

**MJ INNOVATION CAPITAL CORP.
TO IMPLEMENT CERTAIN AMENDMENTS UNDER NEW CPC POLICY**

June 30, 2021 – Toronto, Ontario – MJ Innovation Capital Corp. (TSXV:MSMJ.P) (“**MJ**” or the “**Company**”), a capital pool company listed on the TSX Venture Exchange (the “**TSXV**”), announces that, due to recent changes by the TSXV to its Capital Pool Company program and TSXV Policy 2.4 - *Capital Pool Companies* (“**Policy 2.4**”), effective as at January 1, 2021 (the “**New CPC Policy**”), the Company intends to obtain the requisite shareholder approvals to implement changes that will align the Company with the New CPC Policy at its special meeting of Shareholders (the “**Meeting**”) scheduled to be held on August 4, 2021.

Capitalized terms used herein and not otherwise defined have the meaning ascribed to them in the TSXV Corporate Finance Manual or the New CPC Policy.

At the Meeting, shareholders of the Company (the “**Shareholders**”) will be asked to pass three separate ordinary resolutions by an affirmative vote of not less than a majority of the votes cast by disinterested Shareholders who vote in respect thereof, in person or by proxy (“**Disinterested Approval**”), to complete the items set out below.

Adoption of an Option Plan

The Company shall seek Disinterested Approval to adopt a new stock option plan under which the total number of common shares in the capital of the Company (“**Common Shares**”) reserved for issuance is 10% of the Common Shares issued and outstanding as at the date of grant of any stock option, rather than 10% of the Common Shares issued and outstanding as at the closing of the Company’s initial public offering. In seeking such approval from Shareholders, the Company shall exclude all votes attached to the Common Shares held by Insiders to whom options have been previously granted or may be granted in the future, under the Company’s existing stock option plan, as well as their Associates and Affiliates.

Consequences of Failing to Complete a QT within 24 Months of the Listing Date

Under Policy 2.4, if the Company fails to complete a Qualifying Transaction within 24 months of its listing on the TSXV (the “**Listing Date**”), it faces the consequences of either (i) having its Common Shares delisted or suspended from the TSXV, or (ii) subject to the approval of the majority of Shareholders, transferring its Common Shares to list on the NEX and cancelling certain Seed Shares issued to the Company’s founders. The New CPC Policy eliminates the requirement for a Capital Pool Company, such as the Company, to complete a Qualifying Transaction within 24 months of the Listing Date and the associated consequences of not completing such requirement.

The Company will seek Disinterested Approval to remove the consequences of not completing a Qualifying Transaction within 24 months after its Listing Date. In seeking such Disinterested Approval, the Company shall exclude all votes attached to its Common Shares held by Non-Arm’s Length Parties to the Company who own Seed Shares, as well as their Associates and Affiliates.

Amendments to the Escrow Agreement

Under the New CPC Policy, securities subject to a CPC escrow agreement are subject to an 18-month escrow period, as opposed to the 36-month period previously required under Policy 2.4. At the Meeting, the Company shall seek Disinterested Approval to amend the terms of the CPC Escrow Agreement to which it is a party to reduce the length of the term of any escrow provision to an 18-month escrow term, as permitted by the New CPC Policy. In seeking such Disinterested Approval, the Company shall exclude

all votes attached to Common Shares held by Shareholders who are parties to the CPC Escrow Agreement, as well as their Associates and Affiliates.

The proposed amendments will be described in further detail in the management information circular of the Company, which will be mailed to shareholders and filed on SEDAR on or before the prescribed mailing date. The proposed amendments remain subject to the final approval of the TSXV and will not impact the Company's proposed Qualifying Transaction with SPARQ Systems Inc., announced via press release on June 10, 2021.

ABOUT MJ CAPITAL CORP.

MJ is a capital pool company created pursuant to the policies of the TSXV. It does not own any assets, other than cash or cash equivalents and its rights under the definitive agreement dated June 10, 2021 with SPARQ Systems Inc. The principal business of MJ is to identify and evaluate opportunities for the acquisition of an interest in assets or businesses and, once identified and evaluated, to negotiate an acquisition or participation subject to acceptance by the TSXV so as to complete a Qualifying Transaction in accordance with the policies of the TSXV.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, the approval of disinterested Shareholders of matters under the New CPC Policy at the Meeting and the future business of the Company. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "is expected", "expects" or "does not expect", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "believes", or variations of such words and phrases; or terms that state that certain actions, events, or results "may", "could", "would", "might", or "will be taken", "could occur", or "be achieved". Forward-looking information is based on the opinions and estimates of management at the date the information is made, and is based on, a number of assumptions and is subject to known and unknown risks, uncertainties and other factors, including but not limited to the timing of obtaining the necessary approvals of the Shareholders and the TSXV. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated, or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed Qualifying Transaction and has neither approved nor disapproved the contents of this press release.

For more information, please contact:

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