

July 2, 2015



Restructuring of Series A Preferred Stock

Coda Octopus Group, Inc. (OTC:[CDOC](#)) reports that it has reached agreement with the majority holder of the Series A Preferred Stock on the restructuring of the current Series A Preferred Stock in issue. The Company had 6,287 Series A Preferred, which were, amongst other things, dividend bearing. The Company agreed with the holder of 6,087 shares of Series A Preferred Stock to exchange these for a newly created class of Series C Preferred Stock.

Under the Exchange Agreement, the Company has agreed to issue 1,100 shares of Series C Preferred Stock, each having a par value of \$0.001, which are convertible into an aggregate of 2,200,000 shares of common stock. As a result of the agreement between the Parties, 6,087 shares of Series A Preferred Stock have been surrendered and cancelled and, in its place, 1,100 Series C Preferred Stock will be issued to the holder. Series C Preferred Stock does not have any voting or dividends rights but does have the usual liquidated preference over our Common Stock holders, and is redeemable by the Company at \$1,000 per share. The Company has also cancelled its authorized Series B Preferred Stock, of which none was issued.

Annmarie Gayle, Group Chief Executive Officer said "We are very pleased to have reached this amicable agreement with the holder of the majority of our Preferred Stock. This is a significant milestone for the business as it finalizes the restructuring program which the current management embarked upon and paves the way for refinancing discussions for the current senior debentures. The positive resolution of these issues will preserve the equity in the business and overall be beneficial to all stakeholders of the Business."

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.