Cease Trade Order

QSound Labs, Inc.

Section 164 of the Securities Act, R.S.B.C. 1996, c. 418

¶ 1 QSound Labs, Inc. is a reporting issuer and has not filed:

1. a comparative financial statement for its financial year ended December 31, 2008, as required under Part 4 of National Instrument 51-102 (NI 51-102),
2. a Form 51-102F1 Management's Discussion and Analysis for the period ended December 31, 2008, as required under Part 5 of NI 51-102, and
3. a Form 51-102F2 Annual Information Form for the year ended December 31, 2008, as required under Part 6 of NI 51-102,

(the required records).

¶ 2 Under section 164(1) of the Act, the Executive Director orders that all trading in the securities of QSound cease until:

1. it files the required records, completed in accordance with the Act and rules, and
2. the Executive Director makes an order under section 164 of the Act revoking this order.

¶ 3 Despite this order, a beneficial shareholder of QSound who is not, and was not at the date of this order, an insider or control person of QSound, may sell securities of QSound acquired before the date of this order, if:

1. the sale is made through a market outside Canada,
2. the sale is made through an investment dealer registered in British Columbia, and
3. the investment dealer maintains a record of the details of the sales made under this provision.

¶ 4 April 14, 2009

Allan Lim, CA
Manager
Corporate Finance