

SRX Post Holdings Inc

Serge Fortin

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LETTER TO CREDITORS

September 18, 2008

Dear Creditor:

As you may know, on November 19, 2007, SRX Post Holdings Inc., (formerly known as SR Telecom Inc. ("**SRX**")) filed for protection under the *Companies' Creditors Arrangement Act* (Canada) ("**CCAA**").

After a concerted marketing effort on the part of SRX, on or about April 4, 2008, SRX successfully completed the sale of substantially all of its assets to Group Lagassé. This sale resulted in the employment of most of SRX's employees by Group Lagassé and continued opportunities for its suppliers and customers.

In a continuing effort to provide greater value to creditors of SRX than would be achieved in a bankruptcy, SRX has developed a Plan of Compromise and Reorganization (the "**Plan**") for its creditors. Enclosed you will find a copy of the Plan and related materials, as well as a copy of a report prepared by RSM Richter Inc., Court-appointed Monitor to SRX ("**Monitor**") in connection with the Plan.

Pursuant to the Plan, *if* the Plan is accepted by the required majorities of Affected Creditors (as defined in the Plan), Affected Creditors who are owed CDN \$2,000 or less will receive payment in full of their claims (up to a maximum of CDN \$2,000). Affected Creditors having claims in excess of CDN \$2,000 can elect to reduce their claims to CDN \$2,000 and receive payment of CDN \$2,000 in full and final settlement of all of their Affected Claims, provided they complete and return the Election to Reduce Claim (included with your Proxy form) by the deadline of October 15, 2008. Affected Creditors with Affected Claims of more than CDN \$2,000 who do not complete the form of Election to Reduce Claim will be entitled to receive their *pro rata* share of the Affected Creditors Fund (as defined in the Plan) remaining available for distribution to the Affected Creditors after payment in full of all amounts to be paid in priority thereto as set out in the Plan.

As indicated in the attached Notice of Meeting of Creditors and Sanction Hearing, a meeting will be held on October 16, 2008, at 10:00 a.m., at **The Holiday Inn**, (Senator Room), located at 420 Sherbrooke Street West, Montréal, Québec, to consider the Plan and approve same pursuant to the CCAA and the *Canada Business Corporations Act*.

SRX and the Monitor believe that the Plan is in the best interests of all SRX creditors. The only realistic alternative to the Plan is bankruptcy which would result in no recovery to the unsecured creditors. SRX seeks your support and vote in favour of the Plan. SRX's senior secured creditors support the Plan and the Monitor has recommended in its Report that all creditors vote in favour of the Plan.

To become effective, the Plan must be voted upon and approved by the requisite majorities of SRX's Affected Creditors voting on the Plan and approved by the Court. Each creditor's vote is important. Even if your Claim is less than CDN \$2,000, there will be no payout to Affected Creditors unless the Plan is accepted, which requires your affirmative vote. We strongly encourage you to complete, sign, date, and return the enclosed Proxy by no later than 5:00 p.m. (Montreal Time), October 15, 2008 preferably by fax or email, or alternatively, by mail or courier.

A French version of the Plan is posted on the website identified as www.rsmrichter.com/restructuring/srtelecom.aspx or may be obtained by contacting the Monitor, RSM Richter Inc.:

Attention Ms. Ariella Yedid
Tel: 514.934.3497; Fax: 514.934.3504;
E-mail: srtelecomclaims@rsmrichter.com

You are urged to review the enclosed materials carefully and to the extent of any inconsistency between the Plan and this letter, the Plan governs. Please note that the Plan may be modified prior to the vote by creditors at the meeting. SRX will use all reasonable efforts to communicate any modifications to the Plan to its creditors at the meeting of creditors.

Should you have any questions with regard to the Plan, please feel free to communicate with the Monitor as provided for above.

Yours Sincerely,



Serge Fortin
Chief Executive Officer, SRX Post Holdings Inc.

RSM Richter Inc.

RSM Richter Inc.

2, Place Alexis Nihon
Montréal (Québec) H3Z 3C2
Téléphone / Telephone : 514.934.3497
Télocopieur / Facsimile : 514.934.3504
www.rsmrichter.com

**CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL**

No.: 500-11-031896-075

S U P E R I O R C O U R T

(Commercial Division)

(Sitting as a court designated pursuant to the *Companies'
Creditors Arrangement Act*,
R.S.C. 1985, c. C-36)

**IN THE MATTER OF THE PLAN OF COMPROMISE AND
REORGANIZATION OF:**

**SRX POST HOLDINGS INC. (FORMERLY KNOWN AS
SR TELECOM INC.)**

Petitioner

- and -

RSM RICHTER INC.

Monitor

**NOTICE TO CREDITORS OF SRX POST HOLDINGS INC.
(FORMERLY KNOWN AS SR TELECOM INC.)
OF
MEETING OF CREDITORS AND SANCTION HEARING**

TAKE NOTICE THAT SRX Post Holdings Inc. (formerly known as SR Telecom Inc.) has filed a Plan of Compromise and Reorganization pursuant to the *Companies' Creditors Arrangement Act* and the *Canada Business Corporations Act* (the "**Plan**"), with RSM Richter Inc. as the Monitor.

A GENERAL MEETING OF THE CREDITORS OF **SRX POST HOLDINGS INC. (FORMERLY KNOWN AS SR TELECOM INC.)** FOR THE PURPOSE OF CONSIDERING AND APPROVING THE PLAN **WILL BE HELD AT THE HOLIDAY INN (SENATEUR ROOM), LOCATED AT 420 SHERBROOKE STREET WEST, MONTREAL, QUÉBEC ON THE 16TH DAY OF OCTOBER 2008, AT 10:00 A.M.**

The creditors qualified to vote at the meeting may accept the Plan as proposed or as altered or modified at or prior to the meeting. If so accepted by a majority in number and representing two-thirds in value of the creditors present and voting either in person or by proxy at the meeting and approved by the Superior Court of Québec (Commercial Division) (the "**Court**"), the Plan will be binding on all the Affected Creditors (as defined in the Plan) and other relevant persons as set out in the Plan.

AN APPLICATION WILL BE BROUGHT BEFORE THE COURT TO SANCTION THE PLAN ON OCTOBER 20, 2008 AT 9:30 A.M. IN ROOM 16.12 OF THE MONTREAL COURTHOUSE, LOCATED AT 1, **NOTRE DAME EAST, MONTREAL, QUEBEC.**

Any person who wishes to appear or to be represented and to present evidence or arguments at the Court hearing seeking sanction of the Plan must serve upon the legal counsel for SRX Post Holdings Inc., the Monitor and upon all other parties who have filed a notice of appearance, a notice setting out the basis for any opposition and a copy of all materials to be used in relation to any opposition of the petition for approval of the Plan, by no later than 5:00 p.m. (Montréal Time), October 16, 2008.

A copy of this Notice of Meeting of Creditors and Sanction Hearing, a copy of the Plan, a form of Proxy for voting purposes, a form of Election to Reduce Claim, a copy of the Monitor's Report and a copy of the Claims Process Order dated April 23, 2008 are available from the Monitor whose contact information is set out below, or at the Monitor's website at: www.rsmrichter.com/restructuring/srtelecom.aspx.

RSM Richter Inc.

2, Place Alexis Nihon
22nd Floor
Montréal, Québec H3Z 3C2

Attention: Ariella Yedid, CA
Phone No: 514.934.3497
Fax: 514.934.3504
E-mail: srtelecomclaims@rsmrichter.com

Dated at Montreal, this 22nd day of September, 2008.

RSM Richter Inc.,
Court-appointed Monitor

**CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL
No.: 500-11-031896-075**

S U P E R I O R C O U R T
(Commercial Division)
(Sitting as a court designated pursuant to the *Companies'*
Creditors Arrangement Act,
R.S.C. 1985, c. C-36)

**IN THE MATTER OF THE PLAN OF COMPROMISE AND
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- and -

RSM RICHTER INC.

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INSTRUCTIONS FOR COMPLETION OF PROXY

1. *If RSM Richter Inc. is appointed or is deemed to be appointed as proxyholder and the creditor fails to indicate a vote IN FAVOUR or NOT IN FAVOUR of the approval of the Plan on the Proxy, the Proxy will be voted IN FAVOUR of the approval of the Plan.*
2. Each creditor who has a right to vote has the right to appoint a person (who need not be a creditor) to attend, act and vote for the creditor pursuant to the Plan and on his or her behalf and such right may be exercised by inserting in the space provided therefor the name of the person to be appointed. A creditor wishing to attend and vote in person at the meeting must insert his or her own name in the space provided in order to do so. If no name has been inserted in the space provided, the creditor will be deemed to have appointed the Monitor as the creditor's proxyholder.
3. If this proxy is not dated in the space provided therefor, it shall be deemed to bear the date on which it is received by the Monitor.
4. This proxy must be signed by the creditor or by his or her representative duly authorized in writing or, where the creditor is a corporation, by a duly authorized officer or representative of the corporation with an indication of the title of such officer or representative.
5. Valid proxies from the same creditor bearing or deemed to be bearing a later date shall revoke this proxy. In the event that more than one valid proxy for the same creditor and bearing or deemed to be bearing the same date is received with conflicting instructions, such proxies will be treated as disputed proxies and shall not be counted.

This Proxy must be received by the Monitor by no later than 5:00 p.m. (Montréal Time) October 15, 2008, by delivery, mail, courier, email or facsimile at the following address:

RSM Richter Inc.
2, Place Alexis Nihon
22nd Floor
Montréal, Québec H3Z 3C2

Attention: Ariella Yedid, CA
Fax: 514.934.3504
E-mail: srtelecomclaims@rsmrichter.com

**CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL**

S U P E R I O R C O U R T
(Commercial Division)
(Sitting as a court designated pursuant to the *Companies' Creditors
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-and-

RSM RICHTER INC.

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PROXY

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C-36, AS AMENDED AND
SRX POST HOLDINGS INC. (FORMERLY AS SR TELECOM INC.)

I/We _____
(name of creditor)

of _____
(address)

creditor(s), hereby appoint as my (our) proxy for the meeting of creditors to be held on October 16, 2008, or at any adjournment
thereof, the following person:

(name of proxy)

or, if no name is inserted above, RSM Richter Inc., the Court-appointed Monitor.

I/we hereby instruct my/our proxy to vote as follows on the resolution to approve the Plan of Compromise and Reorganization of
SRX Post Holdings Inc. (formerly known as SR Telecom Inc.) pursuant to the *Companies' Creditors Arrangement Act* and the
Canada Business Corporations Act, as tabled, and as may be amended, at such meeting of creditors (the "**Plan**"), or at any
adjournment thereof:

_____ **IN FAVOUR** of approving the Plan.

_____ **NOT IN FAVOUR** of approving the Plan.

Note: Unless a creditor has indicated above that it wishes to vote against approval of the Plan, the Monitor will vote all proxies which it holds IN FAVOUR of the Plan.

DATED at _____, this ____ day of _____, 2008.

SIGNED, SEALED & DELIVERED
In the presence of:

Witness

|

Signature of creditor or
authorized person

**CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL**

S U P E R I O R C O U R T
(Commercial Division)

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- and -

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Monitor

ELECTION TO REDUCE CLAIM

For use by Affected Creditors of SRX POST HOLDINGS INC. ("SRX") with total Affected Claims in excess of CDN \$2,000 who wish to reduce their total Affected Claims to CDN \$2,000 and receive a distribution pursuant to Section 4.1(a) of SRX's Plan of Compromise and Reorganization pursuant to the *Companies' Creditors Arrangement Act* (the "Plan").

THE UNDERSIGNED AFFECTED CREDITOR of SRX acknowledges that the total amount of its Affected Claims exceeds CDN \$2,000 and hereby elects to:

- (a) reduce the undersigned's total amount of Affected Claims to CDN \$2,000;
- (b) release all other Affected Claims of the undersigned; and
- (c) receive by cheque, instead of any other distribution from the Affected Creditors' Fund, pursuant to Section 4.1(a) of the Plan, an amount equal to the lesser of:
 - (i) the total amount of the undersigned's Proven Claims; and
 - (ii) CDN \$2,000.

Dated this ____ day of _____, 2008.

Print Name of Affected Creditor (in block letters)

Phone Number of Affected Creditor

Signature of Affected Creditor or, if the Affected Creditor is a corporation, signature of an authorized signing officer of the corporation and such officer's title

THIS ELECTION MUST BE PROVIDED TO THE MONITOR SO THAT IT IS RECEIVED BY THE MONITOR, TOGETHER WITH YOUR COMPLETED PROXY FORM, AT THE FOLLOWING ADDRESS ON OR BEFORE THE ELECTION DEADLINE OF 5:00 P.M. (MONTREAL TIME) ON OCTOBER 15, 2008:

RSM Richter Inc.
2, Place Alexis Nihon
22nd Floor
Montréal, Québec H3Z 3C2

Attention: Ariella Yedid, CA
Fax: 514.934.3504
E-mail: srtelecomclaims@rsmrichter.com