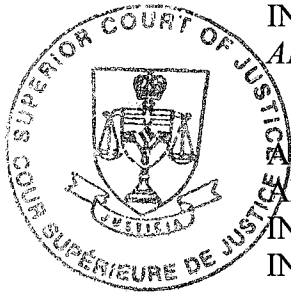


ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MADAM)
)
JUSTICE PEPALL)
)
FRIDAY THE 26th
DAY OF MARCH, 2010



IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF CANWEST PUBLISHING
INC./PUBLICATIONS CANWEST INC., CANWEST BOOKS
INC. AND CANWEST (CANADA) INC.

**ORDER AMENDING THE INITIAL ORDER AND APPROVING CERTAIN
EMPLOYEE ARRANGEMENTS**

THIS MOTION, made by the Applicants seeking authorization to make retention payments to certain employees, amendment of certain provisions of the Initial Order of this Honourable Court granted January 8, 2010 and approval of certain employee arrangements, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Douglas E.J. Lamb sworn March 19, 2010 (the "**Lamb Affidavit**") and the Exhibits thereto, and the report of FTI Consulting Canada Inc. (the "**Report**") in its capacity as the monitor appointed in these proceedings (the "**Monitor**"), and on hearing the submissions of counsel for the Applicants and Canwest Limited Partnership / Canwest Societe en Commandite (the "**Limited Partnership**" and, together with the Applicants, the "**LP Entities**"), the Monitor, The Bank of Nova Scotia in its capacity as Administrative Agent (the "**Agent**") for the senior lenders to the Limited Partnership (collectively, the "**Senior**

Lenders”), no one appearing for anyone else on the service list although served as appears from the Affidavit of Service,

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record is hereby abridged so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. THIS COURT ORDERS that, subject to availability under the LP DIP Facility, the LP DIP Definitive Documents and the Approved Cash Flow (all as defined in the Initial Order), the LP Entities shall be entitled but not required to make payments not to exceed a maximum aggregate amount of \$1,000,000 to employees with the prior consent of the Monitor and the Agent if, in the opinion of the LP Entities in consultation with the LP CRA (as defined in the Initial Order), the employee’s services are critical to the continued performance or orderly transition and/or discontinuation of certain business units and/or business critical functions, including the inter-entity arrangements between the LP Entities and other affiliated entities (collectively, the “**Shared Services**”), as described in the Agreement on Shared Services and Employees (the “**New Shared Services Agreement**”) dated as of October 26, 2009 and attached as Exhibit “D” to the Lamb Affidavit.

3. THIS COURT ORDERS that the schedule of proposed employee payments in the form attached as part of a confidential supplement to the Fifth Report of the Monitor (the “**Further Confidential Supplement**”) is hereby approved and that the LP Entities are authorized to make the payments contemplated thereunder.

4. THIS COURT ORDERS that the following paragraph shall be added to the Initial Order:

28.1 THIS COURT ORDERS that all references to former, current or future directors or officers (or their respective estates) in paragraphs 26-28 of this Order shall be deemed to include deemed or *de facto* directors or officers of the LP Entities, including, for greater certainty, references in respect of the Directors’ and Officers’ indemnification and the LP Directors’ Charge.

5. THIS COURT ORDERS that the amendments to the LP Entities' management incentive plan (the "LP MIP") and the employee special arrangements (the "Special Arrangements") as described in the Further Confidential Supplement are hereby approved and that the LP Entities are authorized to make the payments contemplated therein.

6. THIS COURT ORDERS that the LP MIP Charge (as defined in the Initial Order) be and is hereby increased by a net amount of \$1.3 million so that the key employees under the LP MIP and the Special Arrangements shall be entitled to the benefit of the LP MIP Charge on the LP Property (as defined in the Initial Order), which charge shall not exceed an aggregate amount of \$4.3 million, to secure amounts owing to such key employees under the LP MIP and the Special Arrangements.

7. THIS COURT ORDERS that the LP Entities are hereby authorized to enter into a consulting agreement between the LP Entities and Mr. Dennis Skulsky (the "Skulsky Consulting Agreement") substantially in the form attached to the Further Confidential Supplement and that the Skulsky Consulting Agreement is hereby approved.

8. THIS COURT ORDERS that Douglas E.J. Lamb is hereby authorized and directed to execute the Skulsky Consulting Agreement on behalf of the LP Entities.

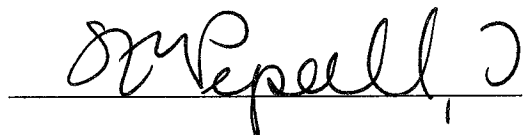
9. THIS COURT ORDERS that the Further Confidential Supplement shall be sealed, kept confidential and shall not form part of the public record, but rather shall be placed, separate and apart from all other contents of the Court file, in a sealed envelope attached to a notice that sets out the title of these proceedings and a statement that the contents are subject to a sealing order and shall only be opened upon further Order of this Court.

10. THIS COURT ORDERS that each of the Applicants and the Monitor be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

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IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C., 1985, c.C-36,
AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CANWEST
PUBLISHING INC./PUBLICATIONS CANWEST INC., CANWEST BOOKS INC. AND
CANWEST (CANADA) INC.

Court File No: CV-10-8533-00CL

APPLICANTS

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

ORDER

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