



OCEAN INFINITY AWARDS KRAKEN \$3M CONTRACT

Kraken's AquaPix® To Be Integrated Onboard Ocean Infinity's HUGIN AUVs

ST. JOHN'S, NEWFOUNDLAND, September 7, 2017 /Marketwired/ - Kraken Sonar Inc. (TSX-V: PNG) (OTCQB: KRKNF), a marine technology company dedicated to the production and sale of software-centric sensors and underwater robotic systems, announced today that its wholly-owned subsidiary Kraken Sonar Systems Inc. has been awarded a contract valued at approximately C\$3,000,000 by Ocean Infinity. Kraken will supply and integrate its AquaPix® (Miniature Interferometric Synthetic Aperture Sonar and Real-Time SAS Signal Processor) solution onboard eight of Ocean Infinity's HUGIN Autonomous Underwater Vehicles (AUV). Delivery of the systems is planned to commence during the fourth quarter of 2017.

Karl Kenny, Kraken's President and CEO, said, "Ocean Infinity has the world's most advanced unmanned maritime technology for seabed mapping, survey and search. Adding AquaPix® sonar to their fleet will enable them to simultaneously produce crisp imagery and detailed 3D digital terrain maps of seafloor topography. The system will be used worldwide to collect high-resolution seabed data in water depths up to 6,000 meters and to cover huge swaths of seabed quickly and accurately. We are very pleased to equip their HUGIN AUVs with our AquaPix® sonar system and appreciate their confidence in our technology and products."

ABOUT AQUAPIX®

AquaPix® is designed for operation on AUVs and towed platforms. The modular system uses the latest electronics, transducer arrays and signal processing software optimized for the demanding size, weight, power and cost constraints of unmanned maritime vehicles.

AquaPix® is an industry leading Synthetic Aperture Sonar system providing military grade technology that enables superior 3D seabed imaging, faster data processing and a lower cost than competing sonars. Conventional side scan systems are limited in that they only provide high resolution imagery at short ranges. AquaPix® produces ultra high-resolution seabed imagery at very long ranges. The additional information provided by AquaPix® delivers detection and identification capabilities that cannot be achieved with conventional sidescan sonar. Higher resolution allows AquaPix® to provide useable area coverage rates up to 10 times better than that of conventional sidescan, which reduces mission time and provides faster actionable intelligence.

AquaPix® also generates highly accurate 3D bathymetry data that is registered and geo-referenced to the same pixel grid co-ordinates as the imagery. The capability of generating centimetre-scale resolution in all three spatial domains also provides significant performance improvements in the detection, classification and identification of seabed objects.

Autonomous Underwater Vehicles are ideal sonar platforms and provide extremely stable platform for acoustic and laser imaging in a variety of water depths. Equipped with next-generation sensors such as Kraken's AquaPix®, AUVs are ideal for a wide variety of underwater defence, commercial and ocean science applications.

ABOUT KRAKEN

Kraken Sonar Inc. (TSX.V:PNG, OTCQB: KRKNF) is a marine technology company, founded in 2012, that is dedicated to the production and sale of software-centric sensors and underwater robotic systems. The company is headquartered in St. John's, Newfoundland with offices in Dartmouth, Nova Scotia; Bremen, Germany; and Fairfax, Virginia. For more information, please visit www.krakensonar.com, www.krakenrobotik.de 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.

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