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Kraken Robotics Inc. Announces Upsize of Previously Announced Bought Deal Public Offering to \$45 Million

ST. JOHN'S, NEWFOUNDLAND, October 2, 2024 /GLOBE NEWSWIRE/ -- Kraken Robotics Inc. ("**Kraken**" or the "**Company**") (TSX-V: PNG, OTCQB: KRKNF) is pleased to announce that it has amended its agreement with Cormark Securities Inc. to increase the size of its previously announced \$25 million "bought deal" public offering to \$45 million. Pursuant to the upsized deal terms, Cormark Securities Inc., as lead underwriter, together with a syndicate of investment dealers (the "**Underwriters**") has agreed to purchase 28,125,000 common shares (the "**Common Shares**") from the treasury of the Company, at a price of \$1.60 per Common Share (the "**Offering Price**") and offer them to the public by way of short form prospectus for total gross proceeds of \$45 million (the "**Offering**").

The Company has granted the Underwriters an option (the "**Over-Allotment 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.

Kraken expects the net proceeds of the Offering will be used to advance the Company's long-term strategy, including: (1) investing in expanded facilities and increased manufacturing capacity; (2) providing flexibility to take advantage of opportunities for accretive acquisitions of complementary technologies and businesses; (3) increasing the Company's attractiveness as a stable and reliable long-term supplier; (4) strengthening the Company's balance sheet to provide additional working capital to meet customer requirements in connection with potential additional large orders, as well as new program and contract opportunities; and (5) for general corporate purposes.

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.

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.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This press release does not constitute an offer of securities for sale in the United States.

ABOUT KRAKEN ROBOTICS INC.

Kraken Robotics Inc. (TSX.V:PNG) (OTCQB: KRKNF) is a marine technology company providing complex subsea sensors, batteries, and robotic systems. Our high-resolution 3D acoustic imaging solutions and services enable clients to overcome the challenges in our oceans - safely, efficiently, and sustainably. Kraken Robotics is headquartered in Canada and has offices in North and South America and Europe. Kraken is ranked as a Top 100 marine technology company by Marine Technology Reporter.

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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, completion of the Offering, use of the net proceeds of the Offering, the Company's business objectives, expected growth, performance, business projects and opportunities. 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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