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**ISSUER DETAILS**

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NAME OF ISSUER	FOR QUARTER ENDED	DATE OF REPORT
Omni-Lite Industries Canada Inc.	March 31, 2003	May 30, 2003

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**ISSUER'S ADDRESS**

1600 Bow Valley Sq2  
205 5th Ave. SW

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CITY, PROVINCE, POSTAL CODE	ISSUER FAX NO.	ISSUER TELEPHONE NO.
Calgary, AB T2P2V7	562-926-6913	562-404-8510

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CONTACT NAME	CONTACT'S POSITION	CONTACT TELEPHONE NO.
Ann Park	Administration	562-404-8510

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CONTACT EMAIL ADDRESS	WEBSITE ADDRESS
a.park@omni-lite.com	www.omni-lite.com

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**CERTIFICATE**

The three schedules required to complete this Annual Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this Annual Report will be provided to any shareholder who requests it.

DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED YY/MM/DD
"Don Kelly"	Don Kelly	May 30, 2003

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DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED YY/MM/DD
"Paul Schreckengost"	Paul Schreckengost	May 30, 2003

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**Omni-Lite Industries Canada Inc.  
Consolidated Financial Statements  
For the Interim three month period ended  
March 31, 2003  
(Unaudited- Prepared by Management)  
(in United States Dollars)**

**Contents**

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**Consolidated Interim Financial Statements**

<b>Consolidated Interim Balance Sheet</b>	<b>2</b>
<b>Consolidated Interim Statement of Income and Retained Earnings</b>	<b>3</b>
<b>Consolidated Interim Statement of Cash Flows</b>	<b>4</b>
<b>Notes to Consolidated Interim Financial Statements</b>	<b>5 - 7</b>

**Omni-Lite Industries Canada Inc.**  
**Consolidated Interim Balance Sheets**  
**(Unaudited – Prepared by Management)**  
**(in United States Dollars)**

As at	March 31, 2003 (Unaudited)	December 31, 2002 (audited)
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 9,645	\$ 75,377
Accounts receivable	574,634	380,273
Inventory	849,718	813,819
Prepaid expenses	5,600	4,952
	<u>1,439,597</u>	<u>1,274,549</u>
<b>Investments</b>	<b>106,866</b>	<b>106,866</b>
<b>Capital assets</b>	<b>6,475,417</b>	<b>5,524,954</b>
<b>Deposits on equipment</b>	<b>-</b>	<b>484,000</b>
<b>Deferred development and patent expenditures</b>	<b>4,255</b>	<b>4,255</b>
	<u>\$ 8,026,135</u>	<u>\$ 7,394,496</u>

**Liabilities and Shareholders' Equity**

<b>Current</b>		
Accounts payable and accrued liabilities	\$ 542,528	\$ 327,042
Due to related party (Note 2)	526,243	599,147
Current portion of long-term debt	469,000	324,000
	<u>1,537,771</u>	<u>1,250,189</u>
<b>Long-term debt</b>	<b>2,079,000</b>	<b>1,899,000</b>
<b>Future income taxes</b>	<b>289,000</b>	<b>289,000</b>
	<u>3,905,771</u>	<u>3,438,189</u>
<b>Share capital (Note 3)</b>	<b>2,283,916</b>	<b>2,283,916</b>
<b>Subscriptions receivable (Note 3(d))</b>	<b>(49,043)</b>	<b>(49,043)</b>
<b>Retained earnings</b>	<b>1,885,491</b>	<b>1,721,434</b>
	<u>4,120,364</u>	<u>3,956,307</u>
	<u>\$ 8,026,135</u>	<u>\$ 7,394,496</u>

On behalf of the Board:

\_\_\_\_\_  
 Don Kelly Director

\_\_\_\_\_  
 Paul Schreckenghost Director

**Omni-Lite Industries Canada Inc.**  
**Consolidated Interim Statements of Income and Retained Earnings**  
**(Unaudited – Prepared by Management)**  
**(in United States Dollars)**

**For the interim three month period ended March 31**

**2003**

**2002**

<b>Revenue</b>	<b>\$ 618,348</b>	<b>\$ 667,422</b>
<b>Cost of goods sold</b>	<b>166,210</b>	<b>175,957</b>
<b>Gross margin</b>	<b>452,138</b>	<b>491,465</b>
<b>Overhead expenses</b>		
Amortization	43,717	95,358
General and administrative	222,546	137,578
Interest on long-term debt	25,519	18,576
Research and product design	7,750	-
	<b>399,532</b>	<b>251,512</b>
<b>Income before the undernoted</b>	<b>152,606</b>	<b>239,953</b>
<b>Other (expenses) income</b>		
Rental	23,334	52,957
Foreign exchange	1,474	11,182
	<b>24,808</b>	<b>64,139</b>
<b>Income before income taxes</b>	<b>177,414</b>	<b>304,092</b>
<b>Income taxes</b>		
Current	13,357	6,127
Future	-	23,000
	<b>13,357</b>	<b>29,127</b>
<b>Net Income for the period</b>	<b>164,057</b>	<b>274,965</b>
Retained earnings, beginning of period	<b>1,721,434</b>	<b>2,090,838</b>
<b>Retained earnings, end of period</b>	<b>\$ 1,885,491</b>	<b>\$ 2,365,803</b>
<b>Earnings per share - basic</b>	<b>\$ 0.02</b>	<b>\$ 0.03</b>
- diluted	<b>\$ 0.02</b>	<b>\$ 0.03</b>
<b>Weighted average shares outstanding - basic</b>	<b>9,234,269</b>	<b>9,116,457</b>
- diluted	<b>9,598,713</b>	<b>9,290,415</b>

**Omni-Lite Industries Canada Inc.**  
**Consolidated Interim Statements of Cash Flows**  
**(Unaudited – Prepared by Management)**  
**(in United States Dollars)**

<b>For the interim three month period ended March 31</b>	<b>2003</b>	<b>2002</b>
<b>Cash flows from operating activities</b>		
Net income (loss) for the period	\$ 164,057	\$ 274,965
Adjustments for:		
Amortization	43,717	95,358
Future income taxes	-	(3,736)
Gain on sale of investment	-	23,000
Cash flow from operations	<u>207,774</u>	<u>389,587</u>
Net change in assets and liabilities		
Accounts receivable	(194,361)	(336,557)
Inventory	(35,898)	(77,140)
Prepaid expenses	(648)	(2,783)
Accounts payable and accrued liabilities	215,486	(86,244)
	<u>192,353</u>	<u>(113,137)</u>
<b>Cash flows from financing activities</b>		
Due to related parties	(72,903)	379,323
Repayment of long-term debt	-	27,375
Proceeds (repayment) from (of) long-term debt	325,000	(68,000)
	<u>252,097</u>	<u>338,698</u>
<b>Cash flows from investing activities</b>		
Deposits on equipment	484,000	(100,000)
Purchase of capital assets	(994,182)	(2,710)
	<u>(510,182)</u>	<u>(102,710)</u>
<b>Increase (decrease) in cash</b>	<b>(65,732)</b>	<b>122,851</b>
Cash, beginning of year	<u>75,377</u>	<u>40,331</u>
<b>Cash, end of period</b>	<b>\$ 9,645</b>	<b>\$ 163,182</b>

**Omni-Lite Industries Canada Inc.**  
**Notes to Consolidated Interim Financial Statement**  
**(Unaudited – Prepared by Management)**  
**For the Interim Three Month Period Ending**  
**March 31, 2003**

**1. Basis of and Responsibility for Presentation**

These unaudited interim financial statements are prepared in accordance with Canadian generally accepted accounting principles (“Canadian GAAP”), which are more fully described in the annual audited financial statements for the year ended December 31, 2002 included in the Company’s 2002 Annual Report. These statements do not include all of the disclosures required by Canadian GAAP for annual financial statements.

These financial statements have been prepared using the same accounting policies and methods of application as the audited financial statements of the Company for the year ended December 31, 2002.

In management’s opinion, all adjustments necessary for fair presentation have been included in these financial statements.

**2. Due to Related Party**

Due to related parties includes an amount of \$ 526,243 (2002 - \$599,147) due to a director and shareholder of the Company, which is unsecured, non-interest bearing and has no set terms of repayment.

**3. Share Capital**

(a) Authorized  
 Unlimited number of common shares

(b) Issued

	For the 3 months ending March 31, 2003		For the year ended December 31, 2002 (audited)	
	Number of Shares	Amount	Number of Shares	Amount
Total issued and outstanding, beginning of period	9,234,269	\$ 2,283,916	9,084,602	\$ 2,183,114
Issued upon exercise of stock options	-	-	149,667	100,802
Total issued and outstanding, end of period	9,234,269	\$ 2,283,916	9,234,269	\$ 2,283,916

**Omni-Lite Industries Canada Inc.**  
**Notes to Consolidated Interim Financial Statement**  
**(Unaudited – Prepared by Management)**  
**For the Interim Three Month Period Ending**  
**March 31, 2003**

**3. Share Capital – continued**

(c) Stock options

The Company has granted stock options to directors, consultants, and employees of the Company as follows:

	Number of Shares	Option Price per Share Range	Weighted Average Exercise Price
Options outstanding at Dec. 31, 2002	556,666	CDN \$0.98 to 1.97	CDN \$ 1.40
Options - exercised	-	-	-
- granted	350,000	CDN \$ 0.85	CDN \$ 0.85
- cancelled	(30,000)	CDN \$ 1.20	CDN \$ 1.20
Options outstanding at Mar. 31, 2003	876,666	CDN \$0.98 to 2.01	CDN \$ 1.40
Options exercisable at Mar. 31, 2003	464,444	CDN \$0.98 to 2.01	CDN \$ 1.28

The Company established a stock option plan for employees, directors and consultants on September 15, 1997. Under this plan, the Company is authorized to issue options up to 10% of the outstanding number of issued and outstanding shares. Vesting of options is determined on a grant-by-grant basis. Options granted can have expiry dates up to 5 years from the date of grant.

The options that are exercisable at March 31, 2003 are summarized as follows:

Options outstanding	Option price	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Number of Options Currently Vested	Weighted Average Exercise Price of Options Currently Exercisable
400,000	CDN \$0.85 to \$0.99	CDN \$ 0.87	4.6 years	33,333	CDN \$ 0.98
443,333	CDN \$1.00 to \$1.99	CDN \$ 1.40	2.6 years	297,777	CDN \$ 1.25
33,333	CDN \$2.01	CDN \$ 2.01	1.0 years	33,333	CDN \$ 2.00
<u>876,666</u>				<u>364,443</u>	

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**Omni-Lite Industries Canada Inc.**  
**Notes to Consolidated Interim Financial Statement**  
**(Unaudited – Prepared by Management)**  
**For the Interim Three Month Period Ending**  
**March 31, 2003**

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**3. Share Capital – continued**

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(d) Subscriptions receivable

During 2002, the Company issued promissory notes to options holders totaling \$49,043 to exercise stock options to acquire an aggregate of 76,667 common shares at exercise prices ranging from CDN\$0.98 to CDN\$1.40 per common share. The promissory notes are non-interest bearing and have a repayment date of 1 year from the date of the note.

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**4. Segmented Information**

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**Operating Segments:**

The Company operates as one operational segment selling specialized products to the sports and recreation, automobile, aerospace, military and commercial industries.

**Geographic Segments:**

The Company has its operations and subsidiaries in the United States, Canada and in Barbados. The Company has utilized and reported revenues based on the Company locations for each of these segments as follows:

March 31, 2003	United States	Canada	Barbados	Inter-corporate elimination	Total
Revenues	\$ 253,787	\$ -	\$ 547,723	\$ (183,162)	\$ 618,348
Capital assets	\$ 6,374,114	\$ 5,401	\$ 95,902	\$ -	\$ 6,475,417

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