

**IN THE MATTER OF THE
SECURITIES ACT R.S.O., c. S. 5, as amended**

AND

**DISCOVERY BIOTECH INC.
AND GRAYCLIFF RESOURCES INC.**

**NOTICE OF HEARING
(Section 127)**

TAKE NOTICE that the Commission will hold a hearing pursuant to section 127 of the *Securities Act*, at the offices of the Ontario Securities Commission, 20 Queen Street West, 17th Floor Hearing Room on Monday, June 16, 2003 at 11:00 a.m. or as soon thereafter as the hearing can be held:

TO CONSIDER whether, pursuant to section 127 of the Act, it is in the public interest for the Commission:

- a) to extend the temporary order made June 4, 2003 until the conclusion of this hearing pursuant to s. 127(7);
- b) at the conclusion of this hearing, to make an order pursuant to clause 2 of s. 127(1) that trading in any securities of Discovery Biotech Inc. (“Discovery”) by Discovery and its employees and agents and Graycliff Resources Inc. (“Graycliff”) and its employees and agents cease until further order by this Commission;
- c) to make such orders as the Commission considers appropriate.

BY REASON OF the allegations set out in the Statement of Allegations dated June 5, 2003 and such additional allegations as counsel may advise and the Commission may permit;

AND TAKE FURTHER NOTICE that any party to the proceedings may be represented by counsel at the hearing;

AND TAKE FURTHER NOTICE that upon failure of any party to attend at the

time and place aforesaid, the hearing may proceed in the absence of that party and such party is not entitled to any further notice of the proceeding.

DATED at Toronto this 10th day of June, 2003

“John Stevenson”
John Stevenson
Secretary to the Commission