

Kraken Awarded \$7.1 Million of Contracts for Offshore Subsea Inspections

ST. JOHN'S, NEWFOUNDLAND, November 23, 2021 /GLOBE NEWSWIRE/ -- Kraken Robotics Inc. (TSX-V: PNG, OTCQB: KRKNF), Canada's Ocean Company™, is pleased to announce that its wholly owned subsidiaries Kraken Robotic Systems Inc. and PanGeo Subsea Inc. have been awarded \$7.1 million for two contracts from the Newfoundland Offshore Oil and Gas Industry Recovery Assistance (OOGIRA) Fund. The combined projects valued at \$9.2 million will be executed from Q4 2021 through Q4 2022. Kraken and PanGeo's inspection and survey platforms will assist the offshore energy sector to acquire better, faster, and more valuable data. This will enable offshore energy operators to make better-informed decisions regarding asset integrity, enhance energy recovery and reduce carbon emissions during inspection and survey operations. Project details are outlined below.

Fast-3D Inspection Digitalization Project

Kraken has been awarded \$2.3 million in funding as part of a \$4.0 million Fast Remote 3D Digital Inspection (FR3DI) Technology Demonstration Project. During the FR3DI project Kraken will demonstrate the inspection of critical subsea infrastructure for Cenovus Energy Inc. and Suncor Energy Inc. using Kraken's SeaVision® 3D underwater laser scanning technology. The offshore demonstration campaign will consist of several inspection scopes of work to create digital twins of subsea infrastructure as prioritized by Cenovus and Suncor. The applications include inspection of infrastructure in the water column and critical seabed assets including flowlines, spider buoys, and manifolds.

Under the project, Kraken will receive approximately \$1.0 million in funding for equipment and salaries and will also contribute approximately \$0.4 million in equipment and salaries. The remaining \$2.6 million of project funding is comprised of operational expenses, materials and consumables and will be supported by OOGIRA and project partners Cenovus and Suncor. Of note, this project avails of joint engineering efforts from Kraken and its recently acquired subsidiary, PanGeo Subsea, leveraging an existing PanGeo sled design with Kraken SeaVision® electronics and significant software integration.

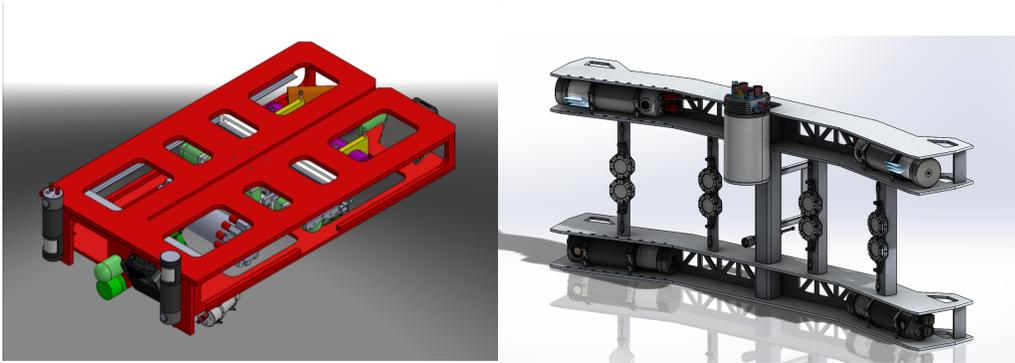


Figure 1: Example of SeaVision base inspection tools for water column assets (left) and marine habitat survey (right)

Karl Kenny, Kraken’s President and CEO said, “Over past few years, the term ‘digital twinning’ has become synonymous with innovation in the offshore energy sector, and vital to corporate strategy as operators seek to take advantage of new and emerging technologies. Sensors, robotics, artificial intelligence and data analytics initiatives are key to enabling real-time information systems. Remote operations in the offshore market provide multiple benefits. These include risk mitigation as more personnel are removed from the offshore environment, significant cost reductions, more flexible and scalable operations, and environmental sustainability as operational carbon footprints can be dramatically reduced.”

GeoTrac Project

PanGeo, a wholly owned Kraken subsidiary, in partnership with Memorial University’s Fisheries and Marine Institute, has been approved for a \$4.8 million contract (total project costs of \$5.2M). The GeoTrac project will see the development of a new multi-sensor platform that will acquire high resolution 3D Synthetic Aperture Sonar sub-bottom data as well as soil resistivity measurements for geo-technical and geo-physical analysis to support development of offshore energy projects. Geotechnical and geophysical data will be acquired offshore and processed onshore at a new facility located at the Marine Institute’s facility in Holyrood, Newfoundland. The project will contribute approximately \$4.8 million to PanGeo for equipment and salaries needed to develop deep-water data collection technology and an onshore data processing facility.

“We are truly excited to collaborate once again with the Marine Institute. With the recent integration of our engineering team with Kraken, we are confident that the increased capacity will deliver an innovative, world-class solution to support deep-water, 3D sub-seabed data collection as well as geo-physical and geo-technical soil resistivity measurements,” says PanGeo CEO Moya Cahill.

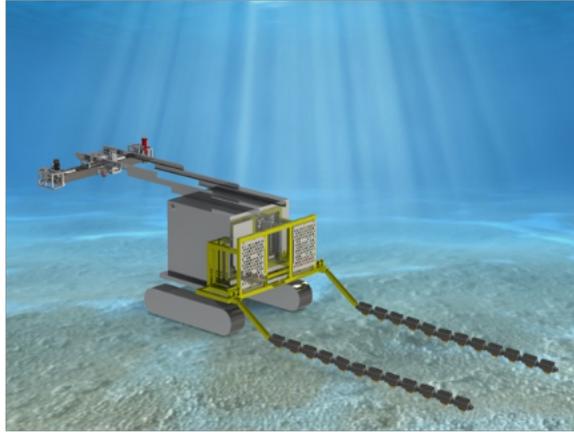


Figure 2: Conceptual GeoScan Drawing

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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 Newfoundland with offices in Canada, U.S., Germany, Denmark, and Brazil. In July 2021, Kraken acquired PanGeo Subsea, a leading services company specializing in high-resolution 3D acoustic imaging solutions for the sub-seabed. PanGeo with offices in Canada, the U.S. and the United Kingdom is now a wholly owned subsidiary of Kraken. Kraken is ranked as a Top 100 marine technology company by Marine Technology Reporter.

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

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