SPARTA CAPITAL LTD.

Calgary, Alberta

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three and nine month periods ended June 30, 2017

NOTICE: The accompanying unaudited interim condensed consolidated financial statements and notes thereto for the three and nine months ended June 30, 2017 and 2016 have been prepared by management. These financial statements have not been reviewed by the Corporation's external auditors.

Sparta Capital Inc.

Condensed Consolidated Interim Statements of Financial Position

As at,	June 30, 2017	September 30, 2016
	$	$
Assets		
Current assets		
Cash	927,099	583,457
Accounts receivable	731,270	649,265
Inventories	85,880	10,342
Prepaid expenses	218,416	22,988
	1,962,665	1,266,052
Equipment	39,530	13,754
	2,002,195	1,279,806
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	1,098,899	958,877
Income taxes payable	58,926	12,500
Deferred revenue	301,094	14,379
Shareholder advance	260,000	
Loans	13,000	13,000
	1,731,919	998,756
Shareholders' equity (deficit)		
Share capital	7,187,747	6,953,647
Share subscriptions received	-	177,000
Warrants	33,400	-
Contributed surplus	702,281	700,181
Deficit	(7,565,286)	(7,423,801)
Total equity attributable to the equity holders of the Corporation	358,142	407,027
Equity attributable to non-controlling interest	(87,866)	(125,977)
	270,276	281,050
	2,002,195	1,279,806

Going concern (note 1)

Approved on behalf of the Board:

Signed: *"Peter Quattrociocchi"* Signed: *"John O'Bireck"*

Peter Quattrociocchi, Director John O'Bireck, Director

See accompanying notes to the consolidated financial statements.

Sparta Capital Inc.

Condensed Consolidated Interim Statements of Comprehensive Income (Loss)

	Three months ended June 30, 2017	Three months ended June 30, 2016	Nine months ended June 30, 2017	Nine months ended June 30, 2016
Sales				
Sales	$ 1,507,767	$ 2,895,836	$ 4,609,523	$2,979,854
Cost of sales	629,084	1,603,128	2,642,210	1,640,716
Gross margin	878,683	1,292,718	1,967,313	1,339,138
Expenses				
Consulting fees	(142,702)	9,361	141,514	323,361
Salaries and benefits	291,603	251,459	608,041	298,798
Equipment rental	142,869	168,662	289,320	168,662
Repairs and maintenance	82,209	94,056	213,701	94,056
Occupancy	37,703	92,838	96,831	92,838
Office and supplies	12,707	11,991	23,937	13,294
Marketing fees	80,236	121,075	250,280	175,506
Advertising and promotion	24,404	11,568	50,547	38,737
Supplies and services	1,171	30,303	29,337	30,303
Travel	27,419	11,164	68,600	11,641
Professional fees	51,290	61,828	155,035	71,428
Transportation	10,502	24,374	28,201	24,374
Insurance	18,664	5,543	38,534	14,418
License and fees	4,122	8,046	21,846	22,365
Other (income) expense	(8,771)	-	(8,957)	-
Interest and bank charges	2,556	954	6,820	2,866
	635,982	903,222	2,013,587	1,382,647
Income (loss) and comprehensive income (loss) before income taxes	242,701	389,496	(46,274)	(43,509)
Income taxes	(28,900)	(12,500)	(57,100)	(12,500)
Net income (loss) and comprehensive income (loss) for the period	213,801	376,996	(103,374)	(56,009)
Net income (loss) and comprehensive income (loss) attributable to:				
Shareholders	182,774	404,339	(141,485)	5,336
Non-controlling interest	31,027	(27,343)	38,111	(61,345)
Income (loss) and comprehensive income (loss) per share (note 4(d))				
Basic and diluted	$ 0.001	$ 0.002	$ (0.001)	$ (0.001)

See accompanying notes to the consolidated financial statements.

Sparta Capital Inc.

Condensed Consolidated Interim Statements of Changes in Equity

	Number of common shares	Share capital $	Contributed surplus $	Warrants $	Share subscription receivable $	Share subscription received $	Deficit $	Non-controlling interest $	Total $
Balance, October 1, 2016	144,564,140	6,953,647	700,181	-	-	177,000	(7,423,801)	(125,977)	281,050
Private Placement	3,540,000	141,600	-	35,400	-	(177,000)	-	-	-
Private Placement	826,000	82,600	-	(2,000)	-	-	-	-	80,600
Warrants Exercised	1,026,000	9,900	2,100	-	-	-	-	-	12,000
Profit for period	-	-	-	-	-	-	(76,271)	(47,326)	(123,597)
Balance, December 31, 2016	150,046,140	7,187,747	702,281	33,400	-	-	(7,500,072)	(173,303)	250,053
Loss for period	-	-	-	-	-	-	(247,988)	54,410	(193,578)
Balance, March 31, 2017	150,046,140	7,187,747	702,281	33,400	-	-	(7,748,060)	(118,893)	56,475
Loss for period	-	-	-	-	-	-	182,774	31,027	213,801
Balance, June 30, 2017	150,046,140	7,187,747	702,281	33,400	-	-	(7,565,286)	(87,866)	270,276
Balance, October 1, 2015	138,964,140	6,612,247	612,741	144,340	(27,500)	-	(7,352,671)	(61,039)	(71,882)
Subscriptions received	-	-	-	-	7,500	-	-	-	7,500
Loss for period	-	-	-	-	-	-	(76,434)	(29,182)	(105,616)
Balance, December 31, 2015	138,964,140	6,612,247	612,741	144,340	(20,000)	-	(7,429,105)	(90,221)	(169,998)
Warrants exercised	5,690,000	341,400	-	(56,900)	-	-	-	-	284,500
Warrants expired (note 4)		69,740	-	(69,740)	-	-	-	-	-
Subscriptions received	-	-	-	-	20,000	-	-	-	20,000
Loss for period	-	-	-	-	-	-	(322,569)	(4,820)	(327,389)
Balance, March 31, 2016	144,654,140	7,023,387	612,741	17,700	-	-	(7,751,674)	(95,041)	(192,887)
Warrants exercised	-	17,700	-	(17,700)	-	-	-	-	-
Loss for period	-	-	-	-	-	-	404,339	(27,343)	376,996
Balance, June 30, 2016	144,654,140	7,041,087	612,741	-	-	-	(7,347,335)	(122,384)	184,109

See accompanying notes to the consolidated financial statements.

Sparta Capital Inc.

Statement of Cash Flows

	Three months ended June 30, 2017	2016	Nine months ended June 31, 2017	2016
Cash provided by (used in):				
Operations:				
Net income (loss) from operations	$ 213,801	$ 376,996	$ (103,374)	$ (56,009)
Items not involving cash:				
Stock based compensation	-	-	-	-
Depreciation	-	-	-	-
	-	-	-	-
Change in non-cash working capital	(518,796)	219,997	122,292	311,381
Cash flows provided (used)	(304,995)	596,993	18,918	255,372
Investing:				
Equipment	(25,277)	-	(25,776)	-
Financing:				
Proceeds from share issuance	141,500	-	234,100	312,000
Warrants	33,400	-	33,400	-
Share subscription received	(177,000)	-	(177,000)	-
Proceeds from shareholder advance	260,000		260,000	
Cash flows from financing	257,900	-	350,500	312,000
Increase (decrease) in cash	(72,372)	596,993	343,642	567,372
Cash, beginning of period	999,471	166,760	583,457	196,381
Cash, end of period	$ 927,099	$ 763,753	$ 927,099	$ 763,753

See accompanying notes to the consolidated financial statements.

1. Reporting Entity, Nature of Operations and Going Concern

Reporting entity and nature of operations

Sparta Capital Ltd. (the “Corporation” or “Sparta”) was incorporated pursuant to the provisions of the Business Corporations Act (Alberta) on February 24, 1988. The Corporation maintains its head office at 303, 6707 Elbow Drive SW Calgary, Alberta, T2V 0E5 and registered office at Suite 1600, Dome Tower, 333 - 7th Avenue S.W. Calgary, Alberta, T2P 2Z1. The Corporation is publicly listed on the NEX board of the TSX Venture Exchange under the symbol “SAY.H”.

The Corporation seeks to leverage its expertise in product development, manufacturing, distribution, sales and service across a range of complementary products.

The Corporation offerings include four different environmentally centered market verticals through the formation of majority controlled corporations and exclusive licensing agreements. The offerings include optimization of energy consumption in the commercial and manufacturing sectors, construction and energy through biomass conversion, energy conservation in mining, and energy savings in transportation.

During the year, the Corporation focused on the expansion of a number of divisions:

- llumineris has two divisions, the photoluminescent safety products (“Safety”) division and the comprehensive energy audit division called Illumineris Systematics (“Systematics”). The Safety division has a distribution agreement with Jessup Manufacturing of McHenry IL to distribute their specialized photoluminescent exit signs and egress pathway markings to reduce the consumption of carbon based electricity. The Systematics division measures and monitors energy use in commercial buildings and manufacturing facilities and offers turnkey solutions and ongoing support to convert wasted energy into useable power.

- ReECO Tech is a biomass and industrial waste conversion division with a focus on helping develop environmentally sustainable economies by converting biomass waste into consumables such as waste-to-energy products. ReECO Tech’s services provide a viable option for helping manufacturers reduce waste, save resources, save money and lower their carbon footprint. Over the past year, ReECO Tech has continued to expand into new markets while investing significantly in a number of future developments; adding business growth and profitability. This includes the arduous process of obtaining an ISO-9001 certification, making the company eligible to expand its business into additional high-profile projects. ReECO Tech is also well entrenched in the process of obtaining an ISN certification to open additional markets.

- Sparta Technologies 4 Mining Ltd. (“4 Mining”) is a mining division with a focus on the development of an emissions free underground vehicle propulsion system. This mining division is looking to expand its offerings to include a number of above ground vehicle platforms and carbon efficient mining equipment.

Going concern

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) accounting principles applicable to a going concern which assumes that the Corporation will realize its assets and discharge its liabilities in the normal course of business.

At June 30,2017 the Corporation had a working capital of $230,746. In order to meet the Corporation’s anticipated working capital requirements, it will be required to attract additional funds through the issue of debt or equity to further the development of the Corporation’s products and to provide sufficient working capital. The Corporation’s management will continue to consider various alternatives to finance the Corporation’s operations and activities within the context of existing market conditions. Management plans to seek additional financing, through equity, debt, or by other business means to further the development of the Corporation's products and to provide sufficient working capital. The Corporation anticipates raising additional equity in 2017.

There can be no assurance that capital will be available as necessary to meet these continuing development costs or, if the capital is available, that it will be on terms acceptable to the Corporation. The issuances of additional equity securities by the Corporation may result in significant dilution to the equity interests of its current shareholders. If the Corporation is unable to obtain financing in the amounts and on terms deemed acceptable, the business and future success may be adversely affected, thus giving rise to doubt about the Corporation's ability to continue as a going concern.

Additional capital requirements are dependent on uncertain future events, including but not limited to the results of the evaluation of other business growth opportunities, the level of growth in product sales and distribution. If the going concern assumption were not appropriate for these financial statements, then adjustments would be necessary to the carrying values of assets and liabilities, and the balance sheet classifications used which could be material.

2. Basis of Presentation

Statement of compliance

These condensed consolidated interim financial statements have been prepared by management in accordance with IAS 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of financial statements. These interim financial statements do not include all the note disclosures required for annual financial statements and therefore they should be read in conjunction with the Corporation's audited financial statements for the year ended September 30, 2016 as filed by the Corporation on www.sedar.com.

These condensed consolidated interim financial statements follow the same accounting policies and methods of application those applied in the Corporation's annual financial statements for the year ended September 30, 2016.

These condensed consolidated interim financial statements were authorized for issuance by the Corporation's Board of Directors on August 29, 2017.

Basis of measurement

These condensed consolidated interim financial statements have been prepared on the historical cost basis and are presented in Canadian dollars, which is the Corporation's functional and reporting currency.

3. Basis of Presentation

Consolidation

These consolidated financial statements incorporate the financial statements of the Corporation and its subsidiaries. Sparta Capital Ltd. is the ultimate parent company of the consolidated group. Subsidiaries are consolidated from the date on which the Corporation obtains control and continue to be consolidated until control ceases. Control is established when the Corporation has the power to govern the financial and operating policy decisions of the entity so as to obtain benefits from the entity's activities, and generally exists where more than 50% of the voting power of the entity is held by the Corporation. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. All material inter-company transactions and balances are eliminated in full upon consolidation.

Where the ownership of a subsidiary is less than 100%, and a non-controlling interest exists, any losses of that subsidiary are attributed to the non-controlling interest even if it results in a deficit. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

The subsidiaries of the Company and their principal activities are as follows:

	Ownership interest at		
	June 30,	Sept 30,	
Name of subsidiary	2017	2016	Principal activity
Newport Environmental Technologies Ltd.	100%	100%	Inactive
Illumineris Inc.	51%	51%	Product distribution
Illumineris Systematics Ltd.	51%	-	Product distribution
ReECO Tech Conversion Technologies Ltd.	51%	51%	Product development and distribution
ReECO Tech Electronic Conversions Ltd.	51%	-	Product development and distribution
ReECO Tech Property Conversions Ltd.	51%	-	Property development
Sparta Technologies 4 Mining Ltd.	100%	100%	Product development

Sparta owns 51% of Illumineris Inc., Illumineris Systematics Inc., ReECO Tech Conversion Technologies Ltd., ReECO Tech Electronic Conversions Ltd. and ReECO Tech Property Conversions Ltd. with the remaining shares held by an external trustee for future issuance to employees and consultants.

Basis of measurement

The financial statements have been prepared on the historical cost basis and are presented in Canadian dollars, which is the Corporation's functional currency.

Use of estimates and judgments

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

(i) Estimates

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Key areas with estimate uncertainties are as follows:

- Stock based compensation - estimates for forfeiture rates, volatility and expected life of options.

(ii) Judgments

Judgments in applying accounting policies are as follows:

a. Going concern – the ability of the Corporation to continue as a going concern.

4. Share Capital

Authorized

The authorized share capital of the Corporation consists of an unlimited number of common shares without nominal or par value and an unlimited number of preferred shares, issuable in series. The rights, privileges, restrictions and conditions attached to the preferred shares are to be determined by the Directors of the Corporation at time of issuance. There are no preferred shares issued or outstanding as at June 30, 2017.

Issued

On March 6, 2015 the Corporation completed the first tranche of an 18,800,000 unit offering by issuing 12,664,000 units for $0.05 per unit for gross proceeds of $633,200. Each unit is comprised of one common share and one share purchase warrant of the Corporation. Each warrant entitles the holder to acquire an additional common share at a price of $0.05 per common share for up to twelve months from the date of issuance. If the volume weighted average trading price of the common shares is greater than $0.14 for 20 consecutive business days prior the warrant expiry date, the warrant expiry date may be accelerated, in the Corporation's sole discretion, to 30 business days from the date acceleration event.

On May 6, 2015 the Corporation completed the second tranche of an 18,800,000 unit offering by issuing 1,770,000 units at $0.05 per unit for gross proceeds of $88,500. Each unit is comprised of one common share and one share purchase warrant of the Corporation. Each warrant entitles the holder to acquire an additional common share at a price of $0.05 per common share for up to twelve months from the date of issuance. If the volume weighted average trading price of the common shares is greater than $0.14 for 20 consecutive business days prior the warrant expiry date, the warrant expiry date may be accelerated, in the Corporation's sole discretion, to 30 business days from the date acceleration event.

On March 6, 2016 5,690,000 warrants were exercised for $0.05 each for gross proceeds of $284,500.

On October 28, 2016 the Corporation completed the third tranche of an 18,800,000 unit offering by issuing 4,366,000 units at $0.05 per unit for gross proceeds of $218,300. Each unit is comprised of one common share and one share purchase warrant of the Corporation. Each warrant entitles the holder to acquire an additional common share at a price of $0.05 per common share for up to twelve months from the date of issuance. If the volume weighted average trading price of the common shares is greater than $0.14 for 20 consecutive business days prior the warrant expiry date, the warrant expiry date may be accelerated, in the Corporation's sole discretion, to 30 business days from the date acceleration event.

On November 7, 2016 in connection with the units issued on October 28, 2016 1,026,000 warrants were exercised to purchase one common share for $0.05 each for gross proceeds of $51,300.

Options

A summary of the Corporation's outstanding stock options as at June 30, 2017 and June 30, 2016, and the changes for the periods then ended, is as follows:

	Number of options	Weighted average exercise price
Balance, October 1, 2015	**5,375,000**	**0.12**
Granted	-	-
Forfeited or expired	-	-
Balance, December 31, 2015	**5,375,000**	**0.08**
Granted	-	-
Forfeited or expired	(300,000)	(0.10)
Balance, September 30, 2016	**5,075,000**	**0.08**
Granted	-	-
Forfeited or expired	550,000	(0.10)
Balance, June 30, 2017	**4,525,000**	**0.08**

On March 23, 2015, the Corporation granted stock options to officers and directors of the Corporation for the purchase of 2,800,000 common shares at an exercise price of $0.05 per common share with an expiry date five years from the date of grant. The options vested immediately. The stock-based compensation expense of $92,400 was calculated based on the fair value of the stock options on the date of grant using the Black-Scholes option-pricing model. The assumptions applied by the Corporation in this calculation for the fair value of the options at the date of grant were: a) dividend yield 0%, b) volatility 186.19%, c) risk-free rate 0.72%, d) forfeiture rate of 0%, e) expected life of 5 years.

Warrants

A summary of the Corporation's share purchase warrants as at June 30, 2017 and June 30 2016, and the changes for the periods then ended, is as follows:

	Number of Warrants	Amount
Balance, October 1, 2015	**14,434,000**	**144,340**
Granted (expired)	-	-
Balance, December 31, 2015	**14,434,000**	**144,340**
Granted	(5,690,000)	(56,900)
Expired	(8,744,000)	(87,440)
Balance, September 30, 2016	**-**	**-**
Granted	4,366,000	(102,600)
Exercised (expired)	(1,026,000)	436,600
Balance, June 30, 2017	**3,340,000**	**33,400**

5. Related Party Transactions and Balances

For the three months ending June 30, 2017 and 2016 there were no significant transactions with related parties.

6. Loans and Borrowings

The loans and borrowing outstanding at October 2016 are unchanged at June 30, 2017. The outstanding loan bears interest at 12% per annum with monthly interest payments, is unsecured and payable on demand. In the quarter ending June 30, 2017, the Company received an advance from shareholders in the amount of $260,000.

7. Financial Instruments

The carrying values of the financial assets and liabilities included in the statement of financial position are as follows:

	June 30, 2017	September 30, 2016
Financial Assets	$	$
Held for trading financial assets:		
Cash	927,099	583,457
Accounts receivable	731,270	649,265
Financial Liabilities		
Other financial liabilities:		
Accounts payable and accrued liabilities	1,098,899	958,877
Shareholder advance	260,000	-
Loans and borrowings	13,000	13,000

The carrying value of cash, accounts receivable, accounts payable and accrued liabilities approximate their fair value due to the relatively short period to maturity of the instruments. The carrying amount of loans and borrowings approximate fair value as the interest rates are consistent with the current market rates.

8. Capital Management

The Corporation's objectives when managing capital is to safeguard its ability to continue as a going concern provide adequate working capital and maintain cash on hand. The Corporation defines capital as the Corporation's shareholders' equity and loans and borrowings. At June 30, 2017 shareholders' equity was $270,276 (September 30, 2016 – $281,050) and loans and borrowings were at $273,000 (September 30, 2016 - $13,000). The Corporation manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Corporation may purchase shares for cancellation pursuant to normal course issuer bids, issue new shares or obtain debt financing. The Corporation is not currently subject to any externally imposed capital requirements.

Management anticipates that, based on the amount required to fund expenses associated with the execution of the Corporation's current business plan, taking into account the present working capital deficiency and the Corporation's projected level of future income, the Corporation is expected to require an injection of capital through debt or equity financing to meet its normal operating requirements for the next 12 months. Additional capital requirements are dependent on the extent of future revenues and expenses related to product development, manufacturing, sales and promotion and in consideration of results of the evaluation of other business growth opportunities and associated capital requirements. Additional liquid capital may be sourced from the issuance of share capital, debt financing or from potential government funding in support of development of export markets.

9. Financial Risk Management

The Corporation's risk exposures and the impact on the Corporation's financial instruments are summarized as follows:

Credit Risk

Credit risk is the risk of financial loss to the Corporation if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Corporation's trade receivables.

Liquidity Risk

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting obligations associated with its financial liabilities. The Corporation's objective in managing liquidity risk is to maintain sufficient liquidity to meet liabilities when due by holding sufficient cash and cash equivalents to settle current liabilities and meet its anticipated 2017 working capital requirements. The Corporation had a cash balance at June 30, 2017 of $927,099 (September 30, 2016 – $583,457).

At June 30, 2017 the Corporation had a working capital of $230,746 (September 30, 2016 – $267,296). In order to meet the Corporation's anticipated working capital requirements, it will be required to attract additional funds through the issue of debt, equity or other business means to further the development of the Corporation's products and to provide sufficient working capital. The Corporation monitors its working capital position and makes changes or reductions in expenditures to help sustain sufficient liquidity to meet liabilities on a timely basis.

Market Risk

a) Interest rate risk

The Corporation has fixed interest-bearing debt and therefore is not exposed to interest rate risk.

b) Foreign currency risk

The Corporation is currently not exposed to significant foreign currency risk since all of its assets and liabilities are denominated in Canadian dollars; however certain nonrecurring operating expenses are denominated in foreign currencies. The Corporation has maintained sufficient resources to make payment denominated in foreign currencies in a timely manner thereby limiting the exposure.

10. Commitments

On March 26, 2015 the Corporation entered into an exclusive ten-year agent and licensing agreement with SuperNova Performance Technologies Ltd. ("SuperNova") for their TreeFrog Transport Optimization™ systems. The exclusive agreement is such that SuperNova retains all of the intellectual property rights in connection with the product and will share the gross revenues on a pay for performance shared savings model with Sparta. The Corporation agreed to pay a $1,000,000 licensing fee to Supernova out of future sales. This agreement will be superseded upon completion of the recently announced acquisition of Supernova Performance Technologies Ltd.

On June 1, 2015 Illumineris Inc. entered into a distribution agreement with Jessup Manufacturing of McHenry IL. to become a distributor of Jessup Manufacturing products. The sales territory is Canada and the initial term of the agreement is two years, which automatically renews for successive one-year periods. Under the terms of the agreement, Illumineris is limited to distributing Jessup products and will refrain from offering any competing products. In connection with the distribution agreement, Illumineris signed a General Security Agreement, which gives Jessup Manufacturing a charge over any and all assets of Illumineris.

The Corporation leases trailers and office space including occupancy costs which require future annual payments of:

	Office	Equipment	Total
2017	$ 5,000	$ 288,000	$ 293,000
2018		288,000	288,000
2019		216,000	216,000
	$ 5,000	$ 792,000	$ 821,000

11. Loss Per Share

Basic and diluted loss per share have been calculated based on the net loss divided by the weighted average number of common shares outstanding for the three months ended June 30, 2017 and 2016. The weighted average number of common shares basic and diluted is as follows.

As at June 30	2017	2016
Weighted average common shares	149,147,473	140,860,807
Effect of stock options and warrants	-	-
Balance, year end	149,147,473	140,860,807

For the three months ended June 30, 2017 the weighted average outstanding calculation excludes 4,525,000 options and 3,340,000 warrants. For June 31, 2016 and 5,375,000 options for June 30, 2016 that are anti-dilutive.

12. Subsequent Event

On July 5, 2017 Sparta Capital Ltd. announced that pending final approval of the TSX Venture Exchange Inc., the Company acquired 100% of the issued and outstanding shares in SuperNova Performance Technologies Ltd. for common shares of Sparta, resulting in SuperNova becoming a wholly owned subsidiary of Sparta. The transaction involved the issuance of 9,849,750 Sparta common shares at a deemed value of $0.05 per share. Sparta also issued 6,196,000 warrants to SuperNova warrant holders at an average exercise price of $0.25 and range from $.05 to $1.25, expiring 12 months from the date of closing the acquisition.