Kraken Completes Acquisition of PanGeo

ST. JOHN'S, Newfoundland, Aug. 03, 2021 (GLOBE NEWSWIRE) -- Kraken Robotics Inc. ("**Kraken**" or the "**Company**") (TSX-V: PNG, OTCQB: KRKNF), Canada's Ocean Company, is pleased to announce that it has completed the acquisition of PGH Capital Inc. (the "**Acquisition**") on terms previously disclosed in the Company's press release dated July 20, 2021. PGH Capital operates its business through its subsidiaries, PanGeo Subsea Inc. and PanGeo Subsea Scotland Limited (collectively with PGH Capital, "PanGeo"). PanGeo is a services company specializing in high-resolution 3D acoustic imaging solutions for the sub-seabed with offices in St. John's, Newfoundland and Aberdeen, United Kingdom. Upon closing, PanGeo is now a wholly owned subsidiary of Kraken Robotic Systems Inc. Under Kraken's ownership, PanGeo will continue to operate as a trusted name in sub-seabed imaging and will complement Kraken's turnkey offering of high-resolution subsea imaging services.

Karl Kenny, Kraken President and CEO said, "We are pleased to have completed this acquisition and to welcome the PanGeo employees to the Kraken team. Together we offer a holistic solution of world-leading technologies and services in subsea acoustic and optical imaging, autonomous robotics, and subsea batteries for customers in the defense and commercial markets. We are also excited for the increased exposure to the offshore renewable energy market and believe we can bring technologies to bear that will drive down customer costs, improve safety, and reduce their emissions footprint."

The Acquisition constituted an "Expedited Acquisition" in accordance with TSX Venture Exchange Policy 5.3 – *Acquisitions and Dispositions of Non-Cash Assets*. All common shares issued in connection with the transaction are subject to a restriction from trading for four months and a day from the date of issuance.

In connection with the acquisition, Kraken's Board of Directors has approved the issuance of 1,000,000 options to an officer of PanGeo. These options have a five-year term and an exercise price of $0.50 per common share.

UPDATE ON BOUGHT DEAL OFFERING

In connection with the Company's previously announced "bought deal" short form prospectus offering of units (the "**Offering**"), the Company paid the syndicate of underwriters led by Canaccord Genuity Corp., and including Raymond James Ltd., Desjardin Securities Inc., Beacon Securities Limited, and Research Capital Corp., an aggregate commission of $600,000, equal to 6.0% of the gross proceeds from the Offering.

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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 August 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 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 Provider (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.

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