

**DUPLICATE
ORIGINAL**

COURT FILE NUMBER Q.B. 1639 of 2015

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE SASKATOON

PLAINTIFF GOLDEN OPPORTUNITIES FUND INC.

DEFENDANTS PHENOMENOME DISCOVERIES INC.

IN THE MATTER OF THE RECEIVERSHIP OF PHENOMENOME DISCOVERIES INC.

ORDER

(Extension of Interim Receivership Order and Approval of Interim Financing Term Sheet)

Before the Honourable Mr. Justice Scherman in Chambers the 21st day of December, 2015.

Upon the Application of Jeffrey M. Lee, Q.C. and Paul Olfert, counsel on behalf of **GOLDEN OPPORTUNITIES FUND INC. ("GOFI")**, and upon hearing from Jeffrey M. Lee, Q.C. on behalf of GOFI, and upon hearing from M. Kim Anderson, Q.C., counsel on behalf **PHENOMENOME DISCOVERIES INC. ("PDI")**, and upon hearing from counsel on behalf of all other parties present, and on reading the Interim Receivership Order of the Honourable Mr. Justice B. J. Scherman issued in these proceedings and dated December 3, 2015 (the "**Interim Receivership Order**"), the Notice of Application on behalf of GOFI dated December 21, 2015, and the pleadings and proceedings herein;

The Court Orders:

1. The time for service of the GOFI Notice of Application and the materials filed in support thereof (collectively, the "**Application Materials**") shall be and is hereby abridged and service thereof shall be and is hereby deemed good, valid, timely and sufficient.
2. The Interim Receivership Order shall be and is hereby extended to and including January 28, 2016.
3. Pursuant to paragraphs 20 to 23 of the Interim Receivership Order authorizing the Interim Receiver to borrow funds secured by the Interim Receiver's Borrowings Charge:
 - (a) the Term Sheet between GOFI and PDI dated December 18, 2015, a copy of which is attached as Schedule "A" to this Order (the "**Interim Financing Term Sheet**") shall be and is hereby authorized and approved; and

- (b) the Interim Receiver shall be and is hereby authorized to borrow monies from Golden Opportunities Fund Inc. in accordance with the Interim Financing Term Sheet.

ISSUED at the City of Saskatoon, in the Province of Saskatchewan, this 21st day of December, 2015.


DEPUTY LOCAL REGISTRAR

This **Interim Receivership Order** was delivered by:

MacPherson Leslie & Tyerman LLP
Lawyers
1500 - 410 22nd Street
Saskatoon, Saskatchewan S7K 5T6

Address for service:	as above
Lawyer in charge of file:	Jeffrey M. Lee, Q.C. and Paul Olfert
Telephone:	(306) 975-7100
Facsimile:	(306) 975-7145



Suite 830, 401 – 22nd Street East
Saskatoon, SK S7K 5T6
Phone: (306) 652-5557
Fax: (306) 652-8186
www.goldenopportunities.ca

December 18, 2015

Deryck Helkaa
FTI Consulting Inc.
c/o Phenomenome Discoveries Inc.
204 – 207 Downey Road
Saskatoon, SK S7N 4L8

Attention: Mr. Helkaa

RE: Interim Financing Terms

The Golden Opportunities Fund Inc. ("GOF" or the "Lender") is pleased to provide interim financing ("Interim Financing") in the form of a credit facility (the "Credit Facility") with the terms outlined below for FTI Consulting Canada Inc., in its capacity as Court appointed Interim Receiver ("FTI Consulting", or the "Interim Receiver") of Phenomenome Discoveries Inc. ("PDI" or the "Debtor").

- Borrower:** FTI Consulting Canada Inc., in its capacity as Interim Receiver
- Interim Receiver:** FTI Consulting of Calgary, Alberta has been appointed Interim Receiver pursuant to s. 47(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 ("BIA") on the order of the Court of Queen's Bench of Saskatchewan on December 3, 2015 (the "Interim Receivership Order").
- Purpose:** To provide Interim Financing to support the operations of PDI while it reorganizes its affairs under the Interim Receiver and pursuant to the Interim Receivership Order.
- Credit Facility:** Up to \$250,000 (the "Principal Sum")
- Interest Rate:** 11% per annum, calculated daily and payable monthly not in advance. Interest on unpaid interest shall be calculated and paid at the same rate and in the same manner as interest accruing on the Principal Sum.
- Repayment:** The Principal Sum, together with interest thereon, will be repaid upon the discharge of the Interim Receiver. Any payments received are to be applied firstly in payment of interest owing at the time of payment and the balance shall be applied in reduction of principal. [add terms about being repaid upon the sale of the assets/refinancing etc]
- Prepayment:** The Interim Receiver shall have the right to prepay all or any portion of the Credit Facility at any time without notice.
- Fee:** A commitment fee of \$2,500 is due and payable upon the advance of funds.
- Security:** Pursuant to the Interim Receivership Order, the whole of PDI's property shall be charged by way of fixed and specific charge (the "Interim Receiver's Borrowing

Charge") as security for the payment of the monies borrowed, together with interest charges thereon, by the Interim Receiver from GOF. The Interim Receiver's Borrowings Charge is in priority to all security interests, trusts, liens, charges and encumbrance, statutory and otherwise, in favor of any person, but subordinate in priority to the Interim Receiver's Charge, as set out and defined in the Interim Receivership Order.

Advance Process: Funds will be advanced from GOF to FTI Consulting from time to time upon GOF's receipt of a fully executed Interim Receiver Certificate.

Conditions

Precedent: This Credit Facility is subject to the Interim Receiver being approved to borrow up to the Principal Sum on the terms and conditions outlined herein by an Order of the Court of Queen's Bench for Saskatchewan on or before December 24, 2015.

Reporting: The Interim Receiver shall provide weekly status updates including reports on earnings, cash flows, and financial position of PDI.

Facsimile and Counterpart

Execution: This Credit Facility may be executed in one or more counterparts, including facsimile transmission thereof, each of which shall be deemed an original and when so executed all such counterparts taken together shall form one agreement.

If the terms and conditions are acceptable, please indicate your acceptance by signing and returning this Letter to the undersigned on or before 5:00 pm (Saskatoon time) on December 18, 2015, failing which this Credit Facility will forthwith terminate and be null and void and of no force or effect whatsoever.

Yours truly,



Doug Banzet
Chief Financial Officer

Golden Opportunities Fund Inc.
830, 401-22nd Street East
Saskatoon, SK S7K 5T6

Acceptance

The undersigned agrees to the foregoing as of Dec 18, 2015.

Per: 

Deryck Helka
FTI Consulting Canada Inc.,
In its capacity as Interim Receiver of PDI, and not in
its personal capacity