



Dive Technologies Completes Successful Sea Trials with Kraken's Pressure Tolerant Batteries

ST. JOHN'S, Newfoundland and Labrador, Oct. 28, 2020 -- Kraken Robotics Inc. (TSX-V: PNG, OTCQB: KRKNF), Canada's Ocean Company, is pleased to announce that Quincy, Massachusetts based Dive Technologies Inc. ("Dive") recently completed successful sea trials of a Large Displacement Autonomous Underwater Vehicle (LD-AUV) which was powered by Kraken's pressure tolerant batteries. Kraken expects further contracts with Dive for additional batteries in 2020 and beyond.

Kraken and Dive Technologies entered into an agreement in August 2020 whereby Kraken agreed to supply subsea batteries for the LD-AUV. Under the terms of the agreement, Kraken also acquired a license to build two Dive LD-AUVs for use in Kraken's growing Robotics-as-a-Service (RaaS) business. Production of Kraken's first Dive LD-AUV is currently underway with the first unit being manufactured in the United States. Kraken expects that it will be delivered to Kraken's Unmanned Maritime Vehicle Facility in Dartmouth, Nova Scotia for sea trials in the spring of 2021.

Dive is led by an experienced team of engineers and managers with a history of AUV product development and program management with the US Navy and major US defense contractors. Dive's current team has extensive experience designing, building and operating AUVs for domestic and international commercial and defense customers. Dive's commercial LD-AUV is designed to support long duration missions at full ocean depths and is uniquely positioned to add significant value to Kraken's Robotics-as-a-Service data collection business.

Kraken and Dive intend to leverage each other's expertise to bring industry leading AUV solutions to the rapidly growing subsea data acquisition market. For Dive, the company is focused on delivering capable, flexible and reliable large displacement AUVs to defense and commercial customers at a reasonable price with leading commercial-off-the-shelf technology from companies such as Kraken. For Kraken, the company gains access to a large diameter, long mission duration AUV for use in Kraken's emerging RaaS business. It should be noted that the DIVE LD-AUV is significantly different than Kraken's ThunderFish XL (TFXL) AUV which is being internally developed by Kraken. TFXL is a rectangular, hovering AUV being developed for subsea resident applications versus the Dive LD-AUV which is geared towards long range, long endurance survey missions.

Kraken CEO Comments

"We are excited that the Dive Technologies' sea trials were successful and we look forward to working with them as a long term customer for Kraken's batteries and sonar technology but also as a strategic partner that will enable us both to expand our businesses," said Karl Kenny, Kraken President & CEO. "As we grow the recurring service side of our business, we will leverage our key in house technologies across the underwater vehicle value chain and look to partner with other high quality suppliers who can produce with strong quality and at reasonable costs. We congratulate Jerry and his excellent team at Dive on their recent success and we look forward to working with them."

DIVE CEO Comments

"Our team is incredibly excited to be working with Kraken Robotics," said Jerry Sgobbo, Dive President & CEO. "We have always been impressed by the battery and sonar technology coming out of Kraken. It is clear to us that they are an industry leader with a reliable track record, technical pedigree, and overall product capabilities that further Dive's value proposition to customers worldwide. We look forward to delivering Kraken's first Dive LD-AUV to Nova Scotia in spring 2021 and to demonstrate the full capabilities of our platform in support of Kraken's Robot-as-a-Service business."

Link to DIVE-LD Sea Trials Video

https://www.youtube.com/watch?v=ThC_ZnXMnBA

ABOUT KRAKEN ROBOTICS INC.

Kraken Robotics Inc. (TSX.V:PNG) (OTCQB: KRKNF) is a marine technology company dedicated to the production and sale of software-centric sensors, subsea batteries and thrusters, and underwater robotic systems. The company is headquartered in St. John's, Newfoundland with offices in Dartmouth, Nova Scotia; Toronto, Ontario; Bremen & Rostock, Germany; Copenhagen, Denmark; 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.

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:

Joe MacKay, Chief Financial Officer
(416) 303-0605
jmackay@krakenrobotics.com

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

Sean Peasgood, Investor Relations
(647) 955-1274
sean@sophiccapital.com

Shauna Cotie, Marketing Manager
(709) 757-5757 x 241
scotie@krakenrobotics.com