



Canada's Ocean Supercluster Commits Funding to Kraken's \$20M OceanVision™ Project

OceanVision™ to Drive Development of Seabed Data Acquisition and Analytics

ST. JOHN'S, NEWFOUNDLAND – 28 JUNE 2019 /GLOBE NEWSWIRE/ - 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 been conditionally approved by the Ocean Supercluster to move forward with its OceanVision™ project. OceanVision™ is a three-year, \$20 million project focused on the development of new marine technologies and products to enable an underwater robotics data acquisition and data analytics as a service business. This will be a turnkey service solution for ultra-high definition seafloor imaging, mapping and analytics, including simultaneous acquisition of ocean environmental and marine habitat data.

The Ocean Supercluster will provide an investment up to a maximum of \$5.9 million to the OceanVision™ project. This is subject to, among other things, finalizing additional project funding from industry stakeholders, strategic partners and government agencies. Kraken believes the project could grow as additional stakeholders, technologies and products are added to the project scope. Kraken is targeting to finalize the contracting process with all project participants by the end of Q3 2019.

CEO Comments

Karl Kenny, Kraken's President & CEO said, "We are both delighted and grateful for this financial support from the Ocean Supercluster for our OceanVision™ project. OceanVision™ is a unique business model, offering a combination of sensors, underwater robots, cloud computing and artificial intelligence. Under OceanVision™, clients do not need to purchase expensive data acquisition hardware and analytics. Instead, they can lease the robotic devices to acquire the ultra-high-resolution subsea data that they need. The data captured by robots across different locations can be stored in a cloud-based system and accessed by humans."

"This will ensure seamless data access without disrupting the existing workflow. Customers can leverage robots to engage their resources into more human-intensive processes such as decision-making and processes requiring more analytical thinking. While OceanVision™ is still in an embryonic stage of development, it is already driving exciting domestic and international opportunities. With a growing focus on productivity challenges and a deep understanding of the

operational environment, we expect OceanVision™ will help accelerate innovation and disrupt antiquated business models in many industries across the ocean technology community.”

Industry Stakeholder Comments

“This is a big step in our journey to sustainably grow Canada’s ocean economy through collaboration - we are very pleased to share this news with Kraken. This project embodies what the Ocean Supercluster seeks to accomplish in the sustainable development of Canada’s ocean economy - bringing together multiple partners across different ocean industries to collaborate and strengthen the Canadian ocean supply chain. This is a level of synergy we haven’t seen before now, and it demonstrates that if we work together to leverage our collective expertise, we can transform Canada into a global hub for collaborative cross-sectoral ocean innovation.” - **Kendra MacDonald, CEO, Ocean Supercluster**

“Petroleum Research Newfoundland and Labrador (PRNL) would like to congratulate Kraken on the selection of OceanVision™ as the first project for Canada’s Ocean Supercluster. We’ve successfully worked with Kraken on other projects, and are very pleased to partner with them again. This project has the potential to significantly advance our capability to acquire high quality ocean information to support multiple ocean industries, including offshore oil and gas. We are excited to once again be working with Kraken, and now the Ocean Supercluster and other industry partners to realize the full potential of this project.” - **Alan Clarke, CEO, PRNL**

“The Nunavut Fisheries Association (NFA), which represents the 100% Inuit-owned commercial offshore fishing industry in Nunavut, is very pleased to partner with Kraken Robotic Systems Inc., Innovation, Science, and Economic Development Canada (ISED) and our other industry colleagues on this important OceanVision™ initiative under the new Ocean Supercluster. Addressing the huge marine data gaps in the north will require the development of leading-edge technologies, as envisaged under this initiative, to address the cost and coverage issues we face throughout our region.” - **Lootie Toomasie, Chair, NFA**

“Ocean Choice International (OCI) is excited to partner with Kraken and other industry groups on the OceanVision™ initiative as the inaugural project funded under Canada’s historic Ocean Supercluster. The data collected, interpreted and analysed under this program will help further inform decision-making in our offshore fishing operations leading to continued improvements in efficiencies and sustainable fishing practices”. - **Martin Sullivan, CEO, OCI**

“Clearwater Seafoods is happy to collaborate with Kraken and other industry partners on this multi-sectoral innovation project, which has been made possible by Canada’s Ocean Supercluster. The technologies to be developed and the data that will be collected will serve the

multiple partners and contribute to the long-term sustainability of our industry.” - **Tony Jabbour, VP Fleet and Harvesting Operations, Clearwater Seafoods**

About OceanVision™

OceanVision™ is three-year project with a primary objective to develop new technologies enabling development of an underwater robotics data analytics as a service business. It will result in an end-to-end digitalization solution offering advanced sensors, robots and data analytics as a turnkey service solution for seafloor imaging and mapping. Rapid high-throughput data analytics will make it possible to significantly reduce the cost of obtaining high resolution seafloor imaging and mapping allowing end-users to make more informed operational decisions in real-time.

The OceanVision™ project is based on several enabling technologies. These include unmanned maritime vehicles, advanced sensors, robotics, autonomous systems, big data machine learning and predictive analytics.

Through OceanVision™, Kraken and its partners expect to meet several Ocean Supercluster goals including:

- deploying innovative technology platforms across ocean sectors
- strengthening links between ocean value chains and technology providers
- filling capability gaps in the innovation ecosystem
- extending global reach and market opportunities

For industry users, such as the oil and gas industry, OceanVision™ will help them reduce costs and risks, receive better intelligence and improve safety. This will be done by providing access to innovative technology that can reduce Inspection Maintenance and Repair (IMR) costs, improve operator safety and allow for increased uptime and profits.

The new technologies Kraken will develop within the scope of the OceanVision™ project are currently unavailable in a fully matured and tightly integrated offering in the commercial industry. The combination of a hovering-capable AUV with the potential for subsea residency, and a cutting-edge suite of acoustic and optical sensors, is a powerful package. As Kraken is the manufacturer of all the major vehicle components (i.e., sensors, batteries, propulsion system and software), it is expected that Kraken’s robotics platforms and services can be provided at a much lower overall cost than competing systems.

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 ability to satisfy the conditions precedent to the Ocean Supercluster funding; 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.

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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