

PURCHASE OPTION AGREEMENT

This Purchase Option Agreement ("Agreement") is entered into as of this ___ day of May, 2005 by and among Providence Equity Partners IV L.P. ("PEP IV"), Providence Equity Operating Partners IV L.P. ("PEOP IV" and, together with PEP IV, "Providence"), Jeffrey E. Trumper ("Trumper"), BlueStone TV Holdings Inc. ("BlueStone") and Aurora Broadcasting, Inc. (the "Company").

RECITALS:

WHEREAS, PEP IV has been issued 329 shares of Common Stock, \$0.01 par value per share of the Company ("Common Stock"); and

WHEREAS, PEOP IV has been issued 1 share of Common Stock; and

WHEREAS, Trumper has been issued 670 shares of Common Stock; and

WHEREAS, in order to induce BlueStone to cause its wholly-owned subsidiary to enter into that certain Asset Purchase Agreement dated as of the date hereof between BlueStone Television Inc. and Sinclair Properties, LLC (the "Asset Purchase Agreement"), Providence and Trumper have agreed, among other matters, to provide BlueStone the rights provided for herein.

NOW THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

1. Grant of Option. Each of Providence and Trumper hereby grants to BlueStone the irrevocable, assignable option (the "Option") to purchase from each of Providence and Trumper, respectively, all of the shares of the Common Stock of the Company now held or hereinafter acquired (the "Subject Shares") by each such party during the Exercise Period (as defined below).

2. Option Price. The aggregate amount payable to Providence or Trumper, as applicable, for the Subject Shares upon proper exercise of the Option (the "Option Price") shall be an amount that reflects the value of the net assets of the Company, including the fair market value of WEMT-TV, as determined in accordance with the methodology described in Schedule A, calculated on a per share value multiplied by the number of shares held by Providence or Trumper, as applicable. The Option Price shall be payable in cash by check or wire transfer of immediately available funds to the account designated by Providence or Trumper, as applicable, in writing.

3. Exercise of Option. (a) The Option may be exercised by BlueStone delivering to Providence or Trumper or each of them a written notice of exercise (the "Option Notice"). Such Option Notice shall be signed by BlueStone, shall set forth the aggregate Option Price to be paid

to each party for the Subject Shares, and shall indicate the estimated date on which the Option Price will be delivered to such party, which date shall not be later than fifteen (15) days after the estimated date that the Federal Communications Commission ("FCC") consents to the transfer of the Subject Shares shall have become a Final Order (as defined in the Asset Purchase Agreement), subject to receipt of the other Required Consents (as hereinafter defined) pursuant to Section 3(c).

(b) Subject to the terms and conditions set forth in this Agreement (including but not limited to Section 3(c) below), BlueStone or its permitted assignee shall have the right to exercise each Option or either of them in full at any time during the Exercise Period. The term "Exercise Period" means the period (A) commencing upon the earliest to occur of (i) death or Disability (as defined in the Consulting Agreement dated as of date hereof between Trumper and the Company) of Trumper, (ii) the termination of Trumper's consulting agreement, (iii) the liquidation, dissolution, or winding up of the Company, (iv) immediately prior to any Change of Control (as defined below) of the Company, BlueStone Television Inc. or BlueStone, (v) the sale, assignment, transfer or other disposition of any Subject Shares except as specifically permitted herein, (vi) a change in the FCC's Local Television Multiple Ownership Rule (the "Rule") or any other fact, event, or circumstance, including BlueStone ceasing to have an attributable interest in any television station in the Tri-Cities TN-VA Designated Market Area that has the effect of permitting BlueStone or its permitted assignee to hold the Subject Shares without violating the Rule and (B) terminating ten (10) years from the date of this Agreement.

As used herein, "Change of Control" shall mean, with respect to any person, a single transaction or group of related transactions between such person and/or its shareholders on the one hand and any third party (or group of related third parties) on the other hand pursuant to which such third party (or third parties) will directly or indirectly (i) acquire securities possessing the voting power to elect a majority of the board of such person, (ii) consummate a merger or consolidation as a result of which the stockholders who own voting securities prior to such transaction(s) shall own less than 50% of the voting securities of the surviving person or its parent or (iii) acquire (by sale, merger, consolidation or similar event) all or substantially all of such person's assets (determined on a consolidated basis) including by way of a transfer of shares or other equity securities of one or more of such person's subsidiaries. The term "person" shall be broadly interpreted to include, without limitation, any individual or any corporation, company, partnership, limited liability company or other entity or any governmental authority or agency, and the term "affiliate" with respect to any person shall mean any person directly or indirectly controlling, controlled by or under common control with such first person.

(c) The Option Price shall be delivered and the transfer of the Subject Shares shall occur as promptly as practicable after BlueStone's receipt or waiver of all necessary and duly obtained consents, approvals, authorizations, and registrations of or filings with (i) the FCC, (ii) the Federal Trade Commission (the "FTC") and the Department of Justice (the "DOJ"), including any filing as may be required under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and (iii) all other persons whose consent or approval is required prior to the valid transfer of the Subject Shares, other than such consents that failure of which to obtain will not have a

material adverse effect on the Company's assets, liabilities, business or financial condition (collectively, the "Required Consents"). The receipt or waiver by BlueStone of the Required Consents shall be a condition to its obligation to purchase the Subject Shares.

4. Delivery of Share Certificates. Subject to the foregoing conditions, Providence and Trumper, as applicable, shall promptly upon receipt of the Option Price deliver any and all stock certificates standing in their name and representing the Subject Shares, together with executed stock powers, to the Company for cancellation and the Company shall cause to be delivered to BlueStone at its principal office one (1) or more certificates evidencing the Subject Shares.

5. Representations of BlueStone. BlueStone hereby represents and warrants to the Company, which representations and warranties shall survive the execution of this Agreement, as follows:

(a) Familiarity with Business; Access to Information. The Company has made available to BlueStone prior to the execution of this Agreement the opportunity to ask questions of and receive answers from representatives of the Company concerning the terms and conditions of the offering of the Common Stock of the Company (the "Common Stock"), and to obtain any additional information necessary to verify the information relative to the financial data and business of the Company to the extent that such parties possessed such information or could acquire it without unreasonable effort or expense.

(b) No Registration. BlueStone understands that (i) it must bear the economic risk of any investment in the Company for an indefinite period of time; (ii) the Common Stock has not been registered under the Securities Act of 1933, as amended ("1933 Act"), and, therefore, cannot be resold until it is subsequently registered under the 1933 Act or unless an exemption from such registration is available; (iii) the Company is under no obligation to register the Common Stock under the 1933 Act or any state securities laws or to supply the information which may be necessary to enable BlueStone to sell the Common Stock and has no present intention to do so; (iv) BlueStone will be responsible for any loss or expense that may be incurred by the Company by reason of any sale or disposition of the Common Stock by BlueStone which involves a violation of the 1933 Act; and (v) Rule 144 under the 1933 Act may not be available as a basis for exemption from registration of the Common Stock.

(c) Accredited Investor; Knowledge and Experience. BlueStone is an "accredited investor" within the meaning of the Regulation D promulgated under the 1933 Act. In addition, the knowledge and experience of BlueStone in financial and business matters are such that it (i) is capable of evaluating the risks of making any investment contemplated herein and has evaluated such risks; (ii) has determined that the Common Stock would be a suitable investment for it; (iii) is familiar with the business to be conducted by the Company and the industry in which such business is conducted; and (iv) is purchasing the Common Stock for investment purposes only and for its own account and not with any view toward the resale or other distribution thereof.

(d) State Securities Laws. BlueStone is organized in the State of Delaware and intends that the securities laws of that state shall govern this transaction.

(e) Reliance on Representations. BlueStone has full knowledge and is aware that the Company intends to rely on the representations and warranties made by BlueStone herein for the purposes of issuing it shares of Common Stock upon exercise of the Option.

6. Representations of Providence and Trumper. Each of PEP IV, PEOP IV, and Trumper, severally but not jointly, hereby represents and warrants to BlueStone as follows:

(a) Authorization; No Conflicts. The execution, delivery and performance by it or him of this Agreement (i) are within its or his power and authority, and (ii) with respect to PEP IV and PEOP IV, has been duly authorized by all necessary limited partnership action and by all other requisite proceedings. Except for the receipt of the Required Consents, which shall be obtained prior to closing upon the exercise of the Option, neither the execution and delivery by Providence or Trumper of this Agreement nor the consummation of the transaction contemplated hereby will (i) violate or conflict with any applicable statute, law, ordinance, rule, regulation, order, judgment, writ, injunction, license, permit or decree applicable to it or him, (ii) conflict with or constitute a violation of or a default (or an event which with notice or lapse of time or both, would constitute a default) under, or will result in the termination of, or accelerate performance required by, any contract to which it or he is a party or to which any of its or his assets or properties are subject, or (iii) require the consent, authorization or approval of, or notice to or filing or registration with, any entity or person whatsoever.

(b) Enforceability. This Agreement constitutes the legally binding obligations of it or him enforceable against it or him in accordance with its terms.

7. Restrictions on Transfer. None of PEP IV, PEOP IV, or Trumper may transfer or assign this Agreement or any of the Subject Shares without BlueStone's prior written consent except, (i) in the case of Providence, to another investment fund affiliated with Providence Equity Partners Inc. and (ii) to Bank of America, as agent for senior lenders, as collateral in connection with credit facilities provided to the Company or in respect of which the Company has guaranteed indebtedness, and to transferees of such lenders (or Bank of America as agent thereof) pursuant to the exercise of rights and remedies under such assignment as collateral so long as each agreement governing the assignment as collateral requires the lenders to obtain any requisite FCC consent or approval prior to the exercise of rights and remedies. Each of Providence and Trumper authorizes the Company to place the following legends on the reverse side of any and all certificates issued representing the Subject Shares:

The shares represented by this certificate have not been registered under the Securities Act of 1933, as amended (the "Act"), or any state securities act. No registration or transfer of such shares will be made on the books of the Company unless such transfer is made in connection with an effective registration statement under the Act

or pursuant to an exemption from the registration requirements of the Act.

The shares represented by this certificate are subject to certain transfer and other restrictions as set forth in a Purchase Option Agreement dated as of May __, 2005, a copy of which is on file at the principal executive offices of the issuer. No registration or transfer of such shares will be made on the books of the Company unless and until such restrictions shall have been complied with.

8. Covenant of the Parties. Each of PEP IV, PEOP IV, Trumper, BlueStone and the Company understands that prior approval of the FCC is necessary before transfer of the Subject Shares may occur. Further, each of PEP IV, PEOP IV, Trumper, BlueStone and the Company covenants and agrees to use its best efforts and to take all actions necessary or appropriate to effectuate the transfer of the Subject Shares upon exercise of either Option, including the preparation, execution and timely filing of any and all applications for consent to the transfer of control or assignment of the Company's FCC licenses or the Subject Shares necessary or appropriate under the FCC's, the FTC's, the DOJ's or any other governmental authority's rules and regulations (including any filing as may be required under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended) and any other filings or actions necessary or advisable to complete the FCC, FTC, DOJ or other approval process successfully. Should any such party fail or refuse to execute any application necessary or appropriate to obtain governmental (including FCC) or third party consent for the transfer of the Subject Shares upon exercise of either Option, such party agrees that any such application may be executed on his or its behalf by the clerk of any competent jurisdiction pursuant to court order without notice to such party.

9. Enforceability; Remedies. If any term or provision of this Agreement, or the application thereof to any person or circumstance, shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or its application to other persons or circumstances, shall not be affected thereby and each term and provision hereof shall be enforced to the fullest extent permitted by law. The parties acknowledge and agree that the rights of the Company under this Agreement are of a unique and special character and that any breach of any of the provisions hereof may cause the non-breaching party irreparable harm. Accordingly, the parties hereby expressly agree that the parties shall be entitled to specific performance as a remedy for any breach of this Agreement in addition to any other remedies to which the Company may be entitled at law or in equity.

10. Governing Law. This Agreement is intended to be performed in the State of Delaware without resort to its conflicts of law rules and shall be construed and enforced in accordance with and governed by the laws and decisions of such State applicable to agreements made and to be performed there. The parties hereby consent to the jurisdiction of the courts of the State of Delaware and the Federal District Court located therein for purposes of any litigation under this Agreement, and hereby waive any objections to venue in any such courts.

11. Termination. This Agreement and each Option created hereby shall terminate automatically without further action of the parties and shall be of no further force and effect from and after 30 days after the expiration of the Exercise Period.

12. Counterparts. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Facsimile signatures shall be deemed to be original for all intents and purposes.

13. Entire Agreement. The parties hereto agree that this Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements and understanding between them as to such subject matter; and there are no restrictions, agreements, arrangements, oral or written, between the parties relating to the subject matter hereof which are not fully expressed or referred to herein.

14. Modification and Waiver; Assignment. This Agreement and any provision hereof may be changed, waived, discharged or terminated only by an instrument in writing signed by Providence, Trumper, and BlueStone. This Agreement and the rights hereunder may only be assigned by BlueStone to any third party that would not be prohibited from holding the Subject Shares by the Rule or any other FCC rule or regulation. This Agreement and the rights hereunder may only be assigned by Trumper upon any transfer of Subject Shares owned by Trumper in accordance with the provisions of that certain Securityholders' Agreement among the Company, Trumper and Providence dated as of the date hereof. Notwithstanding anything to the contrary contained herein, any party may assign this Agreement as collateral to its lender(s) or to an agent thereof or to transferees of such lenders (or Bank of America as agent thereof) pursuant to the exercise of rights and remedies under such assignment as collateral so long as each agreement governing the assignment as collateral requires the lenders to obtain any requisite FCC consent or approval prior to the exercise of rights and remedies thereunder.

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IN WITNESS WHEREOF, the parties hereto have caused this Purchase Option Agreement to be executed by their duly authorized officers as of the date first set forth above.

PROVIDENCE EQUITY PARTNERS IV L.P.

By: Providence Equity GP IV LP,
its General Partner
By: Providence Equity Partners IV L.L.C.,
its General Partner

By: _____
Name: _____
Title: _____

PROVIDENCE EQUITY OPERATING PARTNERS IV L.P.

By: Providence Equity GP IV LP,
its General Partner
By: Providence Equity Partners IV L.L.C.,
its General Partner

By: _____
Name: _____
Title: _____

Jeffrey Trumper

BLUESTONE TV HOLDINGS INC.

By: _____
Name _____
Title _____

AURORA BROADCASTING, INC.

By: _____
Name _____
Title _____