



NEWS RELEASE

SPARC AI READY TO DEPLOY OVERWATCH TO UKRAINE

Vancouver, Canada – March 9, 2026 — SPARC AI Inc. (the “Company”) (CSE: SPAI) (OTCQB: SPAIF) (Frankfurt: 5OV0), developer of the Overwatch GPS-denied navigation and targeting platform, today announced that it has successfully established the operational environment for its Overwatch platform for the Ukraine market and expects to deliver the platform this week as part of the Operational Field Testing announced in February 2026. The testing represents a critical validation milestone for Overwatch, subjecting the platform's GPS-denied navigation and target acquisition capabilities to the most demanding real-world conditions available.

The operational environment selected for the field test is characterised by persistent GPS jamming and degraded signal conditions, precisely the scenario Overwatch is designed to address. Successful performance in this environment is expected to provide compelling evidence of the platform's readiness for defence and security customers operating in contested environments globally.

In conjunction with the deployment of the platform to Ukraine, SPARC AI has implemented a significant enhancement to its data flywheel architecture that trains its AI and machine learning models. Overwatch now enables real-world operational training data generated during deployments to be fed directly into its sensor fusion machine learning models, continuously optimizing targeting and geo-location accuracy over time.

Unlike hardware-based navigation systems that deliver fixed performance from the point of manufacture, Overwatch becomes more accurate with every deployment. As the platform accumulates operational data across diverse environments, terrain types, and threat conditions, its ML models refine their sensor fusion algorithms — creating a compounding accuracy advantage that widens with scale. This flywheel effect represents a structural competitive advantage that competitors cannot replicate through hardware investment alone.

As part of the Ukraine deployment, SPARC AI will make its data flywheel architecture available to operators using Ukraine custom developed drone platforms, enabling them to contribute training data from their specific airframes directly into Overwatch's ML models.

About SPARC AI Inc.

SPARC AI is a defence technology company solving one of the most critical challenges in modern autonomous systems: accurate navigation and targeting when GPS is unavailable. The company's AI-powered platform transforms the low-cost inertial sensors already inside commercial drones into precision instruments without additional hardware, external signals, or complex integration. SPARC AI's software-only approach makes GPS-denied capability for target acquisition and navigation accessible at the price point and scale that modern drone operations demand, from single platforms to fleets of thousands.

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Cautionary Statement Regarding Forward-Looking Statements

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 include, but are not limited to, statements regarding: the intended use of proceeds from the Offering.

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.

Forward-looking statements are based upon a number of estimates and assumptions that, while considered reasonable by the Company at this time, are inherently subject to significant business, economic and competitive uncertainties and contingencies that may cause the Company’s actual financial results, performance, or achievements to be materially different from those expressed or implied herein. Some of the material factors

or assumptions used to develop forward-looking statements include, without limitation: the failure to complete the Offering; reliance on key management and other personnel; potential downturns in economic conditions; competition from others; market factors, including future demand products developed by the Company; the policies and actions of foreign governments, which could impact the ability of the Company to successfully market its products; the Company's expectations in connection with the development of the Target Acquisition System; the effectiveness of the Target Acquisition System; changes in national and local government legislation, taxation, controls or regulations and/or changes in the administration or laws, policies and practices; the impact of general business and economic conditions; currency exchange rates; and the impact of inflation.

The forward-looking statements contained in this news release are expressly qualified by this cautionary statement. Any forward-looking statements and the assumptions made with respect thereto are made as of the date of this news release and, accordingly, are subject to change after such date. The Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.