

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following management's discussion and analysis of Multiplied Media Corporation's (the "Company" or "Multiplied Media") financial condition and results of operations is a review of the Three month period ended September 30, 2008 and results compared with the same periods of the previous year. The discussion and analysis should be read in conjunction with the audited financial statements and Management's Discussion and Analysis for the period ended December 31, 2007, which are prepared in accordance with Canadian generally accepted accounting principles. The discussion is intended to provide both a historical and prospective analysis of Multiplied Media's activities. Any estimates are based on assumptions of future events and may be subject to change.

The discussion and analysis for the period ended September 30, 2008 is prepared and contains disclosure of material changes occurring up to and including December 1st, 2008.

Forward-looking Statements

Management's discussion and analysis contains forward-looking statements related to management's intentions and plans concerning future financing and investing activities, and the sufficiency of working capital to continue operations. These statements reflect Management's view with respect to future events. Assumptions made herein, with respect to these future events, are subject to certain uncertainties and factors which could cause actual results or events to differ materially from those implied by these forward-looking statements. Although the Company believes that the forward-looking statements contained herein are reasonable, no assurance can be given that its expectations are correct and that the results, performance or achievements expressed in, or implied by, forward-looking statements within this disclosure will occur, or if they do, that any benefits may be derived from them. All forward-looking statements are expressly qualified in their entirety by this cautionary statement.

Overview

Multiplied Media Corporation (TSXV: MMC) has developed and operates Poynt, the first local search service that works over Microsoft Windows Live™ Messenger in the United States and Canada and AOL Instant Messenger in the United States. The 24-hour service allows consumers to search business information for consumer goods they want to buy locally, at the moment they are interested in finding the information or purchasing the goods or services. The Company is currently focused on partnering with operators of local directory service providers commonly known as yellow pages publishers.

In partnering with yellow page publishers, Multiplied Media provides the development and operation of automated search agents, which includes the design, software coding, data integration, testing, provisioning of these automated search agent applications and the ongoing operation of these applications. The directory service partner provides the marketing to local businesses, collects/manages merchant information, assists with integrating the merchant information into the automated search agent application and may deliver ongoing promotion of the automated search agent service to consumers.

Third Quarter Highlights

- 9,480,000 common shares were issued during a non-brokered private placement resulting in gross proceeds of \$474,000.
- Additional financing in the amount of \$300,000 was arranged
- Announced the availability of Poynt for the BlackBerry Bold, as well as integrated video functionality.
- Andrew Osis was named Chief Executive Officer and John Lowe stepped into the role of President.
- Announced a strategic alternatives review to maximize shareholder value as well as the termination of the Idearc Media agreement in the United States. The Idearc agreement has since been reinstated.
- Subsequent to the end of the quarter, Multiplied's flagship product, Poynt Local Search, won the grand prize at the BlackBerry Developers Challenge, providing additional exposure for the service. Because of this exposure, the mobile user count has grown to surpass 23,500, with the total user count surpassing 130,000 across all services.

FINANCIAL SUMMARY	Sept 30, 2008	Sept 30, 2007
Liquidity and Capital Resources		
Current Assets	\$ 279,546	\$ 5,841,266
Current Liabilities	\$ 760,923	\$ 790,729
Total Assets	\$ 3,001,145	\$ 8,401,030

Quarterly Results	Three Months Ended Sept 30		Nine Months Ended Sept 30	
	2008	2007	2008	2007
Revenues	\$ 40,140	\$ 1,043	\$ 54,454	\$ 6,192
Salaries & Consulting	\$ 558,973	\$ 515,063	\$ 2,060,219	\$ 1,491,012
Total Expenses	\$ 1,135,464	\$ 1,170,051	\$ 4,550,279	\$ 3,473,657
Capital Expenditures	\$ (134,662)	\$ 342,228	\$ 555,994	\$ 946,298
Shares Outstanding				
Basic	69,458,296	59,978,296	69,458,296	59,978,296
Diluted	76,579,579	66,152,078	76,579,579	66,152,078

Summary of Quarterly Results

Quarter ended	Sep 30, 2008	Jun 30, 2008	Mar 31, 2008	Dec 31, 2007
Net sales	\$ 40,140	\$ 13,660	\$ 654	\$ 946
Net loss from operations	\$ (1,061,132)	\$ (1,531,046)	\$ (1,702,096)	\$ (1,664,242)
Loss per share – Basic	\$ (0.02)	\$ (0.02)	\$ (0.03)	\$ (0.03)
Total assets	\$ 3,001,145	\$ 4,029,962	\$ 4,918,216	\$ 6,610,620
Total liabilities	\$ 760,923	\$ 746,121	\$ 585,618	\$ 638,534

Quarter ended	Sep 30, 2007	Jun 30, 2007	Mar 31, 2007	Dec 31, 2006
Net sales	\$ 1,043	\$ 1,680	\$ 3,469	\$ 375
Net loss from operations	\$ (1,120,347)	\$ (1,172,417)	\$ (1,105,271)	\$ (551,235)
Loss per share – Basic	\$ (0.02)	\$ (0.03)	\$ (0.02)	\$ (0.01)
Total assets	\$ 8,401,030	\$ 2,267,657	\$ 3,189,714	\$ 4,290,295
Total liabilities	\$ 790,729	\$ 753,607	\$ 565,847	\$ 547,538

Results of Operations

Revenues

For the three months ended September 30, 2008, the Company generated revenue of \$40,140 and interest income of \$34,192, compared to \$1,043 and \$48,661, respectively, for the same period in the prior year. Net loss for the quarter was \$1,061,132 compared to \$1,120,347 for the same period of 2007.

Operating Expenses

Operating expenses for the three months ended September 30, 2008 were \$1,135,464 compared to \$1,170,051 for 2007. The \$34,587 (3%) was as a result of changes in the following:

- Salary and consulting fees were relatively stable and only increased by \$43,910. For the three month period ended September 30, 2008, the Company's Chief Executive Officer and Chief Financial Officer received management fees totaling \$39,000. These fees were considered to be executive compensation. During the third quarter of 2008, the Company incurred salary and consulting fees of \$558,973 (2007 - \$515,063), which represented 49% (2007 - 44%) of total operating expenses for the quarter.
- Advertising and promotion expenses decreased by \$226,377. The Company will further invest in advertising and marketing activities to increase public awareness and usage of the Company's services in Canada and the U.S. during 2009.
- Stock-based compensation expenses decreased by \$4,423. Administration, occupancy and insurance expenses increased by \$63,702. The increase was related primarily to the increase of office space in Calgary, Alberta and Thornton, Ontario.
- Professional fees decreased in the quarter by \$10,231 over the same period last year, to 39,817. Professional fees are comprised of ongoing costs with respect to compliance with regulatory requirements as a result of listing on the TSX Venture Exchange.
- Amortization for the third quarter of 2008 increased by \$23,508 to \$39,537. During the three month period ended September 30, 2008, the company amortized \$218,981 (2007 - \$67,569) in deferred development costs. Amortization costs increased as a result of commercial operations in the US and Canada, and the launch of the blackberry system.
- During the third quarter, the Company received a refund from Revenue Canada for Scientific Research and Experimental Development expenditures made during 2006. A portion of that refund was related to expensed items. As a result a recovery of \$76,088 was made in the third quarter.

Deferred development costs

The Company has certain projects that meet the criteria for deferral and amortization of development costs. Development costs are capitalized for clearly defined, technically feasible technologies which management intends on producing and promoting to an identified future market, and resources exist or are expected to be available to complete the project. During the three month period ended September 30, 2008, the Company deferred \$134,437 for costs related to development of new systems for identified future markets. Amortization of development costs commences when commercial use of the product or process begins. The amounts incurred and amortized for deferred development costs are as follows:

Summary of Deferred Development Costs	1 st Quarter March 31	2 nd Quarter June 30	3 rd Quarter Sept 30	Total
Fiscal year 2008				
Balance, beginning of period	\$ 2,353,266	\$ 2,335,986	\$ 2,381,432	\$ 2,353,266
Additions	213,388	276,114	134,437	623,939
Amortization	(230,668)	(230,668)	(214,600)	(675,936)
Scientific Research and Experimental Development refund			(271,821)	(271,821)
Balance, end of period	\$ 2,335,986	\$ 2,381,432	\$ 2,029,448	\$ 2,029,448
Deferred Development Costs - Additions				
	1 st Quarter March 31	2 nd Quarter June 30	3 rd Quarter Sept 30	Total
Fiscal year 2008				
Consulting expenses (recovery)	\$ (26,374)	\$ 26,682	\$ 168,431	\$ 168,739
Salaries and stock based compensation directly related to development	239,762	249,432	(33,994)	455,200
Total	\$ 213,388	\$ 276,114	\$ 134,437	\$ 623,939

Liquidity and capital resources

As at September 30, 2008, the Company had cash of \$18,811 (2007 – \$17,082) and short term investments in GICs of \$50,000 (2007 - \$5,565,000). During the third quarter of 2008, the Company had cash outflow of \$199,505 as compared to an inflow of \$5,527,401 for the prior year.

Subsequent to the end of the third quarter the Company has further reduced its budget to approximately \$62,500 per month, or \$750,000 annually. The continuation of the Company's operations is dependent on the Company's ability to obtain additional financing. The Company is currently pursuing financing alternatives with investors. No agreements have as of yet been reached and there can be no assurance that such agreements will be reached, nor that financing efforts will be successful.

Operating Activities

For the nine month period ended September 30, 2008, the Company utilized \$324,610 cash in operating activities, compared to \$1,284,914 for the same period in the prior year. The Company will manage its cash outflow through increases in revenue, monitoring of expenditures and redemption of short term investments.

Investing Activities

Cash generated by investing activities for the three month period ended September 30, 2008 was \$134,662 compared to an expenditure of \$342,228 for the same period in 2007. The cash generated in the third quarter investing activities was related to the Company's receipt of a refund from CRA relating to the SRED program.

Activities Subsequent to September 30, 2008

Subsequent to September 30, the Company was awarded the Grand Prize at the BlackBerry Developers Challenge for their flagship product, Poynt Local Search. The competition, sponsored by the BlackBerry Partners Fund™, attracted entries from around the globe. A non-brokered private placement was closed resulting in gross proceeds of \$130,000.

Outstanding Share Data

As of September 30, 2008, the Company had 69,458,296 issued common shares. In addition, there were 5,685,698 options and 1,435,585 compensation options outstanding with exercise price ranging between \$0.10 and \$0.69 per share.

Change in Accounting Policies

There have been no significant changes to the Company's critical accounting policies and estimates since December 31, 2007, except as noted below.

Effective January 1, 2008 the Company adopted the new CICA Handbook accounting requirements for Section 1535 "Capital Disclosures," Section 3862 "Financial Instruments - Disclosures" and Section 3863 "Financial Instruments - Presentation." In accordance with the transitional provisions for these new standards, these policies were adopted prospectively without restatement of prior periods.

Capital Disclosures

CICA Handbook Section 1535 "Capital Disclosures" requires the disclosure of the Company's objectives, policies and processes for managing capital.

Financial Instruments

CICA Handbook Section 3862 "Financial Instruments - Disclosure" and Section 3863 "Financial Instruments - Presentation" replace Section 3861 "Financial Instruments - Disclosure and Presentation" effective January 1, 2008 for the Company. Section 3862 requires the disclosure of information to allow users to evaluate the significance of the financial instruments on the entity's financial position and performance and the nature and extent of risks arising from financial instruments and how the entity manages those risks. Section 3863 deals with the classification of financial instruments, related interest, dividends, losses and gains, and the circumstances in which financial assets and financial liabilities are offset.

Future Accounting Changes

Section 3064 "Goodwill and Intangible Assets"

Effective for interim and annual financial statements for fiscal years beginning on or after October 1, 2008, the new CICA Handbook Section 3064 will replace Section 3062 "Goodwill and Other Intangible Assets" and Section 3450 "Research and Development Costs." This section establishes standards for the recognition, measurement, presentation and disclosure of goodwill and intangible assets including internally generated intangible assets. This new section is effective for the Company beginning January 1, 2009. The Company is currently assessing the impact of adoption of this new accounting policy standard.

International Financial Reporting Standards (IFRS)

In 2006 the Accounting Standards Board (AcSB) published a new strategic plan that will significantly affect financial reporting requirements in Canada. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over a five-year transition period with adoption required effective January 1, 2011. While the Company has begun assessing the adoption of IFRS for 2011, the financial impact of the transition to IFRS cannot be reasonably estimated at this time.

Critical Accounting Policies and Estimates

The preparation of the Company's financial statements requires estimates and judgments that affect the reported amounts of assets, liabilities, equity, revenues and expenses, and related disclosure of contingencies. Management evaluates the assumptions and estimates, including those related to deferred development costs, intangible assets and stock based compensation. Management bases its estimates on historical experience and on various other assumptions believed to be reasonable under the circumstances. The results of those estimates form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. The actual results might differ materially from these estimates under different assumptions or conditions. Management believes the following critical accounting policies affect the more significant judgments and estimates used in the preparation of the financial statements.

Intangible assets and deferred development costs

Intangible assets are presented at cost less accumulated amortization, computed using straight-line method based on estimated useful lives ranging from ten to twenty years. The Company amortizes intangible assets on a systematic basis to reflect the pattern in which the economic benefits of the asset are consumed, if that basis can be reliably determined. The expected useful life is the period over which the intangible asset contributes directly or indirectly to future cash flows. Management determines the useful lives of intangible assets based on a number of factors, which include legal, regulatory or contractual limitations, known technological advances and the presence of competition. A significant change in these factors may require a revision of the expected remaining useful life of an intangible asset, which could have a material effect on results of operations.

The Company evaluates intangible assets annually for impairment, or more frequently if events or changes in circumstance indicate that the carrying amounts of these assets may not be recoverable. Impairment testing is an assessment of fair value based on potential indicators of impairment, such as obsolescence, market potentials, plans to discontinue use or restructure, and poor financial performance compared with original plans. Impairment exists when the carrying amount of an asset is not recoverable and its carrying amount exceeds its estimated fair value.

Deferred development costs consist of direct expenditures related to the Company's research and development projects. Expensing of research and development costs takes place in the current period unless they meet generally accepted accounting criteria for deferral and amortization. The Company assesses whether these costs have met the relevant criteria for deferral and amortization at each reporting date. Deferred development costs are subject to the same impairment testing as intangibles assets.

Stock based compensation

The Company has adopted the fair value-based method for recognizing non-cash stock based compensation. The Company uses the Black-Scholes option pricing model to calculate stock option values, which requires certain assumptions related to the expected life of the option, forfeiture rate, volatility, risk-free interest rate and dividend yield. The expected life of an option is based on three years vesting period according to the Company's stock option plan. When estimating volatility, the Company considers historical volatility of common shares of the Company and other enterprises in the same industry. The basis of the risk-free interest rate is the interest rate of three year Government of Canada bond at option grant date. The basis of the dividend yield is the expected annual dividend rate at the time of grant. Changes to any of

these estimates or assumptions, or the use of a different option-pricing model could produce a different fair value for stock based compensation expense, which could have a material effect on the results of operations.

Risk and Uncertainty

The Company's business involves a high degree of risk that a combination of experience, knowledge and careful evaluation may not overcome. Due to the Company's limited history of operations and no history of earnings, there can be no assurance that the Company will be successful or be profitable. In addition to the risks described elsewhere in this report, the Company is subject to each of, the cumulative effect of, and all of, the following risk factors:

Competition

The Company operates in an environment with rapidly changing technology. It faces competition from other companies with greater financial resources and larger marketing organizations. All companies in this industry are subject to competition and technological advances which can render existing products or services obsolete or unmarketable.

Dependence on key personnel and products

Although the Company is staffed by experienced senior management and personnel, it is substantially dependent upon the services of a few key senior officers and technical personnel. The loss of the services of any of these staff members could have an adverse material effect on the business of the Company.

Risk of inability to effectively manage future growth and expansion

The Company's growth continues to place significant demands on its management and other resources. Future results of operations will depend, in part, on the ability of its officers and other key employees to implement and expand operations, customer support, and financial control systems. The Company's future performance will also depend to a significant extent on its ability to identify, attract and retain highly skilled sales, technical, marketing and management personnel.

Potential fluctuations in quarterly results

The Company's quarterly operating results may vary significantly depending on factors such as timing of new product introductions, competition, and market acceptance of new and enhanced versions of the Company's products. Since the Company's operating expenses are based on anticipated revenues and certain expenses are relatively fixed in the short term, variations in revenues can cause significant fluctuations in operating results from quarter to quarter. The market price of the Company's common shares may be highly volatile in response to such quarterly fluctuations.

Finite financial resources and the potential need for future financing

The Company will require additional financing to pursue its operations, to make further investments or take advantage of unanticipated opportunities. The ability of the Company to obtain such financing will depend in part upon prevailing capital market conditions. There is no guarantee that the Company will be successful in obtaining additional funding.

Changes in the regulatory environment

From time-to-time governments may review the legislation and regulations applied to the industry. Such review could result in the enactment of new laws and/or the adoption of new

regulations in Canada, which might adversely impact businesses in Canada in general and consequently, may threaten our growth prospects. The Company regularly reviews its risk management practices to offset these risk factors to the greatest extent possible.

Outlook

Despite the volatile financial markets, Multiplied Media continues to build momentum towards achieving the many objectives set for the fourth quarter of 2008. With winning the grand prize award at the Blackberry Developer Conference, the reinstatement of the US instant messenger distribution deal with Idearc, and the growth in our user base during the past few weeks, the Company is poised to generate sufficient revenues in 2009 to be break even.

Negotiations are presently ongoing with Idearc Media to expand their agreement to include searches performed on mobile devices. Additionally, the Company has been in negotiations with a U.S. search engine company to integrate the Poynt platform into their existing online search service. This strategic alliance will provide significant revenues and traction for the Company in 2009.

Internationally, work on the German deployment of Poynt is nearing a close and is expected to roll out just after year end. Discussions continue in Mexico and Brazil and agreements are expected in the near term.

Additional Information

Additional information about Multiplied Media Corporation is available from the Company's website at www.multiplied.com and through Sedar at www.sedar.com.