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

NINTH REPORT OF THE MONITOR
August 22, 2008

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 Honourable 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 Ninth Report of the Monitor (the "Ninth Report") is to advise this Honourable Court with respect to the following:

   (a) The Applicants' Actual Cash Receipts and Disbursements;

   (b) The Applicants' Claims Process;

   (c) The Applicants' proposed Non-Applicants' Claims Process Order and Order authorizing a wind-up of the Non-Applicant subsidiaries;

   (d) The proposed role of Representative Counsel;

(e) Discussions with the Ontario Securities Commission, the Toronto Stock Exchange, and the Autorité des Marchés Financiers (Quebec); and

(f) 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.

THE APPLICANTS' ACTUAL CASH RECEIPTS AND DISBURSEMENTS

5. Pursuant to the Multi-Party Settlement Agreement, the Monitor provided its first monthly communication to the Service List setting out the Applicants' actual cash receipts and disbursements and an analysis of the variances against the cash flow projections previously filed with this Honourable Court. The Monitor's Nineteenth Communication covering the period ended June 27, 2008 is attached as Appendix A hereto.

6. The summary of the Applicants' actual receipts and disbursements for the period ended August 1, 2008, is attached as Appendix B hereto.

7. As at August 1, 2008, the cash balances of each of the Applicants and the principal non-Applicants (with material amounts of cash) were as follows:

	(Millions)
Applicants	$5.2
Domgroup	$26.3
10 Toronto	$4.7

THE APPLICANTS' CLAIMS PROCESS

8. By Order of this Honourable Court dated May 21, 2008, the Monitor was authorized to conduct a claims process for the Applicants (the "Applicants' 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.

9. Forty-eight claims (including inter-company claims) were received either on or just before the Claims Bar Date. Three additional claims were received after the Claims Bar Date. The Applicants and the Monitor are still reviewing the claims. Based on its initial review of the claims submitted, the Monitor believes that there are significant claims that will require careful examination with the assistance of the Applicants and that may be allowed, 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 before this Honourable Court to address the procedure for determining related party claims.

THE APPLICANTS' PROPOSED NON-APPLICANTS' CLAIMS PROCESS AND WIND-UP OF THE NON-APPLICANT SUBSIDIARIES

10. The Multi-Party Settlement Agreement that was approved by this Honourable Court contemplates that the Applicants, in consultation with the Monitor, establish a claims process for the non-Applicants in order to realize on the assets of the non-Applicants for

the benefit of the Applicants, after paying all bona fide third party claims on a tax effective basis. As a result, a claims process is required to ensure that all potential creditors of the non-Applicants are properly identified and their claims resolved by the non-Applicants prior to the winding-up of the non-Applicants so that the asset consolidation contemplated in the Multi-Party Settlement Agreement can be achieved.

11. In addition to Domgroup and 10 Toronto, the Applicants have advised the Monitor that Holcay Holdings Ltd. ("Holcay") and 021173 N.B. Limited, a.k.a Willett Foods, f/k/a Willett Food Company ("Willett"), a wholly owned subsidiary of Domgroup, will be included in the non-Applicants' claims process, (collectively hereafter referred to as the "Non-Applicants").

12. The Applicants advise that Domgroup owed Hollinger Inc. approximately $16.7 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 its Board of Directors. The total intercompany repayments from Domgroup to Hollinger, from May 24, 2008 to June 27, 2008 have been approximately $6.7 million. On July 16, 2008 Domgroup's Board of Directors authorized the repayment of up to an additional $2 million of the intercompany balance owed to Hollinger from Domgroup on an "as needed" basis.

13. The Non-Applicants advise that there are two remaining pension plans relating to Willett that are currently in the process of being wound-up with the approval of the Financial Services Commission of Ontario. The Non-Applicants advise that they currently expect no additional monetary impact to either the Applicants or the Non-Applicants as a result of the wind-up, as both plans are fully funded. The purchase of annuities contemplated to wind-up these plans may vary in cost from time-to-time, depending upon market conditions.

14. 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 have been approximately $7.8 million.

15. Holcay repaid its inter-company payables of $0.2 million due to Hollinger and $1.7 million due to Domgroup in full during the week ending October 5, 2007. From October 5, 2007 to December 19, 2007, Holcay transferred approximately US $0.5 million to the Applicants to fund on-going operations. On December 19, 2007 Holcay declared and paid a US $3.4 million dividend to Hollinger that transferred substantially all of the remaining Holcay funds to Hollinger.

16. Pursuant to an Order of this Honourable Court dated May 21, 2008, William Aziz, CA, or an entity controlled by him, was appointed as the Chief Restructuring Officer of the Applicants. In addition William Aziz, CA, or an entity controlled by him, was appointed Chief Restructuring Officer of the Non-Applicants pursuant to board resolutions passed by each of the Non-Applicants on June 16, 2008 (collectively Mr Aziz or an entity controlled by him are referred to in these individual and collective roles as the "CRO"). The Applicants advise that they are seeking an Order authorizing and directing the CRO on behalf of the Applicants to take such steps and execute such documents, including shareholder's resolutions as are necessary, in order to commence a winding up of the Non-Applicants pursuant to their respective governing corporate statutes.

17. The Applicants are also seeking an order establishing a claims process for the Non-Applicants (the "Non-Applicants' Claims Process") to facilitate the winding-up of the Non-Applicants by identifying all third party claims against the Non-Applicants.

18. The Non-Applicants' Claims Process also provides claimants an opportunity to file any claims against persons who were directors of the Non-Applicants as at July 31, 2007 or any time thereafter.

19. Creditors will be asked to submit their proofs of claim to the Monitor. Each creditor will be required to file a separate proof of claim for each Non-Applicant or Director against which it asserts a claim. The Monitor with the assistance of the CRO will supervise the receipt, collection and examination of claims.

20. Any creditor asserting a claim against the Non-Applicants will be required to file a proof of claim with the Monitor prior to 5:00 p.m. on September 30, 2008 (the "Non-

Applicants' Claims Bar Date"). Known creditors will be notified of the requirement to file proofs of claim before September 3, 2008 by the following means:

- The Monitor will distribute proofs of claim and related instructions and filing information (the "Non-Applicants' Proof of Claim Package") by regular mail to all known creditors, no later than seven business days following this Honourable Court's approval of the Non-Applicants' Claims Process;
- The Monitor will place notices addressed to all potential creditors in The Globe and Mail (National Edition) and The National Post on two separate days on or before September 3, 2008. In the case of Holcay a notice will be published once in the Cayman Free Press and once in the Cayman Gazette; and
- The Monitor will post a copy of the Non-Applicants' Proof of Claim Package on its website.

21. The Monitor considers that the identification of known creditors, mailing and newspaper advertisements noted above will provide potential creditors with sufficient and timely notification in order for them to submit their proofs of claim prior to the Non-Applicants' Claims Bar Date. Any Creditor that does not file a Claim in the Non-Applicants' Claims Process prior to the Non-Applicants' Claims Bar Date shall be forever barred from making or enforcing any Claim as against any Non-Applicant and the Directors, and all such Claims shall be forever extinguished.

22. The Applicants propose that they will appoint David E. Baird Q.C. as the Non-Applicants' claims officer (the "Non-Applicants' Claims Officer") in addition to his role as Claims Officer for the Applicants' Claims Process. The Non-Applicants' Claims Officer will review and determine all claims filed prior to the Non-Applicants' Claims Bar Date which are in dispute for any reason and have not been consensually resolved between the creditor and the Monitor

23. If after a review of the Non-Applicant Proof of Claim, the Monitor, with the assistance of the CRO, disputes the amount of a Claim set forth in a Proof of Claim, the Monitor may,

may, in conjunction with the CRO, attempt to consensually resolve the amount of the Claim with the Creditor. Failing such resolution, the Monitor will send a Notice of Revision or Disallowance to the Creditor. Any Creditor who does not agree with the amount of Claim set out in the Notice of Revision or Disallowance, shall file a Dispute Notice with the Monitor by the earlier of twenty (20) Business Days following receipt of the Creditor's Dispute Package, or such later date as the Monitor and the Non-Applicants may agree in writing.

24. If a Creditor who receives a Notice of Revision or Disallowance does not file a Dispute Notice then the value of such Creditor's Claim as described by the Monitor in the Notice of Revision or Disallowance shall, for all purposes, be deemed to be accepted as final and binding in all respects. Upon receipt of a Dispute Notice the Monitor may, in conjunction with the CRO, attempt to consensually resolve the amount of the Claim and/or refer the Claim to the Claims Officer for determination.

25. If any Non-Applicant proof of claim is received by the Monitor from a Non-Arms Length Claimant prior to the Non-Applicants' Claims Bar Date, such claim will not be determined by the Monitor or the Non-Applicants' Claims Officer, but shall be referred to this Honourable Court for determination.

26. The Monitor believes the Non-Applicants' Claims Process and the order authorizing the wind-up of the Non-Applicants as proposed by the Applicants is the next logical step in moving these proceedings forward and will facilitate the Applicants' realization on their interests in the Non-Applicants.

THE PROPOSED ROLE OF REPRESENTATIVE COUNSEL

27. As described in the Seventh Report of the Monitor, Domgroup's known liabilities include aggregate funding obligations of approximately \$8.4 million for three groups:(i) retired employees who are entitled to post-retirement dental and health benefit plans and life insurance (collectively referred to as the "OPEB Beneficiaries"); (ii) those with long-term disability entitlements; and (iii) pension top-up payments for specified retirees and/or their surviving spouses of the former Dominion Stores (the "Domgroup Beneficiaries").

There are approximately 500 individual Domgroup Beneficiaries, the vast majority of whom are also OPEB Beneficiaries.

28. Given the substantial number of affected individuals, in order to provide for proper and consistent representation and an effective dialogue to resolve their claims, the Applicants, in consultation with the Monitor have concluded that independent counsel should be appointed on behalf of the OPEB Beneficiaries. The Applicants are attempting to identify a party that will represent the interests of the OPEB Beneficiaries for the Non-Applicants' Claims Process (the "Representative Counsel").

29. Representative Counsel would be appointed to act in the best interests of the OPEB Beneficiaries as a group. The Monitor understands that Representative Counsel will file claims in the Non-Applicants' Claims Process on behalf of the OPEB Beneficiaries and will act on their behalf to achieve a final settlement or resolution of their entitlements. The reasonable fees and disbursements of the Representative Counsel, including those of any actuary engaged by Representative Counsel, will be paid by Domgroup. Pursuant to the proposed Non-Applicants' Claim Process, the Non-Applicants' Claims Bar Date that is applicable to the OPEB Beneficiaries shall be thirty calendar days following the date of an Order made by this Honourable Court appointing Representative Counsel to file claims on behalf of the OPEB Beneficiaries.

30. The Monitor believes it is prudent to have the OPEB Beneficiaries represented by Representative Counsel as it allows the OPEB Beneficiaries access to a knowledgeable and consistent advocate on their behalf, streamlines the complexities and expense of each claimant filing a claim in the Non-Applicants' Claims Process and will facilitate the timely completion of the Non-Applicants' Claims Process.

31. The Domgroup Beneficiaries who are not OPEB Beneficiaries (comprising less than 20 persons in the aggregate) will be treated as Known Creditors under the Non-Applicant Claims Order, will receive notice of the claims process from the Monitor and will be responsible for filing Proofs of Claim on their own behalf.

DISCUSSIONS WITH THE ONTARIO SECURITIES COMMISSION, THE TORONTO STOCK EXCHANGE, AND THE AUTORITÉ DES MARCHÉS FINANCIERS

32. On July 14, 2008 Hollinger announced that the Ontario Securities Commission (the "OSC") had provided it with a copy of the form of cease trade order which was subsequently issued by the OSC on July 23, 2008. On August 5, 2008, this cease trade order lapsed and was replaced by a permanent cease trade order, a copy of which is attached as Appendix C to this Report.

33. Hollinger has also been advised by the Toronto Stock Exchange (the "TSX") that the TSX has initiated a process that will lead to the delisting of the Hollinger common and Series II preference shares from the TSX at the close of business on August 22, 2008.

34. Further, the Autorité des Marchés Financiers in Quebec has advised Hollinger that it has begun a review to determine whether it will issue a reciprocal cease trade order in Quebec in a similar form to the cease trade order issued by the OSC.

35. As authorized by the Order of this Honourable Court dated July 21, 2008, Hollinger and the Monitor have consented to the issuance of the cease trade order and the delisting.

MONITOR'S CONCLUSIONS AND RECOMMENDATIONS

36. The Monitor understands that the Non-Applicants need to ascertain the quantum of all claims that may be made against them before repaying bona fide third party claims and effecting a wind-up or liquidation as contemplated by the Multi-Party Settlement Agreement.

37. The Non-Applicants' Claims Process and the order authorizing the wind-up of the Non-Applicants that are being proposed by the Applicants will provide the necessary visibility of all the potential claims against the Non-Applicants in order for the CRO and the Non-Applicants' Boards of Directors to complete a full and final assessment of all third party claims prior to the asset consolidation contemplated in the Multi-Party Settlement Agreement.

38. The Monitor believes it is prudent to have the OPEB Beneficiaries represented by Representative Counsel as it allows the OPEB Beneficiaries access to a knowledgeable

and consistent advocate on their behalf and streamlines the Non-Applicants' Claims Process.

39. In the context of the foregoing, the Monitor recommends that this Honourable Court approve the Non-Applicants' Claims Process as proposed by the Applicants and the Order sought by the Applicants to commence the winding-up of the Non-Applicants.

ALL OF WHICH IS RESPECTFULLY SUBMITTED BY:

ERNST & YOUNG INC.

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

Per:

Brian Denega
Senior Vice-President

APPENDIX A

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.

APPENDIX B

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 01-Aug	Actual Results for the five weeks ended Friday 01-Aug	Variance	Notes
Opening Cash, ex. Funds in Trust	**4,194**	**5,743**	**1,549**	
Receipts				
Dividends	-	-	-	
Interest income	13	3	(10)	
Other	-	3	3	
Intercompany Accounts Receivable - 10 Toronto	-	-	-	
Intercompany Accounts Receivable - Domgroup	1,000	-	(1,000)	
Total receipts	1,013	6	(1,007)	
Disbursements				
Payroll & Benefits	(24)	-	24	
Directors Fees and D&O Insurance	(30)	(20)	10	
Legal Fees	(150)	(133)	17	
Chapter 15 Legal Fees (US)	(47)	(75)	(28)	1
CCAA Legal Fees (Canada)	(165)	(183)	(18)	1
CCAA Monitor Fees	(100)	(13)	87	2
Contractor Fees	(137)	(137)	-	
Advisors	(57)	(5)	51	
Litigation Assets	-	-	-	
Monitor, Counsel and Claims Officer re Claims Process	(150)	-	150	2
Interest on Senior Secured Notes	-	-	-	
Operating Costs related to building	(20)	-	20	
Taxes	-	-	-	
Other	(16)	(2)	13	
Settlement Payments	-	-	-	
Foreign Exchange	-	1	1	
Total Disbursements	(894)	(567)	326	
Net Cash Inflow / Outflow	**119**	**(561)**	**(680)**	
Closing Cash Balance	**4,313**	**5,182**	**869**	

1) Actual disbursements for Chapter 15 Legal Fees and CCAA legal costs were higher than projected. The difference represents a partial reversal of previously reported timing differences from the projection.

2) Actual disbursements for CCAA Monitor Fees and Monitor, Counsel and Claims Officer costs were lower than projected. The difference represents a timing difference from the projection, which is expected to partially reverse in the near term.

APPENDIX C

Ontario

Ontario Securities Commission
Commission des valeurs mobilières de l'Ontario
P.O. Box 55, 19th Floor
20 Queen Street West
Toronto ON M5H 3S8
CP 55, 19e étage
20, rue queen ouest
Toronto ON M5H 3S8

IN THE MATTER OF THE SECURITIES ACT, R.S.O. 1990, CHAPTER S.5, AS AMENDED (THE "ACT")

AND

IN THE MATTER OF

HOLLINGER INC.

ORDER
(Paragraphs 127(1)2 and 2.1)

WHEREAS Hollinger Inc. (the "Reporting Issuer") is a reporting issuer in Ontario;

AND WHEREAS the Reporting Issuer's common shares and series II preference shares are listed on the Toronto Stock Exchange (the "TSX") under the symbols "HLG.C" and "HLG.PR.B", respectively;

AND WHEREAS the Reporting Issuer issued a press release on August 1, 2007 which announced that it together with certain subsidiaries (collectively, the "Companies") had initiated a Court-supervised restructuring under the *Companies' Creditors Arrangement Act* (Canada) (the "CCAA Proceeding") and a companion proceeding in the United States pursuant to Chapter 15 of the U.S. *Bankruptcy Code* (the "U.S. Bankruptcy Code Proceeding"). Pursuant to an Order of the Ontario Superior Court of Justice dated August 1, 2007 issued in connection with the CCAA Proceeding, Ernst & Young Inc. was appointed by the Court as Monitor (the "Monitor") to assist the Companies through their restructuring process;

AND WHEREAS the Reporting Issuer issued a press release on June 16, 2008 that announced that, in the interests of reducing its costs for the benefit of its stakeholders, the Reporting Issuer will not be preparing and filing annual audited financial statements and other annual disclosure documents required by Canadian securities laws in respect of the Reporting Issuer's financial year ended March 31, 2008. Consequently, following June 30, 2008, the Reporting Issuer has been and remains in default of its continuous disclosure filing requirements under Canadian securities laws;

AND WHEREAS the Reporting Issuer failed to file the following continuous disclosure materials as required by Ontario securities law by the required filing deadline of June 30, 2008:

a) audited annual financial statements for the year ended March 31, 2008;

b) management's discussion and analysis ("MD&A") relating to the audited annual financial statements for the year ended March 31, 2008;

c) annual information form for the year ended March 31, 2008; and

d) CEO and CFO certifications in respect of the foregoing filings;

AND WHEREAS on July 21, 2008, the Reporting Issuer announced that the Ontario Superior Court of Justice issued an order authorizing the Reporting Issuer and the Monitor to consent to a cease trade order to be issued by the Ontario Securities Commission;

AND WHEREAS the Director is of the opinion that it is in the public interest to make an order that trading in and acquisitions of the securities of the Reporting Issuer cease, subject to certain permitted exceptions as described herein;

IT IS ORDERED pursuant to paragraph 2 and paragraph 2.1 of subsection 127(1) of the Act that, effective immediately,

1. subject to paragraph 2 hereof, all trading in and all acquisitions of the securities of the Reporting Issuer, whether direct or indirect, shall cease until further order by the Director;

2. this Order does not apply to the following trades or acquisitions:

   (a) a trade or acquisition in a security of the Reporting Issuer made in connection with i) the CCAA Proceeding and approved by the Ontario Superior Court of Justice, and, if required, ii) the U.S. Bankruptcy Code Proceeding and approved by the U.S. Bankruptcy Court;

   (b) a trade to or acquisition by a person or company in a security of the Reporting Issuer for nominal consideration for the purpose of permitting security holders of the Reporting Issuer to crystallize any losses for tax purposes provided that, prior to such trade or acquisition, such person or company

      (i) receives a copy of this Order; and

      (ii) provides a written acknowledgement to the seller that the securities of the Reporting Issuer remain subject to this Order in accordance with its terms following such trade or acquisition; or

   (c) a trade to or an acquisition by a person or company who is an "accredited investor", as defined in National Instrument 45-106 *Prospectus and Registration Exemptions*, provided that, prior to such trade or acquisition, such person or company

      (i) receives a copy of this Order; and

      (ii) provides a written acknowledgement to the seller that the Reporting Issuer's securities remain subject to this Order in accordance with its terms following such trade or acquisition.

DATED at Toronto this 5th day of August, 2008.

Ontario Securities Commission

"Kelly Gorman"

Kelly Gorman
Manager
Corporate Finance Branch