



Ontario  
Securities  
Commission

Commission des  
valeurs mobilières  
de l'Ontario

P.O. Box 55, 19<sup>th</sup> Floor  
20 Queen Street West  
Toronto ON M5H 3S8

CP 55, 19<sup>e</sup> étage  
20, rue queen ouest  
Toronto ON M5H 3S8

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**IN THE MATTER OF THE SECURITIES ACT,  
R.S.O. 1990, CHAPTER S.5, AS AMENDED (THE "ACT")**

**AND**

**IN THE MATTER OF**

**AC ENERGY INC.**

**NOTICE OF TEMPORARY ORDER AND HEARING**  
**(Subsection 127(9))**

**TAKE NOTICE** that the undersigned Director made a Temporary Order under paragraph 2 of subsection 127(1) and subsection 127(5) of the Act on the 30<sup>th</sup> day of December, 2003, a copy of which is attached hereto, that trading in the securities of

**AC ENERGY INC.**

(the "Reporting Issuer") shall cease forthwith for a period of fifteen days from the date thereof, by reason of the following facts (the "default"):

Interim Statements for the nine-month period ended September 30, 2003 have not been filed with the Commission;

**AND TAKE NOTICE** that the undersigned Director in Corporate Finance may revoke the Temporary Order within the fifteen-day period upon being satisfied that the Reporting Issuer has remedied its default;

**AND FURTHER TAKE NOTICE** that, if the default continues, the Director will hold a hearing at the office of the Ontario Securities Commission (the Commission") on the 16<sup>th</sup> Floor, 20 Queen Street West, Toronto, Ontario M5H 3S8 on the 9<sup>th</sup> day of January, 2004 at 10:00 a.m., or as soon thereafter as it can be held, to determine, on the facts then brought before the Director, whether the Temporary Order ought to be allowed to expire or be extended by an order in the public interest;

**AND FURTHER TAKE NOTICE** that any person or company served with a copy of this Notice may be represented by counsel of that person or company's choice at the said hearing, and that such person or company may attend or submit evidence thereat;

**AND FURTHER TAKE NOTICE** that every person or company served with a copy of this Notice is required to give written notice of such person or company's intention to attend or not to attend the said hearing, addressed to the Director at 20 Queen Street West, 16th Floor, Toronto, Ontario M5H 3S8, at least two days before the date of the hearing, and that, upon failure of the Reporting Issuer to attend the hearing, an order may be made that trading shall cease in respect of the securities of the Reporting Issuer until the Order is revoked by a further Order of Revocation.

**DATED** at Toronto this 30<sup>th</sup> day of December, 2003.

Ontario Securities Commission

*“original signed by”*

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John Hughes, Corporate Finance

TO: The Secretary  
AC Energy Inc.  
Suite 820  
727-7<sup>th</sup> Avenue SW  
Calgary, Alberta  
T2P 2Z5

REGISTERED

Documentary evidence to be used at the hearing may be examined at the Commission's Offices, 16th Floor, 20 Queen Street West, Toronto, Ontario M5H 3S8 prior to the date of the hearing by appointment with Anita Lee telephone (416) 593-8329.



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**IN THE MATTER OF THE SECURITIES ACT,  
R.S.O. 1990, CHAPTER S.5, AS AMENDED (THE "ACT")**

**AND**

**IN THE MATTER OF**

**AC ENERGY INC.**

**TEMPORARY ORDER**  
**(Paragraph 127(1)2 and subsection 127(5))**

**WHEREAS** the securities of

**AC ENERGY INC.** (the "Reporting Issuer")

are currently being traded in Ontario;

**AND WHEREAS** financial statements of the Reporting Issuer required to be filed with the Ontario Securities Commission (the "Commission") under Part XVIII of the Act have not been filed and current information on the affairs of the Reporting Issuer is not available to the investing public;

**AND WHEREAS** the Director is of the opinion that it is in the public interest that trading in the securities of the Reporting Issuer shall cease forthwith;

**AND WHEREAS** the Director is of the opinion that the length of time required for a hearing could be prejudicial to the public interest;

**IT IS ORDERED**, pursuant to paragraph 2 of subsection 127(1) and subsection 127(5) of the Act, that:

1. trading in the securities of the Reporting Issuer shall cease forthwith for a period of fifteen days from the date hereof; and

2. notice of this Temporary Order and of a hearing to be held within the said period to determine whether this Temporary Order ought to be allowed to expire or be extended shall be given concurrently to the Reporting Issuer and to its transfer agent.

**DATED** at Toronto this 30<sup>th</sup> day of December, 2003.

Ontario Securities Commission

*“original signed by”*  
John Hughes, Corporate Finance