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

TWENTY-FOURTH REPORT OF THE MONITOR

August 24, 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 Twenty-Fourth Report of the Monitor (the "Twenty-Fourth Report") is to update this Court with respect to the following:

   (a) the activities of the Litigation Committee and the settlement approval process;

   (b) the progress of the Applicants and Non-Applicants Claims Processes;

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

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

(e) the Applicants' updated cash flow projections;

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

(g) 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.

The CIBC and Fullerton Settlements:

6. On April 19, 2012, the Applicants sought an order approving the settlement agreement between Hollinger on the one hand, and Judith Ann Fullerton, Leslie Ann Fullerton, Geoffrey Stuart Fullerton and Warren Bruce Fullerton in their capacities as Executors and Estate Trustees of the estate of R. Donald Fullerton, deceased, a former director of Hollinger (the "Fullerton Estate") and CIBC on the other hand, dated April 9, 2012 (the "CIBC and Fullerton Settlement Agreement") and for Orders releasing and barring claims against the Fullerton Estate and CIBC. On July 24, 2012, by Order of this Court, the CIBC and Fullerton Settlement Agreement was approved. In accordance with this Order and the CIBC and Fullerton Settlement Agreement, Hollinger for the benefit of the Litigation Trustee has confirmed receipt of settlement funds of $3 million on August 23, 2012.

The Outside Directors Settlements:

7. On April 19, 2012, the Applicants sought an Order approving the release and settlement agreement between Hollinger and Maureen Sabia, Allen Gotlieb, Frederick Eaton and Henry Ketcham III (the "Outside Directors"), dated May 18, 2011 (the "Outside Directors Settlement Agreement") and for Orders releasing and barring claims against the Outside Directors. On July 24, 2012, by Order of this Court, the Outside Directors Settlement Agreement was approved. In accordance with this Order and the Outside Directors Settlement Agreement, the Litigation Trustee expects to receive settlement funds of approximately $2.28 million by August 30, 2012.

The Barford Settlement:

8. On June 26, 2012, the Applicants sought an Order approving the release and settlement agreement between Hollinger and Ralph M. Barford, dated May 8, 2012 (the "Barford Settlement Agreement"). On July 24, 2012, by Order of this Court, the Barford Settlement Agreement was approved.

The Torys and KPMG Settlements:

9. Subsequent to the Settlement Approval Motion, this Court requested that the Monitor meet with all concerned parties regarding the terms of the draft Document Protocol

appended to the Monitor's Twenty-Second Report. This Court requested that the Monitor meet with the parties to attempt to achieve consensus regarding a discovery protocol relating to the ongoing litigation between the Applicants and the Non-Settling Defendants in the Inside Directors Litigation.

10. Despite the Monitor's efforts to find consensus in the terms of a production and discovery protocol governing the extent of Torys and KPMG's involvement in the Inside Directors Litigation in the event that the Settlements are approved, no consensus has been reached.

11. As described in the Monitor's Twenty-Third Report, there is no reasonable prospect of achieving consensus on the terms of such a protocol at this time and, as such, the Torys and KPMG Settlements remain under reserve with this Court.

PROGRESS OF THE APPLICANTS AND NON-APPLICANTS CLAIMS PROCESSES

Burnac and Crystalline

12. Since the Monitor's Twentieth Report, which provided the most recent update regarding the claims made by Crystalline Investments ("Crystalline") and Burnac Leaseholds ("Burnac") against Domgroup, the Claims Officer issued his decision on February 6, 2012 wherein, over the objections of counsel to Domgroup and the Monitor, he determined the scope of his own jurisdiction to allow a claim filed by Crystalline after the claims bar date as well as the merits of this amended claim. Crystalline's amended claim of $1,482,459 was allowed (inclusive of Crystalline's initial award of $473,474 as previously allowed by the Claims Officer on August 23, 2011).

13. Crystalline and Burnac have appealed both the dismissal of Burnac's claim in its entirety and the reduction of Crystalline's initial claim to $473,474. Domgroup has appealed the Claims Officer's decision to allow the increase of Crystalline's claim to reflect its late and amended claim in the total amount of $1,482,459.

14. These appeals have been scheduled to be heard by this Court on November 28, 2012.

Ravelston Claim against 10 Toronto

15. The Ravelston Corporation Limited ("Ravelston"), by its Trustee in Bankruptcy, RSM Richter Inc. (now Duff & Phelps Canada Restructuring Inc.) filed an unsecured claim against 10 Toronto. The claim in the amount of $492,500 was disallowed in full by the Monitor on November 13, 2009. Ravelston disputed the disallowance on December 11, 2009.

16. 10 Toronto and Ravelston are in the process of negotiating Ravelston's claim. The Monitor has been provided with a copy of the proposed settlement documentation for its review and has no objection to the terms currently contemplated. The Monitor understands that the parties are trying to finalize a settlement such that no adjudication of this claim by this Court will be required.

FOURTH EXCESS LAYER OF D&O INSURANCE

17. As set out in the Affidavit of William E. Aziz dated August 22, 2012 (the "CRO Affidavit"), Hollinger has entered into an agreement to settle the Interpleader proceeding with all parties thereto (the "Global Settlement"), subject to certain court approvals.

18. A pre-condition to the Global Settlement is the approval of a payment to CNLC from a trust established by Hollinger Canadian Publishing Holdings Co. ("HCPH"), a Canadian subsidiary of CNLC that is now also subject to creditor protection under the *CCAA*, for the benefit of the Defamation Defendants.

19. The trust payment is being challenged by certain creditors of HCPH.

20. A hearing date in respect of the approval of the trust payment has been set for August 28, 2012. In advance of the hearing date, the parties to the motion attended a mediation before Associate Chief Justice Cunningham on August 21, 2012. The Monitor has been advised by the Applicants of their understanding that no settlement was achieved at the mediation and in order to allow the parties additional time to negotiate, the hearing to approve the trust payment will be rescheduled from August 28, 2012.

THE APPLICANTS' ACTUAL CASH RECEIPTS AND DISBURSEMENTS

21. A summary of the Applicants' actual receipts and disbursements for the period from December 17, 2011 to August 3, 2012 (the "Reporting Period"), compared to their projections filed with this Court in the appendices to the Twentieth Report is attached as Appendix "A" hereto and summarized below.

For the period December 17, 2011 to August 3, 2012

C$ 000s	Projections	Actual	Variance
Opening Cash, ex. Funds in Trust	**2,674**	**2,674**	**-**
Total receipts	7	178	171
Total disbursements	(1,738)	(1,782)	(44)
Net Cash Inflow / Outflow	**(1,731)**	**(1,604)**	**127**
Closing Cash Balance	**943**	**1,070**	**127**

22. Actual net cash receipts for the Reporting Period totalled $178,000, approximately $171,000 greater than projected.

23. Actual cash disbursements for the Reporting Period totalled $1.8 million, approximately $44,000 more than projected.

24. 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. The DIP loan was subsequently amended to include both 4322525 Canada Inc. and Sugra as borrowers.

25. As of August 3, 2012 total DIP drawings outstanding are $7.7 million.

26. As at August 3, 2012, the cash balances of the Applicants and the principal Non-Applicants (with material amounts of cash), excluding the $0.5 million held in trust by Aird & Berlis for the officers' indemnity trust, were as follows:

	(Cdn. Millions)
Applicants	$1.1
Domgroup	$9.2
10 Toronto	$1.5

THE APPLICANTS' UPDATED CASH FLOW PROJECTIONS

27. The Applicants, with the assistance of the Monitor, have prepared cash flow projections (the "Cash Flow Projections") for the period August 4, 2012, to February 28, 2013 (the "Projection Period"). A copy of the Cash Flow Projections is attached as Appendix "B" hereto. The Cash Flow Projections have been prepared by the Applicants, using the probable and hypothetical assumptions set out in notes to the Cash Flow Projections (the "Assumptions").

28. At this time, the Applicants' Cash Flow Projections estimate that during the Projection Period, the Applicants will have total receipts of approximately $7.8 million and total disbursements of approximately $5.9 million, assuming this Court approves the requested increase to the DIP loan. The Applicants' cash position at the commencement of the Projection Period is estimated to be approximately $1.1 million and total additional net draws under the amended DIP facility are estimated to be $2.5 million during the Projection Period.

29. As described above, Domgroup advanced a $7.7 million DIP loan to the Applicants. The Monitor understands that, subject to approval from both its CRO and this Court, Domgroup is prepared to modify the current DIP loan to increase the borrowing limit to $10.2 million. The interest rate will remain unchanged. As with the existing DIP loan,

the amended DIP loan will be repayable by offsetting amounts owing from Domgroup to the Applicants.

30. As previously reported, The Litigation Trustee and the CRO have worked with counsel to determine how to cost-effectively pursue the Litigation Assets. In order to preserve the cash available to the Litigation Trustee, several fee arrangements with legal counsel have been entered into by the Litigation Trustee and the CRO. These arrangements include fee deferrals pursuant to which certain legal fees have been deferred but are contemplated to be paid at a multiple of two and a half times the deferred amount contingent upon a positive outcome and the receipt of funds by the Litigation Trustee, and subject to the terms of the Initial Order with respect to the payment of legal fees.

31. Included in the Cash Flow Projections for the week ending September 7, 2012 is a payment to Thornton Grout Finnigan LLP ("TGF") and Paliare Roland LLP ("Paliare Roland") totalling approximately $3.2 million of previously deferred and incurred legal fees from December 2008 through and until July 31, 2012 ($2.6 million to TGF and $0.6 million to Paliare Roland). This payment will be made from the proceeds of the CIBC and Fullerton Settlements and Outside Directors' Settlements which are projected to be received the same week and are discussed further above. Subject to Court approval, the deferred premium of a two and a half times multiple (or approximately $4.8 million) will be paid by the Applicants following receipt of the Torys and KPMG Settlements, if those settlements are ultimately approved by this Court.

32. The Monitor understands that the Litigation Committee and the CRO are in discussions with counsel to determine the future legal fee deferral arrangement, if any. The Cash Flow Projections assume that the current fee arrangement whereby 75% of any legal fees incurred are deferred, will continue.

33. The Cash Flow Projections estimate that the Applicants will have sufficient liquidity to operate during the Projection Period.

34. The Monitor's review consisted of inquiries, analytical procedures and discussion related to information supplied to it by certain of the management and employees of the Applicants. The Monitor's procedures with respect to the Assumptions were limited to

evaluating whether they were consistent with the purpose of the Cash Flow Projections. The Monitor also reviewed the support provided by the Applicants for Assumptions, and the preparation and presentation of the Cash Flow Projections.

35. Based on the Monitor's review, nothing has come to its attention that causes us to believe, in all material respects, that:

(a) the Assumptions are not consistent with the purpose of the Cash Flow Projections;

(b) as at the date of this Report, the Assumptions are not suitably supported and consistent with the plans of the Applicants or do not provide a reasonable basis for the Cash Flow Projection, given the content of the Assumptions; or

(c) the Cash Flow Projections do not reflect the Assumptions made by the Applicants.

36. The Cash Flow Projections have been prepared solely for the purpose described in the Assumptions to the Cash Flow Projections, and readers are cautioned that it may not be appropriate for other purposes.

37. Since the Cash Flow Projections are based on the Assumptions regarding future events, actual results will vary from the information presented even if the Assumptions occur, and the variations may be material. Accordingly, the Monitor gives no assurance as to whether the Cash Flow Projection will be achieved.

APPLICANTS' REQUEST FOR AN EXTENSION OF THE STAY PERIOD

38. The Applicants are seeking an extension of the Stay Period to February 28, 2013 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 and KPMG Settlements and to pursue the Litigation, all in order to bring forward a plan or plans of arrangement (if desirable) or a plan of distribution for consideration by all of the Applicants' stakeholders.

39. 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.

MONITOR'S CONCLUSIONS AND RECOMMENDATIONS

40. 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 for the benefit of their stakeholders.

41. 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.

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

43. The CRO of the Non-Applicants is satisfied and has advised the Monitor that modifying the DIP agreement as described above will not prejudice arms-length creditors of the Non-Applicants.

44. In the context of the foregoing, the Monitor recommends that this Court approve the Applicants' and Non-Applicants' request for orders:

    (a) extending the Stay Period to February 28, 2013; and

    (b) modifying the DIP loan facility to increase the loan to $10.2 million.

ALL OF WHICH IS RESPECTFULLY SUBMITTED THIS 24TH DAY OF AUGUST, 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

APPENDIX A

Hollinger Inc., 4322525 Canada Inc. and Sugra Limited (collectively the "Applicants")
Consolidated Weekly Cash Flow Variance Analysis compared to the December 17, 2011 Cash Flow Projection

C$ 000s	Projected Results from December 17, 2011 to August 3, 2012	Actual Results from December 17, 2011 to August 3, 2012	Variance	Notes
Opening Cash, ex. Funds in Trust	**2,674**	**2,674**	-	
Receipts				
Interest income	7	3	(4)	
Other	-	-	-	
Intercompany Accounts Receivable - 10 Toronto	-	175	175	1
DIP Borrowings	-	-	-	
Total receipts	**7**	**178**	**171**	
Disbursements				
Intercompany accounts payable - Domgroup	(309)	(189)	120	2
General Corporate and Litigation Fees	(241)	(542)	(301)	3
Chapter 15 Legal Fees (US)	-	-	-	
CCAA Legal Fees (Canada)	(190)	(65)	125	4
CCAA Monitor Fees	(240)	(283)	(43)	
Contractor Fees	(584)	(587)	(3)	
Finance, Tax Administration and Financial Advisor Fees	(83)	(38)	45	
Operating Costs related to Premises	(91)	(79)	12	
Total Disbursements	**(1,738)**	**(1,782)**	**(44)**	
Net Cash Inflow / Outflow	**(1,731)**	**(1,604)**	**127**	
Closing Cash Balance	**943**	**1,070**	**127**	

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 receivable payment from 10 Toronto Street Inc. to Hollinger Inc which was not anticipated in the projections.

2) Intercompany payables relating to interest paid by the Applicants to Domgroup on the court approved DIP Loan.

3) Actual disbursements for General Corporate and Litigation Fees are higher than projection due to legal costs related to negotiating and finalizing the Delaware Interpleader settlement which were not anticipated in the projections.

4) Represents the CCAA Legal Fees of the Company's counsel net of settlements received by the Litigation Trustee which were not included in the Projections.

APPENDIX B

APPENDIX B

Hollinger Inc., 4322525 Canada Inc. and Sugra Limited,
(collectively the "Applicants")
Weekly Cash Flow Projection
For the Period from August 4, 2012 to February 28, 2013

Projection for the Week Ending		**2012**	**2012**	**2012**	**2012**	**2012**	**2012**	**2012**	**2012**	**2012**	**2012**	**2012**
		1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**
		Friday	**Friday**	**Friday**	**Friday**	**Friday**	**Friday**	**Friday**	**Friday**	**Friday**	**Friday**	**Friday**
C$ 000s	**Notes**	**10-Aug**	**17-Aug**	**24-Aug**	**31-Aug**	**07-Sep**	**14-Sep**	**21-Sep**	**28-Sep**	**05-Oct**	**12-Oct**	**19-Oct**
Opening Cash Balance	1	1,070	1,076	1,060	1,060	2,061	3,534	3,540	3,475	3,225	2,826	2,790
Receipts												
Interest income	2	-	-	-	1	-	-	-	-	1	-	-
Other	3	-	-	-	-	5,280	-	-	-	-	-	-
Intercompany Accounts Receivable - 10 Toronto		-	-	-	-	-	-	-	-	-	-	-
DIP Borrowings	4	-	-	-	1,000	-	-	-	-	-	-	-
Total receipts		**-**	**-**	**-**	**1,001**	**5,280**	**-**	**-**	**-**	**1**	**-**	**-**
Disbursements												
Intercompany Accounts Payable - Domgroup	5	-	-	-	-	-	-	-	-	(194)	-	-
General Corporate and Litigation Legal Fees	6	-	(16)	-	-	(3,566)	-	(65)	(250)	(56)	-	-
Chapter 15 Legal Fees (US)	7	-	-	-	-	-	-	-	-	-	-	-
CCAA Legal Fees (Canada)	8	-	-	-	-	(119)	-	-	-	-	-	-
CCAA Monitor and Claims Officer Fees	9	-	-	-	-	(60)	-	-	-	(65)	-	-
Contractor Fees	10	-	-	-	-	(50)	-	-	-	(50)		-
Finance, Tax Administration and Financial Advisor Fees	11	-	-	-	-	-	-	-	-	(23)	(43)	-
Interest on Senior Secured Notes	12	-	-	-	-	-	-	-	-	-	-	-
Operating Costs related to premises	13	6	-	-	-	(12)	6	-	-	(12)	6	(8)
Taxes	14	-	-	-	-	-	-	-	-	-	-	-
Foreign Exchange	15	-	-	-	-	-	-	-	-	-	-	-
Other	16	-	-	-	-	-	-	-	-	-	-	-
Total Disbursements		**6**	**(16)**	**-**	**-**	**(3,807)**	**6**	**(65)**	**(250)**	**(400)**	**(37)**	**(8)**
Net Cash Inflow / Outflow		**6**	**(16)**	**-**	**1,001**	**1,473**	**6**	**(65)**	**(250)**	**(399)**	**(37)**	**(8)**
Closing Cash Balance		**1,076**	**1,060**	**1,060**	**2,061**	**3,534**	**3,540**	**3,475**	**3,225**	**2,826**	**2,790**	**2,782**

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

APPENDIX B

Hollinger Inc., 4322525 Canada Inc. and Sugra Limited, (collectively the "Applicants")

Weekly Cash Flow Projection

For the Period from August 4, 2012 to February 28, 2013

Projection for the Week Ending		**2012**	**2012**	**2012**	**2012**	**2012**	**2012**	**2012**	**2012**	**2012**	**2012**	**2013**
		12	**13**	**14**	**15**	**16**	**17**	**18**	**19**	**20**	**21**	**22**
		Friday	**Friday**	**Friday**	**Friday**	**Friday**	**Friday**	**Friday**	**Friday**	**Friday**	**Friday**	**Friday**
C$ 000s	**Notes**	**26-Oct**	**02-Nov**	**09-Nov**	**16-Nov**	**23-Nov**	**30-Nov**	**07-Dec**	**14-Dec**	**21-Dec**	**28-Dec**	**04-Jan**
Opening Cash Balance	1	2,782	3,417	3,309	3,203	3,185	3,155	3,130	3,019	2,905	2,833	2,833
Receipts												
Interest income	2	-	1	-	-	-	-	1	-	-	-	1
Other	3	-	-	-	-	-	-	-	-	-	-	-
Intercompany Accounts Receivable - 10 Toronto		-	-	-	-	-	-	-	-	-	-	-
DIP Borrowings	4	700	-	-	-	-	-	-	-	-	-	-
Total receipts		**700**	**1**	**-**	**-**	**-**	**-**	**1**	**-**	**-**	**-**	**1**
Disbursements												
Intercompany Accounts Payable - Domgroup	5	-	(47)	-	-	-	-	(45)	-	-	-	(47)
General Corporate and Litigation Legal Fees	6	(65)	-	-	-	(30)	(25)	-	-	(65)	-	-
Chapter 15 Legal Fees (US)	7	-	-	-	-	-	-	-	-	-	-	-
CCAA Legal Fees (Canada)	8	-		(62)	-	-	-		(62)	-	-	-
CCAA Monitor and Claims Officer Fees	9	-	-	(50)	-	-	-	-	(50)	-	-	-
Contractor Fees	10	-	(50)	-		-	-	(50)	-	-	-	(50)
Finance, Tax Administration and Financial Advisor Fees	11	-	-	-	(11)	-	-	(4)	(8)	-		(4)
Interest on Senior Secured Notes	12	-	-	-	-	-	-	-	-	-	-	-
Operating Costs related to premises	13		(12)	6	(8)	-	-	(12)	6	(8)	-	(12)
Taxes	14	-	-	-	-	-	-	-	-	-	-	-
Foreign Exchange	15	-	-	-	-	-	-	-	-	-	-	-
Other	16	-	-	-	-	-	-	-	-	-	-	-
Total Disbursements		**(65)**	**(109)**	**(106)**	**(18)**	**(30)**	**(25)**	**(111)**	**(114)**	**(73)**	**-**	**(113)**
Net Cash Inflow / Outflow		**635**	**(108)**	**(106)**	**(18)**	**(30)**	**(25)**	**(110)**	**(114)**	**(73)**	**-**	**(112)**
Closing Cash Balance		**3,417**	**3,309**	**3,203**	**3,185**	**3,155**	**3,130**	**3,019**	**2,905**	**2,833**	**2,833**	**2,721**

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

APPENDIX B

Hollinger Inc., 4322525 Canada Inc. and Sugra Limited,
(collectively the "Applicants")
Weekly Cash Flow Projection
For the Period from August 4, 2012 to February 28, 2013

Projection for the Week Ending		2013	2013	2013	2013	2013	2013	2013	2013	Projection from
		23	24	25	26	27	28	29	30	August 4, 2012
		Friday	Friday	Friday	Friday	Friday	Friday	Friday	Thrusday	to
C$ 000s	Notes	11-Jan	18-Jan	25-Jan	01-Feb	08-Feb	15-Feb	22-Feb	28-Feb	February 28, 2013
Opening Cash Balance	1	2,721	3,408	3,321	3,321	3,197	3,153	3,095	2,944	1,070
Receipts										
Interest income	2	-	-	-	-	1	-	-	-	6
Other	3	-	-	-	-	-	-	-	-	5,280
Intercompany Accounts Receivable - 10 Toronto		-	-	-	-	-	-	-	-	-
DIP Borrowings	4	800	-	-	-	-	-	-	-	2,500
Total receipts		**800**	**-**	**-**	**-**	**1**	**-**	**-**	**-**	**7,786**
Disbursements										
Intercompany Accounts Payable - Domgroup	5	-	0	-	-	(47)	-	-	-	(380)
General Corporate and Litigation Legal Fees	6	-	(80)	-	-	-	-	(76)	-	(4,294)
Chapter 15 Legal Fees (US)	7	-	-	-	-	-	-	-	-	-
CCAA Legal Fees (Canada)	8	(62)	-	-	(62)	-		(67)	-	(434)
CCAA Monitor and Claims Officer Fees	9	(50)	-	-	-	-	(50)	-	-	(325)
Contractor Fees	10	-	-	-	(50)	-	-	-	-	(300)
Finance, Tax Administration and Financial Advisor Fees	11	(7)		-	-	(4)	(8)	-		(111)
Interest on Senior Secured Notes	12	-	-	-	-	-	-	-	-	-
Operating Costs related to premises	13	6	(8)	-	(12)	6	-	(8)	-	(68)
Taxes	14	-	-	-	-	-	-	-	-	-
Foreign Exchange	15	-	-	-	-	-	-	-	-	-
Other	16	-	-	-	-	-	-	-	-	-
										0
Total Disbursements		**(113)**	**(88)**	**-**	**(124)**	**(45)**	**(58)**	**(151)**	**-**	**(5,911)**
Net Cash Inflow / Outflow		**687**	**(88)**	**-**	**(124)**	**(44)**	**(58)**	**(151)**	**-**	**1,875**
Closing Cash Balance		**3,408**	**3,321**	**3,321**	**3,197**	**3,153**	**3,095**	**2,944**	**2,944**	**2,944**

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 August 4, 2012 to February 28, 2013
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) Other receipts mainly include receipt of the Court approved CIBC, Fullerton and Outside Directors Settlement payments totaling approximately $5.3 million during the week ending September 7, 2012.

4) DIP Borrowings consisting of intercompany borrowings from Domgroup, a wholly owned subsidiaries of Hollinger Inc. As of August 3, 2012, Domgroup has made a total of $7.7 million in DIP advances to the Applicants as approved by this Court.

5) Intercompany accounts payable to Domgroup including the interest paid to Domgroup Limited ("Domgroup") on the DIP loan (see note 4 above).

6) Legal fees represent estimated fees on account of general corporate and litigation services and include the principal amount of two and a half years of legal fee deferrals in respect of Hollinger’s litigation and related initiatives in addition to a Court approved settlement to a former outside director.

7) 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.

8) 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 9.

9) 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.

10) Contractor Fees represent fees paid to the Chief Restructuring Officer pursuant to the Multi-Party Settlement Agreement.

11) Finance, Tax Administration and Financial Advisor Fees represent payments to various professionals.

12) 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.

13) 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.

14) The projection does not include any receipts or disbursements as a result of tax reassessments or penalties for late filings.

15) 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.

16) Other includes sundry expenses.