

THIS INCENTIVE STOCK OPTION AGREEMENT is made effective July 17, 2012.

BETWEEN:

JOHN ECKERSLEY of 1473 Bob Lane, Sandy, UT 84092

(hereafter referred to as the "**Optionee**")

AND:

SCORPION RESOURCES INC., a company duly formed under the laws of British Columbia and having its registered office at 1600 – 609 Granville Street, Vancouver, BC V7Y1C3.

(hereafter referred to as the "**Corporation**")

WHEREAS:

A. The Corporation wishes to grant to the Optionee an option to purchase common shares in the capital of the Corporation;

B. The Optionee is eligible to receive an option by virtue of being, as defined by the TSX Venture Exchange (the "**Exchange**"), one or more of (i) a Director (which includes a director, senior officer and "Management Company Employee"), (ii) an Employee, or (iii) a Consultant (which includes a "Consultant Company"), of either the Corporation or a subsidiary thereof (any person so being eligible to receive an option being hereafter referred to as an "**Eligible Person**");

C. The Optionee acknowledges and agrees that the Option is an incentive mechanism and that the Optionee was not induced to participate in the grant and receipt of the Option (as defined below) by expectation of appointment or continued appointment, employment or continued employment, or engagement or continued engagement to provide services, as the case may be, by the Corporation.

NOW THEREFORE this Agreement witness that in consideration of \$1.00 given by each party to the other and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **Option Plan Governs.** The Optionee acknowledges and agrees that Option (as hereafter defined) is being granted pursuant to the terms of the Corporation's Stock Option Plan in effect from time to time. In the event of an inconsistency between the terms hereof and the terms of the Corporation's Stock Option Plan, the terms of the Corporation's Stock Option Plan shall govern.
2. **Option Terms.** The Corporation hereby grants to the Optionee an option (the "**Option**") to purchase, from time to time, a total of **166,666** common shares (the "**Shares**") in the capital of the Corporation, as constituted on the date hereof, at an exercise price of **\$0.10** per common share, until 4:30 p.m. Pacific Standard Time (the "**Expiry Time**") on or before the date that is five (5) years after the date the Corporation's shares are listed for trading on the TSX Venture Exchange (the "**Expiry Date**").
3. **Vesting.** The Options shall vest accordingly and become exercisable by the Optionee immediately.
4. **Transferability: Hold Period.** The Option is personal to the Optionee and may not be assigned or otherwise transferred in whole or in part. The Optionee acknowledges and agrees that the

Shares may be subject to a hold period imposed by the Exchange of four months and a day from the effective date of the grant of the Option, and that certificates representing the Shares will bear a legend to this effect if applicable.

5. **Early Termination.** The Option shall be in full force and effect and exercisable only so long as the Optionee shall continue to serve as an Eligible Person, and:
- (a) if the Optionee is a senior officer, Management Company Employee, Employee or Consultant and is terminated for cause, the Option shall terminate and shall cease to be exercisable the earlier of the Termination Date and the date that is 30 days after the date of such termination for cause;
 - (b) if the Optionee dies prior to otherwise ceasing to be an Eligible Person, the Option shall terminate and shall therefore cease to be exercisable at the Expiry Time on the earlier of (i) the Expiry Date, and (ii) the date which is 12 months after the date of the Optionee's death; and
 - (c) if the Optionee ceases to be an Eligible Person other than in the circumstances set out in subsection (a) or (b) herein, the Option shall terminate and shall therefore cease to be exercisable at the Expiry Time on the earlier of (i) the Expiry Date, and (ii) the date which is 90 days after such event.

In certain circumstances, the early termination date for the Option may be extended or reduced by the Corporation's Board of Directors pursuant to the terms of the Corporation's Stock Option Plan. In the event that the Optionee dies, the Option shall be exercisable by the legal representative of the Optionee until the Option terminates and therefore ceases to be exercisable pursuant to the terms of subsection (b) above.

6. **Exercise Procedure.** To exercise the Option in whole or in part, the Optionee shall, prior to the Expiry Time on the Expiry Date (and subject to section 5), give to the Corporation:
- (i) a written notice of exercise addressed to the CEO of the Corporation in the Form attached as Schedule "A" hereto, specifying the number of Shares with respect to which the Option is being exercised;
 - (ii) the originally signed option agreement with respect to the Option being exercised;
 - (iii) a certified cheque or bank draft made payable to the Corporation for the aggregate exercise price for the number of Shares with respect to which the Option is being exercised;
 - (iv) documents containing such representations, warranties, agreements and undertakings, including such as to the Optionee's future dealings in the Shares, as counsel to the Corporation reasonably determines to be necessary or advisable in order to comply with or safeguard against the violation of the laws of any jurisdiction; and
 - (v) The Optionee acknowledges that withholding tax amounts will apply in accordance with the provisions of the *Income Tax Act*.
7. **Exchange Matters.** If the Optionee is not a director or senior officer of the Corporation, the Optionee and the Corporation represent and warrant to each other that the Optionee:

- (a) is a bona fide Management Company Employee of the Corporation, which is defined as being an individual employed by a person providing management services to the Corporation which are required for the ongoing successful operation of the business enterprise of the Corporation, but excluding a person engaged in Investor Relations Activities; OR
 - (b) is a bona fide Employee of the Corporation, which is defined as being:
 - (i) an individual who is considered an employee of the Corporation or its subsidiaries under the *Income Tax Act* (Canada) (i.e. for whom income tax, employment insurance and CPP deductions must be made at source); or
 - (ii) an individual who works full-time for the Corporation or its subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source; or
 - (iii) an individual who works for the Corporation or its subsidiaries on a continuing and regular basis for a minimum of _____ hours per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source; OR
 - (c) is a bona fide Consultant of the Corporation, which is defined as being, in relation to the Corporation, an individual or Consultant Company that:
 - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or an affiliate thereof, other than services provided in relation to a distribution of securities;
 - (ii) provides the services under a written contract between the Corporation or an affiliate thereof and the individual Consultant or Consultant Company;
 - (iii) spends or will spend a significant amount of time and attention on the business and affairs of the Corporation or an affiliate thereof; and
 - (iv) has a relationship with the Corporation or an affiliate thereof that enables the individual to be knowledgeable about the business and affairs of the Corporation.
8. **Securities Act Matters.** If the Optionee is not a director of the Corporation or a related entity thereof, the Optionee represents and warrants to the Corporation that the Optionee:
- (a) is an executive officer of the Corporation or a related party thereof, which is defined as being, for the Corporation or a related entity thereof, an individual who is:
 - (i) a chair, vice-chair or president;
 - (ii) a vice-president in charge of a principal business unit, division or function including sales, finance or production;

- (iii) an officer who performs a policy-making function in respect of the Corporation or a related entity thereof; or
 - (iv) is performing a policy making function in respect of the Corporation or a related entity thereof; OR
- (b) an employee of the Corporation or a related entity thereof; OR
- (c) a consultant of the Corporation or a related party thereof, which is defined as being, for the Corporation or a related party thereof, a person, other than a director, executive officer or employee of the Corporation or a related entity thereof, that:
- (i) is engaged to provide services to the Corporation or a related entity thereof, other than services provided in relation to a distribution of securities;
 - (ii) provides the services under a written contract with the Corporation or a related entity thereof; and
 - (iii) spends or will spend a significant amount of time and attention on the business and affairs of the Corporation or a related party thereof,

and includes, for an individual consultant, a corporation of which the individual consultant is an employee or shareholder, a partnership of which the individual consultant is an employee or partner.

9. **If not an Individual.** If the Optionee is not an individual, it is either (i) a Consultant Company or (ii) a company or other form of entity wholly owned by Eligible Persons; and the Optionee hereby agrees to complete and submit to the Corporation for filing with the Exchange a Form 4F: *Certification and Undertaking Required from a Company Granted an Incentive Stock Option*, and further represents and warrants to the Corporation that the information and certifications in such Form 4F are complete and true and accurate in all respects.
10. **Exchange Approval.** The grant of the Option and any amendment hereto shall be subject to the prior approval of the Exchange, including any requirement for shareholder approval. The Optionee acknowledges and agrees that the Option shall not be exercisable or exercisable on such amended terms, as the case may be, until such approval of the Exchange and, if required, the Corporation's shareholders, is obtained in accordance with the policies of the Exchange. If such approval of the Exchange and, if required, the Corporation's shareholders, is not obtained, then the Option and this Agreement, or the amendment hereof, as the case may be, shall be null and void and of no further force or effect as of the date hereof or the date of amendment, as the case may be.
11. **Capital Adjustments.** In the event that there is any change in the common shares of the Corporation through the declaration of stock dividends, stock splits, consolidations, exchanges of shares, or otherwise, the number of common shares subject to Option and the exercise price of the Option shall be adjusted appropriately by the Corporation, at its discretion, and such adjustment shall be effective and binding for all purposes of this Agreement. In the event that the Corporation shall amalgamate, consolidate with or merge into another corporation, the Optionee will thereafter receive, upon the exercise of the Option, the securities or property to which a holder of the number of common shares then deliverable upon the exercise of the Option would have been entitled to upon such amalgamation, consolidation or merger. The Corporation agrees to take such reasonable steps in connection with such amalgamation, consolidation or merger as

may be necessary to ensure that the provisions hereof shall thereafter be applicable, as near as reasonably possible. A sale of all or substantially all of the assets of the Corporation for consideration (apart from the assumption of obligations), a substantial portion of which consists of securities, shall be deemed a consolidation, amalgamation or merger for the purposes hereof.

12. **Collection and Use of Personal Information.** The Optionee expressly acknowledges, consents and agrees to the Corporation collecting, using and releasing personal information regarding the Optionee and this Agreement for the purpose of completing the transactions contemplated by this Agreement, including but not limited to the Optionee's name, address and principals, the number of Options granted to the Optionee, the status of the Optionee as a Director, senior officer, Management Company Employee, Employee, Consultant, Investor Relations Provider or as otherwise represented herein, and any and all other information necessary or incidental to the transactions contemplated herein, including but not limited to that provided in any Form 4F. The purpose of the collection, use and disclosure of the personal information is to ensure that the Corporation and its advisors will be able to grant the Option to the Optionee in compliance with applicable corporate, securities and other laws, and to obtain the information required to be filed with the Exchange and other authorities under applicable Exchange requirements, securities laws and other laws. In addition, the Optionee expressly acknowledges, consents and agrees to the collection, use and disclosure of all such personal information by the Exchange and other authorities in accordance with their requirements, including the provision of all such personal information to their agents and third party service providers, from time to time. The contact information for the officer of the Corporation who can answer questions about this collection of information by the Corporation is as follows:

John Eckersley
President, CEO, Secretary and CFO of
Scorpion Resources Inc.
1600 - 609 Granville Street
Vancouver, BC V7Y 1C3
Tel: (604) 669-1322

13. **General.**

- (a) The Optionee agrees to comply with the provisions of applicable Exchange requirements and securities laws in connection with the exercise, holding and disposition of any Shares or other property or securities acquired pursuant to the exercise of the Option.
- (b) This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof. The parties shall execute and deliver any and all such instruments and other documents and perform any and all such acts and other things as may be necessary or desirable to carry out the intent of this Agreement.
- (c) No modification of this Agreement or waiver of any provision hereof shall be valid unless made in writing and signed by the parties hereto. No waiver of any provision of this Agreement shall operate as a waiver of any other provision hereof or operate as a continuing waiver unless such is expressly provided for in writing.
- (d) This Agreement shall enure to the benefit of and be binding upon the parties hereto and upon their successors or assigns.

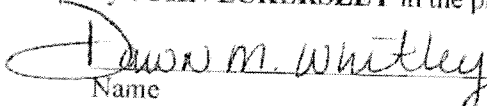
- (e) This Agreement shall be construed in accordance with and governed by the laws of British Columbia and the laws of Canada applicable therein, and for the purposes of all legal proceedings, the parties hereby irrevocably agree that the courts of British Columbia shall have exclusive jurisdiction.
- (f) Words importing the singular number shall include the plural and vice versa. Words importing individuals shall include corporations, partnerships, proprietorships, trusts and other forms of legal entities and vice versa. Words importing gender shall include the other gender; words importing gender shall include the neuter and vice versa. Words importing a particular form of legal entity includes all other forms of legal entities interchangeably.
- (g) This Agreement may be executed and delivered in two or more counterparts and by facsimile. Each such counterpart and facsimile shall be deemed to form one and the same and an originally executed instrument, bearing the date set forth on the face page hereof notwithstanding the date of execution or delivery.

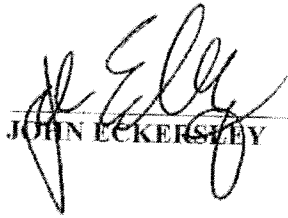
IN WITNESS WHEREOF the parties hereto have executed this Agreement effective as of the date first above written.

SCORPION RESOURCES INC.

Per: 
 Authorized Signatory

SIGNED, SEALED AND DELIVERED
 by **JOHN ECKERSLEY** in the presence of:


 Name)
)
 3346 W. Guadalupe Rd, A.J. AZ 85120)
 Address)
)
 Accountant)
 Occupation)


 JOHN ECKERSLEY

SCHEDULE "A"

STOCK OPTION EXERCISE NOTICE

Dated: _____, 20____

TO: SCORPION RESOURCES INC. (the "Company")
1600 - 609 Granville Street
Vancouver, BC V7Y 1C3
Attention: CEO

Dear Sirs:

The undersigned, _____ (*name of optionee*), hereby elects to exercise stock options in the undersigned's name to purchase _____ common shares of the Company at an exercise price of \$ _____ per share, and hereby tenders \$ _____ in full payment of the aggregate exercise price.

- In the event that the undersigned holds multiple stock options, this exercise is to be effective against those stock options exercisable at the above exercise price and having, in order, the earliest expiry date(s).
- The undersigned acknowledges and agrees that the effective date of exercise for corporate, securities, tax reporting, and other purposes shall be the date that this notice and the above payment of the aggregate exercise price is received by the Company.
- **In the event that any withholding, remittance or other deduction or payment is required to be made in connection herewith, the undersigned:**
 - a) if it is a regularly paid employee or consultant of the Company, hereby authorizes the Company to make such withholding, remittance or other deduction or payment from the optionee's regular pay or from any other amounts owing by the Company to the undersigned; or
 - b) if it is not a regularly paid employee or consultant of the Company, shall pay to the Company an amount equal to such withholding, remittance or other deduction or payment, within two days of the Company's notice to the undersigned of same, and further acknowledges and agrees that:
 - (i) until such payment is made as aforesaid, the Company may withhold the share certificate representing the common shares; and
 - (ii) the failure to make such payment as aforesaid shall constitute a revocation of the option exercise and the undersigned shall thereafter pay the Company's costs and expenses in connection therewith, including but not limited to the Company's costs and expenses for the cancellation of any share certificate issued pending the receipt of all required funds from the undersigned.

The undersigned hereby directs that the common shares be registered and delivered as set out below. If the shares are to be registered other than in the undersigned's name, as set out in the respective option

agreement, the undersigned's signature must be medallion guaranteed by an authorized officer of a chartered bank, trust company or an investment dealer who is a member of a recognized stock exchange.

COMMON SHARE REGISTRATION INSTRUCTIONS

(note: all future shareholder materials will be sent to this name/address):

Name: _____

Address: _____

CERTIFICATE DELIVERY INSTRUCTIONS (if different than above):

Address: _____

Attention: _____

Yours Truly,

_____	} Signed in the presence of: ⁽³⁾
print name of Optionee ⁽¹⁾	} _____
X	} print name of Witness
signature of Optionee / representative ⁽²⁾	} X
_____	} signature of Witness
if applicable, print name of representative	} _____
_____	} address of Witness
Social Insurance Number	} _____
	} occupation of Witness

- (1) This name must correspond to the name of the Optionee as set out in the respective option agreement.
- (2) If signed by a executor, administrator, trustee, custodian, guardian, attorney, officer of a corporation or any other person acting in a fiduciary or representative capacity, this notice must be accompanied by evidence of authority to sign satisfactory to the Company.
- (3) If common shares are to be registered other than in the Optionee's name, as set out in the respective option agreement, the Optionee's signature must be medallion guaranteed by an authorized officer of a chartered bank, trust company or an investment dealer who is a member of a recognized stock exchange.

Recordkeeping Acknowledgement

SCORPION RESOURCES INC. hereby acknowledges receipt of this notice and the aggregate exercise price for the option exercise set out herein on the _____ day of _____, 20 ____.

Authorized Signatory

THIS INCENTIVE STOCK OPTION AGREEMENT is made effective July 17, 2012.

BETWEEN:

JOSHUA BLEAK of 3055 E. Mallory Street, Mesa, AZ 85213

(hereafter referred to as the "**Optionee**")

AND:

SCORPION RESOURCES INC., a company duly formed under the laws of British Columbia and having its registered office at 1600 – 609 Granville Street, Vancouver, BC V7Y1C3.

(hereafter referred to as the "**Corporation**")

WHEREAS:

A. The Corporation wishes to grant to the Optionee an option to purchase common shares in the capital of the Corporation;

B. The Optionee is eligible to receive an option by virtue of being, as defined by the TSX Venture Exchange (the "**Exchange**"), one or more of (i) a Director (which includes a director, senior officer and "Management Company Employee"), (ii) an Employee, or (iii) a Consultant (which includes a "Consultant Company"), of either the Corporation or a subsidiary thereof (any person so being eligible to receive an option being hereafter referred to as an "**Eligible Person**");

C. The Optionee acknowledges and agrees that the Option is an incentive mechanism and that the Optionee was not induced to participate in the grant and receipt of the Option (as defined below) by expectation of appointment or continued appointment, employment or continued employment, or engagement or continued engagement to provide services, as the case may be, by the Corporation.

NOW THEREFORE this Agreement witness that in consideration of \$1.00 given by each party to the other and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **Option Plan Governs.** The Optionee acknowledges and agrees that Option (as hereafter defined) is being granted pursuant to the terms of the Corporation's Stock Option Plan in effect from time to time. In the event of an inconsistency between the terms hereof and the terms of the Corporation's Stock Option Plan, the terms of the Corporation's Stock Option Plan shall govern.
2. **Option Terms.** The Corporation hereby grants to the Optionee an option (the "**Option**") to purchase, from time to time, a total of **166,666** common shares (the "**Shares**") in the capital of the Corporation, as constituted on the date hereof, at an exercise price of **\$0.10** per common share, until 4:30 p.m. Pacific Standard Time (the "**Expiry Time**") on or before the date that is five (5) years after the date the Corporation's shares are listed for trading on the TSX Venture Exchange (the "**Expiry Date**").
3. **Vesting.** The Options shall vest accordingly and become exercisable by the Optionee immediately.
4. **Transferability; Hold Period.** The Option is personal to the Optionee and may not be assigned or otherwise transferred in whole or in part. The Optionee acknowledges and agrees that the

Shares may be subject to a hold period imposed by the Exchange of four months and a day from the effective date of the grant of the Option, and that certificates representing the Shares will bear a legend to this effect if applicable.

5. **Early Termination.** The Option shall be in full force and effect and exercisable only so long as the Optionee shall continue to serve as an Eligible Person, and:

- (a) if the Optionee is a senior officer, Management Company Employee, Employee or Consultant and is terminated for cause, the Option shall terminate and shall cease to be exercisable the earlier of the Termination Date and the date that is 30 days after the date of such termination for cause;
- (b) if the Optionee dies prior to otherwise ceasing to be an Eligible Person, the Option shall terminate and shall therefore cease to be exercisable at the Expiry Time on the earlier of (i) the Expiry Date, and (ii) the date which is 12 months after the date of the Optionee's death; and
- (c) if the Optionee ceases to be an Eligible Person other than in the circumstances set out in subsection (a) or (b) herein, the Option shall terminate and shall therefore cease to be exercisable at the Expiry Time on the earlier of (i) the Expiry Date, and (ii) the date which is 90 days after such event.

In certain circumstances, the early termination date for the Option may be extended or reduced by the Corporation's Board of Directors pursuant to the terms of the Corporation's Stock Option Plan. In the event that the Optionee dies, the Option shall be exercisable by the legal representative of the Optionee until the Option terminates and therefore ceases to be exercisable pursuant to the terms of subsection (b) above.

6. **Exercise Procedure.** To exercise the Option in whole or in part, the Optionee shall, prior to the Expiry Time on the Expiry Date (and subject to section 5), give to the Corporation:

- (i) a written notice of exercise addressed to the CEO of the Corporation in the Form attached as Schedule "A" hereto, specifying the number of Shares with respect to which the Option is being exercised;
- (ii) the originally signed option agreement with respect to the Option being exercised;
- (iii) a certified cheque or bank draft made payable to the Corporation for the aggregate exercise price for the number of Shares with respect to which the Option is being exercised;
- (iv) documents containing such representations, warranties, agreements and undertakings, including such as to the Optionee's future dealings in the Shares, as counsel to the Corporation reasonably determines to be necessary or advisable in order to comply with or safeguard against the violation of the laws of any jurisdiction; and
- (v) The Optionee acknowledges that withholding tax amounts will apply in accordance with the provisions of the *Income Tax Act*.

7. **Exchange Matters.** If the Optionee is not a director or senior officer of the Corporation, the Optionee and the Corporation represent and warrant to each other that the Optionee:

- (a) is a bona fide Management Company Employee of the Corporation, which is defined as being an individual employed by a person providing management services to the Corporation which are required for the ongoing successful operation of the business enterprise of the Corporation, but excluding a person engaged in Investor Relations Activities; OR
 - (b) is a bona fide Employee of the Corporation, which is defined as being:
 - (i) an individual who is considered an employee of the Corporation or its subsidiaries under the *Income Tax Act* (Canada) (i.e. for whom income tax, employment insurance and CPP deductions must be made at source); or
 - (ii) an individual who works full-time for the Corporation or its subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source; or
 - (iii) an individual who works for the Corporation or its subsidiaries on a continuing and regular basis for a minimum of _____ hours per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source; OR
 - (c) is a bona fide Consultant of the Corporation, which is defined as being, in relation to the Corporation, an individual or Consultant Company that:
 - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or an affiliate thereof, other than services provided in relation to a distribution of securities;
 - (ii) provides the services under a written contract between the Corporation or an affiliate thereof and the individual Consultant or Consultant Company;
 - (iii) spends or will spend a significant amount of time and attention on the business and affairs of the Corporation or an affiliate thereof; and
 - (iv) has a relationship with the Corporation or an affiliate thereof that enables the individual to be knowledgeable about the business and affairs of the Corporation.
8. **Securities Act Matters.** If the Optionee is not a director of the Corporation or a related entity thereof, the Optionee represents and warrants to the Corporation that the Optionee:
- (a) is an executive officer of the Corporation or a related party thereof, which is defined as being, for the Corporation or a related entity thereof, an individual who is:
 - (i) a chair, vice-chair or president;
 - (ii) a vice-president in charge of a principal business unit, division or function including sales, finance or production;

- (iii) an officer who performs a policy-making function in respect of the Corporation or a related entity thereof; or
- (iv) is performing a policy making function in respect of the Corporation or a related entity thereof; OR
- (b) an employee of the Corporation or a related entity thereof; OR
- (c) a consultant of the Corporation or a related party thereof, which is defined as being, for the Corporation or a related party thereof, a person, other than a director, executive officer or employee of the Corporation or a related entity thereof, that:
 - (i) is engaged to provide services to the Corporation or a related entity thereof, other than services provided in relation to a distribution of securities;
 - (ii) provides the services under a written contract with the Corporation or a related entity thereof; and
 - (iii) spends or will spend a significant amount of time and attention on the business and affairs of the Corporation or a related party thereof,

and includes, for an individual consultant, a corporation of which the individual consultant is an employee or shareholder, a partnership of which the individual consultant is an employee or partner.

9. **If not an Individual.** If the Optionee is not an individual, it is either (i) a Consultant Company or (ii) a company or other form of entity wholly owned by Eligible Persons; and the Optionee hereby agrees to complete and submit to the Corporation for filing with the Exchange a Form 4F: *Certification and Undertaking Required from a Company Granted an Incentive Stock Option*, and further represents and warrants to the Corporation that the information and certifications in such Form 4F are complete and true and accurate in all respects.
10. **Exchange Approval.** The grant of the Option and any amendment hereto shall be subject to the prior approval of the Exchange, including any requirement for shareholder approval. The Optionee acknowledges and agrees that the Option shall not be exercisable or exercisable on such amended terms, as the case may be, until such approval of the Exchange and, if required, the Corporation's shareholders, is obtained in accordance with the policies of the Exchange. If such approval of the Exchange and, if required, the Corporation's shareholders, is not obtained, then the Option and this Agreement, or the amendment hereof, as the case may be, shall be null and void and of no further force or effect as of the date hereof or the date of amendment, as the case may be.
11. **Capital Adjustments.** In the event that there is any change in the common shares of the Corporation through the declaration of stock dividends, stock splits, consolidations, exchanges of shares, or otherwise, the number of common shares subject to Option and the exercise price of the Option shall be adjusted appropriately by the Corporation, at its discretion, and such adjustment shall be effective and binding for all purposes of this Agreement. In the event that the Corporation shall amalgamate, consolidate with or merge into another corporation, the Optionee will thereafter receive, upon the exercise of the Option, the securities or property to which a holder of the number of common shares then deliverable upon the exercise of the Option would have been entitled to upon such amalgamation, consolidation or merger. The Corporation agrees to take such reasonable steps in connection with such amalgamation, consolidation or merger as

may be necessary to ensure that the provisions hereof shall thereafter be applicable, as near as reasonably possible. A sale of all or substantially all of the assets of the Corporation for consideration (apart from the assumption of obligations), a substantial portion of which consists of securities, shall be deemed a consolidation, amalgamation or merger for the purposes hereof.

12. **Collection and Use of Personal Information.** The Optionee expressly acknowledges, consents and agrees to the Corporation collecting, using and releasing personal information regarding the Optionee and this Agreement for the purpose of completing the transactions contemplated by this Agreement, including but not limited to the Optionee's name, address and principals, the number of Options granted to the Optionee, the status of the Optionee as a Director, senior officer, Management Company Employee, Employee, Consultant, Investor Relations Provider or as otherwise represented herein, and any and all other information necessary or incidental to the transactions contemplated herein, including but not limited to that provided in any Form 4F. The purpose of the collection, use and disclosure of the personal information is to ensure that the Corporation and its advisors will be able to grant the Option to the Optionee in compliance with applicable corporate, securities and other laws, and to obtain the information required to be filed with the Exchange and other authorities under applicable Exchange requirements, securities laws and other laws. In addition, the Optionee expressly acknowledges, consents and agrees to the collection, use and disclosure of all such personal information by the Exchange and other authorities in accordance with their requirements, including the provision of all such personal information to their agents and third party service providers, from time to time. The contact information for the officer of the Corporation who can answer questions about this collection of information by the Corporation is as follows:

John Eckersley
President, CEO, Secretary and CFO of
Scorpion Resources Inc.
1600 - 609 Granville Street
Vancouver, BC V7Y 1C3
Tel: (604) 669-1322

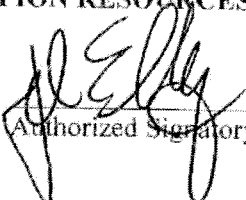
13. **General.**

- (a) The Optionee agrees to comply with the provisions of applicable Exchange requirements and securities laws in connection with the exercise, holding and disposition of any Shares or other property or securities acquired pursuant to the exercise of the Option.
- (b) This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof. The parties shall execute and deliver any and all such instruments and other documents and perform any and all such acts and other things as may be necessary or desirable to carry out the intent of this Agreement.
- (c) No modification of this Agreement or waiver of any provision hereof shall be valid unless made in writing and signed by the parties hereto. No waiver of any provision of this Agreement shall operate as a waiver of any other provision hereof or operate as a continuing waiver unless such is expressly provided for in writing.
- (d) This Agreement shall enure to the benefit of and be binding upon the parties hereto and upon their successors or assigns.

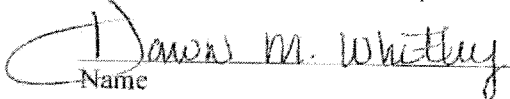
- (e) This Agreement shall be construed in accordance with and governed by the laws of British Columbia and the laws of Canada applicable therein, and for the purposes of all legal proceedings, the parties hereby irrevocably agree that the courts of British Columbia shall have exclusive jurisdiction.
- (f) Words importing the singular number shall include the plural and vice versa. Words importing individuals shall include corporations, partnerships, proprietorships, trusts and other forms of legal entities and vice versa. Words importing gender shall include the other gender; words importing gender shall include the neuter and vice versa. Words importing a particular form of legal entity includes all other forms of legal entities interchangeably.
- (g) This Agreement may be executed and delivered in two or more counterparts and by facsimile. Each such counterpart and facsimile shall be deemed to form one and the same and an originally executed instrument, bearing the date set forth on the face page hereof notwithstanding the date of execution or delivery.

IN WITNESS WHEREOF the parties hereto have executed this Agreement effective as of the date first above written.

SCORPION RESOURCES INC.

Per:  _____
 Authorized Signatory

SIGNED, SEALED AND DELIVERED
 by JOSHUA BLEAK in the presence of:

 _____
 Name

 _____
 JOSHUA BLEAK

3346 W. Guadalupe Rd A.J., AZ 85120)
 Address)

Accountant)
 Occupation)

SCHEDULE "A"

STOCK OPTION EXERCISE NOTICE

Dated: _____, 20____

TO: SCORPION RESOURCES INC. (the "Company")
1600 - 609 Granville Street
Vancouver, BC V7Y 1C3
Attention: CEO

Dear Sirs:

The undersigned, _____ (*name of optionee*), hereby elects to exercise stock options in the undersigned's name to purchase _____ common shares of the Company at an exercise price of \$ _____ per share, and hereby tenders \$ _____ in full payment of the aggregate exercise price.

- In the event that the undersigned holds multiple stock options, this exercise is to be effective against those stock options exercisable at the above exercise price and having, in order, the earliest expiry date(s).
- The undersigned acknowledges and agrees that the effective date of exercise for corporate, securities, tax reporting, and other purposes shall be the date that this notice and the above payment of the aggregate exercise price is received by the Company.
- **In the event that any withholding, remittance or other deduction or payment is required to be made in connection herewith, the undersigned:**
 - a) if it is a regularly paid employee or consultant of the Company, hereby authorizes the Company to make such withholding, remittance or other deduction or payment from the optionee's regular pay or from any other amounts owing by the Company to the undersigned; or
 - b) if it is not a regularly paid employee or consultant of the Company, shall pay to the Company an amount equal to such withholding, remittance or other deduction or payment, within two days of the Company's notice to the undersigned of same, and further acknowledges and agrees that:
 - (i) until such payment is made as aforesaid, the Company may withhold the share certificate representing the common shares; and
 - (ii) the failure to make such payment as aforesaid shall constitute a revocation of the option exercise and the undersigned shall thereafter pay the Company's costs and expenses in connection therewith, including but not limited to the Company's costs and expenses for the cancellation of any share certificate issued pending the receipt of all required funds from the undersigned.

The undersigned hereby directs that the common shares be registered and delivered as set out below. If the shares are to be registered other than in the undersigned's name, as set out in the respective option

agreement, the undersigned's signature must be medallion guaranteed by an authorized officer of a chartered bank, trust company or an investment dealer who is a member of a recognized stock exchange.

COMMON SHARE REGISTRATION INSTRUCTIONS

(note: all future shareholder materials will be sent to this name/address):

Name: _____

Address: _____

CERTIFICATE DELIVERY INSTRUCTIONS (if different than above):

Address: _____

Attention: _____

Yours Truly,

_____	}	Signed in the presence of: ⁽³⁾
print name of Optionee ⁽¹⁾	}	_____
X	}	print name of Witness
signature of Optionee / representative ⁽²⁾	}	X
_____	}	signature of Witness
if applicable, print name of representative	}	_____
_____	}	address of Witness
Social Insurance Number	}	_____
	}	occupation of Witness

- (1) This name must correspond to the name of the Optionee as set out in the respective option agreement.
- (2) If signed by a executor, administrator, trustee, custodian, guardian, attorney, officer of a corporation or any other person acting in a fiduciary or representative capacity, this notice must be accompanied by evidence of authority to sign satisfactory to the Company.
- (3) If common shares are to be registered other than in the Optionee's name, as set out in the respective option agreement, the Optionee's signature must be medallion guaranteed by an authorized officer of a chartered bank, trust company or an investment dealer who is a member of a recognized stock exchange.

Recordkeeping Acknowledgement

SCORPION RESOURCES INC. hereby acknowledges receipt of this notice and the aggregate exercise price for the option exercise set out herein on the _____ day of _____, 20 ____.

Authorized Signatory

THIS INCENTIVE STOCK OPTION AGREEMENT is made effective July 17, 2012.

BETWEEN:

ROY FULLER of 2949 e. Hermosa Vista Drive, Mesa, AZ 85213

(hereafter referred to as the "**Optionee**")

AND:

SCORPION RESOURCES INC., a company duly formed under the laws of British Columbia and having its registered office at 1600 – 609 Granville Street, Vancouver, BC V7Y1C3.

(hereafter referred to as the "**Corporation**")

WHEREAS:

A. The Corporation wishes to grant to the Optionee an option to purchase common shares in the capital of the Corporation;

B. The Optionee is eligible to receive an option by virtue of being, as defined by the TSX Venture Exchange (the "**Exchange**"), one or more of (i) a Director (which includes a director, senior officer and "Management Company Employee"), (ii) an Employee, or (iii) a Consultant (which includes a "Consultant Company"), of either the Corporation or a subsidiary thereof (any person so being eligible to receive an option being hereafter referred to as an "**Eligible Person**");

C. The Optionee acknowledges and agrees that the Option is an incentive mechanism and that the Optionee was not induced to participate in the grant and receipt of the Option (as defined below) by expectation of appointment or continued appointment, employment or continued employment, or engagement or continued engagement to provide services, as the case may be, by the Corporation.

NOW THEREFORE this Agreement witness that in consideration of \$1.00 given by each party to the other and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **Option Plan Governs.** The Optionee acknowledges and agrees that Option (as hereafter defined) is being granted pursuant to the terms of the Corporation's Stock Option Plan in effect from time to time. In the event of an inconsistency between the terms hereof and the terms of the Corporation's Stock Option Plan, the terms of the Corporation's Stock Option Plan shall govern.
2. **Option Terms.** The Corporation hereby grants to the Optionee an option (the "**Option**") to purchase, from time to time, a total of **166,667** common shares (the "**Shares**") in the capital of the Corporation, as constituted on the date hereof, at an exercise price of **\$0.10** per common share, until 4:30 p.m. Pacific Standard Time (the "**Expiry Time**") on or before the date that is five (5) years after the date the Corporation's shares are listed for trading on the TSX Venture Exchange (the "**Expiry Date**").
3. **Vesting.** The Options shall vest accordingly and become exercisable by the Optionee immediately.
4. **Transferability: Hold Period.** The Option is personal to the Optionee and may not be assigned or otherwise transferred in whole or in part. The Optionee acknowledges and agrees that the

Shares may be subject to a hold period imposed by the Exchange of four months and a day from the effective date of the grant of the Option, and that certificates representing the Shares will bear a legend to this effect if applicable.

5. **Early Termination.** The Option shall be in full force and effect and exercisable only so long as the Optionee shall continue to serve as an Eligible Person, and:
- (a) if the Optionee is a senior officer, Management Company Employee, Employee or Consultant and is terminated for cause, the Option shall terminate and shall cease to be exercisable the earlier of the Termination Date and the date that is 30 days after the date of such termination for cause;
 - (b) if the Optionee dies prior to otherwise ceasing to be an Eligible Person, the Option shall terminate and shall therefore cease to be exercisable at the Expiry Time on the earlier of (i) the Expiry Date, and (ii) the date which is 12 months after the date of the Optionee's death; and
 - (c) if the Optionee ceases to be an Eligible Person other than in the circumstances set out in subsection (a) or (b) herein, the Option shall terminate and shall therefore cease to be exercisable at the Expiry Time on the earlier of (i) the Expiry Date, and (ii) the date which is 90 days after such event.

In certain circumstances, the early termination date for the Option may be extended or reduced by the Corporation's Board of Directors pursuant to the terms of the Corporation's Stock Option Plan. In the event that the Optionee dies, the Option shall be exercisable by the legal representative of the Optionee until the Option terminates and therefore ceases to be exercisable pursuant to the terms of subsection (b) above.

6. **Exercise Procedure.** To exercise the Option in whole or in part, the Optionee shall, prior to the Expiry Time on the Expiry Date (and subject to section 5), give to the Corporation:
- (i) a written notice of exercise addressed to the CEO of the Corporation in the Form attached as Schedule "A" hereto, specifying the number of Shares with respect to which the Option is being exercised;
 - (ii) the originally signed option agreement with respect to the Option being exercised;
 - (iii) a certified cheque or bank draft made payable to the Corporation for the aggregate exercise price for the number of Shares with respect to which the Option is being exercised;
 - (iv) documents containing such representations, warranties, agreements and undertakings, including such as to the Optionee's future dealings in the Shares, as counsel to the Corporation reasonably determines to be necessary or advisable in order to comply with or safeguard against the violation of the laws of any jurisdiction; and
 - (v) The Optionee acknowledges that withholding tax amounts will apply in accordance with the provisions of the *Income Tax Act*.

7. **Exchange Matters.** If the Optionee is not a director or senior officer of the Corporation, the Optionee and the Corporation represent and warrant to each other that the Optionee:

- (a) is a bona fide Management Company Employee of the Corporation, which is defined as being an individual employed by a person providing management services to the Corporation which are required for the ongoing successful operation of the business enterprise of the Corporation, but excluding a person engaged in Investor Relations Activities; OR
 - (b) is a bona fide Employee of the Corporation, which is defined as being:
 - (i) an individual who is considered an employee of the Corporation or its subsidiaries under the *Income Tax Act* (Canada) (i.e. for whom income tax, employment insurance and CPP deductions must be made at source); or
 - (ii) an individual who works full-time for the Corporation or its subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source; or
 - (iii) an individual who works for the Corporation or its subsidiaries on a continuing and regular basis for a minimum of _____ hours per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source; OR
 - (c) is a bona fide Consultant of the Corporation, which is defined as being, in relation to the Corporation, an individual or Consultant Company that:
 - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or an affiliate thereof, other than services provided in relation to a distribution of securities;
 - (ii) provides the services under a written contract between the Corporation or an affiliate thereof and the individual Consultant or Consultant Company;
 - (iii) spends or will spend a significant amount of time and attention on the business and affairs of the Corporation or an affiliate thereof; and
 - (iv) has a relationship with the Corporation or an affiliate thereof that enables the individual to be knowledgeable about the business and affairs of the Corporation.
8. **Securities Act Matters.** If the Optionee is not a director of the Corporation or a related entity thereof, the Optionee represents and warrants to the Corporation that the Optionee:
- (a) is an executive officer of the Corporation or a related party thereof, which is defined as being, for the Corporation or a related entity thereof, an individual who is:
 - (i) a chair, vice-chair or president;
 - (ii) a vice-president in charge of a principal business unit, division or function including sales, finance or production;

- (iii) an officer who performs a policy-making function in respect of the Corporation or a related entity thereof; or
- (iv) is performing a policy making function in respect of the Corporation or a related entity thereof; OR
- (b) an employee of the Corporation or a related entity thereof; OR
- (c) a consultant of the Corporation or a related party thereof, which is defined as being, for the Corporation or a related party thereof, a person, other than a director, executive officer or employee of the Corporation or a related entity thereof, that:
 - (i) is engaged to provide services to the Corporation or a related entity thereof, other than services provided in relation to a distribution of securities;
 - (ii) provides the services under a written contract with the Corporation or a related entity thereof; and
 - (iii) spends or will spend a significant amount of time and attention on the business and affairs of the Corporation or a related party thereof,

and includes, for an individual consultant, a corporation of which the individual consultant is an employee or shareholder, a partnership of which the individual consultant is an employee or partner.

9. **If not an Individual.** If the Optionee is not an individual, it is either (i) a Consultant Company or (ii) a company or other form of entity wholly owned by Eligible Persons; and the Optionee hereby agrees to complete and submit to the Corporation for filing with the Exchange a Form 4F: *Certification and Undertaking Required from a Company Granted an Incentive Stock Option*, and further represents and warrants to the Corporation that the information and certifications in such Form 4F are complete and true and accurate in all respects.
10. **Exchange Approval.** The grant of the Option and any amendment hereto shall be subject to the prior approval of the Exchange, including any requirement for shareholder approval. The Optionee acknowledges and agrees that the Option shall not be exercisable or exercisable on such amended terms, as the case may be, until such approval of the Exchange and, if required, the Corporation's shareholders, is obtained in accordance with the policies of the Exchange. If such approval of the Exchange and, if required, the Corporation's shareholders, is not obtained, then the Option and this Agreement, or the amendment hereof, as the case may be, shall be null and void and of no further force or effect as of the date hereof or the date of amendment, as the case may be.
11. **Capital Adjustments.** In the event that there is any change in the common shares of the Corporation through the declaration of stock dividends, stock splits, consolidations, exchanges of shares, or otherwise, the number of common shares subject to Option and the exercise price of the Option shall be adjusted appropriately by the Corporation, at its discretion, and such adjustment shall be effective and binding for all purposes of this Agreement. In the event that the Corporation shall amalgamate, consolidate with or merge into another corporation, the Optionee will thereafter receive, upon the exercise of the Option, the securities or property to which a holder of the number of common shares then deliverable upon the exercise of the Option would have been entitled to upon such amalgamation, consolidation or merger. The Corporation agrees to take such reasonable steps in connection with such amalgamation, consolidation or merger as

may be necessary to ensure that the provisions hereof shall thereafter be applicable, as near as reasonably possible. A sale of all or substantially all of the assets of the Corporation for consideration (apart from the assumption of obligations), a substantial portion of which consists of securities, shall be deemed a consolidation, amalgamation or merger for the purposes hereof.

12. **Collection and Use of Personal Information.** The Optionee expressly acknowledges, consents and agrees to the Corporation collecting, using and releasing personal information regarding the Optionee and this Agreement for the purpose of completing the transactions contemplated by this Agreement, including but not limited to the Optionee's name, address and principals, the number of Options granted to the Optionee, the status of the Optionee as a Director, senior officer, Management Company Employee, Employee, Consultant, Investor Relations Provider or as otherwise represented herein, and any and all other information necessary or incidental to the transactions contemplated herein, including but not limited to that provided in any Form 4F. The purpose of the collection, use and disclosure of the personal information is to ensure that the Corporation and its advisors will be able to grant the Option to the Optionee in compliance with applicable corporate, securities and other laws, and to obtain the information required to be filed with the Exchange and other authorities under applicable Exchange requirements, securities laws and other laws. In addition, the Optionee expressly acknowledges, consents and agrees to the collection, use and disclosure of all such personal information by the Exchange and other authorities in accordance with their requirements, including the provision of all such personal information to their agents and third party service providers, from time to time. The contact information for the officer of the Corporation who can answer questions about this collection of information by the Corporation is as follows:

John Eckersley
President, CEO, Secretary and CFO of
Scorpion Resources Inc.
1600 - 609 Granville Street
Vancouver, BC V7Y 1C3
Tel: (604) 669-1322

13. **General.**

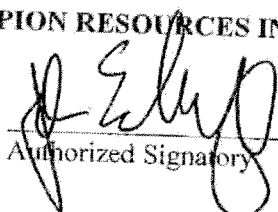
- (a) The Optionee agrees to comply with the provisions of applicable Exchange requirements and securities laws in connection with the exercise, holding and disposition of any Shares or other property or securities acquired pursuant to the exercise of the Option.
- (b) This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof. The parties shall execute and deliver any and all such instruments and other documents and perform any and all such acts and other things as may be necessary or desirable to carry out the intent of this Agreement.
- (c) No modification of this Agreement or waiver of any provision hereof shall be valid unless made in writing and signed by the parties hereto. No waiver of any provision of this Agreement shall operate as a waiver of any other provision hereof or operate as a continuing waiver unless such is expressly provided for in writing.
- (d) This Agreement shall enure to the benefit of and be binding upon the parties hereto and upon their successors or assigns.

- (e) This Agreement shall be construed in accordance with and governed by the laws of British Columbia and the laws of Canada applicable therein, and for the purposes of all legal proceedings, the parties hereby irrevocably agree that the courts of British Columbia shall have exclusive jurisdiction.
- (f) Words importing the singular number shall include the plural and vice versa. Words importing individuals shall include corporations, partnerships, proprietorships, trusts and other forms of legal entities and vice versa. Words importing gender shall include the other gender; words importing gender shall include the neuter and vice versa. Words importing a particular form of legal entity includes all other forms of legal entities interchangeably.
- (g) This Agreement may be executed and delivered in two or more counterparts and by facsimile. Each such counterpart and facsimile shall be deemed to form one and the same and an originally executed instrument, bearing the date set forth on the face page hereof notwithstanding the date of execution or delivery.

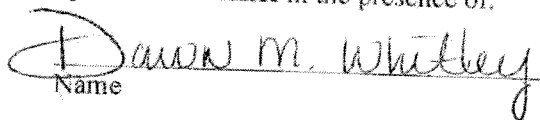
IN WITNESS WHEREOF the parties hereto have executed this Agreement effective as of the date first above written.

SCORPION RESOURCES INC.

Per:


Authorized Signatory

SIGNED, SEALED AND DELIVERED
by **ROY FULLER** in the presence of:


Name

3346 W. Guadalupe Rd. A-1, AZ 85120
Address

Accountant
Occupation


ROY FULLER

SCHEDULE "A"

STOCK OPTION EXERCISE NOTICE

Dated: _____, 20____

TO: SCORPION RESOURCES INC. (the "Company")
1600 – 609 Granville Street
Vancouver, BC V7Y 1C3
Attention: CEO

Dear Sirs:

The undersigned, _____ (*name of optionee*), hereby elects to exercise stock options in the undersigned's name to purchase _____ common shares of the Company at an exercise price of \$_____ per share, and hereby tenders \$_____ in full payment of the aggregate exercise price.

- In the event that the undersigned holds multiple stock options, this exercise is to be effective against those stock options exercisable at the above exercise price and having, in order, the earliest expiry date(s).
- The undersigned acknowledges and agrees that the effective date of exercise for corporate, securities, tax reporting, and other purposes shall be the date that this notice and the above payment of the aggregate exercise price is received by the Company.
- **In the event that any withholding, remittance or other deduction or payment is required to be made in connection herewith, the undersigned:**
 - a) if it is a regularly paid employee or consultant of the Company, hereby authorizes the Company to make such withholding, remittance or other deduction or payment from the optionee's regular pay or from any other amounts owing by the Company to the undersigned; or
 - b) if it is not a regularly paid employee or consultant of the Company, shall pay to the Company an amount equal to such withholding, remittance or other deduction or payment, within two days of the Company's notice to the undersigned of same, and further acknowledges and agrees that:
 - (i) until such payment is made as aforesaid, the Company may withhold the share certificate representing the common shares; and
 - (ii) the failure to make such payment as aforesaid shall constitute a revocation of the option exercise and the undersigned shall thereafter pay the Company's costs and expenses in connection therewith, including but not limited to the Company's costs and expenses for the cancellation of any share certificate issued pending the receipt of all required funds from the undersigned.

The undersigned hereby directs that the common shares be registered and delivered as set out below. If the shares are to be registered other than in the undersigned's name, as set out in the respective option

agreement, the undersigned's signature must be medallion guaranteed by an authorized officer of a chartered bank, trust company or an investment dealer who is a member of a recognized stock exchange.

COMMON SHARE REGISTRATION INSTRUCTIONS

(note: all future shareholder materials will be sent to this name/address):

Name: _____

Address: _____

CERTIFICATE DELIVERY INSTRUCTIONS (if different than above):

Address: _____

Attention: _____

Yours Truly,

_____ }
print name of Optionee ⁽¹⁾

X }
signature of Optionee / representative ⁽²⁾

_____ }
if applicable, print name of representative

_____ }
Social Insurance Number

Signed in the presence of: ⁽³⁾

_____ }
print name of Witness

X }
signature of Witness

_____ }
address of Witness

_____ }
occupation of Witness

- (1) This name must correspond to the name of the Optionee as set out in the respective option agreement.
- (2) If signed by a executor, administrator, trustee, custodian, guardian, attorney, officer of a corporation or any other person acting in a fiduciary or representative capacity, this notice must be accompanied by evidence of authority to sign satisfactory to the Company.
- (3) If common shares are to be registered other than in the Optionee's name, as set out in the respective option agreement, the Optionee's signature must be medallion guaranteed by an authorized officer of a chartered bank, trust company or an investment dealer who is a member of a recognized stock exchange.

Recordkeeping Acknowledgement

SCORPION RESOURCES INC. hereby acknowledges receipt of this notice and the aggregate exercise price for the option exercise set out herein on the _____ day of _____, 20 ____.

Authorized Signatory

THIS INCENTIVE STOCK OPTION AGREEMENT is made effective July 17, 2012.

BETWEEN:

LAARA SHAFFER of Suite 2005 – 4390 Grange Street, Burnaby, BC V5H 1P6

(hereafter referred to as the "**Optionee**")

AND:

SCORPION RESOURCES INC., a company duly formed under the laws of British Columbia and having its registered office at 1600 – 609 Granville Street, Vancouver, BC V7Y1C3.

(hereafter referred to as the "**Corporation**")

WHEREAS:

A. The Corporation wishes to grant to the Optionee an option to purchase common shares in the capital of the Corporation;

B. The Optionee is eligible to receive an option by virtue of being, as defined by the TSX Venture Exchange (the "**Exchange**"), one or more of (i) a Director (which includes a director, senior officer and "Management Company Employee"), (ii) an Employee, or (iii) a Consultant (which includes a "Consultant Company"), of either the Corporation or a subsidiary thereof (any person so being eligible to receive an option being hereafter referred to as an "**Eligible Person**");

C. The Optionee acknowledges and agrees that the Option is an incentive mechanism and that the Optionee was not induced to participate in the grant and receipt of the Option (as defined below) by expectation of appointment or continued appointment, employment or continued employment, or engagement or continued engagement to provide services, as the case may be, by the Corporation.

NOW THEREFORE this Agreement witness that in consideration of \$1.00 given by each party to the other and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **Option Plan Governs.** The Optionee acknowledges and agrees that Option (as hereafter defined) is being granted pursuant to the terms of the Corporation's Stock Option Plan in effect from time to time. In the event of an inconsistency between the terms hereof and the terms of the Corporation's Stock Option Plan, the terms of the Corporation's Stock Option Plan shall govern.
2. **Option Terms.** The Corporation hereby grants to the Optionee an option (the "**Option**") to purchase, from time to time, a total of **100,000** common shares (the "**Shares**") in the capital of the Corporation, as constituted on the date hereof, at an exercise price of **\$0.10** per common share, until 4:30 p.m. Pacific Standard Time (the "**Expiry Time**") on or before the date that is five (5) years after the date the Corporation's shares are listed for trading on the TSX Venture Exchange (the "**Expiry Date**").
3. **Vesting.** The Options shall vest accordingly and become exercisable by the Optionee immediately.
4. **Transferability; Hold Period.** The Option is personal to the Optionee and may not be assigned or otherwise transferred in whole or in part. The Optionee acknowledges and agrees that the

Shares may be subject to a hold period imposed by the Exchange of four months and a day from the effective date of the grant of the Option, and that certificates representing the Shares will bear a legend to this effect if applicable.

5. **Early Termination.** The Option shall be in full force and effect and exercisable only so long as the Optionee shall continue to serve as an Eligible Person, and:
- (a) if the Optionee is a senior officer, Management Company Employee, Employee or Consultant and is terminated for cause, the Option shall terminate and shall cease to be exercisable the earlier of the Termination Date and the date that is 30 days after the date of such termination for cause;
 - (b) if the Optionee dies prior to otherwise ceasing to be an Eligible Person, the Option shall terminate and shall therefore cease to be exercisable at the Expiry Time on the earlier of (i) the Expiry Date, and (ii) the date which is 12 months after the date of the Optionee's death; and
 - (c) if the Optionee ceases to be an Eligible Person other than in the circumstances set out in subsection (a) or (b) herein, the Option shall terminate and shall therefore cease to be exercisable at the Expiry Time on the earlier of (i) the Expiry Date, and (ii) the date which is 90 days after such event.

In certain circumstances, the early termination date for the Option may be extended or reduced by the Corporation's Board of Directors pursuant to the terms of the Corporation's Stock Option Plan. In the event that the Optionee dies, the Option shall be exercisable by the legal representative of the Optionee until the Option terminates and therefore ceases to be exercisable pursuant to the terms of subsection (b) above.

6. **Exercise Procedure.** To exercise the Option in whole or in part, the Optionee shall, prior to the Expiry Time on the Expiry Date (and subject to section 5), give to the Corporation:
- (i) a written notice of exercise addressed to the CEO of the Corporation in the Form attached as Schedule "A" hereto, specifying the number of Shares with respect to which the Option is being exercised;
 - (ii) the originally signed option agreement with respect to the Option being exercised;
 - (iii) a certified cheque or bank draft made payable to the Corporation for the aggregate exercise price for the number of Shares with respect to which the Option is being exercised;
 - (iv) documents containing such representations, warranties, agreements and undertakings, including such as to the Optionee's future dealings in the Shares, as counsel to the Corporation reasonably determines to be necessary or advisable in order to comply with or safeguard against the violation of the laws of any jurisdiction; and
 - (v) The Optionee acknowledges that withholding tax amounts will apply in accordance with the provisions of the *Income Tax Act*.
7. **Exchange Matters.** If the Optionee is not a director or senior officer of the Corporation, the Optionee and the Corporation represent and warrant to each other that the Optionee:

- (a) is a bona fide Management Company Employee of the Corporation, which is defined as being an individual employed by a person providing management services to the Corporation which are required for the ongoing successful operation of the business enterprise of the Corporation, but excluding a person engaged in Investor Relations Activities; OR
 - (b) is a bona fide Employee of the Corporation, which is defined as being:
 - (i) an individual who is considered an employee of the Corporation or its subsidiaries under the *Income Tax Act* (Canada) (i.e. for whom income tax, employment insurance and CPP deductions must be made at source); or
 - (ii) an individual who works full-time for the Corporation or its subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source; or
 - (iii) an individual who works for the Corporation or its subsidiaries on a continuing and regular basis for a minimum of _____ hours per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source; OR
 - (c) is a bona fide Consultant of the Corporation, which is defined as being, in relation to the Corporation, an individual or Consultant Company that:
 - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or an affiliate thereof, other than services provided in relation to a distribution of securities;
 - (ii) provides the services under a written contract between the Corporation or an affiliate thereof and the individual Consultant or Consultant Company;
 - (iii) spends or will spend a significant amount of time and attention on the business and affairs of the Corporation or an affiliate thereof; and
 - (iv) has a relationship with the Corporation or an affiliate thereof that enables the individual to be knowledgeable about the business and affairs of the Corporation.
8. **Securities Act Matters.** If the Optionee is not a director of the Corporation or a related entity thereof, the Optionee represents and warrants to the Corporation that the Optionee:
- (a) is an executive officer of the Corporation or a related party thereof, which is defined as being, for the Corporation or a related entity thereof, an individual who is:
 - (i) a chair, vice-chair or president;
 - (ii) a vice-president in charge of a principal business unit, division or function including sales, finance or production;

- (iii) an officer who performs a policy-making function in respect of the Corporation or a related entity thereof; or
- (iv) is performing a policy making function in respect of the Corporation or a related entity thereof; OR
- (b) an employee of the Corporation or a related entity thereof; OR
- (c) a consultant of the Corporation or a related party thereof, which is defined as being, for the Corporation or a related party thereof, a person, other than a director, executive officer or employee of the Corporation or a related entity thereof, that:
 - (i) is engaged to provide services to the Corporation or a related entity thereof, other than services provided in relation to a distribution of securities;
 - (ii) provides the services under a written contract with the Corporation or a related entity thereof; and
 - (iii) spends or will spend a significant amount of time and attention on the business and affairs of the Corporation or a related party thereof,

and includes, for an individual consultant, a corporation of which the individual consultant is an employee or shareholder, a partnership of which the individual consultant is an employee or partner.

9. **If not an Individual.** If the Optionee is not an individual, it is either (i) a Consultant Company or (ii) a company or other form of entity wholly owned by Eligible Persons; and the Optionee hereby agrees to complete and submit to the Corporation for filing with the Exchange a Form 4F: *Certification and Undertaking Required from a Company Granted an Incentive Stock Option*, and further represents and warrants to the Corporation that the information and certifications in such Form 4F are complete and true and accurate in all respects.
10. **Exchange Approval.** The grant of the Option and any amendment hereto shall be subject to the prior approval of the Exchange, including any requirement for shareholder approval. The Optionee acknowledges and agrees that the Option shall not be exercisable or exercisable on such amended terms, as the case may be, until such approval of the Exchange and, if required, the Corporation's shareholders, is obtained in accordance with the policies of the Exchange. If such approval of the Exchange and, if required, the Corporation's shareholders, is not obtained, then the Option and this Agreement, or the amendment hereof, as the case may be, shall be null and void and of no further force or effect as of the date hereof or the date of amendment, as the case may be.
11. **Capital Adjustments.** In the event that there is any change in the common shares of the Corporation through the declaration of stock dividends, stock splits, consolidations, exchanges of shares, or otherwise, the number of common shares subject to Option and the exercise price of the Option shall be adjusted appropriately by the Corporation, at its discretion, and such adjustment shall be effective and binding for all purposes of this Agreement. In the event that the Corporation shall amalgamate, consolidate with or merge into another corporation, the Optionee will thereafter receive, upon the exercise of the Option, the securities or property to which a holder of the number of common shares then deliverable upon the exercise of the Option would have been entitled to upon such amalgamation, consolidation or merger. The Corporation agrees to take such reasonable steps in connection with such amalgamation, consolidation or merger as

may be necessary to ensure that the provisions hereof shall thereafter be applicable, as near as reasonably possible. A sale of all or substantially all of the assets of the Corporation for consideration (apart from the assumption of obligations), a substantial portion of which consists of securities, shall be deemed a consolidation, amalgamation or merger for the purposes hereof.

12. **Collection and Use of Personal Information.** The Optionee expressly acknowledges, consents and agrees to the Corporation collecting, using and releasing personal information regarding the Optionee and this Agreement for the purpose of completing the transactions contemplated by this Agreement, including but not limited to the Optionee's name, address and principals, the number of Options granted to the Optionee, the status of the Optionee as a Director, senior officer, Management Company Employee, Employee, Consultant, Investor Relations Provider or as otherwise represented herein, and any and all other information necessary or incidental to the transactions contemplated herein, including but not limited to that provided in any Form 4F. The purpose of the collection, use and disclosure of the personal information is to ensure that the Corporation and its advisors will be able to grant the Option to the Optionee in compliance with applicable corporate, securities and other laws, and to obtain the information required to be filed with the Exchange and other authorities under applicable Exchange requirements, securities laws and other laws. In addition, the Optionee expressly acknowledges, consents and agrees to the collection, use and disclosure of all such personal information by the Exchange and other authorities in accordance with their requirements, including the provision of all such personal information to their agents and third party service providers, from time to time. The contact information for the officer of the Corporation who can answer questions about this collection of information by the Corporation is as follows:

John Eckersley
President, CEO, Secretary and CFO of
Scorpion Resources Inc.
1600 – 609 Granville Street
Vancouver, BC V7Y 1C3
Tel: (604) 669-1322

13. **General.**
- (a) The Optionee agrees to comply with the provisions of applicable Exchange requirements and securities laws in connection with the exercise, holding and disposition of any Shares or other property or securities acquired pursuant to the exercise of the Option.
 - (b) This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof. The parties shall execute and deliver any and all such instruments and other documents and perform any and all such acts and other things as may be necessary or desirable to carry out the intent of this Agreement.
 - (c) No modification of this Agreement or waiver of any provision hereof shall be valid unless made in writing and signed by the parties hereto. No waiver of any provision of this Agreement shall operate as a waiver of any other provision hereof or operate as a continuing waiver unless such is expressly provided for in writing.
 - (d) This Agreement shall enure to the benefit of and be binding upon the parties hereto and upon their successors or assigns.

- (e) This Agreement shall be construed in accordance with and governed by the laws of British Columbia and the laws of Canada applicable therein, and for the purposes of all legal proceedings, the parties hereby irrevocably agree that the courts of British Columbia shall have exclusive jurisdiction.
- (f) Words importing the singular number shall include the plural and vice versa. Words importing individuals shall include corporations, partnerships, proprietorships, trusts and other forms of legal entities and vice versa. Words importing gender shall include the other gender; words importing gender shall include the neuter and vice versa. Words importing a particular form of legal entity includes all other forms of legal entities interchangeably.
- (g) This Agreement may be executed and delivered in two or more counterparts and by facsimile. Each such counterpart and facsimile shall be deemed to form one and the same and an originally executed instrument, bearing the date set forth on the face page hereof notwithstanding the date of execution or delivery.

IN WITNESS WHEREOF the parties hereto have executed this Agreement effective as of the date first above written.

SCORPION RESOURCES INC.



Per: _____
Authorized Signatory

SIGNED, SEALED AND DELIVERED
by **LAARA SHAFFER** in the presence of:

Dean Johnson
Name

2005, 4390 Grange St., Burnaby, B.C.,
V5H 1P6

Address
Self-employed businessman

Occupation



LAARA SHAFFER

SCHEDULE "A"

STOCK OPTION EXERCISE NOTICE

Dated: _____, 20 ____

TO: SCORPION RESOURCES INC. (the "Company")
1600 – 609 Granville Street
Vancouver, BC V7Y 1C3
Attention: CEO

Dear Sirs:

The undersigned, _____ (*name of optionee*), hereby elects to exercise stock options in the undersigned's name to purchase _____ common shares of the Company at an exercise price of \$ _____ per share, and hereby tenders \$ _____ in full payment of the aggregate exercise price.

- In the event that the undersigned holds multiple stock options, this exercise is to be effective against those stock options exercisable at the above exercise price and having, in order, the earliest expiry date(s).
- The undersigned acknowledges and agrees that the effective date of exercise for corporate, securities, tax reporting, and other purposes shall be the date that this notice and the above payment of the aggregate exercise price is received by the Company.
- **In the event that any withholding, remittance or other deduction or payment is required to be made in connection herewith, the undersigned:**
 - a) **if it is a regularly paid employee or consultant of the Company, hereby authorizes the Company to make such withholding, remittance or other deduction or payment from the optionee's regular pay or from any other amounts owing by the Company to the undersigned; or**
 - b) **if it is not a regularly paid employee or consultant of the Company, shall pay to the Company an amount equal to such withholding, remittance or other deduction or payment, within two days of the Company's notice to the undersigned of same, and further acknowledges and agrees that:**
 - (i) **until such payment is made as aforesaid, the Company may withhold the share certificate representing the common shares; and**
 - (ii) **the failure to make such payment as aforesaid shall constitute a revocation of the option exercise and the undersigned shall thereafter pay the Company's costs and expenses in connection therewith, including but not limited to the Company's costs and expenses for the cancellation of any share certificate issued pending the receipt of all required funds from the undersigned.**

The undersigned hereby directs that the common shares be registered and delivered as set out below. If the shares are to be registered other than in the undersigned's name, as set out in the respective option

agreement, the undersigned's signature must be medallion guaranteed by an authorized officer of a chartered bank, trust company or an investment dealer who is a member of a recognized stock exchange.

COMMON SHARE REGISTRATION INSTRUCTIONS

(note: all future shareholder materials will be sent to this name/address):

Name: _____

Address: _____

CERTIFICATE DELIVERY INSTRUCTIONS (if different than above):

Address: _____

Attention: _____

Yours Truly,

_____	}	Signed in the presence of: ⁽³⁾
_____	}	_____
print name of Optionee ⁽¹⁾	}	print name of Witness
X	}	X
_____	}	_____
signature of Optionee / representative ⁽²⁾	}	signature of Witness
_____	}	_____
if applicable, print name of representative	}	address of Witness
_____	}	_____
Social Insurance Number	}	occupation of Witness

- (1) This name must correspond to the name of the Optionee as set out in the respective option agreement.
- (2) If signed by a executor, administrator, trustee, custodian, guardian, attorney, officer of a corporation or any other person acting in a fiduciary or representative capacity, this notice must be accompanied by evidence of authority to sign satisfactory to the Company.
- (3) If common shares are to be registered other than in the Optionee's name, as set out in the respective option agreement, the Optionee's signature must be medallion guaranteed by an authorized officer of a chartered bank, trust company or an investment dealer who is a member of a recognized stock exchange.

Recordkeeping Acknowledgement

SCORPION RESOURCES INC. hereby acknowledges receipt of this notice and the aggregate exercise price for the option exercise set out herein on the _____ day of _____, 20 ____.

Authorized Signatory