

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”)
130 Spadina Ave, Suite 401
Toronto, Ontario
M5V 2L4

Item 2. Date of Material Change

A material change took place effective May 31, 2019.

Item 3. Press Release

On May 31, 2019, 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 \$824,600.

Pursuant to the financing, Mr. Sheldon Inwentash subscribed for an aggregate of 1,150,000 units of the Company (“Units”) at a price of \$0.065 per Unit. Mr. Inwentash is an insider of the Company. As of May 31, 2019 immediately prior to the closing of the financing, Mr. Inwentash directly and indirectly held 4,881,335 common shares of the Company and convertible securities entitling Mr. Inwentash to acquire an additional 6,722,217 common shares of the Company, representing approximately 9.8% of the issued and outstanding shares of the Company (and approximately 20.6% on a partially diluted basis, assuming exercise of the convertible securities only). Following the closing of the financing, Mr. Inwentash directly and indirectly holds 6,031,335 common shares of the Company and convertible securities entitling Mr. Inwentash to acquire an additional 7,872,217 common shares of the Company, representing approximately 9.7% of the issued and outstanding shares of the Company post-closing (and approximately 19.8% 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 31, 2019. 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 31st day of May, 2019.

SCHEDULE “A”

ThreeD Capital Inc. Announces Completion of Private Placement to Raise \$824,600

Toronto – May 31, 2019 – 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 12,686,152 units (“Units”) at a price of \$0.065 per Unit, to raise aggregate gross proceeds of \$824,600. 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 \$0.10 until May 31, 2022.

All securities issued and issuable in connection with the Offering are subject to a statutory hold period expiring on October 1, 2019.

Insiders of the Company subscribed for an aggregate of 1,150,000 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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