

20. CONVERTIBLE UNSECURED SUBORDINATED DEBENTURES (CONTINUED):

(iii) Third series (continued):

The respective debt and equity component of the Third series debentures were as follows:

	Debt	Contributed surplus
	\$	\$
Balance, October 1, 2010	84,260	—
Reclassification of the conversion option from derivative liability on date of incorporation of January 1, 2011	—	3,792
Balance, January 1, 2011	84,260	3,792
Conversion of convertible debentures	(6,315)	—
Balance, October 1, 2011	77,945	3,792
Deferred financing costs	(798)	—
Carrying value, October 1, 2011	77,147	3,792
Repurchased under the normal course issuer bid	(9)	—
Conversion of convertible debentures	(26,257)	(1,562)
Redemption of Third series convertible debentures	(51,477)	(202)
Early redemption loss	596	—
Reclassification of remaining balance to accumulated deficit	—	(2,028)
	—	—

An amount of \$1.6 million was transferred from contributed surplus to common shares for the conversions that occurred prior to the redemption on December 19, 2011. The Company recorded to finance costs the early redemption loss of \$0.6 million. Finally, an amount of \$2.0 million was reclassified to deficit.

21. CAPITAL AND OTHER COMPONENTS OF EQUITY:

During the year, a total of 23,500 common shares (September 29, 2012 - 100,000) were issued pursuant to the exercise of share options under the Share Option Plan.

There was no conversion of the Fourth and Fifth series debentures in fiscal 2013 and 2012. A total of \$26.3 million of the Third series debentures were converted in fiscal 2012 by holders of the securities for a total of 5,148,427 common shares. This conversion is a non-cash transaction and therefore not reflected in the consolidated statement of cash flows.

As of September 28, 2013, a total of 94,114,260 common shares (September 29, 2012 - 94,090,760) were outstanding.