



***Long Ranger working in the Northwest Passage, Nunavut.***



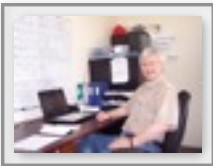
*Ian Swan,  
President and Operations Manager*

The New Year brings with it a refreshed sense of optimism for the helicopter industry. The challenges faced by many operators throughout the last two years appear to be behind us.

The economic climate is improving, the gas and oil sectors are active and mineral exploration is robust. Quantum Helicopters is currently making changes to our fleet configuration to meet these growing demands. While maintaining proven, reliable aircraft like the JetRanger, LongRanger, Astar and Bell 205 we are shifting our focus to Astar series aircraft to insure we can provide the right aircraft for the job.

We are confident these changes, along with our highly experienced and skilled crew, will allow us to continue providing the safe, efficient service we take pride in.

# Quantum Helicopters Quarterly Report January 2011



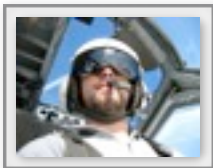
*Occupational Health and Safety Officer, Ernie Sande*

Heading into 2011 Quantum Helicopters continues to look for opportunities for improvement to our Safety and Health programs.

2011 is the third year of certification by BC Forest Safety Council and ENFORM (BC and Alberta) for our company programs in employee Health and Safety. We are moving towards our 2012 external recertification audit with confidence for continued success in our evolving safety program.

Transport Canada's anticipated "In-force date" to begin the three year implementation schedule for Safety Management Systems (SMS) is proposed for sometime in 2011. Quantum Helicopters is proud that Company safety initiatives have culminated in a full SMS being implemented prior to becoming mandatory under Canadian Air Regulations.

Our employees are the frontline contact with our customers and have a vital role to play with participation and input into company safety systems and procedures. Safety begins with teamwork and our employees are an integral part of the team!



*Avalanche Control by Lars Helgesen, Pilot.*

As the new year started off with a bang for most people mine started off with a boom! I routinely fly Avalanche Technicians in one of our companies A-star helicopters along some of British Columbia's most dangerous sections of road.

Working with three technicians from the north coast, maintaining automated weather stations conducting training/rescue scenarios and dropping dynamite charges on heavy snow loaded slopes threatening the highway below is a breeze from a helicopter designed to fly at high altitudes in cold air while packing four men with plenty of gear. We successfully triggered multiple avalanches on this expedition sending slides racing down mountain terrain for kilometers with snow plumes covering entire valleys with pure white snow. It was an incredible sight from the air!

I value the professional and personal relationships that have come from working with experienced crew dedicated to their art who expect me to be at my best when conditions are far from perfect. The work is challenging and requires a steady hand but I find it highly rewarding, I look forward to heading out each winter.