

No. S081520
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36

AND

IN THE MATTER OF THE *CANADA BUSINESS CORPORATIONS ACT* R.S.C., 1985,
c. C-44

AND

IN THE MATTER OF THE *BRITISH COLUMBIA BUSINESS CORPORATIONS ACT*
R.S.B.C. 2002 c. 57

AND

IN THE MATTER OF ASCALADE COMMUNICATIONS INC.
AND ASCALADE TECHNOLOGIES INC.

PETITIONERS

ORDER

BEFORE THE HONOURABLE MR.) TUESDAY, THE 8TH DAY OF
)
JUSTICE BURNYEAT) DECEMBER, 2009

THE WITHOUT NOTICE APPLICATION coming on for hearing at Vancouver, British Columbia, this day; AND ON HEARING John Grieve, counsel for Deloitte & Touche Inc., as the Court appointed Monitor of the Petitioners, and no one appearing on behalf of the other parties, although duly served and upon reading the material filed herein and the Monitor's Fifth Report to Court dated December 1, 2009.

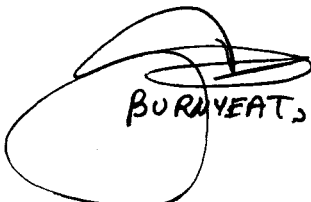
THIS COURT ORDERS AND DIRECTS that

1. the Monitor may effect service of pleadings filed in connection with its application to:

- (a) distribute surplus monies, after payment of all creditors with proven claims, to shareholders by way of a return of capital; and
- (b) to obtain its discharge and pass its accounts and those of its counsel (the "Application");
 - (i) by serving parties who have filed Appearances with all material in respect of the Application;
 - (ii) by posting its Notice of Motion, the Monitor's 5th Report, a copy of this Order and all other supporting material on the Monitor's website at www.deloitte.com/ca/Ascalade;
 - (iii) by filing a Press Release, substantially in the form attached as Schedule "A" hereto, on SEDAR and disseminated via Canadian Newsweek; and
 - (iv) by delivering a copy of all material files with respect to this matter to the Petitioner's transfer agent, Computershare Investor Services Inc.

2. any further material need only be served on parties who have filed an Appearance to this proceeding.


3. subject to further Court Order and service of the materials referred to in paragraph 1(b) by December 17th, 2009, the Application will be heard by the Honourable Mr. Justice Burnyeat at 9:00 a.m. on Monday, December 22, 2009.


BURNYEAT, J.

BY THE COURT


DISTRICT REGISTRAR

APPROVED AS TO FORM:


Counsel for the Monitor



Ascalade

News Release

For Immediate Release

Ascalade Announces Return of Capital to Shareholders

VANCOUVER, BC December 8, 2009 - Ascalade Communications Inc. (the "Company") announces that a return of capital in the amount of Cdn \$0.159 per common share will be payable on December 22, 2009 to all shareholders of record as of December 1, 2009. All assets of the Company have been realized upon and these proceeds are being disbursed to the shareholders as a return of capital.

The Company is subject to proceedings under the *Companies' Creditors Arrangement Act* (the "CCAA"). To facilitate the realization of the Company's assets and the winding-up of the Company and its business, on March 3, 2008 Deloitte & Touche Inc. was appointed Monitor of the Company pursuant to the Company's CCAA filing. In June 2008 the Company's Plan of Compromise or Arrangement (the "Plan") was presented to the Company's creditors, who voted in favour of accepting the Plan. As a result of the creditors' acceptance of the Plan, a court order was obtained on June 26, 2008 whereby the Supreme Court of British Columbia (the "BC Court") sanctioned the approval of the Plan. Pursuant to the Plan, on December 3, 2009 payment of 100% of all proven creditor's claims had been made by the monitor. The Monitor proposes obtaining an Order of the B.C. Supreme Court on or about December 22, 2009 authorizing it to distribute the remaining cash resulting from the sale of the assets of the Company, to the Shareholders, passing its accounts and obtaining its discharge. On December 1, 2009 the Monitor obtained a court order permitting the Monitor to serve all interested parties with notice of the proposed distribution and finalization of these proceedings by serving all parties who had filed appearances in the CCAA Proceedings or by filing this press release and posting all supporting materials in respect of the proposed distribution and finalization on the Monitor's website which is: <http://www.deloitte.com/ca/ascalade>.

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