

District of Ontario  
Division No. 9  
Court No. CV-17-583069-00CL  
Estate No. 31-458375

**IN THE MATTER OF THE RECEIVERSHIP OF  
AXELA INC.  
OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO**

**NOTICE AND STATEMENT OF RECEIVER  
(Pursuant to Subsections 245(1) and 246(1) of the Bankruptcy and Insolvency Act)**

The Receiver gives notice and declares that:

1. On the 19<sup>th</sup> day of October, 2017, the undersigned became the Receiver in respect of all the assets, undertakings and properties of Axela Inc. (“**Axela**” or the “**Company**”), an insolvent person that is described below:

Intellectual Property	\$ 2,522,000
Inventory	280,000
Leaseholds	28,000
Contracts	53,000
Accounts Receivable	25,000
Machinery and Equipment	1
<b>TOTAL</b>	<b>\$ 2,908,001</b>

*NOTE: The above amounts listed reflect the book values recorded in the Company's books and records at or near the date of receivership, and do not necessarily reflect the actual realizable or sale value of the assets.*

2. The undersigned became Receiver by an Order of the Honourable Justice Conway of Ontario Superior Court of Justice on October 19, 2017 (the “**Appointment Order**”). The Appointment Order was made on application by Covington Fund II Inc. (the “**Secured Creditor**”).
3. As part of the Application Record of the Secured Creditor, the Receiver filed a pre-appointment report (the “**Report**”) dated October 11, 2017, in support of the proposed sale of Axela’s assets to Angle Biosciences Inc. and Angle Europe Limited as contemplated in an Asset Purchase Agreement (“**APA**”) dated October 4, 2017. The Report contained a Confidential Supplemental Report dated October 11, 2017 (the “**Confidential Report**”).
4. The Court authorized the Receiver to complete the sale of Axela’s assets set out in the APA in an Order of the Honourable Justice Conway of Ontario Superior Court of Justice on October 19, 2017 (the “**Approval and Vesting Order**”), and to seal the Confidential Report past the closing date of the transaction.
5. The Receiver is not operating the business. The Receiver intends to convey the assets pursuant to the APA, collect the purchase price, attend to all statutory matters, and take possession of and realize upon any residual assets.
6. The final closing of the transaction pursuant to the APA is expected to occur on or about November 30, 2017.

Notice and Statement of Receiver  
AXELA INC.

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7. The Secured Creditor is owed approximately \$193 million. The purchase price in the APA which has been approved by the Court is \$6.15 million. The realization of Axela's assets will not be sufficient to repay the Secured Creditor in full.
8. The following information relates to our appointment:
  - i) Address of insolvent person: 50 Ronson Drive, Suite #105, Toronto, ON M9W 1B3
  - ii) Principal line of business: Gene analysis and biomarker testing systems
  - iii) Locations of business: Toronto, Ontario
9. The list of creditors of the insolvent person who appear to hold a security interest on the property of the insolvent person and the amount owed to each creditor is listed below.
  - Covington Fund II Inc. - \$193,000,000
10. The list of other creditors of the insolvent person and the amount owed to each creditor and the total amount due by the insolvent person is attached hereto on **Schedule "A"**.
11. Contact person for the Receiver:


Link & Associates Inc.  
Receivers + Trustees  
77 King Street West, Suite 3000  
PO Box 95  
Toronto, ON  
M5K 1G8

Attention: Robert Link, CIRP, LIT

Tel: 416) 862-7785  
Fax: (416) 862-2136  
Email: [rlink@linkassociates.ca](mailto:rlink@linkassociates.ca)  
Web: [www.linkassociates.ca](http://www.linkassociates.ca)

DATED AT Toronto, Ontario this 27<sup>th</sup> day of October, 2017.

**LINK & ASSOCIATES INC.**  
Court-Appointed Receiver of Axela Inc.  
and not in its personal or corporate capacity

Per:   
Robert Link, CIRP, LIT

**SCHEDULE "A"**  
**Unsecured Creditors of Axela Inc.**

NAME OF CREDITOR	CURRENCY		
	CAD	USD	EURO
Abcam Inc.	503.98		
ACGT Corporation	14,451.76		
Advanced Scientific Consulting	60,816.60		
Agilent Technologies Canada Inc.	867.84		
Alliance Construction	4,877.25		
Beckman Coulter		247,500.00	
Bell Canada	2,142.07		
Bentham Science Publishers		4,411.00	
BioMark Inc.		11,130.00	
Blank Rome LLP		4,382.00	
Bollore Logistics Canada Inc.	13,943.31		
Brown Rudnick LLP		6,349.50	
BSI Management Systems	565.00		
Cintas	1,646.37		
Cisco WebEx		98.00	
Clark and Elbing LLP		13,800.31	
Data Depot	16,988.14		
Dave Giddings		95,625.00	
Dave Lemus		75,000.00	
Deudekom			678.66
Engenuity Corporation	2,712.00		
FedDev Southern Ontario	322,144.24		
FedEx	172.76		
Fielding, Brian S.G.	22,500.00		
Gowling Lafleur Henderson LLP	41,258.50		
Harack, Joanne E.	18,080.00		
Hill & Schumacher Professional Corp.	11,751.67		
Indell Corporation	1,798.23		
Internet Access Solutions	1,285.34		
Julisa (formerly Select Sandwich)	447.29		
Kamino		1,800.00	
Lannick Contact Solutions Inc.	5,280.50		
Life Technologies Inc	3,374.44		
Mandel Scientific Company Inc	429.17		
MaRS Discovery District	370,966.60		
MDCI Medical Device Consultants		9,815.00	
Mike Treble		451,250.00	
Mister Coffee	365.92		
Moffit		95,000.00	
Molecular Devices	1,298.67		

**SCHEDULE "A"**  
**Unsecured Creditors of Axela Inc.**

<b>Name of Creditor</b>	<b>CURRENCY</b>		
	<b>CAD</b>	<b>USD</b>	<b>EURO</b>
Morgan, Lewis & Bockius LLP		9,221.40	
Nanocs Inc.		385.00	
Polyak, Kornelia		10,000.00	
Popper and Company LLC		9,000.00	
Praxair Distribution	76.23		
Premiere Conferencing	1,128.77		
PriceWaterhouseCoopers LLP	22,500.00		
Proteogenex		11,769.00	
Qiagen Inc	158.13		
Real Cleaners Inc	1,049.76		
Ricoh Canada Inc.	2,220.53		
Rosenswig McRae Thorpe LLP	6,300.00		
Ryan Inc.	796.76		
Scienion US		6,026.08	
Seranum Diagnostica GmbH			100.00
Shred-It International Inc.	151.58		
Siemens AG		143,006.36	
Sigma-Aldrich Canada Co.	911.36		
Smart Membranes			4,125.00
Solutions Group		1,000.00	
Sony DADC		9,039.00	
Stericycle, Inc.	211.88		
System 1 Search		31,250.00	
Teo Dagi		60,000.00	
The Alarm Source Inc.	271.20		
The Great-West Life Assurance Company		5,444.49	
University Health Network	2,209.00		
University of Toronto	56,000.00		
UT-Batelle, LLC		40,000.00	
VWR International (CAD)	657.48		
Wilson Sonsini Goodrich & Rosati	14,964.86		
Zimmerman & Partners			2,358.00
<b>TOTAL UNSECURED</b>	<b>\$ 1,030,275.19</b>	<b>\$ 1,352,302.14</b>	<b>7,261.66 €</b>