

**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 16, 2018.

**Item 3.                    Press Release**

On May 16, 2018, 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 \$965,019.90.

Pursuant to the financing, Mr. Sheldon Inwentash subscribed for an aggregate of 500,000 units of the Company (“Units”) at a price of \$0.13 per Unit. Mr. Inwentash is an insider of the Company. As of May 16, 2018 immediately prior to the closing of the financing, Mr. Inwentash directly and indirectly held 5,144,677 common shares of the Company and convertible securities entitling Mr. Inwentash to acquire an additional 11,075,000 common shares of the Company, representing approximately 4.7% of the issued and outstanding shares of the Company (and approximately 13.3% on a partially diluted basis, assuming exercise of the convertible securities only). Following the closing of the financing, Mr. Inwentash directly and indirectly holds 5,644,677 common shares of the Company and convertible securities entitling Mr. Inwentash to acquire an additional 11,575,000 common shares of the Company, representing approximately 4.8% of the issued and outstanding shares of the Company post-closing (and approximately 13.3% on a partially diluted basis, assuming exercise of the convertible securities only).

Pursuant to the financing, Mr. Arno Brand through his wholly-owned corporation, Valley Mining One Corp, subscribed for an aggregate of 140,000 Units at a price of \$0.13 per Unit. Mr. Brand is an insider of the Company. As of May 16, 2018 immediately prior to the closing of the financing, Mr. Brand directly and indirectly held 41,666 common shares of the Company and convertible securities entitling Mr. Brand to acquire an additional 458,334 common shares of the Company, representing 0% of the issued and outstanding shares of the Company (and approximately 0.5% on a partially diluted basis, assuming exercise of the convertible securities only). Following the closing of the financing, Mr. Brand directly and indirectly holds 181,666 common shares of the Company and convertible securities entitling Mr. Brand to acquire an additional 598,334

common shares of the Company, representing approximately 0.2% of the issued and outstanding shares of the Company post-closing (and approximately 0.7% 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 16, 2018. 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 16<sup>th</sup> day of May, 2018.

## SCHEDULE “A”

### **ThreeD Capital Inc. Announces Completion of Private Placement to Raise \$965,020**

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Toronto – May 16, 2018 – ThreeD Capital Inc. (the “Company”) (CSE:IDK), a Canadian-based venture capital firm focused on investments in promising, early stage companies and ICOs with disruptive capabilities, is pleased to announce that it has completed a non-brokered private placement (the “Offering”), pursuant to which it has issued 7,423,230 units (“Units”) at a price of \$0.13 per Unit, to raise aggregate gross proceeds of \$965,020. 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 \$0.20 until May 16, 2021.

All securities issued and issuable in connection with the Offering are subject to a statutory hold period expiring on September 17, 2018.

Insiders of the Company subscribed for an aggregate of 640,000 Units pursuant to the Offering. Proceeds of the Offering will be used for investment purposes and general working capital.

#### **About ThreeD Capital Inc.**

ThreeD is a publicly-traded Canadian-based venture capital firm focused on opportunistic investments in companies in the Junior Resources, Artificial Intelligence and Blockchain sectors. ThreeD seeks to invest in early stage, promising companies and ICOs where it may be the lead investor and can additionally provide investees with advisory services, mentoring and access to the Company’s ecosystem.

For further information:

Gerry Feldman, CPA, CA  
Chief Financial Officer and Corporate Secretary  
Phone: 416-941-8900 ext 106