

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. and PHENOMENOME  
LABORATORY SERVICES INC.

IN THE MATTER OF THE RECEIVERSHIP OF PHENOMENOME DISCOVERIES INC. and  
PHENOMENOME LABORATORY SERVICES INC.

RECEIVERSHIP ORDER

JS

Before the Honourable Mr. Justice B. J. Scherman in Chambers the 24th day of February, 2016.

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 counsel on behalf of all other parties present, and on reading the Notice of Application on behalf of GOFI dated November 23, 2015; the Affidavits of Gavin Preston, David Dube, Craig Bell, Peter Blaney and Barry Bridges, each sworn on November 23, 2015; the Affidavit of Douglas Banzet sworn on February 22, 2016; the Supplementary Affidavit of Douglas Banzet sworn on February 24, 2016; the Consent To Appointment executed by FTI Consulting Canada Inc. on November 23, 2015; the Brief of Law on behalf of GOFI dated November 23, 2015, the Interim Receivership Order of the Honourable Mr. Justice B.J. Scherman granted on December 3, 2015 (the "**Interim Receivership Order**"); the Order (Extension of Interim Receivership Order and Approval of Interim Financing Term Sheet) of the Honourable Mr. Justice B.J. Scherman granted on December 21, 2015 (the "**December 21, 2015 Order**"); the Order (Approval of Second Interim Financing Term Sheet) of the Honourable Mr. Justice B.J. Scherman granted on January 14, 2016 (the "**January 14, 2016 Order**"); the Consent Order (Second Extension of Interim Receivership Order) of the Honourable Mr. Justice N.G. Gabrielson granted on January 21, 2016 (the "**January 21, 2016 Order**"); the First Report of the Interim Receiver dated January 19, 2016; the Second Report of the Interim Receiver filed on February 22, 2016; and the draft Receivership Order, all filed, and the pleadings and proceedings herein;

The Court Orders:

**SERVICE**

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.

**APPOINTMENT**

2. Subject to paragraph 3 hereof, the appointment of FTI Consulting Canada Inc. as interim

receiver of all of the assets, undertakings and properties of Phenomenome Discoveries Inc., ("PDI") including all proceeds thereof (collectively, the "PDI Property"), pursuant to the Interim Receivership Order, as amended and extended by the December 21, 2015 Order; the January 14, 2016 Order and the January 21, 2016 Order, shall be and is hereby terminated.

3. Notwithstanding the termination of the appointment of FTI Consulting Canada Inc. as interim receiver of the PDI Property provided for in paragraph 2 hereof:
  - a) the PDI Property shall continue to be encumbered by the Interim Receiver's Charge and the Interim Receiver's Borrowings Charge created pursuant to the Interim Receivership Order, as amended and extended by the December 21, 2015 Order; the January 14, 2016 Order and the January 21, 2016 Order; and
  - b) paragraphs 17 to 24 (inclusive) of the Interim Receivership Order, as amended and extended by the December 21, 2015 Order; the January 14, 2016 Order and the January 21, 2016 Order, shall continue to apply in regard to the PDI Property, the Interim Receiver's Charge and the Interim Receiver's Borrowings Charge.
4. The activities of the Interim Receiver from and after the date of its appointment by the Court pursuant to the Interim Receivership Order, including the receipts and disbursements of the Interim Receiver, shall be and are hereby approved by the Court.
5. Pursuant to s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "BIA") and s. 64(8) of *The Personal Property Security Act*, 1993, S.S. 1993, c. P-6.2 (the "PPSA"), FTI Consulting Canada Inc. is hereby appointed Receiver (the "Receiver"), without security, of all of the PDI Property and all of the assets, undertakings and properties of Phenomenome Laboratory Services Inc. ("PLSI"), including all proceeds thereof (the "PLSI Property"). For greater clarity:
  - a) PDI and PLSI are hereinafter collectively described as the "Debtor"; and
  - b) the PDI Property and the PLSI Property are hereinafter collectively described as "the Property".

#### RECEIVER'S POWERS

6. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property, and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
  - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
  - (b) to receive, preserve, protect and maintain control of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
  - (c) to manage, operate and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties including, without limitation, those conferred by this Order;
- (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor, and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to or by the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property or the business of the Debtor, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order or otherwise authorized by this Court;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court;
- (k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
  - (i) without the approval of this Court in respect of any transaction not exceeding \$100,000.00, provided that the aggregate consideration for all such transactions does not exceed \$250,000.00; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,and in each such case notice under ss. 59(10) of the *PPSA* shall not be required;
- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the

receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

- 7. (i) The Debtor, (ii) all of its current and former employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
- 8. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, business and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 8 or in paragraph 9 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.
- 9. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of

the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require, including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

10. Subject to paragraph 12 hereof, no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

#### **NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY**

11. No Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement, if such proceeding is not commenced before the expiration of the stay provided by this paragraph 11.
12. The application by GOFI for an Order providing that the claim that was delivered on or about February 22, 2016 by Med-Life Discoveries LP ("**MLD**") against the Debtor to have a dispute between MLD and the Debtor pursuant to a Purchase and Sale Agreement made effective the 30<sup>th</sup> day of June, 2015 between the Debtor and MLD (the "**Agreement**") resolved by arbitration, in accordance with the Dispute Resolution provision contained in Section 8 of the Agreement, shall not be subject to paragraphs 10 and 11 of this Order, is adjourned to be heard by the Court (if necessary) on a date to be agreed upon by the Receiver and MLD.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

13. All rights and remedies (including, without limitation, set-off rights) against the Debtor, the Receiver or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a mortgage, floating charge, or security interest, or (iv) prevent the registration or filing of a lien or claim for lien or the commencement of a Proceeding to protect a lien or other rights that might otherwise be barred or extinguished by the effluxion of time, provided that no further steps shall be taken in respect of such lien, claim for lien or Proceeding except for service of the initiating documentation on the Debtor and the Receiver.

#### **NO INTERFERENCE WITH THE RECEIVER**

14. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or

cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, including, without limitation, insurance coverage, without written consent of the Receiver or leave of this Court.

#### **CONTINUATION OF SERVICES**

15. All Persons having oral or written agreements or existing arrangements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

#### **RECEIVER TO HOLD FUNDS**

16. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

#### **EMPLOYEES**

17. Subject to the employees' rights to terminate their employment, all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) and 81.6(3) of the BIA or the *Wage Earner Protection Program Act*.
18. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, the Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

## LIMITATION ON ENVIRONMENTAL LIABILITIES

19. (a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
- (i) before the Receiver's appointment; or
  - (ii) after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
- (b) Nothing in sub-paragraph (a) exempts the Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,
- (i) if, within such time as is specified in the order, within ten (10) days after the order is made if no time is so specified, within ten (10) days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause (ii) below, the Receiver:
    - A. complies with the order, or
    - B. on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
  - (ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within ten (10) days after the order is made or within ten (10) days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by,
    - A. the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or
    - B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
  - (iii) if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

Nothing in this Order shall derogate from the protection afforded to the Receiver by s. 14.06 of the *BIA* or any other applicable legislation.

## RECEIVER'S ACCOUNTS

20. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements in each case at their standard rates and charges and, subject to paragraph 3 hereof, the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property as security for such fees and disbursements both before and after the making of this Order in respect of these proceedings, and the Receivers' Charge shall be allowed to it in passing its accounts and, subject to the Interim Receiver's Charge and the Interim Receiver's Borrowings Charge, shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.
21. The Receiver and its legal counsel shall pass their accounts from time to time.
22. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

## FUNDING OF THE RECEIVERSHIP

23. The Receiver shall be at liberty and is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$400,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge, but subject to sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.
24. For greater clarity, as between the Interim Receiver's Charge, the Interim Receiver's Borrowings Charge, the Receiver's Charge and the Receiver's Borrowings Charge, the relative priority of such charges as they rank against the Property shall be:
  - a) first, the Interim Receiver's Charge;
  - b) second, the Interim Receiver's Borrowings Charge;
  - c) third, the Receiver's Charge; and
  - d) fourth, the Receiver's Borrowings Charge.
25. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
26. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount



borrowed by it pursuant to this Order.

27. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

#### **ALLOCATION**

28. Any interested party may apply to this Court on notice to any other party likely to be affected, for an order allocating the Receiver's Charge and the Receiver's Borrowings Charge, and/or the value of any assets comprising the Property that are or have been consumed during the course of the Receivership, amongst the various assets comprising the Property.

#### **GENERAL**

29. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
30. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.
31. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
32. The Receiver shall be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
33. The Applicant shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor' estate with such priority and at such time as this Court may determine.
34. Any interested party may apply to this Court to vary or amend this Order on not less than three (3) days' notice to the Receiver and Golden Opportunities Fund Inc. and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

#### **FURTHER SERVICE**

35. The Applicant shall, within ten (10) days of the date of this Order, cause a true copy of this Order to be served by prepaid ordinary mail on all persons to whom the Receiver is required to send notice pursuant to s. 245(1) of the *BIA*, and any such service shall be deemed to be received on the seventh day after mailing.

36. Those persons who previously served a Demand for Notice in these proceedings upon either (a) FTI Consulting Inc., in its capacity as Interim Receiver of Phenomenome Discoveries Inc. in these proceedings; or (b) the Applicant, GOFI (collectively, the "Extant Demand For Notice Parties"), shall not be required to serve a further Demand for Notice in these proceedings upon either the Receiver or GOFI. Further, GOFI shall cause the Extant Demand For Notice Parties to be added to the Service List describing those parties entitled to receive further notice of these proceedings (as such Service List is more particularly described in Schedule "B" hereto).

ISSUED at the City of Saskatoon, in the Province of Saskatchewan, this 26<sup>th</sup> day of February, 2016.



DEPUTY LOCAL REGISTRAR

This **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

**TO:** Local Registrar, Judicial Centre of Saskatoon

**AND TO:** The Debtor, Phenomenome Discoveries Inc.

**AND TO:** Those persons listed on the Service List attached hereto as Schedule "B"

**SCHEDULE "A"**

**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that FTI Consulting, Inc., appointed by Order of the Court of Queen's Bench of Saskatchewan (the "Court") issued the \_\_\_ day of February, 2016 (the "Order"), as receiver (the "Receiver") of all of the assets, undertakings and properties of Phenomenome Discoveries Inc. (the "Debtor"), including all proceeds thereof (the "Property"), has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$\_\_\_\_\_, being part of the total principal sum of \$400,000.00 which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily] [monthly not in advance on the \_\_\_\_ day of each month] after the date hereof at a notional rate per annum equal to the rate of \_\_\_\_ per cent above the prime commercial lending rate of Bank of \_\_\_\_\_ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act* (Canada) and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at \_\_\_\_\_.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake any personal liability to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

**FTI CONSULTING, INC.**, solely in its capacity as Receiver of the Property, and not in its personal capacity.

Per: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE "B"**

**SERVICE LIST**

| <b>NAME, ADDRESS<br/>EMAIL ADDRESS AND FAX NUMBER</b>   | <b>COUNSEL FOR (OR ON<br/>BEHALF OF)</b> | <b>TELEPHONE<br/>NUMBER</b>             |
|---|--|---|
| <b>SERVICE BY EMAIL</b>   |  |   |
| <p>MacPherson Leslie &amp; Tyerman LLP<br/>1500, 410 22<sup>nd</sup> Street East<br/>Saskatoon SK S7K 5T6<br/>Fax: 306.975.7145</p> <p>Jeffrey M. Lee, Q.C.<br/><a href="mailto:jmlee@mlt.com">jmlee@mlt.com</a></p> <p>Paul Olfert<br/><a href="mailto:polfert@mlt.com">polfert@mlt.com</a></p>  | <p>Golden Opportunities Fund Inc.</p>    | <p>306.975.7136</p> <p>306.956.6970</p> |
| <p>Robertson Stromberg LLP<br/>600, 105 – 21<sup>st</sup> Street East<br/>Saskatoon, SK S7K 0B3<br/>Fax: 306.652.2445</p> <p>M. Kim Anderson, Q.C.<br/><a href="mailto:mk.anderson@rslaw.com">mk.anderson@rslaw.com</a></p>   | <p>Phenomenome Discoveries Inc.</p>      | <p>306.933.1344</p>                     |
| <p>Golden Opportunities Fund Inc.<br/>830, 401 – 22<sup>nd</sup> Street East<br/>Saskatoon, SK S7K 5T6<br/>Fax: 306.652.8186</p> <p>Doug Banzet<br/><a href="mailto:d.banzet@westcapmgt.ca">d.banzet@westcapmgt.ca</a></p> <p>Gavin Preston<br/><a href="mailto:g.preston@westcapmgt.ca">g.preston@westcapmgt.ca</a></p>  |  | <p>306.652.5557</p>                     |
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