



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

April 16th, 2018

Item 3 – News Release

A news release for Gunpowder Capital Corp., dated April 16th, 2018, 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 acquired a fully tenanted four plex in Windsor, Ontario. Total purchase price of the property was Two Hundred Eighty-Five Thousand Dollars ("285,000.00") CDN. The Corporation funded the purchase by making a Seventy-One Thousand Dollar ("71,000.00") CDN down payment and by securing a 5 year fixed rate mortgage from a major Canadian financial institution. The mortgage bears interest at a rate of 4.1% per annum and is being amortized over a 25 year period. The Corporation also announced that it had entered into a shares for debt settlement pursuant to which Gunpowder issued Six Hundred Thousand ("600,000") Common Shares at a deemed price of Ten Cents ("0.10") CDN per share to settle Sixty Thousand Dollars ("60,000.00") CDN in debt owed to two creditors.

The completion of the real estate transaction is both defined and deemed as being a "property acquisition" by NP 51-201. Furthermore, the securing the mortgage on the property could be defined as "mortgaging company assets" by NP 51-201. The completion of the debt settlement transaction is a material event as defined by NP 51-201 as the share issuance increased the number of the Corporation's issued Common Shares from 30,910,256 (As At April 15th, 2018) to 31,510,256 (As At April 16th, 2018).

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

Item 9 – Date of Report

April 16th, 2018

Schedule "A"



News Release

Gunpowder Capital Corp., Continues to Expand Real Estate Base

FOR IMMEDIATE RELEASE

April 16th, 2018

Toronto, Ontario, April 16th, 2018 – Gunpowder Capital Corp., (CSE: GPC), (CSE: GPC.PR.A), (OTCQB: GNPWF), (Frankfurt: YS6N), (“Gunpowder” or the “Corporation”) announced today that its fully owned subsidiary GP Realty Inc., has acquired another fully tenanted four plex in Windsor, Ontario.

Total purchase price of the property was Two Hundred Eighty-Five Thousand Dollars (“\$285,000.00”) CDN. The Corporation funded the purchase by making a Seventy-One Thousand Dollar (“\$71,000.00”) CDN down payment and by securing a 5 year fixed rate mortgage from a major Canadian financial institution. The mortgage bears interest at a rate of 4.1% per annum and is being amortized over a 25 year period. Gunpowder estimates that the building in its current configuration and with an occupancy rate of 100%, will generate approximately Twenty-Four Thousand Dollars (“\$24,000.00”) CDN per annum in revenue. After expenses have been deducted, it is anticipated that the cash on cash return generated by this property will be approximately 21% per annum.

The Corporation also entered into a shares for debt settlement pursuant to which Gunpowder issued Six Hundred Thousand (“600,000”) Common Shares at a deemed price of Ten Cents (“\$0.10”) CDN per share to settle Sixty Thousand Dollars (“\$60,000.00”) CDN in debt owed to two creditors.

The Corporation also announced today that the closing date of its current non-brokered private placement of warrants which was announced via press release back on March 12th, 2018 has been extended, and that the new closing date has been set as April 30th, 2018.

About Gunpowder Capital Corp.

Gunpowder Capital Corp., is a merchant bank and advisory services firm based in Toronto, Ontario, Canada. Gunpowder invests in both publicly traded and private businesses that have successful management teams and attractive economic models. Gunpowder partners with these businesses to support their growth initiatives with its proven methodology of appropriate financing and structured exits. Gunpowder offers debt financing, including mezzanine and bridge loans, equity financing and advisory services. Gunpowder is also building a portfolio of companies in which it takes a long term position and view. For more information please visit www.gunpowdercapitalcorp.com

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.