-36* (“CCAA”) on April 4, 2016. The Aspen Companies inability to collect on a significant account receivable due from Sanjel and the costs associated with the corresponding collection efforts was a material contributor to the Aspen Companies’ current financial difficulties.

Court Proceedings

12. At the June 26 Hearing, the Applicants will be seeking the following relief:
 - 12.1. A 45 day extension of the Initial Stay from July 6, 2018 to August 20, 2018 (the “Extension”);
 - 12.2. Approval to procedurally administer the NOI proceedings and any subsequent proceedings undertaken under the BIA on a consolidated basis (the “Consolidation”);
 - 12.3. Approval for a charge in the amount of \$150,000 as security for the reasonable professional fees and disbursements of the Trustee, the Trustee’s legal counsel and the Aspen Companies U.S. and Canadian legal counsel (the “Administration Charge”). The Administration Charge will form a first charge over all assets, rights, undertakings and properties of the Applicants of every nature and kind whatsoever, and wherever situated including all proceeds thereof (the “Property”);
 - 12.4. Approval for a charge in the amount of \$150,000 as security to indemnify the Aspen Companies directors and officers against obligations and liabilities that they may incur in those capacities

after the Filing Date, provided that such obligations were not incurred as a result of the director's or officer's gross negligence or wilful misconduct. The D&O Charge will form a third charge over the Property, ranking behind the Administration Charge and the DIP Charge (as subsequently defined);

- 12.5. Approval of the Aspen Companies borrowing by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable to fund its operations during the NOI proceedings provided that the outstanding principal amount does not exceed \$250,000 or such greater amount as the Court may subsequently authorize (the "DIP Loan");
- 12.6. Approval of a charge on the Property as security for the DIP Loan together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise but subordinate only to the Administration Charge (the "DIP Charge");
- 12.7. Approval of a Sale and Investor Solicitation Process (the "SISP");
- 12.8. Approval to designate selected suppliers as critical to the Applicant's ongoing operations (the "Critical Suppliers") and to pay the Critical Suppliers up to \$250,000 due for the period prior to the Filing Date (the "Critical Supplier Payments"); and
- 12.9. Authority for the Applicants to seek recognition of the NOI proceedings as a foreign main proceeding under Chapter 15 of the Bankruptcy Code ("Foreign Recognition").

Creditors

13. At the Filing Date, Aspen listed creditors with claims totaling approximately \$11.2 million. As noted above a copy of Aspen's NOI, including a listing of creditors with claims of \$250 or more (the "Aspen Creditor Listing"), is attached as "Schedule 2". The Aspen Creditor Listing includes the following claims:
 - 13.1. A secured claim by ATB in the amount of approximately \$6.0 million plus accrued interest, which is comprised of two non-revolving reducing demand loan facilities (the "ATB Loans"). The ATB Loans are secured by a general security agreement over all present and after acquired property, a floating charge on all lands, a \$10.0 million mortgage on the Plant, a postponement and assignment of claims from any subordinated debt provider, title insurance of \$8.5 million and a pledge agreement of the shares of Aspen Air U.S. Corp. (the "ATB Security"). To date the Trustee's legal counsel has not reviewed the ATB Security to determine its validity and enforceability. As at the date of this report, to the Trustee's knowledge, ATB has not taken a position on the relief sought at the June 26 Hearing;
 - 13.2. Claims of approximately \$859,600 due pursuant to various vehicle and equipment leases;
 - 13.3. Claims by convertible debenture holders in the amount of approximately \$2.8 million (the "Debenture Holders"). Aspen has indicated that the Debenture Holders are unsecured creditors. As at the date of this report, the Debenture Holders have indicated that they hold security in respect of their claims and will be providing further information to the Trustee in this regard; and
 - 13.4. Unsecured trade payables in the amount of approximately \$1.5 million.
14. Also included in "Schedule 2" is a copy of Aspen U.S.' NOI, including a listing of creditors with claims of \$250 or more (the "Aspen U.S. Creditor Listing"). Aspen U.S. was a guarantor of the ATB Loans. In addition to the ATB Loans, the Aspen U.S. Creditor Listing includes the following claims:
 - 14.1. Claims of approximately \$629,400 due pursuant to various vehicle and equipment leases; and
 - 14.2. Unsecured trade payables in the amount of approximately \$803,200.

Critical Suppliers

15. As noted above, at the June 26 Hearing, the Applicants are seeking approval to make the Critical Supplier Payments. The Critical Suppliers are detailed in the Dhaliwal Affidavit and a summary of the estimated Critical Supplier Payments is attached as “Schedule 5” hereto. The Trustee has reviewed the Critical Supplier Payments and is supportive of these payments being made on the basis that the Critical Suppliers are required to continue the Aspen Companies ongoing operations during the NOI proceeding and that interruptions in the use of goods and services provided by the Critical Suppliers could significantly impair the Aspen Companies’ operations. The Trustee notes that the list of Critical Suppliers in the Dhaliwal Affidavit includes Northwestern Energy, ChemTreat Inc. and Norco; however, the Applicants have confirmed that there are no pre-filing amounts due to those suppliers.

Restructuring Efforts

Consolidation and Foreign Recognition

16. The Trustee supports the Consolidation based on the following:

- 16.1. The Aspen Companies have been operating on a consolidated basis since their inception; and
- 16.2. The Consolidation will increase the expediency and efficiency of the Applicants' restructuring thereby decreasing the corresponding professional fees and expenses.

17. The Trustee supports the Foreign Recognition on the basis that it may become necessary for the purposes of obtaining a stay of proceedings to prevent U.S. creditors from enforcing as against the assets of Aspen U.S., which are located in Billings, Montana. In addition, it will allow for recognition of the Administration Charge, the DIP Charge and the D&O Charge in the U.S. where most of the Aspen Companies' assets are located.

Potential Investor

18. Since the Filing Date, the Aspen Companies have been in discussion with CF Capital Corporation (the "Investor"), who expressed a desire to purchase the ATB Security and to support the Applicants in developing a BIA Proposal. The Trustee understands that the Investor executed a non-disclosure agreement and has completed all required due diligence related to the Aspen Companies, including visiting the Plants. The Trustee further understands that the Investor has reached a verbal agreement with ATB with respect to acquiring the ATB Loan, the ATB Security and all claims of ATB as against the Aspen Companies. As at the date of this report, based on information available to the Trustee, it appears that productive discussions continue to be held between the Investor and the Applicants and the Investor and ATB, however, no agreements have yet been formalized.

SISP

19. The Applicants will be seeking Court approval of the SISP at the June 26 Hearing, which they intend to implement only in the event that no agreement is formalized with the Investor. A copy of the SISP is attached as "Exhibit H" to the Dhaliwal Affidavit. The SISP involves a two-phase process that will be conducted over a nine-week period. The Applicants intend to approach Whitehorn Capital to act as an advisor with respect to the SISP. The key dates will be established if it becomes clear to the Applicants, in consultation with the Trustee that no agreement can be reached with the Investor, at which point the SISP will be initiated. The Trustee notes that it is required to report to the Official Receiver, the creditors and the Court any material adverse change in the debtor's cash flow or financial position. A failure to

implement the SISP in the event that an agreement with the Investor cannot be formalized would, in the view of the Trustee, constitute such a change and, as such, be reported.

20. A draft timeline for the SISP is summarized below:

Phase/ Event	Estimated Timing	Description of Activities
SISP Order	June 26, 2018	Court grants an Order approving the SISP
Publication Notice	TBD	Notice of the SISP will be published in the Globe and Mail and other agreed upon publications
Phase I	To last for a period of 5 weeks following the publication notice	Solicitation of non-binding indications of interest ("IOI's) to invest in the Companies or to purchase the Companies' assets.
Phase I Bid Deadline	TBD	IOIs must be submitted by the specified deadline
Assessment of IOIs	Within 3 business days of the phase I bid deadline	IOIs will be considered in regard to the requirements of the SISP and qualified bidders will be advanced to Phase II
Phase II	To last for a period of 4 weeks following the phase I bid deadline	Qualified bidders will conduct due diligence and prepare final bids/ proposals specifying the structure of the proposed transaction
Phase II Bid Deadline	TBD	Final bids/ proposals must be submitted by the required deadline
Evaluation and selection of successful bid	Within 3 business days of the Phase II bid deadline	Terms of all final bids/ proposals will be clarified. The Companies will elect a final bid/ proposal and the terms of the agreement will be negotiated Court approval will be sought
Closing of any successful bid/ proposal	As agreed	To occur on the agreed upon date subject to Court approval of a BIA Proposal or an asset purchase agreement.

21. The Trustee supports the Aspen Companies' application to approve the SISP based on the following:

- 21.1. Should an agreement with the Investor not be finalized, the SISP will allow the Aspen Companies to evaluate opportunities for a potential restructuring in a timely manner; and
- 21.2. The timeline appears reasonable given the nature of the Aspen Companies' assets and the Applicants' current financial constraints.

Cash Flow

22. As noted above, attached as “Schedule 3” is the Cash Flows. The consolidated Cash Flow includes receipts of approximately \$2.4 million, which include accounts receivable of approximately \$2.3 million. The Aspen Companies have indicated that, where they supply liquid air products, they would be considered a critical supplier for most of their customers. In addition, the accounts receivable are based on long-term supply contracts. As such, the Aspen Companies’ do not anticipate a significant deterioration in accounts receivable collections as a result of the NOI proceedings.
23. The Cash Flow includes disbursements of approximately \$2.6 million. The most significant disbursements are summarized below:
- 23.1. Salaries and wages of approximately \$666,100 including Canada Revenue Agency employee payroll source deductions. Aspen currently has 10 employees and Aspen U.S. currently has 17 employees (the “Employees”);
 - 23.2. Benefits of approximately \$104,200 for the Employees, which are payable to Great-West Life Assurance Company and Blue Shield of Montana;
 - 23.3. Vehicle and equipment leases of approximately \$391,700. This amount includes approximately \$109,900 for pre-filing amounts, which the Applicants are seeking approval to pay at the June 26 Hearing;
 - 23.4. Utilities of approximately \$525,000 for electricity, which is required in the specialized gas separation process used by the Aspen Companies to produce nitrogen, oxygen and argon. This amount includes estimated payments of approximately \$93,600 for pre-filing amounts, which the Applicants are seeking approval to pay at the June 26 Hearing;
 - 23.5. Repair and maintenance of approximately \$228,100, which includes approximately \$187,500 for a maintenance shut-down to complete a required repair at one of the plants (the “Plant Repair”);
 - 23.6. Professional fees of approximately \$307,500 payable to the Trustee, the Applicant’s Canadian and US legal counsel and the Trustee’s legal counsel; and
 - 23.7. Contingency of approximately \$113,800

The Administration Charge

24. Although the June 26 Hearing includes an application for the Administration Charge, the Applicants, to the extent possible, intend to fund professional fees and disbursements from operations as reflected in the Cash Flows.
25. The Trustee supports the Administration Charge, pursuant to Section 64.2(1) of the BIA on the basis that it provides certainty for the professionals involved that they will be paid such that they can effectively participate in the NOI proceedings.

The DIP Loan and DIP Charge

26. The Cash Flows reflect borrowings of approximately \$185,000. As described in the Supplemental Affidavit of Onkar Dhaliwal sworn on June 22, 2018, the Applicants have agreed to a term sheet with CF Capital Corporation to provide up to \$250,000 in interim financing (the “DIP Loan”). The Trustee has reviewed the Term Sheet and is supportive of the DIP Loan and the DIP Charge on the basis that they will allow the Aspen Companies to continue to operate during the NOI proceedings. The amount of the DIP Loan and the DIP Charge appear reasonable based on the projected receipts and disbursements reflected in the Cash Flow and, in particular will allow the Plant Repair to be completed, which may enhance the value of the underlying assets. The Trustee is of the view that the factors enumerated in Section 50.6(5) of the BIA support the approval of the DIP.

The D&O Charge

27. The Trustee is supportive of the D&O Indemnity and the D&O Charge on the basis that it will encourage the Aspen Companies directors to actively participate in the Applicant's restructuring, which will increase the likelihood that a viable proposal will be developed.
28. The Trustee notes that the Applicants currently hold directors' and officers' liability insurance through Chubb Insurance Company of Canada, with a maximum aggregate liability limit of \$5 million (the “D&O Policy”). The Applicants have confirmed that there are currently no outstanding claims under the D&O Policy.

Variance Analysis

29. Attached hereto as “Schedule 6” is the Variance Analysis for the Aspen Companies (the “Variance Analysis”) for the period from the Filing Date until June 16, 2018 (the “Variance Period”). The Variance Analysis is based on the Cash Flow and includes information as to timing and permanent variances reported by the Aspen Companies. The Variance Analysis reflects the following permanent variance over \$10,000, which will not impact the Aspen Companies go-forward operations or ability to restructure:


29.1. A permanent positive variance of approximately \$16,000 for utilities, based on the amount due being lower than in prior months thereby requiring a lower pre-payment for the post-filing period beyond what was originally forecast.

30. The Aspen Companies provided the Trustee with a representation letter dated June 20, 2018, which states among other things, that the Applicants have made available to the Trustee all financial records and other relevant information, that the assumptions used in developing the Cash Flow are still valid and that they are acting in good faith and with due diligence in developing a proposal and are not aware of any reason that they would not be able to make a viable proposal.

Recommendation and Conclusion

31. Based on the Trustee's review of the Aspen Companies' operations and restructuring efforts to date, the Trustee is of the view that pursuant to Section 50.4(9) of the BIA:
- 31.1. The Aspen Companies appear to be acting in good faith and with due diligence;
 - 31.2. The Aspen Companies are cooperating with the Trustee and appears to be making efforts to present a viable proposal to their secured and unsecured creditors;
 - 31.3. The Aspen Companies require the extension to either finalize the terms whereby CF Capital will acquire the ATB Security and invest in the Aspen Companies or to initiate the SISP; and
 - 31.4. The Trustee is of the view that the Aspen Companies' creditors will not be materially prejudiced by the Extension.
32. The First Report has been prepared in support of the following relief, which is being sought by the Aspen Companies at the June 26 Hearing:
- 32.1. The Extension;
 - 32.2. The Administration Charge and the D&O Charge;
 - 32.3. Authority to proceed with the Consolidation and Foreign Recognition;
 - 32.4. Authority to make the Critical Supplier Payments;
 - 32.5. A DIP Loan in the principal amount of \$250,000 and a corresponding DIP Charge; and
 - 32.6. The SISP, which will only be initiated in the event that the Aspen Companies are unable to finalize an agreement with the Investor.

DELOITTE RESTRUCTURING INC.,
in its capacity as Trustee under the proposal of
Aspen Air Corporation and Aspen Air U.S. Corp.
and not in its personal or corporate capacity



Vanessa Allen, B. Comm, CIRP
Senior Vice-President

Schedules

Schedule 1



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Alberta
Division No. 02 - Calgary
Court No. 25-2386427
Estate No. 25-2386427

In the Matter of the Notice of Intention to make a
proposal of:

Aspen Air Corporation
Insolvent Person

**DELOITTE RESTRUCTURING INC/RESTRUCTURATION
DELOITT**
Licensed Insolvency Trustee

Date of the Notice of Intention: June 06, 2018

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: June 06, 2018, 19:00

E-File/Dépôt Electronique

Official Receiver

Harry Hays Building, 220 - 4th Ave SE, Suite 478, Calgary, Alberta, Canada, T2G4X3, (877)376-9902

Canada



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Alberta
Division No. 02 - Calgary
Court No. 25-2386434
Estate No. 25-2386434

In the Matter of the Notice of Intention to make a
proposal of:

Aspen Air U.S. Corp.
Insolvent Person

**DELOITTE RESTRUCTURING INC/RESTRUCTURATION
DELOITT**
Licensed Insolvency Trustee

Date of the Notice of Intention: June 06, 2018

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: June 06, 2018, 19:41

E-File/Dépôt Electronique

Official Receiver

Harry Hays Building, 220 - 4th Ave SE, Suite 478, Calgary, Alberta, Canada, T2G4X3, (877)376-9902

Canada

Schedule 2

June 7, 2018

Notice to the creditors of Aspen Air Corporation and Aspen Air U.S. Corp. (the “Companies”)

On June 6, 2018, the Companies each filed a Notice of Intention to Make a Proposal (the “NOI(s)”) pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act* (the “BIA”). The Trustee anticipates that the Companies’ NOI proceedings will be administered on a consolidated basis.

Attached are copies of the NOIs, which include lists of the Companies’ known creditors as well as a letter from Deloitte Restructuring Inc. (“Deloitte”) consenting to act as Trustee under the proposal. Information related to the NOI proceedings will be posted on Deloitte’s website at www.insolvencies.deloitte.ca under the link entitled “The Aspen Companies”.

Pursuant to Section 69(1) of the BIA, all proceedings against the Companies are now stayed and service to the Companies cannot be discontinued (the “Stay”).

The Companies are now required to do as follows:

1. File statements of projected cash flow within 10 days; and
2. File a proposal within 30 days of the filing of the NOI or within any further extension of that period that may be granted by the Court of Queen’s Bench of Alberta (the “Court”). Once a proposal has been filed, a meeting of creditors to consider the proposal (the “Meeting”) will be held within 21 days.

The Trustee is required to monitor the Companies’ business and affairs during the Stay and report any material adverse changes to the Office of the Superintendent of Bankruptcy and the Court.

Once a Proposal has been filed, the Trustee will issue further correspondence, including a copy of the proposal, the Trustee’s report on the proposal, a proof of claim form, a voting letter, a proxy and a notice to creditors regarding the Meeting.

Should you have additional questions, please contact Joseph Sithole at 1-587-293-3203.

Yours truly,

DELOITTE RESTRUCTURING INC.

In its capacity as the Proposal Trustee for Aspen Air Corporation and Aspen Air U.S. Corp. and not in its personal or corporate capacity



Vanessa Allen, B. Comm, CIRP

Senior Vice-President

District of: Alberta
Division No. 02 - Calgary
Court No.
Estate No.

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the matter of the proposal of
Aspen Air Corporation
of the City of Calgary, in the Province of Alberta

Take notice that:

1. I, Aspen Air Corporation, an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Deloitte Restructuring Inc. of 700 Bankers Court, 850 - 2nd Street SW, Calgary, AB, T2P 0R8, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Calgary in the Province of Alberta, this 6th day of June 2018.



Aspen Air Corporation
Insolvent Person

To be completed by Official Receiver:

Filing Date

Official Receiver

District of: Alberta
 Division No. 02 - Calgary
 Court No.
 Estate No.

- FORM 33 -

Notice of Intention To Make a Proposal
 (Subsection 50.4(1) of the Act)

In the matter of the proposal of
 Aspen Air Corporation
 of the City of Calgary, in the Province of Alberta

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
1350485 Alberta Ltd.	Peter Stephens 4325 - 46 Avenue SE Calgary AB T2B 3N5		150,000.00
AccuVal Associates Inc.	10218 N. Port Washington Road Mequon WI 53092 USA		8,903.41
Alberta Leaseco	1720 Bow Trail SW Calgary AB T3C 2E4	2016 GMC 1500; 2018 GMC 2500	47,905.90
ATB Financial	Attention: Derek Pontin 1500-850 2 Street SW Calgary AB T2P 0R8		6,041,094.99
Bennett Jones LLP	855- 2nd Street SW 4500 Bankers Hall East Calgary AB T2P4K7		4,974.08
Black Coffee Communications	35 Kentish Dr SW Calgary AB T2V 2L4		367.50
BMO Financial Group c/o BankruptcyHighway.com Mike Timko	PO Box 57100 Etobicoke ON M8Y 3Y2	2018 Peterbilt 567	147,107.68
Burnet, Duckworth & Palmer LLP	2400-525 8 AVE. S.W. Calgary AB T2P 1G1		3,548.74
Canadian Cryogenics Gases & Cylinders, Ltd.	35 Rexdale Road Rexdale ON M9W 1K9		2,537,255.53
Code Hunter Barristers	850 440 2 Avenue SW Calgary AB T2P 5E9		5,398.58
Combined Fabrication Inc.	64 Addington Drive Red Deer AB T4R 2Y4		88,944.86
Communications Group Red Deer Ltd.	7434 50th Avenue Red Deer AB T4P 1X7		10,405.02
Continental Chain & Rigging	7011 Girard Road Edmonton AB T6B 2C4		7,129.67
Corbett, Denise	312 Huntridge Road NE Calgary AB T2K 4B6		1,442.31

District of: Alberta
 Division No. 02 - Calgary
 Court No.
 Estate No.

- FORM 33 -

Notice of Intention To Make a Proposal
 (Subsection 50.4(1) of the Act)

In the matter of the proposal of
 Aspen Air Corporation
 of the City of Calgary, in the Province of Alberta

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Culturesmith Inc.	Suite 801, 530 8th Ave SW The Watermark Tower Calgary AB T2P 3S8		2,991.72
DB Engineered Hydraulics (1994) Ltd.	4951 - 78 Street Red Deer AB T4P 1N5		58,822.03
de Vall, Katie	1423 109TH Ave SW Calgary AB T2W 0C9		10,384.61
Deanna Hansuk	295 Sagewood Place SW Airdrie AB T4B 3M8		10,000.00
Dhaliwal, Onkar	12 Heritage Lake Dr. De Winton AB T0L 0X0		301,538.46
Dhaliwal, Tanya	12 Heritage Lake Dr. De Winton AB T0L 0X0		10,384.61
Direct Energy Regulated Services	PO Box 1520, 639 5th Ave SW Calgary AB T2P 5R6		917.50
EQUUS REA Ltd.	5803 - 42nd Street (Box 6199) Innisfail AB T4G 1S8		1,791.00
Federal Express Canada Ltd.	Toronto Station A PO Box 4626 Toronto ON M5W 5B4		2,739.45
Ferus Inc.	Suite 1220, 401- 9th Ave. SW Calgary AB T2P 3C5		2,962.03
Fletcher Printing	4838 - 52 Street Red Deer AB T4N 4Y1		2,916.20
Flight Centre	156, 315 - 8th Ave SW Calgary AB T2P 4K1		3,053.96
Ford Credit Canada Limited Bankruptcy Department	PO Box 2400 Edmonton AB T5J 5C7	2015 Edge; 2015 F150; 2018 F350	22,617.92
Fort Garry Industries Ltd.	170 Queens Drive Red Deer AB T4P 0R5		5,467.71

District of: Alberta
 Division No. 02 - Calgary
 Court No.
 Estate No.

- FORM 33 -

Notice of Intention To Make a Proposal
 (Subsection 50.4(1) of the Act)

In the matter of the proposal of
 Aspen Air Corporation
 of the City of Calgary, in the Province of Alberta

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Fusion Glass	Bay 101 - 6660 Taylor Drive Red Deer AB T4P 1Y3		750.55
Ganzer, Raegan	60 Riverbirch Road SE Calgary AB T2C 3M6		5,451.92
GM Financial Canada Leasing Ltd. c/o BankruptcyHighway.com Mike Timko	PO Box 57100 Etobicoke ON M8Y 3Y2	2017 GMC Sierra 1500 DE	60,497.10
Gregg Distributors LP	191 Queens Drive Red Deer AB T4P 0R3		4,370.25
Hose Headquarters (FSJ) Ltd.	10550 Alaska Road Fort St. John BC V1J 1B3		4,163.06
Houghton, Jerry	Box 38 RR1 Site 6 Red Deer AB T4N 5E1		23,701.92
Indy Graphics Group	#5, 7659 Edgar Industrial Drive Red Deer AB T4P 3R2		2,226.00
Jack Carter Chevrolet Buick GMC Cadillac Jay McKeen	11555 29th Street SE Calgary AB T2Z 0N4	2016 Cadillac CT6	65,823.00
Jackman, Scot	705 5A St SE High River AB T1V 1K2		1,538.46
Jan-Pro Cleaning Systems	Unit 1, 6120 - 11th Street S.E. Calgary AB T2H 2L7		1,451.63
Kal Tire Wendy Edwards	8050 - 49th Ave Red Deer AB T4P 2V7	2013 Kenworth; 2016 Doepker; 200	2,431.24
Kasa Consulting	41 Glamorgan Drive SW Calgary AB T3E 4Z1		3,209.06
Kimberley Gee	152 Heritage Lake Drive Heritage Pointe AB T1S 4H6		20,000.00
Kluane Financial Services Inc.	505 - 8th Avenue SW Suite 410 Calgary AB T2P 1G2		15,750.00

District of: Alberta
 Division No. 02 - Calgary
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- FORM 33 -
 Notice of Intention To Make a Proposal
 (Subsection 50.4(1) of the Act)
 In the matter of the proposal of
 Aspen Air Corporation
 of the City of Calgary, in the Province of Alberta

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
LBEL Inc. (formerly CIT Financial Ltd.) Karen Greatorex	5035 South Service Road PO Box 5072 Burlington ON L7R 4C8	2018 Peterbilt 567	147,325.52
London Life	255 Dufferin Ave London ON N6A 4K1		1,949.99
Macintosh, Neil	143 Mt Gibraltar Hts SE Calgary AB T2Z 3R3		4,326.93
MNP LLP	1500, 640 - 5th Ave. SW Calgary AB T2P 3G4		6,714.22
Noah's Quality Water Services Inc.	104, 87 Petrolia Dr. Red Deer AB T4E 1B4		267.40
North American Measurement			80,000.00
Pattar, Harminder	143 Riverview Circle SE Calgary AB T2C 4J9		4,399.04
Peterbilt Red Deer	27 Burnt Lake Crescent Red Deer County AB T4S 2L4		576.41
Principal Leasing, LLC	4900 Falls of Neuse Road, Suite 150 Raleigh NC 27609 USA		623,978.46
RBC Royal Bank / Banque Royale c/o BankruptcyHighway.com	PO Box 57100 Etobicoke ON M8Y 3Y2	2017 GMC Sierra 3500	74,519.02
RFS Canada - Bank W/D	Suite 1100 1290 Central Parkway West Mississauga ON L5C 4R3		473.79
RICOH Canada Inc.	300 - 5520 Explorer Drive Mississauga ON L4W 5L1		4,662.67
Ryder Truck Rental Canada	PO Box 6416 STN Terminal Vancouver BC V6B 6R3		15,920.10
Sekhon, Jagsir	270 Auburn Crest Way SE Calgary AB T2M 1T2		2,538.47

District of: Alberta
 Division No. 02 - Calgary
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- FORM 33 -

Notice of Intention To Make a Proposal
 (Subsection 50.4(1) of the Act)

In the matter of the proposal of
 Aspen Air Corporation
 of the City of Calgary, in the Province of Alberta

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Shaw Business Solutions	2400 32 Avenue N.E. Calgary, AB T2E 9A7		848.62
Southland Idealease	4310 - 9th Ave N. Lethbridge AB T1H 6N1		4,670.40
Stacie Erion	8 Duffy Close Red Deer AB T4R 2S2		272.11
Stahl Peterbilt Inc.	18020 - 118 Ave Edmonton AB T5S 2G2		8,182.92
Stikeman Elliott LLP	199 Bay Street 5300 Commerce Court West Toronto ON M5L 1B9		95,835.13
Teer, Chad	224 Queensland Dr SE Calgary AB T2J 3R8		4,086.54
Telus Communications	PO Box 7575 Vancouver BC V6B 8N9		401.17
Terroco Oilfield Services	27212 TWP Rd 391 Red Deer AB T4P 0Z8		974.21
The Coverall Shop	7610 Edgar Industrial Drive Red Deer AB T4P 3R2		8,800.38
TKT Trailer Leasing Ltd.	R.R. 1 Site 9 Box 2 Lacombe AB T4L 2N1		42,209.31
Toyota Credit Canada Incorporated Justin, Bankruptcy Desk	200 - 80 Micro Court Markham ON L3R 9Z5	2017 Toyota Tacoma 4X4	44,789.21
Trailer Wizards Ltd.	9559 40 St SE Calgary AB T2C 2P4		927.99
Tricor Lease & Finance Corp. Roy Watters	P.O. Box 397 Burlington ON L7R 3Y3	2015 F150; 2017 F350; 2018 F350	230,677.69
Tru-Kare Tank & Meter Service Ltd.	RR3, Site 2 Box 35 Ponoka AB T4J 1R3		725.11

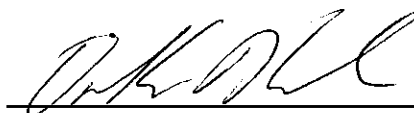
District of: Alberta
Division No. 02 - Calgary
Court No.
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- FORM 33 -

Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the matter of the proposal of
Aspen Air Corporation
of the City of Calgary, in the Province of Alberta

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
UniFirst Canada Ltd.	4601 - 63 St. Red Deer AB T4N 7A6		431.13
Wappo Information Services Inc.	Suite 303, 602 - 11 th Ave SW Calgary, AB T2R 1J8		13,358.22
Waste Connections of Canada Inc.	3410-74 Avenue Edmonton AB T6B 2P7		628.99
Weil Group Canada, Ltd	416 West Franklin Street Richmond VA 23220		15,000.00
Wheels On Ltd.	7897 - 48 Avenue Red Deer AB T4P 2H6		5,401.42
Workers' Compensation Board	P.O. Box 2323 Edmonton AB T5J 3V3		3,022.68
Total			11,151,324.91



Aspen Air Corporation
Insolvent Person



Deloitte Restructuring Inc.
700, 850 - 2 Street SW
Calgary AB T2P 0R8
Canada

Tel: 403-267-0660
Fax: 403-718-3681
www.deloitte.ca

**NOTICE OF INTENTION TO MAKE A PROPOSAL
(Section 50.4(1))
ASPEN AIR CORPORATION**

CONSENT OF TRUSTEE TO ACT UNDER PROPOSAL

In accordance with Section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "BIA"), we advise that our firm, as a licensed Trustee, hereby consents to act as Trustee under the proposal of Aspen Air Corporation under Division I Part III of the BIA.

Dated at the City of Calgary, in the Province of Alberta, this 1st day of June 2018.

Deloitte Restructuring Inc.

Per: Vanessa Allen, B. Comm, CIRP, LIT
Senior-Vice President

District of: Alberta
Division No. 02 - Calgary
Court No.
Estate No.

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the matter of the proposal of
Aspen Air U.S. Corp.
of the City of Calgary, in the Province of Alberta

Take notice that:

1. I, Aspen Air U.S. Corp., an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Deloitte Restructuring Inc. of 700 Bankers Court, 850 - 2nd Street SW, Calgary, AB, T2P 0R8, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Calgary in the Province of Alberta, this 6th day of June 2018.



Aspen Air U.S. Corp.
Insolvent Person

To be completed by Official Receiver:

Filing Date

Official Receiver

District of: Alberta
 Division No. 02 - Calgary
 Court No.
 Estate No.

- FORM 33 -
 Notice of Intention To Make a Proposal
 (Subsection 50.4(1) of the Act)

In the matter of the proposal of
 Aspen Air U.S. Corp.
 of the City of Calgary, in the Province of Alberta

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
360 Office Solutions	PO Box 30598 Billings MT 59107-0598 USA		1,712.90
Airgas	430 N Mckinley St Casper WY 82601-2118 USA		889.06
Alsco	PO Box 30496 Billings MT 59107-0496 USA		4,092.36
American Welding and Gas, Inc.	PO Box 74008003 Chicago IL 60674-8003 USA		18,858.29
Ameritas	PO Box 81889 Lincoln NE 68501-1889 USA		1,288.72
ATB Financial	Attention: Derek Pontin 1500-850 2 Street SW Calgary AB T2P 0R8		6,041,094.99
B&R Compliance Associates LLC	P.O. Box 190 Placida FL 33946 USA		7,250.00
CCH Equipment Co.	Suite 404-323 14902 Preston Rd. Dallas TX 75254 USA		2,814.52
ChemTreat Inc	15045 Collection Centre Drive Chicago IL 60693 USA		4,002.08
CityServiceValcon	PO BOX 30335 Billings MT 59101 USA		2,303.83
Cross Petroleum Service	PO Box 1078 Billings MT 59103 USA		1,279.64
CVA Leasing LP	1301 Transport Dr Baytown TX 77523 USA		5,500.00
Dataonline	PO Box 95000-3105 Philadelphia PA 19195-0001 USA		1,023.00
DBE Inc	1524 Lockwood Road Billings MT 59101 USA		20,600.49

District of: Alberta
 Division No. 02 - Calgary
 Court No.
 Estate No.

- FORM 33 -

Notice of Intention To Make a Proposal
 (Subsection 50.4(1) of the Act)

In the matter of the proposal of
 Aspen Air U.S. Corp.
 of the City of Calgary, in the Province of Alberta

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
DGS/Davis Graham & Stubbs LLP	Suite 500, 1550 17th Street Denver CO 80202 USA		18,799.74
DISA, Inc.	PO Box 120314 Dept. 890314 Dallas, TX 75312-0314 USA		1,153.00
Elite Home Services	1919 Montana Ave Billings MT 59101 USA		1,317.60
ENERMECH MECHANICAL SERVICES INC	6443 W ZERO RD. Casper WY 82604 USA		9,928.31
Fastenal Company	P.O. Box 978 Winona MN 55987-0978 USA		320.09
Gallatin Scales Inc.	P.O.Box 610 Manhattan MT 59741 USA		493.75
GE Oil & Gas Inc.	PO Box 301199 Lufkin Industries, LLC Dallas TX 75303-1199 USA		30,278.00
Gibbs Equipment & Towing	101 Mulberry Drive Glendive MT 59330 USA		9,617.50
Global Nitrogen Services	16250 Tomball Parkway Houston TX 77086 USA		49,791.82
Hawkins Inc.	PO Box 860263 Minneapolis MN 55486-0263 USA		2,456.10
Hunton & Williams	2200 Pennsylvania Avenue NW Washington DC 20037 USA		4,332.00
Jack B. Kelley, LLC (KEJB)	P.O. Box 74432 c/o Kenan Advantage Group Cleveland OH 44194-4432 USA		48,000.00
JMS Crane & Rigging	5610 Interstate Avenue MT 59101 USA		787.50
Lemone Enterprises	PO BOX 21353 Roanoke VA 24018 USA		3,870.00

District of: Alberta
 Division No. 02 - Calgary
 Court No.
 Estate No.

- FORM 33 -
 Notice of Intention To Make a Proposal
 (Subsection 50.4(1) of the Act)

In the matter of the proposal of
 Aspen Air U.S. Corp.
 of the City of Calgary, in the Province of Alberta

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Principal Leasing, LLC	4900 Falls of Neuse Road, Suite 150 Raleigh, NC 27609 USA		623,978.46
Quality Tire Company	1335 West 2100 South Salt Lake City, UT 84119-1491 USA		1,910.99
Refurb UPS	379 Spook Rock Road Bulding J Suffern NY 10901-5319 USA		2,398.40
Republic Services	P.O. Box 78829 Phoenix AR 85062-8829 USA		379.76
S&S Valve Service Inc.	105 Liberty Street Metuchen NJ 8840 USA		1,675.75
Strategic Value Media	Suite 300, 8700 - Indian Crk Parkway Overland Park KS 66210 USA		495.00
TNT Springs Inc.	226 North 13th Street Billings MT 59101 USA		1,374.70
Yellowstone County Treasurer	PO Box 35010 Billings, MT 59107 USA		547,657.66
Total			7,473,726.01

Aspen Air U.S. Corp.
 Insolvent Person

**NOTICE OF INTENTION TO MAKE A PROPOSAL
(Section 50.4(1))
ASPEN AIR U.S. CORP.**

CONSENT OF TRUSTEE TO ACT UNDER PROPOSAL

In accordance with Section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "BIA"), we advise that our firm, as a licensed Trustee, hereby consents to act as Trustee under the proposal of Aspen Air U.S. Corp. under Division I Part III of the BIA.

Dated at the City of Calgary, in the Province of Alberta, this 1st day of June 2018.

Deloitte Restructuring Inc.



Per: Vanessa Allen, B. Comm, CIRP, LIT
Senior-Vice President

Schedule 3

Aspen Air Corporation ("Aspen") and Aspen Air U.S. Corp. ("Aspen US", collectively the "Aspen Companies")
Statement of Projected Cash Flow
For the thirteen week period ending September 1, 2018

Assumed FX Rate: 0.80

	7-Jun to 9-Jun Week end:													Total	Notes	
	18	16-Jun-18	23-Jun-18	30-Jun-18	7-Jul-18	14-Jul-18	21-Jul-18	28-Jul-18	4-Aug-18	11-Aug-18	18-Aug-18	25-Aug-18	1-Sep-18			
Receipts																
Account receivables	\$ 106,197	\$ 204,447	\$ 178,314	\$ 161,700	\$ 194,056	\$ 184,839	\$ 225,638	\$ 240,891	\$ 156,553	\$ 196,431	\$ 167,191	\$ 158,250	\$ 158,250	\$ 158,250	\$ 2,328,558	
Rental Receipts	-	-	-	-	3,150	-	-	-	3,150	-	-	-	-	3,150	9,450	1
GST collected	2,383	2,097	791	139	769	1,900	2,020	2,614	2,881	1,107	547	-	-	-	17,047	
Total Receipts	108,580	206,545	179,105	161,839	197,975	186,539	227,657	243,505	162,384	197,538	167,738	158,250	158,250	159,400	2,355,055	2
Disbursements																
Salaries and wages	-	(110,413)	-	(118,913)	-	(102,713)	-	-	(120,413)	-	(96,283)	-	(139,413)	(886,125)	(886,125)	3
Employee benefits	-	-	(4,175)	(24,063)	(7,573)	-	(4,175)	-	(30,565)	-	(4,175)	-	(29,495)	(104,220)	(104,220)	4
Vehicle and equipment leases	(16,321)	(8,018)	(1,770)	(173,853)	(13,386)	(1,353)	(7,128)	(2,495)	(82,268)	(2,399)	(8,018)	(2,495)	(72,364)	(391,669)	(391,669)	5 & 17
Fuel	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(65,000)	6
Utilities	(15,625)	(625)	(131,250)	(27,500)	(15,625)	(625)	(131,250)	(27,500)	(15,625)	(625)	(625)	(158,750)	-	(525,000)	(525,000)	7 & 17
Water	-	(6,875)	-	-	-	-	(8,875)	-	(8,875)	-	(8,875)	-	-	(20,625)	(20,625)	8 & 17
Repair & Maintenance	(3,125)	(3,125)	(3,125)	(3,125)	(96,875)	(34,375)	(3,125)	(65,625)	(3,125)	(3,125)	(3,125)	(3,125)	(3,125)	(3,125)	(228,125)	9
Rent	(1,583)	-	-	-	(14,487)	-	-	-	(14,487)	-	-	-	-	(14,487)	(45,023)	10
IT services	-	(13,358)	(1,088)	-	(5,813)	-	-	(1,088)	(5,813)	-	-	(1,088)	(5,813)	(34,080)	(34,080)	11 & 17
Office expenses	(2,998)	(1,850)	(2,183)	(3,498)	(2,585)	(2,038)	(2,183)	(1,106)	(1,024)	(2,350)	(1,850)	(2,183)	(1,530)	(27,317)	(27,317)	12 & 17
Insurance	-	(353)	(22,631)	(3,338)	(2,938)	-	(22,984)	-	(8,274)	-	(353)	(22,631)	(6,274)	(87,773)	(87,773)	13
DJP loan fees	-	-	(45,000)	-	(5,917)	-	-	(45,000)	(57,500)	-	-	-	(1,542)	(7,458)	(7,458)	14
Professional fees	-	-	(57,500)	-	-	-	-	(8,750)	(8,750)	-	(45,000)	(57,500)	(8,750)	(307,500)	(307,500)	15
Contingency	(8,750)	(8,750)	(8,750)	(8,750)	(8,750)	(8,750)	(8,750)	(8,750)	(8,750)	(8,750)	(8,750)	(8,750)	(8,750)	(113,750)	(113,750)	
Total Disbursements	(53,383)	(158,367)	(224,951)	(431,252)	(173,032)	(154,853)	(236,450)	(169,063)	(293,343)	(21,624)	(180,033)	(261,501)	(267,792)	(2,645,645)		
Net Cash Flow	\$ 55,197	\$ 48,178	\$ (45,846)	\$ (269,413)	\$ 24,942	\$ 31,686	\$ (8,792)	\$ 74,442	\$ (130,959)	\$ 175,913	\$ (12,295)	\$ (105,251)	\$ (128,392)	\$ (290,590)		
Bank Balance																
Beginning Cash Balance	\$ 119,184	\$ 174,382	\$ 222,580	\$ 176,714	\$ 17,300	\$ 42,243	\$ 73,928	\$ 65,136	\$ 139,578	\$ 8,619	\$ 184,532	\$ 172,237	\$ 66,986	\$ 119,184		16
DJP Loan	-	-	-	110,000	-	-	-	-	-	-	-	-	-	75,000	185,000	
Transfers US/CDN Bank Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net Cash Flow	55,197	48,178	(45,846)	(269,413)	24,942	31,686	(8,792)	74,442	(130,959)	175,913	(12,295)	(105,251)	(128,392)	(290,590)		
Ending Bank Balance	\$ 174,382	\$ 222,560	\$ 176,714	\$ 17,300	\$ 42,243	\$ 73,928	\$ 65,136	\$ 139,578	\$ 8,619	\$ 184,532	\$ 172,237	\$ 66,986	\$ 13,594	\$ 13,594		

Prepared as at the 7th day of June, 2018

Purpose:

This Estimated Cash Flow Statement (the "Aspen Companies' Cash Flow") has been prepared by the Aspen Companies' management pursuant to section 50.4(2) of the *Bankruptcy and Insolvency Act*. It is being filed specifically for the purposes contemplated in that section and readers are cautioned that it may not be appropriate for other purposes. In addition the Cash Flow has been prepared based on assumptions regarding future events; therefore, actual results may vary from the estimates presented herein and these variances may be material.

Aspen Air Corporation

Per: Onkar Dhaliwal, President & CEO

Deloitte Restructuring Inc. in their capacity as Trustee under the proposal of Aspen Air Corporation and not in their personal capacity.

Per: Vanessa Allen, Senior Vice-President

Aspen Air Corporation ("Aspen") and Aspen Air U.S. Corp. ("Aspen US", collectively the "Aspen Companies")
Statement of Projected Cash Flow
For the thirteen week period ending September 1, 2018

Notes & Assumptions - General:

1. Unless otherwise stated, amounts are based on historical data and management estimates.
2. Attached as "Schedule 1" is the Statement of Projected Cash Flow for Aspen Air Corporation.
3. Attached as "Schedule 2" is the Statement of Projected Cash Flow for Aspen Air U.S. Corp.
4. All amounts include applicable GST.
5. As the Aspen Companies are in the process of developing their Proposals pursuant to the BIA (the "BIA Proposals"), the Aspen Companies' Cash Flow does not include any payments to creditors pursuant to the BIA Proposals.
6. The Consolidated Cash Flow assumes an exchange rate of \$1.00 USD = \$0.80 CAD and amounts are in Canadian dollars.

Notes & Assumptions - Specific:

1. Represents the collection of accounts receivable, which are subject to 30 to 60 day payment terms.
2. Includes GST collected on accounts receivable for Aspen Air Corporation.
3. Includes salaries and wages for 28 employees.
4. Includes benefits payable to Great-West Life Assurance Company and Blue Shield.
5. Includes payments due for leased vehicles and equipment. Aspen Air Corporation is currently reviewing its go-forward vehicle and equipment needs.
6. Includes anticipated fuel payments based on historical weekly averages.
7. Includes payments for electricity for Aspen Air U.S. Corp. plant located at 1524 Lockwood Road in Billings, Montana.
8. Includes utility payments for the plant located at 1524 Lockwood Road in Billings, Montana.
9. A plant maintenance shut-down to repair a crack in the cold box of plant #1 will be performed in late June/ early July. This amount includes repair costs estimated at \$150,000 US.
10. Monthly rent of \$12,924 is payable for the premises located at Suite 1460, 10655 Southport Road in Calgary, Alberta. Aspen currently sublets the Premises with the term of the current sublease expiring on December 31, 2018. In addition, monthly rent of \$1,250 is payable for land and storage space.
11. Includes payments for IT services required for operations.
12. Includes miscellaneous office expenditures.
13. Includes monthly payments for insurance policies held by the Aspen Companies.
14. Aspen is arranging a \$250,000 loan related to the restructuring, which has 2% entrance and exit fees and and 10% monthly interest.
15. Includes professional fees to be paid to Aspen's legal counsel, to the proposal Trustee and to the proposal Trustee's legal counsel.
16. Includes cash held in financial institutions.
17. Includes pre-filing amounts for critical suppliers subject to Court approval of those payments.
18. Aspen Air Corporation and Aspen Air U.S. Corp. are operated on a consolidated basis with funds being transferred between the respective bank accounts as needed.

Schedule 2 - Aspen Air Corporation ("Aspen")
Statement of Projected Cash Flow
For the thirteen week period ending September 1, 2018

	7-Jun to 9-Jun-Week ended:													Total	Notes
	18	16-Jun-18	23-Jun-18	30-Jun-18	7-Jul-18	14-Jul-18	21-Jul-18	28-Jul-18	4-Aug-18	11-Aug-18	18-Aug-18	25-Aug-18	1-Sep-18		
Receipts															
Account receivables	\$ 53,484	\$ 41,947	\$ 15,814	\$ 5,450	\$ 37,806	\$ 28,389	\$ 69,388	\$ 84,641	\$ 303	\$ 40,181	\$ 10,941	\$ -	\$ -	\$ 388,344	1
Rental Receipts					3,150				3,150					9,450	2
GST collected	2,393	2,097	791	139	769	1,900	2,020	2,614	2,681	1,107	547	-	-	17,047	3
Total Receipts	55,867	44,045	16,605	5,589	41,725	30,289	71,407	87,255	6,134	41,288	11,488	-	-	414,842	
Disbursements															
Salaries and wages		(55,000)		(53,500)		(47,300)			(65,000)		(40,850)		(84,000)	(355,650)	4
Employee benefits				(2,168)	(5,885)				(7,003)				(5,933)	(21,008)	5
Vehicle and equipment leases	(9,446)	(8,018)	(1,326)	(48,135)	(13,386)	(1,353)	(7,128)	(2,051)	(16,750)	(2,399)	(8,018)	(2,051)	(6,845)	(125,907)	6 & 14
Fuel														-	
Utilities														-	
Water														-	
Repair & Maintenance														-	
Rent					(12,924)				(12,924)					(38,773)	7
IT services		(13,358)			(5,813)				(5,813)					(30,797)	8 & 14
Office expenses		(600)	(600)	(600)	(600)	(600)	(600)	(600)	(600)	(600)	(600)	(600)	(600)	(7,200)	9 & 14
Insurance				(3,336)	(2,938)				(6,274)					(16,822)	10
DIP loan fees				(5,917)										(7,458)	11
Professional fees			(45,000)	(45,000)		(45,000)	(45,000)				(45,000)	(45,000)		(270,000)	12
Contingency	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(32,500)	
Total Disbursements	(11,946)	(79,477)	(48,426)	(171,175)	(44,045)	(51,753)	(55,228)	(50,151)	(116,863)	(5,499)	(96,968)	(50,151)	(126,430)	(909,115)	
Net Cash Flow	\$ 43,921	\$ (35,432)	\$ (32,821)	\$ (165,586)	\$ (2,321)	\$ (21,464)	\$ 16,179	\$ 37,105	\$ (110,729)	\$ 35,788	\$ (85,480)	\$ (50,151)	\$ (123,280)	\$ (494,273)	
Bank Balance															
Beginning Cash Balance	\$ 1,249	\$ 45,169	\$ 9,738	\$ 6,916	\$ 11,330	\$ 9,009	\$ 5,045	\$ 21,224	\$ 58,328	\$ 7,599	\$ 43,387	\$ 7,907	\$ 7,756	\$ 1,249	13
DIP Loan				110,000										185,000	11
Transfers US/CDN Bank Account			30,000	60,000		17,500			60,000		50,000	50,000	50,000	317,500	15
Net Cash Flow	43,921	(35,432)	(32,821)	(165,586)	(2,321)	(21,464)	16,179	37,105	(110,729)	35,788	(85,480)	(50,151)	(123,280)	(494,273)	
Ending Bank Balance	\$ 45,169	\$ 9,738	\$ 6,916	\$ 11,330	\$ 9,009	\$ 5,045	\$ 21,224	\$ 58,328	\$ 7,599	\$ 43,387	\$ 7,907	\$ 7,756	\$ 9,476	\$ 9,476	

Prepared as at the 7th day of June, 2018

Purpose:

This Estimated Cash Flow Statement (the "Aspen Cash Flow") has been prepared by Aspen's management pursuant to section 50.4(2) of the *Bankruptcy and Insolvency Act*. It is being filed specifically for the purposes contemplated in that section and readers are cautioned that it may not be appropriate for other purposes. In addition the Cash Flow has been prepared based on assumptions regarding future events; therefore, actual results may vary from the estimates presented herein and these variances may be material.

Aspen Air Corporation

Per: Onkar Dhaliwal, President & CEO

Deloitte Restructuring Inc. in their capacity as Trustee under the proposal of Aspen Air Corporation and not in their personal capacity

Per: Vanessa Allen, Senior Vice-President

Schedule 2 - Aspen Air Corporation ("Aspen")
Statement of Projected Cash Flow
For the thirteen week period ending September 1, 2018

Notes & Assumptions - General:

1. Unless otherwise stated, amounts are based on historical data and management estimates.
2. All amounts include applicable GST.
3. As Aspen is in the process of developing their Proposal pursuant to the BIA (the "Aspen BIA Proposal"), the Aspen Cash Flow does not include any payments to creditors pursuant to the Aspen BIA Proposal.
4. Amounts are in Canadian dollars.

Notes & Assumptions - Specific:

1. Represents the collection of accounts receivable, which are subject to 30 to 60 day payment terms.
2. Includes rent payable by third party for a portion of the premises located at Suite 1460, 10655 Southport Road in Calgary, Alberta (the "Premises").
3. Includes GST collected on accounts receivable.
4. Includes salaries and wages for 11 employees.
5. Includes benefits payable to Great-West Life Assurance Company.
6. Includes payments due for 18 leased vehicles and equipment. Aspen is currently reviewing its go-forward vehicle and equipment needs.
7. Monthly rent of \$12,924 is payable for the Premises. Aspen currently sublets the Premises with the term of the current sublease expiring on December 31, 2018.
8. Includes payments to WAPPO for IT services.
9. Includes miscellaneous office expenditures.
10. Aspen currently makes monthly payments of \$6,274 related to their insurance policies.
11. Aspen is arranging a \$250,000 loan related to the restructuring, which has 2% entrance and exit fees and 10% monthly interest.
12. Includes professional fees to be paid to Aspen's legal counsel, to the proposal Trustee and to the proposal Trustee's legal counsel.
13. Includes cash held in financial institutions.
14. Includes pre-filing amounts for critical suppliers subject to Court approval of those payments.
15. Aspen Air Corporation and Aspen Air U.S. Corp. are operated on a consolidated basis with funds being transferred between the respective bank accounts as needed.

Schedule 2 - Aspen Air U.S. Corp. ("Aspen US")
Statement of Projected Cash Flow (USD)
For the thirteen week period ending September 1, 2018

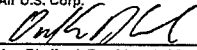
	7-Jun to 9- Week ended:													Total	Notes	
	Jun-18	16-Jun-18	23-Jun-18	30-Jun-18	7-Jul-18	14-Jul-18	21-Jul-18	28-Jul-18	4-Aug-18	11-Aug-18	18-Aug-18	25-Aug-18	1-Sep-18			
Receipts																
Account receivables	\$ 42,171	\$ 130,000	\$ 130,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 1,552,171	1
Rental Receipts																
GST collected																
Total Receipts	42,171	130,000	130,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	1,552,171	
Disbursements																
Salaries and wages		(44,330)		(44,330)		(44,330)		(44,330)		(44,330)		(44,330)		(44,330)	(265,980)	2
Employee benefits			(3,340)	(17,500)	(1,350)		(3,340)		(18,850)	(3,340)		(18,850)		(18,850)	(66,570)	3
Vehicle and equipment leases	(5,500)		(355)	(100,415)				(355)	(52,415)			(355)		(52,415)	(211,810)	4 & 15
Fuel	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(52,000)	5
Utilities	(12,500)	(500)	(105,000)	(22,000)	(12,500)	(500)	(105,000)	(22,000)	(12,500)	(500)	(127,000)	(500)	(127,000)	(420,000)	(420,000)	6 & 15
Water		(5,500)					(5,500)		(12,500)		(5,500)		(5,500)	(16,500)	(16,500)	7 & 15
Repair & Maintenance	(2,500)	(2,500)	(2,500)	(2,500)	(77,500)	(27,500)	(52,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(182,500)	(182,500)	8
Rent	(1,250)				(1,250)			(1,250)		(2,500)		(2,500)		(1,250)	(5,000)	9
IT services			(870)				(870)					(870)		(870)	(2,610)	10 & 15
Office expenses	(2,399)	(1,000)	(1,250)	(2,317)	(1,589)	(1,150)	(1,250)	(405)	(339)	(1,400)	(1,000)	(1,250)	(744)	(16,093)	(16,093)	11 & 15
Insurance		(282)	(18,105)								(282)	(18,105)		(55,161)	(55,161)	12
DIP loan fees																
Professional fees				(10,000)				(10,000)				(10,000)			(30,000)	13
Contingency	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(65,000)	
Total Disbursements	(33,149)	(63,112)	(140,420)	(208,062)	(103,189)	(82,480)	(144,977)	(95,130)	(141,184)	(12,900)	(66,452)	(169,080)	(129,089)	(1,389,224)		
Net Cash Flow	\$ 9,021	\$ 66,888	\$ (10,420)	\$ (83,062)	\$ 21,811	\$ 42,520	\$ (19,977)	\$ 29,870	\$ (16,184)	\$ 112,100	\$ 58,548	\$ (44,080)	\$ (4,089)	\$ 162,946		
Bank Balance																
Beginning Cash Balance	\$ 94,348	\$ 103,370	\$ 170,258	\$ 135,838	\$ 4,776	\$ 26,587	\$ 55,107	\$ 35,130	\$ 65,000	\$ 816	\$ 112,916	\$ 131,464	\$ 47,384	\$ 94,348		14
DIP Loan																
Transfers US/CDN Bank Account			(24,000)	(48,000)		(14,000)		(48,000)		(40,000)	(40,000)	(40,000)	(40,000)	(254,000)		16
Net Cash Flow	9,021	66,888	(10,420)	(83,062)	21,811	42,520	(19,977)	29,870	(16,184)	112,100	58,548	(44,080)	(4,089)	162,946		
Ending Bank Balance	\$ 103,370	\$ 170,258	\$ 135,838	\$ 4,776	\$ 26,587	\$ 55,107	\$ 35,130	\$ 65,000	\$ 816	\$ 112,916	\$ 131,464	\$ 47,384	\$ 3,295	\$ 3,295		

Prepared as at the 7th day of June, 2018

Purpose:

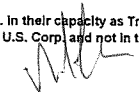
This Estimated Cash Flow Statement (the "Aspen US Cash Flow") has been prepared by Aspen's US management pursuant to section 50.4(2) of the *Bankruptcy and Insolvency Act*. It is being filed specifically for the purposes contemplated in that section and readers are cautioned that it may not be appropriate for other purposes. In addition the Cash Flow has been prepared based on assumptions regarding future events; therefore, actual results may vary from the estimates presented herein and these variances may be material.

Aspen Air U.S. Corp.



Per: Onkar Dhaliwal, President & CEO

Deloitte Restructuring Inc. in their capacity as Trustee under the proposal of Aspen Air U.S. Corp. and not in their personal capacity



Per: Vanessa Allen, Senior Vice-President

Schedule 2 - Aspen Air U.S. Corp. ("Aspen US")
Statement of Projected Cash Flow (USD)
For the thirteen week period ending September 1, 2018

Notes & Assumptions - General:

1. Unless otherwise stated, amounts are based on historical data and management estimates.
2. All amounts include applicable GST.
3. As Aspen US is in the process of developing their Proposal pursuant to the BIA (the "Aspen US BIA Proposal"), the Aspen US Cash Flow does not include any payments to creditors pursuant to the Aspen US BIA Proposal.
4. Amounts are in US dollars.

Notes & Assumptions - Specific:

1. Represents the collection of accounts receivable, which are subject to 30 to 60 day payment terms and based on historical cash receipts and known contracts.
2. Includes salaries and wages for 17 employees.
3. Includes benefits payable to Blue Shield.
4. Includes payments due for one leased vehicle and various equipment.
5. Includes anticipated fuel payments based on historical weekly averages.
6. Includes payments for electricity, which is provided through NorthWestern Energy and Talon Energy.
7. Includes utility payments for the plant located at 1524 Lockwood Road in Billings, Montana.
8. A plant maintenance shut-down to repair a crack in the cold box of plant #1 will be performed in late June/ early July. This includes repair costs estimated at \$150,000.
9. Monthly rent of \$1,250 is payable for the land and storage space.
10. Includes payments to Century Link for IT services required for operations.
11. Includes miscellaneous office expenditures.
12. Aspen has an insurance policy with Payne West Insurance (the "Policy"). Monthly payments of \$18,105 are due pursuant to the Policy.
13. Includes professional fees to be paid to Aspen's legal counsel, to the proposal Trustee and to the proposal Trustee's legal counsel.
14. Includes cash held in financial institutions.
15. Includes pre-filing amounts for critical suppliers subject to Court approval of those payments.
16. Aspen Air Corporation and Aspen Air U.S. Corp. are operated on a consolidated basis with funds being transferred between the respective bank accounts as needed.

Schedule 4

District of: Alberta
Division No. 02 - Calgary
Court No. 25-2386427
Estate No. 25-2386427

- FORM 30 -
Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the matter of the proposal of
Aspen Air Corporation
of the City of Calgary, in the Province of Alberta

I, Aspen Air Corporation, have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 7th day of June 2018, consisting of the statement of projected cash flow for the thirteen week period ending September 1, 2018.

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Calgary in the Province of Alberta, this 12th day of June 2018.



Aspen Air Corporation
Debtor

Name and title of signing officer

Name and title of signing officer

District of: Alberta
Division No. 02 - Calgary
Court No. 25-2386434
Estate No. 25-2386434

- FORM 30 -
Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the matter of the proposal of
Aspen Air U.S. Corp.
of the City of Calgary, in the Province of Alberta


I, Aspen Air U.S. Corp., have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 7th day of June 2018, consisting of the statement of projected cash flow for the thirteen week period ending September 1, 2018.

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Calgary in the Province of Alberta, this 12th day of June 2018.



Aspen Air U.S. Corp.
Debtor

Name and title of signing officer

Name and title of signing officer

District of: Alberta
Division No. 02 - Calgary
Court No. 25-2386427
Estate No. 25-2386427

-- FORM 29 --
Trustee's Report on Cash-Flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of
Aspen Air Corporation
of the City of Calgary, in the Province of Alberta

The attached statement of projected cash flow of Aspen Air Corporation, as of the 7th day of June 2018, consisting of the statement of projected cash flow for the thirteen week period ending September 1, 2018, has been prepared by the management of the insolvent person (or the insolvent debtor) for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by: the management and employees of the insolvent person or the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by: management or the insolvent person for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

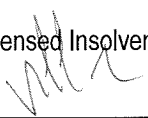
- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Calgary in the Province of Alberta, this 12th day of June 2018.

Deloitte Restructuring Inc. - Licensed Insolvency Trustee



700 Bankers Court, 850 - 2nd Street SW
Calgary AB T2P 0R8
Phone: (403) 267-1899 Fax: (403) 718-3681

District of: Alberta
Division No. 02 - Calgary
Court No. 25-2386434
Estate No. 25-2386434

-- FORM 29 --

Trustee's Report on Cash-Flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of
Aspen Air U.S. Corp.
of the City of Calgary, in the Province of Alberta

The attached statement of projected cash flow of Aspen Air U.S. Corp., as of the 7th day of June 2018, consisting of the statement of projected cash flow for the thirteen week period ending September 1, 2018, has been prepared by the management of the insolvent person (or the insolvent debtor) for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by: the management and employees of the insolvent person or the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by: management or the insolvent person for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

(a) the hypothetical assumptions are not consistent with the purpose of the projection;

(b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or

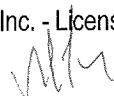
(c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Calgary in the Province of Alberta, this 12th day of June 2018.

Deloitte Restructuring Inc. - Licensed Insolvency Trustee


700 Bankers Court, 850 - 2nd Street SW
Calgary AB T2P 0R8
Phone: (403) 267-1899 Fax: (403) 718-3681

Schedule 5

Estimated Critical Supplier Payments (CDN)

Company Name		Arrears
1 WAPPO Information Services	\$	15,000
2 TKT Trailer Leasing Ltd.		43,000
3 Talon Energy		93,619
4 Lockwood Water & Sewer District		7,843
5 Airgas		1,250
6 Dataonline		1,250
7 Hawkins Inc.		3,125
8 CVA Leasing LP		6,875
9 Jack B Kelley, LLC (KEJB)		60,000
Total	\$	<u>231,962</u>

Schedule 6

The Aspen Companies
Variance Analysis
For the period from June 7 to June 16, 2018

	Total Forecast (F)	Total Actual (A)	Variance (A-F)	Notes
Receipts				
Account receivables	\$ 310,645	\$ 380,678	\$ 70,033	1
GST collected	4,480	2,955	(1,526)	1
Total Receipts	315,125	383,632	68,507	
Disbursements				
Salaries and wages	(110,413)	(107,994)	2,418	2
Vehicle and equipment leases	(24,339)	(8,077)	16,262	1
Fuel	(10,000)	(27,980)	(17,980)	3
Utilities	(16,250)	(275)	15,975	4
Water	(6,875)	-	6,875	1
Repair & maintenance	(6,250)	(3,135)	3,115	2
Rent	(1,563)	-	1,563	1
IT services	(13,358)	-	13,358	1
Office expenses	(4,849)	(3,314)	1,536	2
Insurance	(353)	(2,647)	(2,294)	1
Professional fees	-	(10,000)	(10,000)	1
Contingency	(17,500)	(11,523)	5,977	3
Total Disbursements	(211,749)	(174,945)	36,804	
Net Cash Flow	\$ 103,376	\$ 208,687	\$ 105,311	

Bank Balance				
Beginning Cash Balance	\$ 119,184	\$ 119,184	\$ -	
DIP Loan	-	-	-	
Transfers US/CAN Bank Account	-	-	-	
Net Cash Flow	103,376	208,687	105,311	
Ending Bank Balance	\$ 222,560	\$ 327,871	\$ 105,311	

Notes

1. Timing related variances, which are expected to reverse themselves in future weeks.
2. Permanent variances as a result of expenses being higher/ lower than initially forecast.
3. This timing variance resulted from a vendor withdrawing funds in error. The vendor is in the process of issuing a refund.
4. A permanent variance, based on the amount due being lower than in prior months thereby requiring a lower pre-payment for the post-filing period beyond what was originally forecast.