

FP Newspapers Inc. Announces COVID-19 Temporary Expense Reduction Measures Implemented, Revised Reporting Schedule and Director Retirement

Winnipeg, April 6, 2020 – FP Newspapers Inc. (TSXV: FP) (“FPI”) today announced that, in response to declining advertising revenues from the COVID-19 pandemic, FP Canadian Newspapers Limited Partnership (“FPLP”) has reached an agreement with its Winnipeg Free Press and Canstar Community News bargaining employees to reduce wage rates effective April 4. Employees hired prior to June 30, 2013 will see a 20 percent reduction in their wage rate, while employees hired after this date will see a 12 percent reduction. Management and non-union employees will incur similar wage reductions effective as of that same date. It’s estimated that these reductions in employee compensation, together with temporary reductions in part time hours and temporary layoffs in areas of reduced business activity, will lower FPI’s overall employment costs on a bi-weekly basis by approximately \$0.2 million. Expense savings at our other smaller business units are being reviewed and implemented based on workload changes as a result of the COVID-19 pandemic. FPLP management is closely monitoring the Canadian Government’s proposed wage subsidy program and, if eligible, will be making an application under this program once the legislation is finalized in the upcoming weeks.

In light of recent COVID-19 developments and the impact on market participants, the Canadian Securities Administrators recently announced temporary relief for reporting issuers. This temporary relief provides a blanket 45-day extension from existing deadlines for periodic filings required to be made by issuers on or before June 1, 2020, including annual financial statements, MD&A and executive compensation disclosure. These accommodations have been formalized in British Columbia Securities Commission BC Instrument 51-515 *Temporary Exemption from Certain Corporate Finance Requirements* and similar instruments adopted by other Canadian provincial securities regulators (as applicable, the “**Blanket Orders**”).

FPI intends to rely on the Blanket Orders to extend the time by which it will file its annual financial statements and MD&A for its fiscal year ended December 30, 2019 from the customary regulatory deadline of April 28, as required by National Instrument 51-102 Continuous Disclosure Obligations (“NI 51-102”), s. 4.2 and s. 5.1(2), which it now intends to file on May 15, and for its first quarter financial statements and MD&A from the customary regulatory deadline of May 30, as required by NI 51-102, s. 5.1(2), which it now intends to file on June 25. FPI’s Annual General Meeting is scheduled to be held on June 26. Until such time as the second quarter disclosure documents are filed, presently scheduled for August 27, management and other insiders are subject to a trading black-out policy that reflects the principles in section 9 of National Policy 11-207 *Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions*.

Harvey Sexter, who has served as a director since the original formation of the businesses in 2001, has retired from the FPI and FPLP boards. FPI directors, management and staff express their appreciation for all his efforts over the years and wish him the very best going forward.

Caution Regarding Forward-looking Statements

Certain statements in this news release constitute forward-looking statements within the meaning of applicable securities laws. All statements other than statements of historical fact are forward-looking statements. These statements include but are not limited to statements regarding management’s intent,

belief or current expectations with respect to implemented and anticipated employment cost containment measures and the savings FPI expects to realize by implementing such measures, the scheduled dates for certain financial disclosure filings, and the scheduled date for FPI's annual general meeting. Generally, but not always, forward-looking statements will be indicated by words such as "may", "will", "intend", "anticipate", "expect", "believe", "plan", "is budgeting for" or similar terminology.

Forward-looking statements are subject to known and unknown risks and uncertainties that may cause the actual results, performance or achievements of FPI or FPLP, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, but are not limited to, the current general economic uncertainty, uncertainties related to the current COVID-19 pandemic, FPLP's ability to effectively manage growth and maintain its profitability, FPLP's ability to operate in a highly competitive industry, FPLP's ability to compete with other forms of media, FPLP's ability to attract advertisers, FPLP's reliance upon key personnel, FPLP's relatively high fixed costs, FPLP's dependence upon particular advertising customer segments, indebtedness incurred in making acquisitions, the availability of financing for capital improvements, the availability of an extension on refinancing of FPLP's term loan facilities, costs related to capital expenditures, cyclical and seasonal variations in FPLP's revenues, the risk of acts of terrorism, the cost of newsprint, the potential for labour disruptions, the risk of equipment failure, and the effect of Canadian tax laws. Additional information about these and other business risks and uncertainties are discussed in our Annual Management Discussion and Analysis dated April 27, 2019 which is available at www.sedar.com.

In addition, although the forward-looking statements contained in this news release are based upon assumptions that management of FPI and FPLP believe to be reasonable, such assumptions may prove to be incorrect. Forward-looking statements speak only as of the date hereof and, except as required by law, FPI and FPLP assume no obligation to update or revise them to reflect new events or circumstances. Because forward-looking statements are inherently uncertain, readers should not place undue reliance on them.

About FPI

FPI owns securities entitling it to 49% of the distributable cash of FP Canadian Newspapers Limited Partnership ("FPLP"). FPLP owns the Winnipeg Free Press, the Brandon Sun, and their related businesses, as well as the Canstar Community News division, the publisher of six community newspapers in the Winnipeg region, and The Carillon in Steinbach with its related commercial printing operations. The businesses employ 364 full-time equivalent people in Winnipeg, Brandon, and Steinbach Manitoba. Further information can be found at www.fpnewspapers.com and in disclosure documents filed by FP Newspapers Inc. with the securities regulatory authorities, available at www.sedar.com.

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