



News Release

Gunpowder Capital Corp., Provides An Update On BitBlox Technologies Inc.

FOR IMMEDIATE RELEASE

October 24th, 2018

Toronto, Ontario, October 24th, 2018 – Gunpowder Capital Corp., (CSE: GPC), (CSE: GPC.PR.A), (OTCQB: GNPWF), (Frankfurt: YS6N), (“Gunpowder” or the “Corporation”) is very pleased to announce that its investee company, BitBlox Technologies Inc., (“BitBlox”), a leading-edge cryptocurrency technology company, that focuses on both the mining of cryptocurrencies and the development of next generation cryptocurrency technologies, has secured its primary hosting facility located in the Province of Quebec.

With its hosting facility now secured, BitBlox anticipates that within the next 30 days it will go live with its early stage release of their highly customized Proof of Concept (“POC”) Mining Rigs.

BitBlox’s early stage POC Mining Rigs have been built around a custom configured GPU mining card which has been highly optimized using advanced techniques by BitBlox. BitBlox’s advanced GPU card customization efforts along with the proprietary purpose built creation of dedicated mining rigs has already demonstrated in the BitBlox R&D labs an increase of hashing capability of approximately 20% over standard specifications, and a decrease of power consumption per GPU card of about 30%.

BitBlox’s advanced hardware, and software, customizations stand to position BitBlox Mining Rigs with better hashing capability than industry standard results while at the same time using less power than industry standards, therefore increasing revenue ability over competitors, and at the same time, decreasing the cost associated with delivering that mined revenue.

BitBlox has used current depressed crypto currency market averages to determine that even during this dip in the highly volatile market numbers and returns; BitBlox expects to see acceptable profitability numbers even on these early stage POC efforts.

In light of BitBlox now formally securing its hosting facility here in Canada with a very advantageous agreement for BitBlox along with substantiated metrics indicating profitability on even the early stage POC being turned up in a downturn market, Gunpowder Capital Corp., has increased its stake in BitBlox by loaning BitBlox Forty Thousand Dollars (“\$40,000.00”) CDN at a rate of Eighteen Percent (18%) per annum. The loan has a term of Eighteen Months. Furthermore, as part of the terms of the loan agreement, BitBlox has issued Five Million (“5,000,000”) Common Shares of BitBlox to Gunpowder Capital Corp. As of the date of this press release, the issuance of the 5,000,000 BitBlox Common Shares to Gunpowder, has increased Gunpowder’s holdings in BitBlox to Fifteen Million (“15,000,000”) Common Shares which represents approximately a 19% ownership stake in the entity.

Mr. Ben Gelfand Director of BitBlox Technologies Inc., stated: “Our recent success in completing a contractual arrangement on facility here in Canada, that meets our current hosting needs, and at the same time allow us the ability to scale in a staged approach in the same facility is instrumental to us, maintaining a dedicated Canadian presence while at the same time benefitting from very competitive utility pricing and an overall facility value proposition that positions us to be profitable on our current mining efforts. Our belief, is that we can be profitable with our mining efforts in the current challenging marketplace only reinforces that we are well positioned to benefit from upward movement and positive changes in the same market. Gunpowder’s increase in stake with us further demonstrates that we have aligned with the right strategic investment partner that recognizes our potential.”

About BitBlox Technologies Inc.

BitBlox Technologies Inc. is building a high value cryptocurrency enterprise. BitBlox focuses on mining cryptocurrencies that offer the best return on investment at the time of mining, and offers value-added technology services for the cryptocurrency market, such as crypto-mining proprietary software. Offering a complete ecosystem of value-creation, BitBlox cryptocurrency mining will provide the basis for an innovative token product that is monetized according to mining profit margins. A percentage of these profits will be invested in the development of a proprietary Artificial Intelligence (“AI”) based technology. Overall, BitBlox takes an approach that enables the company to scale, and respond to changing conditions, within the still-emerging cryptocurrency industry. Part of a wave of emerging technologies, cryptocurrencies are indivisible from a new virtual economy that is powered in part by smart contract and other AI-based integrations. Cryptocurrency and value mining are central to this new paradigm. Taking a robust and diversified business approach, BitBlox Technologies Inc. is poised to capture value in successive phases as this industry continues to scale. For more information please visit: www.bitbloxtechnologies.com

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

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Forward-Looking Statements

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