

January 31, 2017



Coda Octopus Group, Inc. Reports Audited Fiscal 2016 Financial Results

Coda Octopus Group, Inc. (CDOCD) today reported its audited financial results for its fiscal 2016 year, ended October 31, 2016. This reporting updates the Company's preliminary unaudited fiscal 2016 financial results, which were reported on January 11, 2017.

CODA reported total revenue of approximately \$21.118 million for the Current Year as compared to \$19.234 million for the Prior Year ended October 31, 2015, an increase of 9.8%. The Company reported net income of approximately \$4.930 million for the Current Year compared to \$1.070 million for the Prior Year, an increase of 360.7%. Operating expenses for the Current Year were \$7.114 million compared to \$8.481 million for the Prior Year, a reduction of 16.1%.

The Company's full financial results including its Annual Report for Fiscal Year 2016 is available at www.otcmarkets.com/stock/CDOCD/filings.

Annamarie Gayle, CODA's CEO commented: "I am pleased to announce another excellent set of annual results for the Coda Octopus Group. This was despite a reduction of about 15 percent in the dollar value of our UK-based assets and sales, resulting from the depreciation of the British Pound against the Dollar since the UK voted to leave the European Union."

"This is another significant mark in our progress to date and we believe this strong growth, combined with our recently announced reverse stock split and move to the OTCQX, strengthens the framework for increased shareholders' value."

"We intend to continue to make progress geared towards increased shareholder value and will be introducing several new product offerings, both in our patented real-time 3D products and in additional product sets, over the next several months. In addition, our engineering services business is projecting another strong year of growth."

About Coda Octopus Group, Inc.

Originally founded in 1994 as Coda Technologies, the Coda Octopus Group is now headquartered in Lakeland, Florida.

The Group consists of a Marine Products business located in Lakeland, Florida, Edinburgh, Scotland, Perth, Australia, and Bergen, Norway, and engineering businesses, Coda Octopus Colmek in Salt Lake City, Utah and Coda Octopus Martech in Weymouth, England. Each of the Group companies are technology innovators with a particularly high level of sonar expertise. The Group has facilities in Florida, Utah, the UK, Australia, and Norway.

Alongside providing bespoke engineering and development for defense applications one of the Group's key products is the patented Coda Echoscope® - the first real time 3D sub-sea

sonar which is used in oil and gas, underwater construction, search and rescue operations and port and harbor security and constructions. The top end software which runs on the Echoscope® (Underwater Survey Explorer) is also proprietary to Coda Octopus. The Echoscope® is also at the heart of the Underwater Inspection System which is being adopted for port and harbor security, and other applications globally. We have a number of products which are based on our real time 3D technology (Echoscope®, Underwater Inspection System and Dimension® (the latter being a forward looking real time sonar targeted at ROV applications)).

With this patented revolutionizing sub-sea visualization capability, and the existing systems integration skills within Coda Octopus Colmek, Inc. and Coda Octopus Martech Ltd., the Coda Octopus Group believes it can become a world leading integrated sonar technology supplier.

For further information, please visit <http://www.codaoctopusgroup.com> or contact Coda Octopus at info@codaoctopusgroup.com.

Safe Harbor Statement

This press release contains certain forward-looking statements. These forward-looking statements can generally be identified as such because the context of the statement will include words such as Coda Octopus Group plans, expects, should, believes, anticipates or words of similar import but all statements other than of historical fact could be deemed forward-looking statements. Stockholders, potential investors and other readers are cautioned not to place undue reliance on these forward-looking statements that are predictions and opinions based only on current information as of the date of this press release that are inherently subject to risks and uncertainties that could cause future events or results to differ materially from those set forth or implied by the forward-looking statements. Certain of those risks and uncertainties are discussed in registration statement on Form SB-2 and include, but are not limited to, market acceptance of CodaOctopus' planned products and their level of sales, access to the capital necessary to finance and grow the business, a highly competitive environment in the security field that includes numerous large and well established companies much larger than ours, and our ability successfully to deploy our technologies and products to meet the technical demands and market requirements of our customers. These forward-looking statements are only made as of the date of this press release and Coda Octopus Group does not undertake any obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.