



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

May 27th, 2019

Item 3 – News Release

A news release for Gunpowder Capital Corp., dated May 27th, 2019, 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), (OTCQB: GNPWF), (Frankfurt: YS6N) announced that Mr. Ben Gelfand had been appointed to its Board of Directors with immediate effect. Mr. Gelfand is the Managing Director of Investment Banking at a Canadian investment firm. Mr. Gelfand began his career with Fidelity Investments in October of 1987 and since has worked for Merrill Lynch and TD Waterhouse among others in sales, investment management, trading, private equity and investment banking roles. Ben has earned a Bachelor's degree in Political Science from Ohio University.

The appointment of Mr. Gelfand to the Corporation's Board of Directors is a material event as defined by NP 51-201 as the aforementioned appointment would be considered as a "Changes to the company's board of directors or executive management". The Corporation's board now consists of four Directors.

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

May 27th, 2019

Schedule "A"



News Release

Gunpowder Capital Corp., Appoints Anthony R. Pearlman as President and COO of Crypto Mining Subsidiary

FOR IMMEDIATE RELEASE

May 27th, 2019

Toronto, Ontario, May 27th, 2019 – Gunpowder Capital Corp., (CSE: GPC), (CSE: GPC.PR.A), (OTCQB: GNPWF), (Frankfurt: YS6N), (“Gunpowder” or the “Corporation”) is pleased to announce that in connection with the formation of Gunpowder’s fully owned Cryptocurrency subsidiary, MethodeVerte Inc., - as announced via press release on May 22nd, 2019 - Gunpowder Capital Corp., has appointed Mr. Anthony R. Pearlman as President and Chief Operating Officer of MethodeVerte Inc. With over 30 year’s hands on practical experience in technology development, Mr. Pearlman brings to the organization an extensive and diversified technology background along with proven operational and business skills. Mr. Pearlman has held previous CEO, COO, CTO, and President roles in both private and public companies. Of note; Mr. Pearlman was President of the Asset Management division at Enghouse Systems Limited (TSX:ESL) for seven years. While at Enghouse, Mr. Pearlman was responsible for the operational management of a global software development company serving the needs of multiple verticals with a diversified offering of enterprise software and service solutions.

In connection with his employment Mr. Pearlman has been granted 1,000,000 options of GPC at a price of \$0.10 cents. The options vest immediately and have a life of 5 years.

The Corporation is also pleased to announce that Mr. Ben Gelfand has been appointed to its Board of Directors with immediate effect. Mr. Gelfand is the Managing Director of Investment Banking at a Canadian investment firm. Mr. Gelfand began his career with Fidelity Investments in October of 1987 and since has worked for Merrill Lynch and TD Waterhouse among others in sales, investment management, trading, private equity and investment banking roles. Ben has earned a Bachelor’s degree in Political Science from Ohio University.

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.