

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

AND

IN THE MATTER OF
RED EARTH ENERGY LIMITED

TEMPORARY ORDER
(Section 134)

WHEREAS it has been represented to the Saskatchewan Securities Commission (the "Commission") by the staff of the Commission that Red Earth Energy Limited (the "Issuer"):

- (a) failed to file comparative interim financial statements for the six month periods ending June 30, 1988 and June 30, 1987 as required under Sections 137, 131, 133 and 136 of The Securities Act, R.S.S. 1978, c. S-42 (the "1978 Act");
- (b) failed to file a comparative annual audited financial statement for its financial year ending December 31, 1987 as required by Sections 127 - 136 of the 1978 Act;

AND WHEREAS it appears the Issuer has failed to concurrently send the foregoing financial statements to each shareholder of its securities whose latest address as shown on the books of the Issuer is in Saskatchewan as required under section 137(5) of the 1978 Act and section 149 of The Business Corporations Act, S.S. 1988, c. B-10;

AND WHEREAS the Issuer is now a reporting issuer within the meaning of The Securities Act, 1988, S.S. 1988, c.S-42.2 (the "Act");

AND WHEREAS the Commission is of the opinion that it is in the public interest for all reporting issuers, in a timely manner, to file with the Commission and to send to holders of their securities in Saskatchewan interim financial statements and annual audited financial statements;

AND WHEREAS the Commission is of the opinion that it is in the public interest to make this Order;

AND WHEREAS the Commission is of the opinion that the length of time required for a hearing would be prejudicial to the public interest;

THE COMMISSION HEREBY ORDERS pursuant to section 134(3) of the Act that trading in the securities of the Issuer cease forthwith up to and including the 26th day of April, 1989. This Order may be further extended for such period as the Commission considers necessary where sufficient information to enable the Commission to make an Order under section 134(1) is not provided to the Commission on or before the 26th day of April, 1989. If the Issuer makes a request which is received by the Commission on or before the 26th day of April, 1989, it shall be granted a hearing before the Commission to be held at the offices of the Commission being:

Saskatchewan Securities Commission
1914 Hamilton Street
8th Floor, Toronto Dominion Bank Building
Regina, Saskatchewan
S4P 3V7

THE PURPOSE OF THE HEARING held at the request of the Issuer will be to consider whether it is in the public interest that a permanent cease trade order pursuant to section 134(1) of the Act be made in respect of the securities of the Issuer by reason of the failure of the Issuer to file financial statements and to send financial statements to each holder of its securities as hereinbefore described and by reason of failing to provide the Commission with satisfactory information on or before the date of the hearing or any extension thereof by the Commission;

AND TAKE NOTICE that any party to the proceedings may be represented by counsel of his choice at any hearing held at the request of the Issuer;

AND TAKE NOTICE that upon failure of any party to attend any hearing held at the request of the Issuer at the time agreed upon, the hearing may proceed in the absence of such party and such party is not entitled to any further notice in the proceedings.

DATED at the City of Regina, in the Province of Saskatchewan, this 11th day of April, 1989.



MARCEL de la GORGENDIERE, Q.C.
CHAIRMAN
SASKATCHEWAN SECURITIES COMMISSION

To: Red Earth Energy Limited
Box 109
Red Earth, Saskatchewan
SOE IKO
Attention: Philip Head

JMH:yk