



Form 51-102F3 | Material Change Report

Item 1 – Name and Address of Company

Gunpowder Capital Corp. (the "Corporation")
47 Colborne Street, Suite 307
Toronto, Ontario, M5E 1P8

Item 2 – Date of Material Change

Aug 29th, 2016

Item 3 – News Release

A news release for Gunpowder Capital Corp., dated Aug 29th, 2016, was disseminated through Newsfile Corp. A copy of the full News Release is attached to this report as "Schedule 'A'".

Item 4 – Summary of Material Change

The Corporation announced that it had closed the second tranche of its non-brokered private placement raise which was announced on July 4th, 2016. In total, One Hundred Thousand Dollars ("100,000.00") CDN was raised via the sale of Ten Thousand ("10,000") Series "A" Preferred Shares at \$10.00 per share. No commission or finder's fee is payable with respect to the closing of this tranche of the placement. The Corporation had 61,796 Preferred Shares issued before the closing of this tranche and will have 71,796 preferred shares issued (As At August 29th, 2016).

Item 5 – Full Description of Material Change

5.1 Full Description of Material Change
For a full description of the material change, see Schedule "A"

5.2 Disclosure for Restructuring Transactions
Not Applicable.

Item 6 – Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not Applicable.

Item 7 – Omitted Information

Not Applicable.

Item 8 – Executive Officer

Frank Kordy,
Interim Chief Executive Officer & Director
T: (647) 466-4037 | E: frank.kordy@gunpowdercapitalcorp.com

Item 9 – Date of Report

Aug 29th, 2016

Schedule "A"



News Release

Gunpowder Capital Corp., Announces the Closing of the Second Tranche of its Non-Brokered Private Placement & AGM Results

FOR IMMEDIATE RELEASE

Aug 29th, 2016

Toronto, Ontario, Aug 29th, 2016 – Gunpowder Capital Corp., (CSE: GPC), (Frankfurt:YS6N) (the “Corporation”) announced today that it has closed the second tranche of its non-brokered private placement raise which was announced on July 4th, 2016. In total, One Hundred Thousand Dollars (“\$100,000.00”) CDN was raised via the sale of Ten Thousand (“10,000”) Series “A” Preferred Shares at \$10.00 per share. No commission or finder’s fee is payable with respect to the closing of this tranche of the placement. To date, the Corporation has raised in total One Hundred and Sixty Five Thousand Dollars & Five hundred Dollars (“\$165,500.00”) CDN in this offering. The Corporation is extending the closing date of this offering to Oct 14th, 2016.

The Corporation also announced today the voting results from AGM meeting of the shareholders held on August 24th, 2016. Shareholders voted in favor of all items of business. In total 7,821,045 shares were voted at the AGM representing 31% of the outstanding total with the following results:

Election of Steve Mlot as Director
95% in favor for | 5% withheld

Election of Frank Kordy as Director
94% in favor for | 6% withheld

Election of Dan Colli as Director
88% in favor for | 12% withheld

Appointment of Ross Pope LLP., as the Auditors of the Corporation
100% in favor for | 0% against

Approval of the Corporation’s Stock Option Plan
88% in favor for | 12% against

Mr. Frank Kordy stated: “We are very pleased to see that we’ve received strong support from our shareholders at the AGM in continuing our business mandate. We continue our business strategy of entering into deals and acquiring assets that are revenue generating.”

For further information please contact:

Mr. Frank Kordy
Interim CEO & Director
Gunpowder Capital Corp.
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Forward-Looking Statements

Information set forth in this news release may involve forward-looking statements under applicable securities laws. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this document are made as of the date of this document and the Corporation disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation. Although Management believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. This news release does not constitute an offer to sell or solicitation of an offer to buy any of the securities described herein and accordingly undue reliance should not be put on such. Neither CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.