TORONTO, ONTARIO--(Marketwired - Jan 7, 2016) - Sparton Resources Inc. (TSX VENTURE:SRI) ("Sparton" or the "Company") is pleased to announce that the final phase of commissioning for the Zhangbei Project's 8 megawatt hour vanadium flow battery is expected to begin on or about January 8, 2016. (Please see Sparton News Releases dated September 10, November 12 and November 23, 2015).

Commissioning Work

The State Grid North China Company Limited's ("State Grid") "863" comprehensive testing program was completed satisfactorily on January 5, 2016. This test involved integrated full power charging and discharging of all of the energy storage units currently installed at Zhangbei including the 8 megawatt hour vanadium flow battery. These performance tests were monitored by engineers and technicians from State Grid to ensure that the battery meets design protocols. Following successful completion of the 863 testing procedures, State Grid has given permission to begin the continuous 240-hour operations test that will be the final phase of the 8 megawatt hour vanadium flow battery commissioning program.

Both State Grid and VanSpar's technicians will monitor the battery operation during this test period and will prepare comprehensive reports on the test procedures and results. These will be submitted to State Grid for acceptance.

Funding Through Subsidiaries

Funding for this commissioning project has been carried out by VanSpar Mining Inc. ("VanSpar"), a 90.4% owned Sparton subsidiary. In the past two months, VanSpar has raised Cdn$183,000 in convertible debt which could, if the conversion feature is exercised by all of the current debt holders, reduce Sparton's ownership in VanSpar to approximately 85% fully diluted. Funds raised by VanSpar have been advanced to Jiujiang Sparton Vanadium Trade and Tech Co. Ltd. ("JJSP"), a Sino Foreign Chinese joint venture company 90% owned by VanSpar. JJSP has the commissioning contract with the builder of the battery. Additional financing efforts by VanSpar are continuing concurrently with the commissioning process.

Once the test period is successfully completed, and the performance and acceptance reports are submitted to State Grid's satisfaction, a payment, which is expected to be up to RMB 16.44 million (approximately US$2.64 million), will become payable by State Grid to JJSP's client, the battery builder, under a court-supervised payment process. After certain deductions are approved by the court for payment, which are expected to be in the range of RMB10.56 million (approximately US$1.70 million), the balance will be available for payment to JJSP by its client and JJSP will then repay VanSpar. The amounts payable at each step of this process are undetermined at this time, as the timing for each step is not fixed. The commissioning contract further provides for JJSP to continue the service obligations of its client for this battery by providing 3 years of maintenance on the installation. For this ongoing program, JJSP is to receive from its client annual payments of RMB5.5 million (approximately US $880,000) that are required to be paid by State Grid to JJSP's client.

About the Zhangbei Project

The Zhangbei Project, jointly launched in May 2010 by the Ministry of Finance, the Ministry of Science and Technology, and the National Energy Bureau is operated by State Grid. Located approximately 180 km north of downtown Beijing near Zhangjiakou, in Hebei Province, it integrates wind power, solar power, energy storage, and smart grid transmission technologies. Clean power generated by this project supplies a portion of north China's energy needs. The energy storage equipment currently installed and being tested on site includes the 8 megawatt hour vanadium flow battery being commissioned by VanSpar as well as smaller capacity lithium and lead-acid storage batteries and capacitors.

Zhangbei is China's largest wind and solar energy electricity generation and storage installation. It supports the storage and release of clean electricity into the power grid in an efficient and controlled manner.

The project is a key component of China's Golden Sun Photovoltaic Solar Pilot Project.

It currently includes 500 megawatts of wind power and 100 megawatts of solar power, with 110 megawatts of energy storage capacity, and covers a total land area of 200 square kilometres. Expansion plans for both electricity generation from wind and solar sources, and additional energy storage capacity have been recently announced.

With a total investment of 12 billion RMB (approximately US$1.8 billion), upon completion, it will be China's largest grid integration photovoltaic solar power generation station and its largest land-based wind farm in unit capacity, as well as the world's largest chemical energy storage station.

The project represents state of art installations for all its various components and will integrate a large number of different operational technologies in a single new energy project.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture

Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements

Information set forth in this news release involves forward-looking statements under applicable securities laws. The forward-looking statements contained herein include, but are not limited to, financings, equipment commissioning processes and other transactions being pursued, and all such forward-looking statements are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this news release are made as of the date hereof and the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation. Although the Company believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct and, accordingly, undue reliance should not be put on such forward-looking statements. This news release does not constitute an offer to sell or solicitation of an offer to buy any of the securities described herein.

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