



Form 51-102F3 | Material Change Report

Item 1 – Name and Address of Company

Gunpowder Capital Corp. (the "Corporation")
8 King Street East | Suite 1005
Toronto, Ontario | M5C 1B5

Item 2 – Date of Material Change

Feb 6th, 2017

Item 3 – News Release

A news release for Gunpowder Capital Corp., dated Feb 6th 2017, 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

Gunpowder Capital Corp., (CSE: GPC), (CSE: GPC.PR.A), (Frankfurt: YS6N), ("Gunpowder" of the "Corporation") announced that its Board of Directors had approved a change in the Corporation's auditor. Effective February 6th, 2017, the Corporation's Audit Committee and its Board of Directors had accepted the resignation of Ross Pope LLP (the "Former Auditor") and had appointed McGovern, Hurley, Cunningham LLP (the "Successor Auditor") as the Corporation's new auditor until the close of the next annual general meeting of the Corporation.

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

Feb 6th, 2017

Schedule "A"



News Release

Gunpowder Capital Corp., Announces Change of Auditor.

FOR IMMEDIATE RELEASE

Feb 6th, 2017

Toronto, Ontario, February 6th, 2017 – Gunpowder Capital Corp., (CSE: GPC), (CSE: GPC.PR.A), (Frankfurt: YS6N), (“Gunpowder”), (the “Corporation”) announced today that the Board of Directors have approved a change in its auditor. Effective February 6th, 2017, the Corporation’s Audit Committee and its Board of Directors have accepted the resignation of Ross Pope LLP (the “Former Auditor”) and have appointed McGovern, Hurley, Cunningham LLP (the “Successor Auditor”) as the Corporation’s new auditor until the close of the next annual general meeting of the Corporation.

The Corporation has already sent a Notice of Change of Auditor (the “Notice”) to the Former Auditor and to the Successor Auditor and has received a letter from each, addressed to the Ontario Securities Commission, and stating that they agree with the information contained within the Notice. The Notice, together with the two letters from the Auditors will be filed onto SEDAR accordingly.

There were no disagreements or unresolved issues with the Former Auditor on any matter of audit scope or procedures, accounting principles or policies, or financial statement disclosure. It is the Corporation’s opinion that there have been no “reportable events” (as defined in National Instrument 51-102 - Continuous Disclosure Obligation) between the Corporation and the Former Auditor.

For further information please contact:

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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.