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**PRESS RELEASE**

**KRAKEN ROBOTICS ANNOUNCES CLOSING OF BOUGHT DEAL FINANCING  
AND PARTIAL EXERCISE OF OVER-ALLOTMENT OPTION**

Toronto, ON – October 26, 2020 – Kraken Robotics Inc. (“**Kraken**” or the “**Company**”) (TSXV: PNG) is pleased to announce today that it has closed its previously announced “bought deal” short form prospectus offering (the “**Offering**”) of common shares of the Company (“**Common Shares**”). A total of 15,500,000 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 led by Canaccord Genuity Corp., on behalf of a syndicate of underwriters including 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.

The net proceeds from the Offering are expected to be used by the Company to accelerate its Robotics as a Service recurring revenue model, for leasehold improvements, capital expenditures, parts and inventory, future acquisitions and for general corporate and working capital purposes.

The Offering is subject to TSX Venture Exchange (“**TSXV**”) final acceptance of requisite regulatory filings.

**About Kraken**

Kraken Robotics Inc. (TSXV: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; 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](http://www.krakenrobotics.com), [www.krakenrobotik.de](http://www.krakenrobotik.de), [www.krakenpower.de](http://www.krakenpower.de). Find us on social media on Twitter (@krakenrobotics), Facebook (@krakenroboticsinc) and LinkedIn.

For more information, visit [www.krakenrobotics.com](http://www.krakenrobotics.com).

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**Forward-Looking Information**

This news release may contain “forward-looking information” and “forward-looking statements” within the meaning of applicable Canadian securities legislation. All information contained herein that is not historical in nature may constitute forward-looking information. Forward-looking statements herein include but are not limited to statements regarding the final acceptance of the TSXV and the expected use of the net Offering proceeds, and are necessarily based upon a number of assumptions that, while considered reasonable by management, are inherently subject to business, market and economic risks, uncertainties and contingencies that may cause actual results, performance or achievements to be materially different from those expressed or implied by forward-looking statements. Except as required by law, the Company disclaims any obligation to update or revise any forward-looking statements. Readers are cautioned not to put undue reliance on these forward-looking statements.

*Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this press release.*

*The securities offered pursuant to the Offering have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or any U.S. state securities laws, and may not be offered or sold in the United States unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.*