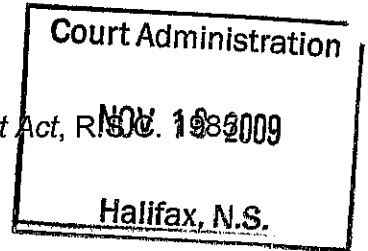


Supreme Court of Nova Scotia



IN THE MATTER OF:

The Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36 as amended.

-and-

IN THE MATTER OF:

A Plan of Compromise or Arrangement of Canadian Sailing Expeditions Inc.


SUPPLEMENTAL AFFIDAVIT OF THOMAS J. HAYES

I make oath and give evidence as follows:

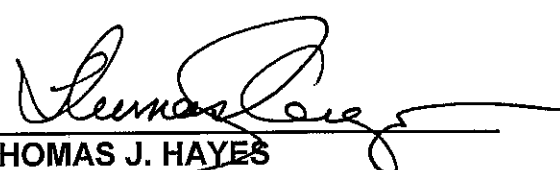
1. I am Thomas J. Hayes, President and CEO of Growthworks Atlantic Venture Fund Limited ("Growthworks").
2. I have personal knowledge of the evidence sworn to in this Affidavit except where otherwise stated to be based on information or belief.
3. I state, in this Affidavit, the source of any information that is not based on my own personal knowledge, and I state my belief of the source.
4. This Affidavit is intended to supplement my Affidavit of September 16, 2009, which was filed in respect of an anticipated Motion to appoint a Receiver over the property, assets and undertaking of Canadian Sailing Expeditions Inc. ("CSE") which had been scheduled for September 21, 2009.
5. The intended Receivership Motion was not made by Growthworks on September 21, 2009, but rather was adjourned *sine die* by this Honourable Court by reason of the fact that just before Court opened, an agreement was reached amongst several parties to this matter whereby Nova Scotia Business Inc. ("NSBI") agreed to advance the sum of \$200,000 (the "NSBI Advance") to the Monitor of CSE to allow CSE to meet its protective disbursements and other maintenance costs respecting the vessel Caledonia up to and including December 4, 2009, by or before which date it was hoped an agreement could be reached for the sale of this asset.

6. On September 21, 2009, this Honourable Court extended the stay in these proceedings for twenty-four hours, to enable the parties to agree upon and formalize the terms of the NSBI Advance.
7. On September 22, 2009, the parties returned to Chambers and advised the Court that an agreement as to the terms of the NSBI Advance ("NSBI Advance Agreement") had been reached in principle amongst the parties and was simply awaiting promised signatures by certain party representatives located outside of the province.
8. As a result of the NSBI Advance Agreement, CSE made a Motion on September 22, 2009 for an Order extending of the stay of proceedings up to and including December 4, 2009, which Motion was granted by this Honourable Court.
9. Since September 22, 2009, the Monitor and representatives of CSE, in consultation with Growthworks and other interested parties, have worked diligently to conclude a sale of the vessel Caledonia, but no such agreement of purchase and sale has been achieved.
10. I was advised by Douglas Prothero on or about November 10, 2009, and verily believe, that CSE presently has few viable prospects for a sale of the vessel Caledonia, and those few prospects which do have some potential, even if they were to develop into an agreement of purchase and sale, would unfold beyond the expiry of the current stay period, and thus beyond the point for which funding exists to sustain CSE's operations and maintain the vessel.
11. On November 16, 2009, Growthworks' solicitors provided me with a copy of an email sent on that date by CSE's counsel to the scheduling office of this Honourable Court by which it was made clear that CSE intends to make a Motion on Friday November 20, 2009 at 9:30am for an Order terminating the stay of proceedings, thus providing secured creditors of CSE such as Growthworks with an opportunity to take steps to realize upon their security.
12. I depose and verily believe that the stay termination Motion which is to be made by CSE on November 20, 2009 is suggestive of CSE's position that no viable prospect for the sale of the vessel Caledonia exists by which this asset might be sold by or before December 4, 2009, as envisaged on September 22, 2009 when the most recent stay extension was granted in this matter.
13. Growthworks shares this view, and requests that contemporaneously with the termination of the stay of proceedings on November 20, 2009, Growthworks be permitted to present its currently adjourned Motion for an Order appointing BDO Dunwoody Goodman Rosen Inc. as Receiver of CSE.
14. I verily believe that the appointment by this Honourable Court of a receiver of the property, assets and undertaking of CSE is necessary to realize upon the

property and assets subject to the DIP Security in favour of Growthworks and to distribute any proceeds to the creditors of CSE in accordance with their respective priorities in an orderly manner.

Sworn to before me)
on November 18th, 2009)
at Halifax, Province of)
Nova Scotia)
)
_____)
A Barrister in the Supreme)
Court of Nova Scotia)

BENJAMIN R. DURNFORD
A Barrister of the Supreme
Court of Nova Scotia


_____)
THOMAS J. HAYES