

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 J.E. TOPOLNISKI
IN CHAMBERS
LAW COURTS
EDMONTON, ALBERTA

)
) ON FRIDAY, THE 5TH DAY
) OF SEPTEMBER, 2008
)

ORDER

UPON THE APPLICATION of TransGlobal Communications Group Inc. ("TransGlobal"); AND UPON READING the Affidavits of Steven Prescott sworn September 2, and September 5, 2008; AND UPON REVIEWING the Trustee's Fourth Report filed September 4, 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"), Ken Fitz and Charles Russell, Counsel for Stone Sapphire Ltd.; AND WHEREAS Michael Mysak, counsel for Joshua Kulbaba and Julia Kulbaba, advised by letter he would not be attending and his clients were not taking a position; AND WHEREAS the status of Joshua Kulbaba and Julia Kulbaba to participate in these proceedings was expressly left undetermined; **IT IS HEREBY ORDERED AND ADJUDGED THAT:**

1. Service of the Notice of Motion and Affidavit in Support of this Application and the Fourth 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 4:00 p.m. Tuesday, October 14, 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. If TransGlobal should make any further application for an extension of the time for filing a Proposal, any such application:

- a. will require a new cash flow budget by TransGlobal as part of the application;
 - b. will not rely on statements made by officers or employees of TransGlobal to the Trustee which are included in a Trustee's Report unless those statements are also placed in an Affidavit, filed as part of these proceedings.
5. On or before September 12, 2008, TransGlobal shall obtain and file in this action an Affidavit from Steven Prescott in substantially the form attached hereto as Schedule "A".

M.B. BIELBY

JUSTICE IN CHAMBERS

for

J.E. TOPOLNISKI

ENTERED THIS 1 DAY OF
SEPTEMBER, 2008.

OC

R.P. WACOWICH



~~CLERK OF THE COURT~~

REGISTRAR IN BANKRUPTCY

APPROVED AS BEING THE ORDER GRANTED BY:

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

OGILVIE LLP
Counsel for HSBC Bank Canada

Per:

[Signature]
Victor Lirette

Per:

[Signature]
Kentigern Rowan

MCLENNAN ROSS LLP
Counsel for Stone Sapphire Ltd.

Per:

Charles Russell

- a. will require a new cash flow budget by TransGlobal as part of the application;
 - b. will not rely on statements made by officers or employees of TransGlobal to the Trustee which are included in a Trustee's Report unless those statements are also placed in an Affidavit, filed as part of these proceedings.
5. On or before September 12, 2008, TransGlobal shall obtain and file in this action an Affidavit from Steven Prescott in substantially the form attached hereto as Schedule "A".

JUSTICE IN CHAMBERS

ENTERED THIS ____ DAY OF
SEPTEMBER, 2008.

CLERK OF THE COURT

APPROVED AS BEING THE ORDER GRANTED BY:

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.

Per: _____
Charles Russell

SCHEDULE "A"

Affidavit of Steven Prescott
Sworn September 5, 2008

ACTION NO: 24-1071018

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

IN THE MATTER OF
TRANSGLOBAL COMMUNICATIONS GROUP INC.

AFFIDAVIT OF STEVEN PRESCOTT

I, STEVEN PRESCOTT, of Edmonton, Alberta and Santa Rosa, California, MAKE OATH
AND SAY:

1. I am the President of TransGlobal Communications Group Inc. (the "Company").
2. Neither the Company or myself, directly or indirectly, has conducted any business ordinarily conducted by the Company through any other person, partnership, corporation or legal entity other than the Company since the date of the Notice of Intention in this matter, dated May 20, 2008, to the present.

SWORN before me at the City of
Edmonton, in the Province of Alberta
this 5th day of September, 2008

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)
)

STEVEN PRESCOTT

A Commissioner for Oaths in and for
the Province of Alberta

ACTION NO: 24-1071018

Affidavit of Steven Prescott
Sworn September 5, 2008

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

IN THE MATTER OF
TRANSGLOBAL COMMUNICATIONS GROUP INC.

AFFIDAVIT OF STEVEN PRESCOTT

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Telephone: (780) 425-9510
Facsimile: (780) 429-3044
File No: 107153-001-MJM

QB BKCY ACTION NO: 24-1071018



**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.**

ORDER

**Reynolds, Mirth, Richards & Farmer LLP
3200, 10180 - 101 Street
Edmonton AB
T5J 3W8**

**LAWYER: VICTOR L. LIRETTE
TELEPHONE: (780) 425-9510
FAX: (780) 429-3044
FILE NO: 107153-001-VLL**