

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL DISTRICT OF EDMONTON

IN BANKRUPTCY AND INSOLVENCY
IN THE MATTER OF

TRANSGLOBAL COMMUNICATIONS GROUP INC.

I hereby certify this to be a true copy of the original.


for Registrar in Bankruptcy

- and -

BEFORE JUSTICE D. THOMAS
IN CHAMBERS
LAW COURTS
EDMONTON, ALBERTA

)
) ON TUESDAY, THE 5TH DAY
) OF AUGUST, 2008
)

ORDER

UPON THE APPLICATION of Transglobal Communications Group Inc. ("Transglobal"); AND UPON READING the Affidavit of Steven Prescott sworn on July 31, 2008; AND UPON REVIEWING the Trustee's Third Report dated August 5, 2008; AND UPON NOTING that Transglobal has complied with s. 50.4(9) of the *Bankruptcy and Insolvency Act*; AND UPON HEARING that counsel for all parties in attendance agree with the following form of Order, being Victor Lirette, Counsel for Transglobal, Kentigern Rowan, Counsel for HSBC Bank Canada ("HSBC"), Charles Russell, Counsel for Stone Sapphire Ltd., and Michael Mysak (by teleconference), Counsel for Joshua Kulbaba and Julia Kulbaba, AND WHEREAS the status of Joshua Kalbaba and Julia Kulbaba to participate in these proceedings was raised but expressly left undetermined as there was agreement on the form of Order to be granted, **IT IS HEREBY ORDERED AND ADJUDGED THAT:**

1. Service of the Notice of Motion and Affidavit in Support of this Application and the Third Trustee Report, being made on all creditors of Transglobal before the hearing of this motion has been dispensed with;
2. Pursuant to s. 50.4(9) of the *Bankruptcy and Insolvency Act*, the time for filing of a Proposal of Transglobal under Part 3 of the *Bankruptcy and Insolvency Act* is extended to 11:59 p.m. Friday, September 5, 2008;
3. Meyers Norris Penny Limited ("the Trustee") acting under the Notice of Intention to make a proposal which has been filed by Transglobal, shall deliver a copy of this Order and the Trustee's Third Report to all known creditors of Transglobal by mail, in the case of creditors within North America or by email or fax, in the case of creditors outside of North America if such information is known and available or mail otherwise, at the Trustee's discretion;
4. The Trustee shall provide to the Court and to all parties noted in the preamble to this Order the August, 2008 operational statements of Transglobal on or before 12:00 noon, September 4, 2008, which statements shall include:

- a. a cash flow statement;
 - b. a variance analysis;
 - c. comparison of actual sales to sales projected in May of 2008;
 - d. An analysis of Transglobal's receivables to determine bad debts in accordance with GAAP.
5. The Trustee shall provide HSBC's counsel within seven (7) days of written receipt of their itemized request, the details of any expense items listed in the projected Cash Flow Statement to the Trustee's Third Report;
6. The Trustee shall promptly advise the Court and each of the parties noted in the preamble hereto if the Trustee becomes aware of a material adverse change in the financial condition of Transglobal at any time between the date of this Order and the Trustee providing the August operational statements required above.

JUSTICE IN CHAMBERS

ENTERED THIS ____ DAY OF
AUGUST, 2008.

CLERK OF THE COURT

APPROVED AS TO ORDER GRANTED:

REYNOLDS, MIRTH, RICHARDS & FARMER LLP
Counsel for Transglobal Communications Group Inc.

Per: _____

Victor Lirette

MCLENNAN ROSS LLP
Counsel for Stone Sapphire Ltd.

Per: _____

Charles Russell

OGILVIE LLP
Counsel for HSBC Bank Canada

Per: _____

Kentigern Rowan

BENNETT JONES LLP
Counsel for Joshua Kulbaba and Julia Kulbaba

Per: _____

Michael Mysak

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JUSTICE IN CHAMBERS

ENTERED THIS ____ DAY OF
AUGUST, 2008.

CLERK OF THE COURT

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REYNOLDS, MIRTH, RICHARDS & FARMER LLP
Counsel for Transglobal Communications Group Inc.

Per: _____
Victor Lirette

MCLENNAN ROSS LLP
Counsel for Stone Sapphire Ltd.

Per: _____
Charles Russell

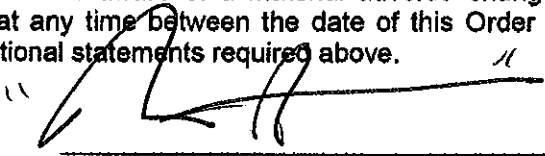
OGILVIE LLP
Counsel for HSBC Bank Canada

Per: _____
Kentlgerm Rowan

BENNETT JONES LLP
Counsel for Joshua Kulbaba and Julia Kulbaba

Per: _____
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JUSTICE IN CHAMBERS



ENTERED THIS 8 DAY OF AUGUST, 2008.

5 epd

W. BREITKREUZ



~~CLERK OF THE COURT~~ REGISTRAR IN BANKRUPTCY

APPROVED AS TO ORDER GRANTED:

REYNOLDS, MIRTH, RICHARDS & FARMER LLP
Counsel for Transglobal Communications Group Inc.

OGILVIE LLP
Counsel for HSBC Bank Canada

Per: Victor Lirette

Per: Kentigern Rowan

MCLENNAN ROSS LLP
Counsel for Stone Sapphire Ltd.

BENNETT JONES LLP
Counsel for Joshua Kulbaba and Julia Kulbaba

Per: Charles Russell

Per: Michael Mysak

QB BKCY ACTION NO: 24-1071018

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IN BANKRUPTCY AND INSOLVENCY
IN THE MATTER OF
TRANSGLOBAL COMMUNICATIONS GROUP INC.

ORDER

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Edmonton AB
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