

STOCK PURCHASE AGREEMENT AND SHARE EXCHANGE

by and among

EQUUS RESOURCES, INC.

a Colorado Corporation;

and

QUASAR AEROSPACE INDUSTRIES, INC.

a Delaware Corporation;

MARCH __, 2009

STOCK PURCHASE AGREEMENT AND SHARE EXCHANGE

THIS STOCK PURCHASE AGREEMENT AND SHARE EXCHANGE, made and entered into as of this ___th day of March, 2009 (the "Agreement"), by and among EQUUS RESOURCES, INC., a Colorado corporation with its principal place of business located at P.O. Box 1122, Pone Vedra Beach, FL 32004 ("EQUUS"); the undersigned EQUUS Shareholders (the "EQUUS Shareholder") and QUASAR AEROSPACE INDUSTRIES, INC., a Delaware Corporation, with its principal place of business located at 9300 Normandy Blvd., Suite 511, Jacksonville, FL 32221 ("Quasar").

WHEREAS, this Agreement provides for the acquisition of Quasar whereby Quasar shall become a wholly owned subsidiary of EQUUS and in connection therewith, EQUUS shall issue Preferred Shares convertible into seventy percent (70 %) of the total outstanding shares of EQUUS common stock, which will represent, and equate to, 70% of the issued and outstanding common stock of EQUUS upon conversion. Prior to conversion the preferred shares will represent seventy percent of the voting class of stock.

WHEREAS, the boards of directors of EQUUS and Quasar have determined, subject to the terms and conditions set forth in this Agreement, that the transaction contemplated hereby is desirable and in the best interests of their stockholders, respectively. This Agreement is being entered into for the purpose of setting forth the terms and conditions of the proposed acquisition.

Agreement

NOW, THEREFORE, on the stated premises and for and in consideration of the mutual covenants and agreements hereinafter set forth and the mutual benefits to the parties to be derived herefrom, it is hereby agreed as follows:

ARTICLE I REPRESENTATIONS, COVENANTS AND WARRANTIES OF INTELISYS AND INTELISYS SHAREHOLDERS

As an inducement to and to obtain the reliance of Quasar, EQUUS represents and warrants as follows:

Section 1.1 Organization. EQUUS is a corporation duly organized, validly existing, and in good standing under the laws of Colorado and has the corporate power and is duly authorized, qualified, franchised and licensed under all applicable laws, regulations, ordinances and orders of public authorities to own all of its properties and assets and to carry on its business in all material respects as it is now being conducted, including qualification to do business as a foreign corporation in the jurisdiction in which the character and location of the assets owned by it or the nature of the business transacted by it requires qualification. Included in the Schedules attached hereto (hereinafter defined) are complete and correct copies of the articles of incorporation, by-laws and amendments thereto as in effect on the date hereof. The execution and delivery of this Agreement does not and the consummation of the transactions contemplated by this Agreement in accordance with the terms hereof will not violate any provision of EQUUS's articles of incorporation or by-laws. EQUUS has full power, authority and legal right and has

taken all action required by law, its articles of incorporation, its by-laws or otherwise to authorize the execution and delivery of this Agreement.

Section 1.2 Capitalization. The authorized capitalization of EQUUS consists of 750,000,000 shares of common stock, \$0.0001 par value per share and is authorized to issue 50,000,000 shares of preferred stock with no par value per share. As of the date hereof, EQUUS has approximately 197,000,000 common shares issued and outstanding. Most issued and outstanding shares are legally issued, fully paid and nonassessable and are not issued in violation of the preemptive or other rights of any person. However, there are some shares that are being questioned as to their validity.

Section 1.3 Subsidiaries. EQUUS has no subsidiaries.

Section 1.4 Tax Matters: Books and Records.

- (a) The books and records, financial and others, of EQUUS are now in the custody of EQUUS and a current balance sheet is being worked on by management. There has been little or no business conducted in almost two years, therefore an operating statement will not be available. Henceforth the books and records will be maintained in accordance with good business accounting practices; and
- (b) EQUUS has no liabilities with respect to the payment of any country, federal, state, county, or local taxes (including any deficiencies, interest or penalties); and
- (c) EQUUS shall not pay all outstanding liabilities at or prior to the Closing.

Section 1.5 Litigation and Proceedings. There are no actions, suits, proceedings or investigations pending or threatened by or against or affecting EQUUS or its properties, at law or in equity, before any court or other governmental agency or instrumentality, domestic or foreign or before any arbitrator of any kind that would have a material adverse affect on the business, operations, financial condition or income of EQUUS. EQUUS is not in default with respect to any judgment, order, writ, injunction, decree, award, rule or regulation of any court, arbitrator or governmental agency or instrumentality or of any circumstances which, after reasonable investigation, would result in the discovery of such a default.

Section 1.6 Material Contract Defaults. EQUUS is not in default in any material respect under the terms of any outstanding contract, agreement, lease or other commitment which is material to the business, operations, properties, assets or condition of EQUUS, and there is no event of default in any material respect under any such contract, agreement, lease or other commitment in respect of which EQUUS has not taken adequate steps to prevent such a default from occurring.

Section 1.7 Information. The periodic reports that should have been filed by EQUUS with the Securities and Exchange Commission pursuant to the Securities Act of 1934, as amended, during its last two fiscal years have not been filed, however, they will be shortly after the close and will be true and correct in all material respects and will not contain any untrue statement of a material fact or omit to state

a material fact required to make the statements made in light of the circumstances under which they were made, not misleading. There has been material changes in the business of EQUUS since its last period filing. The information concerning EQUUS as set forth in this Agreement and in the attached Schedules is complete and accurate in all material respects to the best of current management's ability, and to their knowledge does not contain any untrue statement of a material fact or omit to state a material fact required to make the statements made in light of the circumstances under which they were made, not misleading.

Section 1.8 Title and Related Matters. EQUUS does not have substantial assets, however, if any, EQUUS has good and marketable title to and is the sole and exclusive owner of all of its properties, inventory, interest in properties and assets, real and personal (collectively, the "Assets") free and clear of all liens, pledges, charges or encumbrances. EQUUS owns free and clear of any liens, claims, encumbrances, royalty interests or other restrictions or limitations of any nature whatsoever and all procedures, techniques, marketing plans, business plans, methods of management or other information utilized in connection with EQUUS's business. No third party has any right to, and EQUUS has not received any notice of infringement of or conflict with asserted rights of other with respect to any product, technology, data, trade secrets, know-how, proprietary techniques, trademarks, service marks, trade names or copyrights which, singly on in the aggregate, if the subject of an unfavorable decision ruling or finding, would have a materially adverse affect on the business, operations, financial conditions or income of EQUUS or any material portion of its properties, assets or rights.

Section 1.9 Contracts. On the closing date:

- (a) There are no material contracts, agreements, franchises, license agreements, or other commitments to which EQUUS is a party or by which it or any of its properties are bound;
- (b) EQUUS is not a party to any contract, agreement, commitment or instrument or subject to any charter or other corporate restriction or any judgment, order, writ, injunction, decree or award materially and adversely affects, or in the future may (as far as EQUUS can now foresee) materially and adversely affect, the business, operations, properties, assets or conditions of EQUUS; and
- (c) EQUUS is not a party to any material oral or written: (i) contract for the employment of any officer or employee; (ii) profit sharing, bonus, deferred compensation, stock option, severance pay, pension benefit or retirement plan, agreement or arrangement covered by Title IV of the Employee Retirement Income Security Act, as amended; (iii) agreement, contract or indenture relating to the borrowing of money; (iv) guaranty of any obligation for the borrowing of money or otherwise, excluding endorsements made for collection and other guaranties, of obligations, which, in the aggregate exceeds \$1,000; (v) consulting or other contract with an unexpired term of more than one year or providing for payments in excess of \$10,000 in the aggregate; (vi) collective bargaining agreement; and (vii) contract, agreement or other commitment involving payments by it for more than \$10,000 in the aggregate.

Section 1.10 Compliance With Laws and Regulations. To the best of EQUUS's

knowledge and belief, EQUUS has complied with all applicable statutes and regulations of any federal, state or other governmental entity or agency thereof, except to the extent that noncompliance would not materially and adversely affect the business, operations, properties, assets or condition of EQUUS or would not result in EQUUS incurring material liability.

Section 1.11 Approval of Agreement. The directors of EQUUS have authorized the execution and delivery of this Agreement and have approved the transactions contemplated. A copy of the Director's Resolution authorizing entry into this Agreement is attached as Schedule 1.11.

Section 1.12 Material Transactions or Affiliations There are no material contracts or agreements of arrangements between EQUUS and any person, who was at the time of such contract, agreement or arrangement, directly or indirectly, an officer, director or person owning of record, or known to beneficially own ten percent (10%) or more of the issued and outstanding Common Shares of EQUUS and which is to be performed in whole or in part after the date hereof. EQUUS has no commitment, whether written or oral, to lend any funds, to borrow any money from or enter into material transactions with any such affiliated person.

Section 1.13 No Conflict With Other Instruments. The execution of this Agreement and the consummation of the transactions contemplated by this Agreement will not result in the breach of any term or provision of, or constitute an event of default under, any material indenture, mortgage, deed of trust or other material contract, agreement or instrument to which EQUUS is a party or to which any of its properties or operations are subject.

Section 1.14 Governmental Authorizations. EQUUS has all licenses, franchises, permits or other governmental authorizations legally required to enable it to conduct its business in all material respects as conducted on the date hereof. Except for compliance with federal and state securities and corporation laws, as hereinafter provided, no authorization, approval, consent or order of, or registration, declaration or filing with, any court or other governmental body is required in connection with the execution and delivery by EQUUS of this Agreement and the consummation of the transactions contemplated hereby.

ARTICLE II REPRESENTATIONS, COVENANTS AND WARRANTIES OF QUASAR

As an inducement to, and to obtain the reliance of EQUUS and the EQUUS Shareholder, Quasar represents and warrants as follows:

Section 2.1 Organization. Quasar is a corporation duly organized, validly existing and in good standing under the laws of Delaware and has the corporate power and is duly authorized, qualified, franchised and licensed under all applicable laws, regulations, ordinances and orders of public authorities to own all of its properties and assets and to carry on its business in all material respects as it is now being conducted, including qualification to do business as a foreign entity in the country or states in which the character and location of the assets owned by it or the nature of the business transacted by it requires qualification. Included in the attached Schedules (as hereinafter defined) are complete and

correct copies of the articles of incorporation, by-laws and amendments thereto as in effect on the date hereof. The execution and delivery of this Agreement does not and the consummation of the transactions contemplated by this Agreement in accordance with the terms hereof will not, violate any provision of Quasar's certificate of incorporation or by-laws. Quasar has full power, authority and legal right and has taken all action required by law, its articles of incorporation, by-laws or otherwise to authorize the execution and delivery of this Agreement.

Section 2.2 Capitalization. Quasar's authorized capitalization consists of a total of 10,000,000 shares, par value \$0.0001; 5,000,000 shares of common stock of Quasar are issued and outstanding held by the individuals and entities listed on Schedule 2.2: and is authorized to issue 2,000,000 shares of preferred shares with no par value per share of which no shares have been issued or are outstanding.

All issued and outstanding common shares have been legally issued, fully paid, are nonassessable and not issued in violation of the preemptive rights of any other person. Quasar has no other securities, warrants or options authorized or issued.

Section 2.3 Subsidiaries. Quasar has the following subsidiary:

Atlantic Aviation, Inc.
Quasar Aircraft Corporation
Aviation Import/Export, Inc.

Section 2.4 Tax Matters, Books & Records.

- (a) Quasar's books and records, financial and others are in all material respects complete and correct and have been maintained in accordance with US GAAP;
- (b) Quasar has no liabilities with respect to the payment of any country, federal, state, county, local or other taxes (including any deficiencies, interest or penalties); and
- (c) Quasar shall remain responsible for all debts incurred prior to the closing.

Section 2.5 Information. The information concerning Quasar as set forth in this Agreement and in the attached Schedules is complete and accurate in all material respects and does not contain any untrue statement of a material fact or omit a material fact required to make the statements made, in light of the circumstances under which they were made, not misleading.

Section 2.6 Title and Related Matters. Quasar has good and marketable title to and is the sole and exclusive owner of all of its properties, inventory, interests in properties and assets, real and personal (collectively, the "Assets") free and clear of all liens except for loans on aircraft, pledges, charges or encumbrances. Except as set forth in the attached Schedules, Quasar owns free and clear of any liens, claims, encumbrances, royalty interests or other restrictions or limitations of any nature whatsoever and all procedures, techniques, marketing plans, business plans, methods of management or

other information utilized in connection with Quasar's business. Except as set forth in the attached Schedules, no third party has any right to, and Quasar has not received any notice of infringement of or conflict with asserted rights of others with respect to any product, technology, data, trade secrets, know-how, proprietary techniques, trademarks, service marks, trade names or copyrights which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would have a materially adverse affect on the business, operations, financial conditions or income of Quasar or any material portion of its properties, assets or rights.

Section 2.7 Litigation and Proceedings. There are no actions, suits or proceedings pending or threatened by or against or affecting Quasar, at law or in equity, before any court or other governmental agency or instrumentality, domestic or foreign or before any arbitrator of any kind that would have a material adverse effect on the business, operations, financial condition, income or business prospects of Quasar. Quasar does not have any knowledge of any default on its part with respect to any judgment, order, writ, injunction, decree, award, rule or regulation of any court, arbitrator or governmental agency or instrumentality.

Section 2.8 Contracts. On the Closing Date:

- (a) Except for those enumerated on the attached Schedules, there are no material contracts, agreements, franchises, license agreements, or other commitments to which Quasar is a party to or by which it or any of its subsidiaries or properties are bound;
- (b) Except as enumerated on the attached Schedules, Quasar is not a party to any contract, agreement, commitment or instrument or subject to any charter or other corporate restriction or any judgment, order, writ, injunction, decree or award which materially and adversely affects, or in the future may (as far as Quasar can now foresee) materially and adversely affect, the business, operations, properties, assets or conditions of Quasar; and
- (c) Except as enumerated on the attached Schedules, Quasar is not a party to any material oral or written: (i) contract for the employment of any officer or employee; (ii) profit sharing, bonus, deferred compensation, stock option, severance pay, pension, benefit or retirement plan, agreement or arrangement covered by Title IV of the Employee Retirement Income Security Act, as amended; (iii) agreement, contract or indenture relating to the borrowing of money; (iv) guaranty of any obligation for the borrowing of money or otherwise, excluding endorsements made for collection and other guaranties of obligations, which, in the aggregate exceeds \$1,000; (v) consulting or other contract with an unexpired term of more than one year or providing for payments in excess of \$10,000 in the aggregate; (vi) collective bargaining agreement; and (vii) contract, agreement, or other commitment involving payments by it for more than \$10,000 in the aggregate.

Section 2.9 No Conflict With Other Instruments. The execution of this Agreement and the consummation of the transactions contemplated by this Agreement will not result in the breach of any term or provision of, or constitute an event of default under, any material indenture, mortgage, deed of trust or other material contract, agreement or instrument to which Quasar is a party or to which any of its

properties or operations are subject.

Section 2.10 Material Contract Defaults. To the best of Quasar's knowledge and belief, it is not in default in any material respect under the terms of any outstanding contract, agreement, lease or other commitment which is material to the business, operations, properties, assets or condition of Quasar, and there is no event of default in any material respect under any such contract, agreement, lease or other commitment in respect of which Quasar has not taken adequate steps to prevent such a default from occurring. However, a subsidiary of Quasar has several promissory notes that are past due, and will be paid by said subsidiary after the close.

Section 2.11 Governmental Authorizations. To the best of Quasar's knowledge, Quasar has all licenses, franchises, permits and other governmental authorizations that are legally required to enable it to conduct its business operations in all material respects as conducted on the date hereof. Except for compliance with federal and state securities or corporation laws, no authorization, approval, consent or order of, or registration, declaration or filing with, any court or other governmental body is required in connection with the execution and delivery by Quasar of the transactions contemplated hereby.

Section 2.12 Compliance With Laws and Regulations. To the best of Quasar's knowledge and belief, Quasar has complied with all applicable statutes and regulations of any federal, state or other governmental entity or agency thereof, except to the extent that noncompliance would not materially and adversely affect the business, operations, properties, assets or condition of Quasar or would not result in Quasar incurring any material liability.

Section 2.13 Insurance. All of Quasar's insurable properties are insured for Quasar's benefit under valid and enforceable policy or policies containing substantially equivalent coverage and will be outstanding and in full force at the Closing Date.

Section 2.14 Approval of Agreement. The directors of Quasar have authorized the execution and delivery of this Agreement and have approved the transactions contemplated hereby.

Section 2.15 Material Transactions or Affiliations. As of the Closing Date, there will exist no material contract, agreement or arrangement between Quasar and any person who was at the time of such contract, agreement or arrangement an officer, director or person owning of record, or known by Quasar to own beneficially, ten percent (10%) or more of the issued and outstanding Common Shares of Quasar and which is to be performed in whole or in part after the date hereof except with regard to an agreement with the shareholders of Quasar providing for the distribution of cash to provide for payment of federal and state taxes on Subchapter S income. Quasar has no commitment, whether written or oral, to lend any funds to, borrow any money from or enter into any other material transactions with, any such affiliated person.

ARTICLE III EXCHANGE PROCEDURE AND OTHER CONSIDERATION

Section 3.1 Share Exchange/Delivery of Quasar's Securities. On the Closing Date, Quasar shall deliver to EQUUS all of its issued and outstanding shares (the "Quasar Common Shares"), duly endorsed in blank or with executed power attached thereto in transferable form, so that Quasar shall become a wholly owned subsidiary of EQUUS.

Section 3.2 Issuance of EQUUS Shares. In exchange for all of the Quasar Common Shares tendered pursuant to Section 3.1, EQUUS will issue preferred shares to McKenzie Capital Corporation as set forth in paragraph 2 on page 1 of this agreement.

Section 3.3 Additional Consideration. EQUUS shall issue Preferred Shares convertible into five percent (5.0%) of the total outstanding shares of EQUUS common stock, which will represent, and equate to, 5% of the issued and outstanding common stock of EQUUS upon conversion. Prior to conversion the preferred shares will represent five percent of the voting class of stock.

Section 3.4 Satisfaction of Present Liabilities of EQUUS. At or prior to the Closing Date, the liabilities and obligations of EQUUS as set forth on Schedule 3.4 shall remain obligations of EQUUS.

Section 3.5 Events Prior to Closing. Upon execution hereof or as soon thereafter as practical, management of EQUUS and Quasar shall execute, acknowledge and deliver (or shall cause to be executed, acknowledged and delivered) any and all certificates, opinions, financial statements, schedules, agreements, resolutions rulings or other instruments required by this Agreement to be so delivered, together with such other items as may be reasonably requested by the parties hereto and their respective legal counsel in order to effectuate or evidence the transactions contemplated hereby, subject only to the conditions to Closing referenced herein below.

Section 3.6 Closing. The closing ("Closing Date") of the transactions contemplated by this Agreement shall be on the date and at the time the exchange documents are executed herewith.

Section 3.7 Effective Date. The date, on or after the Closing Date, when all of the terms and conditions of this Agreement are satisfied, including but not limited to the Conditions Precedent set forth in Articles V and VI (the "Effective Date").

Section 3.8 Termination.

- (a) This Agreement may be terminated by the board of directors or majority interest of Shareholders of either EQUUS or Quasar, respectively, at any time prior to the Closing Date if:
 - (i) there shall be any action or proceeding before any court or any governmental body which shall seek to restrain, prohibit or invalidate the transactions contemplated by this Agreement and which, in the judgment of such board of directors, made in good faith and based on the advice of its legal counsel, makes it inadvisable to proceed with the exchange contemplated by this Agreement; or

- (ii) any of the transactions contemplated hereby are disapproved by any regulatory authority whose approval is required to consummate such transactions. In the event of termination pursuant to Paragraph (a) of this Section 3.8, no obligation, right, or liability shall arise hereunder and each party shall bear all of the expenses incurred by it in connection with the negotiation, drafting and execution of this Agreement and the transactions herein contemplated.
- (b) This Agreement may be terminated at any time prior to the Closing Date by action of the board of directors of EQUUS if Quasar shall fail to comply in any material respect with any of its covenants or agreements contained in this Agreement or if any of the representations or warranties of Quasar contained herein shall be inaccurate in any material respect, which noncompliance or inaccuracy is not cured after 20 days written notice thereof is given to Quasar. If this Agreement is terminated pursuant to Paragraph (b) of this Section 3.8, this Agreement shall be of no further force or effect and no obligation, right or liability shall arise hereunder.
- (c) This Agreement may be terminated at any time prior to the Closing Date by action of the board of directors of Quasar if EQUUS shall fail to comply in any material respect with any of its covenants or agreements contained in this Agreement or if any of the representations or warranties of Quasar contained herein shall be inaccurate in any material respect, which noncompliance or inaccuracy is not cured after 20 days written notice thereof is given to Quasar. If this Agreement is terminated pursuant to Paragraph (c) of this Section 3.8, this Agreement shall be of no further force or effect and no obligation, right or liability shall arise hereunder.

In the event of termination pursuant to paragraph (b) and (c) of Section 3.8, the breaching party shall bear all of the expenses incurred by the other party in connection with the negotiation, drafting and execution of this Agreement and the transactions herein contemplated.

Section 3.9 Directors of EQUUS After Acquisition. At the Effective Date, Bert Watson, Jr. shall each resign as a member of the Board of Directors of EQUUS and Mark Lundquist and Jamie D. Herring shall be appointed to the Board of Directors of EQUUS. Each director shall hold office until his successor has been duly elected and has qualified or until his death, resignation or removal.

Section 3.10 Officers of EQUUS. At the Effective Date, Marty Zell shall resign as Secretary/Treasurer of EQUUS and be appointed Vice President for Shareholder Relations and Dean Bradley shall be appointed Chief Executive Officer/President of EQUUS, Mark Lundquist shall be appointed as Senior Vice President, Jamie D. Herring shall be appointed Secretary and Thomas Costanza shall be appointed Chief Financial Officer of EQUUS. Each director shall hold office until his successor has been duly elected and has qualified or until his death, resignation or removal.

ARTICLE IV SPECIAL COVENANTS

Section 4.1 Access to Properties and Records. Prior to closing, EQUUS and Quasar will each afford to the officers and authorized representatives of the other full access to the properties, books and records of each other, so that each may have full opportunity to make such reasonable investigation as it shall desire to make of the affairs of the other and each will furnish the other with such additional financial and operating data and other information as to the business and properties of each other, as the other shall from time to time reasonably request.

Section 4.2 Availability of Rule 144. EQUUS and the EQUUS Shareholders holding "restricted securities," as that term is defined in Rule 144 of the 1933 Securities Act will remain as "restricted securities." EQUUS is under no obligation to register such shares under the Securities Act, except as otherwise provided. The stockholders of EQUUS holding restricted securities of EQUUS as of the date of this Agreement and their respective heirs, administrators, personal representatives, successors and assigns, are intended third party beneficiaries of the provisions set forth herein. The covenants set forth in Article IV shall survive the Closing Date and the consummation of the transactions herein contemplated.

Section 4.3 Third Party Consents. EQUUS and Quasar agree to cooperate with each other in order to obtain any required third party consents to this Agreement and the transactions herein contemplated.

Section 4.4 Actions Prior to and Subsequent to Closing.

(a) From and after the date of this Agreement until the Closing Date, except as permitted or contemplated by this Agreement, EQUUS and Quasar will each use its best efforts to:

- (i) maintain and keep its properties in states of good repair and condition as at present, except for depreciation due to ordinary wear and tear and damage due to casualty;
- (ii) maintain in full force and effect insurance comparable in amount and in scope of coverage to that now maintained by it; and
- (iii) perform in all material respects all of its obligations under material contracts, leases and instruments relating to or affecting its assets, properties and business.

(b) From and after the date of this Agreement until the Effective Date, each of EQUUS and Quasar will not, without the prior consent of the other party:

- (i) except as otherwise specifically set forth herein, make any change in its articles of incorporation or by-laws;
- (ii) declare or pay any dividend on its outstanding Common Shares, except as may otherwise be required by law, or effect any stock split or otherwise change its capitalization, except as provided herein;
- (iii) enter into or amend any employment, severance or agreements or arrangements with any directors or officers;
- (iv) enter into any agreement with respect to the transfer, assignment or sale of its assets (other than the ordinary course of business);
- (v) grant, confer or award any options, warrants, conversion rights or other rights not

- existing on the date hereof to acquire any Common Shares; or
- (vi) purchase or redeem any Common Shares.

Section 4.5 Indemnification.

- (a) EQUUS hereby agrees to indemnify Quasar and each of the officers, agents and directors and current shareholders of Quasar as of the Closing Date against any loss, liability, claim, damage or expense (including, but not limited to, any and all expense whatsoever reasonably incurred in investigating, preparing or defending against any litigation, commenced or threatened or any claim whatsoever), to which it or they may become subject to or arising out of or based on any inaccuracy appearing in or misrepresentation made in this Agreement. The indemnification provided for in this paragraph shall survive the Closing and consummation of the transactions contemplated hereby and termination of this Agreement; and
- (b) Quasar hereby agrees to indemnify EQUUS and each of the officers, agents, directors and current shareholders of EQUUS as of the Closing Date against any loss, liability, claim, damage or expense (including, but not limited to, any and all expense whatsoever reasonably incurred in investigating, preparing or defending against any litigation, commenced or threatened or any claim whatsoever), to which it or they may become subject arising out of or based on any inaccuracy appearing in or misrepresentation made in this Agreement. The indemnification provided for in this paragraph shall survive the Closing and consummation of the transactions contemplated hereby and termination of this Agreement.

ARTICLE V
CONDITIONS PRECEDENT TO OBLIGATIONS OF EQUUS

The obligations of EQUUS under this Agreement are subject to the satisfaction, at or before the Closing Date, of the following conditions:

Section 5.1 Accuracy of Representations. The representations and warranties made by Quasar in this Agreement were true when made and shall be true at the Closing Date with the same force and effect as if such representations and warranties were made at the Closing Date (except for changes therein permitted by this Agreement), and Quasar shall have performed or complied with all covenants and conditions required by this Agreement to be performed or complied with by Quasar prior to or at the Closing. EQUUS shall be furnished with a certificate, signed by a duly authorized officer of Quasar and dated the Closing Date, to the foregoing effect.

Section 5.2 Director Approval. The Board of Directors of Quasar shall have approved this Agreement and the transactions contemplated herein.

Section 5.3 Officer's Certificate. EQUUS shall have been furnished with a certificate dated the Closing Date and signed by a duly authorized officer of Quasar to the effect that: (a) the representations and warranties of Quasar set forth in the Agreement and in all Exhibits, Schedules and other documents furnished in connection herewith are in all material respects true and correct as if made on the Closing Date; (b) Quasar has performed all covenants, satisfied all conditions, and complied with

all other terms and provisions of this Agreement to be performed, satisfied or complied with by it as of the Closing Date; (c) since such date and other than as previously disclosed to EQUUS on the attached Schedules, Quasar has not entered into any material transaction other than transactions which are usual and in the ordinary course of its business; and (d) no litigation, proceeding, investigation or inquiry is pending or, to the best knowledge of Quasar, threatened, which might result in an action to enjoin or prevent the consummation of the transactions contemplated by this Agreement or, to the extent not disclosed in the Quasar Schedules, by or against Quasar which might result in any material adverse change in any of the assets, properties, business or operations of Quasar.

Section 5.4 No Material Adverse Change. Prior to the Closing Date, there shall not have occurred any material adverse change in the financial condition, business or operations of nor shall any event have occurred which, with the lapse of time or the giving of notice, may cause or create any material adverse change in the financial condition, business or operations of Quasar.

Section 5.5 Recapitalization. As soon as possible after the Closing Date, EQUUS shall (i) have filed an amendment to its certificate of incorporation with the Secretary of State of the State of Colorado that: changes the name of the company to "QUASAR AEROSPACE INDUSTRIES, INC.", and file the annual report for the corporation which shall reflect the changes to the Board of Directors and the officers.

Section 5.6 Other Items. EQUUS shall have received such further documents, certificates or instruments relating to the transactions contemplated hereby as EQUUS may reasonably request.

ARTICLE VI CONDITIONS PRECEDENT TO OBLIGATIONS OF QUASAR

The obligations of Quasar under this Agreement are subject to the satisfaction, at or before the Closing date (unless otherwise indicated herein), of the following conditions:

Section 6.1 Accuracy of Representations. The representations and warranties made by EQUUS in this Agreement were true when made and shall be true as of the Closing Date (except for changes therein permitted by this Agreement) with the same force and effect as if such representations and warranties were made at and as of the Closing Date, and EQUUS shall have performed and complied with all covenants and conditions required by this Agreement to be performed or complied with by EQUUS prior to or at the Closing. Quasar shall have been furnished with a certificate, signed by a duly authorized executive officer of EQUUS and dated the Closing Date, to the foregoing effect.

Section 6.2 Director and Shareholder Approval. The Board of Directors of EQUUS shall have approved this Agreement and the transactions contemplated herein.

Section 6.3 Officer's Certificate. Quasar shall be furnished with a certificate dated the Closing Date and signed by a duly authorized officer of EQUUS to the effect that: (a) the representations and warranties of EQUUS set forth in the Agreement and in all Exhibits, Schedules and other documents furnished in connection herewith are in all material respects true and correct as if made on the Effective

Date; and (b) EQUUS has performed all covenants, satisfied all conditions, and complied with all other terms and provisions of the Agreement to be performed, satisfied or complied with by it as of the Effective Date.

Section 6.4 No Material Adverse Change. Prior to the Closing Date, there shall not have occurred any material adverse change in the financial condition, business or operations of nor shall any event have occurred which, with the lapse of time or the giving of notice, may cause or create any material adverse change in the financial condition, business or operations of EQUUS.

Section 6.5 1934 Exchange Act Compliance. EQUUS must file any necessary reports to become and stay current with its 1934 Exchange Act filings up to and including the Effective Date of this Agreement including any filings which may be required in order to consummate the transactions contemplated by this Agreement. This shall include, but not be limited to all annual, quarterly and current filings.

ARTICLE VII MISCELLANEOUS

Section 7.1 Brokers and Finders. Each party to this Agreement represents and warrants that it is under no obligation, express or implied, to pay certain finders in connection with the bringing of the parties together in the negotiation, execution, or consummation of this Agreement. The parties each agree to indemnify the other against any claim by any third person for any commission, brokerage or finder's fee or other payment with respect to this Agreement or the transactions contemplated hereby based on any alleged agreement or understanding between the indemnifying party and such third person, whether express or implied from the actions of the indemnifying party.

Section 7.2 Law, Forum and Jurisdiction. This Agreement shall be construed and interpreted in accordance with the laws of the State of Colorado, United States of America.

Section 7.3 Notices. Any notices or other communications required or permitted hereunder shall be sufficiently given if personally delivered to it or sent by registered mail or certified mail, postage prepaid, or by prepaid telegram addressed as follows:

If to EQUUS: EQUUS RESOURCES, INC.
P.O. Box 10133
Fleming Island, FL 32003
Attention: Dean Bradley
Fax: 904-378-3253

If to Quasar: QUASAR AEROSPACE INDUSTRIES, INC.
9300 Normandy Blvd.
Suite 511
Jacksonville, FL 32221
Attention: Dean Bradley
Fax: 904-378-3253

With a copy to: Stephen J. Czarnik
Cohen & Czarnik LLP
17 State Street, 39th Floor
New York, New York 10004
tel. (212) 232-8323
fax.(212) 658-9915

or such other addresses as shall be furnished in writing by any party in the manner for giving notices hereunder, and any such notice or communication shall be deemed to have been given as of the date so delivered, mailed or telegraphed.

Section 7.4 Attorneys' Fees. In the event that any party institutes any action or suit to enforce this Agreement or to secure relief from any default hereunder or breach hereof, the breaching party or parties shall reimburse the non-breaching party or parties for all costs, including reasonable attorneys' fees, incurred in connection therewith and in enforcing or collecting any judgment rendered therein.

Section 7.5 Confidentiality. Each party hereto agrees with the other party that, unless and until the transactions contemplated by this Agreement have been consummated, they and their representatives will hold in strict confidence all data and information obtained with respect to another party or any subsidiary thereof from any representative, officer, director or employee, or from any books or records or from personal inspection, of such other party, and shall not use such data or information or disclose the same to others, except: (i) to the extent such data is a matter of public knowledge or is required by law to be published; and (ii) to the extent that such data or information must be used or disclosed in order to consummate the transactions contemplated by this Agreement.

Section 7.6 Schedules; Knowledge. Each party is presumed to have full knowledge of all information set forth in the other party's schedules delivered pursuant to this Agreement.

Section 7.7 Third Party Beneficiaries. This contract is solely between EQUUS and Quasar and except as specifically provided, no director, officer, stockholder, employee, agent, independent contractor or any other person or entity shall be deemed to be a third party beneficiary of this Agreement.

Section 7.8 Entire Agreement. This Agreement represents the entire agreement between the parties relating to the subject matter hereof. This Agreement alone fully and completely expresses the agreement of the parties relating to the subject matter hereof. There are no other courses of dealing, understanding, agreements, representations or warranties, written or oral, except as set forth herein. This Agreement may not be amended or modified, except by a written agreement signed by all parties hereto.

Section 7.9 Survival; Termination. The representations, warranties and covenants of the respective parties shall survive the Closing Date and the consummation of the transactions herein contemplated for 24 months.

Section 7.10 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and all of which taken together shall be but a single instrument.

Section 7.11 Amendment or Waiver. Every right and remedy provided herein shall be cumulative with every other right and remedy, whether conferred herein, at law or in equity, and may be enforced concurrently herewith, and no waiver by any party of the performance of any obligation by the other shall be construed as a waiver of the same or any other default then, theretofore, or thereafter occurring or existing. At any time prior to the Closing Date, this Agreement may be amended by a written consent by all parties hereto, with respect to any of the terms contained herein, and any term or condition of this Agreement may be waived or the time for performance hereof may be extended by a written consent by the party or parties for whose benefit the provision is intended.

Section 7.12 Expenses. Except as otherwise provided herein, each party herein shall bear all of their respective costs and expenses incurred in connection with the negotiation of this Agreement and in the consummation of the transactions provided for herein and the preparation thereof.

Section 7.13 Headings; Context. The headings of the sections and paragraphs contained in this Agreement are for convenience of reference only and do not form a part hereof and in no way modify, interpret or construe the meaning of this Agreement.

Section 7.14 Benefit. This Agreement shall be binding upon and shall inure only to the benefit of the parties hereto, and their permitted assigns hereunder. This Agreement shall not be assigned by any party without the prior written consent of the other party.

Section 7.15 Public Announcements. Except as may be required by law, neither party shall make any public announcement or filing with respect to the transactions provided for herein without the prior consent of the other party hereto.

Section 7.16 Severability. In the event that any particular provision or provisions of this Agreement or the other agreements contained herein shall for any reason hereafter be determined to be unenforceable, or in violation of any law, governmental order or regulation, such unenforceability or violation shall not affect the remaining provisions of such agreements, which shall continue in full force and effect and be binding upon the respective parties hereto.

Section 7.17 Failure of Conditions; Termination. In the event of any of the conditions specified in this Agreement shall not be fulfilled on or before the Closing Date, either of the parties have the right either to proceed or, upon prompt written notice to the other, to terminate and rescind this Agreement. In such event, the party that has failed to fulfill the conditions specified in this Agreement will liable for the other parties' legal fees. The election to proceed shall not affect the right of such electing party reasonably to require the other party to continue to use its efforts to fulfill the unmet conditions.

Section 7.18 No Strict Construction. The language of this Agreement shall be construed as a whole, according to its fair meaning and intentment, and not strictly for or against either party hereto, regardless of who drafted or was principally responsible for drafting the Agreement or terms or conditions hereof.

Section 7.19 Execution Knowing and Voluntary. In executing this Agreement, the parties severally acknowledge and represent that each: (a) has fully and carefully read and considered this Agreement; (b) has been or has had the opportunity to be fully apprized by its attorneys of the legal effect and meaning of this document and all terms and conditions hereof; (c) is executing this Agreement voluntarily, free from any influence, coercion or duress of any kind.

Section 7.20 Amendment. At any time after the Closing Date, this Agreement may be amended by a writing signed by both parties, with respect to any of the terms contained herein, and any term or condition of this Agreement may be waived or the time for performance hereof may be extended by a writing signed by the party or parties for whose benefit the provision is intended.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized officers or representatives and entered into as of the date first above written.

EQUUS RESOURCES, INC.

By _____
Dean Bradley, President & Director

By _____
Marty Zell, Sect./Treas. & Director

By _____
Bert Watson, Jr. Director

QUASAR AEROSPACE INDUSTRIES, INC.

By _____
Dean Bradley, Chief Executive Officer

