FORM 51-102F3

MATERIAL CHANGE REPORT

1. Name and Address of Company

NeuLion, Inc. ("NeuLion" or the "Company")
463 King Street West, Third Floor
Toronto, Canada
M5V 1K4

2. Date of Material Change

August 12, 2010.

3. News Release

A press release reporting the material change was issued by NeuLion through the facilities of Marketwire on August 13, 2010, a copy of which is attached.

4. Summary of Material Change

On August 12, 2010, NeuLion entered into a subscription agreement with each of JK&B Capital V Special Opportunities Fund, L.P., JK&B Capital V, L.P. and Gabriel A. Battista (collectively, the "Subscription Agreements") for the purchase and sale of approximately 16,666,667 Class 3 Preference Shares, at a price of CAD$0.60 per share (the "Private Placement"). The actual number of Class 3 Preference Shares to be issued to each purchaser will depend on the foreign exchange currency rate at the time the transaction is closed, as the price per share is in Canadian dollars but the purchaser's investment commitment is in US dollars. The Subscription Agreements provide that Mr. Battista, JK&B Capital V Special Opportunities Fund, L.P. and JK&B Capital V, L.P. will subscribe for 0.6%, 42.74% and 56.66% of the Class 3 Preference Shares, respectively. Mr. Wang, our Chairman, a significant shareholder of NeuLion and a holder of an ownership interest in JK&B Capital V Special Opportunities Fund, L.P., Ms. Li, his spouse, and Mr. Kronfeld, a director of NeuLion and a holder of ownership interests in JK&B, will not be voting in connection with the Private Placement. Mr. Battista is participating in the Private Placement and will not be voting in connection with the Private Placement.

Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101") requires that, unless exempted, a valuation report must be prepared in connection with the value of the non-cash assets in a related party transaction. The Private Placement is exempt from this requirement by application of the "Fair market value not more than 25% of market capitalization" exemption contained in section 5.5(a) of MI 61-101. The proceeds of the Private Placement will be used for general working capital purposes.

On August 12, 2010, the Company also entered into a Share Exchange Agreement (the "Share Exchange Agreement") with AvantaLion LLC, Wang Yunchuan, Hao Jingfang, Wang Qi, Tan Zhongjun, Wang Xiaohong, Shu Wei, and Zhao Yun (the "Exchanging Shareholders") for the acquisition by the Company of TransVideo International Ltd. ("TransVideo"). Pursuant to the Share Exchange Agreement, the Company will issue, subject to certain conditions, an aggregate of 22,000,802 common shares of the Company (the "Common Shares") to the Exchanging Shareholders in exchange for 3,200,000 shares of TransVideo (excluding its interest in KyLinTV, Inc.), which shares represent all of the issued and outstanding shares of TransVideo (the "TransVideo Acquisition"). Of the 22,000,802 Common Shares issuable in connection with the transaction, 17,820,650, or 81%, of the Common Shares are issuable to AvantaLion LLC ("AvantaLion"), a company controlled by Charles B. Wang, a director, the Chairman and a significant shareholder of the Company. The TransVideo Acquisition must be approved by a majority of the votes cast by the Shareholders other than Mr. Wang, Ms. Nancy Li, AvantaLion, any other person who may be a related party of TransVideo, and any other person who is a joint actor of Mr. Wang, Ms. Li or AvantaLion, who vote in respect of the TransVideo Acquisition.

An independent valuation was conducted in connection with the TransVideo Acquisition, details of which are available in the management information circular (the "Circular") mailed to all shareholders of the Company. NeuLion is not aware of any other valuations in the previous 24 months. NeuLion believes that the TransVideo Acquisition, if consummated, will provide NeuLion with greater control over the future development of TransVideo's set top boxes, which NeuLion currently purchases from TransVideo. NeuLion believes that TransVideo's existing relationships in China will also afford NeuLion with substantial opportunities for marketing its IPTV services in that geographic region.

Both the Subscription Agreements and the Share Exchange Agreement contain certain conditions to closing and the TransVideo Acquisition and the Private Placement are subject to the approval of the Company's shareholders and the Toronto Stock Exchange.

As of July 30, 2010, 116,980,017 Common Shares were issued and outstanding. If the transactions described herein had closed on July 30, 2010, a total of approximately 16,666,667 (14.2% dilution) Common Shares would have been issued to as a result of the Private Placement, a total of 22,000,802 (18.8% dilution) Common Shares would have been issued to the Exchanging Shareholders and as a result of both transactions, a total of 38,667,469 (33.0% dilution) Common Shares would have been issued.

It is expected that as of the closing of the Private Placement and the TransVideo Acquisition, Mr. Battista, JK&B Capital V Special Opportunities Fund, L.P. and JK&B Capital V, L.P. will hold approximately 240,542 Common Shares (0.2% of the issued and outstanding Common Shares), 7,123,667 Common Shares (4.58% of the issued and outstanding Common Shares) and 9,443,000 Common Shares (6.07% of the issued and outstanding Common Shares), respectively.

After giving effect to the TransVideo Acquisition and the Private Placement, Mr. Wang will own, directly and indirectly, approximately 24,159,743 Common Shares of NeuLion as of July 30, 2010. This excludes 39,160,894 Common Shares beneficially owned by Ms. Li, Mr.

Wang's spouse, as to which Mr. Wang disclaims beneficial ownership. Ms. Li will own, directly and indirectly, 39,160,894 Common Shares as of July 30, 2010. This excludes 24,159,743 Common Shares beneficially owned by Mr. Wang, Ms. Li's spouse, as to which Ms. Li disclaims beneficial ownership.

Details of the Private Placement and the TransVideo Acquisition, including the process followed by the special committees, the voting requirements to approve the TransVideo Acquisition and the Private Placement, and copies of the valuation, are available in the Circular, which is also available at www.sec.gov and www.sedar.com.

5. Full Description of Material Change

See above and press release attached.

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

Not applicable.

7. Omitted Information

None.

8. Executive Officer

For further information please contact Roy E. Reichbach, General Counsel and Corporate Secretary of NeuLion, who is knowledgeable about the material change report and may be reached at (516) 622-8300.

9. Date of Report

August 22, 2010

PRESS RELEASE

PLAINVIEW, NY--(Marketwire - August 13, 2010) - NeuLion, Inc. (TSX: NLN) (the "Company"), an end-to-end IPTV service provider of live and on-demand sports, international and variety programming over the Internet, today announced results for the second quarter ended June 30, 2010. (All amounts are in U.S. dollars.)

Three months ended June 30, 2010 compared to June 30, 2009:

- Revenue was $7.3 million for the three months ended June 30, 2010 compared to $6.5 million in the same period in 2009, marking a period over period increase of $0.8 million or 12%.
- Cost of revenue, exclusive of depreciation and amortization, decreased to $3.2 million for the three months ended June 30, 2010 as compared to $3.3 million in the same period in 2009.
- The net loss for the three months ended June 30, 2010 was $5.7 million ($2.3 million of non-cash charges) or $0.05 per share, basic and diluted, as compared to $4.9 million (including $1.7 million of non-cash charges) or $0.04 per share, basic and diluted, for the same period in 2009. The increase in net loss was primarily attributable to $0.6 million in valuation services and legal fees incurred in regard to the proposed acquisition of TransVideo International Ltd. and a proposed $10 million private placement and $0.6 million additional non-cash charges.

Six months ended June 30, 2010 compared to June 30, 2009:

- Revenue was $15.1 million for the six months ended June 30, 2010 compared to $13.0 million in the same period in 2009, marking a period over period increase of $2.1 million or 16%.
- Cost of revenue, exclusive of depreciation and amortization, decreased to $6.9 million for the six months ended June 30, 2010 as compared to $7.1 million in the same period in 2009.
- The net loss for the six months ended June 30, 2010 was $9.2 million ($2.8 million of non-cash charges) or $0.08 per share, basic and diluted, as compared to $10.7 million (including $3.5 million of non-cash charges) or $0.10 per share, basic and diluted, in the same period in 2009, marking a period over period improvement of $1.5 million or 14%.

Non-cash charges consist of depreciation and amortization, stock based compensation and unrealized gain/loss on derivative.

As of June 30, 2010, the Company had $3.6 million in cash and cash equivalents.

On August 12, 2010, the Company executed Subscription Agreements with JK&B Capital V, L.P., JK&B Capital V Special Opportunities Fund, L.P. and Gabriel A. Battista in connection with a proposed private placement of US $10 million of Class 3 Preference Shares. On the same date, the Company also executed a Share Exchange Agreement with the shareholders of TransVideo International Ltd. ("TransVideo"), a manufacturer of set top boxes utilized by the Company, to acquire the operating interests of TransVideo (other than TransVideo's passive investment in KyLinTV, Inc., an IPTV company) in exchange for 22,000,802 common shares of the Company. The Company anticipates closing these transactions, subject to customary closing conditions, including receipt of regulatory and shareholder approvals, at the end of the third fiscal quarter of 2010.

About NeuLion

Based in Plainview, NY, Sanford, Florida and Toronto, Ontario, NeuLion (TSX: NLN) works with content partners to develop end-to-end solutions for multimedia IPTV services. The NeuLion IPTV Platform encodes, delivers, stores and manages an unlimited range of multimedia content and the Operational Support System (OSS) maintains all billing and customer support services. Content partners are responsible for content aggregation and the sales and marketing for the individual IPTV service. The Company ranks as a world leader in customer/partner relationships with sports, international and specialty television content partners including, in sports, the NHL, the NFL, NCAA Division I schools and conferences and, in respect to international and specialty television aggregators and networks, KyLinTV (Chinese), ABS-CBN (Filipino), Talfazat and Talfazat-ART (Arabic), TV-Desi (South Asian) and Sky Angel (Christian). Customer/partner content can be viewed by way of the Internet on PCs and mobile devices and on the television through the

Company's IPTV set top box.

Forward-Looking Statements

Forward-looking statements involve significant risk, uncertainties and assumptions. Many factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. These factors should be considered carefully and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this release are based upon what management believes to be reasonable assumptions, the Company cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this release and the Company assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including: general economic and market segment conditions; our customers' subscriber levels; the financial health of our customers; our ability to pursue and consummate acquisitions in a timely manner; our continued relationships with our channel partners; our ability to negotiate favorable terms for contract renewals; competitor activity; product capability and acceptance rates; technology changes and international risk and currency exchange. A more detailed assessment of the risks that could cause actual results to materially differ from current expectations is contained in the Company's most recent annual MD&A filed on www.sedar.com as well as in the "Risk Factors" section of the Company's most recent annual report on Form 10-K filed on www.sedar.com and available on www.sec.gov

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