

FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company

Frontline Technologies Inc. (the “Company”)
25 Adelaide Street East
Suite 600
Toronto, Ontario
M5C 3A1

2. Date of Material Change

July 23, 2012

3. News Release

A news release disclosing the material change was disseminated by the Company on July 24, 2012, a copy of which has been filed on SEDAR. A copy of the news release is attached hereto as Schedule “A”.

4. Summary of Material Change

On July 23, 2012, the Company completed the sale of its wholly-owned subsidiary, Electronic Brokerage Systems, LLC (“EBS”), to Dash Financial Holdings, LLC (“Dash”). EBS operated the Company’s US broker-dealer business, and had been classified in the most recent annual and interim consolidated financial statements of the Company as discontinued and held for sale.

5. Full Description of Material Change

On July 23, 2012, the Company completed the sale of 100% of the membership interest in its wholly-owned subsidiary, EBS, to Dash for cash consisting of \$550,000 USD plus the estimated working capital at the time of the transaction close of \$2,500,000 USD. EBS operated the Company’s US broker-dealer business, and had been classified in the most recent annual and interim consolidated financial statements of the Company as discontinued and held for sale.

6. Reliance on subsection 7.1(2) of National Instrument 51-102

N/A

7. Omitted Information

No information has been omitted from this material change report on the basis that it is confidential information.

8. Executive Officer

Hoss Astaraki – Chairman and Chief Executive Officer
Phone no. 416.637.7462

9. Date of Report

July 25, 2012

Schedule A

Frontline Announces Transaction Close of Sale of its US Broker/Dealer to Dash Financial Holdings, LLC

Toronto, July 24, 2012 – Frontline Technologies Inc. (TSXV - FLC), a provider of technology-based equity and options trading services, IT infrastructure support and managed network services, announced today the close of the sale transaction of Electronic Brokerage Systems (EBS) – Frontline’s US broker/dealer – to Dash Financial Holdings, LLC (DFH). Final approval of the transaction is pending from the TSX Venture Exchange (TSX-V).

The transaction was first announced July 9th as part of a broader strategic partnership between the two firms.

“We’re very pleased to bring this transaction to fruition. Existing EBS clients can expect a seamless transition and can look forward to seeing new trading products and services offered by EBS that can provide value to their businesses.”

The sale of EBS was a cash transaction with Frontline receiving \$550,000 USD plus the working capital of EBS at time of transaction close of \$2,500,000USD.

About Frontline Technologies

Frontline Technologies Inc. is a provider of trading technology services for equities and options and also offers IT infrastructure support and managed services. Frontline Technologies is listed on the Toronto Venture Exchange (Ticker FLC) – Additional information is available at www.frontline.ca.

Frontline forward looking statement disclaimer

Except for historical information contained herein, the matters discussed in this press release are based on forward-looking statements that involve risk and uncertainty. A variety of important factors could cause results to differ materially from such statements, including but not limited to economic, competitive, governmental and technological factors affecting the company's operation, markets, products, prices and other factors.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

For further information contact:

Hoss Astaraki

Chairman and Chief Executive Officer

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