

QUINCY NEWSPAPERS, INC.

February 21, 2014

Mr. Louis Wall  
SagamoreHill of Duluth, LLC  
525 Blackburn Drive  
Augusta, GA 30907

Dear Mr. Wall:

1. Reference is hereby made to: (a) the Asset Purchase Agreement, dated as of February 10, 2014, and attached hereto as Exhibit A (the "Purchase Agreement"), by and between Granite Broadcasting Corporation and certain of its subsidiaries listed therein ("Seller") and Quincy Newspapers, Inc. ("Quincy") and SagamoreHill of Indiana, LLC (collectively with Quincy, "Buyer"); (b) the Option Agreement dated as of the date hereof (the "Option Agreement") by and among Quincy, SagamoreHill of Duluth, LLC ("SHB") and SagamoreHill of Duluth Licenses, LLC ("SHB Licensee", and together with SHB, "SagamoreHill"), and Louis Wall ("Wall"); and (c) the Shared Services Agreement dated as of the date hereof (the "Shared Services Agreement") by and between Quincy and SagamoreHill.

2. Concurrently with the execution and delivery of this Letter Agreement and pursuant to the terms and subject to the conditions of the Purchase Agreement, Quincy is assigning and delegating to SHB the right to acquire from Seller certain assets relating to the ownership and operation of television broadcast station KDLH(TV), Duluth, MN (the "Station"), including certain material FCC-related and operating assets relating to the Station and set forth on Schedule 1 hereto, and the assumption of those certain liabilities corresponding thereto (the "Duluth Licensee Assets"). SHB will thereafter assign the FCC Licenses listed on Schedule 1 hereto to SHB Licensee. The initial purchase price with respect to the Duluth Licensee Assets to be acquired by SHB is set forth on Schedule 1.4 of the Purchase Agreement, which may be adjusted prior to the closing date of the transactions contemplated by the Purchase Agreement (the "Purchase Price"). For purpose of clarity and avoidance of doubt, the Purchase Price projected as of the date hereof and assuming a September 1, 2014, closing date would be Two Million Nine Hundred Sixteen Thousand Dollars (\$2,916,000.00). The Purchase Price shall be payable by SHB to Seller in cash (by wire transfer of immediately available funds).

3. Pursuant to the Purchase Agreement, and subject to the prior consent of the FCC, SHB will acquire the certain assets relating to the Station, and upon the closing of the transactions contemplated by the Purchase Agreement relating to the Station (the "Closing"), SHB Licensee will be the licensee of the Station. Accordingly, each of SagamoreHill and Quincy desire to set forth certain mutual understandings and agreements in connection with the anticipated filing of the FCC applications and, following and subject to obtaining the necessary FCC consents, implementing the Closing.

4. SagamoreHill hereby agrees to use its commercially reasonable efforts to cooperate with the other parties to the Purchase Agreement to complete SHB Licensee's portion of the application(s) requesting the consent of the Federal Communications Commission (the "FCC") to the assignment of the FCC licenses for the Station ("FCC Licenses") to SHB Licensee (the "FCC Consent") and, together with the other persons who are required to join in such filings, jointly submit such application(s) to the FCC as contemplated by the Purchase Agreement. SHB Licensee will diligently take, or cooperate in taking, all reasonable steps that are necessary, proper or desirable to expedite the preparation and submission of such application(s) for FCC Consent and its prosecution to final order and to obtain any extension of the effectiveness of any FCC Consent which may be required in order to permit the assignment of the FCC Licenses to be consummated pursuant to the Purchase Agreement and this Letter Agreement. SHB Licensee will provide Quincy and Seller with a copy of any pleading, order or other document served on SHB relating to any such application(s). SagamoreHill will not take any action which is intended to or which would reasonably be likely to materially or adversely affect the likelihood of the grant of the FCC Consent or the FCC Consent becoming a final order. Notwithstanding anything to the contrary contained herein, between the date hereof and the Closing, SagamoreHill shall use its commercially reasonable efforts to obtain the FCC Consent. For the avoidance of doubt, the parties hereto understand and agree that nothing contained in this Section 4 shall expand, contract, amend, or otherwise alter the rights and obligations of the parties contained in the Purchase Agreement.

5. SagamoreHill further agrees to cooperate with the parties to the Purchase Agreement in taking all commercially reasonable actions in connection with obtaining any consents required in connection with the transfer of the Duluth Licensee Assets relating to the Station to SagamoreHill pursuant to the Purchase Agreement. SHB agrees to provide Quincy with prompt notification and copies of all notices from Seller, or any other party, provided to SHB pursuant or relating to the Purchase Agreement.

6. Quincy agrees to promptly pay or reimburse SagamoreHill, upon invoicing with reasonable documentation, for all of its reasonable costs and out-of-pocket expenses, including filing fees and reasonable attorneys' fees, incurred in connection with (a) SagamoreHill's compliance with its obligations pursuant to this Letter Agreement and (b) the preparation and negotiation of the documents referenced in this Letter Agreement.

7. Each of SagamoreHill and Quincy shall ensure that the other is provided with no less than five (5) business days prior written notice of the Closing.

8. Notwithstanding anything in this Letter Agreement to the contrary, and subject to (y) obtaining and entering into a credit agreement or other financing arrangement in connection with the financing of the purchase of the Duluth Licensee Assets relating to the Station under the Purchase Agreement, pursuant to which Quincy, or an affiliated party, has agreed in writing to guarantee the indebtedness of SagamoreHill thereunder (an "Acquisition Financing Arrangement") prior to the Closing, and (z) Quincy's compliance and performance with all representations, warranties, covenants and obligations of Quincy hereunder and under the Purchase Agreement, SagamoreHill agrees to (a) acquire the Duluth Licensee Assets from Seller and to assume and become responsible to pay, satisfy, perform and discharge as and when due the corresponding Assumed Obligations (as defined in the Purchase Agreement) relating to the Station from and after the Closing, (b) pay to Seller via wire transfer in immediately available

funds an amount equal to SHB's allocated portion of the Purchase Price as provided in the Purchase Agreement, and (c) execute and deliver such bills of sale, assignment and assumption agreements and such other documents or instruments as Quincy and Seller shall reasonably request or deem reasonably necessary to carry out the purposes of this Letter Agreement and the Purchase Agreement, to the extent not inconsistent with this Letter Agreement or the Purchase Agreement. The parties acknowledge and agree that, except as specifically set forth herein, SHB is not assuming any other obligations of Quincy under the Purchase Agreement.

9. The parties acknowledge and agree that exclusive of the Purchase Price to be paid by SHB pursuant to (a) Paragraph 2 above with respect to the Duluth Licensee Assets and (b) pursuant to that certain letter agreement of even date herewith with respect to station WPTA, Ft. Wayne, Indiana, Quincy shall be solely responsible for the payment of amounts due and payable at Closing under the Purchase Agreement.

10. Subject to the terms and conditions of Paragraph 8 above, in connection with the Closing, SHB and SagamoreHill shall further cooperate with the parties to the Purchase Agreement by furnishing additional information, executing and delivering any additional documents and/or instruments, and doing any and all such other things as may be reasonably requested by the parties or their counsel to consummate or otherwise implement the transactions contemplated by the Purchase Agreement relating to the Duluth Licensee Assets and the Station.

11. Quincy and SHB and SagamoreHill shall each cooperate with one another and use commercially reasonable efforts to secure an Acquisition Financing Arrangement with respect to the payment of obligations of SHB at the Closing in connection with its acquisition of the Duluth Licensee Assets.

12. From and after the date hereof, Quincy or its successors or assigns shall defend, indemnify and hold harmless SHB from and against any and all losses, costs, damages, claims, suits, actions, judgments, liabilities and expenses, including reasonable attorneys' fees and expenses ("Damages") incurred by SHB arising out of or resulting from (a) the performance of SHB's obligations under the Purchase Agreement (without limiting the obligations of SHB pursuant to this Letter Agreement), (b) any act or omission, event or occurrence that was or shall be caused by Quincy, its agents or affiliates (including any predecessor in interest thereto) relating to the Purchase Agreement or (c) the performance of SHB or SagamoreHill's obligations under this Letter Agreement; provided, however, that this Section 12 shall not extend to Damages to the extent arising out of or resulting from a breach by SagamoreHill of its representations, warranties, covenants or agreements in this Letter Agreement or from the gross negligence or willful misconduct of SagamoreHill or any of their employees, agents or affiliates. Any claims for indemnification pursuant to this Section 12 shall be made and conducted in accordance with the procedures set forth on Exhibit B. This Section 12 shall survive any termination of this Letter Agreement.

13. As of the date hereof and as of the Closing, each party hereto hereby makes the following representations and warranties to the other party hereto:

(a) Such party has the legal right and requisite power and authority to make and enter into this Letter Agreement and, in the case of Quincy and SHB, the Purchase Agreement, and to perform its obligations hereunder and thereunder and to comply with the

provisions hereof and thereof. The execution, delivery and performance of this Letter Agreement, the Option Agreement, and the Shared Services Agreement (collectively, the "Transaction Documents") by such party has been duly authorized by all necessary company action on its part. The execution, delivery and performance of this Letter Agreement by such party does not and will not contravene the charter, bylaws or other organizational documents of such party. The Transaction Documents have been duly executed and delivered by such party and constitute the valid and binding obligation of such party enforceable against it in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, moratorium or other similar laws affecting the rights of creditors generally and except that the availability of equitable remedies, including specific performance, is subject to the discretion of the court before which any proceeding therefor may be brought.

(b) The execution, delivery and performance of the Transaction Documents by such party, and the compliance by such party with the provisions hereof and thereof, do not and will not (with or without notice or lapse of time, or both) conflict with, or result in any violation of, or default under, or give rise to any right of termination, cancellation or acceleration of any obligation under any lien or credit agreement, note, bond, mortgage, indenture, lease or other agreement, instrument, permit, concession, franchise, license, judgment, order, decree, statute, law, ordinance, rule or regulation applicable to such party or any of its properties or assets, other than any such conflicts, violations, defaults, or other effects which, individually or in the aggregate, do not and will not prevent, restrict or impede such party's performance of its obligations under and compliance with the provisions of the Transaction Documents and the other documents executed in connection herewith and therewith.

(c) Subject to obtaining the necessary FCC Consent and HSR Clearance (the latter as defined in the Purchase Agreement), no consent, approval, order or authorization of, or registration, declaration or filing with, any governmental or regulatory authority or any other person or entity (other than any of the foregoing which have been obtained and, at the date in question, are then in effect) is required under existing laws as a condition to the execution, delivery or performance of this Letter Agreement by such party.

14. As of the date hereof and as of the Closing, SagamoreHill hereby makes the following additional representations and warranties to Quincy:

(a) SagamoreHill is legally, financially and otherwise qualified under the Communications Act and the FCC Rules to acquire the Duluth Licensee Assets from Seller. There is no fact or condition known to SagamoreHill and related to SagamoreHill that would, under the Communications Act and the FCC Rules, disqualify SHB Licensee as owner and operator of the Station. Other than proceedings of general applicability, there are no suits, arbitration, administrative charges or other legal proceedings, claims or governmental investigations pending or, to SagamoreHill's knowledge, threatened against SagamoreHill, related to SagamoreHill that would materially adversely affect its qualification to hold an FCC license or its ability to purchase and acquire the Duluth Licensee Assets nor, to SagamoreHill's knowledge, is there any basis related to SagamoreHill for any such suit, arbitration, administrative charge or other legal proceedings, claim or governmental investigation. SagamoreHill has not been operating under or subject to, or in default with respect to, any order, writ, injunction or decree of any court or federal, state, municipal or other governmental

department, commission, board, agency or instrumentality which would have an adverse effect on SagamoreHill's ability to enter the Transaction Documents.

(b) Each entity comprising SagamoreHill is a Delaware limited liability company. Wall is the sole member and manager of SagamoreHill. There are no outstanding subscriptions, warrants, options, calls, commitments or other rights to purchase or acquire any equity or debt interests, or any securities convertible into or exchangeable for any equity or debt interests, in SagamoreHill. Prior to the date hereof, SagamoreHill has not engaged in any business and does not have any liabilities or obligations, except those liabilities and obligations incurred in connection with its organization, the negotiation, execution, delivery and performance of the Transaction Documents and the transactions contemplated hereby and thereby and incidental expenses incurred in connection therewith.

15. Termination. This Letter Agreement may be terminated as follows:

(a) prior to the Closing upon the mutual written agreement of SagamoreHill and Quincy;

(b) automatically and without further action of the parties upon termination of the Purchase Agreement for any reason; provided that except as otherwise provided herein, termination of this Letter Agreement shall not relieve any party of any liability for breach or default under this Letter Agreement prior to the date of termination. Notwithstanding anything to the contrary, termination of this Letter Agreement shall not relieve any party of any obligation, including payment obligations, that shall have accrued prior to the date of such termination. In the event that this Letter Agreement shall terminate pursuant to Section 15 hereof, the Option Agreement and the SSA shall be deemed terminated automatically without further action of the parties; or

(c) at Quincy's option, prior to Closing, consistent with Schedule 1.10(e) of the Purchase Agreement.

16. Miscellaneous

(a) Nothing in this Letter Agreement, whether express or implied, shall be construed to give any person or entity, other than the parties hereto, any legal or equitable right, remedy or claim under or in respect of this Letter Agreement.

(b) This Letter Agreement shall be governed by, and construed in accordance with, the laws of the State of Illinois, without regard to the conflicts of law rules of such State.

(c) This Letter Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. The delivery of this Letter Agreement by facsimile or other electronic transmission will be deemed to be an original of the Letter Agreement so transmitted.

(d) If one or more provisions of this Letter Agreement are held to be unenforceable under applicable law, portions of such provisions, or such provisions in their entirety, to the extent necessary, shall be severed from this Letter Agreement, and the balance of

this Letter Agreement shall be enforceable in accordance with its terms, so long as no party is deprived of the benefits hereunder in any material respect.

(e) The section headings used in this Letter Agreement are for reference purposes only and shall not affect the meaning or interpretation of any term or provision of this Letter Agreement.

(f) Without intending to limit the remedies available to any of the parties hereto, each of the parties hereto acknowledges and agrees that a breach by such party of any provision of this Letter Agreement will cause the other party hereto irreparable injury for which an adequate remedy at law is not available. Therefore, the parties hereto agree that in the event of any such breach each such party shall be entitled to an injunction, restraining order or other form of equitable relief from any court of competent jurisdiction restraining any other party hereto from committing any breach or threatened breach of, or otherwise specifically to enforce, any such provision of this Letter Agreement, and without any requirement of proving actual damages or posting any bond or other security, in addition to any other remedies that such parties may have at law or in equity.

(g) NO PARTY HERETO SHALL BE LIABLE TO ANY OTHER FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES (EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES).

(h) This Letter Agreement and the exhibits and attachments hereto, the Option Agreement and the SSA collectively represent the entire understanding and agreement between the parties with respect to the subject matter hereof and thereof and supersede all prior agreements with respect to the subject matter hereof and thereof.

(i) Quincy may, with written notice to SHB, assign its rights and obligations under this Letter Agreement to an affiliated entity of Quincy.

[SIGNATURE PAGE FOLLOWS]

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If the foregoing correctly sets forth our understanding, please so indicate by signing below.  
Upon execution and delivery by all of the undersigned, this Letter Agreement shall become a legal and binding agreement among the parties hereto.

**QUINCY NEWSPAPERS, INC.**

By: \_\_\_\_\_  
Name: Ralph M. Oakley  
Title: President

**SAGAMOREHILL OF DULUTH, LLC**

By: \_\_\_\_\_  
Louis Wall  
Member/Manager

**SAGAMOREHILL OF DULUTH LICENSES, LLC**

By: \_\_\_\_\_  
Louis Wall  
Member/Manager

**LOUIS WALL**

\_\_\_\_\_  
(In his individual capacity)

**Exhibit A**  
**Purchase Agreement**

[See Attached]