

**Annual Report
2009**

Quasar[®]



Part A General Company Information

Item I The exact name of the issuer and its predecessor (if any).

Quasar Aerospace Industries, Inc.
Equus Resources, Inc. until March 30, 2009
Forst Hunter International Trade Corp. until July 2004

Item II The address of the issuer's principal executive offices.

9300 Normandy Blvd., Suite 511
Jacksonville, FL 32221
(904) 378-3251 Phone
(904) 378-3252 Fax
www.quasaraerospace.net

Item III The jurisdiction(s) and date of the issuer's incorporation or organization.

The Company was organized under the corporate laws of the State of Colorado on February 2, 2004.

Part B Share Structure and Issuance History

Item IV The exact title and class of securities outstanding.

The Cusip number is 74773P 104

Trading Symbol – QASP.PK

Classes – Common and Preferred Classes A and B

Item V Par or Stated Value and Description of the security.

A. Par or Stated Value for each class of outstanding securities.

Par Value of Common Shares: \$0.00001

Par Value of Preferred Shares: \$0.01

B. Common or Preferred Stock

1. For common equity, describe any dividend, voting and preemption rights.

Each holder of common stock shall be entitled to one vote for each share of common stock standing in such holder's name, except as otherwise required by law or as determined for a particular series of common stock by resolution of the Board of Directors of the corporation.

2. For preferred stock, describe the dividend, voting, conversion and liquidation rights as well as redemption or sinking fund provisions.

The description of each series of preferred stock shall be set forth in resolutions adopted by the Board of Directors.

3. Describe any other material rights of stockholders.

None

4. Describe any provision in issuer's charter or by-laws that would delay, defer or prevent a change in control of the issuer.

None

Item VI The number of shares or total amount of the securities outstanding for each class of securities authorized.

Provide information for each class of securities authorized. Provide the information (i) as of the end of the issuer's most recent fiscal quarter and (ii) as of the end of the issuer's last two fiscal years.

For Fiscal Year Ending December 31, 2007

	<u># of Shares Authorized</u>	<u># of Shares Outstanding</u>	<u>Public Float</u>	<u>Total # of Shareholders</u>	<u>Total # of Beneficial Shareholders</u>
Common Stock	750,000,000	190,744,197	41,193,626	571	6
Preferred Stock	0	0	0	0	0

For Fiscal Year Ending December 31, 2008

	<u># of Shares Authorized</u>	<u># of Shares Outstanding</u>	<u>Public Float</u>	<u>Total # of Shareholders</u>	<u>Total # of Beneficial Shareholders</u>
Common Stock	750,000,000	190,744,197	41,193,626	571	6
Preferred Stock	0	0	0	0	0

For Fiscal Year Ending December 31, 2009

	<u># of Shares Authorized</u>	<u># of Shares Outstanding</u>	<u>Public Float</u>	<u>Total # of Shareholders</u>	<u>Total # of Beneficial Shareholders</u>
Common Stock	750,000,000	749,131,406	636,604,496	556	0
Preferred Stock	50,000,000	1,000 Class A 129,508 Class B	0	2 Class A 12 Class B	0

Part C Business Information

Item VII The name and address of the transfer agent.

Computershare Trust Company, Inc.
350 Indiana St.
Golden, CO 80401
Tel: (303) 262-0600
www.computershare.com

Computershare Trust Company is registered under the Exchange Act and the regulatory authority of the transfer agent is the SEC.

Item VIII The nature of the issuer's business.

A. Business Development

Quasar Aerospace Industries, Inc. (QAI) is an integrated aviation/aerospace corporation which has been created to pursue an innovative and highly synergistic business strategy. This strategy will be achieved through a process by which several businesses in the aviation/aerospace industry will be combined into an integrated and self-supporting network which will have the ability to operate in a more complex strategic environment and to achieve greater success than would have been possible if they were operating purely alone. Within this context QAI will not acquire and operate these business units according to some master corporate plan. Rather, the goal will be for these entities to retain their operational independence and unique corporate cultures. In this fashion, the resources, talents, insight, experience, and market potential of each will be supported and enhanced in a cooperative process which will lead to increased productivity, efficiency, and

scalable economies resulting in increased profitability and market relevance.

1. the form of organization of the issuer

Corporation

2. the year that the issuer was organized

2004 as Forst Hunter International Trade Corp

3. the issuer's fiscal year end date

December 31

4. whether the issuer has been in bankruptcy, receivership or any similar proceeding

None

5. any material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets

On March 18, 2009, Equus Resources finalized a merger with Quasar Aerospace Industries.

On August 4, 2009, the Board of Directors authorized a repurchase program upon completion of funding of previously announced acquisitions. The Company will repurchase up to ten percent (10%) of their issued and outstanding shares at the sole discretion of the Company. There is no fixed termination date for the repurchase program and the program can be expanded up to twenty percent (20%) at the discretion of the management committee.

6. any default of the terms of any note, loan, lease, or other indebtedness or financing arrangement requiring the issuer to make payments

None

7. change of control

On March 18, 2009, Equus Resources finalized a merger which changed the control of the company to Quasar Aerospace Industries, its principals and assigns.

8. Any increase of 10% or more of the same class of outstanding equity securities

None

9. any past, pending or anticipated stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization

Equus Resources finalized a merger with Quasar Aerospace Industries, Inc. in March 2009.

10. any delisting of the issuer's securities by any securities exchange or deletion from the OTC Bulletin Board

None

11. any legal proceedings that could have a material effect on the issuer's business

None

B. Business of Issuer

Quasar Aerospace Industries, Inc. (QAI) is an integrated aviation/aerospace corporation which has been created to pursue an innovative and highly synergistic business strategy. This strategy will be achieved by several businesses in the aviation/aerospace industry combining into an integrated and self-supporting network. This integrated network will have the ability to operate in a more complex strategic environment and achieve greater success than would have been possible if they were operating purely alone. The goal of QAI will be for these entities to retain their operational independence and unique corporate cultures. This will ensure that the resources, talents, insight, experience, and market potential of each will be supported and enhanced in a cooperative process. This will also lead to increased productivity, efficiency, and scalable economies resulting in increased profitability and market relevance.

1. the issuer's primary and secondary SIC codes

3721 - Aircraft

2. If the issuer has never conducted operations, is in the Development stage, or is currently conducting operations

Currently conducting operations

3. Whether the issuer is or has at any time been a "shell company"

No

4. Names of any parent, subsidiary, or affiliate of the issuer and its business purpose, method of operations, its ownership, and whether it is included in the financial statements attached to this disclosure statement

Quasar Aerospace Industries, Inc. (QAI) is a Colorado Corporation and will operate as a holding company for all business units developed and acquired now and in the future.

Atlantic Aviation, Inc. (AAI) - AAI is a wholly-owned subsidiary of QAI which operates a flight school at Herlong Airport in Jacksonville, Florida, and will develop and operate flight schools nationwide.

Aviation Import/Export, Inc. (AIE) - AIE was formed to import aircraft and/or aircraft components for sale, lease and use by QAI affiliates and for sale and/or lease to other companies.

Quasar Aircraft Corporation (QAC) - This Company will develop the new products and oversee the development of future programs. QAC is developing a four place trainer aircraft and will be the developer of the Quasar I. This signature aircraft will be a twin engine, six place very light jet.

Quasar Financial Corporation (QFC) - This entity will support the aircraft sales process by arranging financing and Insurance for customers and the aircraft that will be required for AAI's flight school operations.

5. Effect of existing or probable government regulation on the business

Atlantic Aviation, Inc. (AAI) is subject to the rules of the Federal Aviation Administration. The flight school must operate under the rules and guidelines set by the FAA to maintain its qualification.

6. Estimate of the amount spent during each of the last two fiscal years on research and development activities, and the extent to which the cost of such activities are borne directly by customers

Not Applicable

7. Costs and effects of compliance with environmental laws (federal, state and local)

Not Applicable

8. Number of total employees and number of full-time employees

There are 8 total employees, 7 are full-time employees.

Item IX The nature of products or services offered.

- A. principal products or services, and their markets

Atlantic Aviation, Inc. (AAI) operates a flight school at Herlong Airport in Jacksonville, FL. In addition to serving the US market, AAI focuses particularly on training international students due to high demand. Quasar Aircraft Corporation (QAC) is developing a four place trainer aircraft and a six place very light jet aircraft. These products will be offered in the near future. Aviation Import/Export, Inc. (AIE) imports aircraft and aircraft components for sale to QAI affiliates and other companies.

- B. distribution methods of the products or services

Not Applicable

C. status of any publicly announced new product or service

Atlantic Aviation, Inc. (AAI) operates a flight school at Herlong Airport in Jacksonville, FL. The program runs for approximately 6 months and each student pays \$66,000 for the full program. AAI is currently negotiating with the Jacksonville Aviation Authority for a long-term lease to build a state of the art flight training facility. Upon completion, the facility will have a 14,000 square foot hangar able to house six aircraft, an 8,000 square foot administration building, training building, and ramp parking for 25 aircraft. Once the initial school is operational, the goal is to market this "School Concept" as a turn-key franchise opportunity to aviation professionals around the country. AAI has signed a letter of intent with a group from India to train foreign flight students and has submitted an application to the U.S. Secretary of State for approval for this operation. When the program begins, the company will add ten students per month until they are fully operational with 60 students in training at all times at varying stages of training and a full capacity of 80 students. At full capacity the one school could generate approximately ten million dollars in revenue with margins ranging from 38-45%. As of December 31, 2009, there are 11 students enrolled. In September 2009, Atlantic Aviation completed the installation of a state of the art flight simulator. This major addition will greatly enhance the flight training operations and facilitate the expansion of the Company's flight training business. In addition, Atlantic Aviation acquired two twin engine trainers to add to the flight school training aircraft.

In November 2009, Quasar announced the joint venture to develop a new aircraft engine utilizing cool burning high efficiency engine technology developed and tested in the high performance auto racing arena. The Company will manufacture a lighter weight engine that produces greater horsepower and achieves improved fuel consumption over any engine on the market.

D. competitive business conditions, the issuer's competitive position in the industry, and methods of competition

Quasar's unique business model has set itself apart from the competition by offering a myriad of products and services through its subsidiaries.

- E. sources of availability of raw materials and names of principal suppliers

Not applicable - Quasar operations occur in an open market and only purchases finished products.

- F. dependence on one or a few major customers

None

- G. patents, trademarks, licenses, franchises, concessions, royalty agreements or labor contracts, including their duration

None

- H. need for any government approval or principal products or services and the status of any requested government approvals

The State Department must approve foreign students prior to admission in flight school.

Item X

The nature and extent of the issuer's facilities

Describe the assets, properties, or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

If the issuer leases any assets, properties, or facilities, clearly describe them as above and the terms of their leases.

The company leases offices, hangar space and aircraft tie downs from the Jacksonville Aviation Authority. Atlantic Aviation, Inc. (AAI) and Quasar Aircraft Corp. (QAC) each lease two large office spaces. All of the leases are on a month to month basis. The company anticipates moving to a new facility which will be built on 3.5 acres and leases from the Jacksonville Aviation Authority for a period of 20 years. All offices are located at 9300 Normandy Blvd., Jacksonville, FL 32221.

Part D Management Structure and Financial Information

Item XI

The name of the chief executive officer, members of the board of directors, as well as control persons.

A. Officers and Directors

1. **Chairman and CEO:**

Dean Bradley
9300 Normandy Blvd.
Suite 511
Jacksonville, FL 32221

Compensation by the issuer:

At this time, there is no formal employment agreement, although one is anticipated between the issuer and the officers.

Number and class of the issuer's securities beneficially owned by each such person:

Not applicable

2. **Senior Vice President:**

Mark Lundquist
9300 Normandy Blvd.
Suite 511
Jacksonville, FL 32221

Compensation by the issuer:

At this time, there is no formal employment agreement, although one is anticipated between the issuer and the officers.

Number and class of the issuer's securities beneficially owned by each such person:

Not applicable

3. **Senior Vice President and Secretary:**

Lisa Betros
9300 Normandy Blvd.
Suite 511
Jacksonville, FL 32221

Compensation by the issuer:

At this time, there is no formal employment agreement, although one is anticipated between the issuer and the officers.

Number and class of the issuer's securities beneficially owned by each such person:

Not applicable

B. Legal/Disciplinary History

Have any of the foregoing persons, in the past 5 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding.

None

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities.

None

3. A finding or judgment which has not been reversed, suspended, or vacated.

None

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended or otherwise limited such person's involvement in any type of business or securities activities.

None

- C. Disclosure of Family Relationships
Describe any family relationships existing among and between officers, directors, and shareholders.
- None
- D. Disclosure of Related Party Transactions
Describe any transaction during the issuer's last two full fiscal years and the current fiscal year or any currently proposed transaction, involving the issuer, in which (i) the amount involved exceeds the lesser of \$120,000 or one percent of the average of the issuer's total assets at year-end for its last three fiscal years and (ii) any related person had or will have a direct or indirect material interest.
- None
- E. Disclosure of Conflicts of Interest
Describe any conflicts of interest. Describe the circumstances, parties involved and mitigating factors for any executive officer or director with competing professional or personal interests.
- None

Item XII Financial information for the issuer's most recent fiscal period

- 1) Balance Sheet - Attached as Appendix A period ending December 31, 2009
- 2) Statement of Income – Attached as Appendix B period ending December 31, 2009
- 3) Statement of Cash Flows – Attached as Appendix C period ending December 31, 2009
- 4) Statement of changes in stockholders' equity – Not applicable
- 5) Financial Notes - None
- 6) Audit Letter, *if audited* – *Not Applicable*

Item XIII Similar financial information for such part of the two preceding fiscal years as the issuer or its predecessor has been in existence.

The company was in the development stages in 2006, 2007, and 2008.

Item XIV Beneficial Owners

Provide a list of the name, address and shareholdings of all persons owning more than 5% of any class of the issuer's equity securities.

Not applicable

Item XV The name, address, phone number, and email address of each of the following outside providers that advise the issuer on matters relating to the operations, business development and disclosure:

1. Investment Banker

None

2. Promoters

None

3. Counsel

David Rees
Vincent & Rees
175 East 400 South
Suite 1000
Salt Lake City, UT 84111
(801) 303-5730 Phone
(801) 328-4948 Fax
drees@vincentrees.com

4. Accountant or Auditor

The Griggs Group
238 Ponte Vedra Park Dr.
Suite 201
Ponte Vedra Beach, Florida 32082
(904) 280-2053 Phone
(904) 280-2055 Fax
www.thegriggsgroup.com

5. Public Relations Consultant

None

6. Investor Relations Consultant

None

7. Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement - the information shall include the telephone number and email address of each advisor.

Aron Canouse
Think Pink, LLC
3440 Preston Ridge Rd.
Suite 600
Alpharetta, GA 30022
(866)770-0006
Aron@thinkpinkllc.com

Item XVI Management's Discussion and Analysis or Plan of Operation

A. Plan of Operation

1. Describe the issuer's plan of operation for the next 12 months –

The focus of the Company for the next twelve months will be as follows:

- To close the six acquisitions we are presently in the midst of and improving the synergies of having them under the corporate umbrella. We intend to streamline all business practices among these acquisitions, including but not limited to, centralized purchasing, health care, accounting and legal support. Once the acquisitions are closed and operational, they will provide adequate cash flow for any and all general needs. The first four acquisitions of well-established aviation and aerospace related businesses will add an estimated \$150 million to Quasar's revenue.
- To continue the development of our VLJ and trainer aircraft, moving toward first flight and subsequent FAA certification.
- To continue the expansion of Atlantic Aviation's flight training program.
- To continue negotiations to fund Quasar Financial Corporation with capital that will enable financing of our finished aircraft.

- To continue our stock buy-back program and acquire 20% of our outstanding shares.

i. discuss how long the issuer can satisfy its cash requirements and whether it will have to raise additional funds in the next 12 months

The company has sufficient cash and does not intend to raise additional funds.

ii. summary of any product research and development that the issuer will perform for the term of the plan

Not applicable

iii. any expected purchase or sale of plant and significant equipment

Not applicable

iv. any expected significant changes in the number of employees

Not applicable

B. Management's Discussion and Analysis of Financial Condition and Results of Operations (should be read in conjunction with the consolidated financial statements included herein)

Results of Operations for the period ended December 31, 2009

The Company has been in the midst of acquisitions which cannot be accounted for until the acquisitions are complete and therefore resulted in negative operating income for 2009.

Operating Expenses for the period ended December 31, 2009

The company was a development stage company in 2007 and 2008 and had limited or no operations and therefore had limited or no operating expenses. In 2009, the company had operating expenses of \$571,235.60.

Other Expense for the period ended December 31, 2009

Not applicable

Liquidity and Capital Resources

At this time, the company has sufficient liquidity to meet all operating expenditures.

FACTORS THAT COULD AFFECT FUTURE RESULTS

The company intends to acquire operating businesses in the aviation industry that will affect the company's income, operations, number of employees and size. Since the details of the acquisitions have not been released to the public, elaboration on those factors is not possible at this time.

6. Off-Balance Sheet Arrangements

Not applicable

Part E Issuance History

Item XVII List of securities offerings and shares issued for services in the past two years.

List below any events, in chronological order, that resulted in changes in total shares outstanding by the issuer (1) within the two-year period ending on the last day of the issuer's most recent fiscal year and (2) since the last day of the issuer's most recent fiscal year.

371,366,379 shares of common stock were issued to settle debt.

123,379,604 shares of common stock were issued to raise money under Rule 504.

Part F Exhibits

The following exhibits must be either described in or attached to the disclosure statement:

Item XVIII Material Contracts

Merger Agreement is attached in the Issuer's Initial Information Statement as Appendix B

Item XIX Articles of Incorporation and Bylaws.

Attached as Appendix C (Articles of Incorporation) and Appendix D (Bylaws) in the Issuer's Initial Information Statement

Item XX Purchases of Equity Securities by the Issuer and Affiliated Purchasers.

On August 4, 2009, the Board of Directors authorized a repurchase program upon completion of funding of previously announced acquisitions. The Company will begin to repurchase up to ten percent (10%) of their issued and outstanding shares at the sole discretion of the Company. There is no fixed termination date for the repurchase program and can be expanded up to twenty percent (20%) at the discretion of the management committee. As of October 28, 2009, the company had repurchased 15,489,300 shares and invested \$317,821.92 in the endeavor.

Dean Bradley, CEO of Quasar Aerospace Industries, Inc., purchased \$50,000 of shares of the company's common stock on the open market. The purchase was in compliance with SEC Rule 10b-18 and the shares become restricted under Rule 144.

Item XX Issuer's Certifications

March 29, 2010

I, Dean Bradley, certify that:

1. I have reviewed this Annual Report of Quasar Aerospace Industries, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operation and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

/s/ Dean Bradley
Dean Bradley
CEO and President