

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 1, 2020.

ITEM 3 **News Releases**

A press release was issued through Globe Newswire on October 1, 2020.

ITEM 4 **Summary of Material Changes**

The Company announced that it entered into a "bought deal" financing of common shares for aggregate gross proceeds of \$10,050,000.

ITEM 5 **Full Description of Material Change**

5.1 – Full Description of Material Change

The Company announced that it had entered into an engagement agreement with Canaccord Genuity Corp. as lead underwriter, on behalf of a syndicate of underwriters, (collectively, the "Underwriters") pursuant to which the Underwriters have agreed to purchase, on a "bought deal" basis, 15,000,000 common shares of the Company ("Common Shares") at a price of \$0.67 per Common Share (the "Issue Price") for aggregate gross proceeds to the company of \$10,050,000 (the "Offering").

The Company has also agreed to grant the Underwriters an over-allotment option to purchase an additional 2,250,000 Common Shares at the Issue Price, exercisable in whole or in part, for a period ending 30 days from and including the closing of the Offering. In the event the over-allotment option is exercised in full, the aggregate gross proceeds of the Offering will be \$11,557,500.

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 2, 2020.