

**FORM 51-102F3  
MATERIAL CHANGE REPORT**

**ITEM 1**     **Name and Address of Company**

Kraken Robotics Inc. (the “**Company**”)  
189 Glencoe Drive  
Mount Pearl, NL, A1N 4P6

**ITEM 2**     **Date of Material Change**

October 26, 2020.

**ITEM 3**     **News Releases**

A press release was issued through Globe Newswire on October 26, 2020.

**ITEM 4**     **Summary of Material Changes**

The Company announced that it closed a previously announced “bought deal” financing of 15,500,000 common shares for aggregate gross proceeds of \$10,385,000.

**ITEM 5**     **Full Description of Material Change**

*5.1 – Full Description of Material Change*

The Company completed a “bought deal” short form prospectus offering of common shares (the “**Offering**”). A total of 15,500,000 common shares of the Company (“**Common Shares**”) were sold at a price of \$0.67 per Common Share (the “**Offering Price**”) for gross proceeds of \$10,385,000, inclusive of the partial exercise of the over-allotment option.

The Offering was completed by a syndicate of underwriters including Canaccord Genuity Corp. as lead underwriter, Stifel GMP and Beacon Securities Limited (the “**Underwriters**”). Following the partial exercise of the over-allotment option granted to the Underwriters, an additional 1,750,000 Common Shares remain exercisable at the Offering Price, in whole or in part, at any time for a period of 30 days from the date hereof. In consideration for their services, the Underwriters received a cash commission equal to 6% of the gross proceeds of the Offering.

*5.2- Disclosure for Restructuring Transactions*

Not Applicable.

**ITEM 6**     **Reliance of subsection 7.1(2) or (3) of National Instrument 51-102**

Not applicable.

**ITEM 7**     **Omitted Information**

Not applicable.

**ITEM 8**     **Executive Officer**

The name and business number of an executive officer of the Company who is knowledgeable about the material change and this report is:

Joe MacKay, CFO  
T: 416-303-0605

**ITEM 9**

**Date of Report**

October 27, 2020.