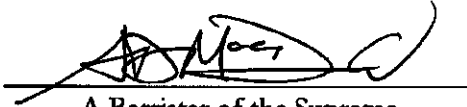


This is **Exhibit "E"** referred to in
the Affidavit of Douglas Prothero,
sworn before me this 26th day of
June, 2008.

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

A Barrister of the Supreme
Court of Nova Scotia

Gavin D.F. MacDonald

Unconsolidated Financial Statements

August 31, 2007

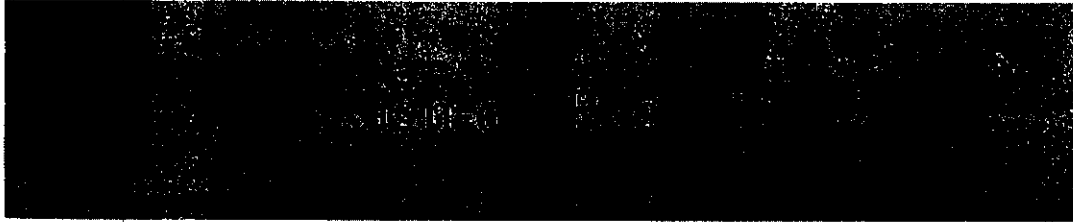
Unaudited

QA-ACC-JULY-001
Version 1.0
September 30, 2007

Canadian Sailing
Expeditions Inc.
PO Box 2613 Halifax,
Nova Scotia B3J 3N5



Phone: 902-429-1474
Fax: 902-429-1475
www.cansailexp.com



Accounting: August 2007 Financial Statements
QA-ACC-AUG-001

September 30, 2007
Version 1.0

Prepared by: Jonathan Stevens

(Signature and date)

Approved by: Doug Prothero

(Signature and date)

Comments:

Canadian Sailing Expeditions Inc.
Unconsolidated Statement of Income
and Retained Earnings

For The Month Ending August 31, 2007
 Unaudited



	<u>August '07</u>	<u>July '07</u>	<u>Change</u>
REVENUE			
Charter, food and beverage	-	-	-
Daytours, merchandise, shore excursion	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
EXPENSES			
Charter Cost	-	-	-
Advertising and Promotion	32,093.31	24,022.22	8,071.09
Management salaries	144,834.11	128,834.07	16,100.04
Administration Salaries	62,146.52	49,489.30	12,657.22
Insurance	5,439.63	4,834.96	604.67
General and Office	18,326.11	12,588.30	5,737.81
Telephone	16,067.97	13,061.20	3,006.77
Travel	10,579.09	8,422.23	2,156.86
Rent	15,514.44	13,715.32	1,799.12
Cash management charges	4,067.82	3,307.56	760.26
Professional fees	25,226.60	24,333.65	892.95
Legal Fees (Note 7)	54,521.62	54,521.62	-
	<u>388,917.22</u>	<u>337,130.43</u>	<u>51,786.79</u>
Income (loss) from operations	<u>(388,917.22)</u>	<u>(337,130.43)</u>	<u>(51,786.79)</u>
Interest Income	21,554.46	20,549.66	1,004.80
Interest Expense (Note 9)	(88,372.60)	(77,852.05)	(10,520.55)
Gain/Loss on Foreign Exchange	7,197.91	7,197.91	-
Net Income/Loss	<u>(448,537.45)</u>	<u>(387,234.91)</u>	<u>(61,302.54)</u>

Canadian Sailing Expeditions Inc.
Unconsolidated Balance Sheet
 Month End August 31, 2007
 Unaudited



Assets		
	<u>August '07</u>	<u>July '07</u>
Current		
Cash & Cash Equivalents	471,351	515,825
Trust funds for interest guarantee	400,000	400,000
Accounts receivable	912	912
Sales tax recoverable	166,862	164,455
Current portion of note receivable	3,500	3,500
Inventory	11,382	11,382
Prepaid expenses and deposits	42,733	36,088
Prepaid interest on convertible debenture (Note 8)	11,627	22,148
	<u>1,108,367</u>	<u>1,154,310</u>
Note receivable 3096000 NS Limited (Note 4)	346,500	346,500
Capital Assets -net of accumulated amortization (Notes 2a, 3)		
Caledonia	6,746,398	6,337,189
Hawk	346,241	346,241
Other	26,793	19,841
	<u>7,119,432</u>	<u>6,703,271</u>
TOTAL ASSETS	<u><u>8,574,299</u></u>	<u><u>8,204,081</u></u>
Liabilities		
Current		
Accounts payable	449,314	409,976
Due to Tall ship Silva Inc.	132,858	88,287
Due to 3096000 NS Limited	4,064	4,064
Leases/financing	16,921	-
Bridge financing loan (Note 8)	4,636,212	4,305,314
Convertible Debenture (Note 9)	1,600,000	1,600,000
Shareholder advance	285,913	286,120
Current portion of long term debt (Note 5)	49,992	49,992
	<u>7,175,275</u>	<u>6,743,753</u>
Long term debt (Note 5)	416,676	416,676
Total Liabilities	<u>7,591,951</u>	<u>7,160,429</u>
Shareholders' Equity		
Common shares (Note 6)	1,300,000	1,300,000
Retained earnings (Deficit)	(317,651)	(258,349)
	<u>982,349</u>	<u>1,043,651</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u><u>8,574,299</u></u>	<u><u>8,204,081</u></u>

Canadian Sailing Expeditions Inc.
Forecasted Statement of Cash Flow
For The Month Ending August 31, 2007
Unaudited-See Notice to Reader



	<u>August 2007</u>
Operating Activities	
Net Income	<u>(61,303)</u>
Increase (decrease) in accounts payable	39,338
Decrease (increase) in accounts receivable	
Decrease (increase) inventory	
Decrease (increase) in prepaid expenses	3,875
Decrease (increase) in sales tax recoverable	(2,407)
Increase (decrease) in due from TSSI	44,571
Increase (decrease) in due shareholder advance	(207)
Increase (decrease) in due from 3096000 N.S. Ltd.	
	<u>23,868</u>
Cash flow from operations	
Financing Activities	
Leases/Short Term Financing	16,921
Bridge Loan proceeds	326,071
Repayment of long term debt	
Proceeds of Convertible Debenture	
Repayment of shareholder advance	
Accrued interest on Financing Activities	<u>4,827</u>
Cash flow from financing	<u>347,819</u>
Investing Activities	
Purchase of capital assets	(6,952)
Conversion costs of Caledonia/Hawk In Trust for Interest Guarantee	(409,209)
Cash invested	<u>(416,161)</u>
Increase (decrease) in cash during the period	(44,474)
Opening cash balance	515,825
Ending cash (and cash equivalents) balance	<u><u>471,351</u></u>

Canadian Sailing Expeditions Inc.
Notes To The Financial Statements

August 31, 2007
 Unaudited



1. General

The company was incorporated July 27, 2001 under the Companies Act of the Province of Nova Scotia and is not restricted by its articles from carrying on any business or exercising any power.

2. Significant Accounting Policies

- a) Capital assets and amortization
 - Vessels - 2.5%, declining balance method
 - Equipment - 20%, declining balance method

3. Capital Assets - Recorded At Cost,

	Cost	Accumulated Depreciation	Net Book Value July31/07	Net Book Value July31/07
Vessel Caledonia	6,767,398	21,000	6,746,398	6,337,189
Vessel Hawk	346,241	-	346,241	346,241
Office Equipment	33,521	6,728	26,793	19,841

4. Note receivable 3096000 Nova Scotia Limited

- bears no interest, repayable \$3,500 per year

5. Long Term Debt

ACOA	- no interest, unsecured	466,669
	- principle is \$500,000 when fully drawn down	
	- repayable over 10 years, \$4,166 monthly, commencing September 1, 2005	

6. Share Capital

Authorized	Issued	\$
10,000	725 Class A common shares no par value	625,000
10,000	325 Class B common shares no par value	325,000
10,000	350 Class C common shares no par value	350,000
10,000	- Non-voting common shares no par value	-
10,000	- Voting common shares no par value	-
10,000	- Class A preference shares no par value	-
10,000	- Class B preference shares no par value	-
70,000	1,400	<u>\$ 1,300,000</u>

7. Legal Fees

Legal fees incurred relating to convertible debenture may be capitalized in future period if they can be attributed directly to construction costs.

Canadian Sailing Expeditions Inc.
Notes To The Financial Statements
August 31, 2007
Unaudited



8. Short Term Debt

Romspen Investment Corporation

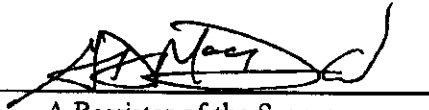
- \$6,000,000 bridge financing to complete the cost of construction of Tall Ship Caledonia
- First advance against mortgage \$1,832,887
- Second advance against mortgage \$957,395.13
- Third advance against mortgage \$791,492
- Forth advance against mortgage \$699,610
- Fifth advance against mortgage \$350,000
- Agreement in place for \$5,400,000 in permanent financing on completion of vessel
- \$504,000 in interest costs relief from a government agency on completion of vessel

9. Convertible Debenture

GrowthWorks Atlantic

- 8% interest, \$100,000 interest prepaid on closing
- Maturity date October 20, 2007
- Convertible any time before maturity date for Class D Common Shares

This is **Exhibit "F"** referred to in
the Affidavit of Douglas Prothero,
sworn before me this 26th day of
June, 2008.

A handwritten signature in black ink, appearing to read "Gavin D.F. MacDonald", written over a horizontal line.

A Barrister of the Supreme
Court of Nova Scotia

Gavin D.F. MacDonald

Unconsolidated Financial Statements

July 31, 2007

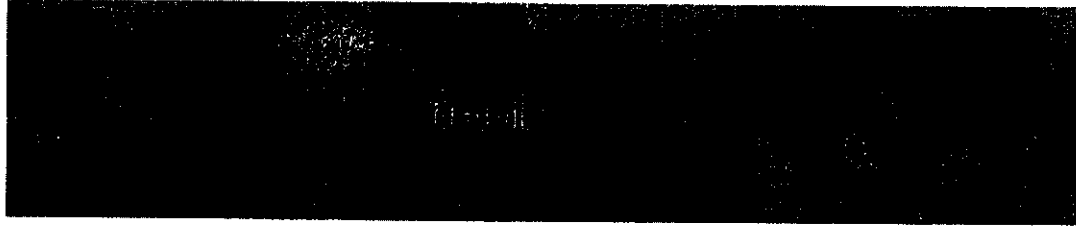
Unaudited

QA-ACC-JULY-001
Version 1.0
August 31, 2007

Canadian Sailing
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Nova Scotia B3J 3N5



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www.cansallexp.com



Accounting: July 2007 Financial Statements
QA-ACC-JUL-001

August 31, 2007
Version 1.0

Prepared by: Jonathan Stevens

(Signature and date)

Approved by: Doug Prothero

(Signature and date)

Comments:

Canadian Sailing Expeditions Inc.
Unconsolidated Statement of Income
and Retained Earnings

For The Month Ending July 31, 2007
 Unaudited



	<u>July '07</u>	<u>June '07</u>	<u>Change</u>
REVENUE			
Charter, food and beverage	-	-	-
Daytours, merchandise, shore excursion	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
EXPENSES			
Charter Cost	-	-	-
Advertising and Promotion	24,022.22	19,947.79	4,074.43
Management salaries	128,834.07	112,734.03	16,100.04
Administration Salaries	49,489.30	39,272.01	10,217.29
Insurance	4,834.98	4,335.62	499.34
General and Office	12,588.30	11,635.73	952.57
Telephone	13,061.20	12,128.72	932.48
Travel	8,422.23	7,902.10	520.13
Rent	13,715.32	11,916.20	1,799.12
Cash management charges	3,307.56	2,908.98	398.58
Professional fees	24,333.65	16,700.44	7,633.21
Legal Fees (Note 7)	54,521.62	54,521.62	-
	<u>337,130.43</u>	<u>294,003.24</u>	<u>43,127.19</u>
Income (loss) from operations	<u>(337,130.43)</u>	<u>(294,003.24)</u>	<u>(43,127.19)</u>
Interest Income	20,549.66	14,158.50	6,391.16
Interest Expense (Note 9)	(77,852.05)	(66,980.82)	(10,871.23)
Gain/Loss on Foreign Exchange	7,197.91	7,197.91	-
Net Income/Loss	<u>(387,234.91)</u>	<u>(339,627.65)</u>	<u>(47,607.26)</u>

Canadian Sailing Expeditions Inc.
Unconsolidated Balance Sheet
 Month End July 31, 2007
 Unaudited



Assets		
Current	July '07	June '07
Cash & Cash Equivalents	515,825	929,022
Trust funds for interest guarantee	400,000	400,000
Accounts receivable	912	912
Sales tax recoverable	164,455	68,459
Current portion of note receivable	3,500	3,500
Inventory	11,382	11,382
Prepaid expenses and deposits	36,088	31,563
Prepaid interest on convertible debenture (Note 8)	22,148	33,019
	<u>1,154,310</u>	<u>1,477,856</u>
Note receivable 3096000 NS Limited (Note 4)	346,500	346,500
Capital Assets -net of accumulated amortization (Notes 2a, 3)		
Caledonia	6,337,189	5,452,282
Hawk	346,241	346,241
Other	19,841	19,841
	<u>6,703,271</u>	<u>5,818,364</u>
TOTAL ASSETS	<u>8,204,081</u>	<u>7,642,720</u>
Liabilities		
Current		
Accounts payable	409,976	510,660
Due to Tall ship Silva Inc.	88,287	89,187
Due to 3096000 NS Limited	4,064	4,064
Bridge financing loan (Note 8)	4,305,314	3,594,762
Convertible Debenture (Note 9)	1,600,000	1,600,000
Shareholder advance	286,120	286,120
Current portion of long term debt (Note 5)	49,992	49,992
	<u>6,743,753</u>	<u>6,134,785</u>
Long term debt (Note 5)	416,676	416,676
Total Liabilities	<u>7,160,429</u>	<u>6,551,461</u>
Shareholders' Equity		
Common shares (Note 6)	1,300,000	1,300,000
Retained earnings (Deficit)	(256,349)	(208,742)
	<u>1,043,651</u>	<u>1,091,259</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>8,204,081</u>	<u>7,642,720</u>

Canadian Sailing Expeditions Inc.
Forecasted Statement of Cash Flow
For The Month Ending July 31, 2007
Unaudited-See Notice to Reader



	<u>July 2007</u>
Operating Activities	
Net Income	<u>(47,607)</u>
Increase (decrease) in accounts payable	(100,684)
Decrease (increase) in accounts receivable	-
Decrease (increase) inventory	-
Decrease (increase) in prepaid expenses	6,346
Decrease (increase) in sales tax recoverable	(95,997)
Increase (decrease) in due from TSSI	(900)
Increase (decrease) in due shareholder advance	-
Increase (decrease) in due from 3096000 N.S. Ltd.	-
Cash flow from operations	<u>(238,842)</u>
Financing Activities	
Bridge Loan proceeds	699,610
Repayment of long term debt	-
Proceeds of Convertible Debenture	-
Repayment of shareholder advance	-
Accrued interest on Financing Activities	<u>10,942</u>
Cash flow from financing	<u>710,552</u>
Investing Activities	
Purchase of capital assets	
Conversion costs of Caledonia/Hawk In Trust for Interest Guarantee	<u>(884,907)</u>
Cash Invested	<u>(884,907)</u>
Increase (decrease) in cash during the period	(413,197)
Opening cash balance	929,021
Ending cash (and cash equivalents) balance	<u><u>515,825</u></u>

Canadian Sailing Expeditions Inc.
Notes To The Financial Statements

July 31, 2007

Unaudited



1. General

The company was incorporated July 27, 2001 under the Companies Act of the Province of Nova Scotia and is not restricted by its articles from carrying on any business or exercising any power.

2. Significant Accounting Policies

- a) Capital assets and amortization
 - Vessels - 2.5%, declining balance method
 - Equipment - 20%, declining balance method

3. Capital Assets - Recorded At Cost,

	Cost	Accumulated Depreciation	Net Book Value July31/07	Net Book Value June30/07
Vessel Caledonia	6,358,189	21,000	6,337,189	5,452,282
Vessel Hawk	346,241	-	346,241	346,241
Office Equipment	26,569	6,728	19,841	19,841

4. Note receivable 3096000 Nova Scotia Limited

- bears no interest, repayable \$3,500 per year

5. Long Term Debt

ACOA	- no interest, unsecured	466,669
	- principle is \$500,000 when fully drawn down	
	- repayable over 10 years, \$4,166 monthly, commencing September 1, 2005	

6. Share Capital

Authorized	Issued		\$
10,000	725 Class A common shares no par value		625,000
10,000	325 Class B common shares no par value		325,000
10,000	350 Class C common shares no par value		350,000
10,000	- Non-voting common shares no par value		-
10,000	- Voting common shares no par value		-
10,000	- Class A preference shares no par value		-
10,000	- Class B preference shares no par value		-
<u>70,000</u>	<u>1,400</u>		<u>\$ 1,300,000</u>

7. Legal Fees

Legal fees incurred relating to convertible debenture may be capitalized in future period if they can be attributed directly to construction costs.

Canadian Sailing Expeditions Inc.
Notes To The Financial Statements

July 31, 2007

Unaudited



8. Short Term Debt

Romspen Investment Corporation

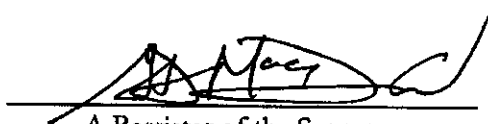
- \$6,000,000 bridge financing to complete the cost of construction of Tall Ship Caledonia
- First advance against mortgage \$1,832,887
- Second advance against mortgage \$957,395.13
- Third advance against mortgage \$713,688
- Forth advance against mortgage \$699,610
- Agreement in place for \$5,400,000 in permanent financing on completion of vessel
- \$504,000 in interest costs relief from a government agency on completion of vessel

9. Convertible Debenture

GrowthWorks Atlantic

- 8% Interest, \$100,000 interest prepaid on closing
- Maturity date October 20, 2007
- Convertible any time before maturity date for Class D Common Shares

This is **Exhibit "G"** referred to in
the Affidavit of Douglas Prothero,
sworn before me this 26th day of
June, 2008.

A handwritten signature in black ink, appearing to read "G. MacDonald", written over a horizontal line.

A Barrister of the Supreme
Court of Nova Scotia

Gavin D.F. MacDonald

Unconsolidated Financial Statements

June 30, 2007

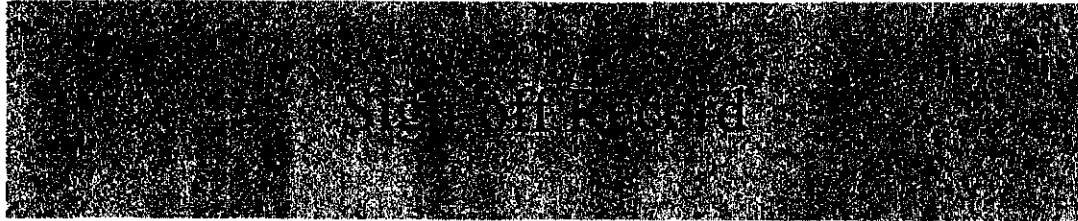
Unaudited

QA-ACC-JUNE-001
Version 1.0
July 31, 2007

Canadian Sailing
Expeditions Inc.
PO Box 2613 Halifax,
Nova Scotia B3J 3N5



Phone: 902-429-1474
Fax: 902-429-1475
www.cansailexp.com



Accounting: June 2007 Financial Statements
QA-ACC-JUN-001

July 31, 2007
Version 1.0

Prepared by: Jonathan Stevens

(Signature and date)

Approved by: Doug Prothero

(Signature and date)

Comments:

Canadian Sailing Expeditions Inc.
Unconsolidated Statement of Income
and Retained Earnings

For The Month Ending June 30, 2007
 Unaudited



	<u>June '07</u>	<u>May '07</u>	<u>Change</u>
REVENUE			
Charter, food and beverage	-	-	-
Daytours, merchandise, shore excursion	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
EXPENSES			
Charter Cost	-	-	-
Advertising and Promotion	19,947.79	9,263.56	10,684.23
Management salaries	112,734.03	96,633.99	16,100.04
Administration Salaries	39,272.01	40,626.29	(1,354.28)
Insurance	4,335.62	3,462.00	873.62
General and Office	11,635.73	11,114.18	521.55
Telephone	12,128.72	7,261.71	4,867.01
Travel	7,902.10	3,711.64	4,190.46
Rent	11,916.20	10,108.98	1,807.22
Cash management charges	2,908.98	2,694.86	214.12
Professional fees	16,700.44	13,703.57	2,996.87
Legal Fees (Note 7)	54,521.62	54,521.62	-
	<u>294,003.24</u>	<u>253,102.40</u>	<u>40,900.84</u>
Income (loss) from operations	<u>(294,003.24)</u>	<u>(253,102.40)</u>	<u>(40,900.84)</u>
Interest Income	14,158.50	12,664.67	1,493.83
Interest Expense (Note 9)	(66,980.82)	(56,460.27)	(10,520.55)
Gain/Loss on Foreign Exchange	7,197.91	7,197.91	-
Net Income/Loss	<u>(339,627.65)</u>	<u>(289,700.09)</u>	<u>(49,927.56)</u>

Canadian Sailing Expeditions Inc.
Unconsolidated Balance Sheet
 Month End June 30, 2007
 Unaudited



Assets		
	<u>June '07</u>	<u>May '07</u>
Current		
Cash & Cash Equivalents	929,022	543,676
Trust funds for interest guarantee	400,000	400,000
Accounts receivable	912	912
Sales tax recoverable	68,459	39,189
Current portion of note receivable	3,500	3,500
Inventory	11,382	11,382
Prepaid expenses and deposits	31,563	31,563
Prepaid interest on convertible debenture (Note 8)	33,019	43,540
	<u>1,477,856</u>	<u>1,073,761</u>
Note receivable 3096000 NS Limited (Note 4)	346,500	346,500
Capital Assets -net of accumulated amortization (Notes 2a, 3)		
Caledonia	5,452,282	5,076,197
Hawk	346,241	346,241
Other	19,841	19,841
	<u>5,818,364</u>	<u>5,442,279</u>
TOTAL ASSETS	<u>7,642,720</u>	<u>6,862,540</u>
Liabilities		
Current		
Accounts payable	510,660	406,509
Due to Tall ship Silva Inc.	89,187	90,436
Due to 3096000 NS Limited	4,064	4,064
Bridge financing loan (Note 8)	3,594,762	2,868,087
Convertible Debenture (Note 9)	1,600,000	1,600,000
Shareholder advance	286,120	286,120
Current portion of long term debt (Note 5)	49,992	49,992
	<u>6,134,785</u>	<u>5,305,208</u>
Long term debt (Note 5)	416,676	416,676
Total Liabilities	<u>6,551,461</u>	<u>5,721,884</u>
Shareholders' Equity		
Common shares (Note 6)	1,300,000	1,300,000
Retained earnings (Deficit)	(208,742)	(159,344)
	<u>1,091,259</u>	<u>1,140,656</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>7,642,720</u>	<u>6,862,540</u>

Canadian Sailing Expeditions Inc.
Forecasted Statement of Cash Flow
For The Month Ending June 30, 2007
Unaudited-See Notice to Reader



	<u>June 2007</u>
Operating Activities	
Net income	<u>(49,928)</u>
Increase (decrease) in accounts payable	104,151
Decrease (increase) in accounts receivable	-
Decrease (increase) inventory	-
Decrease (increase) in prepaid expenses	10,521
Decrease (increase) in sales tax recoverable	(29,269)
Increase (decrease) in due from TSSI	(1,250)
Increase (decrease) in due shareholder advance	-
Increase (decrease) in due from 3096000 N.S. Ltd.	-
Cash flow from operations	<u>34,226</u>
Financing Activities	
Bridge Loan proceeds	713,688
Repayment of long term debt	-
Proceeds of Convertible Debenture	-
Repayment of shareholder advance	-
Accrued Interest on Financing Activities	<u>12,987</u>
Cash flow from financing	<u>726,675</u>
Investing Activities	
Purchase of capital assets	
Conversion costs of Caledonia/Hawk In Trust for Interest Guarantee	<u>(376,085)</u>
Cash invested	<u>(376,085)</u>
Adjustment to R/E (2006 payables not due)	530
Increase (decrease) in cash during the period	385,346
Opening cash balance	543,676
Ending cash (and cash equivalents) balance	<u>929,021</u>

Canadian Sailing Expeditions Inc.
Notes To The Financial Statements

June 30, 2007

Unaudited



1. General

The company was incorporated July 27, 2001 under the Companies Act of the Province of Nova Scotia and is not restricted by its articles from carrying on any business or exercising any power.

2. Significant Accounting Policies

- a) Capital assets and amortization
 - Vessels - 2.5%, declining balance method
 - Equipment - 20%, declining balance method

3. Capital Assets - Recorded At Cost,

	Cost	Accumulated Depreciation	Net Book Value June30/07	Net Book Value May31/07
Vessel Caledonia	5,473,282	21,000	5,452,282	5,076,197
Vessel Hawk	346,241	-	346,241	346,241
Office Equipment	26,569	6,728	19,841	19,841

4. Note receivable 3096000 Nova Scotia Limited

- bears no interest, repayable \$3,500 per year

5. Long Term Debt

ACOA - no interest, unsecured 466,669
 - principle is \$500,000 when fully drawn down
 - repayable over 10 years, \$4,166 monthly, commencing September 1, 2005

6. Share Capital

Authorized	Issued		\$
10,000	725 Class A common shares no par value		625,000
10,000	325 Class B common shares no par value		325,000
10,000	350 Class C common shares no par value		350,000
10,000	- Non-voting common shares no par value		-
10,000	- Voting common shares no par value		-
10,000	- Class A preference shares no par value		-
10,000	- Class B preference shares no par value		-
<u>70,000</u>	<u>1,400</u>		<u>\$ 1,300,000</u>

7. Legal Fees

Legal fees incurred relating to convertible debenture may be capitalized in future period if they can be attributed directly to construction costs.

Canadian Sailing Expeditions Inc.
Notes To The Financial Statements

June 30, 2007

Unaudited



8. Short Term Debt

Romspen Investment Corporation

- \$6,000,000 bridge financing to complete the cost of construction of Tall Ship Caledonia
- First advance against mortgage \$1,832,887
- Second advance against mortgage \$957,395.13
- Third advance against mortgage \$713,688
- Accrued interest from 3rd advance to June 30/07 \$12,987
- Agreement in place for \$5,400,000 in permanent financing on completion of vessel
- \$504,000 in interest costs relief from a government agency on completion of vessel

9. Convertible Debenture

GrowthWorks Atlantic

- 8% Interest, \$100,000 interest prepaid on closing
- Maturity date October 20, 2007
- Convertible any time before maturity date for Class D Common Shares

This is **Exhibit "H"** referred to in
the Affidavit of Douglas Prothero,
sworn before me this 26th day of
June, 2008.

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

A Barrister of the Supreme
Court of Nova Scotia

Gavin D.F. MacDonald



SECURED LOANS

Caterpillar Financial Services

Mortgage Amount: \$5,400,000

Interest: 3.75% + the variable Gov't of Cdn 10-yr Bond Rate (April/May/June interest accrues and payable in July), Secured

Guaranteed by the Province of Nova Scotia (\$2,500,000 guaranteed to Mar.2009, \$2,000,000 guaranteed to Mar.2010, \$1,500,000 guaranteed to Mar.2011)

Repayable over 10 years at \$45,000 per month principal plus interest commencing July, 2008

Balance Outstanding: \$5,400,000 plus accrued interest to July 1, 2008 of \$102,742.50

Royal Bank of Canada

\$1,500,000. Operating Line of Credit, Secured by Growthworks Atlantic Venture Fund Limited

Interest Rate: 5.75% payable monthly

Current Usage: \$1,337,000

Growthworks Atlantic Venture Fund Limited

\$1,600,000 Convertible Debenture

8% interest compounded semi-annually

Convertible to Class "D" Common Shares

\$1,500,000 Convertible Debenture

5.25% interest compounded monthly

Convertible to Class "D" Common Shares

UNSECURED LOANS

ACOA

Loan Amount: 500,000.

No interest, unsecured

Repayable over 10 years, \$4166 Monthly commencing January 1, 2008 less 2 payments made in 2005

Balance Outstanding: \$466,672.

ACOA

Loan Amount: \$125,000 (loan agreement is for \$250,000 but only \$125,000 is drawn to date)

No interest, unsecured

Repayable over 8 years beginning in July, 2009

Balance Outstanding: \$125,000

Doug Prothero

Shareholder Loan \$275,889.44



LEASES

Bodkin Capital

Lifeboats

Balance: \$67,120.

Repayable over 4 yrs (commenced Nov.2007)

Bodkin Capital

POS System onboard Caledonia

Balance: \$9,673.

Repayable over 3 yrs (commenced Nov.2007)

CIT Financial

Office Computers

Balance: \$4,828.

Repayable over 3 yrs (commenced Aug.2007)

East Coast Telephone

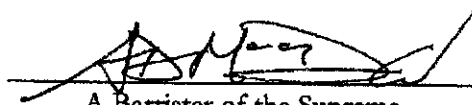
Office Telephone Equipment

Balance: \$2,066.

Repayable over 3 yrs (commenced Apr.2007)

Accounts Payable Balance: \$421,461.00

This is **Exhibit "I"** referred to in
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sworn before me this 26th day of
June, 2008.

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A Barrister of the Supreme
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Gavin D.F. MacDonald

**Canadian Sailing Expeditions Inc.
Monthly Cash Receipts and Disbursements**

	8 June 2008	9 July 2008	10 August 2008	11 September 2008
CASH, BEGINNING OF PERIOD	-1,347,722	-1,486,957	-2,270,572	-2,509,623
CASH, END OF PERIOD	-1,486,957	-2,270,572	-2,509,623	-2,734,226
CASH RECEIPTS:				
Caledonia Revenue	55,537	135,126	133,131	108,138
Charter Fees Booked	52,438	109,031	91,053	24,854
Charter Fees Forecasted	-	15,554	30,472	72,125
Bar	1,200	4,080	4,200	4,320
Excursion Commission	900	3,080	3,185	3,240
Merchandise	1,000	3,400	3,550	3,600
ACOA				
ACOA - Sales/Marketing Salaries				13,268
DIP Funds				
Industry Canada Funds				
Additional Equity Funds				
Joint Venture Marketing	24,000			
	79,537	135,126	133,131	121,406
CASH DISBURSEMENTS:				
Accounts Payable		421,461		
Credit Card Balances	20,000			
Accrued Payroll Liabilities		68,000		
General and Office	7,638	7,638	7,638	7,638
Salaries	24,882	47,963	47,963	51,078
Professional fees				5,450
Insurance	10,700	10,700	27,790	11,305
Sales & Marketing Operating Expenses	15,500	24,000	24,000	24,000
Caledonia POS System	390	390	390	390
Hawk Mooring	9,000	600	600	600
Charter Cost	78,502	96,270	111,678	93,991
Leases entered into for Caledonia	2,000	2,000	2,000	2,000
Fuel	13,747	30,747	30,747	30,747
Docking	4,583	4,583	4,583	4,583
Repair and Maintenance	19,500	22,283	12,283	12,283
Financing Related	22,330	172,106	102,588	101,844
	228,773	908,741	372,181	348,009
CASH, END OF PERIOD	-1,486,957	-2,270,572	-2,509,623	-2,734,226
REQUIRED FUNDS	1,486,957	2,270,572	2,509,623	2,734,226
LINE OF CREDIT AVAILABLE	1,500,000	1,500,000	1,500,000	1,500,000
BALANCE OF SHORTFALL	(3,043)	770,572	1,009,623	1,234,226

This is **Exhibit "J"** referred to in
the Affidavit of Douglas Prothero,
sworn before me this 26th day of
June, 2008.

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

A Barrister of the Supreme
Court of Nova Scotia

Gavin D.F. MacDonald



BDO Dunwoody Goodman Rosen Inc.

Suite 401, 170 Apple Street
Halifax, Nova Scotia Canada B3J 3K6
Telephone: (902) 425-1100
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Toll Free: (800) 337-5764
Email: info@bdo.ca
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Cox & Palmer
As Legal Counsel to Canadian Sailing Expeditions Inc.
P.O. Box 2380, Station Central RPO
1100 - 1959 Upper Water Street
Halifax, NS B3J 3E5

June 23, 2008

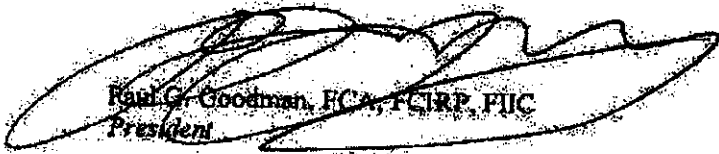
Dear Sir:

Re: Canadian Sailing Expeditions Inc.

I write to you to confirm that BDO Dunwoody Goodman Rosen Inc. consents to act as the named Monitor in a filing to be made by Canadian Sailing Expeditions Inc. under the Companies' Creditors Arrangement Act.

Yours very truly

BDO DUNWOODY GOODMAN ROSEN INC.



Paul G. Goodman, FCA, FCIFP, FIC
President

PGG/dlg



Suite 401, 285 Gower Street
Stoney Nova Scotia B3P 0T7

Toll Free: 1-800-366-3666
Telephone: (902) 556-0808
Fax: (902) 556-3373
Email: info@bdo.ca

Appointments also held in other
localities in Nova Scotia