Court File No. 07-CL-7120

DATE: December 7, 2007

TO: Service List

FROM: Ernst & Young Inc., Monitor of Hollinger Inc., Sugra Limited and 4322525 Canada Inc. (the "Applicants")

CC: Bill Aziz, Hollinger Inc.

RE: **Applicants' Information**

BACKGROUND

1. On August 1, 2007, the Applicants filed for and obtained protection from their creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") pursuant to the Order of the Ontario Superior Court of Justice dated August 1, 2007 (the "Initial Order"). Pursuant to the Initial Order, Ernst & Young Inc. was appointed as the Monitor of the Applicants (the "Monitor") in these CCAA proceedings.

PURPOSE

2. The purpose of this communication from the Monitor (the "Eleventh Communication") is to provide a weekly information update to all stakeholders, including:

   (a) The Applicants' weekly variance report for the week ended November 23, attached as Schedule 1; and

   (b) The Applicants' weekly reporting of all outstanding legal accounts receivable and work in process for the week ended November 23, 2007, attached as Schedule 2.

TERMS OF REFERENCE

3. Capitalized terms not defined in this Eleventh Communication are as defined in the Initial Order. All references to dollars are in Canadian currency unless otherwise noted.

4. In preparing this Eleventh Communication, the Monitor has relied upon unaudited financial information and records of the Applicants and certain of their affiliates and

discussions with management of the Applicants. The Monitor has not performed an audit or other verification of such information.

5. The Monitor does not assume any responsibility or liability for losses incurred by the reader or any other party as a result of the circulation, publication, reproduction or use of this Eleventh Communication.

INTER-COMPANY RECEIPTS

6. As previously reported, the Applicants indicated that 10 Toronto has committed to repay on an "as needed" basis up to $7.5 million of inter-company amounts owed to Hollinger. The total inter-company repayments since filing from 10 Toronto up to November 23, 2007 are $4.8 million. The projected inter-company repayments to February 1, 2008 combined with the actual inter-company repayments up to November 23, 2007 total approximately $4.9 million.

DISCUSSIONS AMONG THE PARTIES

7. The negotiating parties have reached the framework for settling their issues upon which they reported to Mr. Justice Campbell on Tuesday, November 6, 2007. On Friday November 9, 2007 Mr. Justice Campbell issued an order extending the Stay Period to December 21, 2007. The parties are engaged in moving this framework forward to a formal Settlement Agreement.

Hollinger Inc., 4322525 Canada Inc. and Sugra Limited (collectively the "Applicants")
Consolidated Weekly Cash Flow Variance Analysis compared to the November 3, 2007 Cash Flow Projection

C$ 000s	Projected Results for the Week Ended Friday 23-Nov	Actual Results for the Week Ended Friday 23-Nov	Variance	Notes
Opening Cash, ex. Funds in Trust	**4,082**	**4,398**	316	
Receipts				
Dividends	-	-	-	
Interest income	-	0	0	
Other	-	7	7	
Intercompany Accounts Receivable (Payable)	-	-	-	
Total receipts	-	8	8	
Disbursements				
Payroll & Benefits	(17)	-	17	
Directors Fees and Insurance	-	-	-	
Legal Fees (including retainers)	(85)	(84)	1	
Chapter 15 Legal Fees (US)	(10)	-	10	
CCAA Legal Fees (Canada)	(60)	(15)	46	
CCAA Monitor Fees	(40)	(14)	26	
Contractor Fees	-	-	-	
Advisors	(89)	(7)	82	1
Litigation Trust	(11)	-	11	
Monitor re Claims Process	-	-	-	
Monitor Counsel re Claims Process	-	-	-	
Interest on Senior Secured Notes	-	-	-	
Operating Costs related to building	-	-	-	
Taxes	-	-	-	
Other	(1)	55	56	2
Total Disbursements	(313)	(64)	249	
Change in cash	**(313)**	**(56)**	**257**	
Closing cash, ex. Funds in Trusts	3,769	4,342	573	

1) Actual disbursements for Advisors costs were lower than projected. The difference represents a partial reversal of previously reported timing differences from the projection.

2) Other disbursements relates to a foreign exchange adjustment on cash in the bank as a result of the appreciation of US Dollar relative to the Canadian Dollar during the week.

Summary of Legal Accruals
As At November 23, 2007
CDN $

	Pre Filing	Post Filing	Outstanding Invoices	Estimated WIP from August 1 to November 23, 2007	Total Revised "Bubble" at November 23, 2007	Total Revised "Bubble" as of November 23, 2007 **(excluding pre filing amounts)**	Total Revised "Bubble" as of November 16, 2007 **(excluding pre filing amounts)**	Increase in (Decrease) "Bubble" **(excluding pre filing amounts)**
Legal Fees	56,270	7,956	64,226	81,306	145,532	89,262	155,000	(65,738)
CCAA Legal Fees	-	14,309	14,309	103,728	118,037	118,037	107,938	10,099
Ch 15 Legal Fees	-	167,345	167,345	17,692	185,037	185,037	129,604	55,433
Overall Total	**56,270**	**189,610**	**245,880**	**202,726**	**448,606**	**392,336**	**392,542**	**(206)**
F/X **0.95**								

Note that the Applicants did make approximately $0.1 million of payments in respect of legal fees during the week ended November 23, 2007; therefore, the increase in the bubble represents the legal fees incurred during the week less payments, subject to additional information that may be received by the Applicants from their counsel.

Reconciliation for the week ended November 23, 2007

Reverse Opening Balance (as of November 16, 2007) including pre-filing amounts	(448,812)
Cash Distributions on account of legal fees for the week ended November 16, 2007	98,929
Reduction (increase) in contingency	19
Add Closing Balance (as of November 23, 2007) including pre-filing amounts	448,606
Approximate Legal Fees incurred during the week ended November 23, 2007	98,742