

FORM 51-102F3
Material Change Report

MATERIAL CHANGE REPORT UNDER SECTION 7.1 OF
NATIONAL INSTRUMENT NO. 51-102

Item 1. **Reporting Issuer**

ThreeD Capital Inc. (the “Company”)
69 Yonge Street
Suite 1010
Toronto, Ontario
M5E 1K3

Item 2. **Date of Material Change**

A material change took place effective May 19, 2017

Item 3. **Press Release**

On May 19, 2017, a news release in respect of the material change was disseminated by the Company.

Item 4. **Summary of Material Change**

The Company announced that it has closed a non-brokered private placement financing, pursuant to which it raised gross proceeds of \$380,000.

Pursuant to the financing, Mr. Alan Lone subscribed for an aggregate of 100,000 units of the Company (“Units”) at a price of \$0.10 per Unit. Mr. Lone is an insider of the Company. As of May 19, 2017 immediately prior to the closing of the financing, Mr. Lone directly and indirectly held 88,000 common shares of the Company and convertible securities entitling Mr. Lone to acquire an additional 427,000 common shares of the Company, representing approximately 0.2% of the issued and outstanding shares of the Company (and approximately 1.2% on a partially diluted basis, assuming exercise of the convertible securities only). Following the closing of the financing, Mr. Lone directly and indirectly holds 188,000 common shares of the Company and convertible securities entitling Mr. Lone to acquire an additional 527,000 common shares of the Company, representing approximately 0.4% of the issued and outstanding shares of the Company post-closing (and approximately 1.5% on a partially diluted basis, assuming exercise of the convertible securities only).

The financing was approved by the board of directors pursuant to directors’ resolutions dated May 19, 2017. The transaction is exempt from the formal valuation and minority shareholder approval requirements of applicable securities laws as at the time the financing was agreed to, neither the fair market value of the subject matter of, or the fair market value of the consideration for, the financing insofar as it involves interested parties, exceeded 25% of the Company’s market capitalization.

The financing was completed to raise proceeds for the acquisition of investments and for general working capital purposes. A material change report is being filed

in connection with the insider participation in the financing less than 21 days in advance of closing of the financing, as the Company did not have prior confirmation of such participation.

Item 5. Full Description of Material Change

The material change is described in the Company's press release attached hereto as Schedule "A", which press release is incorporated by reference herein.

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

The report is not being filed on a confidential basis.

Item 7. Omitted Information

No information has been omitted.

Item 8. Executive Officer

Gerry Feldman

Item 9. Date of Report

DATED at Toronto, in the Province of Ontario, this 19th day of May, 2017.

SCHEDULE “A”

ThreeD Capital Inc. Announces Completion of Private Placement to Raise \$380,000

Toronto – May 19, 2017 – ThreeD Capital Inc. (the “Company”) is pleased to announce that it has completed a non-brokered private placement (the “Offering”) pursuant to which it has issued 3,800,000 units (“Units) at a price of \$0.10 per Unit to raise aggregate gross proceeds of \$380,000. Each Unit consists of one common share of the Company and one common share purchase warrant (a “Warrant”). Each Warrant entitles the holder thereof to acquire one additional common share of the Company at an exercise price of \$0.15 until May 19, 2020.

All securities issued and issuable in connection with the second tranche of the Offering are subject to a statutory hold period expiring on September 20, 2017.

Insiders of the Company subscribed for an aggregate of 100,000 Units pursuant to the Offering. Proceeds of the Offering will be used for general and administrative expenses and the purchase of investments.

About ThreeD

ThreeD Capital Inc. is a publicly- traded Canadian-based venture capital firm focused on opportunistic investments in companies in the resource, technology and biotechnology markets.

For further information:

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