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

EIGHTH REPORT OF THE MONITOR
May 29, 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 Eighth Report of the Monitor (the "Eighth Report") is to advise this Honourable Court with respect to the following:

   (a) The status of the Multi-Party Settlement Agreement;

   (b) The Applicants' actual cash receipts and disbursements for the three week period ended May 23, 2008;

(c) The Applicants' proposed action plan and request for extension of the Stay Period; and

(d) 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. 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.

STATUS OF THE MULTI-PARTY SETTLEMENT AGREEMENT

5. The Multi-Party Settlement Term Sheet (the "Multi-Party Settlement") was approved in principle by the Honourable Justice Campbell on May 21, 2008, leaving an opportunity for interested parties to have further input on the settlement of the form of Order ("Approval Order").

6. On May 26, 2008 the Honourable Justice Campbell signed:

   (a) the Approval Order (dated May 21, 2008); and

   (b) the Claims Order dated May 21, 2008 ("Claims Order").

THE APPLICANTS' ACTUAL CASH RECEIPTS AND DISBURSEMENTS

7. Pursuant to the September 26 Order, the Monitor had been providing frequent communications to the Service List setting out the Applicants' actual cash receipts and disbursements. In light of the Multi-Party Settlement Agreement, the Monitor supports the reduced frequency of reporting to stakeholders provided for in the Multi-Party Settlement Agreement and Monitor's Reports to this Honourable Court.

8. As previously reported, the Applicants 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, from the date of filing to May 23, 2008, are $4.8 million.

9. The Applicants' actual receipts and disbursements for the three weeks ended May 23, 2008, attached as Appendix A to this report.

10. As at May 23, 2008, the cash balances at each of the Applicants and non-Applicants holding cash were as follows:

	(Millions)
Applicants	$0.5
Holcay	$0.0
Domgroup	$31.3
10 Toronto	$7.4

CASH FLOW PROJECTIONS

11. Attached as Appendix B is an updated cash flow projection including the underlying assumptions for the period May 24, 2008 to December 5, 2008 (the "Projection Period").

12. The Applicants are projecting total receipts of $15.5 million, consisting primarily of intercompany receipts from Non-Applicants and total cash disbursements of $12.2 million, resulting in a net increase in cash of $3.3 million over the Projection Period.

13. 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 the end of the Projection Period are $7.8 million.

14. The Applicants have indicated that Domgroup, subject to obtaining the necessary approvals from Domgroup's Board of Directors, it intends to repay on an "as needed" basis up to $12.5 million of the approximately $13.1 million (net) intercompany amounts owed to Hollinger as at March 31, 2008. The total intercompany repayments from Domgroup to Hollinger, from May 24, 2008 to the end of the Projection Period are $12.5 million.

15. The funding of the pursuit of the Litigation Assets and the associated legal and other costs are not included in the Applicants' cash flow projection. The funding of the Litigation Assets will be done in accordance with the Multi-Party Settlement Agreement approved by this Honourable Court May 21, 2008.

STATUS OF FOREIGN PROCEEDINGS

16. As previously reported, 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 proceedings and sought a stay of proceedings in the United States.

17. A motion to obtain the Chapter 15 Claims Order (as defined in the Claims Order) recognizing the Claims Order has been set down in Delaware for Friday, May 30, 2008.

APPLICANTS' PROPOSED ACTION PLAN AND REQUEST FOR AN EXTENSION OF THE STAY PERIOD

18. The Applicants seek an extension of the Stay Period for a period of 6 months to November 30, 2008 in order to permit them to implement the Claims Order and the Approval Order including the Multi-Party Settlement Agreement as a basis upon which to bring forward a plan or plans of arrangement for consideration by all of the Applicants' stakeholders.

MONITOR'S CONCLUSIONS AND RECOMMENDATIONS

19. 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. Accordingly, the Monitor recommends that this Honourable Court extend the Stay Period to November 30, 2008.

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

Hollinger Inc., 4322525 Canada Inc. and Sugra Limited (collectively the "Applicants")
Actual Cash Flow for the period from May 3, 2008 to May 23, 2008

C$ 000s	Total Actual Cash Flow for the period from May 3 to May 23, 2008	
Opening Cash, ex. Funds in Trust	**638**	
Receipts		
Dividends	-	
Interest income	1	
Other	-	
Intercompany Accounts Receivable (Payable)	-	
Total receipts	**1**	
Disbursements		
Payroll & Benefits	(1)	
Directors Fees and Insurance	-	
Legal Fees	(86)	
Chapter 15 Legal Fees (US)	(1)	
CCAA Legal Fees (Canada)	(7)	
CCAA Monitor Fees	(49)	
Contractor Fees	-	
Advisors	(10)	
Interest on Senior Secured Notes	-	
Operating Costs related to building	-	
Taxes	-	
Other	(8)	
Foreign Exchange Adjustment	(8)	1
Total Disbursements	**(169)**	
Change in cash	**(168)**	
Closing cash, ex. Funds in Trust	**470**	

1) Foreign Exchange Adjustment relates to a foreign exchange adjustment on cash in the bank as a result of the depreciation of US Dollar relative to the Canadian Dollar during the period.

Hollinger Inc., 4322525 Canada Inc. and Sugra Limited,
(collectively the "Applicants")
Weekly Cash Flow Projection
For the Period May 24, 2008 to December 5, 2008

Projection for the Week Ending

C$ 000s	Notes	1 Friday 30-May	2 Friday 06-Jun	3 Friday 13-Jun	4 Friday 20-Jun	5 Friday 27-Jun	6 Friday 04-Jul	7 Friday 11-Jul	8 Friday 18-Jul
Opening Cash Balance	1	**470**	**618**	**-**	**4,588**	**4,367**	**4,194**	**4,432**	**4,311**
Receipts									
Dividends		-	-	-	-	-	-	-	-
Interest income	2	-	1	-	-	-	6	-	-
Other		-	-	-	-	-	-	-	-
Intercompany Accounts Receivable - 10 Toronto	3	500	1,119	1,381	-	-	-	-	-
Intercompany Accounts Receivable - Domgroup	4	-	-	5,500	-	-	500	-	-
Total receipts		**500**	**1,120**	**6,881**	**-**	**-**	**506**	**-**	**-**
Disbursements									
Payroll & Benefits	5	(18)	(4)	(8)	(1)	(8)	(4)	(8)	(1)
Directors Fees and D&O Insurance	6	-	(989)	-	(30)	-	-	-	(30)
Legal Fees	7	(71)	(250)	(50)	(50)	(50)	(50)	(25)	(25)
Chapter 15 Legal Fees (US)	8		(60)	(9)	(9)	(9)	(9)	(9)	(9)
CCAA Legal Fees (Canada)	9	(174)	(300)	(55)	(55)	(55)	(55)	(27)	(27)
CCAA Monitor Fees	10	(62)	(20)	(20)	(20)	(20)	(20)	(20)	(20)
Contractor Fees	11	(20)	(68)	-	-	-	(68)	-	-
Advisors	12		(36)	-	(15)	-	(21)	-	(15)
Litigation Assets	13		-	-	-	-	-	-	-
Monitor, Counsel and Claims Officer re Claims Process	14				(30)	(30)	(30)	(30)	(30)
Interest on Senior Secured Notes	15		-	-	-	-	-	-	-
Operating Costs related to building	16	(8)	(10)	-	-	-	(10)	-	-
Taxes	17		-	-	-	-	-	-	-
Other	18		(1)	(1)	(12)	(1)	(1)	(1)	(12)
Settlement Payments	19	-	-	(2,150)	-	-	-	-	-
Foreign Exchange	20	-	-	-	-	-	-	-	-
Total Disbursements		**(352)**	**(1,737)**	**(2,293)**	**(222)**	**(173)**	**(268)**	**(120)**	**(169)**
Net Cash Inflow / Outflow		**148**	**(618)**	**4,588**	**(222)**	**(173)**	**238**	**(120)**	**(169)**
Closing Cash Balance		**618**	**-**	**4,588**	**4,367**	**4,194**	**4,432**	**4,311**	**4,142**

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 May 24, 2008 to December 5, 2008

Projection for the Week Ending

C$ 000s	Notes	9 Friday 25-Jul	10 Friday 01-Aug	11 Friday 08-Aug	12 Friday 15-Aug	13 Friday 22-Aug	14 Friday 29-Aug	15 Friday 05-Sep	16 Friday 12-Sep
Opening Cash Balance	1	4,142	4,021	4,313	4,212	4,092	3,991	3,891	4,208
Receipts									
Dividends		-	-	-	-	-	-	-	-
Interest income	2	-	7	-	-	-	-	7	-
Other		-	-	-	-	-	-	-	-
Intercompany Accounts Receivable - 10 Toronto	3	-	-	-	-	-	-	-	-
Intercompany Accounts Receivable - Domgroup	4	-	500	-	-	-	-	500	-
Total receipts		-	507	-	-	-	-	507	-
Disbursements									
Payroll & Benefits	5	(8)	(4)	(8)	(1)	(8)	-	(4)	(8)
Directors Fees and D&O Insurance	6	-							
Legal Fees	7	(25)	(25)	(25)	(25)	(25)	(25)	(12)	(12)
Chapter 15 Legal Fees (US)	8	(9)	(9)	-	-	-	-	(13)	-
CCAA Legal Fees (Canada)	9	(27)	(27)	(27)	(27)	(27)	(27)	(27)	(27)
CCAA Monitor Fees	10	(20)	(20)	(10)	(10)	(10)	(10)	(10)	(10)
Contractor Fees	11	-	(68)	-	-	-	-	(68)	-
Advisors	12	-	(21)	-	(15)	-	(7)	(14)	(7)
Litigation Assets	13	-	-	-	-	-	-	-	-
Monitor, Counsel and Claims Officer re Claims Process	14	(30)	(30)	(30)	(30)	(30)	(30)	(30)	(30)
Interest on Senior Secured Notes	15	-	-	-	-	-	-	-	-
Operating Costs related to building	16	-	(10)	-	-	-	-	(10)	-
Taxes	17	-	-	-	-	-	-	-	-
Other	18	(1)	(1)	(1)	(12)	(1)	(1)	(1)	(1)
Settlement Payments	19	-	-	-	-	-	-	-	-
Foreign Exchange	20	-	-	-	-	-	-	-	-
Total Disbursements		(120)	(216)	(101)	(120)	(101)	(100)	(190)	(95)
Net Cash Inflow / Outflow		(120)	292	(101)	(120)	(101)	(100)	317	(95)
Closing Cash Balance		4,021	4,313	4,212	4,092	3,991	3,891	4,208	4,113

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 May 24, 2008 to December 5, 2008

Projection for the Week Ending

C$ 000s	Notes	17 Friday 19-Sep	18 Friday 26-Sep	19 Friday 03-Oct	20 Friday 10-Oct	21 Friday 17-Oct	22 Friday 24-Oct	23 Friday 31-Oct	24 Friday 07-Nov
Opening Cash Balance	1	4,113	4,012	3,917	4,227	4,132	4,031	3,936	3,855
Receipts									
Dividends		-	-	-	-	-	-	-	-
Interest income	2	-	-	7	-	-	-	-	7
Other		-	-	-	-	-	-	-	-
Intercompany Accounts Receivable - 10 Toronto	3	-	-	-	-	-	-	-	-
Intercompany Accounts Receivable - Domgroup	4	-	-	500	-	-	-	-	500
Total receipts		-	-	507	-	-	-	-	507
Disbursements									
Payroll & Benefits	5	(1)	(8)	(4)	(8)	(1)	(8)	-	(4)
Directors Fees and D&O Insurance	6								
Legal Fees	7	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(6)
Chapter 15 Legal Fees (US)	8	-	-	(13)	-	-	-	-	(13)
CCAA Legal Fees (Canada)	9	(27)	(27)	(27)	(27)	(27)	(27)	(27)	(14)
CCAA Monitor Fees	10	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)
Contractor Fees	11	-	-	(68)	-	-	-	-	(68)
Advisors	12	(8)	(7)	(14)	(7)	(8)	(7)	-	(21)
Litigation Assets	13	-	-	-	-	-	-	-	-
Monitor, Counsel and Claims Officer re Claims Process	14	(30)	(30)	(30)	(30)	(30)	(30)	(30)	(30)
Interest on Senior Secured Notes	15	-	-	-	-	-	-	-	-
Operating Costs related to building	16	-	-	(17)	-	-	-	-	(17)
Taxes	17	-	-	-	-	-	-	-	-
Other	18	(12)	(1)	(1)	(1)	(12)	(1)	(1)	(1)
Settlement Payments	19	-	-	-	-	-	-	-	-
Foreign Exchange	20	-	-	-	-	-	-	-	-
Total Disbursements		(101)	(95)	(196)	(95)	(101)	(95)	(81)	(183)
Net Cash Inflow / Outflow		(101)	(95)	311	(95)	(101)	(95)	(81)	324
Closing Cash Balance		4,012	3,917	4,227	4,132	4,031	3,936	3,855	4,179

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 May 24, 2008 to December 5, 2008

Projection for the Week Ending

C$ 000s	Notes	25 Friday 14-Nov	26 Friday 21-Nov	27 Friday 28-Nov	28 Friday 05-Dec
Opening Cash Balance	1	4,179	4,110	4,023	3,954
Receipts					
Dividends		-	-	-	-
Interest income	2	-	-	-	7
Other		-	-	-	-
Intercompany Accounts Receivable - 10 Toronto	3	-	-	-	-
Intercompany Accounts Receivable - Domgroup	4	-	-	4,500	-
Total receipts		-	-	4,500	7
Disbursements					
Payroll & Benefits	5	(8)	(1)	(8)	(4)
Directors Fees and D&O Insurance	6				
Legal Fees	7	(6)	(6)	(6)	(6)
Chapter 15 Legal Fees (US)	8	-	-	-	(13)
CCAA Legal Fees (Canada)	9	(14)	(14)	(14)	(14)
CCAA Monitor Fees	10	(10)	(10)	(10)	(10)
Contractor Fees	11	-	-	-	(68)
Advisors	12	-	(15)	-	(21)
Litigation Assets	13	-	-	-	-
Monitor, Counsel and Claims Officer re Claims Process	14	(30)	(30)	(30)	(30)
Interest on Senior Secured Notes	15	-	-	-	-
Operating Costs related to building	16	-	-	-	(17)
Taxes	17	-	-	-	-
Other	18	(1)	(12)	(1)	(1)
Settlement Payments	19	-	-	(4,500)	-
Foreign Exchange	20	-	-	-	-
Total Disbursements		(69)	(88)	(4,569)	(183)
Net Cash Inflow / Outflow		(69)	(88)	(69)	(176)
Closing Cash Balance		4,110	4,023	3,954	3,778

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, (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.

Foreign Exchange Rate (US Dollars to Canadian Dollars) used for this projection is **1.00**

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.

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) Intercompany accounts receivable consist of intercompany repayments from 10 Toronto Street Inc. ("10 Toronto") and Domgroup Ltd ("Domgroup"), wholly owned subsidiaries of Hollinger Inc. The Applicants advise that 10 Toronto owed Hollinger Inc. approximately $9.6 million as at filing and has agreed to repay up to $7.8 million of the intercompany balance during the period on an "as needed" basis. The projected repayments from 10 Toronto to Hollinger for the period from August 1, 2007 to December 5, 2008 total approximately $7.8 million.

4) The Applicants advise that Domgroup owed Hollinger Inc. approximately $13.1 million (net) as at March 31, 2008 and has agreed to repay up to $12.5 million of the intercompany balance during the period on an "as needed" basis, subject to obtaining the necessary approvals from the Domgroup Board of Directors.

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 meeting of the BOD and each committee in June 2008 and the purchase of a run-off insurance policy premium is to be paid during the month of June 2008.

7) Legal fees represent payment on account of general corporate and litigation services.

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 but excludes the costs related to the CCAA claim process, which are shown separately.

10) CCAA Monitor Fees reflect the estimated Monitor fees associated with a CCAA filing but excludes the costs related to the CCAA claim process, which are shown separately.

11) Contractor Fees represent fees paid to the Chief Restructuring Officer for services rendered to the Applicants.

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

13) Litigation Assets funding and the associated legal and other costs are not included in this cash flow projection. The funding and administration of the Litigation Assets will be done in accordance with the Multi-Party Settlement in accordance with the May 21, 2008 court order.

14) Monitor, Counsel and Claims Officer fees reflect the estimated fees for the Monitor, its Counsel and a Claims Officer associated with a CCAA claims process.

15) 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.

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

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

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

19) Settlement Payments represent payments as agreed by the Applicants and certain of their creditors as set out in the Multi-Party Settlement Agreement as approved by the Court on May 21, 2008.
The projection assumes that the priority payments are made once the Applicants have reasonable visibility on the Non-Applicant claims.

20) Foreign Exchange represents the effect of translating the Applicants US Dollar cash balances into Canadian Dollars.