Court File No. 07-CL-7120

DATE: July 22, 2008

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 “Nineteenth Communication") is to provide a monthly information update to all stakeholders, including the Applicants’ actual receipts and disbursements for the month ended June 27, 2008, attached as Schedule 1 in accordance with the Multi-Party Settlement Agreement and the May 21, 2008 order of the Honourable Justice Campbell.

TERMS OF REFERENCE

3. Capitalized terms not defined in this Nineteenth Communication are as defined in the Initial Order. All references are in Canadian Currency unless otherwise noted.

4. In preparing this Nineteenth 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 Nineteenth Communication.

INTER-COMPANY RECEIPTS

6. As previously reported, the Applicants have indicated that 10 Toronto has committed to repay on an "as needed" basis up to $7.8 million of intercompany amounts owed to Hollinger. The total intercompany repayments from 10 Toronto to Hollinger, from August 1, 2007 to June 27, 2008 are approximately $7.8 million.

7. The Applicants advise that Domgroup owed Hollinger Inc. approximately $13.1 million (net) as at March 31, 2008 and that Domgroup has agreed to repay part of the intercompany balance, subject to obtaining the necessary approvals from their Board of Directors. The total intercompany repayments from Domgroup to Hollinger, from May 24, 2008 to the June 27, 2008 are approximately $6.7 million. On July 16, 2008 Domgroup's Board of Directors authorized the repayment of an additional $2 million of the intercompany balance owed to Hollinger from Domgroup.

8. As at June 27, 2008, the cash balances at each of the Applicants and non-Applicants holding cash were as follows:

	(Millions)
Applicants	$5.7
Holcay	$0.0
Domgroup	$24.6
10 Toronto	$4.4

CURRENT STATUS

9. The Multi-Party Settlement Term Sheet was approved by the Honourable Justice Campbell on May 21, 2008. On June 19, 2008, the Monitor filed a certificate with the Court certifying that all transactions, releases and acknowledgments of claims contemplated by the Multi-Party Settlement have been completed or performed.

10. By Order of the Honourable Mr. Justice Campbell dated May 21, 2008, the Monitor was authorized to conduct a claims process (the "Claims Process"). Among other things, the Claims Order established July 11, 2008 as the Claims Bar Date with respect to claims arising prior to August 1, 2007 or after that date if as a result of the restructuring, repudiation or termination of any contract, lease or employment agreement.

11. A large number of claims were received either on or just before the Claims Bar Date. As a result, the Applicants and the Monitor are still in the early stages of compiling and reviewing the claims. Based on its initial review of the claims as submitted, the Monitor believes that there are significant claims that will require careful examination with the assistance of the Applicants and may be revised or disallowed in due course. A more detailed analysis of the claims filed will be provided to stakeholders once the Applicants and the Monitor have had an opportunity to further review and analyze the claims. A date is being sought from the Court to address the procedure for determining related party claims.

12. On July 14, 2008 the Applicants announced that the Ontario Securities Commission (the "OSC") had provided them with a copy of the form of cease trade order to be issued by the OSC. The exact date upon which the cease trade order will be issued has not yet been determined. The Applicants have also been advised by the Toronto Stock Exchange (the "TSX") that the TSX will initiate a process that will lead to the delisting of the Applicants' common shares and Series II preference shares from the TSX following the issuance of the cease trade order. Under the authority of the Order of the Honourable Justice Morawetz dated July 21, 2008, the Applicants and the Monitor have consented to the issuance of the cease trade order and the delisting.

13. On July 16, 2008, the Applicants announced that its remaining directors, Stanley Beck and David Rattee, have resigned from the Company's board of directors. In accordance with the terms the May 21, 2008 order of the Honourable Justice Campbell and amended July 3, 2008, William E. Aziz was appointed Chief Restructuring Officer of the Company pursuant to an agreement between the Applicants and BlueTree Advisors Inc., a company affiliated with Mr. Aziz. Mr. Aziz will in that capacity assume the responsibilities that would otherwise be carried out by the Applicants' board of directors, subject to the oversight of the Monitor and the Court.

Hollinger Inc., 4322525 Canada Inc. and Sugra Limited (collectively the "Applicants")
Consolidated Weekly Cash Flow Variance Analysis compared to the May 29, 2008 Cash Flow Projection

C$ 000s	Projected Results for the five weeks ended Friday 27-Jun	Actual Results for the five weeks ended Friday 27-Jun	Variance	Notes
Opening Cash, ex. Funds in Trust	**470**	**470**	**-**	
Receipts				
Dividends	-	-	**-**	
Interest income	1	3	**2**	
Other	-	-	**-**	
Intercompany Accounts Receivable - 10 Toronto	3,000	2,985	**(15)**	
Intercompany Accounts Receivable - Domgroup	5,500	6,658	**1,158**	
Total receipts	**8,501**	**9,646**	**1,145**	
Disbursements				
Payroll & Benefits	(38)	(49)	**(11)**	
Directors Fees and D&O Insurance	(1,018)	(1,038)	**(19)**	
Legal Fees	(471)	(166)	**305**	1
Chapter 15 Legal Fees (US)	(88)	(14)	**75**	1
CCAA Legal Fees (Canada)	(638)	(508)	**131**	1
CCAA Monitor Fees	(142)	(171)	**(29)**	
Contractor Fees	(88)	(158)	**(69)**	
Advisors	(51)	(45)	**6**	
Litigation Assets	-	-	**-**	
Monitor, Counsel and Claims Officer re Claims Process	(60)	-	**60**	
Interest on Senior Secured Notes	-	-	**-**	
Operating Costs related to building	(18)	(47)	**(30)**	
Taxes	-	-	**-**	
Other	(15)	(3)	**12**	
Settlement Payments	(2,150)	(2,175)	**(25)**	
Foreign Exchange	-	1	**1**	
Total Disbursements	**(4,777)**	**(4,373)**	**406**	
Net Cash Inflow / Outflow	**3,724**	**5,273**	**1,550**	
Closing Cash Balance	**4,194**	**5,743**	**1,550**	

1) Actual disbursements for Legal fees, Chapter 15 legal fees and CCAA legal fees were lower than projected. The difference represents a timing difference from the projection, which is expected to reverse in the near term.