

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 15
)
CHEMOKINE THERAPEUTICS) Case No. 09-11189(PJW)
CORP.,)
Debtor.)
) Re: Docket No. 6
)
Tax ID No. 98-0196608)

**ORDER (I) RECOGNIZING THE ORDER OF THE CANADIAN COURT
DATED MARCH 11, 2009 APPROVING THE SALE OF THE DEBTOR'S
ASSETS TO BRITISH CANADIAN BIOSCIENCES CORP., AND (II) EXTENDING
THE STAY GRANTED BY THE EMERGENCY ORDER ON A PERMANENT BASIS**

This matter was brought upon by the motion (the "Motion") of Deloitte & Touche, Inc., (the Trustee (the "Trustee") under the Proposal made by Chemokine Therapeutics Corp. ("Chemokine") to its creditors dated December 23, 2008 (the "Proposal"), pursuant to sections 105(a), 1519 and 1521 of title 11 of the United States Code (the "Bankruptcy Code"), for (i) entry of an emergency order (the "Emergency Order") which imposes a stay of all proceedings in the United States against the Trustee or Chemokine, and Chemokine's business, property or assets located in the United States, and (ii) concurrently with or after entry of a recognition order under section 1517 of the Bankruptcy Code, the entry of a sale order (the "Sale Order") recognizing the Order of the Canadian Court¹ dated March 11, 2009 (the "March 11 Order") approving the sale of certain of Chemokine's assets to British Canadian BioSciences Corp. ("BioSciences") and approving the sale of Chemokine's assets free and clear of all liens, claims and encumbrances pursuant to section 1521(a)(7) and section 363(f) of the Bankruptcy Code, and extending the stay granted in the Emergency Order on a permanent basis.

¹ Capitalized terms used in this Order but not otherwise defined as used as defined in the Motion.

This Court entered the Emergency Order on April 6, 2009, and scheduled a hearing for April 28, 2009 at 3:00 p.m. to consider the Trustee's request for the relief set forth in the proposed Sale Order. This Court has considered and reviewed the Verified Petition filed by the Trustee under chapter 15 for Chemokine, the Trustee's Report, the Affidavit of Walter Korz in support of the Proposal, the Affidavit of Jervis Rodrigues in support of (I) Petition for Recognition of Foreign Proceeding and (II) Motion for (A) an Interim and Final Stay and (B) a Final Order Approving Vesting Order, the Memorandum and the Motion (collectively, the "Supporting Papers"). The Court has also reviewed the Feb. 4 Order and the March 11 Order, has considered any objections to the Sale Order and has conducted a hearing concerning the request for a Sale Order. Based on the foregoing, this Court finds and concludes as follows:

A. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(P). Venue is proper in this District pursuant to 28 U.S.C. § 1410(1) and 3.

B. Notice of the hearing on the Motion was sufficient under the circumstances and no further notice of, or hearing on, the Motion is necessary or required.

C. The relief sought by the Trustee is authorized under sections 1519(a)(1) and (3), and 1521(a)(7).

D. The Trustee has demonstrated that the extension of the Emergency Order on a permanent basis is justified because:

(i) pursuant to the *Order Granting Recognition*, the Canadian Proceeding is a foreign non-main proceeding within the meaning of section 1502(5) of the Bankruptcy Code; and

(ii) the Trustee has demonstrated that Chemokine will be irreparably harmed in the absence of the relief requested in that the Trustee has demonstrated that unless the Emergency Order is extended on a permanent basis, there is a material risk that one or more parties in interest will take action against the Trustee or Chemokine, or Chemokine's business, assets or property, thereby interfering with the jurisdictional mandate of this Court under chapter 15 of the Bankruptcy Code, interfering with and causing harm to the Trustee's efforts to administer Chemokine's estate pursuant to the Canadian Proceeding, and undermining the Trustee's effort to give effect to the terms of the Purchase Agreement. As a result, the Trustee and Chemokine will suffer immediate and irreparable harm for which they will have no adequate remedy at law.

E. In addition, the Trustee has demonstrated that this Court's recognition of the March 11 Order of the Canadian Court confirming the sale of certain of Chemokine's assets to Biosciences (i) is in the best interests of Chemokine, its estate, its creditors and other parties in interest, and (ii) is in the public interest because it will further the public policy of the United States as articulated in, *inter alia*, section 1501 of the Bankruptcy Code.

NOW, THEREFORE, IT IS HEREBY ORDERED AS FOLLOWS:

1. The Motion is GRANTED.
2. The Feb. 4 Order and the March 11 Order are hereby recognized and given full force and effect in the United States.
3. The stay imposed by the Emergency Order is hereby extended on a permanent basis.

4. The sale of Chemokine's assets to Biosciences free and clear of all liens, claims and encumbrances pursuant to the Purchase Agreement and sections 1521(a)(7) and 363(f) of the Bankruptcy Code, is hereby approved in all respects.

5. Pursuant to 8 Del. C. § 303, this Order, together with the March 11 Order, shall be sufficient corporate authority for Chemokine to enter into the sale and stockholder approval of the sale shall not be and hereby is not required.

6. Nothing herein shall enjoin a police or regulatory act of a governmental unit, including a criminal action or proceeding.

7. Notice of the entry of this Order shall be served in accordance with Rule 2002 of the Federal Rules of Bankruptcy Procedure.

8. This Court shall retain jurisdiction with respect to the enforcement of this Order.

Dated: April 28 2009
Wilmington, Delaware



THE HONORABLE PETER J. WALSH
UNITED STATES BANKRUPTCY JUDGE