

**FORM 51-102F3
MATERIAL CHANGE REPORT**

ITEM 1 **Name and Address of Company**

SPARQ Systems Inc. (formerly, SPARQ Corp.) (the “Company”)
945 Princess Street, Box 212
Kingston, Ontario
K7L 0E9

ITEM 2 **Date of Material Change**

January 1, 2023

ITEM 3 **News Release**

News releases announcing the material change were disseminated by the Company on December 19, 2022 and January 3, 2023 through Newsfile Corp.

ITEM 4 **Summary of Material Change**

The Company announced it completed a short form vertical amalgamation with its wholly-owned subsidiary, SPARQ Systems Inc., pursuant to the *Business Corporations Act* (Ontario) (the “Amalgamation”). Upon completion of the Amalgamation, the Company changed its name from “SPARQ Corp.” to “SPARQ Systems Inc.”

ITEM 5 **Full Description of Material Change**

See the Company’s press release dated December 19, 2022 attached as Schedule “A” and the press release dated January 3, 2023 attached as Schedule “B”.

ITEM 6 **Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102**

N/A

ITEM 7 **Omitted Information**

N/A

ITEM 8 **Executive Officer**

Further information regarding the matters described in this report may be obtained from Praveen Jain, Chief Executive Officer of the Company, who is knowledgeable about the details of the material change and may be contacted at 343-477-1158.

ITEM 9 **Date of Report**

January 3, 2023

SCHEDULE "A"

See attached.

SPARQ Announces Amalgamation with Wholly-Owned Subsidiary and Name Change

Toronto, Ontario—(Newsfile Corp. - December 19, 2022) - SPARQ Corp. (TSXV: SPRQ) (OTCQX: SPRQF) (the "**Company**" or "**SPARQ**") is pleased to announce that its board of directors has authorized a short form vertical amalgamation with its wholly-owned subsidiary, SPARQ Systems Inc., pursuant to the *Business Corporations Act* (Ontario) (the "**Amalgamation**"). Upon completion of the Amalgamation, the Company intends to change its name from "SPARQ Corp." to "SPARQ Systems Inc." (the "**Name Change**"), subject to regulatory approval including that of the TSX Venture Exchange.

In connection with the Name Change, it is anticipated that trading of the Company's common shares will continue on the TSX Venture Exchange under the ticker symbol "SPRQ" and on OTCQX under the symbol "SPRQF". Securityholders of the Company holding securities in the Company's prior name do not need to take any action as a result of the Name Change.

The Amalgamation and the Name Change are expected to be effective on or about January 1, 2023.

ABOUT SPARQ

SPARQ designs and manufactures next generation single-phase microinverters for residential and commercial solar electric applications. SPARQ has developed a proprietary PV solution called the Quad; the Quad inverter optimizes four PV modules with a single microinverter, simplifying design and installation, and lowering cost for solar power installations when compared to existing market offerings.

SPARQ's head office is located at 945 Princess Street, Kingston, Ontario, K7L 0E9.

Cautionary Note

Certain statements contained in this press release constitute "forward-looking statements". All statements other than statements of historical fact contained in this press release, including, without limitation, those regarding the expected timing of the Amalgamation and the Name Change and any statements preceded by, followed by or that include the words "believe", "expect", "aim", "intend", "plan", "continue", "will", "may", "would", "anticipate", "estimate", "forecast", "predict", "project", "seek", "should" or similar expressions or the negative thereof, are forward-looking statements. These statements are not historical facts but instead represent only the Company's expectations, estimates and projections regarding future events. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to the risk factors discussed in the Company's filing statement dated December 23, 2021. Management provides forward-looking statements because it believes they provide useful information to investors when considering their investment objectives and cautions investors not to place undue reliance on forward-looking information. Consequently, all of the forward-looking statements made in this press release are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Company. These forward-looking statements are made as of the date of this press release and the Company assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by law.

Neither the TSXV nor its regulation services provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

For more information, please contact:

SPARQ Corp.

Dr. Praveen Jain

Chief Executive Officer

Email: pjain@sparqsys.com

Tel: 343.477.1158



To view the source version of this press release, please visit
<https://www.newsfilecorp.com/release/148578>

SCHEDULE "B"

See attached.

SPARQ Completes Amalgamation with Wholly-Owned Subsidiary and Name Change

Toronto, Ontario—(Newsfile Corp. - January 3, 2023) - Further to its press release dated December 19, 2022, SPARQ Systems Inc. (TSXV: SPRQ) (OTCQX: SPRQF) (formerly, SPARQ Corp.) (the "**Company**" or "**SPARQ**") is pleased to announce that, effective today, the Company has completed a short form vertical amalgamation with its wholly-owned subsidiary, SPARQ Systems Inc., pursuant to the *Business Corporations Act* (Ontario) (the "**Amalgamation**"). Upon completion of the Amalgamation, the Company changed its name from "SPARQ Corp." to "SPARQ Systems Inc."

The new CUSIP / ISIN for the common shares of the Company (the "**Common Shares**") will be 84657W109 / CA84657W1095. The new CUSIP / ISIN for the warrants of the Company issued under a warrant indenture dated December 31, 2021 (the "**Warrants**") will be 84657W125 / CA84657W1251. The Common Shares will continue to trade on the TSX Venture Exchange under the symbol "SPRQ" and on OTCQX under the symbol "SPRQF". The Warrants will continue to trade on the TSX Venture Exchange under the symbol "SPRQ.WT".

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SPARQ's head office is located at 945 Princess Street, Kingston, Ontario, K7L 0E9.

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Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to the risk factors discussed in the Company's filing statement dated December 23, 2021. Management provides forward-looking statements because it believes they provide useful information to investors when considering their investment objectives and cautions investors not to place undue reliance on forward-looking information. Consequently, all of the forward-looking statements made in this press release are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Company. These forward-looking statements are made as of the date of this press release and the Company assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by law.

Neither the TSXV nor its regulation services provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

For more information, please contact:

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Chief Executive Officer

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