

51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Scorpion Resources Inc. (the “**Company**”)
800-1199 West Hastings Street
Vancouver, BC V6E 2R1

Item 2 Date of Material Change

February 27, 2018

Item 3 News Release

News release dated February 27, 2018 was disseminated via Stockwatch and Market News.

Item 4 Summary of Material Change

The Company provided an update on its proposed acquisition of Blockstrain Technology Corp. (“**Blockstrain**”), pursuant to which the Company has agreed to acquire all of the issued and outstanding securities of Blockstrain (the “**Transaction**”).

The Transaction will constitute a “reverse takeover” of Scorpion by Blockstrain and Scorpion’s Qualifying Transaction (as defined in the policies of the TSX Venture Exchange (the “**TSXV**”).

Forward Split of Scorpion Shares

As previously announced, one of the conditions to the closing of the Transaction (the “**Closing**”) is that the Company shall have completed a forward split (the “**Split**”) of the outstanding common shares in the capital of the Company (each, a “**Scorpion Share**”), pursuant to which, on the effective date of the Split, the Company will issue two post-Split Scorpion Shares for each pre-Split Scorpion Share outstanding.

In connection with the Closing, the Company will issue Scorpion Shares to the holders of Blockstrain common shares (each, a “**Blockstrain Share**”) in exchange for their Blockstrain Shares, on the basis of one post-Split Scorpion Share for each Blockstrain Share held.

The concurrent financing to be undertaken in connection with the Transaction (the “**Concurrent Financing**”) of Scorpion subscription receipts (each, a “**Subscription Receipt**”) at a price of \$0.30 per Subscription Receipt will also be completed on a post-Split basis, such that the Subscription Receipts will be convertible into Scorpion Shares on a post-Split one for one basis. See “*Update to Concurrent Financing Terms*”, below.

The Company intends to proceed with the Split as soon as practicable following receipt of the approval of the TSXV.

Proposed Directors and Officers

The Company is pleased to announce that it has finalized the identification of all proposed directors and officers that will be appointed in connection with the Closing. Subject to the approval of the TSXV, the proposed directors and officers are expected to be as follows:

Robert Galarza – CEO and Director

Mr. Galarza is the co-founder and CEO of Spark Digital Technologies, Inc. (“**Spark**”), a software company specializing in revolutionary enterprise technology. Mr. Galarza has over ten years of experience in advertising and mass media communications, over seven years of experience as a corporate transactional attorney, during which his practice included the representation of professional athletes in the entertainment industry, and over four years of experience in the digital technology sector, specifically focused on mobile platform development, SaaS solutions and blockchain integration. Mr. Galarza received a Bachelor of Science in Advertising from the University of Texas at Austin in 2005 and a Doctorate of Jurisprudence, Cum Laude Honors, from St. Mary’s University College of Law in San Antonio, Texas in 2009.

Anthony Jackson – CFO and Director

Mr. Jackson is the 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 cannabis.

Tommy Stephenson –Chief Technology Officer

Mr. Stephenson is the co-founder of Spark. Since September 1998, he has been CEO of Heated Details, Inc., a Seattle based design and development agency he founded, that provides services to Fortune 500 companies, including Microsoft, Google/YouTube, Starbucks and Mercedes Benz. Mr. Stephenson has also been the Chief Technology Officer of Globatom, Inc., a SaaS cloud-based technology company specializing in real-time global logistics management systems, since May 2016. He previously served as the Chief Technology Officer of Ghost Group, a technology company that owns and manages a portfolio of advertising, web, point of sale and logistics solutions for the cannabis industry (including their well-known flagship platform, Weedmaps), from September 2014 to January 2016.

Cameron Chell – Director

Mr. Chell is the CEO of Business Instincts Group (“**BIG**”). 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 BIG, which is a venture creation and management services company that integrates a proprietary strategic planning process 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.

Michael Kraft – Director

Mr. Kraft is an entrepreneur with more than 30 years of experience in sales, marketing and corporate management, and with a strong record of success in both public and private company leadership. He has been the chairman and a director of WeedMD Inc., a Licensed Producer listed on the TSXV that he co-founded in 2013, since April 2017. In September 1993, Mr. Kraft founded and is chairman of Buckingham Group Limited, a privately-owned merchant bank that provides a full range of business support and commercial services to investee companies in a wide range of sectors, including technology, edtech, life sciences and natural resources. He is also a director of numerous private and public companies and holds a Bachelor of Arts in Economics from York University.

Konstantin Lichtenwald – Director

Mr. Lichtenwald specializes in providing corporate financial valuation, taxation, financial reporting, consulting and other accounting services to both small businesses and public commodity resource companies. He also assists in many aspects of client administration, financing and other activities. Mr. Lichtenwald worked at Ernst & Young GmbH, Germany, in the assurance department. He has also had extensive experience as a controller and chief financial officer of numerous publicly traded and private corporations in several industries. Mr. Lichtenwald obtained a Bachelor of Business Administration degree from Pforzheim University, Germany, and holds a professional Chartered Professional Accountant designation in Canada.

Update to Concurrent Financing Terms

The Company also announces that it is amending the terms of the Concurrent Financing such that the Concurrent Financing will consist of the issuance of a minimum of 26,666,667 Subscription Receipts and a maximum of 35,000,000 Subscription Receipts at a price of \$0.30 per Subscription Receipt for minimum gross proceeds of \$8,000,000 and maximum gross proceeds of \$10,500,000.

Subject to the receipt of the approval of the TSXV, the Concurrent Financing is expected to close, as soon as practicable following the effectiveness of the Split.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

The material change is fully described in Item 4 above and in the attached News Release which has been filed on SEDAR.

5.2 Disclosure for Restructuring Transactions

N/A

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

N/A

Item 7 Omitted Information

None

Item 8 Executive Officer

Quinn Field-Dyde, Chief Executive Officer
Telephone: 604.283.1722

Item 9 Date of Report

February 27, 2018

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 ACQUISITION
OF BLOCKSTRAIN TECHNOLOGY CORP.**

February 27, 2018 - Vancouver, BC - Further to its news release of January 16, 2018, **Scorpion Resources Inc. (NEX:SR.H)** ("**Scorpion**" or the "**Company**") today provides an update on its proposed acquisition of Blockstrain Technology Corp. ("**Blockstrain**"), pursuant to which the Company has agreed to acquire all of the issued and outstanding securities of Blockstrain (the "**Transaction**").

The Transaction will constitute a "reverse takeover" of Scorpion by Blockstrain and Scorpion's Qualifying Transaction (as defined in the policies of the TSX Venture Exchange (the "**TSXV**")).

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The Company intends to proceed with the Split as soon as practicable following receipt of the approval of the TSXV.

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Subject to the receipt of the approval of the TSXV, the Concurrent Financing is expected to close, as soon as practicable following the effectiveness of the Split.

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

Completion of the Transaction 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 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, any information released or received with respect to the Transaction 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.

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

“Quinn Field-Dyde”

Quinn Field-Dyde
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 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 terms of the Transaction and the Offering; 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; that the Transaction 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 forward looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.