



News Release

First Reliance Real Estate Investment Trust Engages Gunpowder Capital Corp.

FOR IMMEDIATE RELEASE

June 11th, 2018

Toronto, Ontario, June 11th, 2018 – Gunpowder Capital Corp., (CSE: GPC), (CSE: GPC.PR.A), (OTCQB: GNPWF), (Frankfurt: YS6N), (“Gunpowder” or the “Corporation”) announced today that it has entered into an agreement with First Reliance Real Estate Investment Trust (“First Reliance”).

First Reliance has retained Gunpowder to act as financial advisor and to assist First Reliance in its proposed “go public” transaction.

As compensation to Gunpowder for its services, First Reliance, will issue Two Hundred and Fifty Thousand Dollars (“\$250,000.00”) CDN worth of units in the Trust. These units shall be issued upon completion of First Reliance being listed on a Canadian Stock Exchange. In addition, First Reliance will pay Gunpowder a one-time advisory fee of One Hundred Thousand Dollars (“\$100,000.00”) CDN worth of units in the Trust. These units also shall be issued upon completion of First Reliance being listed on a Canadian Stock Exchange. The units in the forgoing transactions shall be based on a unit price equal to that done in a private placement financing by First Reliance.

Mr. Paul Haber Stated: “We are extremely pleased to have been selected by First Reliance to manage the next stage in the corporate development.”

Mr. Frank Weiler, President and CEO of First Reliance added: “We were impressed by Gunpowder’s track record of supporting companies they work with as well as their reputation in the capital markets. We look forward to listing First Reliance as quickly as possible.”

About First Reliance Real Estate Investment Trust.

Based in Toronto, First Reliance REIT is a Canadian real estate investment trust that makes it easier for investors to participate within the Canadian real estate market without the burden of property management. The REIT primarily focuses on multi-unit residential real estate, with a proven track record of increasing revenues through value-added suite upgrades and reducing expenses through environmentally friendly energy retrofit programs. The primary objective of First Reliance REIT is to provide investors with participation in the Canadian real estate market, without the extensive management that would normally be involved in a real estate investment. For more information please visit www.firstreliancereit.ca

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:

Mr. Frank Kordy
CEO & Director
Gunpowder Capital Corp.
T: (647) 466-4037
E: frank.kordy@gunpowdercapitalcorp.com

Mr. Paul Haber
CFO
Gunpowder Capital Corp.
T: (416) 363-3833
E: paul.haber@gunpowdercapitalcorp.com

Mr. Frank Weiler
President & CEO
First Reliance REIT
T: (416) 941-1266
E: frank.weiler@firstreliance.ca

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.