

COURT FILE NUMBER Q.B. ____ 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.

AFFIDAVIT OF CRAIG BELL

I, **CRAIG BELL**, of the City of Saskatoon, in the Province of Saskatchewan, Businessman, **MAKE OATH AND SAY AS FOLLOWS THAT:**

1. I am a principal of PIC Investment Group Inc., which is a shareholder in Phenomenome Discoveries Inc. ("PDI"), such that I have personal knowledge of the facts and matters hereinafter deposed to, except where stated to be based upon information and belief, and where so stated, I believe the same to be true.
2. In addition to being a shareholder of PDI, PIC Investment Group Inc. is a limited partner in Med-Life Discoveries LP ("**Med-Life**"), an entity which advanced Ten Million (\$10,000,000) Dollars to PDI in July of 2015 pursuant to a transaction between Med-Life and PDI (the "**Med-Life Transaction**").
3. For reasons more particularly described below, I have absolutely no confidence left in the senior leadership team at PDI and, more specifically, in the President and CEO of PDI, Mr. Dayan Goodenowe.
4. PIC Investment Group Inc. has always had concerns with the ability of PDI to meet timelines and milestones. However, the senior management team at PDI was always ready with excuses, explanations and "reasons" for such delays.
5. Now, with the benefit of more detailed analysis of PDI communications and reflection, I cannot find one milestone that has ever been met by PDI. Further, and in particular:
 - a) milestones to commercialize deals with lab companies have not been met by PDI;

- b) milestones regarding distribution and sales agreements for North America and other parts of the world in diagnostics (comprising published or promised dates from senior management of PDI) have not been met by PDI;
 - c) stated liquidity events promised by PDI have never materialized;
 - d) when PIC Investment Group Inc. made its decision to make its initial investment in PDI in 2011, we were told that PDI was exploring a public offering at that time and that, if this fell through, the investment horizon would be no longer than two to three years maximum (which proved to be unrealistic);
 - e) PDI was in serious negotiations with a large German diagnostic company at the time of our initial investment (which negotiations failed to yield a deal); and
 - f) sales of assets that were even recently disclosed by PDI as imminent have not been realized.
6. At present, it appears that there is no definitive plan on the table at PDI and no money with which to continue operations. The CEO of PDI has clearly demonstrated that he is incapable of running an organization of this size and structure.
7. PIC Investment Group Inc. is a sophisticated investor in a multitude of different companies and sectors. I have never before seen the breadth and depth of issues that appear to be present at PDI. Further particulars are set out below.
8. Attached and marked as Exhibit "A" to this Affidavit is a true copy of a letter dated November 11, 2015 addressed to all shareholders of PDI from Mr. Goodenowe (the "**November 11 Letter**"). The November 11 Letter was received by me in my capacity as a representative of PIC Investment Group Inc., a shareholder of PDI.
9. The November 11 Letter demonstrates that the ability of Mr. Goodenowe to lead PDI has clearly been compromised. Mr. Goodenowe has lost the trust of most of the largest partners, shareholders, creditors, investors and employees of PDI. He makes serious, undocumented accusations and has and potentially will cause serious harm to his own organization. I found the November 11 Letter shocking, particularly given that this was the first formal, written communication we have received from Mr. Goodenowe since PIC Investment Group Inc. have been involved with PDI.
10. The November 11 Letter indicates that Mr. Goodenowe appears to have little understanding of his company's financial status as he states that he is moving toward Phase 1 trials for

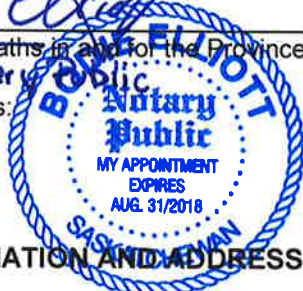
numerous drug compounds, which can run into the millions of dollars per molecule to complete. This letter demonstrates that Mr. Goodenowe is no longer the right person to be running PDI.

11. There appears to have been no company plan in place at PDI to deal with the preferred share redemption in July of 2015. As a shareholder of PDI (as well as a preferred shareholder of PDI), one would believe that this would be on senior management's top priority list and that plans to complete such share redemption would have been in place at least twelve to eighteen months prior to the date of redemption. As an investor and possible supplier of capital to PDI, we engaged in numerous discussions with PDI and it became very evident that there was no ability by the organization to deal with this issue, nor any attention given to it. Had this timeline lapsed, the average investor would have seen serious harm, in the form of dilution to their equity position. There was absolutely no leadership on this issue, nor any clear plans to resolve it. It took outside leadership and help to resolve this issue.
12. I have recently learned that a number of key executives at PDI have either been fired, have quit or have taken stress leave. I do not know if the board of directors of PDI has been made aware of these developments or was involved in these decisions. I have concerns as to how it is that PDI as an organization is going to survive with the current CEO (Mr. Goodenowe) in place.
13. It appears that there is little or no board governance in place at PDI. Mr. Goodenowe is both Chairman of the Board as well as CEO of PDI. In circumstances of good corporate governance, these roles are split as there is too much potential for conflict of interest. Mr. Goodenowe appears to view PDI as his personal company to do what he wants with and he has demonstrated that he has little regard for shareholders, partners and creditors of PDI. I do not believe that the continued involvement of Mr. Goodenowe with the operations of PDI or at the board level of PDI is in the best interest of any stakeholder of PDI.
14. It appears that PDI has no ability to meet its financial obligations. PIC Investment Group Inc. has not been provided with a plan for ongoing operations at PDI. It appears that Mr. Goodenowe has no roadmap for the viability and ongoing business operations of PDI. This has been a persistent and habitual problem for PDI.
15. Cash flow management and cash flow forecasts are matters that I would expect to be fundamental to the CEO and Chairman of the Board of PDI. However, that is not the case. For the most part, PDI has typically conducted its business operations without the benefit of cash flow forecasts.

16. On September 8, 2015, I and Mr. David Dube (as representatives of Med-Life) attended a meeting with John Hyshka, and Mr. Goodenowe of PDI. At this meeting, it was disclosed that the development and possible sale of the diagnostics was virtually dead. It was explained by Mr. Goodenowe at this meeting that PDI had not spent much time on this file and they would need to bring in outside help to salvage this area of focus. This had been the core strategic direction of PDI, with drug development as the secondary strategic area of development. Less than two months previous to this September 8, 2015 meeting, investors were told that multiple companies were in the PDI data room and that offers were pending for this part of the company. As well, we were told that the sale of the orphan drug was imminent (and was expected to occur by October or November of 2015 at the latest). No updates have been provided in this regard, but it is clear there are no current offers in place. Mr. Dube and I left the meeting dumbfounded. The information presented in this meeting was 100% contrary to what was said to us just three months prior in June of 2015.
17. I make this Affidavit in support of an application by Golden Opportunities Fund Inc. for an Order appointing a receiver of the property, assets and undertaking of PDI.

SWORN BEFORE ME at the City of Saskatoon, in)
 the Province of Saskatchewan, this 23rd day of)
 November, 2015.)

Dodie Elliott
 A Commissioner For Oaths in and for the Province)
 of Saskatchewan.)
 My appointment expires:)
 OR, Being a Solicitor.)



Craig Bell

 CRAIG BELL

CONTACT INFORMATION AND ADDRESS FOR SERVICE:

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 File No: 60117.1



THIS IS EXHIBIT "A" referred to in
the Affidavit of Craig Bell
SWORN before me at Saskatoon, SK
this ^{23rd} day of November, 20 15

~~A COMMISSIONER FOR OATHS for~~ W. B. Elliott
Saskatchewan
My Commission expires Aug 31/18
- OR - Being a Solicitor

A circular notary seal for W. B. Elliott, Notary Public, Saskatchewan. The seal contains the text "MY APPOINTMENT EXPIRES AUG. 31/2018" and "SASKATCHEWAN".

DATE: November 11, 2015
TO: PDI Shareholders
FROM: Dr. Dayan Goodenowe, President/CEO, Phenomenome Discoveries Inc.
RE: Plot to defraud shareholders

Dear Shareholders,

It is with a heavy heart that I write this letter to you. Since I do not know most of you very well, I think that it would be helpful if I provide you with a brief history of this company. I founded PDI in 2000 and I am the sole founder of PDI. I put up 100K to set up the company and then I invested over 100K more to cover the initial expenses. At that time, that was all the money I had in the world. My fiancée, Katarina named the company. Over the years, Katarina and I have invested over 3MM of our own money in this company. I hired Mr. Hyshka in 2001 to be the company's CFO/COO. His employment contract explicitly states that he reports and takes direction from me. As a bonus for raising the first round of financing, I gifted to Mr. Hyshka 150,000 shares. I felt that having him vested in the company would motivate him to act in the best interests of all shareholders. At some point Mr. Hyshka began referring to himself as my partner both within the community and in interviews. As CEO, it is my job to help my employees reach their maximum potential. It is because of this that I never corrected Mr. Hyshka or the record. At the time, I felt that if this was something that Mr. Hyshka needed to reach his maximum potential and job performance, then I was willing to give that to him. Further to that end, I matched my salary to his which is true to this date. I defended this position many times at board meetings. Mr. Hyshka likes to refer to me as the "science guy" and to himself as the "business guy". Not so. I can only dream of being merely the science guy. For every day that I have had to do his job has been a day that I have not been able to conduct research, file patents, etc. This along with no financing, financing being blocked and all the other petty games and maneuvers being played out, has slowed the progress of this company significantly. Mr. Hyshka is not now nor has he ever been my partner on any level.

For many years I have felt that Mr. Hyshka was performing his job to the best of his abilities. As this company has progressed, Mr. Hyshka's ability to perform his job has declined dramatically such that he has been unable to arrange the necessary financing for PDI either due to incompetency or he has been intentionally not seeking the financing that this company needs.

This now leads us to the current events that are taking place and that I have recently uncovered.

In the last 2 months Mr. Hyshka's behavior has become very aggressive and erratic. He and the two departments that report to him (legal and finance) have become very evasive and secretive with both myself and other departments including the HR department. He and both departments have also become blatantly insubordinate. PDI is currently in the middle of delicate negotiations with a company in which Golden Opportunities (Doug Banzet) is a major shareholder. John Hyshka and Doug Banzet have both been pressuring me to illegally embezzle assets out of PDI for this company, which I will not do. Doug Banzet has even been using and is continuing to use extortion tactics by threatening to call Golden's loan with me. In addition,

Banzet has used his position as a director in PDI to obtain confidential PDI information and provide this information to the partners in his newly formed company. This misconduct is outrageous and is a blatant breach of his obligations as a director of PDI. Mr. Hyshka has also intentionally divulged sensitive confidential information to the opposing parties despite the fact that I gave him a very strong directive not to do so. He also used one of our lawyers to carry out this deed and pressured her to the point that she felt the need to take an indefinite medical leave the very next day. Prior to leaving on my last business trip, I informed our IT department to start backing up all of Mr. Hyshka's emails and to have them ready for me when I returned from my trip. I returned to Saskatoon late last Saturday (November 7th). The following day (Sunday November 8th), I met with our IT person at PDI, who provided me with all of Mr. Hyshka's emails. What I discovered was shocking and disgusting. Mr. Hyshka along with three other PDI shareholders, Golden Opportunities Fund (Doug Banzet) and Dynex Capital/Tancho (Peter Blaney, Barry Markowsky) are currently plotting to force PDI into bankruptcy. Mr. Hyshka has fraudulently manufactured emails supposedly coming from me to him. In those emails, he attempts to frame me for embezzlement and/or other illegal activities. I have irrefutable evidence that these emails are fake. He used some sort of foreign Russian website to accomplish this. How extensive this fraud is, I do not yet know. A full investigation is needed. First thing Monday morning (November 9th) I instructed our IT person to back-up all of the emails for all of the persons in his department. After an initial review of those emails, more shocking information was revealed. On this same day (Monday), I took this information to outside legal counsel for review. After review of the evidence, it was determined that John Hyshka could be fired with cause. On that same day, Mr. Hyshka was fired with cause.

While I was on my last business trip, an emergency board meeting had been called. This board meeting was scheduled to occur the very next day (Tuesday November 10th). It appears that John Hyshka, Doug Banzet, Peter Blaney, and Barry Markowsky were going to propose a motion to shut down the company and terminate every single employee, including me. Mr. Hyshka also manipulated our director of finance to be an unwitting witness to this fraud and to help cover for this fraud. I have a written statement from this employee confirming this. Immediately after the termination letter was received by Mr. Hyshka, Peter Blaney cancelled the emergency board meeting.

The very next day, Tuesday, November 10th, Golden Opportunities Fund issued a demand notice for two separate loans. One to PDI for ~1.1MM and one for ~1.3MM to me (this is the very loan mentioned above that they were using to try to pressure me). In December, 2014 I took out a 1MM mortgage with Golden on my farm and transferred this money to PDI. I was forced to do this because Peter Blaney was blocking the financing arrangements that had been negotiated in late 2014. If I had not done this, PDI would have gone bankrupt in December 2014. They are attempting to do it again.

THERE IS NO REASON OR EXCUSE FOR PDI TO GO BANKRUPT. In the last two weeks I have managed to arrange, with the help of Christine Hrudka (one of my appointed board members) for pre-IPO financing. One company has already submitted a term sheet and I expect a second term sheet from a second company shortly. In addition, I have completed initial negotiations with a leading rare disease company who has indicated that they will have a term sheet for the co-development shortly. Hyshka, Banzet, Blaney, and Markowsky are all aware that I will be presenting financing options at the November 19th board meeting. The fact that these loans are being called in right now by Golden before the board meeting takes place is very transparent. I can only surmise that the Sun, Moon, and Stars have been promised to Hyshka for his dirty deeds. It is extraordinarily clear that the only intent of these players is to destroy this company by any and all means possible up to and including criminal behavior. If they are successful in doing this, most if not all of you will lose your investment and the life-saving technologies that Phenomenome is about to launch will be postponed for years if not forever.

I would now like to express to all of you my feelings and just how personal this is for me and probably all of you. Katarina just lost her mother several months ago to Alzheimer's Disease. She has lost almost every aunt and uncle to either Alzheimer's or cancer. I lost my mother to cancer and my grandmother to Alzheimer's as well. These are the very diseases that we can prevent, treat and cure. This is not some mythical or theoretical time in the future. This is NOW. Our Alzheimer's drug is currently being manufactured in Saskatoon and is scheduled to enter clinical trials here in Saskatchewan in the next 3-4 months!

Even more unconscionable and heart breaking is the deadly effect that these actions are going to have on children with a rare pediatric disease called Rhizomelic Chondrodysplasia Punctata (RCDP). Without going into extensive scientific explanation, our technology will save the lives of these children. The clinical trial for the life-saving drug for these children is going on right now in our lab. These parents wept when they discovered that we have the technology to do this. These children are literally dying while they are waiting for us to get our drug to them. These greedy, soulless bastards, John Hyshka, Doug Banzet, Peter Blaney, and Barry Markowsky are ALL fully aware of this. These children are not a line item on a spreadsheet. This is very real. The thought of having to contact the parents of these children to inform them that this life saving drug will not come to pass for these reasons, kills me. This is truly a matter of life or death.

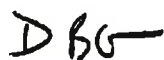
This level of greed and callous disregard for life is simply incomprehensible to me. There are not enough words to describe to all of you just how angry and disgusted I am by all of this or the depth of my loathing. I want this technology. I want it for the love of my life, Katarina. I want it for myself. I want it for my family, my friends, and all of the wonderful and dedicated employees that I have had the privilege to work with. These people, some of which have been here for more than 10 years, do not even have a stock option plan. I want it for you and all of your loved ones. I imagine that all of you feel exactly the same way that I do.

I will not stop fighting for this company or these children and I will not be deterred. Kat and I have liquidated all of our assets that we can at this time. Our farm is currently on the market, but has not sold yet. I need your help in any way possible.

At the November 19th board meeting, I will be presenting, as planned, a viable pre-IPO financing plan that will allow PDI to realize the potential of its technology and will provide an opportunity for all of you to finally make a financial return on your investment. I also want you to know that I truly appreciate your patience and each of your investments in PDI and that I remain committed to making certain that each of you realize a healthy return on your investment.

Evil flourishes when good people do nothing.

Sincerely,



Dr. Dayan Goodenowe