Form 45-106F1 Report of Exempt Distribution

IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT

ITEM 1 - REPORT TYPE	ITEM 1 - REPORT TYPE					
✓ New report						
Amended report If amen	ided, provide filing date	of report that is being am	ended (YYYY-MM-DD)			
ITEM 2 - PARTY CERTIFYING THE	REPORT					
Indicate the party certifying the report (sele National Instrument 81-106 Investment Fui						
☐ Investment fund issuer						
✓ Issuer (other than an inves	stment fund)					
☐ Underwriter						
ITEM 3 - ISSUER NAME AND OTH	HER IDENTIFIERS					
Provide the following information about the	e issuer, or if the issuer is an in	vestment fund, about the fund.				
Full legal name	Gunpowder Capital Co	orp.				
Previous full legal name						
If the issuer's name changed in	the last 12 months, provide mo	ost recent previous legal name.				
Website	www.gunpowdercapita	lcorp.com	(if applicable)			
If the issuer has a legal entity identifier. pro	vide below. Refer to Part B of t	he Instructions for the definition	of "legal entity identifier".			
Legal entity identifier						
ITEM 4 - UNDERWRITER INFORM	ATION					
If an underwriter is completing the report, p	provide the underwriter's full leg	gal name and firm National Reg	istration Database (NRD) number.			
Full legal name						
Firm NRD number		(if applicable)				
If the underwriter does not have a firm NRE	O number, provide the head off	ice contact information of the ur	nderwriter.			
Street address						
Municipality		Province/State				
Country		Postal code/Zip code				
Telephone number		Website	(if applicable)			

ITEM 5 - ISSUER INFORMATION				
If the issuer is an investment fund, do not complete Item 5. Proceed to Item 6.				
a) Primary industry				
Provide the issuer's North American Industry Classification Standard (NAICS) code (6 digits only) that corresponds to the issuer's primary business activity. For more information on finding the NAICS industry code go to Statistics Canada's NAICS industry search tool .				
NAICS industry code 5 2 3 9 9 0				
If the issuer is in the mining industry , indicate the stage of operations. This does not apply to issuers that provide services to issuers operating in the mining industry. Select the category that best describes the issuer's stage of operations.				
Is the issuer's primary business to invest all or substantially all of its assets in any of the following? If yes, select all that apply. Mortgages Real estate Commercial/business debt Consumer debt Private companies				
b) Number of employees				
Number of employees: 🗸 0 - 49 🔲 50 - 99 🔲 100 - 499 🔲 500 or more				
c) SEDAR profile number				
Does the issuer have a SEDAR profile? No Yes If yes, provide SEDAR profile number 0 0 0 2 4 7 7 3 If the issuer does not have SEDAR profile complete item 5(d) - (h).				
d) Head office address				
Street address Province/State				
Municipality Postal code/Zip code				
Country Telephone number				
e) Date of formation and financial year-end				
Date of formation Financial year-end MM DD MM DD				
f) Reporting issuer status				
Is the issuer a reporting issuer in any jurisdication of Canada? No Yes				
If yes, select the jurisdictions of Canada in which the issuer is a reporting issuer.				
│				
NS NU ON PE QC SK YT				
g) Public listing status (fight C digits only)				
If the issuer has a CUSIP number, provide below (first 6 digits only) CUSIP number				
If the issuer is publicly listed, provide the names of all exchanges on which its securities are listed. Include only the names of exchanges for which the issuer				
has applied for and received a listing, which excludes, for example, automated trading systems.				
Exchange name(s):				
h) Size of issuer's assets				
Select the size of the issuer's assets for its most recent financial year-end (Canadian \$). If the issuer has not existed for a full financial year, provide the size of the issuer's assets at the distribution end date.				
□ \$0 to under \$5M □ \$5M to under \$25M □ \$25M to under \$100M				
☐ \$100M to under \$500M ☐ \$500M to under \$1B ☐ \$1B or over				

ITEM 6 - INVESTMENT FUND ISSUER INFORMATION						
If the issuer is an investm	ent fund, provide the following information.					
a) Investment fund man	a) Investment fund manager information					
Full legal name						
Firm NRD number	(if applicable)					
If the investment fund mana	ger does not have a firm NRD number, provide the head office contact information of the investment fund manager.					
Street address						
Municipality	Province/State					
Country	Postal code/Zip code					
Telephone number	Website (if applicable)					
b) Type of investment for	und					
Type of investment fund that r	nost accurately identifies the issuer (select only one) .					
Money market	Equity Fixed income					
Balanced	Alternative strategies Other (describe)					
Indicate whether one or both c	of the following apply to the investment fund .					
Invests primarily in o	other investment fund issuers					
☐ Is a UCITs Fund¹						
**Undertaking for the Collective	Investment of Transferable Securities funds (UCITs Funds) are investment funds regulated by the European Union (EU)					
	investment schemes to operate throughout the EU on a passport basis on authorization from one member state. d financial year-end of the investment fund					
•						
Date of formatio	n Financial year-end MM DD MM DD					
d) Reporting issuer stat	us of the investment fund					
Is the investment fund a repor	ting issuer in any jurisdication of Canada? No Yes					
· · · <u></u> · · · · <u></u> ·	Canada in which the investment fund is a reporting issuer.					
	AB BC MB NB NL NT					
	NU ON PE QC SK T					
e) Public listing status of the investment fund						
If the investment fund has a CUSIP number, provide below (first 6 digits only)						
CUSIP number						
If the investment fund is publicly listed, provide the names of all exchanges on which its securities are listed. Include only the names of exchanges for which the issuer has applied for and received a listing, which excludes, for example, automated trading systems.						
Exchange names						
f) Net asset value (NAV) of the investment fund						
Select the NAV range of the in	vestment fund as of the date of the most recent NAV calculation (Canadian \$).					
\$0 to under \$5M	\$5M to under \$25M \$25M to under \$100M					
\$100M to under \$500M	\$500M to under \$1B S1B or over Date of NAV calculation:					
	YYYY MM DD					

ITEM 7 - INFORMATION ABOUT THE DISTRIBUTION							
If an issuer located outside of Canada completes a distribution in a jurisdiction of Canada, include in Item 7 and Schedule 1 information about							
purchasers resident in that jurisdiction of Canada only. Do not include in Item 7 securities issued as payment of commissions or finder's fees, which should be disclosed in Item 8. The information provided in Item 7 must reconcile with the information provided in Schedule 1 of the report.							
a) Currency							
Select the currency or currencies in which the distribution was made. All dollar amounts provided in the report must be in Canadian dollars.							
✓ Canadian dollar US dollar Euro Other (describe)							
b) Distribution date(s)							
State the distribution start and end dates. If the report is being filed for securities distributed on only one distribution date, provide the distribution date as both the start and end dates. If the report is being filed for securities distributed on a continuous basis, include the start and end dates for the distribution period covered by the report. Start date 2017 08 15 End date 2017 08 15							
YYYY MM DD YYYY MM DD							
c) Detailed purchaser information							
Complete Schedule 1 of this form for each purchaser and attach the schedule to the completed report.							
d) Types of securities distributed							
Provide the following information for all distributions that take place in a jurisdiction of Canada on a per security basis. Refer to Part A of the Instructions for how to indicate the security code. If providing the CUSIP number, indicate the full 9-digit CUSIP number assigned to the security bei distributed. The information included in item 7d must reconcile to item 7f. For examples on how to report convertible securities, see our Frequently-Asked Questions . Canadian \$	ng						
Security CUSIP number of Single or							
code (if applicable) Description of security Securities I lowest price Total amount							
P R S 403072200 "Class - A" Preferred Shares 71,000.00 10.0000 710,000.	00						
e) Details of rights and convertible/exchangeable securities							
If any rights (e.g. warrants, options) were distributed, provide the exercise price and expiry date for each right. If any convertible/exchangeable secur	ities						
were distributed, provide the conversion ratio and describe any other terms for each convertible/exchangeable security. Security Underlying Exercise price Exercise Conversion Conversion							
Security Underlying code security code (Canadian \$) Expiry date (Canadian \$) Expiry date (YYYY- MM-DD) ratio Describe other items (if applicable)							
Lowest Trigriest							
f) Summary of the distribution by jurisdiction and exemption							
f) Summary of the distribution by jurisdiction and exemption State the total dollar amount of securities distributed and the number of purchasers for each jurisdiction of Canada and foreign jurisdiction where a							
purchaser resides and for each exemption relied on in Canada for that distribution. However, if an issuer located outside of Canada completes a							
distribution in a jurisdiction of Canada, include distributions to purchasers resident in that jurisdiction of Canada only. This table requires a separate line item for: (i) each jurisdiction where a purchaser resides, (ii) each exemption relied on in the jurisdiction where a							
purchaser resides, if a purchaser resides in a jurisdiction of Canada, and (iii) each exemption relied on in Canada, if a purchaser resides in a foreign							
jurisdiction. For jurisdictions within Canada, state the province or territory, otherwise state the country.							
Province or Fyemption relied on Number of Total amount (Canadian \$)							
British Columbia NI 45-106 2.3 [Accredited investor] 3 590,000.00	0						
Ontario NI 45-106 2.3 [Accredited investor] 2 120,000.00							

²In calculating the total number of unique purchasers to which the issuer distributed securities, count each purchaser only once, regardless of whether the issuer distributed multiple types of securities to, and relied on multiple exemptions for, that purchaser.

Total number of unique purchasers²

Total dollar amount of securities distributed

5

710,000.00

g) Net proceeds to the investment fund by jurisdiction

If the issuer is an investment fund, provide the net proceeds to the investment fund for each jurisdiction of Canada and foreign jurisdiction where a purchaser resides. If an issuer located outside of Canada completes a distribution in a jurisdiction of Canada, include net proceeds for that jurisdiction of Canada only. For jurisdictions within Canada, state the province or territory, otherwise state the country.

Province or country	Net proceeds (Canadian \$)
Total net proceeds to the investment fund	

³"Net proceeds" means the gross proceeds realized in the jurisdiction from the distributions for which the report is being filed, less the gross redemptions that occurred during the distribution period covered by the report.

h) Offering materials - This section applies only in Saskatchewan, Ontario, Québec, New Brunswick and Nova Scotia.

If a distribution has occurred in Saskatchewan, Ontario, Québec, New Brunswick or Nova Scotia, complete the table below by listing the offering materials that are required under the prospectus exemption relied on to be filed with or delivered to the securities regulatory authority or regulator in those jurisdictions.

In Ontario, if the offering materials listed in the table are required to be filed with or delivered to the Ontario Securities Commission (OSC), attach an electronic version of the offering materials that have not been previously filed with or delivered to the OSC.

Description	Date of document or other material (YYYY-MM-DD)	Previously filed with or delivered to regulator? (Y/N)	Date previously filed or delivered (YYYY-MM-DD)	

EM 8 - COMPENSATION INFORMATION				
Provide information for each person (as defined in NI 45-106) to whom the issuer directly provides, or will provide, any compensation in connection with the distribution. Complete additional copies of this page if more than one person was, or will be, compensated.				
Indicate whether any compensation was paid, or will be paid, in connection with the distribution.				
No ✓ Yes If yes, indicate number of persons compensated. 2				
a) Name of person compensated and registration status				
Indicate whether the person compensated is a registrant. No Ves				
If the person compensated is an individual, provide the name of the individual.				
Full legal name of individual				
Family name First given name Secondary given names				
If the person compensated is not an individual, provide the following information.				
Full legal name of non-individual Foster & Associates Financial Services Inc.				
Firm NRD number 5 0 0 0 (if applicable)				
Indicate whether the person compensated facilitated the distribution through a funding portal or an internet-based portal.	Yes			
b) Business contact information				
If a firm NRD number is not provided in Item 8 (a), provide the business contact information of the person being compensated.				
Street address 1100-372 Bay St				
Municipality Toronto Province/State Ontario				
Country Canada Postal code/Zip code M5H 2W9				
Email address info@fostergroup.ca Telephone number 18005598853				
c) Relationship to issuer or investment fund manager				
Indicate the person's relationship with the issuer or investment fund manager (select all that apply). Refer to the meaning of "connected" in PB(2) of the Instructions and the meaning of "control" in section 1.4 of NI 45-106 for the purposes of completing this section.	Part			
Connect with the issuer or investment fund manager Insider of the issuer (other than an investment fund	nd)			
Director or officer of the investment fund or investment fund manager Employee of the issuer or investment fund manage	jer			
✓ None of the above				
d) Compensation details				
Provide details of all compensation paid, or to be paid, to the person identified in Item 8(a) in connection with the distribution. Provide all am Canadian dollars. Include cash commissions, securities-based compensation, gifts, discounts or other compensation. Do not report payments f services incidental to the distribution, such as clerical, printing, legal or accounting services. An issuer is not required to ask for details about, on, internal allocation arrangements with the directors, officers or employees of a non-individual compensated by the issuer.	for			
Cash commissions paid Security codes Security code 1 Security code 2 Security	code 3			
Value of all securities distributed as compensation ⁴				
Describe terms of warrants, options or other rights Not Applicable / No Warrants or other rights issued				
Other compensation ⁵ 1,600.00 Describe \$1,600.00 Finders Fee Paid on the \$20,000.00 Ontario Subscription				
Total compensation paid 1,600.00				
Check box if the person will or may receive any deferred compensation (describe the terms below)				
⁴ Provide the aggregate value of all securities distributed as compensation, <u>excluding</u> options, warrants or other rights exercisable to acquing additional securities of the issuer. Indicate the security codes for all securities distributed as compensation, <u>including</u> options, warrants or rights exercisable to acquire additional securities of the issuer. ⁵ Do not include deferred compensation.				

 a) Name of person com 	npensated and registration status				
Indicate whether the pers	on compensated is a registrant.	✓ No	Yes		
If the person compensated is	is an individual, provide the name of the inc	lividual.			
Full legal name of ind	ividual				
	Family name	First given name	e Seco	ondary given names	
If the person compensated	is not an individual, provide the following i	information.			
Full legal name	e of non-individual First Mark Investr	ment Corporation			
ı	Firm NRD number		(if app	licable)	
Indicate whether the perso	n compensated facilitated the distribution t	hrough a funding portal	l or an internet-bas	ed portal. 🔽 No 🔲 Yes	
b) Business contact info	ormation				
If a firm NRD number is not	t provided in Item 8 (a), provide the busines	s contact information of	f the person being c	ompensated.	
Street address	224-6655 178 Street				
Municipality	Edmonton	7	Province/State	Alberta	
Country	Canada	_ Posta	al code/Zip code	T5T4J5	
Email address	martyn@firstmarkinvestment	_ Tele	ephone number	7802448266	
	.com				
c) Relationship to issue	er or investment fund manager				
	nship with the issuer or investment fund mo the meaning of "control" in section 1.4 of N				
	suer or investment fund manager			ner than an investment fund)	
	the investment fund or investment fund m	<u>—</u>		or investment fund manager	
✓ None of the above			,	g	
d) Compensation detail	ls.				
	nsation paid, or to be paid, to the person ide	entified in Item 8(a) in co	onnection with the	distribution Provide all amounts in	
Canadian dollars. Include ca	ish commissions, securities-based compenso	ation, gifts, discounts or d	other compensatior	n. Do not report payments for	
	tribution, such as clerical, printing, legal or gements with the directors, officers or empl	•	•	•	
Cash commissions p	paid				
Value of all securit		Security codes	Security code 1	Security code 2 Security code 3	
distributed	las				
compensati					
	e terms of warrants, options or other rights				
Other compensati	ion ⁵ 47,500.00 Describe	\$ 2,000.00 finders \$13,200.00 finders	s fee paid for \$ 2 s fee paid for \$ 1	5,000.00 B.C subscription 65,000.00 B.C subscription	
		\$32,000.00 finders	s fee paid for \$40	0,000.00 B.C subscription	
Total compensation paid 47,500.00					
Check box if the person will or may receive any deferred compensation (describe the terms below)					
⁴ Provide the aggregate value of all securities distributed as compensation, <u>excluding</u> options, warrants or other rights exercisable to acquire additional securities of the issuer. Indicate the security codes for all securities distributed as compensation, <u>including</u> options, warrants or other					
	re additional securities of the issuer.			- , ·	
Do not include deletted ce	inpendatori.				

ГЕМ	9 - DIRECTORS, EXECUTI	VE OFFICERS A	AND PROMO	TERS OF THE IS	SSUER					
If t	he issuer is an investment fund, o	do not complete I	tem 9. Procced t	o Item 10.						
Ind	icate whether the issuer is any of th	e following (select	all that apply).							
[Reporting issuer in any jurisdiction of Canada									
	Foreign public issuer									
	Wholly owned subsidiary of a r	eporting issuer in	any jurisdiction o	f Canada ⁶						
	Provide name o	of reporting issuer								
	Wholly owned subsidiary of a f	oreign public issu	er ⁶							
	Provide name of for	eign public issuer								
	Issuer distributing eligible forei	gn securities only	to permitted clien	ıts ⁷						
⁶ An . secu	If the issuer is at least one of the above, do not complete Item 9(a) – (c). Proceed to Item 10. An issuer is a wholly owned subsidiary of a reporting issuer or a foreign public issuer if all of the issuer's outstanding voting securities, other than securities that are required by law to be owned by its directors, are beneficially owned by the reporting issuer or the foreign public issuer, respectively. Check this box if it applies to the current distribution even if the issuer made previous distributions of other types of securities to non-permitted clients. Refer to the definitions of "eligible foreign security" and "permitted client" in Part B(1) of the Instructions.									
a)	Directors, executive officers a		-	11 1(1)						
	ovide the following information for rritory; otherwise state the country.	each director, exec	cutive officer and p				da, sta	e the p	province (or
	Organization or company name	Family name	First given name	Secondary give names	Business lo non-individ resider jurisdicti individ	dual or ntail ion of		itionshi issuer ect all apply)	that	
					Province o	r country	D	0	Р	
b)	Promoter information									
If the promoter listed above is not an individual, provide the following information for each director and executive officer of the promoter. For locations within Canada, state the province or territory; otherwise state the country. For "Relationship to promoter", "D" – Director, "O" – Executive Officer.										
Organization or company name Family name First given name Secondary given names Residential jurisdiction of individual Relationship to proper individual										
					Province or country	D		C)	
c)	Residential address of each in	ndividual								

Complete Schedule 2 of this form providing the full residential address for each individual listed in Item 9(a) and (b) and attach to the completed report. Schedule 2 also requires information to be provided about control persons.

ITEM 10 - CERTIFICATION

Provide the following certification and business contact information of an officer or director of the issuer or underwriter. If the issuer or underwriter is not a company, an individual who performs functions similar to that of a director or officer may certify the report. For example, if the issuer is a trust, the report may be certified by the issuer's trustee. If the issuer is an investment fund, a director or officer of the investment fund manager (or, if the investment fund manager is not a company, an individual who performs similar functions) may certify the report if the director or officer has been authorized to do so by the investment fund.

The certification may not be delegated to an agent or other individual preparing the report on behalf of the issuer or underwriter. If the individual completing and filing the report is different from the individual certifying the report, provide their name and contact details in Item 11.

The signature on the report must be in typed form rather than handwritten form. The report may include an electronic signature provided the name of the signatory is also in typed form.

IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT

By completing the information below, I certify to the securities regulatory authority or regulator that:

- I have read and understand this report; and
- all of the information provided in this report is true.

Full legal name	Kordy	Frank			
	Family name	First given name)	Secondary give	en names
Title	CEO & Director				
Name of issuer/underwriter/ investment fund manager	Gunpowder Capital Corp.				
Telephone number	6474664037	Email address	frank.kord p.com	ly@gunpowde	ercapitalcor
Signature	/s/ Frank Kordy	Date	2017	08	15
		,	YYYY	MM	DD

ITEM 11- CONTACT F	PERSON			
, ,	•	on for the individual that th f different than the individue	,	hority or regulator may contact with any tem 10.
✓ Same as indivi	dual certifying the r	eport		
Full legal name				Title
	Family name	First given name	Secondary given names	
Name of company				
Telephone number		E	mail address	

Notice - Collection and use of personal information

The personal information required under this form is collected on behalf of and used by the securities regulatory authority or regulator under the authority granted in securities legislation for the purposes of the administration and enforcement of the securities legislation.

If you have any questions about the collection and use of this information, contact the securities regulatory authority or regulator in the local jurisdiction(s) where the report is filed, at the address(es) listed at the end of this form.

The attached Schedules 1 and 2 may contain personal information of individuals and details of the distribution(s). The information in Schedules 1 and 2 will not be placed on the public file of any securities regulatory authority or regulator. However, freedom of information legislation may require the securities regulatory authority or regulator to make this information available if requested.

By signing this report, the issuer/underwriter confirms that each individual listed in Schedule 1 or 2 of the report who is resident in a jurisdiction of Canada:

- a) has been notified by the issuer/underwriter of the delivery to the securities regulatory authority or regulator of the information pertaining to the individual as set out in Schedules 1 or 2, that this information is being collected by the securities regulatory authority or regulator under the authority granted in securities legislation, that this information is being collected for the purposes of the administration and enforcement of the securities legislation of the local jurisdiction, and of the title, business address and business telephone number of the public official in the local jurisdiction, as set out in this form, who can answer questions about the security regulatory authority's or regulator's indirect collection of the information, and
- b) has authorized the indirect collection of the information by the securities regulatory authority or regulator.