

PROPOSED TIMING SCHEDULE

10.1 First Round of Institutional

Funding in 1989

A project of this size requires funding obtainable from private investors, pension funds, institutional or governmental sources. Attracting the attention of an investor is the major short-term priority. The entrepreneurs believe that early interest from a government will help their fund raising activities.

It is hoped that this could happen by the first quarter of 1989.

10.2 CMVSS Certification

CMVSS Certification for a chassis and body is an available asset. The EXAR-1 has already been recognized as one of the strongest chassis and body designs available, but also much simpler in all aspects of certification than gasoline cars since there are hundreds less parts with which to contend.

This process will coincide with the building of the production facility. (See Section 7)

10.3 Ordering the first Assembly Plant

A commitment for some 12-13 million dollars is required to order the equipment for a plant. Another round of funding will need to be in place for inventory which

should cost approximately 12-14 million dollars. Technical advice on the plant will come from Snow Corp. who will deliver a turnkey factory and provide training for facility operation.

This could occur as early as 1Q, 1990.

10.4 Plant Start-up

The plant start-up is a significant milestone because it will give Canadian Electric Automobiles Ltd. the ability to produce a product and start generating cash for its investors and creating jobs in the process.

This could occur as early as 1Q, 1991 with a focussed effort and early funding commitments.

