

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 and October 2, 2024.

ITEM 3 **News Releases**

Press releases were issued through Globe Newswire on October 1, 2024 and October 2, 2024.

ITEM 4 **Summary of Material Changes**

On October 1, 2024, the Company entered into an agreement (the "**Engagement Agreement**") with Cormark Securities Inc. (the "**Lead Underwriter**"), as lead underwriter on behalf of a syndicate of investment dealers (collectively, the "**Underwriters**") providing for a "bought deal" public offering of 15,625,000 common shares ("**Common Shares**") at the price of \$1.60 per Common Share for aggregate gross proceeds of \$25,000,000 (the "**Offering**").

On October 2, 2024, the Company and the Lead Underwriter entered into an amendment to the Engagement Agreement to upsize the Offering to 28,125,000 Common Shares at the price of \$1.60 per Common Share for aggregate gross proceeds of \$45,000,000.

ITEM 5 **Full Description of Material Change**

5.1 – Full Description of Material Change

On October 1, 2024, the Company entered into the Engagement Agreement in respect of the Offering with the Lead Underwriter, on behalf of the Underwriters, pursuant to which the Underwriters agreed to purchase 15,625,000 Common Shares from the treasury of the Company at the price of \$1.60 per Common Share for total gross proceeds of \$25,000,000.

On October 2, 2024, the Company and the Lead Underwriter entered into an amendment to the Engagement Agreement to increase the size of the Offering to 28,125,000 Common Shares at the price of \$1.60 per Common Share for aggregate gross proceeds of \$45,000,000.

The Company has granted the Underwriters an option to purchase up to an additional 15.0% of the Common Shares of the Offering on the same terms exercisable at any time up to 30 days following the closing of the Offering, for market stabilization purposes and to cover over-allotments, if any.

The Common Shares to be issued under the Offering will be offered by way of a short form prospectus in each of the Provinces of Canada, except Quebec, and may be offered in the United States on a private placement basis pursuant to an exemption from the registration requirements of the *United States Securities Act of 1933*, as amended, and

applicable state securities laws, and certain other jurisdictions outside of Canada and the United States.

Closing of the Offering is expected to occur on or about October 22, 2024 and is subject to regulatory approval including that of the TSX Venture Exchange.

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, 2024.

Certain information in this report constitutes forward-looking statements. When used in this report, 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 report contains forward-looking statements with respect to, among other things, the completion of the Offering. 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, 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 report, 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 report and such forward-looking statements included in this report should not be unduly relied upon. Such statements speak only as of the date of this report. The Company does not intend, and does not assume any obligation, to update these forward-looking statements. The forward-looking statements contained in this report are expressly qualified by this cautionary statement.