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ThreeD Capital Inc. Provides Update on Legal Action

TORONTO, July 22nd, 2021 (GLOBE NEWSWIRE) — ThreeD Capital Inc. (the “Company” or “ThreeD”) (CSE:IDK) wishes to provide an update with respect to its ongoing legal action brought in connection with the sale by the Company of 13,500,000 common shares (the “Subject Shares”) of New Found Gold Corp. (“NFG”). As previously disclosed, the Company sold the Subject Shares to Palisades Goldcorp Ltd. (“Palisades”) pursuant to a share purchase agreement dated November 15, 2019, at a price of \$0.08 per share for aggregate proceeds of \$1,080,000. The Company believes that the purchaser was in possession of information material to the transaction that was not disclosed at the time. As a private company with restrictions on the transfer of the Subject Shares, NFG had to approve the proposed transfer, which it did by a consent resolution of its board of directors.

Accordingly, the Company subsequently commenced the legal action on March 10, 2020 against Collin Kettell, Palisades and NFG claiming rescission of the transaction or, in the alternative, damages in the approximate amount of \$16,000,000 or the present value of the Subject Shares. The Company has also made specific claims for (i) a declaration that Palisades and Collin Kettell, as shareholder or director and/or officer of NFG, have acted in a manner that is oppressive, unfairly prejudicial or unfairly disregarded its interests, (ii) a declaration that Palisades and Collin Kettell engaged in insider trading contrary to section 138 of the *Securities Act* (Ontario), (iii) unjust enrichment and (iv) interests and costs.

NFG filed a statement of defence in response to the Company’s statement of claim on June 12, 2020, and the action has now progressed through the production of documents and oral examinations for discovery stages. On July 12, 2021, the Company asked NFG to consent to amendments to the statement of claim to broaden its claims to include direct claims of oppressive conduct on the part of NFG, and to increase the damages sought against all of the parties in respect of the Subject Shares to approximately \$176,600,000. NFG has not yet consented to the requested amendment to the claim.

It is not determinable whether NFG will consent to the Company’s requested amendment to its claim, whether the Company will be successful in its claim, or, if successful, the amount of damages that may be awarded, if any.

About ThreeD Capital Inc.

ThreeD is a publicly-traded Canadian-based venture capital firm focused on opportunistic investments in companies in the junior resources and disruptive technologies sectors. ThreeD’s investment strategy is to invest in multiple private and public companies across a variety of sectors globally. ThreeD seeks

to invest in early stage, promising companies where it may be the lead investor and can additionally provide investees with advisory services and access to the Company's ecosystem.

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The Canadian Securities Exchange has neither approved nor disapproved the contents of this news release and accepts no responsibility for the adequacy or accuracy hereof.

Caution Regarding Forward-Looking Information:

Certain information contained in this press release constitutes forward-looking information, which is information relating to future events or the Company's future performance and which is inherently uncertain. All information other than statements of historical fact may be forward-looking information. Forward-looking information contained in this press release includes, but is not limited to the potential outcome of the Company's statement of claim in respect of the sale of the Subject Shares, including any future amendments to such statement of claim and resulting decisions, if any. Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. The Company believes the expectations reflected in the forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct and readers are cautioned not to place undue reliance on forward-looking information contained in this press release. Some of the risks and other factors which could cause results to differ materially from those expressed in the forward-looking information contained in this press release include, but are not limited to, risks related to the inherent uncertainty involved in litigation matters, and associated costs, and other risks contained in the Company's public disclosure documents filed with certain Canadian securities regulatory authorities and available under the Company's profile at www.sedar.com. Readers are cautioned that the foregoing lists of factors are not exhaustive. Although the Company has attempted to identify important factors that could cause actual events and results to differ materially from those described in the forward-looking information, there may be other factors that cause events or results to differ from those intended, anticipated or estimated. The forward-looking information contained in this press release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as otherwise required by law.