

**Form 51-102F3
Material Change Report**

PART 2 CONTENT OF MATERIAL CHANGE REPORT

Item 1 Name and Address of Company
SPARC AI INC..
Level 8, 90 Collins Street
Melbourne, Victoria, Australia 3000

Item 2 Date of Material Change
December 13, 2024

Item 3 News Release
December 13, 2024 Filed on Sedar and published news release.

Item 4 Summary of Material Change

SPARC AI Non-Brokered Private Placement Offering to raise \$200,000 at \$0.20.

Item 5 Full Description of Material Change

Company intends to undertake a non-brokered private placement offering of up to 1,000,000 units ("Units") at \$0.20 per Unit for gross proceeds of up to \$200,000 (the "Offering").

Each Unit consists of one common share ("Common Share") of the Company and one common share purchase warrant ("Warrant"), with each Warrant entitling the holder thereof, to purchase one additional Common Share of the Company at a price of \$0.30 for a period of twelve (12) months from the date of closing.

All securities issued under the Offering are subject to a four-month and one day statutory hold period.

The net proceeds from the sale of the Units will be used to fund sales and marketing activities and general working capital.

Finder's fees may be payable to qualified individuals (the "Finder") pursuant to which the Finder may receive a finder fee equal to up to 8% of the gross proceeds received by the Company from purchasers under the Offering who were introduced to the Company by such Finder and finder warrants ("Finder Warrants") entitling the Finder to purchase that number of common shares of the Company equal to up to 8% of the aggregate number of Units sold by such Finder under the Offering.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102
N/A

Item 7 Omitted Information
No information has been omitted on the basis that it is confidential information.

Item 8 Executive Officer
Anoosh Manzoori– CEO
Telephone: +61.409 252 088
Email: anoosh@sparcai.net

Item 9 **Date of Report**
December 13, 2024