



SPARC AI Inc. Announces Closing of Final Tranche of Brokered LIFE Financing for \$1.12 Million

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VANCOUVER, British Columbia, June 8, 2026 (GLOBE NEWSWIRE) -- **SPARC AI Inc.** (the “**Company**”) (CSE: SPAI) (FRANKFURT: 5OV0) is pleased to announce that it has completed the second and final tranche of its previously announced brokered private placement for gross proceeds of \$1,122,199.75 (the “**Offering**”), consisting of the issuance of 264,047 units of the Company (“**Units**”) at a price of \$4.25 per Unit, to existing supporting shareholders. The Offering was conducted on a commercially reasonable “best efforts” basis by A.G.P. Canada Investments ULC, acting as sole agent and sole bookrunner for the Offering and A.G.P./Alliance Global Partners acting as sole U.S. placement agent for the Offering.

Each Unit in the Offering consisted of one common share of the Company (each, a “**Share**”) and one Share purchase warrant (each, a “**Warrant**”). Each Warrant entitles the holder to acquire one additional Share (a “**Warrant Share**”) at a price of \$5.25 for a period of 60 months from the closing date of the Offering.

Anoosh Manzoori, Chief Executive Officer of the Company stated: “Completion of this offering speaks to the strong demand and growing confidence in our team, assets and future vision for this Company. We are very pleased to welcome a new institutional investor and would also like to thank our existing shareholders for their continued support. With a well-funded treasury, the Company is positioned to execute on its current business objectives.”

The Units were offered by way of the listed issuer financing exemption under Part 5A of National Instrument 45-106 – *Prospectus Exemptions* (“**NI 45-106**”), as amended by Coordinated Blanket Order 45-935 – *Exemptions from Certain Conditions of the Listed Issuer Financing Exemption* (the “**Order**”), in all the provinces of Canada except Quebec (the “**Canadian Selling Jurisdictions**”). Pursuant to NI 45-106 and the Order, the securities issued to purchasers resident in the Canadian Selling Jurisdictions under the Offering, including the Shares and the Warrants underlying the Units, and, upon exercise of the Warrants, the Warrant Shares, are not subject to a hold period under applicable Canadian securities laws. The Company relied on the exemptions in Part 5A of NI 45-106 and the Order, and was qualified to distribute securities in reliance on the exemptions included therein.

The Company intends to use the net proceeds raised from the Offering for (a) further development of the Overwatch Platform (including new features and defence-specific capability), (b) customization of the Overwatch Platform for specific geographic markets, (c) product marketing, tradeshow and demonstrations, and (d) working capital and general corporate purposes.

The securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or any U.S. state securities laws, and may not be offered or sold to, or for the account or benefit of, persons in the United States or U.S. persons, absent registration under the U.S. Securities Act and all applicable U.S. state securities laws or in compliance with an exemption therefrom. This news release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.



About SPARC AI Inc.

SPARC AI is a defence technology company solving one of the most critical challenges in modern autonomous systems: accurate navigation and targeting when GPS is unavailable. The Company's AI-powered platform transforms the low-cost inertial sensors already inside commercial drones into precision instruments without additional hardware, external signals, or complex integration. SPARC AI's software-only approach enables GPS-denied capability at the scale and cost required for modern drone operations.

For more information: www.sparcai.co

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Cautionary Statement Regarding Forward-Looking Statements

This release includes certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical facts, are forward-looking statements. In particular, this press release contains forward-looking information relating to, among other things, the Offering and the intended use of proceeds of the Offering. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those forward-looking statements.

Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, development successes, and continued availability of capital and financing and general economic, market or business conditions. These statements are based on a number of assumptions including, among other things, assumptions regarding general business and economic conditions; the availability of financing for the Company's proposed programs on reasonable terms, and the ability of third party service providers to deliver services in a timely manner. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. The Company does not assume any obligation to update or revise its forward-looking statements, whether because of new information, future events or otherwise, except as required by applicable law. All forward-looking information contained in this release is qualified by these cautionary statements.

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