

KRAKEN SONAR INC.
113 Terminal Road
Conception Bay South, NL
A1X 7B5

Tel: 604 803-9541
Fax: 604 648-8031

MANAGEMENT PROXY CIRCULAR

This Management Proxy Circular contains information as of May 22, 2015 (unless otherwise noted)

PERSONS MAKING THIS SOLICITATION OF PROXIES

This Management Proxy Circular is furnished to you in connection with the solicitation of proxies by management of Kraken Sonar Inc. (“we”, “us” or the “Company”) for use at the 2015 Annual General Meeting (the “Meeting”) of the shareholders of the Company to be held on June 24, 2015, for the purposes set forth in the accompanying Notice of Meeting, and at any adjournment thereof. The Company will conduct its solicitation primarily by mail and our officers, directors and employees may, without receiving special compensation, contact shareholders by telephone, electronic means or personal contact. We will not specifically engage employees or soliciting agent to solicit Proxies. We will pay the expenses of this solicitation.

APPOINTMENT OF PROXY HOLDER

The persons named as proxy holders in the enclosed Proxy are the Company’s directors or officers (the “Management Proxyholders”). As a shareholder, you have the right to appoint a person other than a Management Proxyholder to attend and act on your behalf at the Meeting. To exercise this right, you must either insert the name of your representative in the blank space provided in the Proxy and strike out the other names or complete and deliver another appropriate Proxy. A proxyholder need not be a shareholder.

A Proxy will not be valid unless it is dated and signed by you or your attorney duly authorized in writing or, if you are a corporation, by an authorized director, officer, or attorney of the corporation.

COMPLETION AND VOTING OF PROXIES

Voting at the Meeting will be by a show of hands, each shareholder having one vote, unless a ballot on the questions is required or demanded, in which case each shareholder is entitled to one vote for each share held. In order to approve a motion proposed at the Meeting, a majority of greater than 50% of the votes cast will be required (an “**ordinary resolution**”) unless the motion requires a special resolution (a “**special resolution**”) in which case a majority of two-thirds (2/3) of the votes cast will be required.

A shareholder or intermediary acting on behalf of a shareholder may indicate the manner in which the persons named in the enclosed Proxy are to vote with respect to any matter by checking the appropriate space. Shares represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting in accordance with your instructions on any ballot that may be called for and if you specify a choice with respect to any matter to be acted upon, the shares will be voted accordingly.

If you do not specify a choice and you have appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

If you do not specify a choice and you have appointed other than one of the Management Proxyholders as proxyholder, the proxyholder may vote in his/her discretion for the matters specified in the Proxy.

If you or an intermediary acting on your behalf wishes to confer a discretionary authority with respect to any matter, then the space should be left blank. **IN SUCH INSTANCE, THE PROXYHOLDER, IF ONE PROPOSED BY MANAGEMENT, INTENDS TO VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF THE MOTION.** The enclosed Proxy, when properly signed, also confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to other matters which may be properly brought before the Meeting. At the time of printing this Management Proxy Circular, our management is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. If, however, other matters which are not now known to management should properly come before the Meeting, the persons named in the Proxy intend to vote on such other business in accordance with their best judgment.

The Proxy must be dated and signed by you or by your attorney authorized in writing or by the intermediary acting on your behalf. In the case of a corporation, the Proxy must be executed under its corporate seal or signed by a duly authorized officer or attorney for the corporation.

COMPLETED PROXIES TOGETHER WITH THE POWER OF ATTORNEY OR OTHER AUTHORITY, IF ANY, UNDER WHICH IT WAS SIGNED OR A NOTARIALY CERTIFIED COPY THEREOF MUST BE DEPOSITED WITH THE COMPANY'S TRANSFER AGENT, COMPUTERSHARE INVESTOR SERVICES INC., OF 510 BURRARD STREET, 3RD FLOOR, VANCOUVER, BRITISH COLUMBIA, V6C 3B9, AT LEAST 48 HOURS (EXCLUDING SATURDAYS, SUNDAYS AND HOLIDAYS) BEFORE THE TIME OF THE MEETING OR ADJOURNMENT THEREOF. UNREGISTERED SHAREHOLDERS WHO RECEIVED THE PROXY THROUGH AN INTERMEDIARY MUST DELIVER THE PROXY IN ACCORDANCE WITH THE INSTRUCTIONS GIVEN BY SUCH INTERMEDIARY. YOU MAY ALSO VOTE BY TELEPHONE AND INTERNET. PLEASE SEE THE PROXY FOR INSTRUCTIONS REGARDING TELEPHONE AND INTERNET VOTING.

ADVICE TO NON-REGISTERED HOLDERS OF COMMON SHARES

Only shareholders whose names appear on our records or validly appointed proxy holders are permitted to vote at the Meeting. Most of our shareholders are "non-registered" shareholders because their shares are registered in the name of a nominee, such as a brokerage firm, bank, trust company, trustee or administrator of a self-administered RRSP, RRIF, RESP or similar plan or a clearing agency such as CDS Clearing and Depository Services Inc. (a "Nominee"). If you purchased your shares through a broker, you are likely a non-registered shareholder.

Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to us are referred to as "NOBOs". Those non-registered shareholders who have objected to their Nominee disclosing ownership information about themselves to us are referred to as "OBOs".

In accordance with the securities regulatory policy, we will have distributed copies of the Meeting Materials, being the Notice of Meeting, this Management Proxy Circular, and the Proxy directly to NOBOs and to the Nominees for onward distribution to OBOs.

Nominees are required to forward the Meeting materials to each OBO unless the OBO has waived the right to receive them. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered shareholder. Meeting materials sent to non-registered holders who have not waived the right to receive Meeting materials are accompanied by a request for voting instructions (a “**VIF**”), instead of a Proxy. By returning the VIF in accordance with the instructions noted on it, a non-registered holder is able to instruct the registered shareholder (or Nominee) how to vote on behalf of the non-registered shareholder. VIF’s, whether provided by the Company or by a Nominee, should be completed and returned in accordance with the specific instructions noted on the VIF.

In either case, the purpose of this procedure is to permit non-registered holders to direct the voting of the shares of the Company which they beneficially own. Non-registered holders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered. **Should a non-registered holder who receives a VIF wish to attend the Meeting or have someone else attend on his/her behalf, the non-registered holder may request (in writing) to the Company or its Nominee, as applicable, without expense to the non-registered holder, that the non-registered holder or his/her nominee be appointed as proxyholder and have the right to attend and vote at the Meeting.**

REVOCABILITY OF PROXY

Any registered Shareholder and NOBO who has returned a proxy may revoke it at any time before it has been exercised. In addition to revocation in any other manner permitted by law, a registered Shareholder and NOBO, his attorney authorized in writing or, if the registered Shareholder or NOBO is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting. OBOs who wish to change their vote must, at least 7 days before the Meeting, arrange for their Nominees to so act on their behalf.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

None of the directors or executive officers of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and the approval of the Company’s stock option plan, all described in this Management Proxy Circular.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Voting of Common Shares – General

The Company is authorized to issue an unlimited number of common shares without par value. As of the record date, determined by the Company’s Board of Directors (the “**Board**”) to be the close of business on May 22, 2015, a total of 71,068,214 common shares were issued and outstanding. Each common share carries the right to one vote at the Meeting.

Persons who are registered shareholders at the close of business on May 22, 2015, will be entitled to receive notice of, attend, and vote at the Meeting or any adjournment thereof.

Principal Holders of Common Shares

To the knowledge of the directors and senior officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, voting securities carrying more than 10% of the outstanding voting rights of the Company other than:

Name Of Shareholder	Number Of Shares	Percentage Of Issued And Outstanding
CDS & CO ⁽¹⁾	20,060,750	28%
Karl Kenny	29,430,050	41.5%
Elizabeth Hayden Kenny	15,747,500	22%

Notes:

Management of the Company is unaware of the beneficial shareholders of the common shares registered in the name of these shareholders.

ELECTION OF DIRECTORS

Directors are elected at each annual general meeting and hold office until the next annual meeting of shareholders of the Company or until that person sooner ceases to be a director. In the absence of instructions to the contrary, the enclosed proxy will be voted for the nominees listed in this Management Proxy Circular.

Shareholders will be asked to pass an ordinary resolution to set the number of directors at five for the next year, subject to any increases permitted by the Company's constating documents.

Management proposes to nominate the persons named in the table below for election as directors. Management does not contemplate that any of the nominees will be unable to serve as a director. If before the Meeting any vacancies occur in the slate of nominees listed below, the person named in the Proxy will exercise his or her discretionary authority to vote the shares represented by the Proxy for the election of any other person or persons as directors.

The information concerning the proposed nominees has been furnished by each of them.

Name, Province or State and Country of Residence and Present Office Held	Periods Served as Director	Number of Shares Beneficially Owned, Directly or Indirectly, or over which Control or Direction is Exercised ⁽¹⁾	Principal Occupation and, if Not Previously Elected, Principal Occupation during the Past Five Years
Karl Kenny ⁽²⁾ St. John's, NL President, Chief Executive Officer ("CEO") and Director	February 18, 2015 to present	29,430,050	See detailed summary below
John Travaglini ⁽²⁾ Toronto, ON Director	February 18, 2015 to present	2,538,565 ⁽³⁾	See detailed summary below
Roman Kocur Toronto, ON Director	March 17, 2015 to present	666,666	See detailed summary below
Harley Sinclair Vancouver, B.C. Director	May 31, 2008 to present	704,995	See detailed summary below

Moya Cahill ⁽²⁾ St. John's, NL Director	February 18, 2015 to present	Nil	See detailed summary below
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Notes:

- (1) As at May 22, 2015.
- (2) Denotes a member of the Audit Committee.
- (3) Mr. Travaglini holds 2,200,000 common shares indirectly through his spouse, Anne McDonell, 38,565 common shares through his RRSP and 300,000 common shares directly.

Biographies of Directors

Karl Kenny – President, CEO and Director

Mr. Kenny grew up in a small fishing village in Newfoundland where his family has a long historical connection to the sea. Since his early days as a maritime surface officer with the Royal Canadian Navy, Mr. Kenny has been involved in high technology. In the 1980's, he was a part of the Microsoft mouse project team. In the 1990's, he formed Telepix, a leader in photo e-commerce solutions. Telepix was acquired by a European photo equipment manufacturer in 2000 for over \$50 million.

Since then he has led the development of a wide range of innovative marine technologies and products in Canada, the USA and Europe. Mr. Kenny was the visionary leader behind the development of Software Defined Sonar technology that's now being used in underwater defence, commercial fisheries and ocean science. Mr. Kenny is a member of the Marine Technology Society as well as the Society for Underwater Technology. He has been named Entrepreneur of the Year by Memorial University and twice named as a Top 50 CEO by Atlantic Business magazine. He was inducted into the Newfoundland and Labrador Business Hall of Fame in May, 2012. Mr. Kenny also serves as an entrepreneur mentor at Memorial University's Genesis Centre.

John Travaglini - Director

Mr. Travaglini is a technology and capital markets entrepreneur, and a highly experienced M&A professional. Prior to founding 4Front Capital Partners, he owned a mid-market investment and merchant banking consulting firm based out of Toronto, Ontario. In this role Mr. Travaglini consulted to large multinationals, funds and family offices worldwide on wealth preservation, mergers and acquisitions, and international investments. Prior to that Mr. Travaglini co-owned an investment bank with offices in Toronto, London, Singapore and Sydney Australia. This company did both public and private transactions totaling over \$250 million.

Mr. Travaglini co-founded a systems integration company which had revenues of over \$55 million. Mr. Travaglini has held sales positions with Sun Microsystems and Unisys Corporation.

Mr. Travaglini has held board positions and executive management positions in both public and private companies in Canada and abroad. He holds an Honors Degree in Business Administration from Wilfrid Laurier University and is a graduate of the Quantum Shift Executive Management program sponsored by KPMG and Ivey School of Business.

Roman Kocur – Director

Roman is a senior executive with FirstService Residential, a wholly owned subsidiary of FirstService Corporation. Since 2003, Roman has served in a variety of senior executive roles at FirstService Corporation in strategy, corporate development, M&A and operations. Prior to 2003, Roman spent five years at Geac Computer Corporation Limited, formerly one of the largest technology companies in Canada. Roman is a Chartered Accountant, and will chair Kraken's Audit Committee.

Harley Sinclair – Director

Mr. Sinclair is a former securities lawyer who restricted his 30 year practice to securities and corporate finance. Most of his practice entailed representing issuers, including taking them public and/or handling their ongoing legal and regulatory affairs (including corporate governance and structuring and negotiating financings, acquisitions, and dispositions). Mr. Sinclair has also represented several Vancouver brokerage firms in respect of various IPOs and financing transactions. He has been an executive officer and/or a director of many public companies, including Anergy Capital Inc. Mr. Sinclair obtained a B.Sc. in Life Sciences from Queen's University in 1976, and an LL.B from the University of Saskatchewan in 1979.

Moya Cahill – Director

Ms. Cahill is President and co-founder of PanGeo Subsea, a technology and service provider of high-resolution 3D sub-bottom acoustic imaging technology. Under her leadership, PanGeo has successfully attracted international private equity to underpin the commercialization of PanGeo's technology to a global market

A professional engineer and graduate of Memorial University, Ms. Cahill has over 25 years' experience in the oil and gas sector and most recently the renewable energy sector. She started her career in the mid '80's with Norsk Hydro in Norway. Having been exposed to the success of the Norwegian supply chain, she returned to Newfoundland in the early 90's and established her own engineering and consulting which today operates in St. John's and Qatar under Pan Maritime. Ms. Cahill received the Canadian Women Entrepreneur of the Year Award, Canada's Top 40 Under 40 and was honored to receive from NOIA the Outstanding Contribution Award which recognized her role in the development of the offshore industry in Newfoundland and Labrador over the past 25 years.

Corporate Cease Trade Orders or Bankruptcies

Except as set forth below, to the knowledge of the Company's management, no proposed director of the Company:

- (a) is, as at the date of the Management Proxy Circular, or has been within 10 years before the date of the Management Proxy Circular, a director, CEO, CFO of any company (including the Company) that:
 - (i) was subject to a cease trade or similar order or an order that denied such other issuer access to any exemption under securities legislation for more than thirty consecutive days, that was issued while the proposed director was acting in the capacity as director, CEO or CFO; or
 - (ii) was subject to a cease trade or similar order or an order that denied such other issuer access to any exemption under securities legislation for more than thirty consecutive days, that was issued after the proposed director ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO; or
- (b) is, as at the date of this Management Proxy Circular, or has been within 10 years before the date of the Management Proxy Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

- (c) has, within the 10 years before the date of this Management Proxy Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

On May 8, 2014 the British Columbia Securities Commission issued a cease trade order against Sunrise Resources Ltd. for failing to file financial statements for the year ended December 31, 2013 within the required time period. That order was revoked on July 15, 2014. During that time, Harley Sinclair was Executive Vice President of Sunrise Resources Ltd., which position he continues to hold as of the date hereof.

EXECUTIVE COMPENSATION

Compensation discussion and analysis

Compensation, Philosophy and Analysis

The primary objectives of the Company's executive compensation program is to attract, motivate and retain highly trained, experienced and committed executive officers who have the necessary skills, education, experience and personal qualities required to manage the Company's business for the benefit of its shareholders, and to align their success with that of the shareholders. The level of compensation that will be paid to an executive will be based on the executive's overall experience, responsibility and performance.

The Company's executive compensation program will be comprised of two elements: (i) the payment of cash where appropriate; and (ii) long-term incentive compensation in the form of incentive stock options pursuant to the Company's stock option plan (the "**Stock Option Plan**"). As the Company is generating revenues, salaries will be paid to its executive officers as determined by the Board. The Board will review both components in assessing the compensation of individual executive officers and the Company as a whole. Salary, which may be paid by way of consulting fees, is intended to provide current compensation, while options are granted to encourage long-term commitment to the Company and to align the interests of those individuals with those of the Company's shareholders.

When determining executive compensation, the Board will review the compensation policies of companies engaged in similar businesses. Although the Company has not obtained any industry reports regarding compensation, at the appropriate time the Board will review publicly available information with respect to compensation paid to the executives of companies that are also engaged in businesses comparable to the Company.

The Board determines an appropriate amount of compensation for its executives, reflecting the need to provide incentive and compensation for the time and effort expended by the executives while taking into account the financial and other resources of the Company. The Board did not consider the implications of the risks associated with the Company's compensation practices; however, given the Company's size and nature of compensation provided to its executives in the last financial year, the Board does not view significant risk that would be likely to have a material adverse effect on the Company.

The Company does not have a Compensation Committee.

Analysis of Elements

During the year ended December 31, 2014, the Company was a capital pool company (as that term is defined in TSX Venture Exchange (“**Exchange**”) policies) and therefore no salaries were paid to its sole Named Executive Officer.

The Company considers the granting of incentive stock options to be a significant component of executive compensation as it allows the Company to reward each Named Executive Officer’s efforts to increase value for shareholders without requiring the Company to use cash from its treasury. Stock options are generally awarded to directors, officers, consultants and employees at the commencement of their appointment or employment with the Company and periodically thereafter. The Company did not grant any stock options during the year ended December 31, 2014.

Long Term Compensation and Option Based Awards

The Company has no long term incentive plans other than its Stock Option Plan which was last approved by shareholders at its annual general meeting on November 14, 2014. The Company’s directors, officers, employees, and consultants are entitled to participate in the Stock Option Plan. The Stock Option Plan is designed to encourage share ownership and entrepreneurship on the part of the senior management, directors, employees, and consultants. The Board determines the allocation and terms of any stock option grants. When granting stock options, the Board considers the amount of past options which have been granted.

See “Particulars of Matters to be Acted Upon” for a description of the Company’s stock option plan and the process the Company uses to grant options-based awards.

The Company’s management is not permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, which are designed to hedge or offset a decrease in market value of equity securities of the Company granted as compensation or held, directly or indirectly, by management.

Summary Compensation Table

For the purposes of this Management Proxy Circular, a “**Named Executive Officer**” of the Company means each of the following individuals:

- (b) our CEO;
- (c) our chief financial officer (“**CFO**”);
- (d) each of our three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the financial year ended December 31, 2014 whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 52-102F6, for that financial year; and
- (e) each individual who would be a Named Executive Officer under paragraph (c) above but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

We had one Named Executive Officer during our financial year ended December 31, 2014, being Harley Sinclair the Company’s, President, CEO, CFO and Corporate Secretary.

The table below sets out particulars of compensation paid to the Named Executive Officer for services to the Company during the three most recently completed financial years for which such information is available. For information regarding compensation related to earlier years, please see the Company's prospectus and previous Management Proxy Circulars available on SEDAR at www.sedar.com.

Summary Compensation Table

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long term incentive plans			
Harley Sinclair President, CEO, CFO and Corporate Secretary	2014 ⁽¹⁾	Nil	N/A	Nil	Nil	Nil	N/A	Nil	Nil
	2013 ⁽²⁾	Nil	N/A	Nil	Nil	Nil	N/A	Nil	Nil
	2012 ⁽²⁾	Nil	N/A	Nil	Nil	Nil	N/A	Nil	Nil

Note:

- (1) Financial year ended December 31.
- (2) Financial year ended September 30.

Incentive Plan Awards

Outstanding share-based awards and option based awards

The following table sets out, for the Company's sole Named Executive Officer, the awards outstanding at December 31, 2014.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of share or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Harley Sinclair	235,000	0.10	August 5, 2015	Nil	N/A	N/A	N/A

Note:

1. This amount is calculated as the difference between the market value of securities underlying the options on September 9, 2014, being the last trading day of the common shares for the financial year ended December 31, 2014 and the exercise price of the options. The closing market price per common share on September 9, 2014 was \$0.01.

Incentive Plan Awards – value vested or earned during the year

The following table sets out, for the Company's sole Named Executive Officer, the value of all incentive plan awards issued during the financial year ended December 31, 2014.

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Harley Sinclair	Nil	N/A	N/A

Pension Plan Benefits

The Company does not have in place any deferred compensation plan or pension plan that provides for payments or benefits at, following or in connection with retirement.

Termination and Change of Control Benefits

The Company does not have any plan or arrangement to pay or otherwise compensate any Named Executive Officer if his employment is terminated as a result of resignation, retirement, change of control, etc. or if his responsibilities change following a change of control.

Compensation of Directors

As at the financial year ended December 31, 2014, the Company had four directors, one of whom was also a Named Executive Officer. For a description of the compensation paid to the Named Executive Officer of the Company who also act as a director, see “Summary Compensation Table”.

We did not pay our directors in their capacities as directors during the financial year ended December 31, 2014. Due to our size and our early-stage of development, we do not pay retainers or meeting fees to our non-executive directors. Accordingly, we only compensate directors through stock option grants.

Incentive Plan Awards

Outstanding share-based awards and option-based awards

The following table discloses the particulars for each director, other the Company’s Named Executive Officer, for awards outstanding at the end of the financial year ended December 31, 2014:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of share or units of shares that have not vested (#)	Market of payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Lisa Payne	60,000	0.10	August 5, 2015	N/A	N/A	N/A	N/A
Eugene Beukman	175,000	0.10	August 5, 2015	N/A	N/A	N/A	N/A
Rajamohan	Nil	N/A	N/A	N/A	N/A	N/A	N/A

Natarajan							
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Note:

- (1) This amount is calculated as the difference between the market value of securities underlying the options on September 9, 2014, being the last trading day of the common shares for the financial year ended December 31, 2014 and the exercise price of the options. The closing market price per common share on September 9, 2014 was \$0.01.
- (2) These directors resigned and were replaced on February 28, 2015 in connection with the closing of the Company's Qualifying Transaction (as defined in Exchange policies).

Incentive Plan Awards – value vested or earned during the year

The following table sets forth the value of option-based awards and share-based awards which vested or were earned during the financial year ended December 31, 2014 for each director who was not also a Named Executive Officer.

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Lisa Payne	Nil	N/A	N/A
Eugene Beukman	Nil	N/A	N/A
Rajamohan Natarajan	Nil	N/A	N/A

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Company has an incentive Stock Option Plan under which stock options are granted. Stock options have been determined by the Company's Board and are only granted in compliance with applicable laws and regulatory policy. Exchange policies limit the granting of stock options to employees, officers, directors and consultants of the Company and provide limits on the length of term, number and exercise price of such options. The Exchange also requires annual approval of rolling stock option plans by shareholders. The Company will propose that a new form of rolling stock option plan be approved by shareholders at the Meeting. See below under "Particulars of Matters to be Acted Upon - Incentive Stock Option Plan".

The following table provides information as at December 31, 2014 regarding the number of common shares to be issued pursuant to the Company's Stock Option Plan. The Company does not have any equity compensation plans that have not been approved by its shareholders.

<i>Plan Category</i>	<i>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</i>	<i>Weighted-average exercise price of outstanding options, warrants and rights (b) \$</i>	<i>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</i>
Equity compensation plans approved by securityholders	470,000	0.10	106,100 ⁽¹⁾
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	470,000		Nil

Note:

- (1) The previously approved stock option plan reserved a maximum of 576,100 common shares for issuance while the Company was a capital pool company and until the Company completed its Qualifying Transaction. Assuming shareholders approve the 2015 Plan (defined below), the Company will be authorized to issue 10% of its issued and outstanding common shares.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors or executive officers of the Company, or proposed nominees for election as director of the Company or associates or affiliates of such persons are or have been indebted to the Company at any time since the beginning of the Company's last completed financial year.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed herein, since the commencement of the Company's financial year ended December 31, 2014, no informed person of the Company, nominee for director or any associate or affiliate of an informed person or nominee, had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries. An "informed person" means: (a) a director or executive officer of the Company; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10% of the voting rights other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself, if and for so long as it has purchased, redeemed or otherwise acquired any of its shares.

AUDIT COMMITTEE

Audit Committee Charter

The Audit Committee Charter, the text of which is attached as Schedule "A" to this Management Proxy Circular, was adopted by our Audit Committee and the Board.

Composition of the Audit Committee

The Audit Committee is composed of the following members:

Name	Independent ⁽¹⁾	Financially Literate ⁽¹⁾
Moya Cahill	Yes	Yes
John Travaglini	Yes	Yes
Karl Kenny	No	Yes

Note:

(1) As that term is defined in National Instrument 52-110 *Audit Committees* (“NI 52-110”).

Relevant Education and Experience

The educational background or experience of the Audit Committee members has enabled each to perform his/her responsibilities as an Audit Committee member and has provided the member with an understanding of the accounting principles we use to prepare our financial statements, the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves as well as experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by our financial statements, or experience actively supervising one or more individuals engaged in such activities and an understanding of internal controls and procedures for financial reporting.

See “Election of Directors” in this Management Proxy Circular for details of the relevant education and experience of the Audit Committee members.

Each member of the Audit Committee has a general understanding of the accounting principles we use to prepare our financial statements and will seek clarification from our auditor, where required. Each of the members of the Audit Committee also has direct experience in understanding accounting principles for private and reporting companies and experience in supervising one or more individuals engaged in the accounting for estimates, accruals and reserves and experience in preparing, auditing, analyzing or evaluating financial statements similar to our financial statements.

Audit Committee Oversight

Since the commencement of the Company’s financial year ended December 31, 2014, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

Since the commencement of the Company’s financial year ended December 31, 2014, the Company has not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditors, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total amount of fees payable to the auditor in the financial year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for engaging of non-audit services as described in the Audit Committee Charter set out in Schedule “A” to this Management Proxy Circular.

External Auditor Service Fees (By Category)

The table below sets out all fees billed by our external auditor in each of the last two financial years. In the table “Audit Fees” are fees billed by our external auditor for services provided in auditing our financial statements for the financial year. “Audit-Related Fees” are fees not included in Audit Fees that are billed by the auditor for assurance and related services that are reasonably related to performing the audit or reviewing our financial statements. “Tax Fees” are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. “All Other Fees” are fees billed by the auditor for products and services not included in the previous categories.

Financial Year Ending	Audit Fees	Audit-Related Fees	Tax Fees	All Other Fees
December 31, 2014	Nil	Nil	Nil	Nil
September 30, 2013	\$5,400	Nil	\$500	Nil

Exemption

The Company is relying on the exemption provided in section 6.1 of NI 52-110 by virtue of the fact that it is a venture issuer. Section 6.1 exempts the Company from the requirements of Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) of NI 52-110 and allows for the short form of disclosure of Audit Committee procedures set out in Form 52-110F2 and disclosed in this Management Proxy Circular.

APPOINTMENT OF AUDITOR

KPMG LLP, Chartered Accountants is the Company’s auditor, and was first appointed as the Company’s auditor on April 29, 2015, by the Board, upon the recommendation of the Audit Committee. Upon the Company’s request, De Visser Gray LLP, Chartered Accountants, the former auditor of the Company, resigned as auditor of the Company effective April 29, 2015. As required by Section 4.11 of National Instrument 51-102 *Continuous Disclosure Obligations*, attached as Schedule “B” to this Management Proxy Circular are copies of the following documents which were promptly filed with securities regulatory authorities in connection with the change of auditor described above, and are available on the Company’s SEDAR profile, at www.sedar.com:

1. Notice of Change of Auditor dated April 29, 2015;
2. Letter from De Visser Gray LLP, Chartered Accountants, dated April 29, 2015; and
3. Letter from KPMG LLP, Chartered Accountants, dated April 30, 2015.

KPMG LLP, Chartered Accountants, is the auditor of the Company. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the re-appointment of KPMG LLP, Chartered Accountants, as the auditors of the Company to hold office for the ensuing year at remuneration to be fixed by the Directors.

CORPORATE GOVERNANCE

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 *Corporate Governance Guidelines* provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“NI 58-101”) prescribes certain disclosure by the Company of its corporate governance practices. The disclosure required by NI 58-101 is presented below.

The independent members of the Board are John Travaglini, Moya Cahill and Roman Kocur. The non-independent directors are Karl Kenny, the Company's President and CEO and Harley Sinclair, as he was the Company's former President, CEO, CFO, and Corporate Secretary.

1. Board Mandate

The mandate of the Board, as prescribed by the *Business Corporations Act* (British Columbia), is to manage or supervise management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company's affairs directly and through its committees.

The Board is responsible for approving long-term strategic plans and annual operating plans and budgets recommended by management. Board consideration and approval is also required for material contracts and business transactions, and all debt and equity financing transactions.

The Board delegates to management responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company's business in the ordinary course, managing the Company's cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board also looks to management to furnish recommendations respecting corporate objectives, long-term strategic plans and annual operating plans.

2. Directorships

Certain of the directors of the Company are also directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as follows:

Name	Name of Reporting Issuer	Market	Position
Karl Kenny	None		
John Travaglini	None		
Roman Kocur	None		
Harley Sinclair	None		
Moya Cahill	None		

3. Orientation and Continuing Education

The Board is responsible for providing orientation for all new recruits to the Board. Each new director brings a different skill set and professional background, and with this information, the Board is able to determine what orientation to the nature and operations of the Company's business will be necessary and relevant to each new director. The Company provides continuing education for its directors as the need arises and encourages open discussion at all meetings, which format encourages learning by the directors.

4. Ethical Business Conduct

The Board relies on the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law to ensure the Board operates independently of management and in the best interests of the Company. The Board has found that these, combined with the restrictions placed by applicable corporate legislation on an individual directors' participation in decisions of the Board in which the director has an interest, have been sufficient.

5. Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders. The Board takes into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee. The Board is responsible for recruiting new members to the Board and planning for the succession of Board members.

6. Compensation

The Board is responsible for determining all forms of compensation, including long-term incentive in the form of stock options, to be granted to the CEO of the Company and the directors, and for reviewing the CEO's recommendations respecting compensation of the other officers of the Company, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its officers, the Board considers: (a) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; (b) providing fair and competitive compensation; (c) balancing the interests of management and the Company's shareholders; (d) rewarding performance, both on an individual basis and with respect to operations in general; and (e) permitted compensation under Exchange policies.

7. Committees of the Board

The Board does not have any committees other than the Audit Committee.

8. Assessments

The Board annually reviews its own performance and effectiveness as well as reviews the Audit Committee Charter and recommends revisions as necessary. Neither the Company nor the Board has adopted formal procedures to regularly assess the Board, the Audit Committee or the individual directors as to their effectiveness and contribution. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of individual directors are informally monitored by the other Board members, bearing in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and its committees.

The Board believes its corporate governance practices are appropriate and effective for the Company, given its size and operations. The Company's corporate governance practice allows the Company to operate efficiently, with checks and balances that control and monitor management and corporate functions without excessive administrative burden.

MANAGEMENT CONTRACTS

The management functions of the Company are not to any substantial degree performed by any person other than the executive officers and directors of the Company. The Company has not entered into any contracts, agreements or arrangements with parties other than its directors and executive officers for the provision of such management functions.

PARTICULARS OF MATTERS TO BE ACTED UPON

Approval of Incentive Stock Option Plan by Ordinary Resolution

The only equity compensation plan which the Company currently has in place is the Stock Option Plan, which was approved by shareholders on November 14, 2014. The Stock Option Plan was established to provide incentive to employees, directors, officers, management companies and consultants who provide services to the Company. The Exchange policies respecting the granting of stock options require that all companies listed on the Exchange adopt a stock option plan and that any stock option plan that reserves a maximum of 10% of the issued and outstanding share capital of the Company at the time of grant (a “**Rolling Plan**”) must be approved and ratified by shareholders on an annual basis. The Stock Option Plan was a Rolling Plan and Company management seeks shareholder approval for a renewal of the Stock Option Plan, as the Company’s 2015 Plan (the “**2015 Plan**”) in accordance with and subject to the rules and policies of the Exchange. The intention of management in proposing the 2015 Plan is to increase the proprietary interest of such persons in the Company and thereby aid the Company in attracting, retaining and encouraging the continued involvement of such persons with the Company.

Terms of the 2015 Plan

A full copy of the 2015 Plan will be available at the Meeting for review by shareholders. Shareholders may also obtain copies of the 2015 Plan from the Company prior to the Meeting on written request. The following is a summary of the material terms of 2015 Plan:

Number of Shares Reserved. The number of common shares reserved for issuance under the 2015 Plan is 10% of the number of common shares outstanding at any given time.

Administration. The 2015 Plan is to be administered by the Board or by a committee to which such authority is delegated by the Board from time to time.

Eligible Persons. The 2015 Plan provides that stock options may be issued only to directors, officers, employees and consultants and management company employees of the Company or of any of its affiliates or subsidiaries. Such persons and entities are referred to herein as “**Eligible Persons**”.

Board Discretion. The 2015 Plan provides that, generally, the number of shares subject to each option, the exercise price, the expiry time, the extent to which such option is exercisable and other terms and conditions relating to such options shall be determined by the Board or any committee to which such authority is delegated by the Board from time to time.

Maximum Term of Options. Options granted under the 2015 Plan will be for a term not exceeding ten years from the date of grant.

Maximum Options per Person. The number of shares reserved for issuance to any one option holder pursuant to options granted under the 2015 Plan during any twelve month period may not exceed 5% (or, in the case of a consultant, 2%) of the outstanding shares of the Company at the time of grant. The number of shares reserved for issuance to consultants and employees who are engaged in investor relations activities is limited to an aggregate of 2% of the outstanding shares of the Company at the time of grant and must vest in stages over a period of 12 months, with no more than ¼ of those options vesting in any three month period.

No Assignment. The options may not be assigned or transferred.

Termination Prior to Expiry. If an optionee ceases to be a director, officer, employee or consultant for any reason other than death, then such optionee’s option will terminate within a reasonable period to be determined by the administrator of the 2015 Plan (the “**Exercise Period**”) commencing on the effective date the optionee ceases to be employed by or provide services to the Company (but only to the extent that such option has vested on or before the date the optionee ceased to be so employed or provide services to the Company) as provided for in the written option agreement between the Company and the

optionee, and all rights to purchase shares under such option will expire as of the last day of such Exercise Period, provided however that the maximum Exercise Period shall be six (6) months, unless the optionee has entered into a valid employment or consulting agreement that provides for a longer Exercise Period, but in no case shall the Exercise Period be greater than one (1) year unless prior Exchange approval has been given. If an option holder dies, the options of the deceased option holder will be exercisable by his or her estate for a period not exceeding 12 months or the balance of the term of the options, whichever is shorter.

Exercise Price. Options granted under the terms of the 2015 Plan will be exercisable at a price which is not less than the Discounted Market Price (as defined in Exchange policies), or such other minimum price as is permitted by the Exchange in accordance with its policies from time to time.

Full Payment for Shares. The Company will not issue shares pursuant to options granted under the 2015 Plan unless and until the shares have been fully paid for. The Company will not provide financial assistance to option holders to assist them in exercising their options.

Reduction of Exercise Price. The exercise price of stock options granted to Insiders (as defined in Exchange policies) may not be decreased without disinterested shareholder approval (as described above).

Termination of Plan. The 2015 Plan will terminate pursuant to a resolution of the Board or the Company's shareholders.

At the Meeting, shareholders will be asked to pass an ordinary resolution approving the 2015 Plan (the "**Stock Option Plan Resolution**") in the following form:

"BE IT RESOLVED, as an ordinary resolution, that:

1. The Company's 2015 stock option plan be ratified and approved;
2. The Board of Directors be authorized on behalf of the Company to make any further amendments to the 2015 stock option plan as may be required by regulatory authorities, without further approval of the shareholders of the Company, in order to ensure adoption of the 2015 stock option plan;
3. The Company file the 2015 stock option plan with the TSX Venture Exchange for acceptance; and
4. Any one director or officer of the Company is authorized and directed to do all such acts and things and to execute and deliver all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to this resolution."

Recommendation of Directors

The Company's Board unanimously recommends that shareholders vote for the Stock Option Plan Resolution.

In order to be effective, the Stock Option Plan Resolution must be approved by a majority (50%) of the votes cast by shareholders who vote in respect of the Stock Option Plan Resolution.

Unless the shareholder has specified in the enclosed form of proxy that the shares represented by such proxy are to be voted against the Stock Option Plan Resolution, the persons named in the enclosed form of proxy will vote FOR the Stock Option Plan Resolution.

ADDITIONAL INFORMATION

Additional information about the Company is located on SEDAR at www.sedar.com. Financial information is provided in the Company's financial statements and Management's Discussion and Analysis ("MD&A") of operating entity for the financial year ended December 31, 2014, which were filed on SEDAR on April 30, 2015.

Under National Instrument 51-102 *Continuous Disclosure Obligations*, any person or company who wishes to receive interim financial statements from the Company may deliver a written request for such material to the Company or the Company's agent, together with a signed statement that the persons or company is the owner of securities of the Company. Shareholders who wish to receive interim financial statements are encouraged to send the enclosed mail card, together with the completed Proxy, in the addressed envelope provided, to the Company's registrar and transfer agent, Computershare Investor Services Inc., 510 Burrard Street, 3rd Floor, Vancouver, British Columbia, V6C 3B9. The Company will maintain a supplemental mailing list of persons or companies wishing to receive interim financial statements.

Shareholders may contact the Company to request copies of the financial statements and MD&A by writing to the Company's President, CEO, and Director, Mr. Karl Kenny at the following address:

KRAKEN SONAR INC.
113 Terminal Road
Conception Bay South, NL
A1X 7B5

OTHER MATERIAL FACTS

Management knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the Proxy solicited hereby will be voted on such matter in accordance with the best judgment of the persons voting by Proxy.

DATED at Conception Bay South, Newfoundland, on the 22nd day of May, 2015.

BY ORDER OF THE BOARD

KRAKEN SONAR INC.

(signed) "Karl Kenny"

Karl Kenny
President, CEO and Director

SCHEDULE “A”

**Charter of the Audit Committee of the Board
of Kraken Sonar Inc.
(the “Company”)**

Article 1 – Mandate and Responsibilities

The Audit Committee is appointed by the Board of the Company (the “**Board**”) to oversee the accounting and financial reporting process of the Company and audits of the financial statements of the Company. The Audit Committee’s primary duties and responsibilities are to:

- (a) recommend to the Board the external auditor to be nominated for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company;
- (b) recommend to the Board the compensation of the external auditor;
- (c) oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (d) pre-approve all non-audit services to be provided to the Company or its subsidiaries by the Company’s external auditor;
- (e) review the Company’s financial statements, MD&A and annual and interim earnings press releases before the Company publicly discloses this information;
- (f) be satisfied that adequate procedures are in place for the review of all other public disclosure of financial information extracted or derived from the Company’s financial statements, and to periodically assess the adequacy of those procedures;
- (g) establish procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
 - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
- (h) review and approve the Company’s hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company.

The Board and management will ensure that the Audit Committee has adequate funding to fulfill its duties and responsibilities.

* * * * *

SCHEDULE "B"

CHANGE OF AUDITOR PACKAGE

KRAKEN SONAR INC.
(formerly Anergy Capital Inc.)

113 Terminal Road
Conception Bay South, NL
A1X 7B5

29th April, 2015

DEVISSER GRAY LLP

Chartered Accountants
905 West Pender Street
Vancouver, BC V6C 1L6

- and -

KPMG LLP

Chartered Accountants
TD Place
Suite 1001, 140 Water Street
St. John's, NL A1C 6H6

Dear Sirs/Mesdames:

Re: Notice of Change of Auditor
Pursuant to National Instrument 51-102 Continuous Disclosure Obligations
(the "**Instrument**") of the Canadian Securities Administrators

Kraken Sonar Inc. (the "**Company**") hereby provides notice pursuant to the Instrument of a change of auditor by the Company from DeVisser Gray LLP, Chartered Accountants, to KPMG LLP, Chartered Accountants.

The Company confirms that:

- (a) the Company has decided to change its auditor from DeVisser Gray LLP, Chartered Accountants, (the "**Former Auditor**"), to KPMG LLP, Chartered Accountants (the "**Successor Auditor**"). Consequently, on 29th April, 2015 the Company asked the Former Auditor to resign and the Former Auditor submitted their resignation effective 29th April, 2015. The Successor Auditor, Chartered Accountants has agreed to its appointment as the Company's new auditor;
- (b) at the Company's next annual general meeting of shareholders, the shareholders of the Company will be asked to approve the appointment the Successor Auditor;
- (c) there were no reservations contained in the Former Auditor's reports for either of the Company's two most recently completed financial years or for any period subsequent thereto for which an audit report was issued, preceding the date of this notice;
- (d) the Company's Audit Committee and Board of Directors have participated and approved the change of auditor for the Company and have also approved the appointment of the Successor Auditor; and
- (e) in the opinion of the Company, no "reportable events", as that term is defined in the Instrument have occurred prior to the date of this notice.

The Company requests that each of the Former Auditor and the Successor Auditor, provide the Company with a letter, in digital format, addressed to the regulatory authorities stating whether or not it agrees with the above statements no later than 7 days from the date of this notice.

Thank you for your co-operation.

Yours truly,

KRAKEN SONAR INC.

A handwritten signature in black ink, appearing to read 'Karl Kenny', with a long horizontal flourish extending to the right.

Karl Kenny, President and Chief Executive Officer

April 29, 2015

BRITISH COLUMBIA SECURITIES
COMMISSION
P.O. Box 10142, Pacific Centre
Suite 900, 701 West Georgia Street
Vancouver, B.C., V7Y 1L2

ALBERTA SECURITIES COMMISSION
Suite 600, 250-5th St. SW
Calgary, Alberta
T2P 0R4

Attention: Statutory Filings

Attention: Statutory Filings

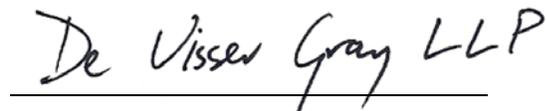
Dear Sirs/Mesdames:

Re: **Kraken Sonar Inc. (formerly Anergy Capital Inc.) (the "Company")**
Notice Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations* (the
"Instrument")

We have been provided with and read the *Notice of Change of Auditor* dated April 29, 2015 (the "**Notice**") with respect to our resignation as auditor of the Company provided as required under the Instrument. Pursuant to the Instrument, we confirm our agreement with the information contained in such Notice. This confirmation is based on our knowledge of the information as at the date of this letter.

We understand that the Notice along with this letter and a similar letter from KPMG LLP, Chartered Accountants will be provided to the Company's registered shareholders with the meeting materials relating to the Company's next annual general meeting of shareholders.

Yours truly,



CHARTERED ACCOUNTANTS

c.c. Kraken Sonar Inc.
KPMG LLP, Chartered Accountants



KPMG LLP
Chartered Accountants
Suite 1500 Purdy's Wharf Tower 1
1959 Upper Water Street
Halifax, NS B3J 3N2
Canada

Telephone (902) 492-6000
Fax (902) 492-1307
Internet www.kpmg.ca

April 30, 2015

BRITISH COLUMBIA SECURITIES
COMMISSION
P.O. Box 10142, Pacific Centre
Suite 900, 701 West Georgia Street
Vancouver, B.C., V7Y 1L2

ALBERTA SECURITIES COMMISSION
Suite 600, 250-5th St. SW
Calgary, Alberta
T2P 0R4

Attention: Statutory Filings

Attention: Statutory Filings

Dear Sirs/Mesdames:

Re: Notice of Change of Auditors of Kraken Sonar Inc. (formerly Anergy Capital Inc.)

We have read the Notice of Kraken Sonar Inc. (formerly Anergy Capital Inc.) dated April 29, 2015 and are in agreement with the statements contained in such Notice.

Yours very truly,

Chartered Accountants

April 30, 2015
Halifax, Canada