

IN THE MATTER OF
THE SECURITIES ACT, 1988, S.S. 1988, c. S-42.2

AND

IN THE MATTER OF

LAVA Systems Inc.

CEASE TRADE ORDER
(Subsection 134.1 (1))

WHEREAS LAVA Systems Inc., (the "Issuer") being a reporting issuer other than a mutual fund, within the meaning of *The Securities Act, 1988, S.S. 1988, c. S-42.2* (the "Act"), has failed to file:

1. comparative annual audited financial statements and related filing fees for the fiscal periods ending July 31, 1999, July 31, 2000 and July 31, 2001 as required by Section 87 of the Act, and Sections 125 and 126 of the Regulations.
2. comparative interim financial statements for the three, six month and nine month quarters ending October 31, 1999 to October 31, 2001 inclusive, as required by Section 86 of the Act, and Sections 122 and 123 of the Regulations.
3. confirmations of delivery of the above financial statements as required by Section 88 of the Act, and Section 138.1 of the Regulations.

(The "Required Records");

NOW THEREFORE it is ordered under Subsection 134.1(2) of the Act, that all trading in the securities of the Issuer cease until the Issuer files the Required Records.

DATED at the City of Regina, in the Province of Saskatchewan, this 25th day of February, 2002.

“Ian McIntosh”

Ian McIntosh C.A.

Deputy Director - Corporate Finance

SASKATCHEWAN SECURITIES COMMISSION