

Scorpion Resources Inc.

800-1199 West Hastings Street
Vancouver, BC Canada V6E 2R1
Tel: 1-604-283-1722
Fax: 1-480-288-6532

SCORPION PROVIDES UPDATE ON QUALIFYING TRANSACTION WITH BLOCKSTRAIN TECHNOLOGY CORP. AND ANNOUNCES LETTER OF INTENT BETWEEN BLOCKSTRAIN TECHNOLOGY CORP. AND SPARK DIGITAL TECHNOLOGIES

January 15, 2018 - Vancouver, BC - Scorpion Resources Inc. (NEX:SR.H) (“Scorpion”) is pleased to provide an update with respect to the proposed transaction with BlockStrain Technology Corp. (“**BlockStrain**”), which will result in the reverse takeover of Scorpion by BlockStrain and will constitute Scorpion’s Qualifying Transaction (as defined in the policies of the TSX Venture Exchange (the “**TSXV**”)), as initially announced by news release dated December 19, 2017. Scorpion and BlockStrain continue to work towards completion of the Transaction.

Scorpion announces that the following directors and officers have been identified as proposed directors and officers of Scorpion following completion of the Transaction, subject to the approval of the TSXV:

Robert Galarza – Seattle, Washington - Chief Executive Officer and Director

Mr. Galarza is the co-founder and Chief Executive Officer of Spark Digital Technologies, Inc. (“**Spark**”), a software company specializing in revolutionary enterprise technology. Mr. Galarza has 10+ years’ experience in advertising and mass media communications, 7+ years’ experience as a corporate transactional attorney, including the representation of professional athletes in the entertainment industry, as well as 4+ years’ experience in digital technologies, specifically in mobile platform development, SaaS solutions and blockchain integration. Mr. Galarza received a Bachelor of Science in advertising from the University of Texas and a Doctorate of Jurisprudence, Cum Laude honors from St. Mary’s University College of Law.

Tommy Stephenson – Seattle, Washington - Chief Technology Officer and Director

Mr. Stephenson is the co-founder of Spark. He is the founder and Chief Executive Officer of Heated Details, Inc., a Seattle based design and development agency delivering services to Fortune 500 companies including Microsoft and its various house of brands (i.e. MSN, Xbox, Bing), Google / YouTube, Starbucks and Mercedes Benz. Mr. Stephenson is the co-founder and Chief Technology Officer of Globatom, Inc., a company specializing in real-time global logistics management systems and founder of SportGamet, a company involved in developing proprietary fantasy sports applications for the US marketplace. He was the Chief Technology Officer of Ghost Group, a technology company owning and managing the largest portfolio of

advertising, web, point of sale and logistics solutions for the cannabis industry including their well-known flagship platform, Weedmaps.

Anthony Jackson – West Vancouver, British Columbia – Chief Financial Officer and Director

Mr. Jackson, is a Principal of Jackson & Company, Chartered Accountants, which assists private and public companies in a variety of industries with full service accounting, and tax services. Prior to his time at Jackson & Company, Mr. Jackson spent a number of years working at Ernst & Young LLP and obtaining his Chartered Accountant designation, before moving on to work as a senior analyst at a boutique investment banking firm. Mr. Jackson holds a Bachelor of Business Administration degree (B.B.A) from Simon Fraser University and the professional designation of Chartered Accountant (CPA-CA). Mr. Jackson has extensive experience as a director and Chief Financial Officer of numerous publicly traded companies, including Delta 9 Cannabis Inc., a company listed on the TSXV specializing in the production, storage and sale of medical marijuana.

Cameron Chell – Venice, California - Director

Cameron Chell is the Chief Executive Officer of Business Instincts Group. He has built several startups, including Draganfly, RaptorRig, ColdBore, as well as being the Founder of Futurelink, the original cloud computing company. He is also the Co-Founder of UrtheCast, the first commercial video platform from space and Slyce, the visual purchasing engine. Mr. Chell is currently involved with creating and sourcing new projects, and overseeing corporate development for Business Instincts Group. Business Instincts Group is a venture creation and management services company that integrates a proprietary strategic planning process (The RIPKIT) into organizations fostering strategic growth, valuation appreciation, liquidity, and management accountability. His primary responsibility is to provide project and strategic management facilitation while working with his co-founders, executives, and investors to determine what is most important and specifically how to get it done.

BlockStrain – Letter of Intent

The Company is also pleased to announce that BlockStrain has entered into a letter of intent (the “**Spark LOI**”) with Spark, whereby BlockStrain has agreed to license (the “**License**”) Spark’s Ignite software, a proprietary software platform, as well as other intellectual property (collectively, the “**Assets**”).

The terms of the License will include the following:

- (a) Spark will provide BlockStrain with a perpetual exclusive license to use, develop, sub-license, sell and distribute the Assets for the cannabis industry in Canada and the United States; and
- (b) the right of first refusal to obtain a license with rights to use, develop, sub-license, sell and distribute the Assets for the cannabis industry in any other jurisdiction;

In consideration for the license, BlockStrain has agreed to pay to Spark an initial license fee of \$500,000 to be paid as mutually determined by the parties, as well as a minimum annual license fee as negotiated between the parties in good faith. Spark also granted to BlockStrain the right of first refusal to acquire all of the securities of Spark.

In connection with the Spark LOI, BlockStrain has lent to Spark the principal amount of \$100,000 (the "Loan"), with the Loan due in one (1) year and bearing interest at 10% per annum.

The principal amount of the Loan (and all accrued and unpaid interest thereon) will, at the sole option of BlockStrain, be set off and credited against the amount of the initial license fee to be paid by BlockStrain to Spark, or be convertible into equity securities of Spark at a pre-money valuation of \$3,600,000.

BlockStrain has completed an offering of its common shares for aggregate proceeds of \$525,250. The proceeds will be used for technology development, licensing, transaction expenses, and working capital.

About Spark Digital Technologies, Inc.

Spark is a software company specializing in revolutionary enterprise technology and solutions for the global cannabis industry. Spark's core platform Ignite is built in conjunction with the world's first cloud based global logistics technology system with the power to track, quantify and link all components of the supply chain. With the Ignite dashboard, it is now possible to track and monitor inventory 24/7, share updated manifests and inventory data, consolidate payments, provide secure patient management and maintain compliance requirements with authorities.

Completion of the Transaction and the Spark LOI is subject to a number of conditions, including but not limited to, TSXV acceptance and if applicable pursuant to TSXV requirements, majority of the minority shareholder approval. There can be no assurance that the Transaction and the Spark LOI will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Transaction and the Spark LOI, any information released or received with respect to the Transaction and the Spark LOI may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSXV has in no way passed on the merits of the proposed Transaction and the Spark LOI and has neither approved nor disapproved the contents of this press release.

ON BEHALF OF THE BOARD OF DIRECTORS OF SCORPION RESOURCES INC.

"Quinn Field-Dyte"

Quinn Field-Dyte
Chief Executive Officer

For further information, contact 604.283.1722.

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

Disclaimer for Forward-Looking Information

Certain statements in this release are forward-looking statements, which reflect the expectations of management regarding the proposed Transaction, the Spark LOI and BlockStrain's future business plans. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Forward looking statements in this news release include statements relating to the Transaction; terms of the Transaction and the Spark LOI; the expected benefits of, and impact on, the cannabis industry as a result of BlockStrain's technology; and other statements regarding the business of BlockStrain. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements, including the risk that the TSXV may not approve the Transaction and the Spark LOI; that the Transaction and the Spark LOI may not be completed for any other reason; or that factors may occur which impede or prevent BlockStrain's future business and development plans. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits Scorpion will obtain from them. Readers are urged to consider these factors carefully in evaluating the forward-looking statements contained in this news release and are cautioned not to place undue reliance on such forward-looking statements, which are qualified in their entirety by these cautionary statements. These forward-looking statements are made as of the date hereof and Scorpion disclaims any intent or obligation to update publicly any forwardlooking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.