

**IN THE MATTER OF THE PLAN OF COMPROMISE AND  
ARRANGEMENT OF AJAX PRECISION MANUFACTURING LIMITED**

<b>NOTICE OF MEETING</b>
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**TO:** Holders of Affected Claims ("Creditors") of Ajax Precision Manufacturing Limited ("Ajax").

**NOTICE IS HEREBY GIVEN** that, pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) in Toronto (the "Court") dated September 23, 2004, a meeting of the Creditors (the "Creditors' Meeting") is scheduled to be held in the MacDonald Room, Holiday Inn Select, 970 Dixon Road, Toronto, Ontario, Canada on Friday, October 15, 2004, at 11:00 a.m. (Toronto time) for the following purposes:

1. To consider, and if deemed advisable, to approve a plan of compromise and arrangement of Ajax dated September 17, 2004 (the "Plan") pursuant to the *Companies' Creditors Arrangement Act* (Canada) ("CCAA") as it may be amended from time to time; and
2. to transact such other business as may properly come before the Creditors' Meeting or any adjournment or postponement thereof.

Capitalized terms used in this Notice and not otherwise defined have the meanings set forth in the Plan.

Creditors who wish to vote on the Plan must have submitted Proof(s) of Claim which have been proven for voting purposes in the manner and within the time specified in the Claims Bar Order dated April 29, 2004 ("Proven Creditors"). Creditors who failed to prove their Claims in accordance with the Claims Bar Order are neither entitled to attend nor vote at the Creditors' Meeting.

At the Creditors' Meeting, each Proven Creditor shall be entitled to one vote, which vote shall have the value of such Proven Creditor's Proven Unsecured Claim as determined pursuant to the Claims Bar Order.

In order for the Plan to be approved and be binding in accordance with the CCAA, the Plan must first be accepted by a majority in number of the Proven Creditors (in person or by proxy) at the Creditors' Meeting and representing not less than 66 2/3% in value of the Proven Unsecured Claims of the Proven Creditors voting at the Creditors' Meeting. The Plan must also be sanctioned by the Court under the CCAA. Subject to satisfaction of the other conditions of implementation of the Plan, all Proven Creditors will then receive the treatment set forth in the Plan.

The quorum for the Creditors' Meeting has been set by the Creditors' Meeting Order as the presence, in person or by proxy, at the Creditors' Meeting of two persons entitled to vote at the Creditors' Meeting.

A Proven Creditor may attend the Creditors' Meeting in person or may appoint another person as proxyholder. Such Proven Creditor may appoint a person as its proxy holder by inserting the name of such person in the space provided in the enclosed form of proxy printed on. Persons appointed as proxyholders need not be Proven Creditors.

In order to be effective, proxies must be received by the Monitor at BDO Dunwoody Limited, Royal Bank Plaza P.O. Box 33, Toronto, Ontario, Canada M5J 2J9, Fax: 416-865-0904, Attention: Clark McKeown on or before the commencement of the Creditors' Meeting.

If a Proven Creditor specifies a choice with respect to the vote on the Plan, the proxy will be voted on any ballot in accordance with the specification so made. **In the absence of such specification, the proxy will be voted FOR the approval of the Resolution.**

Forms of proxy confer discretionary authority on the individuals designated therein with respect to amendments or variations to the Plan and other matters that may properly come before the Creditors' Meeting, including the election of inspectors as contemplated in the Plan. As of the date hereof, Ajax knows of no such amendment, variation or other matter to come before the Creditors' Meeting.

**NOTICE IS ALSO HEREBY GIVEN** that if the Plan is approved at the Creditors meeting, Ajax intends to bring a motion before the Court on October 29, 2004 at 10:00 a.m. (Toronto time) at 393 University Avenue, Toronto, Ontario. The motion will be for the Plan Sanction Order sanctioning the Plan under the CCAA and ancillary relief consequent upon such sanction.

DATED at Toronto, Ontario, this 23rd day of September, 2004.

**BY ORDER OF THE COURT**