FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 – Name and Address of Company:

Frankly Inc.
333 Bryant Street
Suite 240
San Francisco, California
94107

Item 2 - Date of Material Change:

December 28, 2016

Item 3 – News Release:

The news release attached hereto as Schedule "A" was disseminated over CNW on December 30, 2016.

Item 4 – Summary of Material Change:

On December 30, 2016, Frankly Inc. ("Frankly") announced that it had entered into a loan and security agreement with Silicon Valley Bank on December 28, 2016.

Item 5 – Full Description of Material Change:

5.1 Full Description of Material Change

On December 30, 2016, Frankly announced that it had entered into a loan and security agreement (the "Credit Agreement") with Silicon Valley Bank ("SVB") on December 28, 2016.

The Credit Agreement, which replaces Frankly's prior credit facility with Bridge Bank, provides Frankly with access to an accounts receivable based revolving credit line with an initial limit of US$1.5 million, which can be increased up to US$3 million. The Credit Agreement is secured by Frankly's assets and has a one-year initial term, and carries interest at 2.25% above the prime rate. The proceeds of the Credit Agreement will be used to supplement Frankly's working capital needs.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 – Reliance on subsection 7.1(2) of National Instrument 51-102:

Not applicable.

Item 7 - Omitted Information:

Not applicable.

Item 8 – Executive Officer:

Steve Chung
Chief Executive Officer
415-861-9797

Item 9 – Date of Report:

January 3, 2017

Schedule “A”

Frankly Secures Revolving Credit Facility

SAN FRANCISCO, Dec. 30, 2016 /CNW/ -- **Frankly Inc. (TSX VENTURE: TLK) (Frankly)**, a leading technology and monetization platform for media companies, entered into a loan and security agreement (the "Credit Agreement") with Silicon Valley Bank ("SVB") on December 28, 2016.

The Credit Agreement, which replaces Frankly's prior credit facility with Bridge Bank, provides Frankly with access to an accounts receivable based revolving credit line with an initial limit of US$1.5 million, which can be increased up to US$3 million. The Credit Agreement is secured by Frankly's assets and has a one-year initial term, and carries interest at 2.25% above the prime rate. The proceeds of the Credit Agreement will be used to supplement Frankly's working capital needs.

About Frankly

Frankly (TSX VENTURE: TLK) builds an integrated software platform for media companies to create, distribute, analyze and monetize their content across all of their digital properties on web, mobile and TV. Its customers include NBC, ABC, CBS and FOX affiliates, as well as other leading media organizations. Collectively, Frankly reaches nearly 60 million monthly users in the United States. The company is headquartered in San Francisco with major offices in New York. To learn more, visit www.franklyinc.com.

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.

Notice Regarding Forward-Looking Statements

This release includes forward-looking statements regarding Frankly and their respective businesses. Forward-looking events and circumstances discussed in this release, may not occur by certain specified dates or at all and could differ materially as a result of known and unknown risk factors and uncertainties affecting the parties. No forward-looking statement can be guaranteed. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Frankly undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.