



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

July 4th, 2017

Item 3 – News Release

A news release for Gunpowder Capital Corp., dated July 4th, 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" or the "Corporation") announced that its fully owned subsidiary GP Realty Inc., had completed the purchase of 559 Assumption Street, a fully tenanted residential rental property located in Windsor, Ontario. Total purchase price of the property was One Hundred & Fifty Thousand Dollars ("150,000.00") CDN. The Corporation funded the purchase with a 75% LTV mortgage from a major Canadian financial institution. The mortgage bears interest at a rate of 3.2% per annum and is being amortized over 20 years. The remainder of the purchase price was covered by the Corporation's working capital. The Corporation estimates that the cash on cash return generated will be in excess of 22% per annum.

The completion of this transaction is defined and deemed as being a "property acquisition" as by NP 51-201. Furthermore, the property will be partially acquired via a mortgage, and therefore could be defined as "mortgaging of a company asset" as by NP 51-201.

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,
CEO & Director
T: (647) 466-4037 | E: frank.kordy@gunpowdercapitalcorp.com

Item 9 – Date of Report

July 4th, 2017

Schedule "A"



News Release

Gunpowder Capital Corp., Subsidiary Continues to Grow Real Estate Assets.

FOR IMMEDIATE RELEASE

July 4th, 2017

Toronto, Ontario, July 4th, 2017 – Gunpowder Capital Corp., (CSE: GPC), (CSE: GPC.PR.A), (OTC PINK: GNPWF), (Frankfurt: YS6N), (“Gunpowder” or the “Corporation”) announced today that its fully owned subsidiary GP Realty Inc., has completed the purchase of 559 Assumption Street, a fully tenanted residential rental property located in Windsor, Ontario.

Total purchase price of the property was One Hundred & Fifty Thousand Dollars (“\$150,000.00”) CDN. The purchase closed on June 28th, 2017. The Corporation funded the purchase with a 75% LTV mortgage from a major Canadian financial institution. The mortgage bears interest at a rate of 3.2% per annum and is being amortized over 20 years. The remainder of the purchase price was covered by the Corporation’s working capital. Gunpowder estimates that the cash on cash return generated will be in excess of 22% per annum.

Mr. Paul Haber stated: “We are very excited about this acquisition and are working on additional properties that we hope to be able to close on in the near term.”

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.