

**CANWEST GLOBAL
COMMUNICATIONS CORP.
AND THE OTHER
APPLICANTS LISTED ON
SCHEDULE "A"**

**NINETEENTH REPORT
OF FTI CONSULTING CANADA INC.,
IN ITS CAPACITY AS MONITOR OF THE APPLICANTS**

September 23, 2010

**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 PLAN OF COMPROMISE OR
ARRANGEMENT OF CANWEST GLOBAL
COMMUNICATIONS CORP. AND THE OTHER
APPLICANTS LISTED ON SCHEDULE "A"**

**NINETEENTH REPORT OF FTI CONSULTING CANADA INC.
IN ITS CAPACITY AS MONITOR**

September 23, 2010

INTRODUCTION

1. By Order of this Court dated October 6, 2009 (the "**Initial Order**"), Canwest Global Communications Corp. ("**Canwest Global**") and certain of its subsidiaries listed in **Schedule "A"** hereto (collectively the "**Applicants**") obtained protection from their creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36, as amended (the "**CCAA**"). The Initial Order also granted relief in respect of certain affiliated partnerships of the Applicants listed in **Schedule "B"** hereto (collectively, the "**Partnerships**", and together with the Applicants, the "**CMI Entities**") and appointed FTI Consulting Canada Inc. ("**FTI**") as monitor (the "**Monitor**") of the CMI Entities. The proceedings commenced by the CMI Entities under the CCAA will be referred to herein as the "**CCAA Proceedings**".

GENERAL BACKGROUND

2. Canwest carries on business through a number of subsidiaries and until recently was Canada's largest publisher of English language daily and non-daily newspapers. Canwest directly or indirectly owns, operates and/or holds substantial interests in free-to-air television stations and subscription-based specialty television channels, and websites in Canada.
3. Relief in the CCAA Proceedings was obtained by: Canwest Global, its principal operating subsidiary Canwest Media Inc. ("CMI"), certain subsidiary corporations and partnerships of CMI that own and operate Canwest's free-to-air television broadcast business and certain Canadian subscription-based specialty television channels and The National Post Company/La Publication National Post.
4. On October 6, 2009, the CMI Entities obtained the Initial Order which provided for a stay of proceedings until November 5, 2009 (the "Stay Period"). By Orders dated October 30, 2009, January 21, 2010, March 29, 2010, June 8, 2010, and September 8, 2010 the Stay Period was extended until November 5, 2010.
5. The CMI Entities prepared and filed a consolidated plan of compromise, arrangement and reorganization accepted for filing by this Court on June 23, 2010, as restated on July 16, 2010, concerning, affecting and involving Canwest Global, CMI, Canwest Television GP Inc., Canwest Television Limited Partnership, Canwest Global Broadcasting Inc./Radiodiffusion Canwest Global Inc., Fox Sports World Canada Holdco Inc., Fox Sports World Canada Partnership, National Post Holdings Ltd., The National Post

Company/La Publication National Post, MBS Productions Inc., Yellow Card Productions Inc., Global Centre Inc. and 4501063 Canada Inc., as may be amended (the “**Plan**”).

6. On July 19, 2010, an excess of the majority in number and two-thirds in value of the Affected Creditors of the Plan Entities with Proven Voting Claims (as these terms are defined in the Plan) present and voting at the creditors’ meetings voted in favour of approving the Plan. On July 28, 2010, this Court granted an Order sanctioning the Plan (the “**Plan Sanction Order**”).
7. Further background information regarding the CMI Entities and the CCAA Proceedings is provided in, *inter alia*, the affidavit of John E. Maguire sworn October 5, 2009, the Pre-filing Report of the Monitor dated October 5, 2009 (the “**Pre-filing Report**”) and subsequent reports of the Monitor, copies of which have been posted on the Monitor’s website for the CCAA Proceedings at <http://cfcanada.fticonsulting.com/cmi>.

TERMS OF REFERENCE

8. In preparing this report, FTI has relied upon unaudited financial information of the CMI Entities, the CMI Entities’ books and records, certain financial information prepared by, and discussions with, the CMI Entities’ management. FTI has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information and accordingly expresses no opinion or other form of assurance on the information contained in this report.

9. Capitalized terms not defined in this report are used as defined in the Pre-filing Report. Unless otherwise stated, all monetary amounts contained in this report are expressed in Canadian dollars.

PURPOSE OF THIS REPORT

10. The purpose of this Nineteenth Report of the Monitor is to inform and/or provide an update to this Honourable Court on the following:
- (a) the CMI Entities' motion for an Order, *inter alia*:
 - (i) amending certain sections of the Plan and the Plan Sanction Order;
 - (ii) authorizing the CMI Entities to develop and implement a wind-up strategy to effect the liquidation, bankruptcy, winding-up or dissolution of Canwest and of its remaining subsidiaries (the "**Wind-up Strategy**") and to enter into such transactions as are necessary to implement the Wind-up Strategy, all subject to the consent of the Monitor and the Plan Sponsor (as defined in the Plan) or further Order of the Court, and lifting the stay of proceedings for the sole purpose of and to the extent necessary to implement the Wind-up Strategy;
 - (iii) granting the Monitor certain additional powers such that it can fulfill its roles and duties under the Plan, the Plan Emergence Agreement (as defined in the Plan) and the Plan Sanction Order; and

(iv) approving an agreement amending certain provisions of the Plan Emergence Agreement; and

(b) the Monitor's conclusions and recommendations.

11. This report should be read in conjunction with the affidavit of John E. Maguire sworn September 22, 2010 (the "**September 22 Affidavit**") as certain information contained in the September 22 Affidavit has not been included herein in order to avoid unnecessary duplication. A copy of the September 22 Affidavit is available on the Monitor's website for the CCAA Proceedings.

AMENDMENTS TO THE PLAN AND THE PLAN SANCTION ORDER

12. The CMI Entities are seeking certain amendments to the Plan and the Plan Sanction Order to reflect, among other things, advice received from their foreign advisors subsequent to the sanctioning of the Plan, clarify or provide greater certainty to certain provisions of the Plan Sanction Order and streamline them with the corresponding provisions of the Plan, expand some of the powers granted to the Monitor in the Plan Sanction Order, and amend the Canwest Articles of Reorganization attached as Schedule "D" to the Plan, all as described in greater detail in the September 22 Affidavit and the draft Order attached to the CMI Entities' motion record.

13. The Monitor was involved in the discussions with respect to the proposed amendments and supports the CMI Entities' request to amend the Plan and Plan Sanction Order.

WIND-UP STRATEGY

14. The CMI Entities have been working with their counsel and advisors and the Monitor to determine how to wind-up the affairs of the remaining Canwest Subsidiaries (as defined in the Plan). At this time, the CMI Entities, the Monitor, the Plan Sponsor and their respective advisors continue to assess and consider financial information and implications in connection with the refinement of various elements of the Wind-up Strategy.

15. The Wind-up Strategy will likely include solvent dissolutions, liquidations, strike-off applications or other types of winding-up proceedings. In order to effect certain proceedings, it will be necessary for the CMI Entities to enter into transactions to make certain Canwest Subsidiaries solvent, for example, by paying the third party payables of a Canwest Subsidiary in order to qualify for the preferred proceeding. Accordingly, the CMI Entities are seeking the authority to enter into such transactions as are necessary to implement the Wind-up Strategy, including, without limitation and only to the extent necessary, the payment or satisfaction of professional advisory and legal fees, the payment, satisfaction, assumption or forgiveness of intercompany obligations and other obligations of such Canwest Subsidiaries, the making of capital contributions to such Canwest Subsidiaries to allow them to pay such obligations and the transfer of shares or debt of Canwest or a Canwest Subsidiary to Canwest or a Canwest Subsidiary, all subject to the consent of the Monitor and the Plan Sponsor or further Order of this Court. For greater certainty, it is proposed that the stay of proceedings granted by this Court in the Initial Order shall be lifted for the sole purpose and only to the extent necessary to implement the Wind-Up Strategy.

16. At all times, it is intended that the Wind-up Strategy will be implemented in a manner that is in the best interests of the estates of Canwest and its remaining Canwest Subsidiaries. It is contemplated that all payments or capital contributions to be made pursuant to the Wind-up Strategy will be made out the Plan Implementation Fund following the Plan Implementation Date and will not impact the Ordinary Creditors' Pool and Convenience Class Pool (as these terms are defined in the Plan). The Monitor was and continues to be involved in the development of the Wind-up Strategy and the implementation of the Wind-up Strategy (including the payment, assumption, and forgiveness of any obligations) will be subject to the consent of the Monitor and the Plan Sponsor or further order of the Court.

ADDITIONAL MONITOR POWERS

17. In recognition of the resignations of the CMI Entities' directors and officers on the Plan Implementation Date (as defined in the Plan) and at the request of the Monitor, the CMI Entities are requesting this Court to grant certain additional powers to be exercised by the Monitor following the Plan Implementation Date, including taking control of some of the CMI Entities' bank accounts, taking such additional actions and executing such documents as the Monitor considers necessary or desirable in order to facilitate the completion of these proceedings, the winding up of the estates of Canwest and the Canwest Subsidiaries (other than the CTLP Plan Entities (as defined in the Plan)) and the completion of the Wind-up Strategy, completing the resolution of the claims submitted against the CMI Entities under the Claims Procedure Order dated October 14, 2009, as amended by Order dated November 30, 2009, and engage with any and all governmental

tax authorities on behalf of the CMI Entities (other than New Canwest and the CTLP Plan Entities).

18. The draft Order attached to the CMI Entities' motion records contains greater details of the additional powers and corresponding protections that are proposed to be granted to the Monitor. These additional powers were negotiated between the Monitor, the Plan Sponsor and the CMI Entities and have been included at the request of the Monitor to enable it to perform its duties and functions under the Plan, the Plan Sanction Order and the Plan Emergence Agreement following the Plan Implementation Date.

AMENDMENTS TO THE PLAN EMERGENCE AGREEMENT

19. The CMI Entities are also seeking the approval of an agreement amending certain provisions of the Plan Emergence Agreement the form of which will be provided to the Court in advance of the hearing of the CMI Entities' motion. The proposed amendments (as described in greater detail in the September 22 Affidavit) are required to, *inter alia*, clarify the provisions of the Plan Emergence Agreement being amended and allow for certain payments contemplated in the Wind-up Strategy to be made after the Plan Implementation Date.
20. All of the parties to the Plan Emergence Agreement, including the Monitor, were and continue to be involved in the negotiation of the proposed amendments and support the CMI Entities' request to approve same.

RECOMMENDATION AND CONCLUSIONS

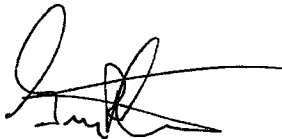
21. The Monitor is advised that the Plan Sponsor, the Ad Hoc Committee and the CMI CRA support the CMI Entities' request to amend the Plan and the Plan Sanction Order in the manner described in the September 22 Affidavit and detailed in the draft Order attached to the CMI Entities' motion record, authorize the CMI Entities to develop and implement the Wind-up Strategy, grant additional powers and protections to the Monitor, and approve amendments to the Plan Emergence Agreement.

22. For the reasons outlined above, the Monitor supports the relief sought by the CMI Entities.

All of which is respectfully submitted this 23rd of September, 2010.

FTI Consulting Canada Inc.,
in its capacity as the Monitor of Canwest Global Communications Corp. and the other
Applicants listed in Schedule "A" and Partnerships listed in Schedule "B"

Per



Greg Watson
Senior Managing Director

Schedule "A"

The Applicants

1. Canwest Global Communications Corp.
2. Canwest Media Inc.
3. 30109, LLC
4. 4501063 Canada Inc.
5. 4501071 Canada Inc.
6. Canwest Finance Inc./Financiere Canwest Inc.
7. Canwest Global Broadcasting Inc./Radiodiffusion Canwest Global Inc.
8. Canwest International Communications Inc.
9. Canwest International Distribution Limited
10. Canwest International Management Inc.
11. Canwest Irish Holdings (Barbados) Inc.
12. Canwest MediaWorks Turkish Holdings (Netherlands) B.V.
13. Canwest MediaWorks (US) Holdings Corp.
14. Canwest Television GP Inc.
15. CGS Debenture Holding (Netherlands) B.V.
16. CGS International Holdings (Netherlands) B.V.
17. CGS NZ Radio Shareholding (Netherlands) B.V.
18. CGS Shareholding (Netherlands) B.V.
19. Fox Sports World Canada Holdco Inc.
20. Global Centre Inc.
21. MBS Productions Inc.
22. Multisound Publishers Ltd.
23. National Post Holdings Ltd.
24. Western Communications Inc.
25. Yellow Card Productions Inc.

Schedule "B"

Partnerships

1. Canwest Television Limited Partnership
2. Fox Sports World Canada Partnership
3. The National Post Company/La Publication National Post

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

Court File No. CV-09-8396-00CL

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GLOBAL COMMUNICATIONS CORP. AND THE OTHER APPLICANTS LISTED ON SCHEDULE
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(COMMERCIAL LIST)**

Proceeding commenced at Toronto

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CANADA INC., IN ITS CAPACITY AS MONITOR**

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