



News Release

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Gunpowder Capital Corp., Announces a \$250,000.00 CDN Non-Brokered Private Placement of Units

FOR IMMEDIATE RELEASE

Aug 24th, 2018

Toronto, Ontario, August 24th, 2018 – Gunpowder Capital Corp., (CSE: GPC), (CSE: GPC.PR.A), (OTCQB: GNPWF), (Frankfurt: YS6N), (“Gunpowder” or the “Corporation”) announced today that it is conducting a non-brokered private placement financing of up to Two Hundred and Fifty Thousand Dollars (“\$250,000.00”) CDN via the issuance of up to Five Million (“5,000,000”) Units at price of Five Cents (“\$0.05”) CDN per Unit. Each Unit will consist of One Common Share (a “Share”) in the capital of the Corporation and one Common Share Purchase Warrant (a “Warrant”), with each Warrant entitling the holder thereof to purchase one Common Share of the Corporation at an exercise price of Seven and a Half Cents (“\$0.075”) CDN per Common Share for a period of 24 months from the closing of the financing, subject to accelerated expiry in the event the closing price of the Corporation’s shares closes at or greater than Ten Cents (“\$0.10”) CDN for ten consecutive trading days.

All common shares issued in connection with this placement will be subject to a four month plus one day hold period under applicable Canadian securities laws. Finder’s fees may be payable on a portion of the private placement to eligible finders of 8%. All proceeds from the financing will be used for drilling and general working capital purposes.

The Offering will permit participation of existing shareholders of the Corporation who held shares of the Corporation as of August 23rd, 2018 (the **Record Date**) and who continue to hold shares of the Company as of the closing date of the Offering, pursuant to the existing security holder prospectus exemption available under OSC Rule 45-501 - *Ontario Prospectus and Registration Exemptions* and equivalent provisions of other applicable securities laws (the **Existing Shareholder Exemption**). In addition, for those shareholders and for others who do not qualify under the Existing Shareholder Exemption, such persons may qualify to participate under other prospectus exemptions, such as the “accredited investor” (as the term is defined in the *Securities Act*(Ontario) or other legislation applicable in the jurisdiction in which such subscriber resides) prospectus exemption.

To participate, shareholders relying on the Existing Shareholder Exemption will be required to represent in writing certain requirements of the Existing Shareholder Exemption, including that they were as of the Record Date and continue to be as of the closing date, a shareholder of the Company, and that they are purchasing the Offering Shares as principal for their own account. The aggregate acquisition cost to a shareholder relying on the Existing Shareholder Exemption, and not the “accredited investor” prospectus exemption, cannot exceed \$15,000 CDN in the 12-month period immediately preceding the closing date of the Offering, unless that shareholder has obtained advice regarding suitability of the investment from a registered investment dealer in the shareholder’s jurisdiction. The minimum subscription amount for shareholders relying on the Existing Shareholder Exemption is \$5,000 CDN (the **Minimum Subscription**).

This news release does not constitute an offer to sell or a solicitation of an offer to buy the securities described herein in the United States, or in any jurisdiction in which such an offer or sale would be unlawful. The securities described herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “1933 Act”) or any United States state securities laws, and may not be offered or sold in the United States or to the account or benefit of a “U.S. person” (as defined in Regulation S under the 1933 Act) or a person in the United States absent registration or an applicable exemption from the registration requirements.

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

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.