

COURT FILE NUMBER 1639 of 2015  
COURT OF QUEEN'S BENCH FOR SASKATCHEWAN  
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.

**NOTICE OF APPLICATION**

**NOTICE TO ALL RESPONDENTS – ALL PERSONS NAMED ON THE SERVICE LIST FOR  
THESE PROCEEDINGS ATTACHED AT SCHEDULE "A" HERETO (THE "SERVICE LIST")**

This application is made against you. You are a respondent. You have the right to state your side of this matter before the Court.

To do so, you must be in Court when the application is heard as shown below

**Where:** Court House, 520 Spadina Crescent  
East, Saskatoon, Saskatchewan  
S7K 3G7  
**Date:** Tuesday, October 25, 2016  
**Time:** 10:00 a.m.

**Remedy claimed or sought:**

1. FTI Consulting Canada Inc., in its capacity as court-appointed receiver and manager (the "Receiver") of Phenomenome Discoveries Inc. ("PDI") and Phenomenome Laboratory Services Inc. ("PLSI" and together with PDI, collectively, "Phenomenome"), seeks an order substantially in the form attached hereto as Schedule "B":
  - (a) abridging the time for service of this application and declaring that this motion is properly returnable today, if necessary, and further service of this Application, other than to those listed on the Service List is hereby dispensed with;

- (b) increasing the amount the Receiver is permitted to borrow pursuant to paragraph 23 of the Receivership Order granted by the Honourable Mr. Justice B.J. Scherman on February 25, 2016 (the "**Receivership Order**") from \$3,650,000 to \$3,850,000;
- (c) approving the actions, conduct and activities of the Receiver as outlined in the Receiver's Fourth Report dated October 21, 2016 (the "**Fourth Report**"); and
- (d) such further and other relief as counsel may request and this Honourable Court may deem appropriate.

**Grounds for making this application:**

2. The grounds upon which the Receiver relies in making the within Application are as follows:
  - (a) on February 25, 2016, Phenomenome became subject to these receivership proceedings pursuant to the Receivership Order and the Receiver was appointed over all of the assets, undertakings and properties of Phenomenome (the "**Property**");
  - (b) the Receiver has acted diligently since its appointment, and has undertaken those activities described in the Fourth Report;
  - (c) paragraph 23 of the Receivership Order permitted the Receiver to borrow an outstanding principal amount not exceeding \$400,000;
  - (d) pursuant to an Order by the this Honourable Court dated April 15, 2016, the amount the Receiver was permitted to borrow was increased from \$400,000 to \$800,000;
  - (e) pursuant to an Order by the this Honourable Court dated May 2, 2016, the amount the Receiver was permitted to borrow was increased from \$800,000 to \$3,000,000;
  - (f) pursuant to an Order by the this Honourable Court dated August 30, 2016, the amount the Receiver was permitted to borrow was increased from \$3,000,000 to \$3,650,000;

- (g) an increase in the amount the Receiver is permitted to borrow from \$3,650,000 to \$3,850,000 is necessary in order to permit the Receiver to:
  - (i) continue its administration of the estate in an efficient and uninterrupted manner;
  - (ii) make payments to those key employees who are subject to the key employee retention plan ("KERP") approved by this Court on April 15, 2016;
  - (iii) complete the closing of the transaction contemplated by the Purchase and Sale Agreement executed August 22, 2016 made between the Receiver as vendor for and on behalf of Phenomenome and Med-Life Discoveries LP as purchaser, by its general partner Med-Life Discoveries GP Inc.; and
  - (iv) take any steps necessary or actions necessary to conclude the administration of Phenomenome's estate, including the matters outlined in greater detail in the Fourth Report,  
  
all of which activities are being undertaken for the benefit of the estate;
- (h) as indicated in the cash flow forecast attached to the Fourth Report, the Receiver will require additional funding to carry out the activities described in the above sub-paragraphs; and
- (i) such further and other grounds as counsel for the Receiver may advise.

**Material or evidence to be relied on:**

- 3. The Receiver intends to rely upon the following materials:
  - (a) the Receivership Order, filed;
  - (b) the Fourth Report, filed;
  - (c) the Order of the Honourable Justice B.J. Scherman granted on April 15, 2016;
  - (d) the pleadings and proceedings herein; and

- (e) such further and other materials as counsel may advise and this Honourable Court may permit.

**Applicable Acts and Regulations:**

4. The Receiver will rely upon and refer to the following during the making of the Application:
- (a) the provisions of the *Bankruptcy & Insolvency Act*, RSC 1985, c B-3, as amended.

DATED at Calgary, Alberta, this 21 day of October, 2016.

**BLAKE, CASSELS & GRAYDON LLP, Agents  
and Solicitors for FTI CONSULTING CANADA  
INC.**

per:   
Kelly J. Bourassa,  
counsel to FTI Consulting Canada Inc.

**NOTICE**

If you do not come to Court either in person or by your lawyer, the Court may give the applicant what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

**CONTACT INFORMATION AND ADDRESS FOR SERVICE**

Name of firm: Blake, Cassels & Graydon LLP  
Lawyer in charge of file: Kelly J. Bourassa  
Address of firm: 3500, 855 – 2<sup>nd</sup> Street SW, Calgary, Alberta T2P 4J8  
Telephone number: 403-260-9697  
Facsimile number: 403-260-9700  
E-mail address: [kelly.bourassa@blakes.com](mailto:kelly.bourassa@blakes.com)  
File number: 81518/111

Name of firm: KMP Law North

Lawyer in charge of file:  
Address of firm:  
Telephone number:  
Facsimile number:  
E-mail address:

Ryan Pederson  
505- 333, 3<sup>rd</sup> Avenue North, Saskatoon, Saskatchewan S7K 2M2  
306-652-8833 Ext. 2  
306-652-3333  
[rpederson@kmplaw.com](mailto:rpederson@kmplaw.com)

**SCHEDULE "A"**

Q.B. No. 1639 of 2016

**IN THE COURT OF QUEEN'S BENCH OF SASKATCHEWAN  
JUDICIAL CENTRE OF SASKATOON**

BETWEEN:

**FTI CONSULTING CANADA INC., solely in its capacity as court-appointed receiver and manager of all of the assets, undertakings and properties of PHENOMENOME DISCOVERIES INC. and PHENOMENOME LABORATORY SERVICES INC. and not in its personal or corporate capacity**

Applicant

- and -

**PHENOMENOME DISCOVERIES INC. and  
PHENOMENOME LABORATORY SERVICES INC.**

Respondents

**SERVICE LIST**

<b>NAME, ADDRESS EMAIL ADDRESS AND FAX NUMBER</b>	<b>COUNSEL FOR (OR ON BEHALF OF)</b>	<b>TELEPHONE NUMBER</b>
<b>SERVICE BY EMAIL</b>		
MacPherson Leslie & Tyerman LLP 1500, 410 22 <sup>nd</sup> Street East Saskatoon SK S7K 5T6 Fax: 306.975.7145	Golden Opportunities Fund Inc.	
Jeffrey M. Lee, Q.C. <a href="mailto:jmlee@mlt.com">jmlee@mlt.com</a>		306.975.7136
Paul Olfert <a href="mailto:polfert@mlt.com">polfert@mlt.com</a>		306.956.6970
Golden Opportunities Fund Inc. 830, 401 – 22 <sup>nd</sup> Street East Saskatoon, SK S7K 5T6 Fax: 306.652.8186		306.652.5557
Doug Banzet <a href="mailto:d.banzet@westcapmgt.ca">d.banzet@westcapmgt.ca</a>		
Gavin Preston <a href="mailto:g.preston@westcapmgt.ca">g.preston@westcapmgt.ca</a>		

NAME, ADDRESS EMAIL ADDRESS AND FAX NUMBER	COUNSEL FOR (OR ON BEHALF OF)	TELEPHONE NUMBER
FTI Consulting Canada Inc. Ernst & Young Tower 720, 440 – 2 <sup>nd</sup> Avenue SW Calgary, AB T2P 5E9 Fax: 403.232.6116  Deryck Helkaa <a href="mailto:Deryck.helkaa@fticonsulting.com">Deryck.helkaa@fticonsulting.com</a>  Brett Wilson <a href="mailto:Brett.wilson@fticonsulting.com">Brett.wilson@fticonsulting.com</a>  Jamie Engen <a href="mailto:Jamie.engen@fticonsulting.com">Jamie.engen@fticonsulting.com</a>		   403.454.6031  403.454.6033  604.417.7375
Blake, Cassels & Graydon LLP 3500, 855 – 2 <sup>nd</sup> Street S.W. Calgary, AB T2P 4J8 Fax: 403.260.9700  Ryan Zahara <a href="mailto:Ryan.zahara@blakes.com">Ryan.zahara@blakes.com</a>  James Reid <a href="mailto:James.reid@blakes.com">James.reid@blakes.com</a>	FTI Consulting Canada Inc.	   403.260.9628  403.260.9731
KMP Law North 505 – 333 3 <sup>rd</sup> Avenue North Saskatoon, SK S7K 2M2 Fax: 306.652-3333  Ryan Pederson <a href="mailto:rpederson@kmplaw.com">rpederson@kmplaw.com</a>	FTI Consulting Canada Inc.	   306. 652-8833 Ext. 2
Electric Umbrella Images Inc. 302, 220 – 3 <sup>rd</sup> Avenue South Saskatoon, SK S7K 1M1  Derek Mortensen <a href="mailto:derek@electricumbrella.ca">derek@electricumbrella.ca</a>		306.230.2300
Katan Associates PO Box 2140 Manhattan Beach, CA 90267 USA Fax: 310.374.0803  Seth Yakatan <a href="mailto:seth@katanassociates.com">seth@katanassociates.com</a>		310.374.0808  323.356.6321

NAME, ADDRESS EMAIL ADDRESS AND FAX NUMBER	COUNSEL FOR (OR ON BEHALF OF)	TELEPHONE NUMBER
<p>McKercher LLP 374 – 3<sup>rd</sup> Avenue South Saskatoon, SK S7K 1M5 Fax: 306.653.2669</p> <p>Ryan R. P. Shebelski <a href="mailto:r.shebelski@mckercher.ca">r.shebelski@mckercher.ca</a></p>	<p>Innovation Place Saskatchewan Opportunities Corporation 114 – 15 Innovation Boulevard Saskatoon, SK S7N 2X8 Phone: 306.933.6295</p> <p>Van Isman <a href="mailto:visman@innovationplace.com">visman@innovationplace.com</a></p>	306.664.1364
<p>Gowling Lafleur Henderson LLP 2600, 160 Elgin Street Ottawa, ON K1P 1C3 Fax: 613.788.3497</p> <p>Greg Coulthard <a href="mailto:Greg.coulthard@gowlings.com">Greg.coulthard@gowlings.com</a></p> <p>Lorne Segal <a href="mailto:Lorne.Segal@gowlingwlg.com">Lorne.Segal@gowlingwlg.com</a></p>		613.233.1781  613.786.0141
<p>Graycon Group a Division of Ricoh Canada Inc. 325 – 10<sup>th</sup> Avenue SW Calgary, AB T2R 0A5</p> <p>T. Mason <a href="mailto:tmason@graycon.com">tmason@graycon.com</a></p>		403.508.2255
<p>University of Saskatchewan E287 – 105 Administration Place Saskatoon, SK S7N 5A2</p> <p>Nicole Rozon-Couture <a href="mailto:Nicole.rozon-couture@usask.ca">Nicole.rozon-couture@usask.ca</a></p> <p><a href="mailto:fsd_nsar@usask.ca">fsd_nsar@usask.ca</a></p>		306.966.2460
<p>McDougall Gauley LLP 500 – 616 Main Street Saskatoon, SK S7H 0J6</p> <p>David J. McKeague, Q.C. <a href="mailto:dmckeague@mcdougallgauley.com">dmckeague@mcdougallgauley.com</a></p> <p>Ryan Grieve <a href="mailto:rgrieve@mcdougallgauley.com">rgrieve@mcdougallgauley.com</a></p>		306.665.5423
<p>Chromatographic Specialties Inc. P.O. Bag 1150, 300 Laurier Blvd. Brockville, ON K6V 5W1</p> <p><a href="mailto:sales@chromspec.com">sales@chromspec.com</a></p>		613.342.4678



NAME, ADDRESS EMAIL ADDRESS AND FAX NUMBER	COUNSEL FOR (OR ON BEHALF OF)	TELEPHONE NUMBER
KPMG LLP 500 – 475 2 <sup>nd</sup> Avenue South Saskatoon, SK S7K 1P4 Attention: Tom Zurowski  Sangeeta Wu <u>sangeetawu@kpmg.ca</u>		306.934.6261
Percy H. Davis Limited Box 90 North Portal, SK S0C 1W0  Brandon Smith <u>Brandon@percydavis.com</u>  <u>angie@percydavis.com</u>		306.927.2165  306.244.4748
Neoteryx LLC 421 Amapola Avenue Torrance, CA 90501 USA  Salina Cano <u>salinac@neoteryx.com</u>		310.787.8747
AK Scientific, Inc. 30023 Ahern Avenue Union City, CA 94587 USA  <u>Simon.si@aksci.com</u>		510.429.8835
Novilytic, LLC PO Box 372 North Webster IN 46555 USA  Edward Woenker <u>ewoenker@novilytic.com</u>		574.834.4080
Bennett Jones LLP 3400 One First Canadian Place, PO Box 130 Toronto, Ontario MSX 1A4  Raj S. Sahni <u>sahnir@bennettjones.com</u>  Alan Gardner <u>gardnera@bennettjones.com</u>  Trent Horne <u>hornet@bennettjones.com</u>	Yolbolsum Canada Inc.	416. 863.1200  416.777.4804  416.777.6231  416.777.5774

NAME, ADDRESS EMAIL ADDRESS AND FAX NUMBER	COUNSEL FOR (OR ON BEHALF OF)	TELEPHONE NUMBER
LifeLabs LP 100 International Blvd. Toronto, ON M9W 6J6  Ashley Dent <u><a href="mailto:Ashley.Dent@LifeLabs.com">Ashley.Dent@LifeLabs.com</a></u>  Michael McTeague <u><a href="mailto:michael.mcteague@lifelabs.com">michael.mcteague@lifelabs.com</a></u>		   (416) 675-4530 Ext. 2329  (416) 213-4688
Crown Investments Corporation 116 Research Dr, Saskatoon, SK S7N 3R3  Cindy Ogilvie <u><a href="mailto:cogilvie@cicorp.sk.ca">cogilvie@cicorp.sk.ca</a></u>		1-306-787-6246
PIC Investment Group Inc.  Craig Bell <u><a href="mailto:cbell@picgroup.ca">cbell@picgroup.ca</a></u>		(306) 664-3955
Concorde Group Corp.  David Dube <u><a href="mailto:ddube@concordegroupp.com">ddube@concordegroupp.com</a></u>		(306) 668-3000
Scotia Wealth Management 410 – 22 <sup>nd</sup> Street East, Suite 700 Saskatoon, SK S7K 5T6  Trevor Broker <u><a href="mailto:Trevor.broker@soctiawealth.com">Trevor.broker@soctiawealth.com</a></u>	Shareholder	   (306) 666-5316
Dynex Capital Limited Partnership 150 William Street, Kingston, ON K7L 2C9  <u><a href="mailto:peterblaney@dynexcapitalcorp.com">peterblaney@dynexcapitalcorp.com</a></u>		
Golden Opportunities Fund Inc. 830, 410-22nd Street East Saskatoon, SK S7K 5T6		
Jancy Holding Ltd. 511C – 51st Street East, Saskatoon, SK S7K 6V4		

NAME, ADDRESS EMAIL ADDRESS AND FAX NUMBER	COUNSEL FOR (OR ON BEHALF OF)	TELEPHONE NUMBER
Lakewood Holdings Corp. 232, 12th Avenue, P.O.Box: 543, Estevan, Saskatoon, SK S4A 1E2  <a href="mailto:jbreakey@sasktel.net">jbreakey@sasktel.net</a>		
NBCN Inc. in trust 1010 Rue De La Gauchietiere Ouest, Montreal, QC, Canada, H3B 5J2  Dave McKeague <a href="mailto:dmckeague@mcdougallgauley.com">dmckeague@mcdougallgauley.com</a>  Dorothy Platzer <a href="mailto:dplatzer@shaw.ca">dplatzer@shaw.ca</a>  101049658 Saskatchewan Ltd.(290036) <a href="mailto:donnajubin@sasktel.net">donnajubin@sasktel.net</a>  Dr. Evan Howlett Medical Prof. Corp. <a href="mailto:evan_howlett@me.com">evan_howlett@me.com</a>  Fred Wilson <a href="mailto:wilsonfred@gmail.com">wilsonfred@gmail.com</a>  Kenmore Land Company Ltd. <a href="mailto:duncanmckercher@kenmore.com">duncanmckercher@kenmore.com</a>  <a href="mailto:c.kukura@mckercher.ca">c.kukura@mckercher.ca</a>  Robert H. McKercher Legal Prof. Corp. and Robert H. McKercher <a href="mailto:r.mckercher@outlook.com">r.mckercher@outlook.com</a>		
PSN Holdings Inc. 410 Braeshire Lane Saskatoon, SK S7V 1B2  <a href="mailto:pskurz@sasktel.net">pskurz@sasktel.net</a>		
RBC Dominion Securities 1070, 410 22nd Street East Saskatoon, SK S7K 2S5  Barry Woytowich <a href="mailto:barry.woytowich@rbc.com">barry.woytowich@rbc.com</a>		

NAME, ADDRESS EMAIL ADDRESS AND FAX NUMBER	COUNSEL FOR (OR ON BEHALF OF)	TELEPHONE NUMBER
Scotia Capital Inc. Box 4085, Station A Toronto, ON M5W 2X6  Trevor Broker <a href="mailto:trevor_broker@scotiamcleod.com">trevor_broker@scotiamcleod.com</a>		
Signet Management Ltd. 10 Degeer Crescent Saskatoon, SK S7H 4P7  <a href="mailto:iseiferling@boarddynamics.ca">iseiferling@boarddynamics.ca</a>		
Tancho Capital Limited Partnership 150 William Street, Kingston, ON K7L 2C9  <a href="mailto:peterblaney@tanchocapital.com">peterblaney@tanchocapital.com</a>		
Weyburn Security Company Limited 111 Second Street Weyburn, SK S4H 0T7  <a href="mailto:jim.onstad@weyburnsecurity.ca">jim.onstad@weyburnsecurity.ca</a>		
Ag-West Bio Inc 101-111 Research Drive Saskatoon, SK S4N 3R2  <a href="mailto:brad.bly@aqwest.sk.ca">brad.bly@aqwest.sk.ca</a>		
Allan Kimber 256 Edgewood Drive Saskatoon, SK S2V 1C3  <a href="mailto:al.kimber@weyburnsecurity.ca">al.kimber@weyburnsecurity.ca</a>		
Barry D. Bridges and Bonnie A. Bridges PO Box 446 Estevan, SK S4A 2A4  <a href="mailto:bbridges@mcdougallgauley.com">bbridges@mcdougallgauley.com</a>		
CIC Asset Management Inc 400-2400 College Avenue Regina, SK S4P 1C8  <a href="mailto:lfuchs@ciCorp.sk.ca">lfuchs@ciCorp.sk.ca</a>		

NAME, ADDRESS EMAIL ADDRESS AND FAX NUMBER	COUNSEL FOR (OR ON BEHALF OF)	TELEPHONE NUMBER
Frank Hohn 601 CN Tower, Midtown Plaza Saskatoon, SK S7K 1J5  <a href="mailto:hohnf@sasktel.net">hohnf@sasktel.net</a>		
James Weber 343 Candle Crescent Saskatoon, SK S7K 5A5		
John Hyshka 941 University Drive Saskatoon, SK S7N 0K2  Joel Hesje (Conusel)		
Murray Trapp Box 126 Shell Lake, SK S0J 2G0		
Dr Peter Innes 58 Common Lane Hemingford Abbots Huntingdon PE28 9AW United Kingdom  <a href="mailto:peterinnes56@gmail.com">peterinnes56@gmail.com</a>		
R. Bruce McFarlane 2020 Pumhill Way SW Calgary, AB T2V 4M4  <a href="mailto:bruce.mcfarlane@rmpenergyinc.com">bruce.mcfarlane@rmpenergyinc.com</a>		
Crown Investments Corporation 400-2400 College Avenue Regina SK S4P 1C8  Alan Fern <a href="mailto:AFern@ciCorp.sk.ca">AFern@ciCorp.sk.ca</a>		

**SCHEDULE "B"**

COURT FILE                    **1639 of 2015**  
NUMBER  
COURT OF QUEEN'S BENCH FOR SASKATCHEWAN  
  
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.**

**ORDER**  
**(Approval of Increased Receiver's Borrowing Charge)**

Before the Honourable Madam Justice L.M. Schwann in Chambers the 25th day of October, 2016.

**UPON THE APPLICATION** of Kelly J. Bourassa, counsel on behalf of the receiver and manager, FTI Consulting Canada Inc. (the "**Receiver**"), **AND UPON** hearing from counsel for the Receiver, and counsel for Med-Life Discoveries LP, **AND UPON** reading the Notice of Application dated October 21, 2016, the Fourth Report of the Receiver (the "**Fourth Report**") dated October 21, 2016 and the pleadings and proceedings herein;

Capitalized terms used but not defined herein have the meaning ascribed to them in the Fourth Report.

The Court Orders:

**INCREASE TO THE RECEIVER'S BORROWING CHARGE**

1. All amounts borrowed by the Receiver pursuant to paragraph 23 of the Receivership Order, as of the date of this Order, are approved.
2. The amount the Receiver is permitted to borrow pursuant to paragraph 23 of the Receivership Order shall be hereby increased from \$3,650,000 to \$3,850,000 (the "**Funds**").
3. The Receiver is authorized to draw down and hold the full amount of the Funds prior to the closing of the Transaction (as defined in the Fourth Report).

**MISCELLANEOUS**

4. This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by Facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.

5. Service of this Order on any party not attending this application is hereby dispensed with.

**ISSUED** at the City of Saskatoon, in the Province of Saskatchewan, this \_\_\_\_ day of October, 2016.

---

Deputy Local Registrar

This Order was delivered by:

**Blake, Cassels & Graydon LLP**  
Barristers & Solicitors  
Unit 3500, 855 2 Street SW  
Calgary, AB T2P 4J8

Address for Service:	As above
Lawyer:	Kelly J. Bourassa
Telephone:	403-260-9697
Facsimile:	403-260-9700

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

**AND TO:** Those parties listed on the Service List attached to the Application as Schedule "A"