District of Alberta
Division No. 02 – Calgary
Estate File No.: 25-3336652

IN THE MATTER OF THE BANKRUPTCY OF
IGNITE ALLIANCE CORP.
OF THE CITY OF CALGARY, IN THE PROVINCE OF ALBERTA

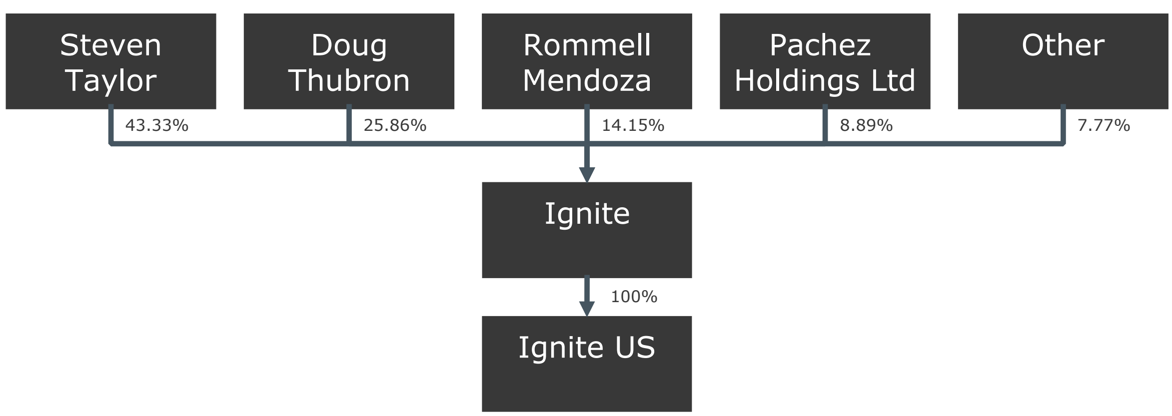
TRUSTEE'S REPORT TO CREDITORS ON
PRELIMINARY ADMINISTRATION

July 10, 2026

1.0 Background

1. Ignite Alliance Corp. o/a Ignite Technology ("**Ignite**", or the "**Debtor**") was incorporated under the *Business Corporations Act* (Alberta) on June 9, 2011. There are currently no directors of Ignite, as Steven Taylor, the former director of Ignite resigned on June 13, 2026.

2. The Debtor has four (4) material shareholders, with Mr. Taylor being the largest (43.33% of the outstanding shares). Ownership details are set out in the chart below[1]:



3. Ignite operated as an information technology services provider, offering video conferencing solutions, cybersecurity services, audio visual technologies, analytics, unified communications, and other related IT services.

[1] Doug Thubron's ownership interest includes 20.51% owned by the Thubron Family Trust. The Other shareholders totaling 7.76% include: (i) Darren Lapierre – 5.37%; (ii) Curt Dieckelt – 1.93%; (iii) Magnetic North – 0.24%; (iv) 1667298 Alberta Ltd. – 0.21%; and (v) Kevin Critch – 0.02%.

1.1 NOI Proceedings

1. On February 20, 2026 (the "**NOI Filing Date**"), Ignite filed a Notice of Intention to Make a Proposal ("**NOI**") with the Office of the Superintendent of Bankruptcy Canada, pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency* Act, R.S.C. 1985, c. B-3, as amended (the "**BIA**"). Upon filing the NOI, AlixPartners Restructuring, Inc.[2] ("**AlixPartners**") was appointed as the Licensed Insolvency Trustee in the NOI proceedings (in such capacity, the "**Proposal Trustee**").

2. The principal purpose of the NOI proceedings was to utilize the stay of proceedings under the BIA to create a stabilized environment that allowed the Debtor to continue operating while it negotiated and completed a transaction with MNP Digital Inc. ("**MNP**") for the sale of Ignite's business, pursuant to a binding term sheet between Ignite and MNP dated February 13, 2026.

3. On March 2, 2026, on application by the Debtor, the Court of King's Bench of Alberta (the "**Court**") granted an order (the "**First Extension Order**"), among other things:

    a) extending the time for Ignite to file a proposal to its creditors and the stay of proceedings up to and including May 6, 2026;

    b) approving a key employee retention plan (the "**KERP**") in respect of Ignite's Chief Financial Officer (the "**CFO**");

    c) granting the following charges against all of Ignite's present and after-acquired assets, undertakings, and property (collectively the "**Property**") in the following relative priorities:

        i. first, a charge to not exceed $450,000 as security for the fees and disbursements of the Proposal Trustee, the Proposal Trustee's legal counsel, MLT Aikins LLP ("**MLT**"), and the Debtor's legal counsel, Burnet, Duckworth & Palmer LLP (the "**Administration Charge**");

        ii. second, a charge for all loans, advances, overdrafts, fees, interest or other extensions of credit made by ATB Financial ("**ATB**"), in excess of the amount owing to ATB as at the NOI Filing Date, on or after the NOI Filing Date, to a maximum amount of $460,000 plus interest, fees, and expenses;

        iii. third, a charge to secure the amounts payable under the KERP up to a maximum amount of $80,000; and

        iv. fourth, a charge in favour of the Debtor's director and officers to a maximum amount of $260,000.

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[2] Effective June 1, 2026, AlixPartners Restructuring, Inc. was substituted in place of KSV Restructuring Inc. as Court Officer in these proceedings pursuant to an order dated May 27, 2026, issued by the Court of King's Bench of Alberta. The professionals involved in this mandate from the outset remain unchanged.

4. On April 11, 2026, MNP and Ignite entered into an asset purchase agreement dated as of April 8, 2026 (the "**APA**") wherein MNP would acquire Ignite's business through the acquisition of substantially all of Ignite's assets (defined in the APA as, the "**Purchased Assets**").

5. On April 23, 2026, on application by the Debtor, the Court granted:

   a) an approval and vesting order (the "**AVO**"), among other things: (i) approving the APA and the MNP Transaction; and (ii) ordering that, upon the Proposal Trustee delivering a certificate substantially in the form of Schedule "A" to the AVO (the "**Closing Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets shall vest in MNP free and clear of any and all encumbrances; and

   b) an order, among other things, further extended the time for Ignite to file a proposal to its creditors with the Official Receiver to and including June 20, 2026 (the "**Proposal Filing Deadline**").

6. On May 8, 2026 (the "**Closing Date**"), the MNP Transaction closed and the Proposal Trustee filed the Closing Certificate on May 12, 2026. Immediately prior to the closing of the MNP Transaction, the Proposal Trustee understands that all of the Debtor's employees were terminated.

7. The following materials provide additional background information on the Debtor and the NOI proceedings:

   a) the Affidavits of Steven Taylor, President and Chief Executive Officer of Ignite, sworn February 23, 2026 and April 13, 2026 (together, the "**Taylor Affidavits**"); and

   b) the First Report of the Proposal Trustee dated February 26, 2026 (the "**First Report**") and the Second Report of the Proposal Trustee dated April 15, 2026 (the "**Second Report**", together with the First Report, the "**Proposal Trustee's Reports**").

8. Copies of the Taylor Affidavits, the Proposal Trustee's Reports, and the orders granted by the Court during the NOI proceedings, are available on the Proposal Trustee's case website: https://www.ksvadvisory.com/experience/case/ignite.

1.2 Bankruptcy

1. As Ignite failed to file a proposal with the Official Receiver by the Proposal Filing Deadline, on June 20, 2026 (the "**Bankruptcy Date**"), the Debtor was deemed to have filed an assignment in bankruptcy pursuant to section 50.4(8) of the BIA, and AlixPartners was appointed as Licensed Insolvency Trustee (in such capacity, the "**Trustee**") in the bankruptcy proceedings. A Certificate of Assignment was issued by the Office of the Superintendent of Bankruptcy Canada on June 23, 2026.

1.3 Restrictions

1. In preparing this preliminary report (the "**Report**"), the Trustee has relied upon unaudited financial information obtained from the Debtor.

2. The Trustee has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied upon to prepare this Report in a manner that complies with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Trustee expresses no opinion or other form of assurance contemplated by the CAS. Any party wishing to place reliance on the financial information should perform its own diligence.

1.4 Currency

1. All currency references in this Report are to Canadian dollars.

2.0 Financial Situation and Causes of Insolvency

1. As further detailed in the Proposal Trustee's Reports and the Taylor Affidavits, Ignite's financial difficulties stem from a series of growth initiatives undertaken between 2021 and 2024, including the acquisition of a predecessor firm, the development of proprietary software, and increased investment in employees and operational resources. While these initiatives contributed to significant revenue growth, they also increased the Debtor's cost structure.

3.0 Trustee's Preliminary Evaluation of Assets[3]

1. Although all the Purchased Assets, including Ignite's accounts receivable as at the Closing Date (the "**Closing AR**"), were sold to MNP as part of the MNP Transaction, pursuant to the APA, the Purchase Price under the APA included:

   a) the Base Purchase Price; and

   b) an amount equal to the Closing AR that is collected by MNP within the 90-day period following the Closing Date.

2. Pursuant to the Statement of Affairs as at June 20, 2026 (the "**SOA**"), the Debtor's assets consist of:

   a) cash on hand of approximately $1,709,235 – representing the Base Purchase Price paid by MNP, less disbursements and distributions paid by the Proposal Trustee during the NOI proceedings; and

   b) accounts receivable with a book value of approximately $954,866 – representing the Closing AR outstanding as at the Bankruptcy Date.

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[3] Capitalized terms used in this section and not otherwise defined herein have the meanings ascribed to them in the APA.

3. Under the APA MNP shall:

    a) provide Ignite (now the Trustee) with a reporting of the collected Closing AR each month until the 90-day period expires; and

    b) use commercially reasonable efforts to collect the Closing AR, similar to the level of effort it uses for its own accounts receivable.

4. The Trustee notes that the ultimate recovery from the Closing AR will be dependent on, among other things, MNP's collection efforts.

4.0 Conservatory and Protective Measures

1. The Trustee has performed the following conservatory measures prior to and since being appointed:

    a) **<u>Physical assets</u>** – as the Debtor had sold substantially all of its assets pursuant to the MNP Transaction, the Trustee has not taken possession of any physical assets;

    b) **<u>Bank accounts</u>** – during the NOI proceedings, ATB had frozen Ignite's bank account (the "**ATB Account**") for any outgoing payments. Following the Trustee's appointment, the Trustee contacted ATB with instructions to: (i) keep the ATB Account frozen with respect to outgoing payments; and (ii) direct any funds remaining in the ATB Account to the Trustee's designated trust account. The ATB Account remains open to permit the deposit or receipt of any incoming funds (including the Closing AR), pending further direction from the Trustee; and

    c) **<u>Closing AR</u>** – since the Closing Date, AlixPartners, in its capacity as Proposal Trustee and Trustee, has engaged with MNP and implemented a process to review its collection efforts in respect of the Closing AR.

2. On May 8, 2026, the Proposal Trustee retained the previous CFO on a temporary contract basis to assist the Trustee in its administration of the estate.

5.0 Books and Records

1. Since the Bankruptcy Date, the Trustee has been working with the CFO to obtain the Debtor's electronic and physical records and the information required for the Trustee to carry out its duties and obligations under the BIA. As at the date of this Report, the Trustee continues to receive information from the CFO.

6.0 Creditors

1. As at the Bankruptcy Date, Ignite had listed liabilities in excess of $9.80 million, including:

a) **Canada Revenue Agency ("CRA")** – owed approximately $2,858,034, consisting of: (i) unremitted source-deduction arrears totaling $1,437,179, which represent a deemed trust (the "**CRA Deemed Trust Claim**"); and (ii) interest and penalties related to the CRA Deemed Trust Claim totaling $1,420,855, which represent an unsecured claim against the Debtor. The CRA conducted a trust examination during the NOI proceedings; however, the Trustee has not yet received a proof of claim confirming the amounts owing to the CRA;

b) **ATB** – owed approximately $589,577, and subject to further interest, costs, and fees. As noted in the Second Report, MLT provided opinions concluding that the security registered by and in favour of ATB is a valid and enforceable first ranking security interest in the property of the Debtor and is valid and enforceable against a trustee in bankruptcy;

c) **Hardware Suppliers** – owed approximately $3,773,680, consisting of: (i) Ingram Micro Inc. ("**Ingram Micro**") – $3,393,698; and (ii) TD Synnex Canada ULC ("**TD Synnex**")– $379,982. TD Synnex and Ingram Micro have made registrations against the Debtor in the Alberta and Ontario Personal Property Security Registries. The Trustee and MLT have not completed a review of the underlying loan documents, security agreements, and priority arrangements to determine the validity, enforceability, or priority of their respective security; and

d) **Unsecured Obligations** – totaling $2,577,594 (excluding off-balance sheet obligations, such as employee severance and landlord claims). As of the date of this Report, the formal process for creditors to prove their claims continues and therefore the amounts on the SOA are subject to change.

7.0 Legal Proceedings

1. The Trustee has not initiated any legal action and all actions against the Debtor prior to the Filing Date are stayed pursuant to Section 69.3(1) of the BIA.

8.0 Preferences and Transfers at Undervalue

1. At this preliminary stage of the bankruptcy proceedings, the Trustee has not performed a review of the Debtor's books and records with respect to potential fraudulent preferences, settlements, or transfers at undervalue, as defined by the BIA. It is the intention of the Trustee to discuss the scope of its review with the inspectors of the Debtor's estate, assuming inspectors are appointed at the first meeting of creditors.

9.0 Anticipated Realization and Projected Distribution

1. As of the date of this Report, given the CRA Deemed Trust Claim and the secured interest in favor of ATB, the Trustee cannot comment as to whether distributions will be made available to the Debtor's ordinary secured creditors.

10.0 AlixPartners' Intention to Act for Secured Creditor

1. ATB may seek to appoint AlixPartners as agent or private receiver of the Debtor pursuant to ATB's security. As outlined in Section 6.0(1)(b) above, MLT has provided an opinion to AlixPartners confirming that ATB's security is valid and enforceable as against a trustee in bankruptcy.

11.0 Details of Third-Party Deposits or Guarantees

1. In consideration for consenting to act in the NOI proceedings, AlixPartners received a retainer of $50,000 from the Debtor prior to the NOI Filing Date on (the "**Retainer**") to satisfy any AlixPartners outstanding fees. The Trustee intends to use the Retainer and the Administration Charge to satisfy its fees and disbursements, including the fees and disbursements of its legal counsel for statutory work in accordance with the provisions of the BIA.

12.0 Other Matters Regarding the Administration of the Estate

1. At this time, the Trustee is not aware of any other matters affecting the administration of the bankrupt estate; however, if anyone is aware of matters that should be brought to the attention of the Trustee for further review and investigation, they should contact the Trustee's office with details and copies of any available information

* * *

DATED at Calgary, Alberta, this 10th day of July, 2026.

AlixPartners Restructuring, Inc.

ALIXPARTNERS RESTRUCTURING, INC.,
in its capacity as Licensed Insolvency Trustee of
Ignite Alliance Corp, and not in its personal or
corporate capacity