

CANADA  
Province of Quebec  
District of Quebec  
Division No.: 01-Montréal  
Court No.: 500-11-040897-114  
Estate No.: 41-342875

SUPERIOR COURT  
(In Bankruptcy and Insolvency)

**Receiver's Interim Report**  
(Subsection 246(2) of the Act)

In the matter of the receivership of  
**Igloolik Isuma Productions Inc.**  
Of the City of Montreal  
In the Province of Quebec

The Receiver declares that:

1. On June 9, 2011, we, RSM Richter Inc. ("Richter"), became the Receiver in respect of all the movable and immovable assets (the "Property") of Igloolik Isuma Productions Inc. ("IIP"), an insolvent person, as described below:

(Not audited)	Book value
Accounts receivable	\$ 100,656
Work in progress	1,158,378
Investment in films, video and new media productions	468,929
Investment in related subsidiaries	1,789,404
Capital assets	172,997
	<u>\$ 3,690,364</u>

2. We became Receiver by virtue of an order rendered by Me Chantal Flamand, Registrar of the Quebec Superior Court, (Bankruptcy and Insolvency sector of the Commercial Division) following a Motion for the Appointment of a Receiver to the Assets of IIP, filed by Atuqtuarvik Corporation.
3. Furthermore, IIP has filed for bankruptcy on October 26, 2011 and Samson Belair/Deloitte & Touche Inc. has been appointed as Trustee.

4. The Receiver has taken possession of assets located both in Quebec and in Igloolik, Nunavut before the date of bankruptcy. These assets can be summarized as follows:

A. Non Cultural Assets

1. Film production and editing equipment and accessories;
2. Furniture and general office equipment;
3. Building located in Igloolik, Nunavut; and
4. Accounts receivable.

B. Cultural Assets

5. Library of feature and short films;
6. Library of raw footage, outtakes and rushes relating to the Inuit culture and traditions; and
7. Costumes and props.

5. The Receiver conducted a sale by tender process in October and November 2011. Offers have been received for some of the assets mentioned above. Some of these offers are still subject to conditions that are yet to be lifted.

As soon as the offers are final, the Receiver will apply to Court to get authorization to accept the offers and sell the assets.

6. The Receiver's interim statement of receipts and disbursements as at January 30, 2012 is attached hereto as Exhibit "A". The receipts emanate from the collection of the accounts receivable. The disbursements refer to the advertising of the call for tenders in the newspaper as well as all legal fees to obtain a legal opinion on the validity of the securities held by the secured lenders.
7. There remain several issues regarding property claims as well as the completion of the sale process. Once all issues will have been resolved the proceeds from the realization of the assets will be remitted to the secured lenders according to their specific rank.

Dated at Montreal, this 15<sup>th</sup> day of February 2012.

RSM Richter Inc.  
Receiver



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Raymond Massi, CA, CIRP  
Administrator

IN THE MATTER OF THE RECEIVERSHIP OF IGLOOLIK ISUMA PRODUCTION INC., a body politic and corporate, duly incorporated according to law and having its head office and principal place of business at 1100 Crémazie, suite 805, in the city of Montréal, province of Québec, H2P 2X2.

Bankrupt

RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS as at January 30, 2012 (Note 1)

RECEIPTS

1. Accounts Receivable		\$22,640.72
2. Rental Income		8,767.50
3. Miscellaneous		
a) Other		905.00
b) Bank interest		30.25
4. GST/QST (Note 2)		
<b>TOTAL RECEIPTS</b>		<u>\$32,343.47</u>

DISBURSEMENTS

5. Fees paid:			
a) to official receiver	\$70.00		
b) to court	<u>0.00</u>		\$70.00
6. Miscellaneous			
a) Newspaper advertising	4,077.00		
b) Redirection of mail	135.00		
c) Security	1,099.12		
d) Miscellaneous	<u>0.00</u>		<u>5,311.12</u>
<b>TOTAL DISBURSEMENTS BEFORE TRUSTEE'S REMUNERATION AND LEGAL FEES AND COSTS</b>			\$5,381.12
7. G.S.T./Q.S.T. (Note 2)	1,318.59		
8. Trustee's remuneration			
a) Fees (note 3)	0.00		
9. Legal fees and costs			
a) Jolicoeur Lacasse S.E.N.C.R.L.	3,486.24		
b) McLennan Ross	<u>1,893.34</u>		<u>6,698.17</u>
<b>TOTAL DISBURSEMENTS</b>			<u>\$12,079.29</u>
<b>10. AMOUNT AVAILABLE FOR DISTRIBUTION</b>			<u><u>\$20,264.18</u></u>

NOTES:

Note 1: On June 9, 2011, RSM Richter Inc. was appointed Receiver in respect of all the movable and immovable assets of Igloolik Isuma Production following an order rendered by Me Chantal Flamand, Registrar of the Quebec Superior Court.

Note 2: The Receiver will collect the GST/QST paid on purchases only after having collected sales taxes on proceeds of the liquidation of assets.

Note 3: The Receivers fees have been assumed by the secured lender who filed the motion to appoint a Receiver.

RSM Richter Inc.  
Receiver

February 15, 2012  
Date

Per: Raymond Massi, CA, CIRP