

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**

March 8, 2018 and March 16, 2018

**Item 3 News Release**

The Company’s news releases dated March 8, 2018 and March 19, 2018, respectively, were disseminated via Stockwatch and Market News.

**Item 4 Summary of Material Change**

On March 8, 2018, the Company announced that it had closed the first tranche of its \$10,500,000 non-brokered private placement (the “**Offering**”). In connection therewith, the Company issued 33,333,333 subscription receipts (each, a “**Subscription Receipt**”) at a price of \$0.30 per Subscription Receipt for gross proceeds of \$10,000,000 (the “**Offering**”). In the event that the Company completes the acquisition of Blockstrain Technology Corp. (the “**Transaction**”) on or before May 31, 2018 (the “**Escrow Release Condition**”), then each Subscription Receipt will be automatically converted, for no additional consideration, into one common share in the capital of the Company (each, a “**Share**”).

On March 19, 2018, the Company announced that had closed the second and final tranche of the Offering. In connection therewith, the Company issued 1,666,667 Subscription Receipts at a price of \$0.30 per Subscription Receipt for gross proceeds of \$500,000.10.

The proceeds of the Offering will be held in escrow pending satisfaction of the Escrow Release Condition at which point they will be delivered by the escrow agent to the Company. If the Escrow Release Condition is not satisfied by May 31, 2018, the proceeds will be returned to the subscribers. Following the closing of the Transaction, the proceeds of the Offering are expected to be used for technology development and licensing, corporate and business development, blockchain and smart contract development, Smart Hub API development, and general working capital purposes.

The Subscription Receipts and any Shares issued upon conversion thereof will be subject to a hold period expiring four months and one day after the closing of the applicable tranche of the Offering. Cash finder’s fees will be paid to certain finders following satisfaction of the Escrow Release Condition.

**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 releases, which have 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-Dyte, Chief Executive Officer  
Telephone: 604.283.1722

**Item 9 Date of Report**

March 19, 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 ANNOUNCES CLOSING OF FIRST TRANCHE OF PRIVATE PLACEMENT OF  
SUBSCRIPTION RECEIPTS FOR PROCEEDS OF \$10 MILLION**

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**March 8, 2018 - Vancouver, BC** - Further to its news releases of January 16, 2018 and February 27, 2018, **Scorpion Resources Inc. (NEX:SR.H)** ("**Scorpion**" or the "**Company**") is pleased to announce that it has closed the first tranche of its \$10,500,000 non-brokered private placement (the "**Offering**"). In connection with the first tranche closing, the Company issued 33,333,333 subscription receipts (each, a "**Subscription Receipt**") at a price of \$0.30 per Subscription Receipt for gross proceeds of \$10,000,000 (the "**Offering**"). In the event that the Company completes the acquisition of Blockstrain Technology Corp. (the "**Transaction**") on or before May 31, 2018 (the "**Escrow Release Condition**"), then each Subscription Receipt will be automatically converted, for no additional consideration, into one common share in the capital of the Company (each, a "**Share**").

The Company is expecting to close a second tranche of the Offering for gross proceeds of up to an additional \$500,000 prior to the closing of the Transaction.

The proceeds of the Offering will be held in escrow pending satisfaction of the Escrow Release Condition at which point they will be delivered by the escrow agent to the Company. If the Escrow Release Condition is not satisfied by May 31, 2018, the proceeds will be returned to the subscribers. Following the closing of the Transaction, the proceeds of the Offering are expected to be used for technology development and licensing, corporate and business development, blockchain and smart contract development, Smart Hub API development, and general working capital purposes.

The Subscription Receipts and any Shares issued upon conversion thereof will be subject to a hold period expiring four months and one day after the closing of the applicable tranche of the Offering. Cash finder's fees will be paid to certain finders following satisfaction of the Escrow Release Condition.

*The TSX Venture Exchange (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.*

NOT FOR DISSEMINATION IN THE UNITED STATES OR FOR DISTRIBUTION TO U.S.  
NEWSWIRE SERVICES

SCORPION RESOURCES (TO BE RENAMED BLOCKSTRAIN TECHNOLOGY CORP.)  
ANNOUNCES STRATEGIC INVESTMENT BY WEEDMD INC.

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March 19, 2018 - Vancouver, BC - Scorpion Resources Inc. (to be renamed Blockstrain Technology Corp.) (NEX:SR.H) (the "Company") is pleased to announce that, further to its news releases of February 27, 2018 and March 8, 2018, it has closed the second and final tranche of its \$10,500,000 non-brokered private placement (the "Offering") pursuant to which WeedMD Inc. (TSX-V: WMD) ("WeedMD"), a Health Canada Licensed Producer under the *Access to Cannabis for Medical Purposes Regulations*, has made a \$500,000 strategic investment in the Company.

The Company issued 1,666,667 subscription receipts (each, a "Subscription Receipt") at a price of \$0.30 per Subscription Receipt to WeedMD, bringing aggregate gross proceeds raised under the Offering to \$10,500,000. All of the proceeds of the Offering will be held in escrow pending the completion of the Company's acquisition of Blockstrain Technology Corp. ("Blockstrain"), which will represent the Company's Qualifying Transaction (the "Transaction").

Provided that the Transaction is completed by May 31, 2018, the proceeds of the Offering will be released to the Company and each Subscription Receipt will be automatically converted, for no additional consideration, into one common share in the capital of the Company (each, a "Share"). If the Transaction is not completed by May 31, 2018, all of the proceeds of the Offering will be returned to the subscribers.

Assuming the Transaction is completed, the proceeds of the Offering are expected to be used for technology development and licensing, corporate and business development, blockchain and smart contract development, Smart Hub API development, and general working capital purposes.

WeedMD has also agreed to provide functional support to the Company following the completion of the Transaction in connection with its development and launch of the BLOCKStrain Platform, including feedback and customer insight regarding the User Interface Design (UI) and User Experience (UX).

"Customer feedback and insight is paramount to the success of the BLOCKStrain platform," stated Robert Galarza, CEO of Blockstrain. "Every innovation in technology must be balanced against the functional needs of the industry that it serves, and we must be focused on the real world benefits. By working extensively with our lead customer, we gain valuable insight into how to make it easy for producers in the cannabis industry to protect their proprietary strains and genetics, while building consumer trust in the products they are providing."

The Subscription Receipts and any Shares issued upon conversion will be subject to a hold period expiring four months and one day after the closing of the applicable tranche of the Offering. None of the securities issued in connection with the Offering will be registered under the United States *Securities Act of 1933*, as amended (the "1933 Act"), and none of them may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act. This news release shall not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the securities in any state where such offer, solicitation, or sale would be unlawful.

## **About BlockStrain Technology Corp.**

BlockStrain is developing a comprehensive, community-driven cannabis genetics registration and licensing archive platform, dedicated to making it safe and conformable for breeders and growers, large and small, to protect and release their varieties into the public domain, while also being compensated and rewarded. BlockStrain has accomplished this by utilizing blockchain and cryptocurrency features to create an ecosystem that encourages contribution of genetics and intellectual property, coupled with the security, authenticity and verification methods that modern distributed ledger technology provides.

BlockStrain combines traditional cannabis culture with modern crypto-technology to deliver a truly intelligent platform powered by the people. By being open and available to everyone, the platform is expected to help shape the future adoption and authenticity of the cannabis industry. Through use of a secure API network, BlockStrain makes it easy for testing providers, grow facilities, app and software developers, research groups and major supply chain platforms to build applications and solutions, thereby helping fuel technology and innovation for the cannabis industry as a whole.

With compliance and regulation being a critical priority for industry participants, BlockStrain is also expected to enable regulatory standards to be adhered to, while providing real-time visibility and collaboration of industry operations directly to agencies assigned to enforce and regulate cannabis activity nationwide. BlockStrain uses powerful supply chain and IoT technology to allow for the tracking of cannabis movement from genetics to sale, while providing for the scalability of what is expected to become a globally traded product. BlockStrain was incorporated on November 22, 2017 under the laws of the Province of British Columbia. Its principal operations are currently conducted in Canada. To date, BlockStrain has not generated any revenues from its business.

## **About WeedMD Inc.**

WeedMD Inc. is the publicly-traded parent company of WeedMD Rx Inc., a federally-licensed producer and distributor of medical cannabis and oils under the *Access to Cannabis for Medical Purposes Regulations*. It operates a 26,000 sq. ft. indoor facility in Aylmer, Ontario, and is awaiting its second-site cultivation license for its greenhouse facility located in Strathroy, Ontario, representing 610,000 sq. ft. or 14 acres under glass. WeedMD has entered into supply agreements in addition to strategic relationships with established cannabis brands. It is focused on providing medical cannabis to the long-term care, assisted living and seniors' markets in Canada through its proprietary seniors' care program. It is dedicated to educating healthcare practitioners and furthering public understanding of the role that medical cannabis plays - including as it pertains to regulatory requirements, indications and potential side effects.

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*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.*

**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.

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***Disclaimer for Forward-Looking Information***

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