

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 August 23, 2018.

Item 3. **Press Release**

On August 23, 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 \$1,322,000.

Pursuant to the financing, Mr. Sheldon Inwentash subscribed for an aggregate of 2,000,000 units of the Company (“Units”) at a price of \$0.10 per Unit. Mr. Inwentash is an insider of the Company. As of August 23, 2018 immediately prior to the closing of the financing, Mr. Inwentash directly and indirectly held 6,122,677 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 5.2% of the issued and outstanding shares of the Company (and approximately 13.7% on a partially diluted basis, assuming exercise of the convertible securities only). Following the closing of the financing, Mr. Inwentash directly and indirectly holds 8,122,677 common shares of the Company and convertible securities entitling Mr. Inwentash to acquire an additional 13,575,000 common shares of the Company, representing approximately 6.2% of the issued and outstanding shares of the Company post-closing (and approximately 15.0% on a partially diluted basis, assuming exercise of the convertible securities only).

Pursuant to the financing, Mr. Allen Lone subscribed for an aggregate of 150,000 Units at a price of \$0.10 per Unit. Mr. Lone is an insider of the Company. As of August 23, 2018 immediately prior to the closing of the financing, Mr. Lone directly and indirectly held 438,000 common shares of the Company and convertible securities entitling Mr. Lone to acquire an additional 1,083,334 common shares of the Company, representing approximately 0.4% of the issued and outstanding shares of the Company (and approximately 1.3% on a partially diluted basis, assuming exercise of the convertible securities only). Following the closing of the financing, Mr. Lone directly and indirectly holds 588,000 common shares of the Company and convertible securities entitling Mr. Lone to acquire an additional 1,233,334 common shares of the Company, representing

approximately 0.4% of the issued and outstanding shares of the Company post-closing (and approximately 1.4% 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 200,000 Units at a price of \$0.10 per Unit. Mr. Brand is an insider of the Company. As of August 23, 2018 immediately prior to the closing of the financing, Mr. Brand directly and indirectly held 180,666 common shares of the Company and convertible securities entitling Mr. Brand to acquire an additional 598,334 common shares of the Company, representing 0.2% of the issued and outstanding shares of the Company (and approximately 0.7% on a partially diluted basis, assuming exercise of the convertible securities only). Following the closing of the financing, Mr. Brand directly and indirectly holds 380,666 common shares of the Company and convertible securities entitling Mr. Brand to acquire an additional 798,334 common shares of the Company, representing approximately 0.3% of the issued and outstanding shares of the Company post-closing (and approximately 0.9% 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 August 21, 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 23th day of August, 2018.

SCHEDULE “A”

ThreeD Capital Inc. Announces Completion of Oversubscribed Private Placement to Raise \$1,322,000

Toronto – August 23, 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”) announced on August 3, 2018, pursuant to which it has issued 13,220,000 units (“Units”) at a price of \$0.10 per Unit, to raise aggregate gross proceeds of \$1,322,000. 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 August 23, 2021.

All securities issued and issuable in connection with the Offering are subject to a statutory hold period expiring on December 24, 2018.

Insiders of the Company subscribed for an aggregate of 2,350,000 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:

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