



News Release

Gunpowder Capital Corp., Provides Update on the Expansion of the Corporation's Fully Owned Digital Assets Subsidiary

FOR IMMEDIATE RELEASE

Oct 2nd, 2019

Toronto, Ontario, October 2nd, 2019 – Gunpowder Capital Corp., (CSE: GPC), (CSE: GPC.PR.A), (OTCQB: GNPWF), (Frankfurt: YS6N), (“Gunpowder” or the “Corporation”) is pleased to announce that the second phase expansion of digital mining which was previously announced via press release on July 11th, 2019 - is now completed and that the Corporation now has increased deployed mining assets to a combined total of 185 active and online Mining Rigs which represents an overall production increase 50%.

The Corporation expects that with the recent addition of new mining assets, and in light of the sustained increases of Bitcoin value in the market over the last quarter, Gunpowder is well positioned to see an exponential increase in realized revenue from its increased mining presence and benefit from the current trend of increasing Bitcoin value. The Corporation is now working on the targeted third phase of expansion of its active mining assets which will further expand the total amount of Mining Rigs by an additional 385 Units which when once completed, will represent an additional production increase 200% from today's levels. It is anticipated that the third phase of expansion will be completed and in operation before the end of Q4, 2019.

Mr. Anthony R. Pearlman COO of Gunpowder's digital asset mining subsidiary stated: “We are continuing to work at an expedited pace as we rapidly expand our capability and active mining operations. Select clusters of our Mining Rigs have been built around a highly customized GPU based mining architecture which has been optimized to maximum efficiency using advanced techniques by the corporation. Our advanced hardware customization efforts along with the proprietary purpose built creation of dedicated mining rigs has now demonstrated in production an increase of hashing capability of approximately 20% over standard specifications while at the same time demonstrating a trend of beneficial decreased power consumption per custom rig deployment in the range of 20% lower than industry standard numbers. Our advanced hardware and software customizations stand to position our mining assets with better hashing capability than industry norms 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.”

About Gunpowder Capital Corp.

Gunpowder Capital Corp is a technology focused 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. For more information please visit www.gunpowdercapitalcorp.com

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Forward-Looking Statements

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