

District of Ontario  
Division No. 9 – Toronto  
Estate No. 31-TBD

**IN THE MATTER OF THE RECEIVERSHIP OF  
SKYREADER MEDIA 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)*

**TAKE NOTICE THAT:**

1. On the 17<sup>th</sup> day of June, 2015, Link & Associates Inc. became the Receiver in respect of the property, assets and undertaking of SKYREADER MEDIA INC. (“SRMI” or the “Debtor”), an insolvent person that is described below:

Cash in Bank	5,000
Accounts Receivable	3,100
Computer Hardware/Software	9,000
Digital Media Tax Credit Claims*	500,000
E-reader Platform (under development)**	1
Shares of US subsidiary***	1
<b>TOTAL</b>	<b>\$517,102</b>

**Disclaimer:**

Figures above reflect the lower of net book value and estimated realizable value. The realizable amount of any asset may vary significantly from book value, and from the original estimate of realizable value.

**Notes:**

- i) Represents potential gross amount of claims under Ontario Interactive Digital Media Tax Credit (“OIDMTC”) program, and is subject to costs of claim preparation and filing, and subject to review for eligibility and approval of Ontario Media Development Corporation (“OMDC”).
  - ii) SRMI has invested significant amount of capital to the ongoing development of the e-reader platform. The realizable value of this product will be determined upon further evaluation, testing, and marketing of same over the course of the receivership.
2. The undersigned became a Receiver by virtue of being appointed pursuant to security held by Kevin Gillis, In Trust (the “Secured Creditor”), including a General Security Agreement dated December 21, 2012 and an assignment of a General Security Agreement dated May 1, 2012 (collectively the “Security”).

Notice and Statement of Receiver  
SKYREADER MEDIA INC.

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3. SRMI is in the business of media development. Its assets consist primarily of potential claims for refundable tax credits and a media enriched e-reading platform currently under development.
4. The Receiver is making arrangements for the possession of necessary books and records, and coordinating the access and control of the web-based assets with the Secured Creditor.
5. The following information relates to our appointment:
  - i) Address of insolvent person: 517 Wellington Street West, Suite 301  
Toronto, ON, M5V 1G1
  - ii) Principal line of business: Media development
  - iii) Location of business: Toronto, Ontario
6. 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:

<b>Name of Creditor</b>	<b>Amount</b>
Kevin Gillis In Trust	1,399,803.12
Martha Billes	499,573.00
Skywriter Entertainment Inc.	286,656.00
1082824 Ontario Inc.	352,390.00
<b>Total</b>	<b>\$ 2,538,422.12</b>

7. The list of other creditors of the insolvent person and the amount owed to (or claimed to be owed by) each creditor and the total amount due by the insolvent person is listed on **Schedule "A"**.
8. The Receiver's intended course of action is to prepare and file OIDMTC claims, and to seek offers for the purchase and sale of the e-reading platform.
9. Contact information for the Receiver:

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

Attention: Mr. Robert Link, CIRP

Tel: (416) 862-7785 ext. #2  
Fax: (416) 862-2136  
Email: [rlink@linkassociates.ca](mailto:rlink@linkassociates.ca)

Notice and Statement of Receiver  
SKYREADER MEDIA INC.

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DATED AT Toronto, this 23<sup>rd</sup> day of June, 2015.

LINK & ASSOCIATES INC.  
Receiver of Skyreader Media Inc. and not in  
its personal or corporate capacity

Per: 

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Robert G. Link, CIRP

**SCHEDULE "A"**

<b>Creditor Name</b>	<b>Amount</b>
Alarm Force	\$ 108.81
Alex Ball	54,187.00
Backyard Media Inc.	49,235.18
Canada Maintenance Inc.	540.83
Canada Media Fund	1.00
Canada Revenue Agency (HST)	1.00
Continental Precious Minerals Inc.	131,226.00
Danlargo Inc.	85,175.00
Dean Black	28,491.00
Disney Publishing Worldwide	1.00
Firmex Canada Inc.	3,390.00
Fugitive Inc.	11,130.50
Gord Freedman	117,563.03
GMSP Corporate Finance Inc.	187,225.00
Inventio LLC	7,000.00
Kagan Shastri LLP	4,753.92
Karen Adler	107,956.00
Kevin Gillis	38,073.40
Media Profile	9,378.87
Mercury Filmworks	68,124.57
ManorHouse Limited	1.00
Michael Iscove	1,915.32
PricewaterhouseCoopers	114,063.16
Ricketts Harris LLP	47,648.75
W. Rodger Campbell	95,343.75
Skywriter Entertainment Inc.	474,600.00
Shapiro Cohen LLP	287.30
Sirius Corp. Finance Group Inc.	237,300.00
Stohn Hay Cafazzo Dembroski Richmond LLP	6,763.62
Timcari Investments Ltd.	53,978.00
<b>TOTAL</b>	<b>\$ 1,935,463.01</b>