

SPARC AI INC.
NEWS RELEASE

**SPARC AI SELECTS DEVELOPMENT PARTNER FOR
SPARC AI ON A MICROCHIP**

October 20, 2023 – Toronto, Canada – SPARC AI INC. (CSE: SPAI) (OTC: EGTTF) (Frankfurt: 5OV0) (“SPAI” or the “Company”) announced on August 21, 2023 that it is working on selecting a development partner to move the Company’s existing patented IP to a product format for commercialization. The Company is pleased to announce it has now selected an embedded systems engineering and software company to assist with the development of a mobile application and a microchip with embedded SPARC AI patented code and algorithms.

The development will take approximately four months to complete and will result in the Company launching powerful products for security, surveillance, search and rescue and reconnaissance activities. The development will be carried out by a highly experienced firm and SPARC AI will retain all intellectual property rights to all existing and new code, systems, processes, and knowhow.

SPARC AI aims to demonstrate a powerful ground to air navigation platform that is fully autonomous, covert and not connected to GPS.

On completion of the proposed development works, SPARC AI will be able to demonstrate the following capabilities including:

- A person taking a photo of an object that is up to 500m away. The photo will be sent to a drone via SMS. A drone will autonomously fly to the object image location (not the location of the person). The drone will fly autonomously with no GPS, internet, satellite connection or human intervention. For demonstration purposes, it will have cellular connectivity to receive the image.
- Attaching a camera to a car and driving for 3km. Once the destination is reached, uploading images to a drone and instructing the drone to fly back using only the SPARC algorithms. This demonstration will not use GPS or satellite or human intervention, and the drone will fly autonomously back to base via the same path travelled by the car.

In GPS-denied environments or situations where the GPS signals are not available, SPARC AI can record geospatial data using its proprietary patented algorithms to create new navigation systems and applications. Alternative GPS technologies for identifying locations are complex, expensive, and may provide approximate estimations only which include gravity anomaly, magnetic anomaly, celestial and lidar technologies. They may also require connections to the internet or satellite. Further, these systems appear to measure the location of the sensors only, not the location of distant objects at different locations to the sensor.

The launch of the SPARC AI microchip and mobile application marks a transformative turnaround for the Company. The Company will make further announcements providing updates on the development work and video demonstrations of the products at an official launch early next year.

For more information contact:

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