Court File No. 07-CL-7120

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

APPLICATION UNDER THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

TWENTIETH REPORT OF THE MONITOR

January 10, 2012

1. On August 1, 2007, Hollinger Inc. ("Hollinger") and certain of its subsidiaries (collectively, 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 this Court 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 Twentieth Report of the Monitor (the "Twentieth Report") is to report to this Court with respect to the following:

   (a) the activities of the litigation committee and the settlement approval process;

   (b) the Applicants' actual cash receipts and disbursements;

   (c) the Applicants' updated cash flow projections;

   (d) the Applicants' request for an extension of the Stay Period;

(e) the status of final settlement payments with respect to the Domgroup OPEB liabilities;

(f) the status of the hearing before the Claims Officer in connection with the claims of Crystalline and Burnac;

(g) the Fourth Excess Layer of Directors' and Officer Insurance; and

(h) the Monitor's conclusions and recommendations.

TERMS OF REFERENCE

3. In preparing this Report, the Monitor has relied upon unaudited financial information and records of the Applicants and certain of their Non-Applicant subsidiaries and discussions with management of the Applicants and Non-Applicants. The Monitor has not performed an audit or other procedures to evaluate the reliability or completeness of the information. Accordingly, the Monitor expresses no opinion, or any other form of assurance, on the historical or prospective financial statements, management representations or other data included in this Report. An examination of the financial projection as outlined in the Canadian Institute of Chartered Accountants ("CICA") Handbook has not been performed. Future oriented financial information relied upon in this Report is based on management's assumptions regarding future events and actual results achieved will vary from this information and the variations may be material.

4. Capitalized terms not defined in this Report are as defined in the Initial Order or previous reports of the Monitor. All references to dollars are in Canadian currency unless otherwise noted.

ACTIVITIES OF THE LITIGATION COMMITTEE AND THE SETTLEMENT APPROVAL PROCESS

5. As previously reported, the Litigation Committee has been moving forward with the claims within its mandate. The Applicants, the Litigation Trustee and the Advisory Committee have kept the Monitor and its counsel apprised of their progress and activities.

Additionally, either the Monitor or its counsel has attended as an observer at the monthly status meetings chaired by the Litigation Trustee.

6. Hollinger and certain of its former directors, including Maureen Sabia, Allen Gotlieb, Frederick Eaton and Henry Ketcham III (the "Outside Directors"), participated in a confidential mediation process on May 18 and 19, 2011 facilitated by the Honourable George W. Adams, Q.C. (retired judge). The parties arrived at a settlement in principle and later negotiated the terms of a settlement agreement, which remains subject to Court Approval (the "Outside Directors' Settlement Agreement").

7. As with the previously reported Torys and KPMG Settlements, the Applicants will seek approval from this Court for the Outside Directors' Settlement Agreement, including an order containing releases in favour of the Outside Directors from third parties who are not parties to the Outside Directors' Settlement Agreement. The motion to approve the Outside Directors' Settlement Agreement will be heard at the same time as the Torys and KPMG Settlement Approval Motions (collectively, the "Settlement Approval Motion") currently scheduled for April 19 and 20, 2012.

8. On December 8, 2011, this Court issued an order:

(a) that the notice and service procedure previously approved by this Court by order dated November 12, 2010 in respect of the Torys and KPMG Settlements was sufficient notice of the Outside Directors' Settlement Agreement and service of the motion materials in respect of the motion to approve the Outside Directors' Settlement Agreement may be effected in accordance with that order;

(b) that the settlement amount set out in the Outside Directors' Settlement Agreement be sealed from public record until the Outside Directors' Settlement Agreement is approved (if it is) and all appeals are resolved in favour of Hollinger and the Outside Directors; and

(c) approving the form of confidentiality agreement to be signed by stakeholders wishing to gain access to the sealed Outside Directors' Settlement Agreement.

9. On May 11, 2011 Conrad Black and Conrad Black Capital Corporation (collectively, "Black") obtained leave to appeal the protective order granted by this Court on February 25, 2011 from the Court of Appeal for Ontario. Black thereafter served a Notice of Appeal with respect to the protective order on May 12, 2011 (the "Appeal of the Protective Order").

10. The Appeal of the Protective Order was heard by the Court of Appeal for Ontario on August 24, 2011. By reasons dated September 8, 2011, the Appeal of the Protective Order was dismissed with costs to the Applicants and to other respondents to the appeal.

11. Following the decision from the Court of Appeal, Black commenced an application to the Supreme Court of Canada for leave to appeal the order of the Court of Appeal upholding the protective order.

12. In the interim, Black sought a stay of proceedings relating to the Settlement Approval Motion pending the Supreme Court of Canada's determination of the application for leave to appeal the protective order. Black's motion before the Court of Appeal for a stay of proceedings was heard on November 28, 2011 and, by reasons dated December 5, 2011, the Court of Appeal dismissed Black's motion and awarded the Applicants their costs of the motion.

THE APPLICANTS' ACTUAL CASH RECEIPTS AND DISBURSEMENTS

13. A summary of the Applicants' actual receipts and disbursements for the period from June 4, 2011 to December 16, 2011, compared to their projections filed with this Court in the appendices to the Eighteenth Report is attached as Appendix "A" hereto.

14. As previously reported and approved by an Order of this Court dated May 27, 2010 and amended on December 15, 2010 and June 21, 2011, Domgroup entered into a $7.7 million debtor-in-possession ("DIP") loan facility with Hollinger, with interest charged to and paid by the Applicants at the Canadian Imperial Bank of Commerce's Prime Rate plus 3% per annum on any draws made on the loan.

15. During the period from June 4, 2011 to December 16, 2011, Hollinger drew $2.5 million on the DIP facility. As of December 16, 2011 total drawings were $7.7 million.

16. As at December 16, 2011, the cash balances of each of the Applicants, excluding the $0.5 million held in trust by Aird & Berlis for the officers' indemnity trust and the principal Non-Applicants (with material amounts of cash) were as follows:

	(Cdn. Millions)
Applicants	$1.7
Domgroup	$9.6
10 Toronto	$1.7

17. As previously reported, the Applicants indicated that Domgroup had committed to repay (on an “as needed” basis) a portion of the $16.7 million of intercompany amounts owed to Hollinger as of March 31, 2008. There have been no intercompany payments from Domgroup to Hollinger during the period from June 4, 2011 to December 16, 2011.

18. As of December 16, 2011, Domgroup owed Hollinger approximately $14.3 million and Hollinger owed Domgroup $6.1 million. Pursuant to the terms of the DIP facility, any outstanding borrowings can be repaid by offsetting amounts owing from Domgroup to Hollinger. The net account receivable is $0.5 million after reflecting the potential offset for the $7.7 million of outstanding DIP borrowings.

THE APPLICANTS’ UPDATED CASH FLOW PROJECTIONS

19. Attached as Appendix “B” is an updated cash flow projection for the period from December 17, 2011 to August 31, 2012 (the “Projection Period”) prepared based on information provided by the Applicants.

20. The Applicants are projecting total cash disbursements of approximately $1.8 million, resulting in a net decrease in cash of approximately $1.8 million with no corresponding receipts over the Projection Period.

APPLICANTS' REQUEST FOR AN EXTENSION OF THE STAY PERIOD

21. The Applicants are seeking an extension of the Stay Period to August 31, 2012 in order to permit them to continue to implement the Claims Order, the Non-Applicant Claims Order, the MPSA, to seek approval of the Torys, KPMG and Outside Directors' Settlements and to pursue the Litigation, all in order to bring forward a plan or plans of arrangement (if desirable) for consideration by all of the Applicants' stakeholders.

22. The Monitor is of the view that in seeking the extension of the Stay Period for the purposes noted above the Applicants are acting in good faith and with due diligence.

PAYMENT OF DOMGROUP OPEB SETTLEMENT

23. Further to the Monitor's Nineteenth Report to this Court, the approved settlement payment to the Domgroup OPEB Beneficiaries was made on October 11, 2011 in the amount of $4.9 million. No further settlement payments are expected relating to this claim.

DOMGROUP CLAIMS BEFORE THE CLAIMS OFFICER

24. On August 23, 2011, the Claims Officer rendered his decision on the claims of Crystalline Investments Limited and Burnac Leaseholds Limited. These claims arose out of alleged breaches of leases that Domgroup's predecessor had assigned to a third party in 1985. The Claims Officer dismissed Burnac's claim for $2,026,964 plus interest, and reduced Crystalline's claim for $717,703 plus interest to $473,474. The Claims Officer reserved the issues of interest, taxes and costs pending further submissions.

25. After receiving the Claims Officer's decision, Crystalline moved to amend its Proof of Claim to add a further claim of $1,002,566 relating to losses suffered before the subject premises were re-demised effective March 15, 1998. These claims had been an issue in the underlying Superior Court of Justice action that was outstanding at the time of the commencement of the CCAA proceedings by the Applicants, but had not been included

in Crystalline's Proof of Claim as required by the Non-Applicant Claims Order dated August 27, 2008. Domgroup objected to this late claim, and also asserted that the Claims Officer lacked jurisdiction to allow a late or amended claim.

26. Over Domgroup’s objection, the Claims Officer decided to determine his own jurisdiction and the substance of the late claim at one hearing, currently scheduled for January 12, 2012. Domgroup intends to argue at that hearing that:

(a) the Claims Officer lacks jurisdiction to allow a late or amended claim;

(b) in the alternative, if the Claims Officer has such jurisdiction, he should refuse to allow the claim; and

(c) in the further alternative, if Crystalline is allowed to file its late or amended claim, it should be dismissed on its merits.

27. It is expected that the Claims Officer will render a decision on this issue within one month following the hearing.

FOURTH EXCESS LAYER OF D&O INSURANCE

28. As previously reported to this Court, in order to determine which, if any, third parties are beneficiaries entitled to share in US$24.5 million of insurance settlement proceeds from the fourth excess layer of directors’ and officers’ insurance previously held by the Applicants, an Interpleader action was commenced in the Delaware Superior Court (the “Interpleader Action”). The named interpleader defendants, including STMG (now known as Chicago Newspaper Liquidation Corporation (“CNLC”)), Hollinger and a number of its former directors, officers and/or employees, are parties to the insurance settlement agreement and are potential claimants to the funds currently held in escrow

29. On January 12, 2010, the Delaware Superior Court issued an order calling for individuals and entities with an interest in the Interpleader Action to submit claims by February 26, 2010. The Monitor understands that the Applicants and CNLC made a joint filing and have made several submissions to that court. The Applicants and CNLC (who have an agreement governed by the MPSA in respect of these funds) were among several parties

(including Conrad Black, Barbara Amiel-Black, Peter White, John Boultbee and other individuals who were formerly either officers or directors of the Applicants) that filed claims to these funds, which claims are currently in the process of adjudication by the Delaware Superior Court.

30. Pursuant to the MPSA, CNLC and Hollinger agreed to cooperate to maximize the recoverable portion of the insurance settlement proceeds payable to them. The proceeds will be allocated so that CNLC receives 85 percent and Hollinger receives 15 percent of their joint recovery.

31. In early December 2011, CNLC announced to the Applicants and to certain other defendants that it has reached a memorandum of understanding (the "MOU") with Peter Atkinson, Barbara Amiel-Black, Conrad Black, John Boultbee, Daniel Colson and Mark Kipnis (the "Settling Individuals") relating to the claims that were filed in the Interpleader Action.

32. On December 14, 2011, CNLC and the Settling Individuals (the "Settling Parties") moved for entry of a scheduling order and approval of a settlement agreement made between them in accordance with the MOU. On December 21, 2011, the Applicants filed a response with the Delaware Superior Court, objecting to the relief sought by the Settling Parties on both procedural and substantive grounds relating to the lack of notice of settlement negotiations and the inconsistency of the settlement with the obligation of CNLC, under the MPSA, to act in cooperation with Hollinger to maximize the portion of the interpleader funds to be shared by CNLC and Hollinger.

MONITOR'S CONCLUSIONS AND RECOMMENDATIONS

33. The Applicants are continuing to pursue the most effective way to implement both the Claims Order and the MPSA, and to pursue the Litigation Assets, including seeking court approval of the Torys, KPMG and Outside Directors' Settlement Agreements for the benefit of their stakeholders.

34. The Non-Applicants continue to seek the most effective way to implement the Non-Applicant Claims Order to return surplus assets for the benefit of the Applicants.

35. The Monitor is of the view that the Applicants continue to act in good faith and with due diligence.

36. In the context of the foregoing, the Monitor recommends that this Court approve the Applicants' request for an order extending the Stay Period to August 31, 2012.

ALL OF WHICH IS RESPECTFULLY SUBMITTED THIS 10TH DAY OF JANUARY, 2012:

ERNST & YOUNG INC.

In its capacity as Court-appointed
Monitor of Hollinger Inc. and certain of its affiliates

Per:

Brian M. Denega
Senior Vice President

Christopher Mediratta
Vice President

APPENDIX A

Hollinger Inc., 4322525 Canada Inc. and Sugra Limited (collectively the "Applicants")
Consolidated Weekly Cash Flow Variance Analysis compared to the June 3, 2011 Cash Flow Projection

C$ 000s	Projected Results from June 4, 2011 to December 16, 2011	Actual Results from June 4, 2011 to December 16, 2011	Variance	Notes
Opening Cash, ex. Funds in Trust	**1,559**	**1,559**		
Receipts				
Proceeds on sales of property	-		-	
Interest income	4	10	6	
Other	-	-	-	
Intercompany Accounts Receivable - 10 Toronto	-	-	-	
Intercompany Accounts Receivable - Domgroup	(192)	(177)	15	1
DIP Borrowings	2,000	2,500	500	2
Total receipts	**1,812**	**2,333**	**521**	
Disbursements				
General Corporate and Litigation Fees	(713)	(332)	381	3
Chapter 15 Legal Fees (US)	-		-	
CCAA Legal Fees (Canada)	(168)	(178)	(10)	
CCAA Monitor Fees	(263)	(68)	195	4
Contractor Fees	(438)	(441)	(3)	
Finance, Tax Administration and Financial Advisor Fees	(126)	(113)	13	
Interest on Senior Secured Notes	-	-	-	
Operating Costs related to Premises	(72)	(88)	(16)	
Taxes	-	-	-	
Foreign Exchange	(6)	1	7	
Other	-	-	-	
Total Disbursements	**(1,786)**	**(1,218)**	**568**	
Net Cash Inflow / Outflow	**26**	**1,115**	**1,089**	
Closing Cash Balance	**1,585**	**2,674**	**1,089**	

The Cash balance above is shown in thousands of Canadian dollars and excludes approximately $0.5 million held in trust by Aird & Berlis for the officers' indemnity trust.

1) Intercompany payables relating to interest paid by the Applicants to Domgroup on the Court approved DIP loan.

2) The Applicant's DIP borrowings were accelerated to manage cash positions and were in accordance with the Court approved DIP borrowings of $7.7 million. This increase in DIP borrowings also accounts for a portion of the $1.1 million positive variance in the closing cash balance.

3) Actual disbursements for General Corporate and Litigation Fees are lower than projected due to timing of legal fees and are expected to reverse in future periods.

4) CCAA Monitor fees were lower than projected for the period but are expected to reverse in future periods.

APPENDIX B

Hollinger Inc., 4322525 Canada Inc. and Sugra Limited,
(collectively the "Applicants")
Weekly Cash Flow Projection
For the Period from December 17, 2011 to August 31, 2012

Projection for the Week Ending		**2011**	**2011**	**2012**	**2012**	**2012**	**2012**	**2012**	**2012**	**2012**
C$ 000s	**Notes**	**1 Friday 23-Dec**	**2 Friday 30-Dec**	**3 Friday 06-Jan**	**4 Friday 13-Jan**	**5 Friday 20-Jan**	**6 Friday 27-Jan**	**7 Friday 03-Feb**	**8 Friday 10-Feb**	**9 Friday 17-Feb**
Opening Cash Balance	1	2,674	2,670	2,660	2,536	2,502	2,434	2,405	2,281	2,287
Receipts										
Interest income	2	-	-	-	-	-	1	-	-	-
Other		-	-	-	-	-	-	-	-	-
Intercompany Accounts Receivable - 10 Toronto		-	-	-	-	-	-	-	-	-
Intercompany Accounts Receivable - Domgroup	3	-	-	(39)	-	-	-	(39)	-	-
DIP Borrowings	4	-	-		-	-	-	-	-	-
Total receipts		**-**	**-**	**(39)**	**-**	**-**	**1**	**(39)**	**-**	**-**
Disbursements										
General Corporate and Litigation Legal Fees	5	(4)	-	-	(13)	(60)	-	-	-	-
Chapter 15 Legal Fees (US)	6	-	-	-	-	-	-	-	-	-
CCAA Legal Fees (Canada)	7	-		-	(18)	-	-	-	-	(18)
CCAA Monitor and Claims Officer Fees	8	-	(10)	-	-		(30)	-	-	-
Contractor Fees	9	-	-	(73)	-	-	-	(73)	-	-
Finance, Tax Administration and Financial Advisor Fees	10	-	-		(9)	(2)	-	-	-	(10)
Interest on Senior Secured Notes	11	-	-	-	-	-	-	-	-	-
Operating Costs related to premises	12	-	-	(12)	6	(5)	-	(12)	6	(5)
Taxes	13	-	-	-	-	-	-	-	-	-
Foreign Exchange	14	-	-		-	-	-	-	-	-
Other	15	-	-	-	-	-	-	-	-	-
Total Disbursements		**(4)**	**(10)**	**(85)**	**(34)**	**(67)**	**(30)**	**(85)**	**6**	**(33)**
Net Cash Inflow / Outflow		**(4)**	**(10)**	**(124)**	**(34)**	**(67)**	**(29)**	**(124)**	**6**	**(33)**
Closing Cash Balance		**2,670**	**2,660**	**2,536**	**2,502**	**2,434**	**2,405**	**2,281**	**2,287**	**2,254**

See accompanying notes and assumptions which should be read in conjunction herewith

Hollinger Inc., 4322525 Canada Inc. and Sugra Limited,
(collectively the "Applicants")
Weekly Cash Flow Projection
For the Period from December 17, 2011 to August 31, 2012

Projection for the Week Ending		**2012**	**2012**	**2012**	**2012**	**2012**	**2012**	**2012**	**2012**	**2012**	**2012**
		10	**11**	**12**	**13**	**14**	**15**	**16**	**17**	**18**	**19**
		Friday	**Friday**	**Friday**	**Friday**	**Friday**	**Friday**	**Friday**	**Friday**	**Friday**	**Friday**
C$ 000s	**Notes**	**24-Feb**	**02-Mar**	**09-Mar**	**16-Mar**	**23-Mar**	**30-Mar**	**06-Apr**	**13-Apr**	**20-Apr**	**27-Apr**
Opening Cash Balance	1	2,254	2,226	2,089	2,095	2,030	2,017	1,952	1,827	1,772	1,752
Receipts											
Interest income	2	1	-	-	-	1	-	-	-	-	1
Other		-	-	-	-	-	-	-	-	-	-
Intercompany Accounts Receivable - 10 Toronto		-	-	-	-	-	-	-	-	-	-
Intercompany Accounts Receivable - Domgroup	3	-	(37)	-	-	-	-	(39)	-	-	-
DIP Borrowings	4	-	-	-	-	-	-	-	-	-	-
Total receipts		**1**	**(37)**	**-**	**-**	**1**	**-**	**(39)**	**-**	**-**	**1**
Disbursements											
General Corporate and Litigation Legal Fees	5	(13)	(15)	-	-	(13)	(15)	-	-	(13)	(15)
Chapter 15 Legal Fees (US)	6	-	-	-	-	-	-	-	-	-	-
CCAA Legal Fees (Canada)	7	-	-	-	(50)	-	-	-	(50)	-	-
CCAA Monitor and Claims Officer Fees	8	(15)	-	-	-	-	(50)	-	-	-	(60)
Contractor Fees	9	-	(73)	-	-	-	-	(73)	-	-	-
Finance, Tax Administration and Financial Advisor Fees	10	(2)	-	-	(10)	(2)	-	-	(11)	(2)	-
Interest on Senior Secured Notes	11	-	-	-	-	-	-	-	-	-	-
Operating Costs related to premises	12	-	(12)	6	(5)	-	-	(12)	6	(5)	-
Taxes	13	-	-	-	-	-	-	-	-	-	-
Foreign Exchange	14	-	-	-	-	-	-	-	-	-	-
Other	15	-	-	-	-	-	-	-	-	-	-
Total Disbursements		**(30)**	**(100)**	**6**	**(65)**	**(15)**	**(65)**	**(85)**	**(55)**	**(20)**	**(75)**
Net Cash Inflow / Outflow		**(29)**	**(137)**	**6**	**(65)**	**(14)**	**(65)**	**(124)**	**(55)**	**(20)**	**(74)**
Closing Cash Balance		**2,226**	**2,089**	**2,095**	**2,030**	**2,017**	**1,952**	**1,827**	**1,772**	**1,752**	**1,678**

See accompanying notes and assumptions which should be read in conjunction herewith

Hollinger Inc., 4322525 Canada Inc. and Sugra Limited,
(collectively the "Applicants")
Weekly Cash Flow Projection
For the Period from December 17, 2011 to August 31, 2012

Projection for the Week Ending		**2012**	**2012**	**2012**	**2012**	**2012**	**2012**	**2012**	**2012**	**2012**	**2012**
C$ 000s	**Notes**	**20 Friday 04-May**	**21 Friday 11-May**	**22 Friday 18-May**	**23 Friday 25-May**	**24 Friday 01-Jun**	**25 Friday 08-Jun**	**26 Friday 15-Jun**	**27 Friday 22-Jun**	**28 Friday 29-Jun**	**29 Friday 06-Jul**
Opening Cash Balance	1	1,678	1,555	1,552	1,514	1,455	1,331	1,337	1,304	1,289	1,260
Receipts											
Interest income	2	-	-	-	1	-	-	-	-	1	-
Other		-	-	-	-	-	-	-	-	-	-
Intercompany Accounts Receivable - 10 Toronto		-	-	-	-	-	-	-	-	-	-
Intercompany Accounts Receivable - Domgroup	3	(38)	-	-	-	(39)	-	-	-	-	(38)
DIP Borrowings	4	-	-	-	-	-	-	-	-	-	-
Total receipts		**(38)**	**-**	**-**	**1**	**(39)**	**-**	**-**	**-**	**1**	**(38)**
Disbursements											
General Corporate and Litigation Legal Fees	5	-	-	(13)	(15)	-	-	-	(13)	(15)	-
Chapter 15 Legal Fees (US)	6	-	-	-	-	-	-	-	-	-	-
CCAA Legal Fees (Canada)	7	-	-	(18)	-	-	-	(18)	-	-	-
CCAA Monitor and Claims Officer Fees	8	-	-	-	(45)	-	-	-	-	(15)	-
Contractor Fees	9	(73)	-	-	-	(73)	-	-	-	-	(73)
Finance, Tax Administration and Financial Advisor Fees	10	-	(10)	(2)	-	-	-	(10)	(2)	-	-
Interest on Senior Secured Notes	11	-	-	-	-	-	-	-	-	-	-
Operating Costs related to premises	12	(12)	6	(5)	-	(12)	6	(5)	-	-	(12)
Taxes	13	-	-	-	-	-	-	-	-	-	-
Foreign Exchange	14	-	-	-	-	-	-	-	-	-	-
Other	15	-	-	-	-	-	-	-	-	-	-
Total Disbursements		**(85)**	**(4)**	**(38)**	**(60)**	**(85)**	**6**	**(33)**	**(15)**	**(30)**	**(85)**
Net Cash Inflow / Outflow		**(123)**	**(4)**	**(38)**	**(59)**	**(124)**	**6**	**(33)**	**(15)**	**(29)**	**(123)**
Closing Cash Balance		**1,555**	**1,552**	**1,514**	**1,455**	**1,331**	**1,337**	**1,304**	**1,289**	**1,260**	**1,137**

See accompanying notes and assumptions which should be read in conjunction herewith

Hollinger Inc., 4322525 Canada Inc. and Sugra Limited,
(collectively the "Applicants")
Weekly Cash Flow Projection
For the Period from December 17, 2011 to August 31, 2012

Projection for the Week Ending		**2012**	**2012**	**2012**	**2012**	**2012**	**2012**	**2012**	**2012**
C$ 000s	**Notes**	**30 Friday 13-Jul**	**31 Friday 20-Jul**	**32 Friday 27-Jul**	**33 Friday 03-Aug**	**34 Friday 10-Aug**	**35 Friday 17-Aug**	**36 Friday 24-Aug**	**37 Friday 31-Aug**
Opening Cash Balance	1	1,137	1,134	1,096	1,067	942	939	931	901
Receipts									
Interest income	2	-	-	1	-	-	-	-	1
Other		-	-	-	-	-	-	-	-
Intercompany Accounts Receivable - 10 Toronto		-	-	-	-	-	-	-	-
Intercompany Accounts Receivable - Domgroup	3	-	-	-	(39)	-	-	-	-
DIP Borrowings	4	-	-	-	-	-	-	-	-
Total receipts		**-**	**-**	**1**	**(39)**	**-**	**-**	**-**	**1**
Disbursements									
General Corporate and Litigation Legal Fees	5	-	(13)	(15)	-	-	-	(13)	(15)
Chapter 15 Legal Fees (US)	6	-	-	-	-	-	-	-	-
CCAA Legal Fees (Canada)	7	-	(18)	-	-	-	-	(18)	-
CCAA Monitor and Claims Officer Fees	8	-	-	(15)	-	-	-	-	(30)
Contractor Fees	9	-	-	-	(73)	-	-	-	-
Finance, Tax Administration and Financial Advisor Fees	10	(10)	(2)	-	-	(10)	(2)	-	-
Interest on Senior Secured Notes	11	-	-	-	-	-	-	-	-
Operating Costs related to premises	12	6	(5)	-	(12)	6	(5)	-	-
Taxes	13	-	-	-	-	-	-	-	-
Foreign Exchange	14	-	-	-	-	-	-	-	-
Other	15	-	-	-	-	-	-	-	-
Total Disbursements		**(4)**	**(38)**	**(30)**	**(85)**	**(4)**	**(7)**	**(31)**	**(45)**
Net Cash Inflow / Outflow		**(4)**	**(38)**	**(29)**	**(124)**	**(4)**	**(7)**	**(31)**	**(44)**
Closing Cash Balance		**1,134**	**1,096**	**1,067**	**942**	**939**	**931**	**901**	**857**

See accompanying notes and assumptions which should be read in conjunction herewith

Hollinger Inc., 4322525 Canada Inc. and Sugra Limited, (collectively the "Applicants")
Cash Flow Projection for the period from December 17, 2011 to August 31, 2012
Notes and Assumptions

These cash flow projections include projections for Hollinger Inc, 4322525 Canada Inc. and Sugra Limited, (collectively the "Applicants").

These projections are based on information from the Applicants which has not been audited, reviewed or otherwise verified. This is not a projection or forecast under section 4250 of the CICA Handbook. The actual timing and amount of the cash flows may fluctuate from the estimates shown herein and these fluctuations may be material.

1) The Opening Cash Balance is shown in thousands of Canadian dollars and excludes the amounts held in trust by Aird & Berlis for the officers' indemnity trust.
2) Interest income is estimated based on projected cash balances and actual recent rates of return.
3) Intercompany accounts receivable from Domgroup including the interest paid to Domgroup Limited ("Domgroup") on the DIP loan (see note 4 below).
4) DIP Borrowings consisting of intercompany borrowings from Domgroup, a wholly owned subsidiaries of Hollinger Inc. As of December 16, 2011, Domgroup has made a total of $7.7 million in DIP advances to the Applicants as approved by this Court.
5) Legal fees represent estimated fees on account of general corporate and litigation services.
6) Chapter 15 Legal Fees reflect the estimated legal fees associated with a Chapter 15 filing and certain other US legal issues. These fees are expected to be negligible over the projection period.
7) CCAA Legal Fees (Canada) reflect the estimated legal fees of the Company's counsel but excludes the costs of the Claims Officer which is included in note 8.
8) CCAA Monitor & Claims Officer Fees reflect each of the estimated fees of the Monitor, its counsel and the fees of the Claim Officer associated with the CCAA process.
9) Contractor Fees represent fees paid to the Chief Restructuring Officer pursuant to the Multi-Party Settlement Agreement.
10) Finance, Tax Administration and Financial Advisor Fees represent payments to various professionals.
11) Interest on Senior Secured Notes of approximately US $6.0 million is payable twice a year in March and September. The projection assumes that these payments will not be made in accordance with the Multi-Party Settlement and the May 21, 2008 Court Order.
12) Operating Costs re premises represent Hollinger Inc's portion of shared costs with Non-Applicants for leases and operating costs associated with the Wellington street storage location and the First Canadian Place offices.
13) The projection does not include any receipts or disbursements as a result of tax reassessments or penalties for late filings.
14) Foreign Exchange represents the effect of translating the Applicants US Dollar cash balances into Canadian Dollars and is not expected to be material over the projected period.
15) Other includes sundry expenses.