

Sun-Times Media Group, Inc.
Compensation Committee Charter

A. Organization. The Compensation Committee shall be comprised of a minimum of two (2) members of the Board of Directors (the "Board") of Sun-Times Media Group, Inc. (the "Company"), each of whom shall be independent. Each member of the Compensation Committee shall satisfy the independence requirements of the New York Stock Exchange and, if deemed appropriate from time to time, meet the definition of "non-employee director" under Rule 16b-3 under the Securities Exchange Act of 1934, and "outside director" for purposes of Section 162(m) of the Internal Revenue Code of 1986. Compensation Committee members and the Committee Chairman shall be designated, and may be removed and replaced at any time, by the full Board after considering the recommendation of the Nominating & Governance Committee. The duties and responsibilities of a member of the Compensation Committee are in addition to those duties set out for a member of the Board.

B. Statement of Policy. The Compensation Committee shall provide assistance to the Board in fulfilling their responsibility to the shareholders relating to compensation of the Company executives. The Compensation Committee shall have responsibility for developing and maintaining the Company's overall compensation policy. For this purpose, compensation shall include:

- annual base salary;
- annual incentive opportunity;
- stock option or other equity participation plans;
- profit-sharing plans;
- long-term incentive opportunity;
- the terms of employment agreements, severance arrangements, and change in control agreements, in each case as, when and if appropriate;
- any special or supplemental benefits; and
- any other payments that are deemed compensation under applicable SEC rules.

C. Meetings. The Compensation Committee shall meet at least two times per year, or more frequently as circumstances require. The Compensation Committee may ask members of management or others to attend the meeting and provide pertinent information as necessary.

D. Responsibilities. In carrying out its responsibilities, the Compensation Committee believes its policies and procedures should remain flexible in order to best react to changing conditions. In carrying out these responsibilities, the Compensation Committee will:

1. Review its own performance and review and update the Committee's charter annually.
2. Review and make recommendations to the Board on the overriding compensation philosophy for the Company.
3. Review and make recommendations to the Board with respect to the form and amount of compensation of members of the Board.
4. Review and approve corporate goals and objectives relevant to Chief Executive Officer ("CEO") compensation, evaluate the CEO's performance in light of those goals and objectives, and determine and approve the CEO's compensation levels based on this evaluation. The Compensation Committee shall review, determine and approve compensation levels for senior management other than the CEO and report to the Board.
5. As part of its review of executive compensation, the Compensation Committee shall meet annually with senior management to receive management's recommendations concerning performance goals and senior management's evaluation of the Company's progress toward meeting those goals. The Compensation Committee shall also annually review for senior management: (1) employment agreements, severance arrangements and change in control agreements or provisions, in each case, when and if appropriate; and (2) any special or supplemental benefits.
6. In establishing the long-term incentive component of executive compensation, consider the Company's performance and relative shareholder return, the value of similar incentive awards to executives at comparable companies, and the awards given to the Company executives in past years.
7. Make recommendations to the Board with respect to incentive compensation plans and equity-based plans.
8. Approve, ratify and administer awards in accordance with the terms of incentive compensation and equity-based plans.
9. Have the sole authority to retain and terminate any compensation consultant to be used to assist in the evaluation of executive compensation and have sole authority to approve the consultant's fees and other retention terms.
10. Prepare the report required by the rules of the Securities and Exchange Commission to be included in the Company's annual proxy statement or annual report on Form 10-K.
11. Report Compensation Committee actions to the Board with such recommendations as the Compensation Committee may deem appropriate.
12. Conduct or authorize investigations into any matters within the Compensation Committee's scope of responsibilities. The Compensation Committee shall be empowered to retain independent counsel, accountants or other advisers to assist it in the discharge of its responsibilities. The Company shall be responsible for funding all costs of such counsel, accountants and advisers.
13. Perform such other functions as assigned by law, the corporation's charter or by-laws or the Board.