May 4, 2018

Frankly Announces Shares-for-Debt Transaction

LONG ISLAND CITY, N.Y., May 4, 2018 /PRNewswire/ --**Frankly Inc.** (TSX VENTURE: TLK) ("Frankly" or the "Company") intends to settle an outstanding cash debt of USD $597,523.50 owed to certain employees and former employees of Frankly pursuant to an employee retention plan entered into on October 19, 2017 (the "**Retention Plan**") through the issuance of 288,651 common shares in the capital of Frankly ("**Common Shares**") at a deemed price of USD $2.07 (CDN $2.52) per Common Share (the "**Transaction**"). The deemed price per Common Share is the closing trading price of the Common Shares on the TSX Venture Exchange ("**TSXV**") on the date prior to the date the board of directors of Frankly resolved to implement the Retention Plan. The Company entered into the Retention Plan in connection with its previously announced strategic process. Completion of the Transaction is subject to obtaining necessary regulatory approvals, including acceptance of the TSXV. Frankly is choosing to settle the outstanding indebtedness through the issuance of Common Shares to preserve its funds for forward operations.

Background to the Transaction

On October 19, 2017, Frankly entered into the Retention Plan to induce selected key contributors to remain employed with Frankly and to enhance Frankly's value during the strategic process by providing the participants in the Retention Plan incentive benefits to help assure the success of any strategic transaction. The Retention Plan entitled its participants to certain cash and securities-based payments in the event the participants remained employed with Frankly through February 15, 2018.

Related Party Transaction

The Transaction constitutes a related party transaction for Frankly pursuant to Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*("**MI 61-101**"), as certain participants eligible to receive Common Shares in the Transaction are senior officers, and therefore related parties, of Frankly.

Frankly is exempt from the requirements to obtain a formal valuation for the Transaction pursuant to section 5.5(b) of MI 61-101 - *Issuer not Listed on Specified Markets, as* Frankly is not listed or quoted on any of the Toronto Stock Exchange, the New York Stock Exchange, the American Stock Exchange, the NASDAQ Stock Market, or a stock exchange outside of Canada and the United States other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc. The Transaction is also exempt from the minority approval requirement of MI 61-101 pursuant to section 5.7(a) of MI 61-101 - *Fair Market Value Not More Than 25% of Market Capitalization*, as the fair market value of the subject of the Transaction and the consideration paid in the Transaction, in both cases as in relation to the interested parties, is less than 25% of the market capitalization of Frankly.

Frankly expects to file a material change report in respect of the Transaction less than 21 days prior to the closing of the Transaction, which Frankly deems reasonable in the circumstances so as to be able to satisfy the obligations due under the Retention Plan in an expeditious manner.

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. Frankly is headquartered in New York. To learn more, visit www.franklyinc.com.

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

Notice Regarding Forward-Looking Statements

This release includes forward-looking statements regarding Frankly and its business. Forward-looking information is generally identifiable by use of the words "believes," "may," "plans," "will," "anticipates," "intends," "could", "estimates", "expects", "forecasts", "projects" and similar expressions, and the negative of such expressions. Forward-looking statements in this release include, without limitation, Frankly's intention to complete the Transaction as described in this release and the ability of Frankly to obtain TSXV approval. Forward-looking events and circumstances discussed in this release may not occur in any expected timeframes or at all. The actual results of

circumstances could differ materially from any forward-looking statement as a result of known and unknown risk factors and uncertainties affecting Frankly.

Forward-looking information is based on assumptions, estimates, analysis and opinions of management that it believes to be relevant and reasonable in light of its experience and perception of trends, current conditions and expected developments, and other circumstances as of the date such statements are made. Although Frankly has attempted to identify important factors that could cause actual results to differ materially from those contained in any forward-looking statement, there may be other factors that cause results not to be as anticipated.

No forward-looking statement can be guaranteed and accordingly, readers should not place undue reliance on forward-looking information. 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.

View original content:http://www.prnewswire.com/news-releases/frankly-announces-shares-for-debt-transaction-300642730.html

SOURCE Frankly Inc.