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Coda Octopus Delivers First of Three Underwater Inspection Systems to US Coast Guard

NEW YORK--(BUSINESS WIRE)--

Coda Octopus Group, Inc. (OTC BB: CDOC), a world leader in underwater security and terrorism prevention, today announced that it had recently delivered the first of three Underwater Inspection Systems (UIS) to the US Coast Guard, in accordance with the contract signed with the Department of Defense Technical Support Working Group (TSWG) in July 2007.

A TSWG Program Manager commented that, "Following a very successful initial design review meeting with Coda Octopus in Tampa in early October, the US Coast Guard have taken delivery of the first of the three UIS systems for evaluation, which we expect to play an important part in their ongoing underwater security operations. We are delighted with the progress of the contract thus far."

The contract between the Company and TSWG was signed in July 2007. It has an immediate value of \$2.59m and requires the delivery of three UIS systems over the first six months, to enable rapid underwater searches in the nation's ports and waterways by the US Coast Guard and other users. The contract includes additional options which, if fully funded, would expand the contract to a total of \$8.27m and would require the Company to deliver a further seven UIS systems and develop a number of significant enhancements to the current system.

The Company confirmed that the second system is scheduled for delivery to the US Coast Guard in mid December, 2007.

About Coda Octopus Group, Inc.

Originally founded in 1994 as Coda Technologies, the CodaOctopus Group has grown to encompass five companies and is headquartered in New York. All of the Group companies operate within the technology innovation, product development and engineering services sphere with facilities in Washington D.C., Florida, Utah, New York, the UK and Norway. Alongside providing custom engineering and development to navies, oil and gas, nuclear and medical clients around the world, one of the key products is the Coda Echoscope(TM) - the first real time 3D subsea sonar. The Coda Echoscope(TM) is the heart of the Coda Underwater Inspection System(TM) being adopted for homeland security in ports around the world. With this patent revolutionizing subsea visualization, and the existing systems integration skills within Colmek Systems Engineering, Inc and Martech Systems Engineering Ltd, the Coda Octopus Group companies believe they are well on the way to becoming the world's 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. Stockholders, potential investors and other readers are cautioned that these forward-looking statements are predictions based only on current information and expectations 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 Coda Octopus' 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.

Source: Coda Octopus Group, Inc.