

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) TUESDAY, THE 10TH
)
MR. JUSTICE CAMPBELL) DAY OF NOVEMBER, 2009

IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED



AND IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE
OR ARRANGEMENT WITH RESPECT TO **HOLLINGER INC.**,
4322525 CANADA INC. and **SUGRA LIMITED**

Applicants

ORDER

(re: Stay Extension to May 28, 2010, Approval of Transfer and Distribution of \$2.5 million
and Direction regarding Burnac and Crystalline Claims)

THIS MOTION brought by the Applicants and Domgroup Ltd. ("**Domgroup**"), 10 Toronto Street Inc. ("**TSI**"), Holcay Holdings Ltd. ("**Holcay**") and 021173 N.B. Limited a.k.a. Willett Foods f.k.a Willett Food Company ("**Willett**") (Domgroup, TSI, Holcay and Willett collectively, the "**Non-Applicants**") for an Order: (i) extending the Stay Period as provided for and defined in the Order of the Honourable Mr. Justice Morawetz dated August 1, 2007 (the "**Initial Order**"), as subsequently extended by Orders and written endorsements of this Honourable Court, to May 28, 2010; (ii) approving the repayment of a total of \$2.5 million of intercompany indebtedness from TSI to the Applicants, Hollinger Inc. ("**Hollinger**") and Sugra Limited ("**Sugra**"); (iii) authorizing and directing the Applicants to distribute the \$2.5 million received from TSI in accordance with the priorities and to the parties described in the Multi-

Party Settlement dated May 14, 2008 with Sun-Times Media Group, Inc. and Davidson Kempner Capital Management LLC and certain of its affiliates (collectively, “**DK**”), which was approved by this Honourable Court by Order dated May 21, 2008 (the “**Multi-Party Settlement Agreement**”); and (iv) authorizing and directing Domgroup to have the claims of Burnac Leaseholds Limited (“**Burnac**) and Crystalline Investments Limited (“**Crystalline**”) determined by the Supervising Judge, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Applicants’ Notice of Motion dated November 4, 2009 (the “**Notice of Motion**”), the First Report of the Chief Restructuring Officer of the Applicants and the Non-Applicants dated November 4, 2009 and the Twelfth Report of Ernst and Young Inc. in its capacity as Court-appointed Monitor of the Applicants (the “**Monitor**”) and on hearing from counsel for the Applicants, the Monitor, DK, Delaware Trust Company, National Association, in its capacity as collateral agent and as trustee under an indenture dated as of March 10, 2003 and HSBC Bank USA, National Association, in its capacity as trustee under an indenture dated as of September 30, 2004 (collectively, the “**Trustees**”) and such other counsel as were present and on being advised that the Service List as of November 4, 2009 was served electronically with the Notice of Motion,

Service

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record herein be and is hereby abridged such that the motion is properly returnable today and further that service upon any interested party other than those parties served is hereby dispensed with.

Defined Terms

2. **THIS COURT ORDERS** that all capitalized terms not herein defined shall have the meanings set out in the Initial Order.

Extension of the Stay Period

3. **THIS COURT ORDERS** that the Stay Period in the Initial Order with respect to the Applicants is hereby extended to and including May 28, 2010.

4. **THIS COURT ORDERS** that the Monitor shall report to this Honourable Court at such times and for such purposes as it deems appropriate or advisable, and shall provide information updates to the Service List as it considers advisable during the Stay Period.

5. **THIS COURT ORDERS** that the Trustees shall take such steps as may be necessary to ensure that the motion for adequate protection brought by the Trustees in the proceeding commenced by the Applicants pursuant to Chapter 15 of the *U.S. Bankruptcy Code*, which motion was originally scheduled to be heard before Judge Walsh on October 23, 2007 and was adjourned to facilitate various extensions of the Stay Period pursuant to the Orders of this Honourable Court, shall be further adjourned to such later date as may be available on the consent of the Applicants, the Monitor and the Trustees. The consent of the Trustees to the extension of the date by which the adequate protection motion is to be heard, if at all, shall not be used against it by any of the parties. Nothing contained herein prevents the Trustees from bringing a motion for directions before this Honourable Court should they wish to seek leave of the Court to take steps to lift the standstill in connection with the adequate protection motion prior to the expiry of the Stay Period.

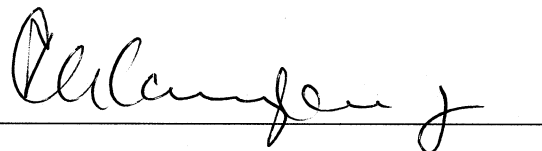
Approval of Transfer and Distribution of \$2.5 million

6. **THIS COURT APPROVES** the repayment of a total of \$2.5 million of intercompany indebtedness from TSI to the Applicants, Hollinger and Sugra, as detailed in the First Report of the Chief Restructuring Officer of the Applicants and the Non-Applicants dated November 4, 2009.

7. **THIS COURT AUTHORIZES AND DIRECTS** the Applicants to distribute the \$2.5 million received from TSI in accordance with the priorities and to the parties described in paragraph 18 of the Multi-Party Settlement Agreement.

Claims of Burnac and Crystalline to be determined by the Supervising Judge

8. **THIS COURT AUTHORIZES AND DIRECTS** Domgroup to have the claims of Burnac and Crystalline determined by the Supervising Judge.

A handwritten signature in black ink, appearing to read "Chambers", is written over a horizontal line.

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ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

NOV 10 2009

PER / PAR: TV

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF HOLLINGER INC. 4322525 CANADA INC. AND
SUGRA LIMITED**

Court File No.: 07-CL-7120

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceedings commenced at Toronto

ORDER
(re: Stay Extension to May 28, 2010, Approval of Transfer
and Distribution of \$2.5 million and Direction regarding
Burnac and Crystalline Claims)

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