

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 March 31, 2009 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, 2008, 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 March 31, 2009 is prepared and contains disclosure of material changes occurring up to and including June 1, 2009.

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, an all-in-one local search tool available for BlackBerry smartphones in Canada, the United States and Germany. The 24-hour service connects consumers to local businesses and theaters at the moment they want to buy or acquire products or services. The Company is currently focused on partnering with operators of local directory service providers commonly known as yellow pages publishers and other providers of content within select verticals.

In partnering with yellow page publishers, Multiplied Media provides the development and operation of software applications, which includes the design, software coding, data integration, testing, provisioning and 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 application and may deliver ongoing promotion of the service to consumers.

First Quarter Highlights

- Announced an agreement with OpenTable to deliver real-time restaurant reservations through Poynt.
- Announced an agreement with Lycos, Inc. to integrate local and people search through the use of Multiplied's technology.
- Launched Poynt for the BlackBerry® Storm™.
- Completed the second closing of a non-brokered private placement for gross proceeds of \$498,200.
- Achieved dramatic cost reductions, and operational milestones.

| FINANCIAL SUMMARY | March 31, 2009 | | March 31, 2008 | |
|--|-------------------|------------|-------------------|------------|
| Liquidity and Capital Resources | | | | |
| Current Assets | \$ | 321,101 | \$ | 1,796,339 |
| Current Liabilities | \$ | 659,775 | \$ | 585,618 |
| Total Assets | \$ | 710,125 | \$ | 4,918,216 |
| Quarterly Results | | | | |
| Revenues | \$ | 16,170 | \$ | 654 |
| Salaries & Consulting | \$ | 148,574 | \$ | 784,046 |
| Total Expenses | \$ | 478,426 | \$ | 1,723,918 |
| Capital Expenditures | \$ | 7,330 | \$ | 364,936 |
| Shares Outstanding | | | | |
| Basic | | 83,522,296 | | 59,978,296 |
| Diluted | | 97,704,994 | | 66,377,079 |

Summary of Quarterly Results

| Quarter ended | Mar 31, 2009 | | Dec 31, 2008 | | Sep 30, 2008 | | Jun 30, 2008 | |
|--------------------------|--------------|-------------|--------------|-------------|--------------|-------------|--------------|-------------|
| Net sales | \$ | 16,170 | \$ | 15,314 | \$ | 40,140 | \$ | 13,660 |
| Net loss from operations | \$ | (462,255) | \$ | (2,596,246) | \$ | (1,061,132) | \$ | (1,669,879) |
| Loss per share – Basic | \$ | (0.01) | \$ | (0.04) | \$ | (0.02) | \$ | (0.03) |
| Total assets | \$ | 710,125 | \$ | 653,779 | \$ | 3,001,145 | \$ | 4,028,461 |
| Total liabilities | \$ | 659,775 | \$ | 754,060 | \$ | 760,923 | \$ | 771,120 |
| Quarter ended | Mar 31, 2008 | | Dec 31, 2007 | | Sep 30, 2007 | | Jun 30, 2007 | |
| Net sales | \$ | 654 | \$ | 946 | \$ | 1,043 | \$ | 1,680 |
| Net loss from operations | \$ | (1,702,096) | \$ | (1,664,242) | \$ | (1,120,347) | \$ | (1,172,417) |
| Loss per share – Basic | \$ | (0.03) | \$ | (0.03) | \$ | (0.02) | \$ | (0.03) |
| Total assets | \$ | 4,918,216 | \$ | 6,610,620 | \$ | 8,401,030 | \$ | 2,267,657 |
| Total liabilities | \$ | 585,618 | \$ | 638,534 | \$ | 790,729 | \$ | 753,607 |

Results of OperationsRevenues

For the three months ended March 31, 2009, the Company generated revenue of \$16,170 and interest income of nil, compared to \$654 and \$21,168, respectively, for the same period in the prior year. Net loss for the quarter was \$462,255 compared to \$1,702,096 for the same period of 2008.

Operating Expenses

Operating expenses for the three months ended March 31, 2009 were \$478,426 compared to \$1,723,918 for 2008. The \$1,245,492 (72%) decrease in operating expenses was related to the restructuring and focusing of the Company's operations as follows:

- Salary and consulting fees decreased by \$635,472 due to reductions in staff and consultants. For the three month period ended March 31, 2009, the Company's Executive Chairman, Chief Executive Officer and Chief Financial Officer received no management fees. During the first quarter of 2009, the Company incurred salary and consulting fees of \$148,574 (2008 – \$784,046), which represented 31% of total operating expenses for the quarter (2008 – 45%).
- Advertising and promotion expenses decreased by \$244,167. The Company is currently evaluating programs for later this fiscal year to increase public awareness and usage of the Company's service in Canada, the U.S. and Germany.
- Stock-based compensation expenses increased by \$13,522. During the first quarter of 2009, the Company issued 1,875,000 stock options and recognized a non-cash stock-based compensation expense of \$71,780. The options were issued to key employees.
- Administration, occupancy and insurance expenses decreased by \$81,143. The reduction was as a result of reduced employee head count and efforts to reduce office costs.
- Professional fees decreased by \$61,406 as a result of reduced reliance upon external advisors.
- Amortization for the first quarter of 2009 decreased by \$236,826, due to the reduction in investment and the write off of the deferred development cost pool.

Deferred development costs

During the fourth quarter of 2008 the Company completed an evaluation of its Deferred Development Cost pool, and determined that an impairment was required as the Company changed its strategic direction. In favour of its mobile products, instant messenger operations will be shut down at the end of April. The costs associated with the development of the instant messenger operations were the costs that were previously being deferred. As a result the Company did not capitalize any further costs in the fourth quarter and impaired the balance of \$2,029,448, that remained at the end of the third quarter.

Liquidity and capital resources

As at March 31, 2009, the Company had receivables of \$62,682. During the first quarter of 2009, the Company had balanced its cash position versus a cash outflow of \$117,824 for the prior year.

Management has pursued cost cutting and revenue generation, and expects to achieve a cash flow positive position later this year. Current estimates anticipate costs of \$85,000 - \$95,000 per month. Subsequent to the end of the quarter the Company closed a financing for \$583,000. These funds will allow the Company to operate for the next few months while cash flow increases. The Company may need to raise additional funds in the future and there can be no assurance that such funds will be raised, or that financing efforts will be successful.

Operating Activities

For the three month period ended March 31, 2009, the Company utilized \$533,875 versus generating \$247,112 cash in operating activities for the same period in the prior year. Cash generation in 2008 was primarily from the redemption of short term investments held at that time.

Investing Activities

Cash used in investing activities for the three month period ended March 31, 2009 was \$7,330 compared to \$364,936 for the same period in 2008. During the first quarter of 2009, the Company focused its expenditures on key items and on investing in its intangible assets which consist of costs to obtain patents and trademarks that protect the Company's investment in technologies.

Activities Subsequent to March 31, 2009

Subsequent to March 31, the Company announced a mobile distribution agreement to deliver Superpages.com's advertiser content to Poynt users in the United States. The Company also announced the availability of Poynt on Blackberry App World™ and the milestone of attaining 400,000 users. Recently the Company was nominated and selected as a finalist in the GSMA's Mobile Innovation Grand Prix. Late in May, the Company also announced the launch of its service in Germany, in partnership with SEARCHTEQ GmbH.

Outstanding Share Data

As of June 1, 2009, the Company had 95,182,296 issued common shares. In addition, there were 4,997,000 options and 14,162,000 warrants outstanding with exercise price ranging between \$0.10 and \$0.55 per share.

Critical Accounting Policies and Estimates

Significant accounting policies and estimates are those policies, assumptions and estimates most important in the preparation of the Company's financial statements. Policy selection requires management's subjective and complex judgment from many alternatives and estimates involving matters that are inherently uncertain. Management believes that those policies, assumptions and estimates are reasonable, based on the information available. Those policies, assumptions and estimates affect the reported amounts of assets and liabilities at the date of the financial statements and revenues and expenses during the period represented. There have been no significant changes to the Company's critical accounting policies and estimates since December 31, 2006, except as noted below.

Changes in accounting policies

The Company has assessed new and revised accounting pronouncements that have been issued and determined that the following may have a significant impact on the Company.

Accounting Changes

As of January 1, 2008, the Company will be required to adopt two new CICA standards, Section 3862 "Financial Instruments - Disclosures" and Section 3863 "Financial Instruments - Presentation," which will replace Section 3861 "Financial Instruments - Disclosure and Presentation." The new disclosure standard increases the emphasis on the risks associated with both recognized and unrecognized financial instruments and how those

risks are managed. The new presentation standard carries forward the former presentation requirements.

As of January 1, 2008, the Company will be required to adopt the new CICA Section 1535 "Capital Disclosures," which will require companies to disclose their objectives, policies and processes for managing capital. In addition, disclosures are to include whether companies have complied with externally imposed capital requirements.

Future changes in accounting policies

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.

In January 2009, the CICA issued Emerging Issues Committee Abstract of Issue Discussed 173 Credit Risk and the Fair Value of Financial Assets and Financial Liabilities ("EIC-173") applicable to the Company's 2009 fiscal year. EIC-173 recommends that a company take into account its own credit risk and the credit risk of the counterparty in determining the fair value of financial assets and financial liabilities. The Company is currently assessing the effect on its financial results.

In October 2008, the CICA issued Section 1582 Business Combinations ("Section 1582") concurrently with Section 1601 Consolidated Financial Statements ("Section 1601"), and Section 1602 Non-controlling Interests ("Section 1602"). Section 1582, which replaces Section 1581 Business Combinations, establishes standards for the measurement of a business combination and the recognition and measurement of assets acquired and liabilities assumed. Section 1601, which replaces Section 1600, carries forward the existing Canadian guidance on aspects of the preparation of consolidated financial statements subsequent to acquisition other than non-controlling interests. Section 1602 establishes guidance for the treatment of non-controlling interests subsequent to acquisition through a business combination. These new standards are effective for the Company's interim and annual consolidated financial statements commencing on January 1, 2011 with earlier adoption permitted as of the beginning of a fiscal year. The Company is assessing the impact of the new standards on its consolidated financial statements.

The Canadian Accounting Standards Board (AcSB) has confirmed that the use of International Financial Reporting Standards ("IFRS") will be required in 2011 for publicly accountable profit-oriented enterprises. IFRS will replace Canada's current GAAP for those enterprises. These include listed companies and other profit-oriented enterprises that are responsible to large or diverse groups of stakeholders. The official changeover date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. Companies will be required to provide comparative IFRS information for the previous fiscal year. The Company is currently evaluating the impact of adopting IFRS.

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:

Finite financial resources and the potential need for future financing

The Company may 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.

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 that 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.

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

Poynt's mobile user base continues its upward trend, having recently surpassed 440,000 customers. On average, ten percent of Poynt's user base performs at least two searches every day. Weekly repeat usage averages 40 percent of the total user base and monthly repeat usage in May reached 72 percent of the mobile user base who performed over 3,000,000 searches for movie and business information.

The recent launch of Poynt into the German market is expected to positively impact user numbers. The Company plans to work with Research In Motion to market the application in Germany to both carriers and consumers. A strong blogger outreach program is also planned to raise awareness among the BlackBerry user community. It is expected that the recent nomination for Most Innovative Consumer Application in GSMA's Mobile Innovation EMEA event will bring additional recognition to the German launch of the application.

Development continues on people and restaurant search sections for the Poynt application, with deployment of those features expected during the second quarter. The Company anticipates the additional functionality will increase repeat usage and contribute to revenue growth.

Research and development surrounding the delivery of Poynt to additional mobile platforms is also continuing. Mobile platforms that are being considered include iPhone from Apple, Gphone from Google and Windows Mobile from Microsoft. No conclusive dates or implementation schedule has been announced.

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.