

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Media Central Corporation Inc. (the "Issuer").

Trading Symbol: FLYY

Number of Outstanding Listed Securities: 338,325,802

Date: August 31, 2020

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

On August 11, 2020 the Issuer announced that two of its outlets, [CannCentral](#) and [ECentralSports](#) ("ECentral") have become fully integrated into MediaCentral's west coast urban Vancouver publication, [Georgia Straight](#) ("Straight"). The integration of the three websites allows the established and loyal Straight reader to indulge in trending ESport and cannabis content.

Following the integration of the publications, MediaCentral saw an increase of 16 per cent referral readers from the Straight to CannCentral while ECentral saw a 48.5 per cent increase. Additionally, there was an 11 per cent increase in email subscribers. Both CannCentral and ECentral have seen an increase in users from the United States. CannCentral has 21.99 per cent Canadian users and 64.92 per cent American, with ECentral reporting 50.60 per cent Canadian and 35.89 per cent American.

[Announced in May 2020](#), MediaCentral began an automated marketing platform that unified MediaCentral's diverse publications and targeted its 6.5 million audience. As a result, an almost 400 per cent month over month increase in programmatic ad revenue for NOW Magazine ("NOW") and the Straight in April 2020 was realized. ECentral and CannCentral have now been integrated into the unified marketing automation platform in a strategic effort to continue to monetize MediaCentral's

CannCentral and ECentralSports will continue to deliver the latest updates on trending, relevant and authentic news from their award-winning editorial teams, with additional pickup from the Straight.

On August 18, 2020 the Issuer announced its affiliate programing extension with the recent partnership of [NOW Magazine](#) ("NOW") and [WineOnline.ca](#) ("WineOnline"). Launched in May 2004, WineOnline is one of Canada's largest online alcohol retailers serving tens of thousands of clients. The online wine retailer aims to make quality wines accessible for Canadians, while providing impressive value and selection from the world's best wine regions. With WineOnline, customers can order unique wines, deliver wine as gifts to family and friends out of town and order wine from the comfort of their own home.

The partnership with WineOnline will allow MediaCentral to further monetize Toronto's leading arts and culture paper, NOW. Through this affiliate partnership, sommeliers from WineOnline and NOW's award-winning editorial team will create exclusive editorial content tailored for the NOW reader and building upon the publication's popular [food & drink](#) section. The content will include video interviews with industry experts, virtual wine tours, wine reviews and more, and will be distributed to NOW readers through an omnichannel approach including print, digital, social media and newsletter.

The global pandemic has accelerated digital transformation and drastically changed global consumer shopping habits, including the way alcohol is purchased. According to Kantar, and as reported in [FoodDive](#), it is estimated that 30 per cent of new users that purchased alcohol through an ecommerce

website during the COVID-19 pandemic will remain regular customers¹. MediaCentral recognizes the shift in its reader's purchasing habits and will share informative and relevant content that will connect readers to the products they want to buy in real-time.

According to Statista, affiliate marketing spending is expected to grow to USD \$7.4 billion, at a growth of over 8% compared to 2020. Introduced in Q1 of this year, [affiliate marketing](#) is a key component of MediaCentral's ongoing strategy to monetize its 6.5 million audience.

Sources:

- 1. [Statista](#)
- 2. [FoodDive](#)

On August 25, 2020 the Issuer announced that its wholly owned Toronto-based media brand [NOW Magazine](#) had joined its sibling publication, Vancouver's [Georgia Straight](#) ("the Straight") in re-launching the sale of adult classifieds. The highly lucrative category is forecasted to add significant revenue growth to the Company with an expected combined annual revenue of over \$2,000,000.

In addition to the adult classifieds, both publications will continue to use their award-winning editorial platforms to highlight and share stories around sex positivity, adult entertainment, and the rights of sex workers. NOW continues to share trending stories and features through its [LOVE & SEX](#) category and readers of both NOW and the Straight enjoy sagely advice via the popular syndicated column [Savage Love](#) by Dan Savage.

- 2. Provide a general overview and discussion of the activities of management.

In addition to the activities described above, management has been working to offset the impact that the COVID-19 Global Pandemic has had on its sales, which were estimated to be a reduction of approximately 85% from its typical pre-COVID-19 run rate, and workforce, which began effecting the Company on or about the week of March 13, 2020 as a state of emergency was declared in Canada.

- 3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

In addition to those detailed above, the Company resumed its editorial and sales efforts around the adult entertainment categories.

- 4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

n/a

- 5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

n/a

- 6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

n/a

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

n/a

8. Describe the acquisition of new customers or loss of customers.

The Company is a publisher and derives its revenues almost entirely from print and digital advertising, where customers are both acquired and lost weekly and monthly.

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

n/a

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

The Company and two of its wholly owned subsidiaries: NOW Central Communications and the Vancouver Free Press have laid off or have effected a 10% - 20% cut in hours, to 38 employees as a result of the COVID-19 Global Pandemic's impact on the Company's consolidated sales. The Company has recalled a number of employees to the Vancouver Free Press, with 3 refusing a return.

11. Report on any labour disputes and resolutions of those disputes if applicable.

n/a

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

n/a

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

The Issuer has made an interest payment to its bondholders, further to the terms of the convertible debenture financing which closed, and was previously reported, in February 2020.

The Issuer was advanced an unsecured convertible \$100,000 loan, with a one year term, that bears interest at 10% per annum. The payee shall have the right, at its option, at any time on fifteen (15) days prior written notice to the issuer and within three (3) months from date of the promissory note to oblige the Issuer to convert the funds, in whole, into common shares of the Issuer at the rate of: one (1) common share for each \$0.035 of the funds advanced. Any conversion and/or issuance of

securities associated with the promissory shall comply with the provisions of the Securities Act (Ontario) or such other regulatory authority having jurisdiction. The loan may be repaid by the Issuer at any time. The loan has been advanced from an unrelated, arms length third party.

14. Provide details of any securities issued and options or warrants granted.

n/a

15. Provide details of any loans to or by Related Persons.

n/a

16. Provide details of any changes in directors, officers or committee members.

n/a

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

The Company is a publisher and derives its revenues almost entirely from print and digital advertising which market has been and continues to be in a constant state of flux. The effects of the COVID-19 Global Pandemic have negatively affected the Company's sales to approximately 85% of its pre-COVID-19 run rate, and cash flows, and are expected to until the COVID-19 Global Pandemic materially and permanently abates.

Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated September 3, 2020.

Brian Kalish

Name of Director or Senior Officer

“signed” _____

Signature

CEO and Director _____

Official Capacity

Issuer Details		For Month End	Date of Report
Name of Issuer Media Central Corporation Inc.		August 2020	YY/MM/D 2020/09/03
Issuer Address 27 Roytec Road			
City/Province/Postal Code Vaughan, ON L4L 8E3		Issuer Fax No. investors@mediacentralcorp.com	Issuer Telephone No. (647) 363 7717
Contact Name Catherine Beckett		Contact Position Manager Corporate Affairs	Contact Telephone No. 416-642-1807