SPARC AI

SPARC AI Strengthens Ukraine Market Entry, Engages CFC Defence to Drive Frontline Adoption of Overwatch and Expand Its Roster of Partnered Drone Manufacturers

Agreement builds on the Company's previously announced Ukrainian office, local agent network and growing roster of partnered drone OEMs, formalizing a structured pathway from in-country relationships to capability validation, manufacturer integration and deployment.

VANCOUVER, British Columbia — June 17, 2026 — SPARC AI Inc. (CSE: SPAI; OTCQB: SPAIF; Frankfurt: 5OV0) ("SPARC AI" or the "Company"), the defence-technology company behind Overwatch a software-only, hardware-agnostic GPS-denied navigation and targeting platform for unmanned and autonomous systems today announced that it has engaged CFC Defence, an established Ukraine-based defence advisory team, to lead the Company's market-entry and strategic-engagement programme across the Ukrainian defence ecosystem.

The engagement marks an important step forward in SPARC AI's Ukraine strategy and follows a deliberate sequence of milestones the Company has announced in recent months. SPARC AI has now signed multiple agreements with Ukrainian drone OEMs and is building a growing pipeline of opportunities across the country's defence-technology sector. It has appointed a local sales agent that is actively connecting the Company to additional OEMs, expanded its hiring across business development and engineering, appointed one of the largest law firms to support its in-country activities, and is advancing plans to establish a physical office in Ukraine.

Together, these steps are assembling the operational infrastructure required for the scaled deployment of Overwatch and the engagement of CFC Defence is a central part of that build-out. Where SPARC AI's earlier announcements established the relationships, people and pipeline, today's agreement adds a dedicated in-country advisory team responsible for stakeholder integration, capability validation and on-the-ground execution, converting that momentum into a structured, milestone-driven programme.

Under the engagement, CFC Defence will map and prioritise the most relevant Ukrainian end-users, commands, defence-industry developers and government innovation stakeholders, including the country's leading defence-technology clusters, and will facilitate the introductions and meetings that move Overwatch from interest to evaluation. The programme is organized around three parallel lines of effort that run from relationship-building, through capability validation and product integration, to commercial sales giving SPARC AI a clear, staged path from first contact to operational testing and deployment.

Critically, the agreement also supports the Company's continued scaling of its partnered drone-manufacturer base. Building on its previously announced partnerships with Ukrainian drone OEMs, SPARC AI has been steadily expanding the number of UAV manufacturers and defence-technology companies engaged with Overwatch, and CFC Defence has been retained specifically to accelerate that expansion introducing additional manufacturers, coordinating software integration and joint testing, and structuring the demonstrations that prove Overwatch's performance on live platforms in the field.

About SPARC AI Inc.

SPARC AI develops software that delivers precision target acquisition and navigation for defence drones and autonomous systems operating in GPS-denied environments. Software-only and hardware-agnostic, its passive with no radar, lidar, or emissions that can be detected or jammed. SPARC AI's flagship platform, Overwatch, provides detection, tracking, and multi-drone coordination across the connected fleet, giving operators and commanders decisive situational awareness on the modern battlefield.

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This news release contains “forward-looking statements” or “forward-looking information” (collectively, “forward-looking statements”) within the meaning of applicable securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as of the date of this news release.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those expressed or implied by forward-looking statements contained herein. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Certain important factors that could cause actual results, performance or achievements to differ materially from those in the forward-looking statements are highlighted in the “Risks and Uncertainties” in the Company’s management discussion and analysis.

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