D. Yaretz #8
December 1, 2011

NO. S115028
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, c. C-44

AND

IN THE MATTER OF PAKIT INC.

PETITIONER

AFFIDAVIT

I, DWAYNE YARETZ, Businessman, of 2250 – 1050 West Pender Street, Vancouver, British Columbia, SWEAR THAT:

1. I am the President of the Petitioner, and as such I have direct knowledge of the facts and matters hereinafter deposed to, except where stated to be on information and belief, and where so stated I verily believe them to be true.

2. Attached hereto and marked as Exhibit "A" to this my Affidavit is a copy of the Consolidated Weekly Cash Flow Forecast for the 28 week period ending February 3, 2012, which has been prepared by the Petitioner for purposes of the application to extend the initial order herein beyond December 2, 2011.

3. Attached hereto and marked as Exhibit "B" to this my Affidavit is a copy of a letter that I received today from our customer dated November 30, 2011.

SWORN BEFORE ME at the City of Vancouver, in the Province of British Columbia, this 1st day of December, 2011	))))	
A Commissioner for taking Affidavits in British Columbia	))	**DWAYNE YARETZ**

WARREN B. MILMAN
Barrister & Solicitor
1300 - 777 DUNSMUIR STREET
VANCOUVER, B.C. V7Y 1K2
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203826-435434
DOCS #10968395

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Pakit Inc.
CONSOLIDATED Weekly Cash Flow Forecast (Note 1)
For the 28-week period ending February 3, 2012
($000's)

	Week 1 to Week 18 Actual Total	December Week 19 *Forecast* 2-Dec	Week 20 *Forecast* 9-Dec	Week 21 *Forecast* 16-Dec	Week 22 *Forecast* 23-Dec	Week 23 *Forecast* 30-Dec	January Week 24 *Forecast* 6-Jan	Week 25 *Forecast* 13-Jan	Week 26 *Forecast* 20-Jan	Week 27 *Forecast* 27-Jan	February Week 28 *Forecast* 3-Feb	Week 19 to Week 28 *Forecast* Total	Week 1 to Week 28 Total
Receipts													
Customer collections	191	1,000	-	-	-	-	-	-	-	-	-	1,000	1,191
Funding	3,666	-	-	-	-	-	1,000	-	-	-	-	1,000	4,666
Proposed DIP financing	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	496	75	-	5	-	75	-	-	10	39	75	279	775
Total Receipts	4,353	1,075	-	5	-	75	1,000	-	10	39	75	2,279	6,632
Disbursements													
Raw materials and production	101	83	219	179	181	-	-	170	-	6	6	845	945
Payroll, benefits and payroll taxes	1,537	20	104	48	111	62	-	152	101	66	-	663	2,201
Sales and marketing costs	-	-	-	-	-	-	-	-	-	-	-	-	-
Research and development costs	24	10	-	-	-	-	10	-	-	-	-	20	44
Other general and administrative costs	303	21	3	6	1	-	110	-	12	-	-	153	456
Rent	313	69	2	-	-	-	69	-	-	-	-	139	453
Consulting fees	125	6	15	-	-	-	13	-	-	-	-	34	160
Other Professional fees	75	4	-	17	-	-	-	17	-	-	-	38	112
CCAA Professional fees	439	60	40	40	50	30	60	35	40	30	60	445	884
Taxes (Sweden VAT)	292	-	71	-	-	-	-	71	-	-	-	142	434
Pre-filing liabilities - Pakit Inc.	95	-	-	-	-	-	-	-	-	-	-	-	95
Other liabilities pre July 12, 2011 (Pakit International and PIT)	909	105	141	7	43	-	79	6	2	-	-	383	1,292
Fixed assets	-	-	-	-	-	-	-	-	-	-	-	-	-
DIP financing repayment	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingency	(6)	-	-	20	-	-	-	-	20	-	-	40	34
Total Disbursements	4,207	377	595	318	386	92	341	451	175	102	66	2,903	7,110
Net Cash Flow	146	698	(595)	(313)	(386)	(17)	659	(451)	(165)	(63)	9	(624)	(478)
Intercompany inflow/(outflow)													
Pakit Inc.	(682)	-	-	-	(235)	-	(91)	(363)	(115)	-	-	(805)	(1,486)
Pakit International	(21)	(200)	(426)	(16)	(50)	-	(46)	203	3	(6)	(6)	(544)	(565)
PIT	703	200	426	16	285	-	137	160	112	6	6	1,348	2,051
Total Intercompany	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow Post Intercompany	146	698	(595)	(313)	(386)	(17)	659	(451)	(165)	(63)	9	(624)	(478)
Cash Position													
Opening Cash Position	726	871	1,569	974	661	275	258	918	467	302	239	871	726
Closing Cash Position	871	1,569	974	661	275	258	918	467	302	239	248	248	248

Notes:

See next page.

This is Exhibit "A" referred to in the affidavit of DWAYNE YARETZ made before me on this 1st day of DECEMBER, 2011.

A Commissioner for taking Affidavits in British Columbia

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Pakit Inc.
CONSOLIDATED Weekly Cash Flow Forecast (Note 1)
For the 28-week period ending February 3, 2012

Notes:

1. The purpose of these cash flow forecasts is to set out the liquidity requirements of the Pakit Companies during the CCAA proceedings. Since projections are based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material. The forecast above is an illustrative scenario which does not take into consideration a large equity funding that Pakit is currently in the process of attempting to raise. Although no commitment to provide such funding has been received to date, management expects to have a commitment for such funding before December 31, 2011 and to receive the proceeds before January 31, 2012. These expected proceeds and corresponding additional disbursements are not reflected in the forecast above.
2. Customer collections primarily relate to one customer based in North America. Management has assumed payment of $1,000,000 in Week 19 which is to be received as a deposit on one machine including a microwave dryer and wet end. An initial deposit of $99,000 was received in Week 6.
3. The Company expects to receive $1,000,000 in additional financing in Week 24. There are currently no commitments to receive this funding. The forecast does not reflect a larger equity financing that is expected to be committed before the end of December and received before the end of January or any additional payments that would be made following receipt of such funding. The Company is in discussions with a potential investor to provide the large funding but no agreement has been executed.
4. It is assumed that no DIP financing will be required as sufficient equity financing is expected to be raised.
5. Other receipts for Weeks 19 to 23 include $225,000 of VAT refunds, $15,000 of HST refunds and $39,000 of receipts from prototyping projects.
6. Raw materials and production costs have been forecast based on estimated costs to complete units and prototyping project in progress.
7. Operating disbursements including rent, payroll and other operating costs have been forecast generally based on the current run-rates of the associated expenses and adjusted for certain measures to reduce disbursments to a minimum during the restructuring period. Other general and administrative costs include travel, insurance, office costs and fund raising commissions estimated at 7% of funds raised.
8. Professional fee disbursements have been forecast based on projected costs by professional services firms relating to the restructuring.
9. Other liabilities relate to amounts owed by Pakit International and Packaging International Technology Sweden AB ("PIT") prior to the Pakit Inc. filing date and are assumed to be paid if equity financing is received in order to support the ongoing operations of these entities and related receipts. These payments are forecast to include $256,000 of payments to suppliers, $102,000 of payments to the PIT landlord and $25,000 of payments to patent attorneys for the period from Week 19 to Week 28.

Pakit Inc.
Non-Consolidated Weekly Cash Flow Forecast (Note 1)
For the 28-week period ending February 3, 2012
($000's)

	Week 1 to Week 18 Actual Total	December					January				February	Week 19 to Week 28 Forecast Total	Week 1 to Week 28 Total	Notes
		Week 19 *Forecast* 2-Dec	Week 20 *Forecast* 9-Dec	Week 21 *Forecast* 16-Dec	Week 22 *Forecast* 23-Dec	Week 23 *Forecast* 30-Dec	Week 24 *Forecast* 6-Jan	Week 25 *Forecast* 13-Jan	Week 26 *Forecast* 20-Jan	Week 27 *Forecast* 27-Jan	Week 28 *Forecast* 3-Feb			
Receipts														
Customer collections	91	-	-	-	-	-	-	-	-	-	-	-	91	
Funding - Equity	3,209	-	-	-	-	-	1,000	-	-	-	-	1,000	4,209	2
Proposed DIP financing	-	-	-	-	-	-	-	-	-	-	-	-	-	3
Other receipts	156	-	-	5	-	-	-	-	10	-	-	15	171	
Total Receipts	3,456	-	-	5	-	-	1,000	-	10	-	-	1,015	4,471	
Disbursements														
Raw materials and production	-	-	-	-	-	-	-	-	-	-	-	-	-	
Payroll, benefits and payroll taxes	532	8	-	48	-	62	-	48	-	56	-	222	754	4
Research and development costs	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other general and administrative cost	195	21	-	-	-	-	91	-	-	-	-	113	308	4
Rent	71	18	-	-	-	-	18	-	-	-	-	36	107	4
Consulting fees	95	5	9	-	-	-	5	-	-	-	-	19	114	
Other Professional fees	15	-	-	5	-	-	-	5	-	-	-	10	25	
CCAA Professional fees	439	60	40	40	50	30	60	35	40	30	60	445	884	5
Pre-filing liabilities	95	-	-	-	-	-	-	-	-	-	-	-	95	
Contingency	(27)	-	-	20	-	-	-	-	20	-	-	40	13	
Total Disbursements	1,415	112	49	113	50	92	174	88	60	86	60	884	2,299	
Net Cash Flow	2,041	(112)	(49)	(108)	(50)	(92)	826	(88)	(50)	(86)	(60)	131	2,172	
Intercompany	-													
Inflow/(outflow) - PIT	(1,249)	-	-	-	-	-	-	-	-	-	-	-	(1,249)	
Inflow/(outflow) - International	(682)	-	-	-	(235)	-	(91)	(363)	(115)	-	-	(805)	(1,486)	
Net Cash Flow Post Intercompany	110	(112)	(49)	(108)	(285)	(92)	734	(451)	(165)	(86)	(60)	(674)	(564)	
Cash Position														
Opening Cash Position	720	830	717	669	561	275	183	918	467	302	216	830	720	
Closing Cash Position	830	717	669	561	275	183	918	467	302	216	156	156	156	

Notes:

1. The purpose of this cash flow forecast is to set out the liquidity requirements of Pakit Inc. during the CCAA proceedings. Since projections are based on assumptions regarding future events, actual results will vary from the information presented, and the
2. Customer collections primarily relate to one customer based in North America. Management has assumed payment of $1,000,000 in Week 19 which is to be received as a deposit on one machine including a microwave dryer and wet end. An initial deposit of $99,000
3. It is assumed that no DIP financing will be required as sufficient equity financing is expected to be raised.
4. Operating disbursements including rent, payroll and other operating costs have been forecast generally based on the current run-rates of the associated expenses and adjusted for certain measures to reduce disbursments to a minimum during the restructuring
5. Professional fee disbursements have been forecast based on projected costs by professional services firms relating to the restructuring.

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Pakit International Trading Company Inc.
Non-Consolidated Weekly Cash Flow Forecast (Note 1)
For the 28-week period ending February 3, 2012
($000's)

	Week 1 to Week 18 Actual Total	December					January				February	Week 19 to Week 28 *Forecast* Total	Week 1 to Week 28 Total	Notes
		Week 19 *Forecast* 2-Dec	Week 20 *Forecast* 9-Dec	Week 21 *Forecast* 16-Dec	Week 22 *Forecast* 23-Dec	Week 23 *Forecast* 30-Dec	Week 24 *Forecast* 6-Jan	Week 25 *Forecast* 13-Jan	Week 26 *Forecast* 20-Jan	Week 27 *Forecast* 27-Jan	Week 28 *Forecast* 3-Feb			
Receipts														
Customer collections	99	1,000	-	-	-	-	-	-	-	-	-	1,000	1,099	2
Funding	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other receipts	336	75	-	-	-	75	-	-	-	39	75	264	600	3
Total Receipts	435	1,075	-	-	-	75	-	-	-	39	75	1,264	1,699	
Disbursements	-													
Raw materials and production	-	-	76	170	-	-	-	170	-	-	-	416	416	4
Payroll, benefits and payroll taxes	131	-	15	-	10	-	-	15	-	10	-	50	181	
Sales and marketing costs	-	-	-	-	-	-	-	-	-	-	-	-	-	
Research and development costs	3	-	-	-	-	-	-	-	-	-	-	-	3	
Other general and administrative costs	18	-	3	-	1	-	-	-	1	-	-	5	23	
Rent	11	-	2	-	-	-	-	-	-	-	-	2	13	
Consulting fees	6	1	-	-	-	-	1	-	-	-	-	2	8	
Other Professional fees	60	4	-	12	-	-	-	12	-	-	-	28	88	
CCAA Professional fees	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other liabilities (pre July 12, 2011)	184	27	25	7	40	-	28	6	2	-	-	135	319	5
Contingency	(3)	-	-	-	-	-	-	-	-	-	-	-	(3)	
Total Disbursements	411	32	121	189	51	-	29	203	3	10	-	637	1,048	
Net Cash Flow	24	1,043	(121)	(189)	(51)	75	(29)	(203)	(3)	29	75	627	651	
Intercompany														
Inflow/(outflow) - Pakit Inc.	682	-	-	-	235	-	91	363	115	-	-	805	1,486	
Inflow/(outflow) - PIT	(703)	(200)	(426)	(16)	(285)	-	(137)	(160)	(112)	(6)	(6)	(1,348)	(2,051)	
Net Cash Flow Post Intercompany	3	843	(547)	(205)	(101)	75	(75)	-	-	23	69	83	86	
Cash Position														
Opening Cash Position	6	9	852	305	101	-	75	-	-	-	23	9	6	
Closing Cash Position	9	852	305	101	-	75	-	-	-	23	92	92	92	

Notes:

1. The purpose of this cash flow forecast is to set out the liquidity requirements of Pakit Inc. during the CCAA proceedings. Since projections are based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.
2. Customer collections primarily relate to one customer based in North America. Management has assumed payment of $1,000,000 in Week 19 which is to be received as a deposit on one machine including a microwave dryer and wet end. An initial deposit of $99,000 was received in Week 6.
3. Other receipts for Weeks 19 to 28 include $225,000 of VAT refunds and $39,000 of receipts from prototyping projects.
4. Raw materials and production costs have been forecast based on estimated costs to complete units and prototyping project in progress.
5. Other liabilities relate to amounts owed by Pakit International prior to the Pakit Inc. filing date and are assumed to be paid in order to support the ongoing operations and related receipts. These payments include $25,000 for legal fees for the patent attorneys, $110,000 for suppliers for the period from Week 19 to Week 28.

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Packaging International Technology Sweden AB
Non-Consolidated Weekly Cash Flow Forecast (Note 1)
For the 28-week period ending February 3, 2012
($000's)

Expressed in CAD		Week 1 to Week 18	December					January				February	Week 19 to Week 28	Week 1 to Week 28	
Fx Rate (1)	0.1550	Actual Total	Week 19 Forecast 2-Dec	Week 20 Forecast 9-Dec	Week 21 Forecast 16-Dec	Week 22 Forecast 23-Dec	Week 23 Forecast 30-Dec	Week 24 Forecast 6-Jan	Week 25 Forecast 13-Jan	Week 26 Forecast 20-Jan	Week 27 Forecast 27-Jan	Week 28 Forecast 3-Feb	Forecast Total	Total	Notes
Receipts															
Customer collections		-	-	-	-	-	-	-	-	-	-	-	-	-	
Funding - Debt		457	-	-	-	-	-	-	-	-	-	-	-	457	
Other receipts		4	-	-	-	-	-	-	-	-	-	-	-	4	
Total Receipts		462	-	-	-	-	-	-	-	-	-	-	-	462	
Disbursements															
Raw materials and production		101	83	143	9	181	-	-	-	-	6	6	428	529	2
Payroll, benefits and payroll taxes		874	12	89	-	101	-	-	89	101	-	-	391	1,265	3
Sales and marketing costs		-	-	-	-	-	-	-	-	-	-	-	-	-	
Research and development costs		22	10	-	-	-	-	10	-	-	-	-	20	42	
Other general and administrative costs		89	-	-	6	-	-	19	-	11	-	-	36	125	
Rent		231	51	-	-	-	-	51	-	-	-	-	102	332	3
Consulting fees		24	-	7	-	-	-	7	-	-	-	-	14	38	
Other Professional fees		-	-	-	-	-	-	-	-	-	-	-	-	-	
CCAA Professional fees		-	-	-	-	-	-	-	-	-	-	-	-	-	
Taxes (Sweden VAT)		292	-	71	-	-	-	-	71	-	-	-	142	434	
Other liabilities (pre July 12, 2011)		725	78	116	-	3	-	51	-	-	-	-	248	973	4
Contingency		24	-	-	-	-	-	-	-	-	-	-	-	24	
Total Disbursements		2,381	233	426	16	285	-	137	160	112	6	6	1,381	3,762	
Net Cash Flow		(1,920)	(233)	(426)	(16)	(285)	-	(137)	(160)	(112)	(6)	(6)	(1,381)	(3,301)	
Intercompany															
Inflow/(outflow) - Pakit Inc.		1,249	-	-	-	-	-	-	-	-	-	-	-	1,249	
Inflow/(outflow) - Pakit International		703	200	426	16	285	-	137	160	112	6	6	1,348	2,051	
Net Cash Flow Post Intercompany		33	(33)	-	-	-	-	-	-	-	-	-	(33)	-	
Cash Position															
Opening Cash Position		-	33	-	-	-	-	-	-	-	-	-	33	-	
Closing Cash Position		33	-	-	-	-	-	-	-	-	-	-	-	-	

Notes:

1. The purpose of this cash flow forecast is to set out the liquidity requirements of Pakit Inc. during the CCAA proceedings. Since projections are based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material. Bank of Canada exchange rate for Swedish krona to Canadian dollars as at November 25, 2011 plus the expected spread.
2. Raw materials and production costs have been forecast based on estimated costs to complete units and prototyping projects in progress.
3. Operating disbursements including rent, payroll and other operating costs have been forecast generally based on the current run-rates of the associated expenses.
4. Other liabilities relate to amounts owed by PIT prior to the Pakit Inc. filing date and are assumed to be paid in order to support the ongoing operations and related receipts. These payments include $102,000 of payment to the landlord and $146,000 of supplier payments during the period from Week 19 to Week 28.

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This is Exhibit "B" referred to in the affidavit of DWAYNE YARETZ made before me on this 1st day of DECEMBER, 2011

A Commissioner for taking Affidavits in British Columbia

unisource Global ®

Unisource Global Solutions
2460 E Germann Road, Ste. 2
Chandler, AZ 85286

Nov 30, 2011

Attn: Dwayne Yaretz

Pakit Inc.
1050 West Pender St.
Suite 2250
Vancouver, BC, Canada

RE: Unisource Global Solutions Forthcoming Deposit on Purchase of Pakit 100 Line

Dear Dwayne,

As per our discussions, Unisource Global Solutions intends to install a Pakit 100 Line in our Technology and Development Center located in Chandler, Arizona.

To that end we have initiated our cash disbursement process for a $1 Million USD ($1,000,000.00USD) deposit on said Pakit 100 Line. Pakit should expect to receive this payment via wire transfer in the next few days per the wire instructions previously received from Pakit.

Best Regards,

Robert Plowman
Director of Business Operations
Unisource Global Solutions

A business unit of Unisource Worldwide, Inc.