



## **KRAKEN'S CASH BALANCE INCREASES IN Q3**

**Company to Present at this Week's Small Cap Discoveries Conference**

**ST. JOHN'S, NEWFOUNDLAND, OCTOBER 3, 2017 /Marketwired/** -- Kraken Robotics Inc. (TSX-V: PNG) (OTCQB: KRKNF) announced today that it ended 3Q17 with approximately \$800,000 in cash and unused credit facilities and had \$2.0 million available to be drawn down on non-repayable government grants. During the first week after quarter end, we expect to receive an additional \$700,000 cash from a contract advance and government grant drawdown.

### **OTHER CORPORATE DEVELOPMENTS**

- Kraken recently completed sea trials with a US Navy Autonomous Underwater Vehicle (AUV) that successfully demonstrated full swath, real-time Synthetic Aperture Sonar signal processing operating onboard a US Navy underwater vehicle (Hydroid REMUS 600). This is the first time that real time SAS processing has been successfully conducted on these smaller underwater vehicles. The results of this industry first will be presented at the upcoming Naval Mine Countermeasures Symposium being held in Halifax, Nova Scotia during October 3 – 5, 2017. Management believes this could open up a significant upgrade opportunity for the installed base, offering them both a performance improvement and reduction in processing timelines at a lower cost.
- Last week, an international oil and gas service company awarded Kraken a subsea battery prototype contract. These prototypes will utilize the pressure tolerant encapsulation technology developed by our German investee company, Kraken Power GmbH. The value of the contract is approximately \$150,000 and the work will be completed in 4Q17. We expect that our pressure tolerant encapsulation technology will be increasingly utilized by the marine technology industry.
- Kraken has successfully completed our first Robotics as a Service (RaaS) contract with OEX Recovery Group using our ThunderFish® AUV. On September 8, OEX and Kraken announced that we had discovered a free-flight Avro Arrow model on the floor of Lake Ontario. While the sonar search has completed for this year, management believes the Company may be contracted for additional RaaS surveys on this project in 2018. The search has generated significant national and international media interest, attracted

additional RaaS opportunities for ThunderFish® and provided an opportunity to put the AUV through hundreds of hours of real world field trials.

- Kraken will be presenting at the Small Cap Discoveries conference in Vancouver on Wednesday, October 4.
- Kraken Robotics Inc. recently changed its registered office to Ontario from British Columbia as was approved at our Annual General Meeting in August.

Karl Kenny, Kraken President & CEO said, “The results from the US Navy sea trials further validate our Synthetic Aperture Sonar technology. We are very pleased with our recent contract awards and we remain in discussions with industry leaders who are investing in underwater robots. We expect to make additional announcements during 4Q17 related to these discussions. We also expect to announce a new Board member soon.”

#### **ABOUT KRAKEN ROBOTICS INC.**

Kraken Robotics Inc. (TSX.V:PNG) is a marine technology company, founded in 2012, that is dedicated to the production and sale of software, sensors and robotic systems for the global Unmanned Maritime Vehicles market. For more info, please visit [www.krakenrobotics.com](http://www.krakenrobotics.com), [www.krakenrobotik.de](http://www.krakenrobotik.de), and [www.krakenpower.de](http://www.krakenpower.de).

*Certain information in this news release constitutes forward-looking statements. When used in this news release, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "seek", "propose", "estimate", "expect", and similar expressions, as they relate to the Company, are intended to identify forward-looking statements. In particular, this news release contains forward-looking statements with respect to, among other things, business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Such statements reflect the Company's current views with respect to future events based on certain material factors and assumptions and are subject to certain risks and uncertainties, including without limitation, changes in market, competition, governmental or regulatory developments, general economic conditions and other factors set out in the Company's public disclosure documents. Many factors could cause the Company's actual results, performance or achievements to vary from those described in this news release, including without limitation those listed above. These factors should not be construed as exhaustive. Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described in this news release and such forward-looking statements included in, or incorporated by reference in this news release, should not be unduly relied upon. Such statements speak only as of the date of this news release. The Company does not intend, and does not assume any obligation, to update these forward-looking statements. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement.*

*Neither the TSX Venture Exchange Inc. nor its Regulation Services Provide (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release, and the OTCQB has neither approved nor disapproved the contents of this press release.*

For further information, please contact:

Sean Peasgood, Investor Relations  
(416) 565-2805  
sean@sophiccapital.com

Stephen Harpur, Investor Relations  
(604) 306-6142  
steve@harpurinc.com

Greg Reid, Chief Financial Officer  
(416) 818-9822  
greid@krakenrobotics.com

Glenda Leyte, Marketing Manager  
(709) 757-5757 extension 288  
gleyte@krakenrobotics.com