

Caribou Lake Property

The Caribou Lake Property, a high-grade copper-nickel prospect, is located in the Northwest Territories, Canada. Situated approximately 80 kilometres east of Yellowknife, it has water access via Slate Lake and is a recent addition to the Company's property portfolio.

Caribou Lake Geology:

In its initial prospecting program, the Company discovered two high-grade copper showings that correspond with a **10 kilometre long strong magnetic horizon in the gabbro**. Grab samples collected from the discovery outcrop in the northern portion of the claims returned assays up to **19.7% copper, 0.23% nickel and 74 g/t silver within gabbro**. This copper showing has a strike length of 1,200 metres and remains open. A separate open 500 metre long zone of anomalous copper returned grab sample assays up to **0.72% copper and 0.17% nickel**, and is also associated with the same magnetic horizon. This mineralization was discovered approximately 6.0 kilometres to the south.

Kodiak also confirmed the presence of three high-grade nickel showings. The nickel mineralization is contained in three separate nickel-bearing (niccolite) veins on the property, with grab sample assays from each vein returning values of **38.02% nickel; 23.59% nickel and 3.8% cobalt**; and **17.33% nickel**. One of the veins is reported to be 37 centimetres wide and is exposed for 25 metres. The sampling of the outcrop was restricted due to surrounding muskeg.

These discoveries were made on targets generated from Kodiak's ongoing research and development program. The program consisted of staking and prospecting four claim blocks (136 units) totaling 7,024 acres covering an under-explored magnetic gabbro, located near Yellowknife, NWT, with good deep water access. The gabbro has a strong magnetic signature; 10 kilometres long (north-south) and up to 2.0 kilometres wide. Published reports have compared this intrusion with similar intrusions elsewhere in the world that contain major platinum group element (PGE) deposits.

The gabbro itself has previously been reported to contain elevated levels of nickel, copper and chromium (up to 300 ppm nickel, 300 ppm copper, and 500 ppm chromium respectively). This was far exceeded by Kodiak's small reconnaissance survey of the gabbro which returned values up to **2,370 ppm nickel, 19.7% copper** and up to **4,568 ppm chromium**.

Previous descriptions of the gabbro recorded a variety of mafic lithologies including massive olivine gabbro of irregular grain size characterized by pegmatitic patches, compositionally layered noritic gabbro, pegmatitic hornblende gabbro and possible taxitic textures. Field observations and lithochemical analyses performed by Kodiak indicate the presence of peridotite and layered mafic rocks. These features are consistent with a geological environment favorable for the occurrence of PGE and nickel-copper mineralization.

Future Developments

Kodiak's consulting geologist has recommended a program of systematic prospecting, mapping and sampling to define the favorable horizons for PGE/chromium and copper-nickel mineralization, through systematic examination of the lower contact of the intrusion, since PGE mineralization is concentrated in contact zones of mafic intrusions in Ontario (Coldwell Complex, East Bull Lake, River Valley) and other parts the world. This further exploration is planned in the summer 2005. The qualified person for this project, under the definitions established by National Instrument 43-101, is Christopher Marmont, M.Sc., P. Geo.



High Grade Nickel in Outcrop



Copper Discovery

CARIBOU LAKE PROJECT, NWT



