



Cameron MacDonald

President & CEO

The Westaim Corporation



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Westaim's Board of Directors and Management Team

Board of Directors

- **Ian W. Delaney, Chairman**
Chairman & CEO, Sherritt International Corporation
- **John Gildner**
Independent Investor
- **Cameron MacDonald**
President & CEO, Goodwood Inc.
- **Daniel P. Owen**
Chairman & CEO, Molin Holdings Ltd.
- **Peter H. Puccetti**
Chairman & CIO, Goodwood Inc.
- **Bruce V. Walter**
Vice-Chairman, Centerra Gold Inc.

Management

- **Cameron MacDonald**
President & CEO, Director
- **Jeffrey Sarfin**
Chief Financial Officer
- **Goodwood Management Inc.**
Peter H. Puccetti, Director
Robert Kittel, Partner, Goodwood Inc.

Management and Board of Directors collectively own 26.9% of common shares outstanding



Westaim 2008 Highlights

- Reported net loss of \$10.2 million compared to loss of \$58.0 million in 2007
- Loss from continuing operations was \$1.7 million compared to a loss of \$2.8 million in 2007
- Sold iFire assets for \$8.2 million
- Requisitioned special meeting of shareholders for US\$0.80 per share return of capital from NUCRYST Pharmaceuticals Corp.
- Continued review of strategic alternatives for Westaim

Q1 2009

- Reported net loss of \$2.7 million or (\$0.03) per share compared to a loss of \$6.9 million in Q1 2008 or (\$0.07) per share
- Loss from continuing operations was a loss of \$2.3 million versus a loss of \$2.8 million in the same period last year (before a one time gain of \$6.0 million)
- Further proceeds of \$1.4 million realized from the sale of iFire assets
- Consolidated cash \$40.1 million

The Westaim Corporation at March 31, 2009

Westaim Corporation	
C\$MM, except per share amounts	
Book Value	
Cash (net of A/P)	\$26.6
ABCP (Face = \$8.4MM)	4.0
Real estate held-for-sale	0.8
NUCRYST shares ⁽¹⁾	22.4
Other	(6.0)
Net book value	\$47.8
Per F.D. share ⁽²⁾	\$0.51
Current share price	\$0.25
Price to book value	0.5X
Tax Pools ⁽³⁾	\$102.8
(Westaim consolidated, excluding NUCRYST)	

(1) Westaim owns 74.7% of NUCRYST Pharmaceuticals' common shares

(2) Westaim has 94.2mm fully diluted shares outstanding

(3) Includes non-capital losses of C\$86.0mm; unclaimed scientific research and experimental development expenditures of C\$6.3mm and undepreciated capital cost of C\$10.5mm (capital losses of C\$45.5mm not included)



Goodwood Inc.

- Goodwood Fund founded in 1996
- The firm applies an “active” approach to a value discipline
- Fund has returned twice the TSX index since inception
- Partners have extensive experience
 - participating on public boards
 - proxy contests
 - restructurings
 - attracting new management
 - raising capital
 - searching for investment opportunities
- Goodwood Funds own 19.9% of Westaim’s common shares
- Goodwood’s interests are completely aligned with that of Westaim shareholders



Why did Westaim retain Goodwood?

- Proven track record of allocation of capital
- Current market conditions providing opportunities
- Access to additional capital
- Access to strong management teams

Opportunities – Near Term

- Move head office to Toronto
- Reduce Westaim's operating costs
- Maximize value of tax losses, ABCP and real estate
- Continue to review alternatives for NUCRYST to maximize shareholder value
- Deploy excess capital in opportunities such as:
 - secured and unsecured debt
 - public companies trading below liquidation value

Opportunities – Longer Term

- Acquire significant positions in promising businesses
- Look to align Westaim with strong operating management

Maximizing Westaim's Long-Term Value Per Share

Under Goodwood's management, Westaim intends to:

- maintain a conservative financial structure in pursuit of its objective to respond to investment opportunities as they arise
- continue to be managed to high compliance and governance standards



Questions