

Cougar Helicopters Presentation

Offshore Helicopter Safety Inquiry

No Compromise...

"No operation or business opportunity, either new or ongoing, should ever compromise safety or unduly affect our accepted levels of risk of the VIH Aviation Group of Companies"

Ken Norie (President and CEO)



Cougar Helicopters Presentation Outline

- 1. Corporate Overview
- 2. St. John's Base Overview
- 3. S-92 Selection
- 4. Aircraft Maintenance
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- 5. Dispatch
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- 6. Flight Operations
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- 7. Passenger Movement
 - A. Video
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- 8. First Response (Search and Rescue)
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- 9. Safety Management System (SMS)
 - A. Video
 - B. Presentation
- 10. Conclusion





Corporate Overview

Corporate OverviewVIH Aviation Group Key Events

1955: Company founded in Victoria, B.C.

1960 - 80s: Continued Western Canada Expansion

1989 - 2009: Entered emergency medical services (EMS)

market through B.C. Air Ambulance Service

contract

1991: Ken Norie founded separate heavy-lift

helicopter business

1999: First international contract; China seismic

2000: Ken Norie acquired control of VIH

Entered the oil & gas seismic market

2003: Entered Offshore Oil and Gas support market

via acquisition of Cougar

2005: Introduction of S-92 in St. John's NL

2005: SAS/SAR Gulf of Mexico, Canada NWT

SAR/SAS Alaska, NWT Canada

Entered Australian offshore market

VIH Cougar certified as FAA Part 133/135 operator

Supplied 6 helicopters to First Angolan

free elections incl. 3 S-92s

2009: Purchase 50% of HNZ Cougar Helicopters

Australia





Corporate OverviewVIH Aviation Group Company Overview

VIH Aviation Group is a leading provider of commercial helicopter services in North America

- Business organized into two primary segments based on aircraft capabilities:
 - Instrumental Flight Rules (IFR):
 - Medium and heavy aircraft used in missions primarily for offshore oil & gas, search and rescue and emergency medical services
 - Visual Flight Rules (VFR):
 - Light and medium aircraft used to serve seismic, mining, forestry and tourism industries
 - Heavy aircraft used in heavy construction, firefighting and heli-logging industries
- Current fleet (01/10) comprised of 17 IFR aircraft, 57 VFR aircraft and 2 fixed-wing aircraft
- Customers include major international oil & gas companies such as BP, Husky, Shell, Suncor, ExxonMobil and Statoil
- Stable and diversified revenue base (business segments, end markets, geographies)



Corporate Overview

VIH Aviation Group of Companies Global Footprint



Corporate Overview

VIH Aviation Group of Companies Corporate Organization







A VIH Aviation Group Company

50% JV Canada IFR Offshore
Australia IFR offshore Helicopter Operations
helicopter operations



A VIH Aviation Group Company

Manufacturing, Repair and Overhaul



A VIH Aviation Group Company

Canada and International light, medium and heavy helicopter VFR operations



24% JV

United States IFR Offshore and VFR Onshore Helicopter Operations



A VIH Aviation Group Company

FBO services, Victoria International Airport



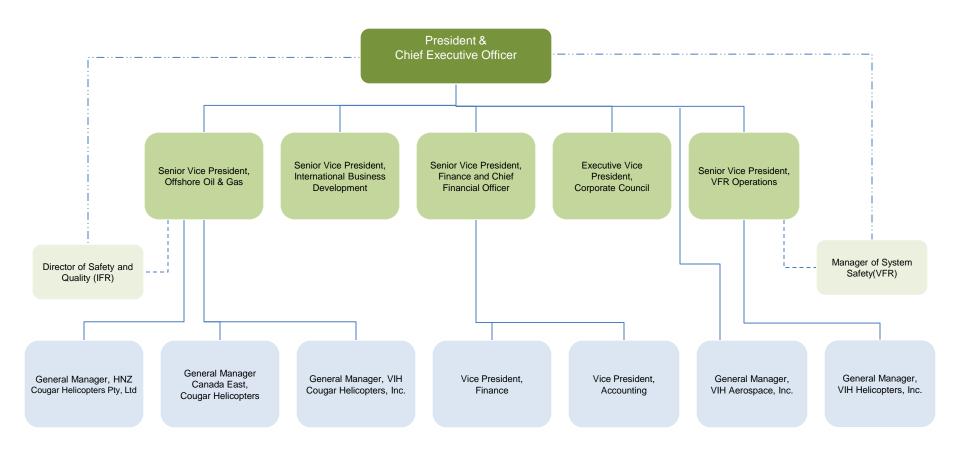
United States asset holding company



FBO services, Galliano LA



Corporate OverviewVIH Aviation Group of Companies Senior Management Team





Corporate OverviewCougar Helicopters, Inc. Key Events

1984: Company founded in Halifax Nova Scotia

1990: Offshore Oil Helicopter support contract in Gijon, Spain (Conoco)

• 1990-2001: Offshore oil helicopter support contract (Lasmo PLC. -Later Pan Canadian and Encana.)

1991-1994: First Canadian Civilian SAR contract in Yarmouth N.S.

1993 -1996: EMS Operations N.S and Ont. S-76A

1995: Awarded the HMDC Helicopter Support Contract. (Production)

1994 -2001: Offshore Helicopter Support Thailand (Thaipo)

1997-Present: Commenced Helicopters Support Operations for HMDC. (Production)

1998- Present: Awarded PetroCanada Helicopter Support Contract. (Production)

2002-Present: Awarded Husky Energy Helicopter Support Contract. (Production)

2005: Introduction of S-92 operations in St. John's NL

2005-Present: Started SAS/SAR Gulf of Mexico and Canada NWT

2006-Present: Started SAR/SAS Alaska, NWT Canada

2007- Present: Entered Australian offshore Oil and Gas market

2007-2008: Statoil Mizzen Helicopter Support Contract

• 2009: Introduction of S-92 Specialty Aviation Services in Gulf of Mexico

2009: EnCana S-92 Helicopter Support Contract. Halifax N.S.

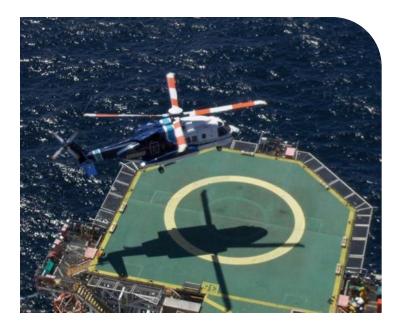
2009: ConocoPhillips Laurentian Basin helicopter support contract.

2009: BC Air Ambulance EMS operations (BH222)



Corporate OverviewCougar Helicopters, Inc. IFR Segment Operations

- Current fleet of 15 heavy helicopters (8 S-92s, 6 S-61s, 1 S-76)
- Provide IFR flight services primarily for the offshore oil and gas sector
 - Crew changes
 - o SAR
 - Offshore aerial construction
 - Core operating regions:
 - East coast Canada
 - U.S. Gulf of Mexico
 - Arctic Rim
 - Northern Australia
- Specialty in Search and Rescue (SAR) services
 - Dedicated all-weather helicopters and crews standing-by to assist in the event of emergency
 - Emergency response (e.g. accidents or natural disasters)
 - Medical evacuations
 - Offshore development beyond service range of government providers
 - SAR services generally provided under long-term contracts with a high fixed-pay component



Corporate Overview

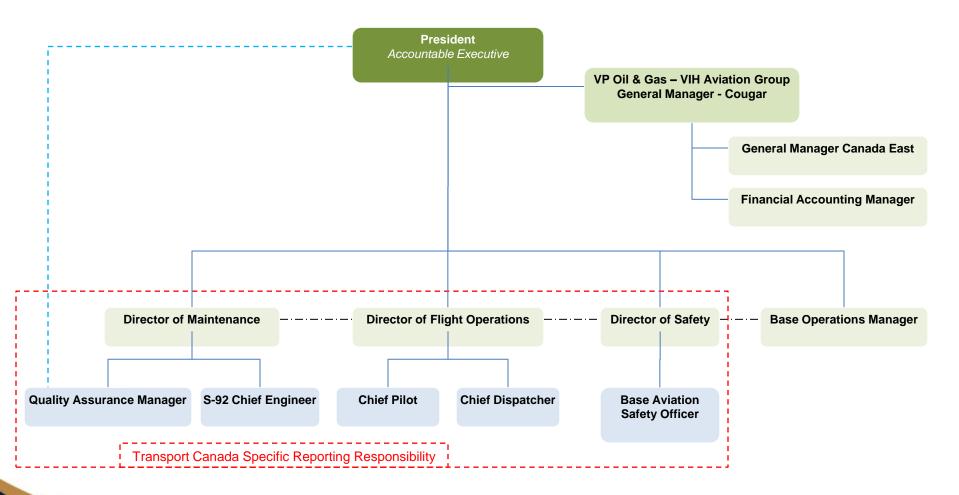
Cougar Helicopters, Inc. Corporate Structure

Ken Norie, **Director and VIH Aviation Group Parent Holding Company President** Ken Norie, **Holding Company of Cougar Aviation Director and Cougar Helicopters President** Ken Norie, **Commercial Air Carrier Cougar Helicopters Director and President** Ken Norie, Real Estate Holding Company -**Cougar Properties Director and** St. John's **President**



Corporate Overview

Cougar Helicopters, Inc. Organizational Chart





Corporate OverviewVIH Aviation Group Corporate Values

IFR /

VFR

- Operate heavy IFR passenger helicopters in harsh weather offshore conditions
- Provide dedicated and specialized search and rescue ("SAR") services to the offshore oil and gas industry

- Strong safety culture
- Leverage a versatile helicopter fleet to maximize utilization
- Unparalleled customer service and support
- Integrated service model (one-stop shop)
- Share best practices

- Provide specialized flying expertise to a highly diverse group of industries
 - Precision aerial crane work
 - Operate in mountainous terrain
- Establish and support helicopter operations in remote locations





St. John's Base

St. John's Base Facility

- Facility constructed in 1996
- Extension completed in October 2007
- Can accommodate four large helicopters





St. John's Base

Current Fleet

S-92 C-GSCH S-92 C-GMCH S-92 C-GQCH S-92 C-GDKN S-61 C-GYCH



St. John's Base Customer Base



















St. John's Base

Customer Personnel On Board (POB)









Hibernia Platform 250 POB

Terra Nova FPSO 120 POB GSF 125 POB Stena Carron 180 POB

SeaRose FPSO 100 POB

Henry Goodrich 120 POB

Offshore POB - 895



St. John's BaseOffshore Location Map

Exxon Mobil

- Hibernia Field
- 171 NM from St. John's

Suncor Energy

- Terra Nova Field
- 188 NM from St. John's

Husky Energy

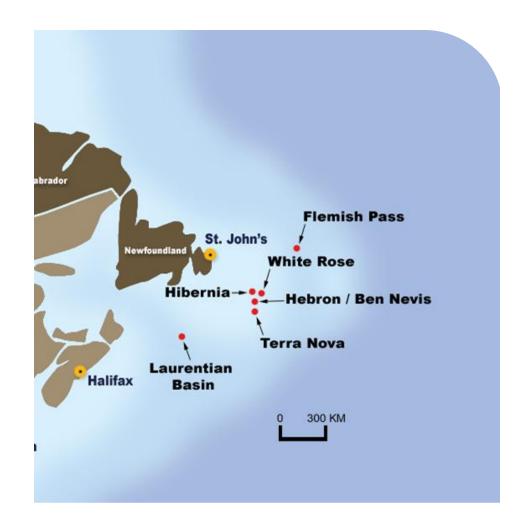
- White Rose Field
- 200 NM from St. John's

Conoco Phillips

- Laurentian Basin
- 196 NM from St. John's

Chevron Canada

- Flemish Pass
- 274 NM from St. John's
- Hebron / Ben Nevis Field
- 189 NM from St. John's



St. John's Base Departments

Maintenance

- Quality Assurance
- HUMS
- Stores

Flight Operations

- Training Department
- Dispatch
- HFDM

Operational Control Centre (OCC) Passenger Movements

- Traffic Coordination
- POB Management
- Passenger Security

Search and Rescue (SAR) Safety Department

- Aviation safety
- HSE
- ISO

Finance

Information Technology (IT)



St. John's Base Staffing

Pilots

31

Aircraft Maintenance Engineers

36

Stores & Technical Records

7

Safety Management Systems

3

OCC

16

Managers

13

Administration

10

Rescue Specialists

12

Passenger Movements

18

Information Systems

5

Finance

- 7





St. John's Base TOTAL - 158

Last Updated – January 31, 2010

St. John's Base

12 Year Operational Performance

| Flight | Passenger | Offshore | Cargo |
|--------|-----------|----------|-------------------|
| Hours | Transfers | Trips | Transferred (lbs) |
| 58,722 | 275,330 | 16,309 | 1,551,069 |



Last Updated –January 2010





S-92 Selection

S-92 Selection

Fleet Transition | Super Puma to S-92 (Summer 2005 to Summer 2007)



October 20, 2006 - Departure

First S-92 offshore - April 7, 2005





April 28, 2007 - Departure

Second S-92 offshore – August 1, 2006





June 2, 2007 - Departure

Third S-92 offshore – June 1, 2007



S-92 Selection

Sikorsky S-92A Features



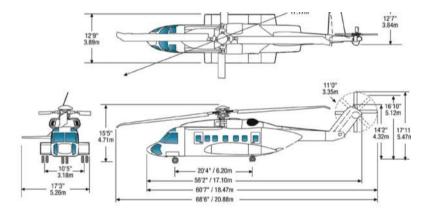
- High-visibility cockpit
- Migh-Intensity Radiated Field protection (HIRF)
- 3 Health and Usage Management System (HUMS)
- Enhanced Ground Proximity Warning System (EGPWS)
- Crashworthy seats for all occupants
- Sponson design keeps fuel away from passengers
- Suction fuel system prevents hazardous fuel spray

- Energy absorbing landing gear
- 9 Built-in corrosion resistance
- Bird-strike protection at maximum aircraft speed
- 1 Lightning strike protection
- High energy turbine burst protection
- Robust flaw-tolerant design
- Proven de-icing system



S-92 SelectionSikorsky S-92A Specifications

| Aircraft Seating (Excluding Pilots) | |
|---|-----------|
| Offshore Configuration | 19 |
| Empty Weight / Offshore Aircraft | |
| Pounds | 17,600 |
| Kilograms | 8,000 |
| Maximum Gross Weight | |
| Pounds | 26,500 |
| Kilograms | 11,861 |
| Fuel Capacity | |
| Gallons (US) (with Auxiliary Tanks installed) | 1050 |
| Litres (with Auxiliary Tanks installed) | 3,974 |
| Range Maximum Fuel | |
| Nautical Miles | 750 |
| Kilometres | 1,389 |
| Speed (Cruise) | |
| Knots (Typical Cruise) | 135 |
| Kilometres per Hour (Typical Cruise) | 250 |
| Main Landing Gear | |
| Static Contact Pressure Per Tire | 122 psi |
| Dynamic Contact Pressure Per Tire | 130 psi |
| Nose Landing Gear | |
| Static Contact Pressure Per Tire | 122 psi |
| Dynamic Contact Pressure Per Tire | 131.3 psi |







Video Presentation

Aircraft Maintenance



Aircraft Maintenance

Aircraft MaintenanceAircraft Maintenance Engineer (AME) Qualifications

Transport Canada issues M2 AME License with anywhere from 1 year to 35 years experience.

- Graduate from a TCCA approved training institute
- Complete an apprenticeship with an AMO
- Total experience to equal 48 months prior to issuing an AME license
- Successfully complete technical TCCA exams
- Complete an aircraft specific type training course
- Complete company initial training requirements
- Issuance of Company approval (ACA)



Aircraft Maintenance Alert Service Bulletin (ASB)

- Issued on matters requiring the immediate attention of the operator
- Limited generally to items affecting safety
- Compliance is considered essential
- Provide instructions for modifications, inspections, or other actions and establish required compliance times
- One time maintenance and inspection requirements will be carried in the text of the ASB
- Revisions to repetitive maintenance and inspection requirements, when safety related, will be issued
 concurrently with the ASB as temporary revisions to the Airworthiness Limitations and Inspection Requirements
- Issued by the manufacturer of the aircraft and are issued to all owners and operators of that aircraft
- Issued by way of electronic notification and followed up with a hard copy sent by surface transport or courier



Aircraft Maintenance Airworthiness Directive (AD) (Reference CAR's 593)

- Issued by one or more Airworthiness Authorities (FAA, TCCA, EASA)
- Legally-binding requirement for work to be done on a specific aircraft, or engine, or component (type, model, or serial number/s)
- The work may involve modification, inspection, or other preventative measures, and may involve a one-of task or a task that needs to be repeated
- AD's always have a threshold expressed in Flight Hours (FH) and/or Flight Cycles (FC) and/or Calendar Time (by which time the task must have been performed)
- Issued by the authority that has issued the Type Certificate for the aircraft is mandatory for that aircraft, regardless
 of the country of registry. An AD issued by the country of registry of an aircraft is mandatory for all aircraft, of that
 type, registered in that country



Aircraft Maintenance ASB / AD Comparison

- Both ASB's and AD's have a compliance time dictated by the issuer of the document. The action contained in the document must be carried out prior to the compliance time indicated in the document
- Once the requirements of the ASB or AD are performed, the record of the compliance is recorded in the aircraft technical logs
- The difference in a ASB and AD are:
 - AD: Legally-binding requirement for work to be done on a specific aircraft
 - o ASB: Compliance with Alert Service Bulletins is considered essential



Aircraft MaintenanceASB / AD Implementation Process

- 1. Review applicability of the ASB
- 2. Assess compliance timeline
- 3. Order parts if required
- 4. Comply with ASB as soon as possible





Video Presentation

Dispatch



Dispatch

DispatchDispatcher Training

- Transport Canada exams
- Radio Operators License exam administered by Industry Canada
- Company operations training
- Company meteorology training
- Human factors and Crew Resource Management (CRM) training
- Aircraft type training operated by the company (S-92, S-61, S-76, and BH22)
- Transportation of dangerous goods
- Winter operations
- Multiple observation flights on company aircraft
- On-the-job training

Certificate issued after Transport Canada check repeated annually

Recurrent - all subjects are repeated on a 3-year rotation



DispatchRadio Operator / Flight Follower Training

The Radio Operator position is an entry level position for the Flight Dispatcher position, and is considered to be a Flight Dispatch Trainee.

Whenever possible, Radio Operators are scheduled to attend Flight Dispatcher training sessions for personal development.

- Restricted Radio Operators License exam
- Procedures and policies outlined in the Company Operations Manual
- Flight Dispatch Trainees work under the supervision of a licensed Flight Dispatcher as an "Assistant"
- Dangerous Goods



DispatchFlight Planning Criteria

- Aircraft Technical Condition
- Visibility and Ceiling
- Winds
 - Start-up
 - Shut-down
 - Wind-aloft
- Destination Condition
 - Freezing Precipitation
 - Vessel Motion
- Alternate Landing Site (land based)



Dispatch

Basic Offshore Landing Limits - All Vessels

Pitch, roll and heave limits as shown in Table 4 below are made available primarily for flight planning purposes. Should the reported values be greater prior to scheduled flight, the flight should be delayed. After commencement of a flight but prior to arrival at an offshore installation the flight crew must determine if it is safe to continue with a landing.

Table 4 – Offshore Heli Deck Pitch, Roll and Heave Safety Limits by helicopter type:

| Helicopter Type | | Pitch | Roll | Heave – Heave Rate |
|--------------------|-------|----------------|----------------|-----------------------|
| CC4NL/I | Day | 30 | 30 | 7 m - 1.5 m/sec |
| S61N/L | Night | 30 | 30 | 4 m - 0.5 m/sec |
| S92 A | Day | 5 ⁰ | 5 ⁰ | 7 m - 1.5 m/sec |
| | Night | 3 ⁰ | 3 ⁰ | 4 m - 0.5 m/sec |
| Casal | Day | 5 ⁰ | 5 ⁰ | 7 m - 1.5 m/sec |
| S332L | Night | 30 | 3 ⁰ | 4 m - 0.5 m/sec |
| 070.4 | Day | 5 ⁰ | 5 ⁰ | 7 m - 1.5 m/sec |
| S76 A | Night | 3 ⁰ | 3 ⁰ | 4 m - 0.5 m/sec |

Dispatch

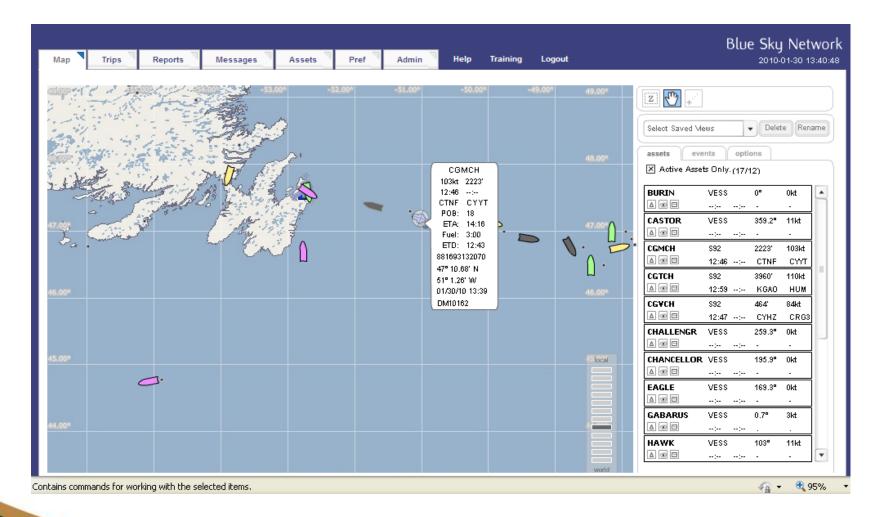
Special Offshore Landing Limits - For Terra Nova FPSO

Table 1 – "Terra Nova" FPSO Heli-Deck Pitch, Roll and Heave Safety Limits by helicopter type:

| Helicopter Type | | Heave - Heave Rate | Pitch | Roll |
|-----------------|-------|--------------------|------------------|------------------|
| Day | | 12 m - 1.0 m/sec | 30 | 3 ⁰ |
| S76 A | Night | 6 m - 0.5 m/sec | 1.5 ⁰ | 1.5 ⁰ |
| CCAN | Day | 12 m - 1.0 m/sec | 30 | 3 ⁰ |
| S61N | Night | 6 m - 0.5 m/sec | 1.5 ⁰ | 1.5 ⁰ |
| Day | | 12 m - 1.0 m/sec | 30 | 3 ⁰ |
| S92 A | Night | 6 m - 0.5 m/sec | 1.5 ⁰ | 1.5 ⁰ |
| AS332L | Day | 12 m - 1.0 m/sec | 30 | 30 |
| ASSSZL | Night | 6 m - 0.5 m/sec | 1.5 ⁰ | 1.5 ⁰ |



DispatchBlue Sky







Video Presentation

Flight Operations



Flight Operations

Flight Operations Pilot Entry Qualifications

Cougar's basic requirements before "considering" a resume are:

- Airline Transport Pilot License (ATPL) or Commercial License with ATPL Written exams complete
- Group 4 Instrument Rating
- Approximately 1000 hours total time, but preferably more
- Enhanced experience:
 - Multi-crew experience
 - IFR experience
 - o Offshore / military experience
 - Harsh environment



Flight Operations Pilot Training

- Company Indoctrination
- Aircraft Systems Training
- Simulator Training
 - Aircraft Type (S-92)
 - Emergency Procedures
 - Special Approvals
 - Low Visibility approaches and take-offs
 - > Rig approaches
 - > GPS
 - Controlled Flight Into Terrain (CFIT) and Crew Resource Management (CRM)
 - Transport Canada Check Ride
- Area of Operations
- Winter Operations
- Other
 - Survival Training (Every 3 years)
 - Dangerous Goods, First Aid, Minimum Equipment List (MEL), etc.

Annual Recurrent Training Required and Transport Canada Check Ride





Video Presentation

Passenger Movement



Passenger Movement

Passenger Movement Weekly Flight Schedule

On an average week Cougar transports 700-800 passengers to and from their offshore destinations.

A regular flight schedule for the week is as below:

| MONDAY | TUESDAY | WEDNESDAY |
|---------------|---------------|---------------|
| | | |
| CGR131 - 0700 | CGR231 - 0700 | CGR331 - 0700 |
| CGR101 - 0730 | CGR201 - 0730 | CGR301 - 0730 |
| CGR151 - 0800 | CGR281 - 0800 | CGR351 - 0800 |
| CGR121 - 1015 | CGR221 - 1015 | CGR321 - 1015 |
| CGR141 - 1130 | CGR241 - 1130 | CGR332 - 1130 |
| | | |
| THURSDAY | FRIDAY | Saturday |
| | | |
| CGR431 - 0700 | CGR531 - 0700 | CGR601 - 0730 |
| CGR401 - 0730 | CGR501 - 0730 | |
| CGR481 - 0800 | CGR551 - 0800 | |
| CGR421 - 1015 | CGR521 - 1015 | |
| CGR441 - 1130 | CGR581 - 1130 | |



Passenger Movement Helicopter Pooling Agreement

Pooling Charter provides an understanding of the principles of aircraft pooling and provide guidance to Cougar Logistics (Traffic office and Dispatch) on flight allocation during "catch-up", weather hold days and aircraft serviceability issues.

- Husky, Suncor Energy and HMDC have entered into long term agreements with Cougar Helicopters for the provision of helicopter services
- Each Operator has an assigned Airframe within their commercial contracts that are equipped similarly. Note that SCH is not equipped with Air Conditioning
- Husky, Suncor Energy and HMDC have chosen to adopt a pooling arrangement to ensure continuation of service to all Installations in the event of airframe unavailability, to allow for efficient aircraft maintenance, and maximize payload utilization (flight share)
- Pooling principles are agreed to and understood by each Operator and functionally implemented by Cougar Helicopters



Passenger Movement Pooling Principles

Flight Priority Sequence

- 1. Emergency flights have priority over all flights and is the only flight authorized to use the official on-call crew and airframe
- 2. Crew Change Flights will have priority over any adhoc flight
- 3. Technical Priority-Adhoc flights have priority over any other adhoc flight
- 4. Adhoc Flights will be dispatched in order of time/date requested through the Traffic Office



Passenger Movement Passenger Information System

Daily Schedule

Issued every evening. Outlines flight departure times and pertinent flight information

Morning Operations Call

- Conducted at 0730 7 days a week
- Dispatcher and Passenger movement's representatives brief logistics on topics including weather, aircraft and crew issues
- Serves as a daily update and planning session

FIDS (Flight Information Display System)

- o Updated as flight status changes. Updated by Dispatch with real time information
- Available in the heliport in several locations and online at www.cougar.ca

Flight information line

- The purpose of the flight information line is to communicate departure times to passengers to ensure on time arrival at the heliport
- This line is not updated for the purpose of family information
- FIDS will provide this information
- o The line is updated only as new information becomes available



Passenger Movement Passenger Information System

Logistics email

- Constant and consistent communication detailing aircraft serviceability, weather and delays
- o The expectation is that logistics will communicate this information to offshore personnel as required

Passenger briefing verbal

- On site briefing, sharing all known information related to flight delays or cancellations
- Briefing by Base Operations Manger or delegate to passengers regarding any flight interruption resulting in an in-flight turnaround
- Passenger briefing given to passengers affected by mechanical delays

Cougar Website

- Passenger resources
- Detailing information about Cougar
- Prior to departure
- Security
- Baggage and Cargo information (restrictions)
- Preflight information
- Flight departure information
- What to expect during flight



Passenger Movement Suit Fitting Process

November 2007 E-452 Implementation

- Helly Hansen provided suit fittings for passengers traveling offshore, pre-flight briefing overview of the E-452 suit system and answering questions from passengers
- Cougar immersion suit issuance training was received for the November 2007 implementation of the E-452
 - On-the-job training of suit handling
 - Database system management for suit tracking
 - PLB pre flight checks
 - An overview of suit issuance and general sizing of suit systems (used visual estimates of height and weight and hood donning ability)
- Helly Hansen was on site for 6 weeks from startup from November 1, 2007 to December 12, 2007



Passenger Movement Suit Fitting Process

- November 2007 E-452 suit procedure as requested by the operators
 - Visual sizing
 - Suit issuance
 - o Passengers don suit
 - Passengers don suit and fully zip from the seated position
- May 2009 Suit fit evaluation process enhanced as requested by the operators
 - o All passengers evaluated for suit size and fit by Helly Hansen personnel
- September 2009 Cougar immersion suit issuers have received training certifying them as Helly Hansen immersion suit technicians with additional training to conduct suit fit evaluations
 - Passengers don suit
 - Passengers don suit and fully zip from the seated position





Video Presentation

Preflight Safety Video

Passenger Movement Helicopter Return Notification Protocol

In the event of a flight interruption the communication flow is as listed below:

- Passengers are notified by the flight crew via the onboard Public Address System
- Dispatch advises the Traffic Office and Base Operations Manager
- Base Operations Manger or his delegate contact the operator logistics by phone
- On return to St. John's the passengers are briefed by the Base Operations Manager or his delegate
- Base Operations Manager or his delegate will provide a brief summary to the operators via email
- A customer notification form will be completed and submitted to the logistics representatives within 24 hours
 - o Base
 - Date
 - Nature of event
 - Flight Crew Dialogue
 - Maintenance actions
 - o Passenger/Logistics comments
 - Aircraft and flight time detail
 - Operations summary
- The information will be entered into the Safety Management System if required





Video Presentation

First Response (Search and Rescue – SAR)



First Response Search and Rescue (SAR)

First Response / SAR Personnel and Training

- 12 Full-time Rescue Specialists
 - Rescueman
 - Hoist Operator
 - o Some crew are dual-qualified as both
- 70% are former Military SAR personnel
- Prior to being released to operational duties all SAR crew regardless of previous experience and training must complete company mandated ground and flight training
- Base allotment of 40 hours per month for SAR flight training consisting of:
 - Search Patterns
 - Land based Training
 - Over water Training
 - Vessel Training
 - Night Training

Recurrent training required for all items mandated by Cougar Helicopters

Exceeds Transport Canada standards

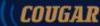


First Response / SAR SAR Equipment

| Stokes Litter (lifting bridle) | 25 kg |
|--------------------------------|-------|
| Rescue Basket | 18 kg |
| Basket Stretcher (Ferno) | 20 kg |
| Marine Salvage Pump | 51 kg |
| SKAD (One raft, one bundle) | 42 kg |
| Guide Line | 6 kg |
| Rescue Strop (horse collar) | 2 kg |
| SAR Harness (complete) | 5 kg |
| Axel Cut (manual cable cutter) | 1 kg |
| Cable Splice Plate & Hook | 1 kg |
| One Man Life Raft | 5 kg |
| Emergency Recovery System | 7 kg |
| Casualty Bag | 6 kg |
| Thermal Recovery Capsule | 6 kg |

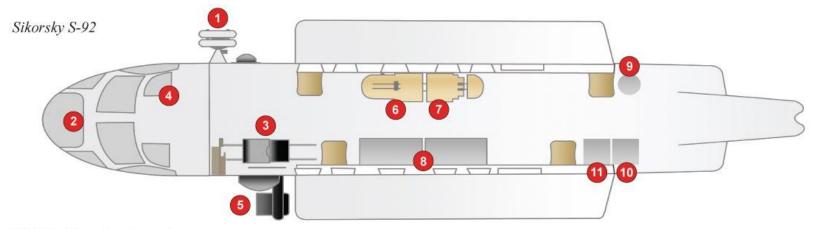
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Required in contract



First Response / SAR

Sikorsky S-92 Medevac / SAR Configuration



SAR Equipment

- Goodrich Dual Rescue Hoist
- Forward Looking Infrared (FLIR)
- 6 FLIR Station
- Wireless Intercom System
- 6 Nitesun Search Light
- 6 Stokes Litter
- Multi-level Stacker Stretcher System
- 8 Auxiliary Fuel Tank

- Marine Salvage Pumps
- 10 Collapsible Rescue Basket
- Other equipment includes:
 - » Rescue Sling
 - » Guideline
 - » Survival Kit Air Dropable (SKAD)
 - » Night Vision Goggles (NVG)
 - » Advanced Medical Kits



Video Presentation

Safety Management System



Safety Management System

No Compromise...

"No operation or business opportunity, either new or ongoing, should ever compromise safety or unduly affect our accepted levels of risk of the VIH Aviation Group of Companies"

Ken Norie (President and CEO)



Safety Management System (SMS) Safety Culture

- Safety Culture is the way safety is perceived, valued and prioritized in an organization by its employees. It reflects the real commitment to safety at all levels in the organization. It is also seen as "how an organization behaves when no one is watching"
- The Safety Culture of an organization is the product of individual and group values, attitudes, perceptions, competencies and patterns of behavior that determine the commitment to and the style and proficiency of, an organization's health and safety management
- Cougar Helicopters maintains an exemplary safety culture. Since the early 1990's Cougar has effectively created and instilled a concept that all team members are a vital component of the operation and are encouraged and responsible to commit to the company safety standard set forth by management and the aviation industry as a whole. Quite frankly, our safety culture is the very heart of our organization



Safety Management System (SMS) Safety Culture

The Company Integrated Safety Management System acts as the guidance for all employees. Their active involvement is key in defining safety through structured policies and procedures, employee priorities, responsibilities and accountability at all levels of the organization, communication, meetings, safety goals and achievements. The system remains a live program ensuring change is evaluated and managed on a daily basis. Visible statements of principle convey the desired cultural attributes and clarify the vision of the organization.

A Safety Committee is in place to include representation from all levels of employees in various departments.

This structure ensures concerns are dealt with and ideas are fostered in an open non-biased group of members.

Senior management and employee buy-in is critical from a top-down approach and is evident and from the various surveys administered on a semi-annual basis. Company Safety Policies ensure that understanding of the Non-Punitive Reporting system is well versed to all employees. Timely and effective feedback of information, investigation involvement and recognition of awareness and active SMS involvement solidifies the culture within Cougar Helicopters operations globally.



Safety Management System (SMS) Risk Assessment Matrix (RAM)

COUGAR - SMS RISK ASSESSMENT MATRIX

| | POTENTIAL CONSEQUENCE OF OCCURRENCE | | | | INCREAS | SING LIKE | LIHOOD | > | | |
|---|--|---|---|--|-----------------|----------------------------------|---------------------------------------|---------------------------------------|--|--|
| | PEOPLE | ASSETS | ENV'MENT | REPUTATION | A Improbable | B Known within Industry | C Happened before in Company | D Reported > 3X / YR in Comp | E Reported >3X / YR in Location | |
| 0 | No Injury | Zero Damage | Zero Effect | No Impact | 0 | 0 | 0 | 0 | 0 | |
| 1 | First Aid Injury | Slight Damage | Slight Effect Not Reportable to External Agency | Slight Impact Specific Party | 1 | 2 | 3 | 4 | 5 | |
| 2 | Medical Treatment Injury | Component Level Replace/ Repair | Minor Effect Reportable Cleanup Required | Limited Impact Localized to Area of Occurrence | 2 | 4 | 6 | 8 | 10 | |
| 3 | Lost Time Injury (< 7 days) | Unit Level Damage Involving Multiple Major Components | Localized Effect External Agencies Involved On Site | Provincial Impact Multiple Customer Groups | 3 | 9 | 9 | 12 | 15 | |
| 4 | Long Term Disability Single Fatality | Major Damage Repairable | Major Effect | National Impact | 4 | 8 | 12 | 16 | 20 | |
| 5 | Multiple Fatalities | Extensive Damage Complete Loss | Massive Effect | International Impact | 5 | 10 | 15 | 20 | 25 | |



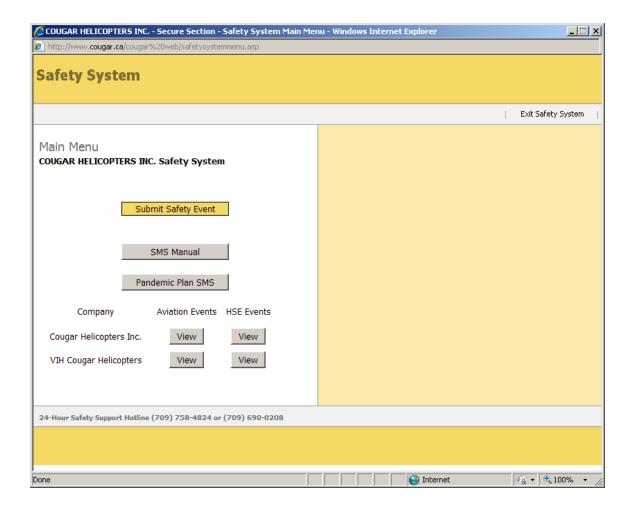
Safety Management System (SMS)

Level of Risk

| LEVEL OF RISK | ACTION REQUIRED |
|---------------|---|
| Low | Monitor and Manage through normal Safety Procedures. |
| Moderate | Monitor and maintain strict control measures, Review and introduce additional controls to ensure levels of risk are ALARP. |
| Unacceptable | Activities must be curtailed, Implement further control measures and reassess. If Risk cannot be reduced to an acceptable level, activity must not proceed. |

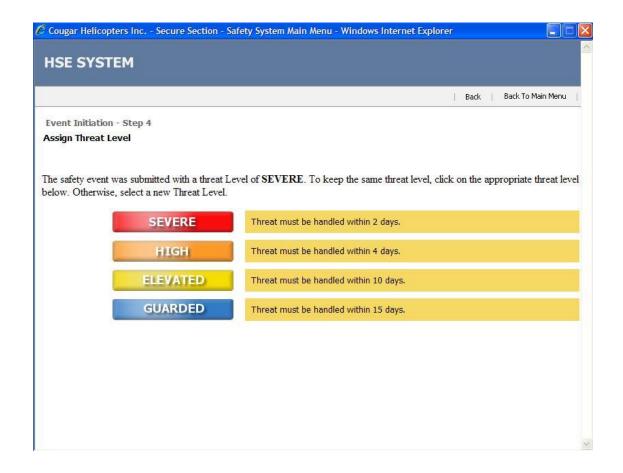


Safety Management System (SMS) Safety Reporting System





Safety Management System (SMS) Threat Levels

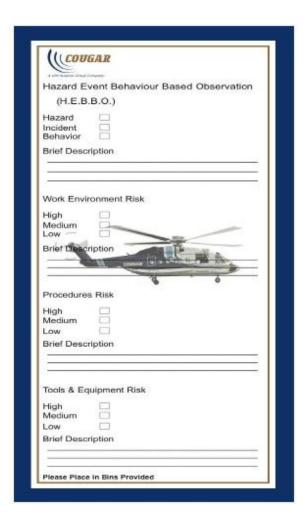




Safety Management System (SMS)

Hazard Event Behaviour Based Observation (HEBBO)







Safety Management System (SMS) Audit Schedule – 2009 Internal

| 2009 Quality Assurance Audits | Date | Person(s) Responsible | Status |
|-------------------------------|--------|---------------------------|----------|
| YYT Hangar Audit | Jan 09 | Quality Assurance Manager | Complete |
| Aircraft Audit SCH | Jan 09 | Quality Assurance Manager | Complete |
| Logbook Audit ZCH | Mar 09 | Quality Assurance Manager | Complete |
| Aircraft Audit YCH | Mar 09 | Quality Assurance Manager | Complete |
| Aircraft Audit VCH | Mar 09 | Quality Assurance Manager | Complete |
| Post Mod Audit VCH | Mar 09 | Quality Assurance Manager | Complete |
| Aircraft Audit HCH | Apr 09 | Quality Assurance Manager | Complete |
| Post Mod Audit QCH | Apr 09 | Quality Assurance Manager | Complete |
| Aircraft Audit MCH | Apr 09 | Quality Assurance Manager | Complete |
| Post Mod Audit MCH | Apr 09 | Quality Assurance Manager | Complete |
| Post Mod Audit TCH | Apr 09 | Quality Assurance Manager | Complete |
| Post Mod Audit SCH | May 09 | Quality Assurance Manager | Complete |
| Aircraft Audit TCH | Jun 09 | Quality Assurance Manager | Complete |
| Aircraft Audit NCH | Jun 09 | Quality Assurance Manager | Complete |
| Galliano Audit | Jun 09 | Quality Assurance Manager | Complete |
| Tech Records Audit | Sep 09 | Quality Assurance Manager | Complete |



Safety Management System (SMS) Audit Schedule – 2009 Internal

| 2009 Quality Assurance Audits | Date | Person(s) Responsible | Status |
|----------------------------------|--------|---------------------------|----------|
| Halifax Audit | Sep 09 | Quality Assurance Manager | Complete |
| Fuel Venders Audit YYT | Oct 09 | Quality Assurance Manager | Complete |
| Aircraft Audit GIHS | Oct 09 | Quality Assurance Manager | Complete |
| Post Mod Audit DKN | Oct 09 | Quality Assurance Manager | Complete |
| Stores Audit YYT | Oct 09 | Quality Assurance Manager | Complete |
| Aircraft Audit TIG | Oct 09 | Quality Assurance Manager | Complete |
| Aircraft Audit QCH | Nov 09 | Quality Assurance Manager | Complete |
| Aircraft Audit YCH | Dec 09 | Quality Assurance Manager | Complete |



Safety Management System (SMS) Audit Schedule – 2009 Internal

| 2009 Audits | Date | Person(s) Responsible | Status |
|------------------------|--------|-----------------------|----------|
| YHZ Pre-Start up Audit | Apr 09 | DSMS | Complete |
| YYT Safety Audit | May 09 | DSMS | Complete |
| YHZ Start-up Audit | Jun 09 | DSMS | Complete |
| BAR Start-up Audit | Aug 09 | DSMS | Complete |
| TUK Start-up Audit | Aug 09 | DSMS | Complete |
| YYT Internal ISO Audit | Sep 09 | DSMS, CP,DFO,DOM | Complete |
| YPR Switchover (SMS) | Sep 09 | DSMS | Complete |
| GAO Internal SMS | Oct 09 | DSMS | Complete |



Safety Management System (SMS) Audit Schedule – 2009 External

| 2009 Audits | Date | Person(s) Responsible | Status |
|-----------------------------|------------|-----------------------|----------|
| Husky, Contrail Aviation | Jan 09 | DSMS, CP,DFO,DOM | Complete |
| Marsh Consulting Assessment | Feb-Mar 09 | DSMS, CP,DFO,DOM | Complete |
| Transport Canada Audit | Mar 09 | DSMS, CP,DFO,DOM | Complete |
| Exxon/Husky/Petro Canada | Mar-Apr 09 | DSMS, CP,DFO,DOM | Complete |
| Encana Energy Audit | Jul 09 | DSMS, CP,DFO,DOM | Complete |
| Shell Aviation (SAI) Audit | Aug 09 | DSMS, CP,DFO,DOM | Complete |
| BP Audit | Aug 09 | DSMS, CP,DFO,DOM | Complete |
| Transport AOSH Audit | Aug 09 | DSMS, CP,DFO,DOM | Complete |
| External ISO Quality, QMI | Oct 09 | DSMS, CP, DFO, DOM | Complete |
| Husky/EM/Suncor HSEQ Audit | Oct 09 | DSMS | Complete |
| ExxonMobil Aviation Audit | Oct 09 | DSMS, CP, DFO, DOM | Complete |
| EnCana YHZ Audit | Oct 09 | DSMS, CP, DFO, DOM | Complete |
| Husky YYT Audit | Nov 09 | DSMS, CP, DFO, DOM | Complete |
| NL Compensation Audit | Dec 09 | DSMS, CP, DFO, DOM | Complete |
| Woodside Energy Audit | Dec 09 | DSMS, CP, DFO, DOM | Complete |



Safety Management System (SMS) Audit Schedule – 2009 External

| 2009 Quality Assurance Audits | Date | Person(s) Responsible | Status |
|----------------------------------|--------|---------------------------|----------|
| External Aerospace Audit | Dec 09 | Quality Assurance Manager | Complete |
| External Audit Rotormax | Dec 09 | Quality Assurance Manager | Complete |



Safety Management System (SMS) Company Drug and Alcohol Policy - Safety Sensitive Positions

- Pilots
- Aircraft Maintenance Engineers (AME)
- Rescue Specialists
- Dispatch
- Flight Following
- Ramp Staff / Security Agents
- Traffic Staff
- Helicopter Flight Data Monitoring (HFDM)

One member is electronically selected by Atlantic Offshore Medical Services Limited (AOMS) per visit (12 annually).



Return to Flight Changes

Changes to Cougar operations post March 12

- Updated emergency procedures and checklists
- Revised descent profile for emergencies and flying at a lower altitude
- Pilots were trained in changes to the procedures and descent profile
- Change to the location of the helicopter auxiliary fuel tank (requested by operators)



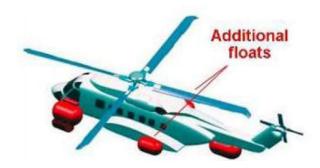
HOTF Recommendation #4

- Consider, in consultation with Cougar Helicopters, the installation of additional floatation on the S-92A fleet to sea state 6 capability.
 - Design sea state specification does not guarantee helicopter will remain upright in those conditions
 - However, additional floats should provide more stability on the sea surface
 - All floatation deploys automatically if armed or otherwise manually
 - Ordered additional floatation for all three S-92As in May 2009
 - Floatation available for installation mid-year 2010
 - Installation estimated to take 10 days per aircraft

Current Floatation Equipment



2010 Addition



HOTF Recommendation #11

11. Re-evaluate the current SAR arrangement the Operators have with Cougar, recognizing that the last formal assessment was done in 1997. Consideration should be given to response time and night flights.

Additional emergency response enhancements:

- Increased number of Rescue Specialists in back of aircraft from 2 to 3
- Pilot SAR training limited to a core group, increased training from 10 hours per month to 40 hours per month; required adding more pilots to pool
- Plan and schedule night hoist training to offshore installations (pending)
- Obtain auto-hover certification and install on aircraft; 20 additional hours of training per month for pilots (pending 2010)



HOTF Recommendation #17

17. Review use, type, and location of goggles in the helicopter as well as the potential effects the goggle strap may have on the suit hood air vent.

Cougar has recently implemented a new practice for goggles:

- No longer stored under each seat
- Goggles are located in a seat pocket, if available
- Otherwise, goggles are secured by being looped through the seat belt
- Cougar / Helicopter Landing Officer ensures goggles are secured









Conclusion