

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re: ) Chapter 11  
 )  
 FANSTEEL INC., et al., ) Case No. 02-10109 (JJF)  
 ) (Jointly Administered)  
 Former Debtors. )

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 In re: ) Chapter 11  
 )  
 PHOENIX AEROSPACE CORP., ) Case No. 02-10114 (JJF)  
 )  
 Former Debtor. )

**FINAL REPORT IN CHAPTER 11 PHOENIX AEROSPACE CORP.  
CASE NO. 02-10114 (JJF)**

To the best of my knowledge, information, and belief, the following is a breakdown of the results in the above-captioned case:

TYPE OF PAYMENT	AMOUNT OF PAYMENT <sup>1</sup> <i>(rounded to nearest dollar)</i>
Co Counsel for Debtor: Schulte Roth & Zabel LLP, (\$6,018,111.50 in fees and \$372,932.80 in expenses)	\$6,391,044.30
Co-Counsel for Debtor: Pachulski, Stang, Ziehl, Young, Jones & Weintraub PC, (\$1,704,872.10 in fees and \$413,689.01 in expenses)	\$2,118,561.00
Special Environmental Counsel to Debtors: Winston & Strawn LLP, (\$1,184,505.50 in fees and \$33,512.47 in expenses)	\$1,218,018.00
Environmental Counsel to Debtors: Earth Sciences Consultants, Inc., (\$76,095.80 in fees and \$53,887.52 in expenses)	\$759,983.00
Financial Advisor to Debtors: Executive Sounding Board Associates, Inc., (\$806,106.50 in fees and \$30,763.75 in expenses)	\$836,870.00

<sup>1</sup> The fees and expenses were incurred in the following procedurally consolidated cases: Fansteel Inc., Fansteel Holdings, Inc., Custom Technologies Corp., Escast, Inc., Wellman Dynamics Corp., Washington Mfg. Co., Phoenix Aerospace Corp., American Sintered Technologies, Inc., and Fansteel Schulz Products, Inc.

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TYPE OF PAYMENT	AMOUNT OF PAYMENT <sup>1</sup> (rounded to nearest dollar)
Special Oklahoma Counsel to Debtors: Kerr, Irvine, Rhodes & Ables PC, (\$35,425.00 in fees and \$1,649.46 in expenses)	\$37,074.00
Accountants and Auditors to the Debtors: Ernst & Young, (\$762,363.00 in fees and \$17,506.00 in expenses)	\$779,669.00
Tax Accountants to the Debtors: RSM McGladrey, Inc., (\$337,786.31 in fees and \$4,348.53 in expenses)	\$342,135.00
Co-Counsel to Official Committee of Unsecured Creditors (from 10/01/03 through 01/23/04): Landis Rath & Cobb LLP, (\$29,237.50 in fees and \$5,883.97 in expenses)	\$35,121.00
Co-Counsel to Official Committee of Unsecured Creditors (from 10/01/03 through 01/31/04): Neal Gerber & Eisenberg LLP, (\$92,972.00 in fees and \$2,024.52 in expenses)	\$94,997.00
Co-Counsel to Official Committee of Unsecured Creditors (from 06/01/03 through 02/25/04): Freeborn & Peters (\$653,798.50 in fees and \$39,326.38 in expenses)	\$693,125.00
Financial Consultants to Committee: Navigant Consulting, Inc., (\$653,798.50 in fees and \$39,326.38 in expenses)	\$831,394.00
The Official Committee of Unsecured Creditors	\$47.00
Other Fees or Expenses:  Report only the out-of-pocket Expenses of Administration:  Specify:	\$

1. No trustee or examiner was appointed in the Chapter 11 case of Phoenix Aerospace Corp. ("Phoenix"). Hence, no fees were incurred for a trustee or trustee's counsel.

2. On or before the date of the hearing on the Motion for Entry of Final Decree Closing Chapter 11 Case, Phoenix will have paid all required fees due under 28 U.S.C. § 1930.

3. In respect of the Phoenix Chapter 11 case, the deposit required by the Second Amended Joint Reorganization Plan for Fansteel Inc. and Subsidiaries (the "Plan") has been distributed and all matters to be completed upon the Effective Date of the confirmed Plan have been fulfilled or completed.

4. There are no longer any pending adversary proceedings or contested matters in this case which would affect the substantial consummation of this case.

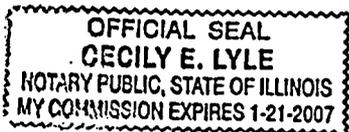
5. The Plan was confirmed by the Court on December 23, 2003. The Effective Date occurred on January 23, 2004. All Distributions to be made under the Plan on account of Claims filed in the Phoenix Chapter 11 case have commenced or have been completed. [See attached chart.]

Dated: May 26, 2005

By: R. Michael Mc Ltee  
Vice President and Chief Financial Officer

Sworn to before me this 26<sup>th</sup> Day  
of May, 2005

Cecily E. Lyle  
Notary Public:  
My Commission Expires: 1-21-07



**PHOENIX AEROSPACE CORP.**  
**Allowed Claims and Plan Distributions**

There were no Allowed Class 1 Priority Claims, Class 2 Secured Claims, Class 3 General Unsecured Claims or Class 4 Convenience Claims in the Phoenix's Chapter 11 case.

Distributions have been made and will continue to be made in respect of the Class 5 Claim asserted by the Pension Benefit Guaranty Corporation against the affiliated Debtors on a joint and several basis in the manner provided for in the Plan.