



## 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

December 15<sup>th</sup>, 2017

### Item 3 – News Release

A news release for Gunpowder Capital Corp., dated December 15<sup>th</sup>, 2017, 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), (Frankfurt: YS6N), ("Gunpowder" or the "Corporation") announced today that its fully owned subsidiary GP Realty Inc., has acquired another fully tenanted fourplex in Windsor, Ontario. Total purchase price of the property was Three Hundred Ninety-Five Thousand Dollars ("395,000.00") CDN. The Corporation funded the purchase by making a Seventy-Nine Thousand Dollars ("79,000.00") CDN down payment and by securing a five year fixed rate mortgage from a major Canadian financial institution. The mortgage bears interest at a rate of 3.1% per annum and is being amortized over a 25 year period.

The completion of this transaction is both defined and deemed as being a "property acquisition" by NP 51-201. Furthermore, the securing a five year fixed rate mortgage could be defined as "mortgaging of a company asset" by NP 51-201.

### 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

December 15<sup>th</sup>, 2017

## **Schedule "A"**



## News Release

### Gunpowder Capital Corp., Continues to Grow Real Estate Base

FOR IMMEDIATE RELEASE

Dec 15<sup>th</sup>, 2017

**Toronto, Ontario, December 15<sup>th</sup>, 2017** – Gunpowder Capital Corp., (CSE: GPC), (CSE: GPC.PR.A), (OTCQB: GNPWF), (Frankfurt: YS6N), (“Gunpowder” or the “Corporation”) announced today that its fully owned subsidiary GP Realty Inc., has acquired another fully tenanted fourplex in Windsor, Ontario.

Total purchase price of the property was Three Hundred Ninety-Five Thousand Dollars (“\$395,000.00”) CDN. The Corporation funded the purchase by making a Seventy-Nine Thousand Dollars (“\$79,000.00”) CDN down payment and by securing a five year fixed rate mortgage from a major Canadian financial institution. The mortgage bears interest at a rate of 3.1% per annum and is being amortized over a 25 year period. Gunpowder estimates that the cash on cash return generated by this property will be 28% per annum.

#### 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](http://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.