**FORM 7**

**MONTHLY PROGRESS REPORT**

Name of Listed Issuer: **Kraken Energy Corp. ("Kraken" or the "Issuer")**

Trading Symbol: **UUSA**

Number of Outstanding Listed Securities: **54,197,091**

Date: **January 5, 2023**

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

**General Instructions**

(a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
(b) The term "Issuer" includes the Issuer and any of its subsidiaries.
(c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

**Report on Business**

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

   **See Item 2 below for a complete overview and discussion of the Issuer's activities for the month of December 2022.**

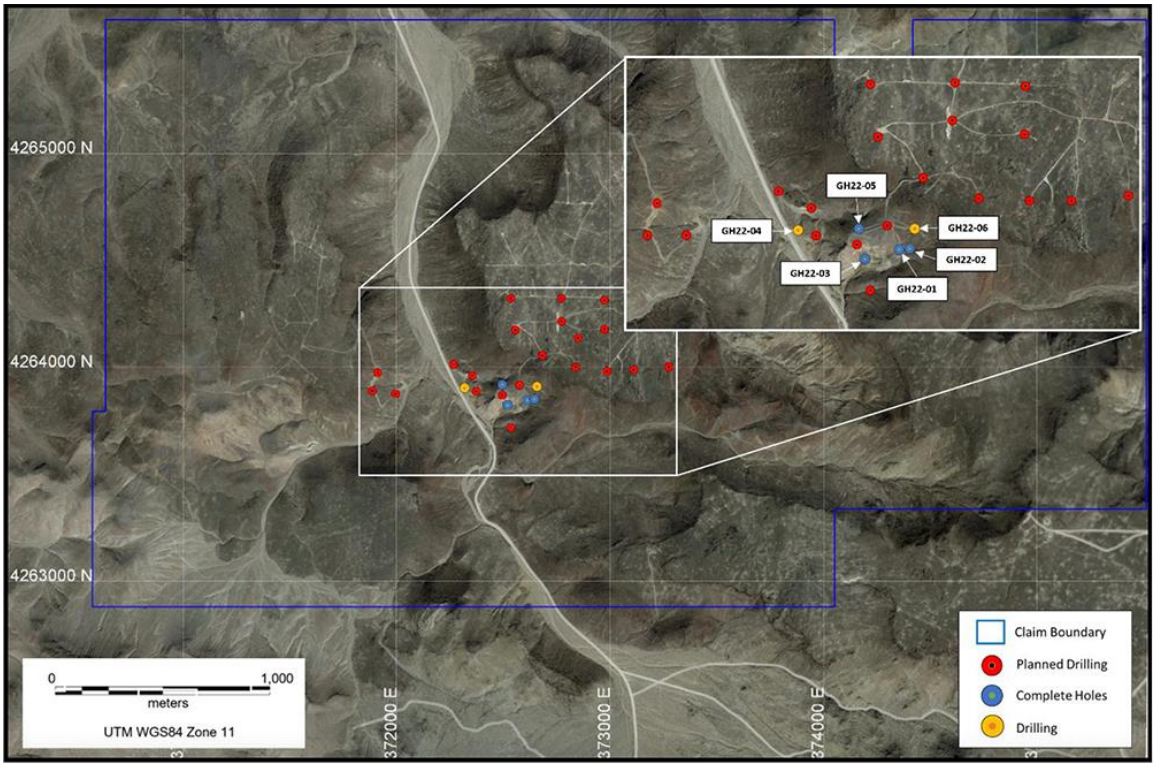
2. Provide a general overview and discussion of the activities of management.

   **On December 20, 2022 the Company reported that it has added a second drill rig at Garfield Hills Uranium Property in Nevada and will be expanding its inaugural drill program after receiving positive initial drilling results.**

   **Current Drilling Highlights:**

   - **Five drillholes have intersected elevated radioactivity:**
     - **Drillhole GH22-01 intersected 22.0 metres ("m") of elevated radioactivity with scintillometer readings from greater than 250 to 1500 cps (20.0 to 42.0 m)**
       - **Including 1200-1500 cps over 1.0 m (25.0 to 26.0 m)**
     - **Drillhole GH22-02 intersected 16.0 m of elevated radioactivity with scintillometer readings from greater than 250 to 950 cps (40.5 to 56.5 m)**
       - **Including 700-950 cps over 2.0 m (42.0 to 44.0 m)**
     - **Drillhole GH22-03 intersected 32.0 m of elevated radioactivity with scintillometer readings from greater than 250 to 370 cps (0.0 to 32.0 m)**
     - **Drillhole GH22-05 intersected 24.5 m of elevated radioactivity with scintillometer readings from greater than 250 to 560 cps (51.0 to 75.5 m)**
   - **The inaugural drilling program has been increased from 2,000 m to 2,500 m**
   - **Additional drill rig added to support increased meterage objective**
   - **Elevated radioactivity within sandstone host unit remains open in all directions**

**Figure 1: Garfield Hills Expanded Drill Program Plan Map**




**The Company has added a second drill rig and is expanding the original 2,000 m, 25-hole Phase I diamond drill program to 2,500 m as a result of successful initial drill results with intercepts of 16.0 to 32.0 m returning elevated radioactivity with greater than 250 to 1500 cps at the Garfield Hills Property.**

**The 1,238-hectare (3,060 acre) Garfield Hills Property is located within the jurisdiction of Nevada's Bureau of Land Management ("BLM"), 19 kilometres ("km") (12 miles) east of Hawthorne in Mineral County, Nevada.**

**Investor Relations Engagement:**

**The Company has engaged Kin Communications Inc. ("Kin") to assist with its investor relations activities. Kin Communications is a full-service investor relations agency with over 20 years of experience across multiple industries with deep knowledge and a strong track record in the Uranium exploration and development sector.**

**Under the terms of the investor relations agreement with Kin, Kin has agreed to assist Kraken Energy with investor relations, including communicating with, and marketing to, potential investors, shareholders, and media contacts for a period of 12 months and on a month-to-month basis thereafter. In consideration for the services, the Company has agreed to pay Kin $12,500 per month for the initial 12-month period. In addition, the Company has granted Kin stock options entitling it to purchase 200,000 of the Company's common shares at a price of C$0.40 cents per share with a five-year term.**

**Kin is owned by President and Chief Executive Officer, Arlen Hansen, and has no direct relationship with the company, other than as described in this news release.**

**The investor relations agreement with Kin and the grant of options thereunder are subject to regulatory approval.**

**Management Changes:**

**Jan Urata of Take it Public Services, has resigned as Corporate Secretary effective December 1, 2022. The Board thanks Ms. Urata for her service and wishes her all the best in her future endeavors.**

**We are pleased to announce the appointment of Maria Wells as Corporate Secretary, also effective December 1, 2022.**

3. Provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

**Please see Item 2 above.**

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

**N/A.**

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

**Please see "Investor Relations Engagement" under Item 2 above. The relationship is not with a Related Person.**

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

**None.**

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

**None.**

8. Describe the acquisition of new customers or loss of customers.

**None.**

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

**None.**

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

**None.**

11. Report on any labour disputes and resolutions of those disputes if applicable.

**None.**

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

**None.**

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

**None.**

14. Provide details of any securities issued and options or warrants granted.

| Security | Number Issued | Details of Issuance | Use of Proceeds |
|---|---|---|---|
| N/A – none. | | | |

15. Provide details of any loans to or by Related Persons.

**None.**

16. Provide details of any changes in directors, officers or committee members.

**Please see "Management Changes" under Item 2 above.**

17. Discuss any trends, which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

**A full description of the trends and risk factors are disclosed in the Issuer's Listing Statement dated June 30, 2020 and the Issuer's Management's Discussion and Analysis for the year ended June 30, 2021 and 2020, dated September 15, 2021, which are available under the Issuer's profile on the SEDAR (www.sedar.com) and under the Issuer's Disclosure Page on the Canadian Securities Exchange's website (www.thecse.com). The Issuer has not identified new trends in addition to those that have been disclosed in its Listing Statement.**

**Certificate Of Compliance**

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.

2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to CNSX that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: **January 5, 2023**.

Matthew Schwab
Name of Director or Senior Officer

*"Matthew Schwab"*
Signature

President, CEO & Director
Official Capacity

| ***Issuer Details***<br>Name of Issuer<br>**Kraken Energy Corp.** | For Month End<br><br>**December 2022** | Date of Report<br>YY/MM/DD<br>**23/01/05** |
|---|---|---|
| Issuer Address<br>**Suite 907 – 1030 West Georgia Street** | | |
| City/Province/Postal Code<br>**Vancouver, BC V6E 2Y3** | Issuer Fax No. | Issuer Telephone No.<br>**(604) 377-1212** |
| Contact Name<br><br>**Matthew Schwab** | Contact Position<br>**President, CEO & Director** | Contact Telephone No.<br><br>**(604) 737-2303** |
| Contact Email Address<br>info@krakenenergycorp.com | Web Site Address<br>**www.krakenenergycorp.com** | |