

MJ Innovation Announces Filing of Filing Statement in Connection with Qualifying Transaction

Toronto, Ontario--(Newsfile Corp. - December 23, 2021) - MJ Innovation Capital Corp. (TSXV: MSMJ.P) ("**MJ**" or the "**Company**") is pleased to announce that, further to its press release dated September 15, 2021 announcing the receipt of conditional approval from the TSX Venture Exchange (the "**TSXV**") for its previously announced qualifying transaction (the "**Transaction**") with SPARQ Systems Inc., the Company has filed a filing statement dated December 23, 2021 with the TSXV, also available on its SEDAR profile at www.sedar.com.

Closing of the Transaction is expected to occur during the last week of December 2021, or such other date as may be agreed upon between the parties. The Company will issue a further news release announcing the closing of the Transaction and the date on which trading in the common shares of the Company (the "**Common Shares**") will resume on the TSXV. Trading will remain halted pending completion of the Transaction and the issuance of the final TSXV bulletin in respect of the Transaction.

About MJ Innovation 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. 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.

About SPARQ Systems Inc.

SPARQ was incorporated on July 16, 2009 pursuant to the provisions of Business Corporations Act (Ontario). SPARQ's head office is located at 945 Princess Street, Kingston, Ontario, K7L 0E9. SPARQ originated from the advanced research conducted at ePOWER, the Centre for Energy and Power Electronics Research at Queen's University in Kingston, Ontario, Canada. SPARQ was founded at Queen's University in 2009 by Canada Research Chair in Power Electronics, Dr. Praveen Jain, Fellow of the Institute of Electrical and Electronics Engineers and the Royal Society of Canada.

SPARQ designs and manufactures next generation single-phase microinverters for residential and commercial solar electric applications. SPARQ has developed a proprietary photovoltaic ("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 has one wholly-owned subsidiary, Sparq Systems (USA), Inc. which was incorporated under the laws of Delaware on August 30, 2013.

Cautionary Note Regarding Forward-Looking Statements

This news release contains statements that constitute "forward-looking statements." Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause MJ's actual results, performance or achievements, or developments to differ materially from the anticipated results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects," "plans," "anticipates," "believes," "intends," "estimates," "projects," "potential" and similar expressions, or that events or conditions "will," "would,"

"may," "could" or "should" occur.

Forward-looking statements in this document include, among others, statements relating to expectations regarding the completion of the Transaction and other statements that are not historical facts. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors and risks include, among others: (a) domestic and foreign laws and regulations could adversely affect the Resulting Issuer's business and results of operations; (b) a drop in retail pricing of electricity from utilities providers or other renewable energy sources or improved distribution of electricity could negatively impact the Resulting Issuer's business; (c) the stock markets have experienced volatility that often has been unrelated to the performance of companies and these fluctuations may adversely affect the price of the Resulting Issuer's securities, regardless of its operating performance; and (d) the impacts of COVID-19.

The forward-looking information contained in this news release represents the expectations of MJ as of the date of this news release and, accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. MJ undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

This news release does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. MJ's securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

The Common Shares will remain halted until such time as permission to resume trading has been obtained from the TSXV. MJ is a reporting issuer in Ontario, Alberta and British Columbia.

Completion of the Transaction is subject to a number of conditions, including but not limited to, TSXV acceptance. There can be no assurance that the Transaction will be completed as proposed or at all. Investors are cautioned that, except as disclosed in the Filing Statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSXV has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the contents of this press release.

Not for distribution to United States newswire services or for release publication, distribution or dissemination directly, or indirectly, in whole or in part, in or into the United States.

For further information, please contact:

MJ Innovation Capital Corp.

Bryan Van Engelen

Chief Executive Officer, Chief Financial Officer and Director

Telephone: 226.750.9914

SPARQ Systems Inc.

Dr. Praveen Jain

Chief Executive Officer

Email: pjain@spargsys.com

Tel: 343.477.1158

To view the source version of this press release, please visit

<https://www.newsfilecorp.com/release/108465>