



Kraken Announces \$0.5 Million Contract from Canadian Department of Defense

Early Warrant Exercise Adds Cash to the Balance Sheet

ST. JOHN'S, Newfoundland, Nov. 26, 2018 -- Kraken Robotics Inc. (TSX-V: PNG) (OTCQB: KRKNF), is pleased to announce that as disclosed on www.buyandsell.gc.ca, Public Works and Government Services Canada, has issued a contract valued at \$468,000 to Kraken Robotic Systems Inc. The end user is the Canadian Department of National Defense (DND). Under the contract, Kraken will provide testing, repairs, integration and upgrading of an AquaPix® INSAS sensor originally sold to DND for integration on the Artic Explorer Autonomous Underwater Vehicle in 2014.

Early Exercise of Warrants

Kraken is also pleased to announce that since quarter end (September 30, 2018), it has received almost \$0.6 million in cash from the early exercise of approximately 2.1 million warrants set to expire in April 2019. To date, Kraken has received \$835,666 in cash from the early exercise of 2,785,553 warrants which had an exercise price of \$0.30 and were set to expire in April 2019. There remains approximately 3.1 million warrants with the same terms, which would generate another \$0.9 million in cash for the Company if exercised.

About Kraken Robotics Inc.

Kraken Robotics Inc. (TSX.V:PNG) (OTCQB: KRKNF) is a marine technology company 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; Toronto, Ontario; Bremen, Germany; and Fairfax, Virginia. For more information, please visit www.krakenrobotics.com, www.krakenrobotik.de, www.krakenpower.de. Find us on social media on Twitter (@krakenrobotics), Facebook (@krakenroboticsinc) and LinkedIn.

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.

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