



Kraken Notified of Successful Bid on International Mine Hunting Upgrade Program

ST. JOHN'S, Newfoundland, Oct. 02, 2019 -- Kraken Robotics Inc. (TSX-V: PNG) (OTCQB: KRKNF) ("Kraken" or the "Company"), is pleased to announce that its wholly owned subsidiary, Kraken Robotic Systems Inc., has received official notification that the Company was chosen as the successful bidder on a program for the acquisition of new sonar systems for an unnamed international navy. The navy customer has notified Kraken that it intends to enter into a contract with Kraken after the expiration of a standstill period.

This was a competitive bid process for upgrades of the customer's mine-hunting equipment. Kraken was one of four companies whose offers were received and evaluated and all four bidders have been notified of the result. Under the program, Kraken will deliver the KATFISH towed synthetic aperture sonar as well as autonomous launch and recovery systems (ALARS) to the customer. The total contract value is expected to be approximately C\$35-\$40 million, with the majority of that received over a 2 year equipment acquisition phase. Kraken currently expects product margins on this contract to be in line with its historical averages.

Final contract signing with Kraken is subject to several factors including the expiry of the standstill period (October 14, 2019) and Kraken entering into an industrial offset contract with the government business agency. In addition, the contract signing is subject to political approval, including approval by the Finance Committee of the customer's Parliament. Kraken expects to provide additional customer and contract detail in the coming weeks.

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 & Rostock, Germany; and Boston, Massachusetts. Kraken is ranked as a Top 100 marine technology company by Marine Technology Reporter. 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.

This news release contains forward-looking information. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Kraken or its subsidiaries and customers to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained in this news release. Examples of such statements include statements with respect to the Company's anticipated revenue growth; completion of industry contracts between the Company and its clients, and between its clients and other industry partners; anticipated impact of industry upgrade cycles in naval mine warfare and the anticipated and timely adoption of underwater robotics; the Company's ability to capitalize on existing and future bids for services, including the Ocean Supercluster; among others. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information including such risks contained in the Company's management's discussion and analysis for the fiscal year ended December 31, 2018 and filed with Canadian securities regulators available on the Company's issuer profile on SEDAR at www.sedar.com. Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information and no assurance can be given that such events will occur in the disclosed time frames or at all.

Certain forward-looking information in this press release constitutes future-oriented financial information or financial outlooks, within the meaning of securities laws. Such information is being provided to demonstrate the potential of the Company and readers are cautioned that this information may not be appropriate for any other purpose. Future-oriented financial information and financial outlooks, as with forward-looking information generally, are based on assumptions and subject to risks, uncertainties and other factors. Actual results may differ materially from what the Company currently expects. Readers are cautioned that any such future oriented financial information contained herein should not be used for purposes other than those for which it is disclosed herein. The Company and its management believe that that the prospective financial information as to the Company's anticipated 2019 financial results has been prepared on a reasonable basis, reflecting management's best estimates and judgments. However, because this information is highly subjective, it should not be relied on as necessarily indicative of future results.

The forward-looking information included in this news release are made as of the date of this news release and the Company does not undertake an obligation to publicly update such forward-looking information to reflect new information, subsequent events or otherwise unless required by applicable securities legislation. The reader should not place undue importance on forward-looking information and should not rely upon this information as of any other date. All forward-looking information

contained in this press release is expressly qualified in its entirety by this cautionary statement.

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