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 LIMTED

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

FIRST REPORT OF THE MONITOR DATED AUGUST 23, 2007

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 proceeding.

PURPOSE

2. The purpose of this First Report of the Monitor (the "Report") is to advise this Honourable Court with respect to the following:

   (a) Status of Foreign Proceedings;

   (b) Financial Performance of the Applicants Since the Date of the Initial Order;

   (c) Updated Cash Flow Projections through January 4, 2008;

   (d) Applicants' Activities Since the Date of the Initial Order;

- Status of Applicants' Investment in Sun-Times Media Group, Inc. ("STMG");
- Status of Settlement Discussions with Significant Stakeholders;
- Status of Certain Non-Applicant Asset Divestitures;
- Summary of Litigation Proceedings;
- Status of Ontario Securities Commission ("OSC") Enforcement Proceedings;
- Status of Class Action and Insurance Settlement;
- Release of Hollinger's Consolidated Financial Statements;

(e) Monitor's Activities Since the Date of the Initial Order

- Notices to Creditors;
- Communication of Applicants' Information to Stakeholders;
- Other Activities; 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 discussions with management of the Applicants. The Monitor has not performed an audit or other verification of such information. 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. All references to dollars are in Canadian currency unless otherwise noted.

OVERVIEW

5. Certain stakeholders seek to terminate or substantially limit these CCAA proceedings in their motions returnable on August 29, 2007.

6. For their part, the Applicants seek the opportunity to achieve the short term goal of a global settlement agreement with their major stakeholders.

7. The Monitor also believes that the Applicants and the key stakeholders recognize the value of reaching a global consensual resolution promptly.

8. Since seeking protection under the CCAA, the Applicants and the Monitor have received numerous communications from stakeholders seeking information in connection with the Applicants' activities and these proceedings.

9. The stakeholders are seeking to understand the Applicants' litigation strategy, cash management approach, corporate group structure, financial position and inter-company accounting (including relevant non-Applicants with assets).

10. The Monitor is in continuing discussion with the Applicants to determine how the substantive concerns and appropriate information requirements of the stakeholders can be dealt with in an effective and timely manner.

11. A recurring theme in the communications with stakeholders is the Applicants' high cash burn rate and the current lack of transparency in their litigation strategy and the estimated value of their various litigation assets. Given the privilege and disclosure sensitivity around such litigation, a high degree of confidentiality is necessary, which makes it difficult for the stakeholders to evaluate the cost/benefit of the legal expenses being incurred and projected in respect of the litigation.

12. Adding to this uncertainty is the currently unresolved question of claims to the sizeable cash balances at the two non-Applicants, 10 Toronto Street Inc. ("10 Toronto") and Domgroup Ltd. ("Domgroup").

13. It is not clear at this time how the various semi-active Hollinger affiliates would roll up, how their third party and related party debts would be settled and to whom would belong any cash remaining.

14. Addressing these issues promptly is essential to both stabilize these proceedings and to enable all parties to fully evaluate their positions.

STATUS OF FOREIGN PROCEEDINGS

15. Concurrently with the filing for CCAA protection in Canada, the Applicants made a petition in Delaware for an Order under Chapter 15 of the United States Bankruptcy Code seeking recognition of the CCAA proceeding and sought a stay of proceedings in the United States.

16. On August 1, 2007, the Applicants obtained a Temporary Restraining Order ("TRO") and Order Authorizing Joint Administration of the Related Chapter 15 Cases. The TRO provided a stay of proceedings for an initial period of 10 days.

17. Certain stakeholders opposed a further stay and sought a motion for adequate protection pursuant to the United States Bankruptcy Code. On August 10, 2007, the Applicants obtained a preliminary injunction granting a further stay that is valid until the date of the recognition hearing.

18. The recognition hearing with respect to the Applicants, which includes seeking recognition as a foreign main proceeding under Chapter 15, is scheduled for August 28, 2007. If recognized as a foreign main proceeding an automatic stay in the United States would come into force.

19. On August 20, 2007, the Indenture Trustee filed a motion seeking adequate protection of their interests in the collateral subject to the Chapter 15 proceedings. The Indenture Trustee is requesting the motion be heard concurrently with the recognition hearing on

August 28, 2007. The Applicants have opposed that schedule and are seeking to have it heard after this Honourable Court rules on the comeback motions. The Indenture Trustee is asking for the stay to be lifted if adequate protection is not provided, similar to the relief it is seeking in the CCAA proceedings on August 29, 2007.

20. The Monitor is not the foreign representative and has not participated in any of the U.S. proceedings since its appointment. The Applicants have recently requested that the Monitor participate in the U.S. proceedings to assist in the coordination of the proceedings, including making the Monitor the foreign representative, if possible. The Monitor is considering how it can best participate to assist in achieving harmonization of the cross-border proceedings.

FINANCIAL PERFORMANCE OF THE APPLICANTS SINCE THE DATE OF THE INITIAL ORDER

21. Attached as Appendix A to this Report is a summary of the Applicants' receipts and disbursements from the date of the Initial Order to August 17, 2007. The Applicants, with the assistance of the Monitor, have also prepared and included in Appendix A an analysis of variances from the Applicants' cash flow projection which was attached to the Applicants' Application Record filed by the Applicants in support of their initial application (the "August 1 Projection").

22. The actual cash disbursements include a disbursement for director and officer liability insurance related to the new directors appointed to the STMG board by Hollinger on July 31, 2007. The Applicants advised the Monitor that STMG was not prepared to pay the insurance premium for the new directors and that there was uncertainty as to the protection offered them under existing coverage. Therefore, it was necessary for Hollinger, the appointing party, to ensure adequate insurance was in place for the directors. The disbursement totalled US$0.3 million, which was not included in the August 1 Projection. The Monitor expects that Hollinger will attempt to recover that amount from STMG.

23. As indicated in the Applicants' Application Record, the Applicants' cash requirements during the period covered by the August 1 Projection are to be funded in part by the repayment of certain amounts owing by 10 Toronto, an indirect subsidiary of Hollinger and a non-Applicant, to a maximum of $7.5 million. As of August 17, 2007, a total of $0.4 million has been repaid by 10 Toronto to Hollinger in support of the Applicants' cash needs.

24. The Monitor has not reviewed the balance sheets of the Applicants' non-Applicant affiliates, including 10 Toronto, nor has it conducted an in-depth review of the various inter-company accounts involving the Applicants.

25. The opening cash position at August 1, 2007 as presented in the August 1 Projection reflected cash held by Holcay Holdings Ltd. ("Holcay"), a subsidiary of Hollinger and a non-Applicant. Hollinger and Holcay were prepared to allow any cash held by Holcay to be used by the Applicants in the CCAA proceedings, subject to the mechanics of payment being finalized. Consequently, it has been included in the cash flow notwithstanding that Holcay is not an Applicant.

26. As of August 17, 2007, Holcay still held the funds. The Applicants continue to work on finalizing the mechanics of payment to transfer the funds, on a non-recourse basis, to the Applicants.

UPDATED CASH FLOW PROJECTIONS THROUGH JANUARY 4, 2008

27. Attached as Appendix B to this Report is a copy of the Applicants' cash flow projection updated as of August 22, 2007 (the "August 22 Projection") for the period August 20, 2007 to January 4, 2008 (the "Projection Period").

28. As summarized in the August 22 Projection, the Applicants are projecting total receipts of $11.8 million, total cash disbursements of $12.9 resulting in a net decrease in cash of $1.1 million over the Projection Period.

29. An integral component of the projected receipts is proceeds of $5.6 million from the sale of Holcay's interest in the Cayman Free Press Limited ("CFP"). By comparison to the August 1 Projection, the receipts from the sale of CFP have declined by approximately

$0.5 million as a result of an adverse change in the foreign exchange rate used when the transaction was originally contemplated. The sale of CFP is discussed in more detail in the "Status of Certain Non-Applicant Asset Divestitures" section of the Report.

30. The remaining receipts primarily consist of $6.3 million from 10 Toronto as part of its commitment to repay up to $7.5 million of inter-company amounts owed to Hollinger.

31. Cash disbursements consist primarily of legal fees related to the litigation assets and the CCAA and Chapter 15 proceedings.

32. The Applicants, with the assistance of the Monitor, have performed additional analysis of the accrued fees for the more significant legal service providers and advisors to obtain a more accurate estimate of the unpaid invoices and work-in-process costs not yet invoiced to the Applicants. The legal fee and advisor disbursements over the Projection Period have been refined to better reflect the Applicants' understanding of the legal and advisor fee accrual as well as the cash conservation activities implemented by the Applicants, including a reduction of approximately $100,000 per month in certain legal contractor costs relating to the litigation assets. Cash disbursements over the Projection Period, combined with the actual disbursements for the first three weeks have, in total, decreased in comparison to the August 1 Projection by $1.0 million.

33. The Applicants have also advised that they continue to assess both the estimated value and costs of pursuing the litigation assets in an effort to conserve cash while at the same time preserving the value of the litigation assets.

APPLICANTS' ACTIVITIES SINCE THE DATE OF THE INITIAL ORDER

<u>Status of Applicants' Investment in STMG</u>

34. The Applicants' principal asset is their controlling interest in STMG through their ownership of approximately 1.2% of the outstanding Class A and 100% of the Class B common stock of STMG. The Class B shares have multiple voting status (10 votes for each share) and the Class A shares have only one vote per share. As a result, the Applicants hold an economic interest in STMG of approximately 19.7% but control approximately 70.1% of STMG's shareholder votes. Under certain circumstances, the

Class B shares convert into Class A shares and lose their multiple voting rights. At present, the Applicants' Class A share holdings (782,923 shares) are held in escrow in support of exchange requests related to Hollinger's Series II Preference Shares.

35. On July 31, 2007, the Applicants exercised their voting rights and removed three directors from the Board of STMG, expanded the size of the board to 11 and appointed 6 new directors.

36. The Monitor has been advised by the Applicants that in response to the changes to the STMG Board of Directors initiated by the Applicants, STMG raised two potential issues under the "independence" requirements of the New York Stock Exchange (the "NYSE").

37. Representatives of Hollinger have been in discussions with STMG and its legal counsel to resolve these issues. In addition, the Hollinger appointees have provided STMG with additional information concerning their independence. Based upon these discussions and the additional information provided to STMG, Hollinger believes that STMG will be able to make a determination that the current composition of the STMG Board of Directors is sufficient to satisfy the NYSE requirements.

38. The share price of STMG's publicly traded Class A shares had declined from May 1, 2007 to July 31, 2007. On the day of the Applicants' CCAA filing, the STMG share price increased. Thereafter, the STMG share price resumed its pre-filing downward trend. STMG's historical share price at selected dates is shown below:

Date	**Closing Share Price (NYSE) of STMG Class A Shares (US$)**[1]
May 1, 2007	$6.32
July 31, 2007	$4.19
August 1, 2007 (Date of CCAA Filing)	$4.45
August 2, 2007	$4.36
August 8, 2007	$3.94
August 9, 2007 (STMG Q2 2007 Results Released)	$3.51
August 10, 2007	$3.32
August 17, 2007	$3.02

39. At present, the Monitor is unable to assess the extent to which the current share price reflects either the long term intrinsic value of STMG or the net realizable value of the STMG Class B shares.

40. The Monitor has also been advised by the Applicants that they having been working with the Court-appointed Special Monitor of STMG to open communications and develop a process to facilitate on going discussion of STMG's strategic and operating issues.

[1] Source: Yahoo! Finance and bigcharts.marketwatch.com

Status of Settlement Discussions with Significant Stakeholders

41. The Applicants have advised the Monitor that prior to the CCAA filing they had been involved in settlement discussions with STMG and Davidson Kempner Capital Management LLC ("DK"). DK has indicated that it is the most significant noteholder with in excess of 40% of the Senior First Lien Notes and in excess of 70% of the Senior Second Lien Notes.

42. These discussions have not resulted in a resolution of issues among the parties.

43. Since the date of filing, the Applicants have prepared a revised confidential settlement proposal that seeks to address the needs of the Applicants, STMG and the noteholders and to resolve the numerous issues between the parties through a tri-party settlement.

44. On August 16, 2007, the Applicants met with STMG to discuss their settlement proposal. Concurrently, the settlement proposal was delivered to counsel for DK.

45. The Monitor was advised by DK that it believes that the settlement proposal put forward by the Company is not satisfactory but that the proposal can form the basis for future settlement discussions.

46. The Applicants have advised the Monitor that STMG has expressed the view that the proposal addresses many outstanding issues and can form the basis for future settlement discussions.

47. The Applicants have made arrangements for additional meetings with STMG. As of the date of this Report, the Applicants have not arranged a meeting with DK. They have asked DK to consider what the next steps should be in negotiating a settlement.

48. The Monitor has not been party to any of the discussions between the Applicants and STMG or DK.

Status of Certain Non-Applicant Asset Divestitures

49. Holcay, a wholly-owned subsidiary and non-Applicant, owns a 40% equity interest of CFP. CFP is the owner and operator of *The Compass* newspaper in the Cayman Islands.

50. Prior to the CCAA filing, Hollinger and Holcay had commenced a process to monetize the investment in CFP. Holcay and Hollinger entered into a share repurchase agreement with CFP ("SPA") on August 9, 2007.

51. Pursuant to the SPA Holcay has agreed to sell to CFP its 40% interest in the outstanding shares of CFP. The repurchase agreement provides that, immediately prior to the closing of the transaction, CFP will pay a cash dividend of $2.0 million (Cayman Island dollars) to all of its shareholders.

52. The closing of the repurchase transaction is subject to the receipt of financing on satisfactory terms by CFP and its majority shareholder. The transaction is expected to close by August 30, 2007.

53. Hollinger is a party to the SPA solely to cause Holcay to complete the sale of its interest in CFP.

54. On August 8, 2007, at a board meeting attended by the Monitor, the directors of Hollinger and Holcay, after considering an analysis of the sale of Holcay's interest in CFP, resolved to proceed with the transaction and to execute the SPA. The directors believe that the SPA provides Holcay and Hollinger with an opportunity to monetize a non-core asset at an advantageous selling price, particularly in the face of Holcay's position representing only a minority interest and regulatory restrictions on ownership that limit its marketability.

55. The Applicants are not seeking Court approval for the transaction because Holcay is a non-Applicant and is the holder of the equity interest in CFP.

56. The aggregate proceeds from the sale of shares and Holcay's share of CFP's dividend are approximately $5.5 million.

57. The proceeds from the dividend and the sale of the shares have been reflected in the August 22 Projection of the Applicants during the week ending September 7, 2007. As previously indicated, Hollinger and Holcay will allow any cash held by Holcay to be used by the Applicants in the CCAA proceedings, subject to the mechanics of payment being finalized.

Summary of Litigation Proceedings

58. In addition to the equity interest in STMG, the Applicants believe that their litigation assets have significant value. These contingent assets consist of several claims asserted by the Applicants. The Monitor is not in a position to assess the relative merits of the individual litigation claims being pursued, nor the likely costs or timeframes involved to see them through to completion.

59. A list of existing legal proceedings known to the Monitor is attached as Appendix C. The listing does not include potential claims that have not yet been asserted by way of legal proceedings.

60. The Applicants have indicated to the Monitor that they have performed a preliminary assessment of the claims and potential claims and have determined the minimum level of expenditure required to keep the claims active while not jeopardizing the Applicants' position with respect to the claims asserted. This is reflected in the August 22 Projection.

61. The Applicants are defending several claims asserted against them and participating in other proceedings affecting their interests. A list of those proceedings known to the Monitor is attached as Appendix D.

62. Pursuant to the Initial Order those claims are stayed. In some instances the Applicants believe that stakeholder value will be enhanced by advancing those actions to resolution. This is addressed later in this Report.

63. The Applicants have indicated to the Monitor that they have performed a preliminary assessment of the known litigation claims against the Applicants and have determined the level of expenditures required to protect the Applicants' position with respect to the claims asserted. This is reflected in the August 22 Cash Flow Projection.

64. The Applicants have advised the Monitor that they are undertaking a more detailed analysis of the merits and costs of the litigation assets and claims. Once the analysis is complete, the cash flow projections may require further updating.

Status of OSC Enforcement Proceedings

65. In March 2005, the OSC commenced proceedings against Hollinger and various other entities related to Hollinger concerning alleged breaches of Ontario securities law between 1998 and 2002. The OSC is seeking administrative penalties and disgorgement of any amounts obtained in breach of Ontario securities law.

66. Prior to the CCAA filing, Hollinger and the OSC discussed engaging in settlement discussions. The CCAA filing stayed the OSC proceeding. The Applicants believe that a negotiated settlement of the proceedings, if possible, will be beneficial to their stakeholders.

67. The Applicants advised the OSC in writing that, notwithstanding the stay of proceedings, the Applicants agreed to lift the stay of proceedings to engage in settlement discussions with the OSC and, if necessary, proceed to the hearing. Any settlement reached by the parties would be subject to any necessary Court approval.

68. The lifting of the stay of proceedings for this limited purpose does not extend to enforcement of a monetary penalty or fine against the Applicants.

69. Pursuant to paragraph 10 of the Initial Order, the lifting of the stay of proceedings requires both the consent of the Applicants and also the consent of the Monitor. The Monitor provided its consent to the lifting of the stay of proceedings with respect to the OSC enforcement proceedings to this limited extent.

70. Since the date of filing, the Applicants have had limited settlement discussion with the OSC. Further updates will be provided as the settlement discussions progress.

Status of Class Action and Insurance Settlement

71. The Monitor has been advised by the Applicants and their legal advisors that Hollinger is a defendant in the following class action proceedings:

(a) *In re Hollinger International Inc. Securities Litigation*, Cons. Civil Action No. 04-C-0834, in the United States District Court for the Northern District of Illinois (the "Illinois Class Action");

(b) *Betthel v. Black et al*, Q.B. No. 1492 of 2004 ("Betthel I"), in the Court of Queen's Bench, Judicial Center of Saskatoon, in the Province of Saskatchewan, Canada;

(c) *Drover v. Argus Corporation*, File No. 04-CV-028649 ("Drover"), in the Superior Court of Justice of Ontario, Canada; and

(d) *Betthel v. Black et al*, No. 550-06-000014-051, in the Superior Court, Province of Quebec, Canada, District of Hull ("Betthel II") (Betthel I, Drover, and Betthel II, together, the "Canadian Class Actions").

72. The Monitor has also been advised that Hollinger is a plaintiff in a proceeding against its insurers for insurance coverage for the Illinois and Canadian Class Actions, *Hollinger Inc. v. American Home Assurance Co., et al.*, Court File No. 05-CV-289537 PD2 (the "Coverage Action").

73. The Monitor has been advised by the Applicants that, as a result of multi-party negotiations among the Illinois and Canadian Class Action plaintiffs and the insurers for the various defendants, a settlement of the Illinois Class Action, the Canadian Class Actions and the Coverage Action (the "Settlement") has been reached.

74. The Settlement is subject to court approval in both Canada and the United States. If the Settlement is approved, the Class Actions will be dismissed against Hollinger with prejudice. The Settlement also resolves all disputes with the insurers, including a release of the insurers from any further obligations under the insurance policies.

75. The Monitor understands that Hollinger will be seeking court approval of the Settlement under the *CCAA* and the *Class Proceedings Act* jointly at a later hearing.

Release of Hollinger's Consolidated Financial Statements

76. On August 14, 2007, Hollinger released its financial results for the quarter ended June 30, 2007. The consolidated financial statements and accompanying Management Discussion and Analysis are available on SEDAR.

ACTIVITIES OF THE MONITOR SINCE THE DATE OF THE INITIAL ORDER

Notices to Creditors

77. Pursuant to the terms of the Initial Order, the Monitor mailed a notice to the Applicants' creditors, except for employees and creditors having a claim of less than $1,000, notifying creditors of the CCAA filing, the making of the Initial Order and the means by which they may obtain a copy of the Initial Order. The notice to the creditors was mailed to the known creditors of the Applicants as shown in the Applicants' books and records.

78. The Monitor has posted on a website maintained by the Monitor the materials filed by the Applicants in this proceeding, the Initial Order and the Orders obtained in the U.S. Bankruptcy Court. The website address is www.ey.com/ca/hollinger. The Monitor intends to continue to post materials filed with this Honourable Court in these proceedings on this website as soon as practical.

Communication of Applicants' Information to Stakeholders

79. Since August 1, 2007, the Applicants and the Monitor have received requests from stakeholders for additional information and clarification of material filed by the Applicants in their initial Application Record.

80. The Monitor and Applicants have discussed potential conditions for the release of the Applicants' information and confidentiality agreements with certain stakeholders.

81. Given the similarity of requests and the nature of some of the information being requested, the Applicants and the Monitor concluded it would be appropriate to provide this information to all stakeholders.

82. The Applicants, with assistance from the Monitor, prepared an information package to address certain of the stakeholder information requests. The information package was provided to the Service List on August 17, 2007.

83. The Applicants' Information Package consists of the following:

    (a) Expanded chart of the Hollinger group's corporate structure as of August 1, 2007; and

    (b) Reconciliation and roll forward summary of cash balances from March 31, 2007 to July 31, 2007.

84. A copy of the Applicants' Information Package is attached to this Report as Appendix E.

<u>Other Activities</u>

85. The Monitor continues to assist the Applicants on a number of matters. These include:

    (a) Assistance with establishing post-filing cash management systems and procedures;

    (b) Assisting with preparation of Applicant information and acting as a liaison between the Applicants and stakeholders; and

    (c) Assistance with creditors' inquiries relating to the notice to creditors and non-payment of pre-filing debts.

MONITOR'S CONCLUSIONS AND RECOMMENDATIONS

86. Since the date of the Initial Order, the Applicants and their advisors have worked to re-start settlement discussions with the noteholders and STMG.

87. Pursuant to the Initial Order, the Stay Period expires at midnight on August 30, 2007. The Applicants are seeking an extension of the Stay Period for a period of 60 days until, and including, October 29, 2007.

88. Certain stakeholders, through discussion with the Monitor and Applicants, and as contained in their motion materials filed with this Honourable Court to date, are seeking to have the Initial Order set aside or substantially amended.

89. The stakeholders' concerns include:

   (a) the nature and amount of the Applicants' and non-Applicants' assets and liabilities, both known and contingent;

   (b) an accounting of the inter-company amounts due to and from both the Applicants and non-Applicants;

   (c) the estimated value and cost of realization of the Applicants' litigation assets;

   (d) the appropriate governance and funding structure for the pursuit of the Applicants' litigation assets; and

   (e) the cash burn, in light of the claims of various stakeholders, secured and unsecured.

90. The Monitor recommended to the Applicants that an information protocol be established to efficiently respond to stakeholders' reasonable and appropriate information requests and to communicate information related to the Applicants and relevant non-Applicant entities.

91. To assist the Applicants in responding to the information requests, the Applicants have recently provided the Monitor with a draft information protocol (the "Information Protocol"). The Information Protocol was prepared by the Applicants to allow them to coordinate their internal resources to respond to the numerous information requests in an effceint manner. The Information Protocol sets out procedures for the process of

determining whether information requested could be disclosed without requiring the requesting party to execute a confidentiality agreement. A copy of the draft Information Protocol is attached as Appendix F. The Monitor is still reviewing the draft Information Protocol with the Applicants and expects that parties to these proceedings may have their own comments.

92. Given the uncertainty as to the inter-company accounting and ultimate entitlement to the existing cash in 10 Toronto and Domgroup, the Monitor believes that it is important to respond to the outstanding financial information requests and address the various inter-company accounting issues as quickly as possible. This will enable stakeholders and this Honourable Court to assess which parties have the most proximate interest(s) in the cash and the ultimate fruits of litigation.

93. To this end, the Monitor recommends that the Applicants and Monitor be directed to co-operate in the preparation of an analysis of the active Hollinger subsidiaries and inter-company accounting with a view to reporting to this Honourable Court on the likely flow of cash as assets are realized and liabilities are settled within the Hollinger group.

94. The Monitor will perform such additional special tasks as this Honourable Court may direct.

95. It is the Monitor's view that the Applicants are acting in good faith and with due diligence and that an extension of the Stay Period for a period of 60 days until, and including, October 29, 2007 will permit the Applicants to continue their efforts to reach a global settlement for the benefit of all their stakeholders within their available cash resources over that relatively short period of time.

96. In light of this short-term objective over the extended Stay Period the Applicants should, in conjunction with the Monitor, minimize their cash usage to that necessary to achieve a global settlement and not prejudice their other assets in the meantime. The Monitor will report to this Honourable Court on the results of that process by Wednesday, September 19, 2007.

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

Brian Denega
Senior Vice President

Hollinger Inc., 4322525 Canada Inc. and Sugra Limited, (collectively the "Applicants")
Consoldated Weekly Cash Flow Variance Analysis

C$ 000s	Projected Results for the Three Weeks Ended Friday 17-Aug	Actual Results for the Three Weeks Ended Friday 17-Aug	Variance	Notes
Opening Cash, ex. Funds in Trusts	**1,404**	**1,495**	91	1
Receipts				
Dividends	-	-	-	
Interest income	5	9	4	
Other	-	-	-	
Intercompany Accounts Receivable	1,636	375	(1,262)	2
Total receipts	**1,641**	**384**	**(1,258)**	
Disbursements				
Payroll & Benefits	(22)	-	22	3
Directors Fees and Insurance	(59)	(357)	(298)	4
Legal Fees (including retainers)	(1,036)	(291)	745	5
Chapter 15 Legal Fees (US)	(803)	-	803	5
CCAA Legal Fees (Canada)	(525)	-	525	5
CCAA Monitor Fees	(225)	-	225	5
Contractor Fees	(127)	(122)	5	
Advisors	(199)	(21)	178	5
Interest on Senior Secured Notes	-	-	-	
Operating Costs related to building	(10)	-	10	3
Taxes	(22)	-	22	
Other	(18)	(9)	9	
Total Disbursements	**(3,046)**	**(800)**	**2,246**	
Change in cash	**(1,404)**	**(416)**	**988**	
Closing cash, ex. Funds in Trusts	**-**	**1,079**	**1,079**	

1) Cash includes both Canadian and US bank accounts but excludes amounts held in trust by Aird & Berlis for the officers' indemnity trust. Variance in opening cash primarily relates to three cheques that were cancelled by the Applicants.

2) Actual receipts from Intercompany were less than projected due to lower than anticipated disbursements which reduced the need to collect intercompany receivables from 10 Toronto Street Inc.

3) The Applicants did not reimburse certain related companies for building and employee costs during the period, which represent a timing difference. These amounts will be reimbursement in the following period.

4) Director Fees and Insurance disbursements were higher than expected due to a payment totalling US $0.3 million made for insurance coverage for the newly appointed directors of STMG.

5) Actual disbursements for legal and restructuring costs were lower than forecast. A portion of the difference represents a timing difference from the projection, which is expected to reverse in the near term.

Hollinger Inc., 4322525 Canada Inc. and Sugra Limited, (collectively the "Applicants")
Weekly Cash Flow Projection
For the Period August 1, 2007 to January 4, 2008

C$ 000s	Notes	1 Friday 24-Aug	2 Friday 31-Aug	3 Friday 07-Sep	4 Friday 14-Sep	5 Friday 21-Sep	6 Friday 28-Sep	7 Friday 05-Oct	8 Friday 12-Oct	9 Friday 19-Oct	10 Friday 26-Oct	11 Friday 02-Nov	12 Friday 09-Nov	13 Friday 16-Nov
Opening Cash Balance	1	1,074	-	-	4,783	4,348	3,735	3,225	2,651	2,198	1,603	1,075	498	45
Receipts														
Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest income	2	-	-	1	-	-	-	7	-	-	-	3	-	-
Other	3	-	-	5,562	-	-	-	-	-	-	-	-	-	-
Intercompany Accounts Receivable	4	235	1,792	-	-	-	-	-	-	-	-	-	-	471
Total receipts		235	1,792	5,563	-	-	-	7	-	-	-	3	-	471
Disbursements														
Payroll & Benefits	5	(17)	-	(21)	-	(19)	-	(4)	(17)	(1)	(17)	(4)	(17)	(1)
Directors Fees	6	-	(38)	-	-	(59)	-	-	-	(59)	-	-	-	(59)
Legal Fees (including retainers)	7	(713)	(704)	(347)	(167)	(167)	(167)	(167)	(167)	(167)	(167)	(167)	(167)	(167)
Chapter 15 Legal Fees (US)	8	(86)	(406)	(125)	(125)	(125)	(125)	(125)	(125)	(125)	(125)	(125)	(125)	(125)
CCAA Legal Fees (Canada)	9	(236)	(488)	(90)	(90)	(90)	(90)	(90)	(90)	(90)	(90)	(90)	(90)	(90)
CCAA Monitor Fees	10	(75)	(150)	(40)	(40)	(40)	(40)	(40)	(40)	(40)	(40)	(40)	(40)	(40)
Contractor Fees	11	-	-	(47)	-	(80)	-	(47)	-	(80)	-	(47)	-	-
Advisors	12	(155)	(7)	(78)	(14)	(15)	(89)	(76)	(14)	(15)	(89)	(76)	(14)	(15)
Interest on Senior Secured Notes	13	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Costs related to building	14	-	-	(10)	-	-	-	(10)	-	-	-	(10)	-	-
Taxes	15	-	-	(22)	-	-	-	(22)	-	-	-	(22)	-	-
Other	16	(27)	-	-	-	(18)	-	-	-	(18)	-	-	-	(18)
Total Disbursements		(1,309)	(1,792)	(780)	(436)	(612)	(511)	(581)	(453)	(595)	(528)	(581)	(453)	(516)
Net Cash Inflow / Outflow		(1,074)	-	4,783	(436)	(612)	(511)	(574)	(453)	(595)	(528)	(577)	(453)	(45)
Closing Cash Balance		-	-	4,783	4,348	3,735	3,225	2,651	2,198	1,603	1,075	498	45	-

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 August 1, 2007 to January 4, 2008

C$ 000s	Notes	14 Friday 23-Nov	15 Friday 30-Nov	16 Friday 07-Dec	17 Friday 14-Dec	18 Friday 21-Dec	19 Friday 28-Dec	20 Friday 04-Jan
Opening Cash Balance	1	-	-	-	-	-	-	-
Receipts								
Dividends		-	-	-	-	-	-	-
Interest income	2	-	-	0	-	-	-	-
Other	3	-	-	-	-	-	-	-
Intercompany Accounts Receivable	4	607	429	604	430	618	504	587
Total receipts		**607**	**429**	**604**	**430**	**618**	**504**	**587**
Disbursements								
Payroll & Benefits	5	(17)	-	(21)	(1)	(17)	-	(4)
Directors Fees	6	-	-	-	-	(59)	-	-
Legal Fees (including retainers)	7	(167)	(167)	(167)	(167)	(167)	(167)	(167)
Chapter 15 Legal Fees (US)	8	(125)	(125)	(125)	(125)	(125)	(125)	(125)
CCAA Legal Fees (Canada)	9	(90)	(90)	(90)	(90)	(90)	(90)	(90)
CCAA Monitor Fees	10	(40)	(40)	(40)	(40)	(40)	(40)	(40)
Contractor Fees	11	(80)	-	(47)	-	(80)	-	(47)
Advisors	12	(89)	(7)	(82)	(7)	(22)	(82)	(82)
Interest on Senior Secured Notes	13	-	-	-	-	-	-	-
Operating Costs related to building	14	-	-	(10)	-	-	-	(10)
Taxes	15	-	-	(22)	-	-	-	(22)
Other	16	-	-	-	-	(18)	-	-
Total Disbursements		**(607)**	**(429)**	**(604)**	**(430)**	**(618)**	**(504)**	**(587)**
Net Cash Inflow / Outflow		-	-	-	-	-	-	-
Closing Cash Balance		-	-	-	-	-	-	-

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
Notes and Assumptions

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

The actual timing and amount of the cash flows may fluctuate from the estimates shown herein and these fluctuations may be material.

Foreign Exchange Rate used for projection based on Bank of Canada Rate closing Rate as of June 15, 2007 **1.07**

1) The Cash balance is shown in thousands of Canadian dollars and excludes the amounts held in trust by Aird & Berlis for the officers' indemnity trust. The opening cash balance includes approximately $0.6 million held in a bank account in the name of Holcay Holdings, a wholly owned subsidiary of Hollinger Inc. It is assumed that any cash held by Holcay Holdings is available for use by the Applicants.

2) Interest income is estimated based on projected cash balances and actual recent rates of return. No provision has been made for interest, fees or other charges in connection with any borrowings that may be required.

3) Hollinger Inc through Holcay Holdings, currently owns the Cayman Islands Free Press. The company is entering into a transaction to sell the Cayman Islands Free Press, with total net proceeds estimated to be $5.5 million. This transaction is expected to close during the first week of September 2007 and it is assumed that the sale proceeds would be available to the Applicants.

4) Intercompany accounts receivable consist of intercompany repayments from 10 Toronto Street, a wholly owned subsidiary of Hollinger Inc. 10 Toronto owes Hollinger Inc. approximately $9.6 million and has agreed to repay up to $7.5 million of the intercompany balance during the period.

5) Payroll and benefits represent a reimbursement to 10 Toronto by Hollinger for 50% of the total employee related costs, including payroll, benefits and prefiling severance costs.

6) Directors fees assume one monthly meeting of the BOD and each committee.

7) Legal fees represent payment on account of current litigation both for the benefit of and against the companies.

8) Chapter 15 Legal Fees reflect the estimated legal fees associated with a Chapter 15 filing and certain other US legal issues.

9) CCAA Legal Fees reflect the estimated legal fees of both the Company's and Monitor's respective counsel.

10) CCAA Monitor Fees reflect the estimated monitor fees associated with a CCAA filing.

11) Contractor Fees represent fees paid to individuals for services rendered to the Applicants.

12) Advisor Fees represent payments to various professionals including the Inspector, auditors, transfer agent and others.

13) Interest on Senior Secured Notes of approximately $6.0 million is payable is twice a year in March and September.
The projection assumes that these payments are stayed by CCAA filing.

14) Operating Costs (re building) represent a reimbursement to Domgroup by Hollinger for 50% of the total Adelaide and Wellington offices lease costs and operating costs.

15) Taxes represent GST and monthly instalments of corporate tax. The projection does not include any receipts or disbursements as a result of reassessments or penalty payments on late filings.

16) Other includes sundry expenses including computer support, TSX fees and other disbursements.

17) The projections do not include any potential recoveries due to successful litigation or miscellaneous asset sales.

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

HOLLINGER INC.

LEGAL AND REGULATORY PROCEEDINGS

Hollinger as Plaintiff

	Case
1	*Hollinger Inc.* v. *The Ravelston Corporation et al*
2	*Hollinger Inc.* v. *Torys*
3	*Hollinger Inc.* v. *KPMG LLP*
4	*Hollinger Inc. v. Former Independent Directors of Hollinger Inc.*
5	*Hollinger Inc. v. CIBC et al*
6	*Hollinger Inc. v. Ravelston*
7	*Hollinger Inc. v. Black et al*
8	*Hollinger Inc.* v. *Black et al*
9	*Hollinger Inc. et al v. Radler*
10	*Hollinger Inc. v. American Home Assurance Co.*
11	*Hollinger inc. v. Barford*
12	*Hollinger Inc. et al v. Radler*

HOLLINGER INC.
LEGAL AND REGULATORY PROCEEDINGS

Hollinger as Defendant or Participant

	Case
1	*Hollinger International v. Hollinger Inc. et al*
2	*In re Hollinger International Securities Litigation*
3	*Betthel* v. *Black et al* (Betthel I)
4	*Drover* v. Argus Corporation
5	*Betthel* v. *Black et al* (Betthel II)
6	*Black* v. *Hollinger International Inc. et al*
7	*Black v. Hollinger Inc.*
8	*Securities and Exchange Commission* v. *Black and Hollinger Inc.*
9	*Catalyst Fund General Partner I Inc.* v. *Hollinger Inc.*
10	*In re: Hollinger Inc.*
11	*In re: Ravelston*
12	*Black v. Hollinger Inc.*
13	*Co-operation agreement between Inc. and the United States Attoney for the Northern District of Illinois*
14	*Securities and Exchange Commission v. Hollinger International Inc.*

Appendix E

Court File No. 07-CL-7120

DATE: August 17th, 2007

TO: Service List

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

CC: Bill Aziz, Hollinger Inc.

RE: **Applicants' Information**

BACKGROUND

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

PURPOSE

2. The purpose of this communication from the Monitor (the "Communication") is to provide information to all stakeholders in response to requests received from certain stakeholders.

3. A report of the Monitor addressing the Applicants' significant activities and cash flow results since August 1, 2007 will be filed with the Court prior to the hearing currently scheduled for August 29, 2007.

TERMS OF REFERENCE

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

5. In preparing this Communication, the Monitor has relied upon unaudited financial information and records of the Applicants and certain of its affiliates and discussions with management of the Applicants. The Monitor has not performed an audit or other verification of such information.

6. 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 communication.

INFORMATION REQUESTS RECEIVED FROM CERTAIN STAKEHOLDERS

7. Since August 1, 2007, the Applicants and the Monitor have received telephone calls and correspondence from certain stakeholders regarding additional information and clarification with respect to material filed by the Applicants in their initial Application Record.

8. Several of the requests were similar. Given the nature of some of the information being requested, the Applicants and the Monitor believe it would be appropriate and beneficial to provide this information to all stakeholders.

9. The Applicants, with assistance from the Monitor, have prepared an information package to address certain of the stakeholder information requests. The information package is described below and annexed to this Communication.

APPLICANTS' INFORMATION PACKAGE

10. The Applicants' information package consists of the following:

    (a) Expanded chart of the Hollinger group's corporate structure as of August 1, 2007; and

    (b) Reconciliation and roll forward summary of cash balances from March 31, 2007 to July 31, 2007.

Expanded chart of corporate structure

11. An expanded chart of the Hollinger group's corporate structure as of August 1, 2007 was prepared based on information provided by management and is attached as Appendix "**A**".

12. The expanded chart does not include all of the Applicants' direct or indirect subsidiaries but is intended to reflect active entities.

Summary reconciliation and roll forward of cash balances

13. The Applicants, with the assistance of the Monitor, have prepared a reconciliation and roll-forward of cash balances relating to the Applicants and certain non-applicants, including 10 Toronto Street Inc., Domgroup Ltd., Holcay Holdings Ltd. and 172847 Canada Limited.

14. The summary is based on the internal monthly cash sheets and unaudited unconsolidated financial statements of the respective entities.

15. The summary provides a roll-forward of cash on hand as at March 31, 2007 to July 31, 2007 and identifies significant receipts and disbursements of the entities.

16. The cash balances have been reconciled to the Hollinger Inc. consolidated financial statements as at March 31, 2007 and June 30, 2007 as well as to the opening cash position indicated in the Applicants' cash flow forecast provided in their CCAA Application Record.

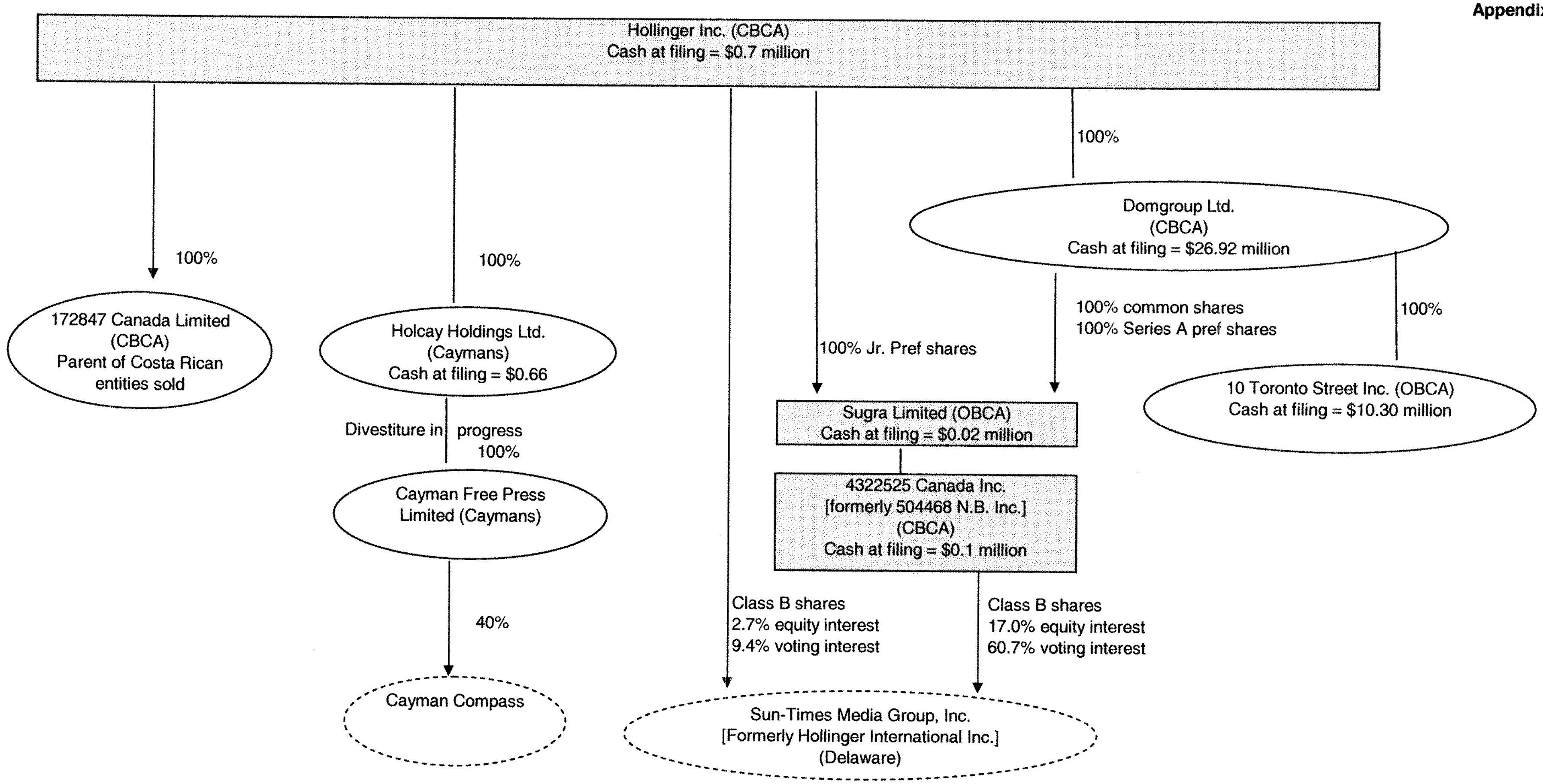
17. The reconciliation and roll-forward of cash balances is annexed as Appendix "**B**".

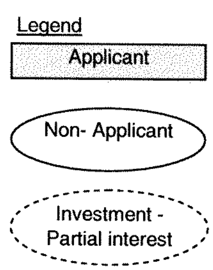
ADDITIONAL INFORMATION

18. The Monitor is addressing with the Applicants other requests for information and may provide additional information from the Applicants to the Service List.

19. If you have any questions please contact Brian Denega (416-943-3058) or Brent Beekenkamp (416-943-2652) of Ernst & Young.

Appendix A





Opening Cash at Date of Filing	
Applicants	0.8
Holcay	0.7
Total per Projection	1.5
Non- Applicants	37.2
Total cash at filing	38.7

Hollinger Inc.
Reconciliation and Roll Forward Summary of Cash Balances
CDN 000's

Appendix B

Reconciliation of Cash Balance from March 31, 2007 to June 30, 2007

		Entities Included in Cash Flow Accompanying Initial CCAA Filing						Entities Not Included in Cash Flow Accompanying Initial CCAA Filing				
		Applicant	Applicant	Applicant	Non-Applicant			Non-Applicant		Non-Applicant		
		Hollinger	**4322525**	**Sugra**	**Holcay & Costa Rica** Note 2	**Total**		**Domgroup**		**10 Toronto**	**Total**	**Consolidated**
Cash - March 31, 2007	Note 1	9,784	139	2	1,215	11,140		19,736		412	20,148	31,288
Receipts	Note 4	2,264	-	3	-	2,267	Note 6	8,875	Note 7	10,650	19,525	21,792
Disbursements	Note 5	(6,313)	(27)	(4)	(501)	(6,846)		(1,407)		(734)	(2,141)	(8,986)
Intercompany		(105)	-	20	-	(85)		-		85	85	(0)
Foreign Exchange		(448)	(4)	(2)	(54)	(508)		(26)		(2)	(28)	(537)
Cash - June 30, 2007	Note 1	5,182	108	18	660	5,968		27,178		10,411	37,589	43,556

Reconciliation of Cash Balance from June 30, 2007 to July 31, 2007

		Hollinger	4322525	Sugra	Holcay & Costa Rica	Total	Domgroup	10 Toronto	Total	Consolidated
Cash - June 30, 2007	Note 1	5,182	108	18	660	5,968	27,178	10,411	37,588	43,556
Receipts		588	-	-	-	588	99	31	130	718
Disbursements	Note 5	(5,029)	-	-	(4)	(5,033)	(353)	(146)	(499)	(5,532)
Intercompany		-	-	-	-	-	-	-	-	-
Foreign Exchange		(27)	0	0	1	(25)	1	0	1	(25)
Cash - July 31, 2007	Note 1	714	108	18	657	1,497	26,923	10,296	37,219	38,716

F/X- March 31, 2007	1.153
F/X- June 30, 2007	1.063
F/X- July 31, 2007	1.066

Notes:

1) Cash includes both Canadian and US bank accounts but excludes amounts held in trust by Aird & Berlis for the officers' indemnity trust.

2) Cash includes funds held in a bank account in the name of Holcay Holdings Ltd., a wholly owned subsidiary of Hollinger Inc. Hollinger Inc. and Holcay Holdings Ltd. were prepared to allow any cash held by Holcay Holdings Ltd. to be used by the Applicants in the CCAA proceedings, subject to the mechanics of payment being finalized. It was therefore included in the cash flow not withstanding Holcay Holdings Ltd. is not an Applicant.

3) The amounts included in this schedule were extracted from the respective cash summary sheets, with the exception of cash included in Holcay Holdings and Costa Rica, which was received from management.

4) Sale proceeds related to Costa Rica (approx. $2 million) were directly deposited to Hollinger Inc., which resulted in an inter-company amount due to 172847 Canada Limited, a non-applicant.

5) See Schedule 1 for details of Hollinger Inc.'s disbursements over the period.

6) Domgroup receipts is primarily comprised of a monetization of the Lanterra vendor take back mortgage of $8.3 million

7) 10 Toronto Street receipts is primarily related to the colleciton of the net sale proceeds from 10 Toronto Street building of $10.5 million.

Reconciliation - Opening Cash	Mar 31/07
Opening Cash Per Above - Cdn $	31,288
Unreconciled	0
Opening Cash Per Audited Consolidated F/S - Cdn $	31,288

Reconciliation - June 30 Cash Balance	Jun 30/07
June 30, 2007 Cash Per Above - Cdn $	43,556
Unreconciled	(2)
Opening Cash Per Audited Consolidated F/S - Cdn $	43,554

Reconciliation - Closing Cash Applicants	Jul 31/07
Opening Cash Per Above - Cdn $	1,497
Hollinger Inc Tax Payment - Cheque cancelled	(12)
4322525 Tax Payments - Cheque cancelled	(77)
Sugra Tax Payment - Cheque cancelled	(2)
Unreconciled	(4)
Opening Cash Per Court Filed Cash Flow Projection - Cdn $	1,404

Hollinger Inc.
Disbursements - for period from April 1 to July 31, 2007
CDN 000'

Schedule 1

	Hollinger Inc.		
	April 1- June 30	**July**	**Total**
Legal fees			
Restructuring Counsel	285	218	503
STMG \ RCL \ Other	1,195	378	1,573
Litigation Assets	1,147	225	1,372
Legal - others			
General Corporate Matters	512	53	565
Regulatory / Securities Filings	769	80	849
OSC \ SEC	166	2	168
Tax Advice and Reassessments	116	21	137
Sale of Costa Rica	103	9	112
D&O Class settlement	59	36	95
Sale of Cayman Free Press	79		79
Miscellaneous	74	3	77
Dept. of Justice - Witness costs	86	7	93
Black - Confidential Settlement Agreement / Mareva Injunction	95	10	105
Settlement			
Catalyst- Re-imbursement of certain Inspectorship costs (Note 1)	-	2,000	2,000
Other Professional & Contractor Fees	1,117	304	1,421
Audit fees	202	197	399
Public relations \ filing fees	111	20	131
Directors fees	160	49	209
D&O Insurance	-	1,418	1,418
General administration	3	-	3
Tax installments	35	-	35
	6,314	5,030	11,344

Notes:

1) For further details please refer to Management's Discussion and Analysis included in Hollinger Inc.'s June 30, 2007 Financial Statements.

Appendix "F"

ThorntonGroutFinnigan
THE INSOLVENCY & LITIGATION BOUTIQUE

DRAFT

MEMORANDUM

RE: **Hollinger – Protocol for dealing with Information and Document Requests**

DATE: August 21, 2007

The purpose of this memorandum is to establish a protocol to be followed in determining whether documents and/or information requested by one or more parties in the CCAA proceeding (each, a "Request") can be disclosed without the requesting party being required to execute a confidentiality agreement. Hollinger has developed this protocol in consultation with the Monitor.

1. All Requests are to be coordinated through the Monitor. The Monitor will determine the priority of the Request and forward it to Hollinger.

2. The Requests will be dealt with by Hollinger as soon as practicable having regard to the priority established by the Monitor.

3. Hollinger will first determine whether the document or information subject to the Request is already in the public domain.

   An index of all documents filed publicly by Hollinger (which are available on SEDAR and EDGAR) is being prepared. If the information is in the public domain it will be produced/disclosed to the Monitor for disclosure to the requesting party and, as appropriate, to the Service List, or the requesting party will be directed by the Monitor to the website or source for obtaining a copy of same.

   If the information is not in the public domain, the next step of the analysis will be conducted.

4. Hollinger will review the documents and/or the information in the Request with the assistance of its insolvency counsel and/or corporate securities counsel to determine if it can nonetheless be disclosed based upon the following criteria or other criteria, as applicable:

   - Is Hollinger, by the terms of the subject document, able to disclose it or are there any restrictions on disclosure or obligations of confidentiality in the document?
   - If the document or information is disclosed to the requesting party(ies), does that create an issue of selective disclosure or any other securities law issues that would have to be addressed by disclosing the document to the public, or otherwise?

- Is the document subject to solicitor-client or litigation privilege, which would therefore preclude disclosure?
- Are there any other legal reasons why the document or information should not be disclosed to the requesting party?
- Are there any practical or strategic reasons (i.e. based on Hollinger's ongoing litigation or otherwise) that Hollinger should consider in determining whether to disclose the requested document?

5. Hollinger will then confirm to the Monitor whether disclosure of the document or information can occur without the necessity of the requesting party executing a confidentiality agreement.

6. Based on the above, if it is determined that the information can be disclosed in the absence of a confidentiality agreement, it will be disclosed to the Monitor for disclosure to the requesting party and, as appropriate, the Service List. If Hollinger is of the view that the document or information is confidential and is not to be disclosed without a confidentiality agreement being executed, Hollinger will advise the Monitor of its position.