

IN THE MATTER OF THE SECURITIES ACT R.S.B.C. 1996, c. 418

AND

IN THE MATTER OF KAST TELECOM EUROPE S.A.

Cease Trade Order Under Section 164

Kast Telecom Europe S.A. (the "Issuer") is

- a) a reporting issuer other than a mutual fund, and
- b) an exchange issuer;

The Issuer has failed to file

- a) a comparative financial statement for its financial year ended December 31, 2000, as required under section 145 of the *Securities Rules*, B.C. Reg. 194/97 (the "Rules"),
- b) an interim financial statement for the three month period ended March 31, 2001, as required under section 144(1) of the Rules,
- c) quarterly reports for the periods ended December 31, 2000 and March 31, 2001, as required under section 152 of the Rules,

(the "Required Records");

It is ordered under section 164(1) of the Securities Act, R.S.B.C. 1996, c. 418, that all trading in the securities of the Issuer cease until the Issuer files the Required Records.

Vancouver, British Columbia, on June 19, 2001.

Andrew S. Richardson, C.A.
Manager, Financial and Insider Reporting

Scan ID#120805-4

NOTE: If a Cease Trade Order remains in effect for more than 90 days, the issuer will be required to meet the additional filing requirements under Section 186 of the Rules. Details on these additional filing requirements are provided in Local Policy 3-35.

TO:

Kast Telecom Europe S.A.
1600 Canada Place
407 – 2nd Street, SW
Calgary, AB T2P 2Y3

CIBC Mellon Trust
P.O. Box 2517
600 The Dome Tower
333 – 7th Avenue S.W.
Calgary, AB T2P 4P4
Facsimile: (403) 264-2100

Attention: Derrick Auch
Armstrong Perkins Hudson
Barristers & Solicitors
1600 Canada Place
407 - 2nd Street S.W.
Calgary, AB T2P 2Y3
Fax: (403) 262-7896

British Columbia Securities Commission
Attention: Elizabeth O'Hea