

## MATERIAL CHANGE REPORT

1. **Reporting Issuer**

Vector Aerospace Corporation ("Vector")  
P.O. Box 458, STN. "C"  
34 Harvey Road  
St. John's, Newfoundland  
A1C 5K5

2. **Date of Material Change**

September 27, 2002

3. **Press Release**

The attached press release was issued by Vector on September 27, 2002.

4. **Summary of Material Change**

On September 27, 2002, Vector announced an update to its financial guidance for the third quarter ended September 30, 2002.

5. **Full Description of Material Change**

On September 27, 2002, Vector announced an update to its financial guidance for the third quarter ended September 30, 2002. Vector advised that the third quarter has been negatively impacted by a slower than anticipated recovery at Sigma Aerospace and the fact that certain helicopter airframe business did not materialize as expected. Vector advised that it is taking aggressive and immediate action to adjust the operations at Sigma in light of current activity levels, which includes a 25% work force reduction and other cost cutting measures that will improve operating performance.

As a result, Vector stated that it now expects breakeven net earnings in the quarter before giving effect to any special provisions related to the above action. Vector's previous financial guidance for the third quarter, which was provided on July 18, 2002, was for net earnings per share of \$0.10 to \$0.14 per share.

Vector advised that its full third quarter results would be released on October 24, 2002.

6. **Reliance on Confidentiality Provision of the Material Change**

Not applicable.

7. **Omitted Information**

Not applicable.

8. **Senior Officer**

For further information contact Maxwell Parsons, Chief Financial Officer, at (709) 724-4500.

9. **Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

DATED at St. John's, Newfoundland this 1st day of October, 2002.

**VECTOR AEROSPACE CORPORATION**

Per: *"Maxwell Parsons"*  
Maxwell Parsons  
Chief Financial Officer

## N E W S   R E L E A S E



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### **VECTOR AEROSPACE CORPORATION UPDATES GUIDANCE FOR THIRD QUARTER**

**Friday, September 27, 2002:** Vector Aerospace Corporation (“Vector” or the “Company”) (TSE: RNO) today announced an update to its financial guidance for the third quarter ended September 30, 2002.

The Company advises that the third quarter has been negatively impacted by a slower than anticipated recovery at Sigma Aerospace and the fact that certain helicopter airframe business did not materialize as expected. The Company is taking aggressive and immediate action to adjust the operations at Sigma in light of current activity levels. This includes a 25% work force reduction and other cost cutting measures which will improve operating performance.

As a result the Company now expects breakeven net earnings in the quarter before giving effect to any special provisions related to the above action. The Company’s previous financial guidance for the third quarter, which was provided on July 18, 2002, was for net earnings per share of \$0.10 to \$0.14 per share.

The Company’s full third quarter results will be released on October 24, 2002.

Vector Aerospace Corporation is an independent provider of aviation repair and overhaul services. Through facilities in Canada, the United States and the United Kingdom it provides services to commercial and military customers for various types of gas turbine engines, components and helicopter airframes. It also provides information technology solutions to a growing international customer base. Principal operations include Atlantic Turbines International, Sigma Aerospace, Alameda Aerospace, ACRO Aerospace, Helipro and Pathix.

The Company has approximately 1,300 employees.

#### Forward-looking Statements

This news release contains various forward-looking statements. These statements contain words or phrases such as “anticipate”, “could”, “expect”, “seek”, “may”, “intend”, “will”, “look forward”, “outlook”, “believes”, “targeting”, “feel” and similar expressions that are based on current expectations, estimates, projections, and targets related to the markets in which Vector Aerospace Corporation operates and with respect to its financial condition, results of operations, and the general business of the Company. By their very nature, forward-looking statements involve inherent risks and uncertainties that the forecasts, targets and assumptions will not be achieved. Indeed, the forward-looking statements may differ materially from actual results or events.

Readers are cautioned, therefore, not to place undue reliance on these statements as a number of important factors could cause actual results to differ materially from those expressed in such forward-looking statements, including, without limitation, the possibility that the severity and duration of the industry adjustment to the events of September 11<sup>th</sup> and the tensions and conflicts arising therefrom will have a greater effect on the Company than currently anticipated. Readers should also refer to the Company's annual information form and other continuous disclosure materials filed with Canadian Securities Regulatory Authorities for additional information with respect to certain of these risk factors. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

For further information, please contact:

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