



July 20, 2006

VIA Email – cohn@isuma.ca

Mr. Norman Cohn
IGLOOLIK ISUMA PRODUCTIONS INC.
5764 Monkland Avenue, Suite 223
Montreal, Quebec
H4A 1E9

Dear Mr. Cohn,

Re: THE JOURNALS OF KNUD RASMUSSEN (“JKR”) - touring

Thank you for your proposal for the exhibition in northern Canada of your feature film, the Journals of Knud Rasmussen. Telefilm Canada understands that you and your Canadian distributor, Alliance Atlantis Motion Picture Distribution Inc. (“AA”) have determined that they are not in the best position to distribute your film to the numerous small communities in the North. We understand that AA is prepared to delegate this distribution to your company.

The marketing support component of the Canadian Feature Film Fund (CFFF) is intended for use by commercial distributors in the full time business of distributing feature films and therefore, it is not possible or practical to consider your proposal under those guidelines. However, Telefilm Canada recognizes the importance of this film to the North and we will consider your proposal as an exceptional project through the Alternative Distribution Fund of the CFFF.

In order to more fully evaluate your proposal we will require significantly more information than has been provided in your proposal submitted in April. Can you please at your earliest provide us with the following:

1. Provide the number of admissions by venue to reach the box office projections of \$748,000;
2. The screening schedule, indicating the number of screening by communities and by date, together with any available documentation indicating bookings or invitations from community groups;
3. complete detail of each line item of your budget, by number of individuals, the time employed and rate of pay; and all other available detail
4. a separation of costs associated with what you would determine to be northern screenings and those services required to reach aboriginal communities in southern Canada
5. declaration of all related party transactions for each line item;

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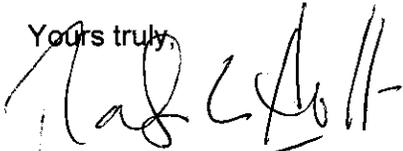
6. all other sources of funding received or applied for to carry out this project (such as any sponsorships as referred to in your email dated April 6th); and
7. Publicist/Community Relations Co-Coordinator - please identify the responsibilities of each.

The funds administered by Telefilm Canada are not intended for the acquisition of capital equipment. If you have applied to other organizations for support for this project perhaps their programs can permit for capital acquisition. All rentals must be budgeted at fair market value. Estimates should be provided by recognized third party industry suppliers.

Your proposal does not specify the amount or proportion of the budget you are seeking from Telefilm Canada. Please let us know your request as well as other sources of support and any other shortfall you might have. You had advised us that your company has received a significant cash infusion from the Atuaqtuarvik Corporation; please advise whether Igloodik Isuma Productions Inc. will utilize part of the new funding for the purposes of exhibiting the Journals of Knud Rasmussen in the North.

Upon receipt of the requested information will get back to you within 10 working days with any further questions we may have and to discuss the next steps to reaching our decision. Should you have any questions, please contact me directly. I look forward to discussing this very interesting project with you further.

Yours truly,



Ralph Holt, Director of Operations, Ontario and Nunavut

cc Elizabeth Friesen, Chief Operating Office, Telefilm Canada