

SPARROW VENTURES CORP.

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SPARROW ANNOUNCES FIRST CLOSING OF SECURED CONVERTIBLE DEBENTURES OFFERING AND APPOINTS DIRECTOR

October 3, 2016

TSXV: SPW.H

Vancouver, B.C., October 3, 2016 – Further to its news release of August 17, 2016, **Sparrow Ventures Corp. (NEX: SPW.H)** (“**Sparrow**” or the “**Company**”) announces the closing of the first tranche of its non-brokered private placement of secured convertible debentures (the “**Debentures**”) (the “**Private Placement**”) in the amount of \$28,754.00, of a total of up to \$250,000.

The Debentures mature 24 months from the date of issue, accrue interest at a rate of 11% per year and are convertible into units of the Company (each, a “**Unit**”) at a per Unit conversion price equal to the 10-day post-consolidated average closing price of the common shares of the Company on the NEX following the resumption of trading subject to a \$0.05 minimum (the “**Conversion Price**”). Each Unit is comprised of one common share and one common share purchase warrant (each, a “**Warrant**”) of the Company. Each Warrant entitles the holder to acquire one additional common share of the Company at an exercise price equal to the Conversion Price.

The holders of the Debentures of the Private Placement received a copy of the cease trade orders presently in effect and a copy of the partial revocation order issued by the BC Securities Commission on August 15, 2016 (the “**Partial Revocation Order**”) in accordance with the terms of the Partial Revocation Order received by the Company. The Company’s obligations under the Debentures are secured by a general security agreement. The Company is relying on applicable exemptions under National Instrument 45-106 - *Prospectus Exemptions* in order to complete the Private Placement. The Debentures, Units and underlying common shares are not subject to resale restrictions.

Proceeds from the first tranche are intended to be used for general corporate and working capital purposes and for the expenses related to holding an upcoming annual general and special meeting of the shareholders of the Company, as well as completing all required accounting work to produce audited annual financial statements for the financial year ended January 31, 2016, as the Company moves to file all outstanding continuous disclosure records.

In addition, the Company is pleased to announce the appointment of Michael Young to its board of directors effective September 14, 2016.

Mr. Young has over 20 years of extensive business experience in all facets of corporate development, senior management, sales and marketing, finance and operations, in both the private and public sectors. Since August 2015, Mr. Young has been Chief Financial Officer and a director of Green 2 Blue Energy Corp., a renewable energy company focused on low-cost wood pellet production through the integration of biomass gasification technology. From 2011 to 2015, he served as President, Chief Financial Officer and a director of DraftTeam Fantasy Sports Inc., a digital entertainment company focused on daily fantasy sports and social gaming. Prior to that time, he was Chief Executive Officer and a director of MicroCoal Technologies Inc., formerly Carbon Friendly Solutions Inc., a TSX.V listed clean tech company that develops projects to generate and sell verified emission reductions (VERs) that reduce

or offset CO2 emissions and a director responsible for corporate development at Stream Communications Network & Media Inc., an Eastern European cable, internet & telephony company.

Mr. Young is a 2004 graduate of the Certified Financial Planning (CFP) program.

On behalf of the Board of Directors,
SPARROW VENTURES CORP.

“*Marc Morin*”
Director

For more information, please contact the Company at:
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The information contained herein contains "forward-looking statements" within the meaning of applicable securities legislation. Forward-looking statements relate to information that is based on assumptions of management, forecasts of future results, and estimates of amounts not yet determinable. Any statements that express predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may be "forward-looking statements."

Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation: risks related to failure to obtain adequate financing on a timely basis and on acceptable terms; risks related to the outcome of legal proceedings; political and regulatory risks associated with mining and exploration; risks related to the maintenance of stock exchange listings; risks related to environmental regulation and liability; the potential for delays in exploration or development activities or the completion of feasibility studies; the uncertainty of profitability; risks and uncertainties relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits; risks related to the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses; results of prefeasibility and feasibility studies, and the possibility that future exploration, development or mining results will not be consistent with the Company's expectations; risks related to gold price and other commodity price fluctuations; and other risks and uncertainties related to the Company's prospects, properties and business detailed elsewhere in the Company's disclosure record. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Investors are cautioned against attributing undue certainty to forward-looking statements. These forward looking statements are made as of the date hereof and the Company does not assume any obligation to update or revise them to reflect new events or circumstances. Actual events or results could differ materially from the Company's expectations or projections

None of the securities issued in connection with the Private Placement 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 press 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.

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