

FIBRESOURCES CORPORATION

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NEWS RELEASE

FIBRESOURCE ANNOUNCES PROPOSED REVERSE TAKE OVER OF THE DROPS ESPORTS INC

Vancouver, B.C., January 13, 2020 – Fibresources Corporation (the “**Company**” or “**Fibresources**”) announces that it has entered into a Letter of Intent dated January 12, 2020 (the “**Agreement**”) with The Drops Esports Inc (“**Drops**”), a private British Columbia corporation, whereby Fibresources will acquire all of the outstanding shares of Drops in exchange for common shares of Fibresources (the “**Proposed Transaction**”). Drops is developing a global leading franchise in the esports gaming space.

About Drops

Drops’ primary business is developing a global franchise in the esports space. Drops is committed to building top competitive and global esports brands. Drops has a vision of building the most loyal, emotionally connected global community in esports by attracting talented players, sponsors, and audiences, professional, endemic and mainstream alike. Drops is at arm’s length to Fibresources.

Drops operates in the esports market, which globally is expected to grow by 20%+ annually until 2022, by then reaching a total market value of USD1.8 billion. The strong market growth creates a plethora of opportunities which Drops is well-positioned to leverage with its highly professionalised approach to esports.

Financial information related to the significant assets of Drops will be disclosed when available.

Summary of the Proposed Transaction

The Proposed Transaction will likely be effected by way of a share exchange agreement, pursuant to which Fibresources will acquire all of the issued and outstanding shares of Drops (the “**Drops Shares**”), in exchange for post-consolidated common shares of Fibresources (each, a “**Fibresources Share**”) and Drops will become a wholly owned subsidiary of Fibresources.

Pursuant to the Proposed Transaction, the shareholders of Drops will receive one Fibresources Share for every two Drops Share held. There will be an estimated 89,500,000 Drops Shares outstanding at closing, such that Fibresources will issue an estimated 44,750,000 Fibresources Shares in exchange for all of the issued Drops Shares.

The acquisition of Drops will constitute a change of business for Fibresources; and consequently:

1. Fibresources will seek to delist from the TSX Venture Exchange (the “**TSXV**”) and re-list on the Canadian Securities Exchange (the “**CSE**”); and
2. trading of Fibresources Shares on the TSXV will remain halted. Unless the transaction with Drops fails to close, the Company does not expect its shares will resume trading again until listing has been accepted by the CSE.

Conditions to the Proposed Transaction

The completion of the Proposed Transaction remains subject to a number of terms and conditions, including, among other things:

- Fibresources consolidating its outstanding common shares on a ten-for-one basis, to have 754,930 post-consolidated shares outstanding;
- Fibresources undertaking shares-for-debt transactions to settle an estimated aggregate \$1,765,685 of outstanding liabilities through the issuance of 44,142,125 Fibresources Shares at \$0.04 per share;
- Fibresources completing a private placement of 10,000,000 post-consolidated shares at \$0.05 per share to raise \$500,000, to pay for the estimated costs of the Proposed Transaction;
- Fibresources completing a secondary financing for additional gross proceeds of up to \$2,000,000 at \$0.05 per share, for working capital on a post-closing basis;
- Drops having received shareholder approval of the Proposed Transaction by a special majority of the Drops shareholders;
- if required, Fibresources having received shareholders' approval to the Proposed Transaction, which approval may be obtained by way of consent resolution of the majority of the minority shareholders;
- the Proposed Transaction being effective on or prior to March 31, 2020;
- Fibresources and Drops obtaining all necessary consents, orders and regulatory approvals, including the conditional approval of the CSE subject only to customary conditions of closing;
- dissent rights not having been exercised by greater than 5% of the Drops shareholders;
- no adverse material change occurring to the business of Fibresources or Drops;
- the satisfaction of obligations under the definitive agreement relating to each of the parties; and
- the delivery by each of the parties of standard closing documents, including legal opinions.

Other Terms

Upon completion of the Proposed Transaction, Fibresources intends to change its name to a name acceptable to the CSE; and its sole business will be the business of Drops, with Drops as its operating subsidiary (the Company after the Proposed Transaction being referred to herein as the “**Resulting Issuer**”).

Certain of the Fibresources Shares to be issued pursuant to the Proposed Transaction are expected to be subject to restrictions on resale or escrow under CSE policies, including the securities to be issued to “Principals” (as defined under CSE policies), which will be subject to standard three year, timed released escrow restrictions.

In connection with the Proposed Transaction, Fibresources will issue an aggregate of 5,600,000 Fibresources Shares to certain arm's length third parties as finder's fees.

None of the securities to be issued pursuant to the Proposed Transaction have been or will be registered under the United States Securities Act of 1933, as amended, or any state securities laws, and any securities issued pursuant to the Proposed Transaction are anticipated to be issued in reliance upon available exemptions from such registration requirements. This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities.

Proposed Directors and Officers

It is anticipated that all of the current officers and directors of Fibresources will resign from their respective positions, and be replaced with the following people:

Ian Macleod - Chair of the Board

Mr. MacLeod is the Corporate Secretary and General Counsel to the Teligence Group of Companies, since 2007. He is a seasoned lawyer and startup company executive.

Eric Chang - CEO & Director

Eric is an experienced pharmaceutical/ health care executive with over 10 years of operational management and business development experience. Beginning his career at Vancouver Coastal Health followed by a management role at Health Canada, Eric has developed into an inspirational, results-driven leader. Most recently, Eric led the Clinical Services and BD teams in Western Canada for AmerisourceBergen and Shoppers Drug Mart Specialty Health Network. During his tenure at AmerisourceBergen, Eric inspired his team to double-digit growth, contributing to revenues exceeding \$1 billion dollars in 2019.

Adam Morrison - Chief Strategy Officer, Director

A seasoned executive, engineer, and subject matter expert on all things video game and esports related. Throughout the past 10 years, Adam Morrison has served as CTO and COO for various technology based companies whose focuses have ranged from gaming to entertainment to large scale event execution. A life-long avid gamer and enthusiast, Adam previously served as CTO for Millennial Esports Corp. (TSX-V: GAME), and is also an initial team member of its predecessor, Pro Gaming League. Adam played a pivotal role in bringing Millennial public in 2016, becoming the first publicly traded esports company in North America. In the recent past, Mr. Morrison has played critical roles in many of Millennial's larger undertakings, some of which include the design and build out of the Millennial Studio and Arena in downtown Las Vegas, the design and production of each of Millennials digital software assets and platforms, and also filling the role of executive producer for several of the larger events and competitions that the organization has hosted in the past for clients that include Microsoft, Amazon, EA, and Twitch. Adam has a substantial and well cultivated network of publisher relationships that stem from his substantial involvement in the video game industry. In addition to the above, Mr. Morrison is also a co-founder and former CEO for the pro esports franchise, Team Reciprocity which boasts top tier rosters in Call of Duty, Halo, PubG, Starcraft 2, Gears of War, Rainbow 6, Street Fighter, and Fortnite.

Jason Bailey - Director

Jason Bailey is the founder at East Side Games (ESG) a global leader in the mobile games space. Over the past seven years ESG has bootstrapped its way to one of very few Canadian game studios consistently in the top grossing charts. ESG has over 100 employees, and has been profitable every single quarter since inception. Jason is also the founder of Leaf Digital, a leader in alternative mobile gaming platforms.

In addition, the Resulting Issuer will establish an elite esports advisory board that will be comprised of:

Alex Rodriguez - well respected esports broadcaster, producer

Spiro Khouri - CEO of Gaming Studio

Mike Breslin - Executive American esports and co-founder eSports Capital Corp.

Additional information concerning the Proposed Transaction, Fibresources, Drops and the Resulting Issuer will be provided in the Company's Listing Statement to be filed in connection with the Proposed Transaction and which will be available under the Company's SEDAR profile at www.sedar.com.

ON BEHALF OF THE BOARD

(signed) "Edgar Froese"

Edgar Froese, President and CEO

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this release.

Completion of the Proposed Transaction is subject to a number of conditions, including but not limited to, regulatory approval and if applicable, majority of the minority shareholder approval. Where applicable, the Proposed Transaction

cannot close until the required shareholder approval is obtained. There can be no assurance that the Proposed Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or listing statement to be prepared in connection with the Proposed Transaction, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon.

No stock exchange or regulatory authority has in no way passed upon the merits of the Proposed Transaction and has neither approved nor disapproved the contents of this press release.

All information contained in this news release with respect to Fibresources and Drops was supplied by the parties, respectively, for inclusion herein, and Fibresources and its directors and officers have relied on Drops for any information concerning such party.

This news release contains forward-looking statements relating to the timing and completion of the Proposed Transaction, the future operations of the Company, Drops, and the Resulting Issuer and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding the Proposed Transaction and the future plans and objectives of the Company, Drops, and the Resulting Issuer are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's, Drops', and the Resulting Issuer's expectations include the failure to satisfy the conditions to completion of the Proposed Transaction set forth above and other risks detailed from time to time in the filings made by the Company, Drops, and the Resulting Issuer with securities regulations.

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company, Drops, and the Resulting Issuer. As a result, the Company, Drops, and the Resulting Issuer cannot guarantee that the Proposed Transaction will be completed on the terms and within the time disclosed herein or at all. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company, Drops, and the Resulting Issuer will update or revise publicly any of the included forward-looking statements as expressly required by Canadian securities law.