

**Report Pursuant to National Instrument 62-103
and Section 5.2 of Multilateral Instrument 62-104**

1. Security and Reporting Issuer

This report is made pursuant to the provisions of the securities legislation referred to above in connection with certain acquisitions of securities of ThreeD Capital Inc. (the “Company”), 69 Yonge Street, Suite 1010, Toronto, Ontario, M5E 1K3. The transaction did not take place through the facilities of any stock market.

2. Identity of Acquirer

1313366 Ontario Inc. (the “Acquirer”)
55 Burbank Drive
Thornhill, ON, L4J 7T9

The transaction described in item 1 above took place on December 1, 2016, and did not involve any joint actor of the Acquirer.

3. Interest in Securities of the Reporting Issuer

The Acquirer acquired ownership and control of 500,000 common shares (the “Subject Shares”) and 500,000 common share purchase warrants (the “Subject Warrants” and together with the Subject Shares, the “Subject Units”) of the Company on December 1, 2016. The Subject Units represented approximately 1.5% of all issued and outstanding common shares of the Company as of December 1, 2016 immediately following the transaction described above (or approximately 3% on a partially diluted basis, assuming exercise of the Subject Warrants only), resulting in a corresponding increase in the percentage of shares held by the Acquirer as a result of the transaction.

Immediately before the transaction described above, the Acquirer and its joint actor (1350659 Ontario Inc.) held an aggregate of 2,362,630 common shares of the Company (the “Pre-Closing Shares”) and convertible securities entitling the Acquirer and its joint actor to acquire an additional 2,000,000 common shares of the Company (the “Pre-Closing Convertible Securities”), representing approximately 9.5% of the issued and outstanding common shares of the Company (or approximately 16.2% assuming exercise of such Pre-Closing Convertible Securities only). Of this total, the Acquirer held an aggregate of 2,269,400 of the Pre-Closing Shares and the 2,000,000 Pre-Closing Convertible Securities (representing approximately 9.1% of the issued and outstanding common shares of the Company, or approximately 15.8% assuming exercise of the Pre-Closing Convertible Securities only), and its joint actor held an aggregate of 93,230 of the Pre-Closing Shares (representing less than 1% of the issued and outstanding common shares of the Company).

Immediately following the transaction described above, the Acquirer and its joint actor held an aggregate of 2,862,630 common shares (the “Post-Closing Shares”) and convertible securities entitling the Acquirer and its joint actor to acquire an additional

2,500,000 common shares of the Company (the “Post-Closing Convertible Securities”), representing approximately 8.8% of the issued and outstanding common shares of the Company (or approximately 15.3% assuming exercise of such Post-Closing Convertible Securities only). Of this total, the Acquirer held an aggregate of 2,769,400 of the Post-Closing Shares and the 2,500,000 Post-Closing Convertible Securities (representing approximately 8.5% of the issued and outstanding common shares of the Company, or approximately 15.1% assuming exercise of such 2,500,000 Post-Closing Convertible Securities only), and its joint actor held an aggregate of 93,230 of the Post-Closing Shares (representing less than 1% of the issued and outstanding common shares of the Company).

4. Consideration Paid.

The aggregate consideration payable for the Subject Units was \$50,000, or \$0.10 per Subject Unit.

5. Purpose of the Transaction

The holdings of securities of the Company by the Acquirer and its joint actor are managed for investment purposes. The Acquirer and its joint actor may from time to time acquire additional securities of the Company, dispose of some or all of the existing or additional securities they hold or will hold, or may continue to hold their current positions.

6. Agreements, Arrangements, Commitments or Understandings with respect to Securities of the Company

The Subject Units were acquired in a private placement pursuant to a subscription agreement which does not contain any provisions regarding the transfer, guarantee or voting of such securities.

7. Change in Material Fact.

Not Applicable.

8. Exemption.

Section 2.3 of National Instrument 45-106 on the basis that the Acquirer is a “accredited investor” as defined therein.

9. Certification

The undersigned certifies that the information herein is true and complete in every respect.

DATED this 1st day of December, 2016

1313366 ONTARIO INC.

“Jeffrey Kopman”

Authorized Signatory