

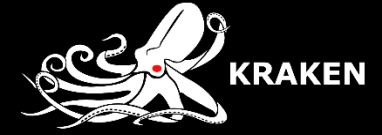
**Marine Technology Solutions
for the Defense and Energy
Transition Markets**

Kraken Robotics | Underwater.Understood.™

www.krakenrobotics.com

PNG-TSX.V KRKNF-OTC
May 2023

Forward Looking Statements Disclaimer

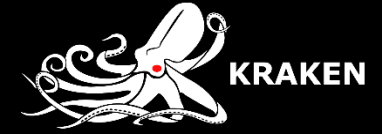


Some statements herein contain forward-looking information. The use of any of the words "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "will," "plans," "project," "should," "target" and similar expressions are intended to identify forward-looking statements. These statements may include, but are not limited to, statements with respect to potential markets and contracts, the completion of a proposed transaction, sales and EBITDA projections or potential applications.

These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such factors and assumptions include, among others, the effects of general economic conditions, the ability to project future sales and margins from current fundamentals and assumptions about market share, changing foreign exchange rates and actions by government authorities or cross-border authorities with jurisdiction over waterways, and negotiations and misjudgments in the course of preparing forward-looking information. Kraken believes the expectations reflected in those statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in, or incorporated by reference into, this presentation should not be unduly relied upon. These statements speak only as of the date of this presentation. In addition, there are known and unknown risk factors which could cause the Company's actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements.

Known risk factors include risks associated with the ability to close contracts, working capital risk to be able to build inventory, loss of key personnel, lack of patents protecting intellectual property, changes in competing technology, continuing shrinkage of military budgets or other target customer budgets, risks associated with publicly traded company obligations, inability to raise required capital, and other potential risks that arise in the normal course of business. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by law.

Reasons to Invest



Transforming the Future of Subsea Intelligence

- *Innovative solutions for ocean exploration, subsea security & energy challenges*
- *Enable complex missions in the most challenging conditions*
- *\$30 Billion industry for subsea sensors, robotics, and services ripe for innovation*

Disruptive Dual Use Technology

- *Fully integrated solutions (robots, high resolution sensors, batteries) for seafloor mapping and inspection of critical underwater infrastructure on the seabed and sub-seabed*
- *High barriers of entry, difficult and expensive to replicate*
- *Provide customers Actionable Intelligence via the highest quality data at the lowest cost*

Strong Financial Outlook

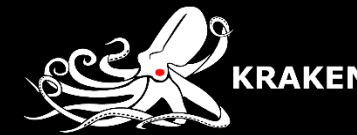
- *More than \$100 million of contracts since January 2022 and Strong pipeline*
- *High margin product sales blended with profitable Robotics as a Service (RaaS) business*
- *60%+ Annual Revenue Growth and Solid EBITDA Margins*
- *18% Insider Ownership*

Leading Defense & Renewables Customers

- *Strong customer base with customers in over 25 countries including leading navies (U.S., Canada, Australia, Denmark, Poland) and offshore energy & renewables*
- *Global security and energy transition challenges are driving accelerating demand*

Experienced Team

- *World class expertise in acoustics, geoscience, autonomy, AI, machine vision, sensor fusion*
- *Highly skilled workforce of ~235 employees across North & South America & Europe (80 engineers/techs, 60 science & data processing, 50 software)*



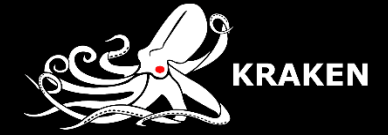
- Our oceans are barely discovered, yet they cover 71% of the earth's surface and are the biggest ecosystem of our planet
- Kraken Robotics with Canadian roots, but a global customer base, is bringing innovation to this frontier in the form of sophisticated imaging sensors, lithium batteries, and underwater robots.
- In addition to our own underwater drones, we provide the eyes and engines of non-Kraken underwater drones
- We provide these **Products** as well as **Robotics as a Service** to two major markets: **Defense & Offshore Energy**
- Our market, the global maritime robotics and services market is estimated at \$30 billion and is part of the \$2.5 trillion “blue economy”.

Revenue Mix

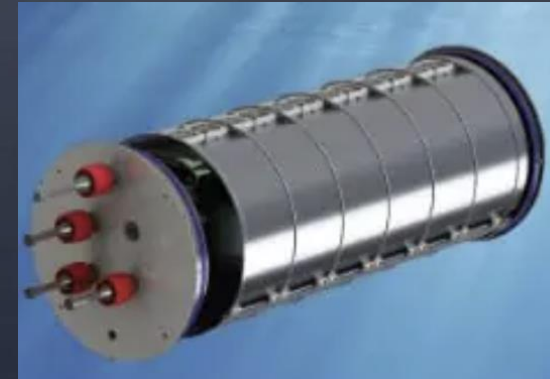
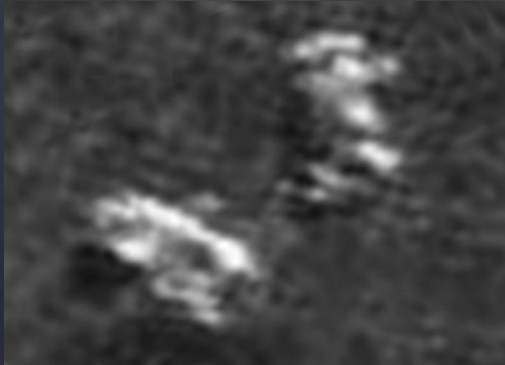
Defense / Commercial 80 / 20

Products / Services 75 / 25

Solving Subsea Challenges with Innovation



From this



A Hostile But Crucial Environment

Pressure is intense

Corrosion causes wear and tear

Communication is limited with low bandwidth and long delays

Navigation: GPS denied area

Power: Battery life is key factor

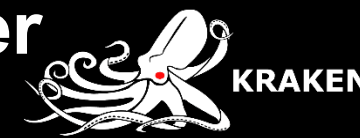
Perception: Visible methods poor & acoustic methods come w/ many false +ves; affected by temp, pressure, salinity



To Kraken Robotics



Trusted by Major Defense & Commercial Customers in over 25 Countries



Defense & Government



Commercial



Industry Leading Dual Use Technology Products

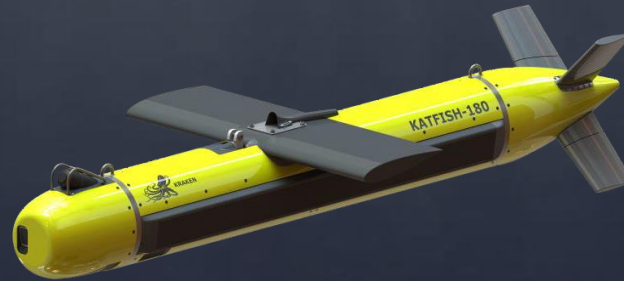


AQUAPIX® SAS
(Acoustic Sensors)



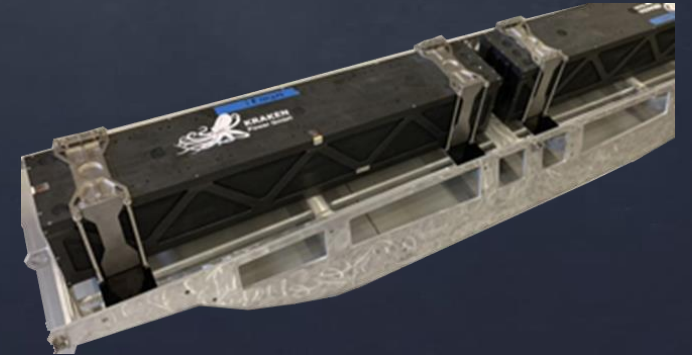
\$300k-\$600k per UUV

KATFISH™
(Towed Acoustic Sensors)



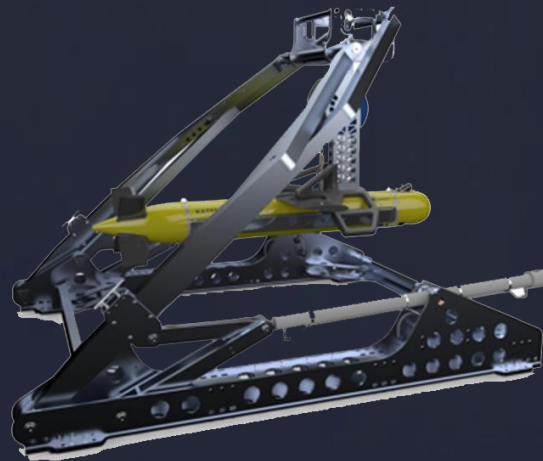
\$5M+ per complete system

SEAPOWERTM
(Subsea Batteries)

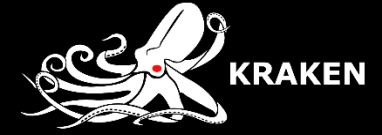


\$1M+ to \$10M per UUV

Handling Systems
(ALARS & Winch)



Core Expertise - Synthetic Aperture Sonar (SAS)

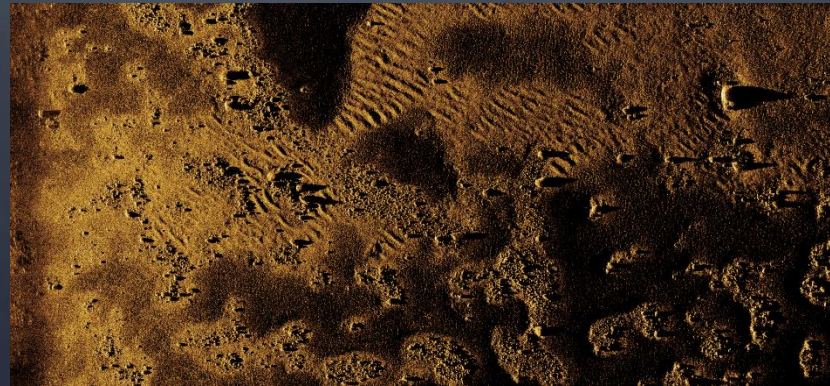


One of the few companies globally with a proven SAS product offering

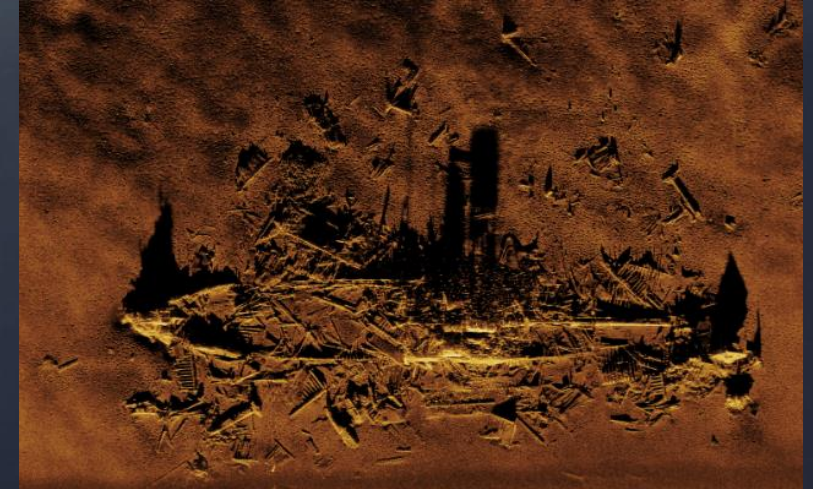
- On over 20 different AUV/ROV platforms

Ultra High Image Resolution

- Highest resolution seabed pixel at the lowest cost commercially available
- Increased Area Coverage Rates when compared to a Side Scan Sonar (SSS)
- Faster Results – Real-Time SAS
- Fewer Vessel Days
- Less Emissions
- Constant Resolution at range (200 m)
- Real-Time Decision Making
- Reduces Uncertainty



Aquatic Habitat Mapping



Shipwrecks



Flowlines & Riser Bases

Image represents and area of ~480 m x 98 m or 0.41km²



Subsea Sand Dunes

ENHANCED CONFIDENCE

KATFISH: HIGH-SPEED SEABED SURVEY

- Towed vehicle
- Integrated SAS
- Real-time data
- Depth rated to 300 m
- Actively stabilized
- Unprecedented high-resolution ACR of 4 km²
- Obstacle Avoidance
- Heading / Bottom Following

ENABLE ENDURANCE

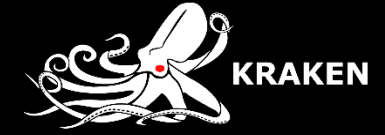
SeaPower

- We enable AUVs to more than double their previous survey endurance
- We combine lithium polymer battery cells into battery blocks that are assembled into complete batteries for subsea power
- Our pressure tolerant silicone encapsulation eliminates the need for pressure housings & oil compensators, reducing both weight and costs
- Our batteries are 6000 meter rated & have best energy-to-weight ratio on the market
- New large and Extra Large UUVs driving demand for more power. This is driving increased quote sizes



Kraken SeaPower™ subsea batteries installed in Hugin AUV's enabled the client to conduct mission of over 100 hours without recharging, while running a full survey payload. This was almost 2x an improvement over their previous batteries.

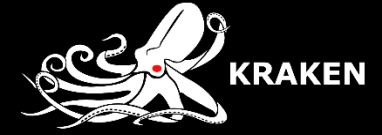
Customer Snapshots: Danish & Polish Navies



- **Denmark:** Sept 2020, \$30-\$35M. Four systems plus reference system over 2-yr acquisition program followed by 7-yr service & support + options. Competitors were Northrop Grumman and Thales
- **Poland:** \$15-\$20M from initial order in Sept 2020 and follow on order in 2022. Integrated to Kormoran II class minehunting vessels



Customer Snapshot: Anduril Industries

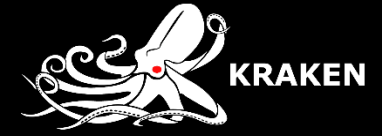


Disruptor defense technology company with ~ 1400 employees

- Founded by Palmer Lucky (sold Oculus to Facebook); senior team ex Palantir
- Closed \$1.5 billion financing October 2022 at US\$8 billion valuation
- Acquired startup Dive Technologies in Feb 2022 to mark their foray into the underwater domain and then announced \$140 M Australian Navy contract for 3 XLUUVs
- Kraken provides SAS and subsea batteries to Anduril Maritime



Customer Snapshot: HII (formerly Huntington Ingalls Industries)

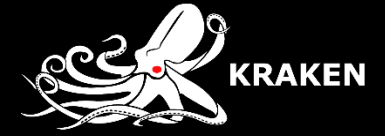


HII is the US Navy's largest shipbuilder

- US\$8B market cap; \$10B revs, 40k+ employee. Aircraft carriers, submarines, other surface combatant ships for US Navy
- Acquired Hydroid in 2020 for US\$350M (24x EBITDA). Leading UUV provider to US / allied navies with > 900 REMUS UUVs sold
- Kraken has integrated SAS to REMUS vehicles large & small (REMUS 6000, REMUS 600, REMUS 300, REMUS 100).
- Mar 2022, REMUS 300 selected US Navy's next gen small UUV
- Nov 2022, HII announced medium sized UUV REMUS 620 for MCM would come with **Kraken MINSAS as OEM standard sonar payload**

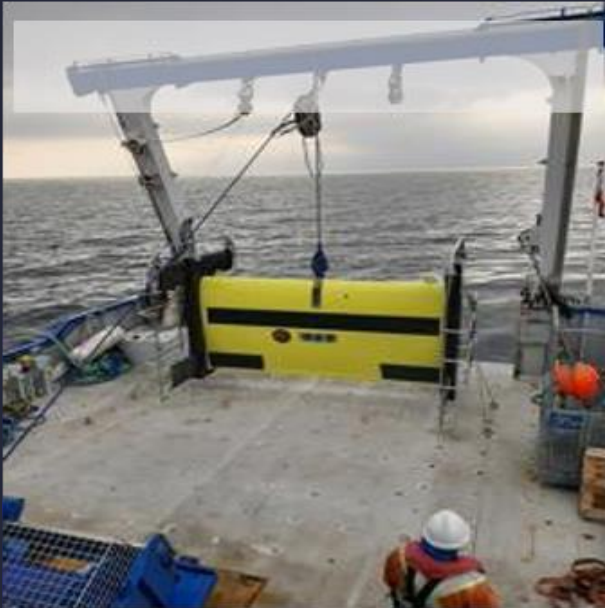


Customer Snapshots: Offshore Energy (US & Europe)



South Fork Wind Farm

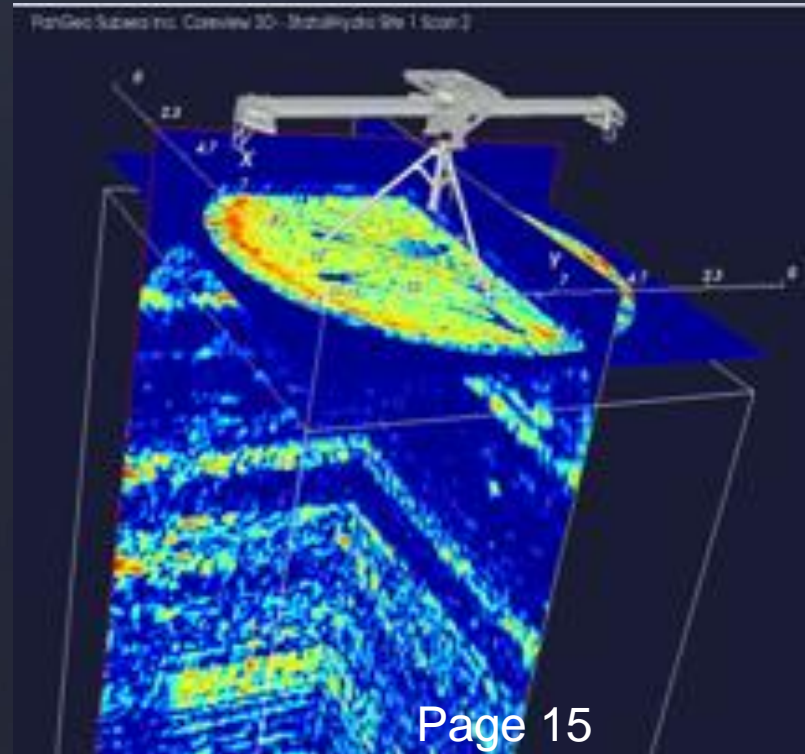
- \$2M+ contract in 2022
- Pre-route survey for Offshore Wind Farm in the US
- Sub-seabed survey job using Kraken SeaKite for contractor DEME. Orsted is project owner



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Mississippi Canyon

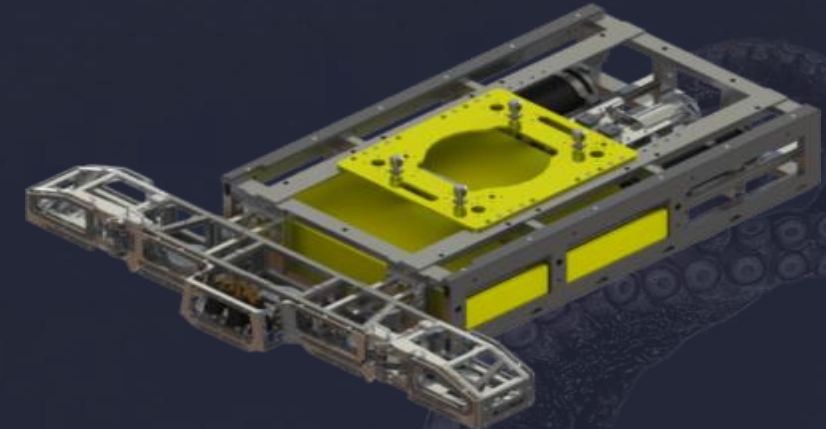
- \$5M contract with Couvillion to image the sub-seabed debris field (60 meters deep of mud)
- Oil and gas decommissioning project in Gulf of Mexico



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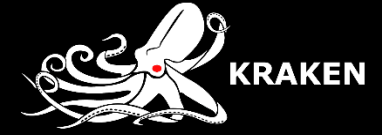
Baltyk II and III Wind Farm

- \$2M+ contract in 2022 for offshore Poland wind farm
- Sub-seabed survey job using Kraken's SBI and Acoustic Corer



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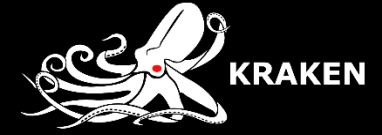
Large Contract Momentum Building



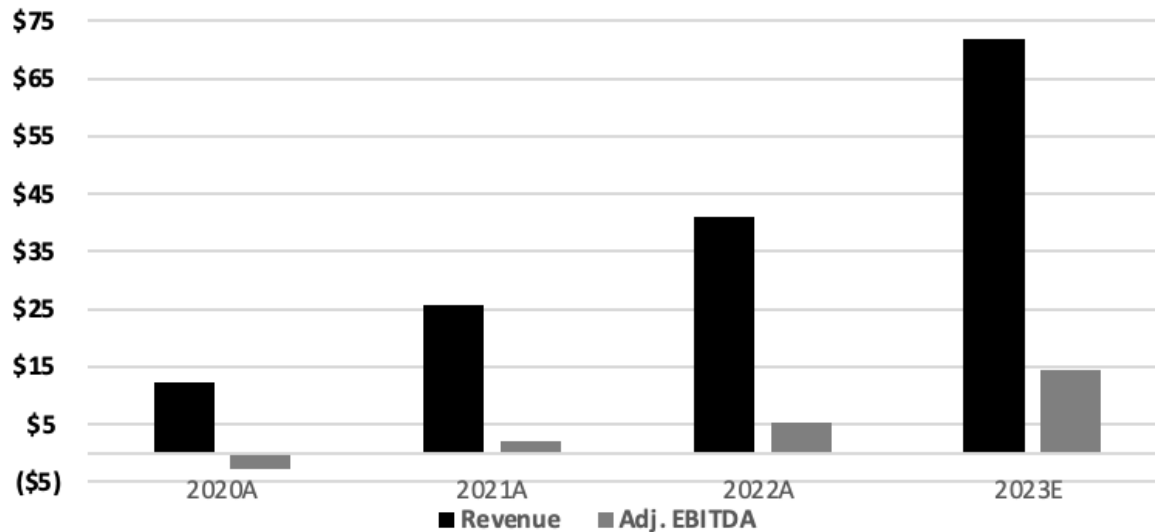
Since January 2022, we have captured more than \$120 million of contract wins including:

- KATFISH towed systems: \$9M follow on order for NATO navy, \$4M follow on for NATO Navy
- SAS / UUV Program: \$50M Canadian navy contract
- Subsea Lithium Polymer Power (Batteries): \$5M order, \$14M order, \$3M order, \$16M order
- Services: \$6M Acoustic Corer decommissioning survey in Gulf of Mexico
- Software: \$8M Brazil autonomy software contract with leading energy company

Financials – Consistent Growth To Continue



Financial Performance (\$M)



Strong Growth in 2022

- Revenue ~ \$41M, representing 60% y/y growth
- Adj. EBITDA \$5.3M (12% adj EBITDA margins)

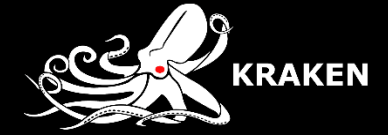
Strong Demand Driving Growth in 2023 and onwards

- Revenue guidance: \$66 - \$78M (midpoint \$72M)
- Strong visibility
- EBITDA guidance: \$12 - \$17M (midpoint \$14.5M)
- EBITDA margins (at midpoint) to improve to 20%

Long-Term Financial Targets

- EBITDA margins 25%+
- Revenue Growth: 40% CAGR

Very Strong Sales Pipeline



Navy Sonar Sales

KATFISH High Speed Towed SAS

- Opportunity: several hundred systems over the coming 5 years
- Key Opportunities:
 - NATO countries
 - Asia Pacific
 - Middle East

SAS for UUVs

- Opportunity: sales into new build AUVs and upgrade to existing fleet
- Key Opportunities:
 - US, Five Eyes, NATO countries
 - From man portable to extra large UUVs



Subsea Power

SeaPower Batteries

- Key Opportunities:
 - Large diameter UUVs
 - XLUUV is an emerging platform with considerable promise



SeaBed & SubSeabed Services

Robotics as a Service (RaaS)

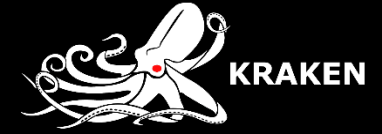
Offshore Energy

- Seabed survey or inspection
- Sub-seabed survey
 - Support de-risking & micro-siting of offshore installations (buried cables, pipelines, UXOs, etc) via visibility of sub-seabed characteristics
 - Offshore wind & offshore oil and gas in Europe
 - European customers taking us to the emerging US market
 - Recent entry into Taiwan and Asia Pacific market

Defense

- Pathway to Commercialization programs in Canada
- Services to smaller navies with "capabilities gaps"

Management & Board



Greg Reid, President & CEO: 25+ yrs of finance, investment, and BD experience in technology and clean technology. Previously CFO then COO of Kraken. CA, CPA, CFA

Joe MacKay, CFO: 25+ years experience in finance, investment, and research experience, mainly in technology. CA, CPA, CFA

David Shea, Exec VP Products & CTO: 15 yr experience managing design and operation of underwater sensors and robots

Moya Cahill, Exec VP Services: Co-founder of PanGeo Subsea, 25+ years experience in the oil & gas sector

Karl Kenny, Founder, Executive Chairman: Ex Canadian Navy & 35-year history in technology having founded 3 companies

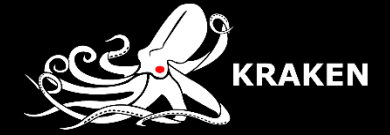
Shaun McEwan, Director, Chair of Audit Committee : CEO of ADGA Group a 700 employee engineering and consulting company. 25 yrs+ of technology & manufacturing industry expertise including at Quarterhill, Wi-LAN, Breconridge, Calian.

Vice Admiral Mike Connor, Director: CEO of ThayerMahan and Former commander of U.S. submarine force; 35-year US Navy veteran

Bernard Mills, Director: Managing Director Stelia North America, part of Airbus Group; former President Ultra Sonar Systems and worked for underwater systems major Thales in Australia and France.

Larry Puddister, Director: Executive Chairman of Pennecon Ltd, a large Canadian based engineering & construction firm

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