

The Newsletter for Employees & Friends of Cargojet

"INTRODUCING CARGOJET'S FLEET EXPANSION PLAN"



This year's traditional peak period is certainly shaping up to be extremely busy for all of us. As we remain focused on our core business model and continue to plan for a heavier peak than normal, we have gone through some major strategic initiatives in the last few months, to name a few:

- Start up of a new ACMI route from Wilmington to Calgary and Vancouver.
- The addition of a morning flight to Calgary and Vancouver.
- Doubling up capacity from Vancouver to four flights a day.
- Completion of Georgian Express acquisition and start up of Cargojet Regional brand on our 703 license.

- We have added four Cessna Caravan and three Beech 1900 Cargo aircraft and increased our annual flight legs by 8,320.
- Signing of four new commercial interline agreements with KLM, Olympic Airlines, Air Canada and Jet Airways.
- Successful launch of Infojet, our state of the art information technology revenue management project; certification of ISO 9000-2001; successful completion of the IATA audit; another Shippers' Choice Award for best Cargo Airline in Canada, our fifth in a row award; and lastly finalizing of our fleet replacement and upgrade of our fleet in 2008.

Please allow me to update you on the fleet replacement plan, which will be the backbone to our future. Although Boeing 727-200AF continues to be the backbone of our current and short-term fleet plans we have now analyzed in great detail what the future structure of our fleet will look like. I am pleased to announce that after much analysis we have finalized negotiations of a lease to add B757-200ER in the middle of 2008. We are also at the present, negotiating to replace three B727-200AF aircraft with two B767-200ER Wide Body freighters to our fleet.

Continued ...







These aircraft are much more fuel-efficient and environmentally friendly aircraft providing greater economies of scales and value added service to our customer base. These aircraft also position the company to take advantage of strategic international destinations since these are long-range aircraft.

Cargojet is embarking on a new era of growth and expansion while continuing to do what we do best, provide reliable and safe overnight service. Our biggest challenge would be the integration of both feeder aircraft as well as B757-200ER and B767-200ER aircraft to our fleet. Each of these aircraft would generate significant revenue and growth opportunities and provide us with an excellent platform to build upon and continue our growth in to the future.

The company has committed significant capital investment for these opportunities. The long term benefit to the company as well as customers are well justified. All these projects require significant investment, I am counting on Team Cargojet to ensure that we do all possible to reduce all unnecessary costs, be innovative and proactive in our overall approach to business. Monitoring and reducing cost does not mean reducing quality, safety and service to our customers. It simply means taking advantage of every opportunity to do everything efficiently and economically. This is the time when I ask of you to start thinking about doing more with less and not add unnecessary resources unless it is absolutely needed.

Continued ...







We simply just cannot let our cost grow at a disproportionate level while we shape the future of this organization. As a prudent and responsible business, we must ensure we all work as a team to ensure that the service levels that our customers are used to are maintained and our cost kept in line through this transition period.

Team Cargojet has always come through with all the challenges that have been presented in the past six years. Through every challenge we have always come out as a better organization. While we continue to grow, we must not lose sight that we must all continue to function not only as a team but as one family. Our biggest competitive edge in the market place is our ability to work together as a team. Often companies lose sight of the human element and to differentiate

ourselves from those organizations we must remember that our biggest strength in the market place is teamwork.

I am counting on each one of you to ensure you do your part and meet these challenges, continue working as a team, maintaining our corporate culture and continue to provide excellent customer service and value added services that our customers have become accustomed to.

Thank you and best regards,

Ajay K. Virmani President & CEO





"INTRODUCING THE CFO"



As this organizations new Chief Financial Officer, I am honoured with having the opportunity and privilege to serve this organization in this capacity and look forward to continuing to provide the highest standards of financial stewardship which all of our employees, shareholders, customers and suppliers deserve. There have been

many individuals and their families who have helped create such a strong organization over the past five years and to them, we owe them the responsibility of treating that success with the utmost respect and appreciation. As your CFO, I take this responsibility seriously and will continue to work hard in providing that guidance. As I write this, I am reminded about how far we have grown as an organization and the many opportunities we have developed not only for our employees, shareholders and suppliers, but for our entire customer base as well. In my opinion, it has been a remarkable example of how precious the balancing act is when taking a company as small as it was five years ago to where we are today.

This past year has once again proven how well this organization is able to meet and exceed the demands of a diversified group of customers and shareholders. This is an accomplishment that each one of our dedicated employees should feel a sense of fulfillment from. Specifically, there are a few recent key events that we should focus and reflect upon how it speaks about who we are and what this organization represents to the North American air cargo marketplace.

To begin with, the recent announcement of our launch of a new product and service, "Cargojet Regional" is significant in that we are developing a brand new service that promises to answer the needs of many of our customers. We are known as innovators in that history shows how Cargojet has brought security and stabilization to a once fragmented and volatile industry. We have provided a key platform to our customers' requirements for a safe, secure and timely delivery of their time sensitive shipments. From that platform, we have seen them gain market share both domestically and abroad. This has translated into more opportunities for Cargojet and with the development of a feeder program, we will again help our customers grow as

we provide a "first class" service, regardless of using large jet or smaller feeder aircraft. The reception that we have received from this announcement has been extremely positive and we're already seeing stronger demand for this product than first anticipated.

The second key event that deserves attention is more of an ongoing event rather than a one-time occurrence. That is our organizations continued profitability and excellent return to shareholders. Sure, gaining significant market share as we have done over the past several years is an achievement, but doing so while maintaining a strong financial position is key to our success. Everyone in this organization must realize the integral part they play in that process. We have worked hard to communicate this at all levels within Cargojet and from what I've witnessed so far, the message is getting through. It's hard work for everyone involved yet with hard work comes a better sense of accomplishment and I hope that you all feel that sense of accomplishment. We operate a business in an industry that has traditionally been one primed for financial failure. Cargojet is well recognized now as an organization committed to maintaining that balance between exceeding our customers' expectations and needs while providing a strong return to our investors. Although this accomplishment is very noteworthy, what is more rewarding is that these accomplishments are all a direct result of the fact that we have such an excellent, dedicated, professional group of individuals who come to work everyday to make it happen.

Of course there will be more challenges ahead and there will be other key events that define our organization. It's sure comforting knowing that from a senior financial managers perspective, we've got the right team of people meeting those challenges and maintaining that balance.

Wade Morell Chief Financial Officer



"CARGOJET TEAM ACHIEVES CUSTOMER SERVICE EXCELLENCE"

As most of you are aware, Cargojet is pleased to announce that it has once again been awarded the Shippers Choice Award as "Cargo Airline of the Year", for the fifth year! Cargojet surpassed shipper expectations in the total Industry Sector Average and particularly in the key areas of On-time Performance, Quality of Equipment & Operations, Customer Service, Leadership in Problem Solving, Competitive Pricing, and Value-Added Services.

Cargojet's total 2007 aggregate score was 128.2 which was measured against the overall 2007 benchmark of excellence of 119.6.

We should all be very proud that Cargojet is the only Canadian Air Cargo carrier, to receive this honour for the fifth year.

Canadian Transportation & Logistics Magazine, a leading industry publication, in conjunction with the federal government and research firm G. Bramm & Associates conducts a survey of over 4500 Canadian shippers. Providing them with an opportunity to set benchmarks for expected carrier performance in seven key areas and to rate their top carriers against those benchmarks.

"Cargojet continues to exceed the expectations of our customers by delivering a premium product into the Canadian marketplace. Our on time performance levels continue to exceed 98.5%. This award is a result of the dedication and loyalty of our professional team, consisting of over four hundred employees, who are the driving force of Cargojet," says Ajay Virmani, President & CEO.

In addition, Cargojet also recently completed a successful audit of its ISO 9001:2000 Quality Standard Accreditation for the seventh consecutive year. This audit included a thorough review of the company's documented quality management system to ensure that the ISO world-renowned quality management system is being followed internally. Once again, non-conformance found by the independent outside auditor were very minimal and all of us at Cargojet should be very proud of successful achievement.







"AIR CARGO SECURITY"

On June 14, Ajay was invited to lend his comments and insight into the current state of Air Cargo Security and Safety on the CBC news edition Sunday Night. We in the business understand that the air cargo system is a complex, multi-faceted network that handles a vast amount of freight, small package and mail carried aboard passenger and all cargo aircraft. The air cargo system is vulnerable to several security threats including potential plots to place explosives aboard aircraft; illegal shipments of hazardous material; criminal activities such as smuggling and theft; and potential hijackings and sabotage by persons with access to the aircraft. While it is generally agreed that full screening of all cargo placed on the aircraft is not currently feasible it raises many concerns on how we should tackle this problem.

What remains even more distressing is the fact that as a passenger you are required to remove your belt and shoes when going through security yet you could be sitting on 5-10 tons of cargo in the belly of a passenger aircraft that has been virtually unchecked.

Several procedural and technology initiatives have been proposed to enhance air cargo security and deter terrorists and criminal threats. Procedural initiatives include proposals to: expand the 'known shipper' program; increase cargo inspections; increase physical security of air cargo facilities; increase oversight of air cargo operations; provide security training for cargo workers; and tighten controls over access to aircraft during cargo operations. Technology being considered to improve air cargo security includes tamper resistant and tamper evident packaging and containers; explosive detection systems and other cargo screening technologies; blast resistant cargo containers; and biometric systems for worker identification and access control.

Cargojet has always played a leadership role in operating a safe and secure supply chain. By participating in various industry working groups, we feel strongly that we can help shape the decisions of Transport Canada and the TSA by providing valuable input from our experienced staff of professionals. Providing a safe and secure supply chain is everyone's responsibility and we are committed to engaging all levels of government and industry stakeholders in making this a continued reality.





"SAFETY MANAGEMENT SYSTEMS"

Transport Canada completed the review of our submission for Phase 2 implementation of our Safety Management System (SMS) and in April this year conducted an On-Site visit to validate that we have satisfied those conditions. We had a successful validation and our program is proceeding well.

We have an established Safety Policy, which is included in the Flight Operations Manual, Maintenance Control Manual, Maintenance Policy Manual, Cargojet Operations Manual and the SMS Program Manual.

The SMS Program Manual outlines our SMS processes and procedures and is available to all employees through their supervisors or Managers as well as through our secure Safety Website.

The Management Safety Review Committee (MSRC) is responsible for ensuring that the entire organization is effectively managing safety and dealing with risks in a timely manner. This Committee sets and reviews the SMS objectives and the Safety Policy.

Our stated objectives are:

SAFETY, SERVICE, SCHEDULE (on-time performance), listed in order of priority.

Each department is to work efficiently towards these objectives while maintaining compliance with all regulations governing the Company.

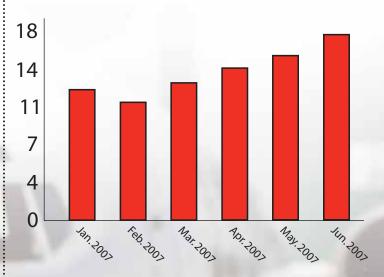
The Safety Action Committee is responsible for setting safety goals for the company and for establishing performance parameters to measure the attainment of these goals. It is also responsible for ensuring that reports are investigated and appropriate actions taken. The first goal set was to train all employees in the SMS process by June 30, 2007.

To this end we provided training throughout our system, conducting courses in Montreal, Halifax, Moncton, St. John's, Toronto, Hamilton, Winnipeg, Edmonton, Calgary, Vancouver and Newark. We conducted 46 sessions and trained 396 employees prior to June 30. Our thanks to everyone for their support in making this achievement possible. Training of new employees is on going and all new employees will receive SMS training within the first 6 months of employment.

Our Safety Website is up and running. There are a number of things available on the site such as: Cargojet Safety Policy, Safety Reporting Forms, The SMS Program Manual, The Flight Operations Manual, The Maintenance Control Manual, The Maintenance Policy Manual, Maintenance Procedures Manual, Cargo Operations Manual, Minutes of Safety Action Committee meetings and Health and Safety Committee meetings, links to various regulatory agencies. We will be adding more items over the coming months. Please visit us at www.cargojetsafety.com.

Thanks and congratulations to everyone who has sent in a safety report. We show a steady increase in the number of reports coming in each month since we started our training program in March. That is just great and we would like to see more. Remember, it is not just things that happen that we need to know about but also things that could happen. This is the important element of Phase 3 of the SMS implementation process, that we are proactively identifying hazards in our operations. You are very important in this process. Make safety awareness a part

Source within SMS Report



of your daily routine and send in information on things that you see that could cause injury or damage. We have tried to make the reporting system as simple and accessible as possible, so whether it is by sending in a safety report form or by e-mail at safety@cargojet.com, or by a phone call, please send it in. Everyone has something to contribute and all reports are confidential.

In August 2007 we will be changing over our database application to Q-Pulse, which will provide us with a robust system that reflects our SMS processes and provide us with data, actions and records, which are relevant to our operations.

In October 2007, we have an IATA Operational Safety Audit (IOSA) scheduled. IOSA is based on Globally Harmonized Standards. IOSA standards are derived from all relevant ICAO Standards, in particular Annexes 1,6, and 8. The IOSA audit standards are based on eight areas that contribute to airline operational safety. These are:

Corporate Organization and Management Systems (ORG)
Flight Operations (FLT)
Operational Control- Flight Dispatch (DSP)
Aircraft Engineering and Maintenance (MNT)
Cabin Operations (CAB)
Ground Handling (GRH)
Cargo Operations (CGO)
Operational Security (SEC)

IOSA's Goal is that of Continuous Safety Improvement.

As we go forward then, let us remember that our Safety Management System Program involves everyone. It is a company wide commitment to Safety Management.

Angela Campbell
Director Safety Management



"PILOT CONFERENCE 2007"

This was the 5th anniversary of our annual Pilot Conference event, and once again the gathering at Glen Abbey was a wonderful opportunity for the flight crews and the senior managers to meet and exchange ideas. This year was a particularly busy one, as the 28 new flight crew members joining our company for the new Cargojet Regional operation this fall attended the event.

The flight crews received a briefing on our company from senior executives of finance, marketing and sales, and maintenance. Ajay spent some time to share his unique perspective on the industry and the increasingly important role that Cargojet plays in the industry. Ajay also took the opportunity to unveil the newest aircraft in our fleet renewal program.

Needless to say, this generated a great deal of excitement, since everyone had the chance to share in some great news and to also feel even better about being a Cargojet One-Team member. Throughout the day, the importance of every single employee was emphasized in making our dreams a reality. The key to this is a consistent commitment to communication; not only in announcing new initiatives and company results, but also in listening to feedback and ideas from the front-line employees that deal with our customers on a day-to-day basis. A fundamental part of this communication is the high degree of respect the company has for each employee in recognizing each individual's unique needs as they build a prosperous future for themselves and their families. And of course, none of this is possible without the focused work of all of us in keeping the company financially vibrant by providing our customers with an excellent service in a profitable way.



Jamie Strangway Chosen As "First Officer of the Year"



Cheers to the CJ Regional Team!



Fred & Rollie singing a dedication to the group "Side by Side"



Colin Brazier. Selected "Captain of the Year"



"PILOT CONFERENCE 2007"

Once again there was a draw for this year's most popular pilots based on internal peer voting system by the group, and the winners were Captain Colin Brazier, First Officer James Strangway and Second Officer Tracy McCabe-Dehaan. They are fine examples of the qualities that make a Cargojet flight crew member very much admired by their colleagues.

Many exciting initiatives and plans were discussed at the meeting, and it was a tremendous kick-off to the upcoming peak season rush. It was a great way to welcome the new members of the team coming on board for Cargojet Regional. They were provided with a good insight into the Cargojet family, and it gave them a good sense of how we came to be the success story of Canadian Aviation in the previous five years. We look forward to a dynamic year ahead as we work together in maintaining that momentum and record of achievement.



Everyone relaxing after a successful conference



"Happy Birthday Cargojet"
Wins you two tickets to a Leafs game.
Good Job!



Cheers! To a great day and a great conference!



Serge Domerge with his dedication song
"One Team ..."
"One Family ..."
"One Joy ..."



Tracy McCabe-Dehaan, chosen As "Second Officer of the Year"



"DR. AJAY VIRMANI JOINS RICHARD GERE & SHILPA SHETTY"



Richard Gere, Shilpa Shetty & Dr. Ajay Virmani

On Sunday, September 9, 2007 Ms. Shilpa Shetty and Mr. Richard Gere attended an event at the Royal York hotel in Toronto, which was hosted by Dr. Ajay K. Virmani and the ONExONE Foundation.

Prominent leaders from the mainstream community attended the event to obtain a greater awareness of Mr. Gere's and Ms. Shetty's charities and humanitarian causes. Discussions included their vision of promoting and understanding the issues that threaten the welfare and property of communities throughout India and around the world. Mr. Gere is the founder and chair of Healing the Divide, which focuses its efforts on the HIV/AIDS pandemic in India. Ms. Shetty is also a member of the board of Healing the Divide Foundation.

"Today, Mr. Gere has taught all of us so much. He is a man who was not born in India, not raised in India, has no family to India...but does have a humanitarian connection to this country and its people. We need to learn from this great and compassionate individual, and to further continue with the foundation he has laid by committing ourselves in finding ways to enrich and better the lives of the children in India," said Dr. Virmani. "Shilpa is an inspiration to all Indians around the globe. She has become our Ambassador and our voice of philanthropy; she has awoken our consciousness in guiding us to do more for our homeland, our children, and our nations future. It is obvious

that Shilpa is a very beautiful woman, however, her beauty goes much deeper. She has very generously donated to many global causes and charities, and has been a driving force in finding a cure for AIDS. She has set a very high benchmark for all of us to follow," added Dr. Virmani.

"I am very honoured to be here today. As fellow humanitarians, I urge you to join me in supporting the fight against HIV/AIDS in India. I am committed to raising awareness of the plight of HIV/AIDS and the devastating effect this disease has on India and our future. It is our responsibility as human beings to come together and find a cure. I would also like to thank my dear friend Richard from the bottom of my heart for joining us today. He has been a mentor and an inspiration to me. Lastly, I would like to thank Ajay for hosting this event and his dedication and support of this worthy cause." said Shilpa Shetty.

"I would like to thank Ajay very much for inviting me here today. As I have traveled around the world, I have witnessed many atrocities ranging from child poverty to sickness and disease. HIV/AIDS does not discriminate by age, gender, culture it is a ruthless and faceless enemy to all human beings. It is essential that we come together, as a community and work to find a solution for these social weaknesses that tear the very fabric of children's future. I urge each of you to do your part, in giving to those in need and supporting these worthy causes."



Richard & Ajay



"WALK FOR ALS..."

Good afternoon everyone,

Its been 24 hours since my 5km walk to help find a cure for ALS and I have to say it was a huge success. The weather was fantastic and we all had allot of fun.

I'm e-mailing you all first, to let you know that I survived the walk and second I could not have done it without the help and support from all of you. My team, Dave's Guys and Dolls raised the most money of any other individual or team that participated in the walk. The grand total raised for the Brampton walk was almost \$28000.00. My teams total was \$6000.00 with \$4300.00 coming from all your contributions. "WOW"

Thank you just doesn't seem adequate enough to describe my gratitude. Knowing that I have friends and family away from home and in the workplace makes by battle easier.

This was my first walk for ALS and I hope to be able to participate in many more.

I'll be looking for your help and participation again this time next year.

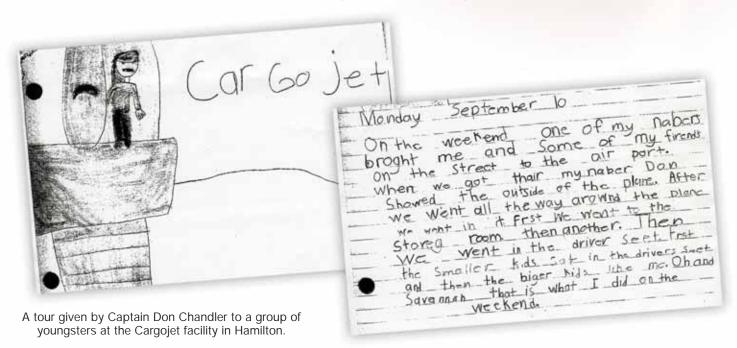
Thank you all.

Respectfully,

Dave Fisher
Manager Scheduling and Planning



"A VISIT TO HAMILTON"





"INTRODUCING KIM VOISIN - HR DIRECTOR"



Hi Everyone,

I am the new HR Director at Cargojet. I have over 25 years business experience in a highly challenging growth focused outsourcing organization. I have provided human resource and payroll services to as many as 4,000 employees so I understand the challenges faced in a fast paced, growing organization.

Like you I strongly believe in customer service and I am working towards streamlining many payroll and human resource services with a focus on improving customer (that's you) service.

Over the next several months I will be reorganizing the department in order to improve communication and accountability. I will be looking at the orientation and recruiting process in order to streamline

documentation and improve payroll and human resources accuracy while automating as many processes as possible.

Cargojet is growing in leaps and bounds and my past experience was with an organization that grew from 50 to over 4,000 employees. I understand the growing pains that you are going to face and look forward to applying my knowledge to help you through these challenges.

I have been working with our benefit providers to implement a Group RRSP/DPSP (Deferred Profit Sharing Plan). This plan would include contributions from Cargojet as well as the employees. Please watch for further details.

I look forward to working with everyone at Cargojet, learning and working in the fast paced Airline industry and making the human resource and payroll function a value added service.

Thanks,

Kim



"PLEASE WELCOME OUR CARGOJET REGIONAL TEAM"...



Conor Bell



Michael Bernardi



Sydney Bertram



Robert Butts



Emmanuel Conraux



Matt Farmer



Lukasz Kowalski



David Laing



Andrew McGuinness



Raj Naipal



Kevin Neil



Manoj Ramachandra



Ashwin Rao



Ron Rieter



Tim Robinson



Henno Rundva



Jerome Sagniez



Senth Sathiyadevan



Mike Schanzenbacher



Nicolaos Sourlingas



Cameron Spencer



Dale Sweeney



Victoria Szewczyk



Chris Thar



Josh Thompstone



Brad Totten



Louis Villeneuve



Lora Yowell



"HERE WE GROW AGAIN"...



Tyson Fletcher



Scott Kennedy



Kelly King



Ndrea Lebel



Shawn Mootrey



Robin Nundy



Jeffrey Pesowski



lan Rayburn



Robert Richardson



Dan Seniuk



Stefan Sobolewski



Philip Toza



Tyler Mullins



Kevin Chandler



Christopher Allen



Alex Best



Kevin Burton



James Garbutt



Kuen-Piu Kwan



Amit Maharajh



Marco Majerovich



Mark Rudge



Kris Smith



William Abele Second Officer



Ryan Bradford Second Officer



Richard Donaldson Second Officer



John Hodgins Second Officer



David Jerrett Second Officer



Andreas Kung Second Officer



Craig Laws Second Officer



Theodore Mamais Second Officer



Jeff Meacham Second Officer



Paul Merritt Second Officer



Chris M. Powers Second Officer



Guy Scourfield-Thomas Second Officer



Alefran Yovera



Ann Abra



Carl Molnar



Caroline Marsh



Ceilidh Hogan



Don Phillip



Jedilynn Irvine



John Al Young



Julio Sanchez





Richard Hone

Rick Campbell



Ron Popp



Vince Spoto



Virginia swartz



"CARGOJET CELEBRATES THE CALGARY STAMPEDE"



On July 13th, Cargojet in YYC hosted a barbeque for our customers, employees and suppliers in recognition of their contributions and service, and in celebration of "The Greatest Outdoor Show on Earth" – The Calgary Stampede. The Calgary Stampede is a world-famous Rodeo and Exhibition which has been a staple of summertime in Calgary since the 1920's. Cargojet was extremely proud and honoured to join the longtime Stampede tradition of celebrating this time with friends and colleauges through festive events like barbeques, and pancake breakfasts.



We enjoyed an excellent turn-out, and received rave reviews from all who attended. Thanks in large part to Derek's secret recipe Bar-B-Q sauce. The Cargojet Calgary team, with much appreciated help from some friends and family put on a great event. We couldn't have asked for better weather, or better company – and look forward to Stampede 2008!

CONGRATULATIONS TO ALL ON YOUR PROMOTIONS



Paul Rinaldo Vice President of Maintenance



Paul Martin Director of Technical Operations



Heather Burns Sales & Service Manager - Toronto



Christina Nicolaou Assistant Duty Manager



Dana Kurpaska Supervisor Safety Management Systems



Luciano Oliva Supervisor of Maintenance Planning & Technical Records



JETBITS . . .

Congratulations ... BABY GALLERY . . .



Daniella Adraina Vukojevic

She finally arrived Monday July 23rd, weighing 8 lbs, 7 oz. Matthew & Mateja are enjoying their new sister and are anxious to introduce her to everyone.



Introducing Baby Noah Johnston

Proud parents Olga & Bill Johnston



Happy 40TH Andy Hamilton

Andy Hamilton's surprise 40th birthday party at Emma's Back Porch in Ancaster.

WELCOME THE FOLLOWING TO OUR GLOBAL PARTNERSHIPS











Congratulations ...



Paul Martin weds his beautiful bride Jeannette, on August 6 in Newfoundland



The newlyweds are Jordan Magdalin
- YEG Ops Supervisor, and Michelle,
who were married in Dec. 2006
in the Dominican Republic



Congratulations to Geoff & Melissa Corey as they celebrate their special day

SENIOR MANAGEMENT CONFERENCE



Senior Managers taking in a Blue Jays baseball game while attending the Annual Managers Conference in Toronto earlier this year.



Merchandise For Sale! Please complete order form and forward to marketing dept.

SHARF WITH IIS

Jet Vibes is an employee publication of Cargojet. Your stories, ideas, pictures and comments are welcome. Next issue will be our Winter Issue.

Please send contributions to: cargojetcommunications@cargojet.com