

# **Biden's US\$2T+ infrastructure plan should support strong copper demand and be a tailwind for Kodiak Copper**

The US\$2T+ Biden infrastructure plan announced today will be built on copper. The US\$2T+ plan includes an additional US\$400B of clean energy tax credits which will give US wind and solar energy a huge tailwind in the years ahead. Other parts of the plan support Electric Vehicles (EVs) and rebuilding infrastructure. **All of which requires huge amounts of copper.**

For example, BHP says that one wind turbine uses 4 tonnes of copper ([video link](#)). President Biden announced yesterday that the US will target to deploy 30 GW of offshore wind energy by 2030. This equates to roughly 3,000 wind turbines assuming an average of 10MW per turbine. 3,000 turbines mean 12,000 tonnes of copper (~26 million pounds) would be needed this decade just for new US offshore wind turbines. Now that is a huge amount of copper and potentially a lucrative business for copper miners given copper prices are now at ~US\$4/lb.

**Copper is on a bull run as the green energy boom takes off**



## Source

Copper producer's stock prices are reflecting the higher copper prices from the past year. However, copper juniors that can grow their resource are not yet reflecting their full stock price potential. This means for investors with a 5-7 year time frame 'successful' copper juniors offer much greater reward, and of course greater risk. One junior with enormous upside potential is Kodiak Copper Corp. (TSXV: KDK | OTCQB: KDKCF) ('Kodiak').

Kodiak 100% own the MPD copper-gold porphyry property spread over their 9,733-hectare land package in British Columbia, Canada. I introduced Kodiak previously here, so today I will focus on their latest progress and next steps.

## Kodiak's latest drill results

On Feb. 8, 2021 Kodiak announced drill results from five further holes from their exploration program at their MPD copper-gold porphyry project. Following on from past great results with superb long copper-gold mineralization, Kodiak

reported 213 m of 0.65% copper and 0.37 g/t Gold (1.00% CuEq) and 171 m of 0.62% Copper and 0.43 g/t Gold (1.03% CuEq), as well as other results.

Claudia Tornquist, President and CEO of Kodiak, stated: "Once again, the Gate Zone has yielded impressive copper-gold numbers over significant widths. With only a small number of holes drilled so far, we have already intersected the newly discovered high-grade zone at Gate and the surrounding larger mineralized envelope over significant dimensions. **Over 90% of this kilometre-long target remains unexplored by Kodiak, with considerable discovery potential yet to be unlocked.**"

The key to understand about these drill results is the massive interval lengths as is typical of porphyry systems. This typically allows them to be mined at scale, despite the grades not being as high as some other smaller or underground copper projects.

**Kodiak Copper MPD Project – Gate Zone drilling results**

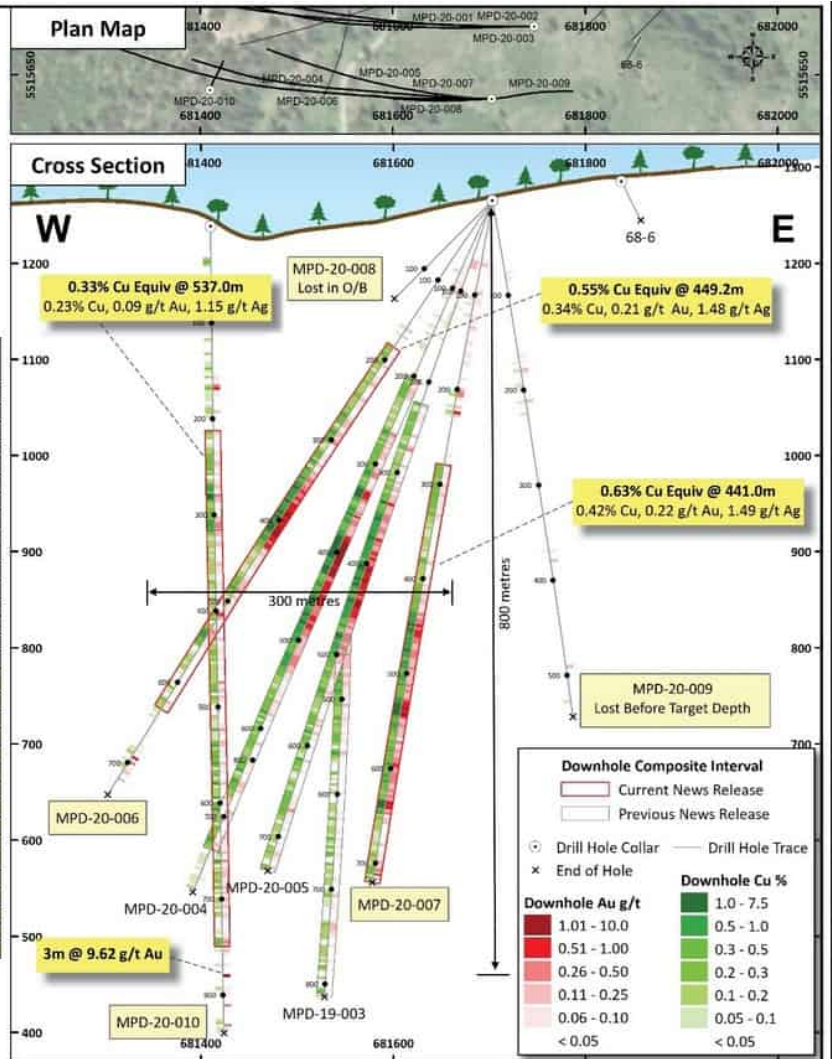
**MPD Project - Gate Zone  
Drilling Results  
Cross Section 5515650mN  
Looking North (+/- 35m)**

0 Meters 200

Hole ID	From (m)	To (m)	Interval (m)**	Cu %	Au g/t	Ag g/t	% CuEq *
<b>Previous News Release</b>							
MPD-19-003	52.4	816.0	763.7	0.21	0.07	0.77	0.28
Includes	219.0	559.7	340.7	0.33	0.09	1.14	0.42
Includes	297.0	507.0	210.0	0.41	0.12	0.81	0.52
Includes	297.0	371.9	74.9	0.43	0.11	1.55	0.54
Includes	404.9	507.0	102.1	0.53	0.16	1.71	0.68
MPD-20-004	201.9	737.0	535.1	0.49	0.29	1.76	0.77
Includes	263.0	545.0	282.0	0.70	0.49	2.65	1.16
Includes	305.0	530.0	225.0	0.80	0.58	2.92	1.34
Includes	329.0	425.7	96.7	1.00	0.86	4.19	1.80
Includes	380.0	425.7	45.7	1.41	1.46	5.56	2.75
MPD-20-005	223.5	739.3	515.8	0.41	0.22	1.50	0.63
Includes	308.0	500.0	192.0	0.74	0.48	2.75	1.21
Includes	332.0	482.0	150.0	0.84	0.57	3.06	1.38
Includes	350.0	458.0	108.0	0.94	0.68	3.28	1.59
Includes	401.0	446.0	45.0	1.18	1.01	4.00	2.13
<b>Current News Release</b>							
MPD-20-006	183.8	633.0	449.2	0.34	0.21	1.48	0.55
Includes	195.0	555.0	360.0	0.40	0.25	1.72	0.65
Includes	261.0	432.0	171.0	0.62	0.43	2.55	1.03
Includes	337.1	414.0	76.9	0.93	0.72	4.12	1.62
Includes	376.0	414.0	38.0	1.18	1.08	5.54	2.21
MPD-20-007	279.0	720.0	441.0	0.42	0.22	1.49	0.63
Includes	435.0	648.0	213.0	0.65	0.37	2.23	1.00
Includes	447.0	543.4	96.4	0.75	0.42	2.52	1.16
MPD-20-008	<i>Drill Hole Lost in Overburden</i>						
MPD-20-009	<i>Drill Hole Lost at Depth - No Significant Assays</i>						
MPD-20-010	212.0	749.0	537.0	0.23	0.09	1.15	0.33
Includes	212.0	315.4	103.4	0.37	0.11	2.04	0.49
Includes	269.0	315.4	46.4	0.57	0.16	1.80	0.73
and Includes	523.0	661.6	138.7	0.28	0.07	0.80	0.35
	778.0	781.0	3.0	0.05	9.62	2.40	N/A

\* Copper equivalent grades (%CuEq) are for comparative purposes only. Calculations are trace and recovery is assumed to be 100% as no metallurgical data is available. The following metal prices were used to calculate copper equivalence: US\$1800/oz Gold, US\$19/oz Silver & US\$2.90/lb Copper. The following equation was used to calculate copper equivalence: %CuEq = %Cu + ((1000/31.104)\*Au g/t) + ((2.90/454\*100) \* ((19.00/31.104)\*Ag g/t)) + (2.90/454\*100)

\*\*Intervals are downhole drilled core lengths. Drilling data to date is insufficient to determine true width of mineralization.



Source

**Next steps for Kodiak**

Kodiak will continue exploring at MPD in 2021 with a fully funded, significantly larger program which includes up to 30,000 meters of drilling in several target areas, as well as further geophysical and geochemical surveying, prospecting and geotechnical studies.

**Closing remarks**

The green energy boom is only just beginning to take off now and is set to have a superb decade (green energy metals supercycle) as countries all around the world shift from fossil fuels to cleaner renewable energy in order to meet their emissions targets. China and Europe will continue to

lead, but with Biden in power, the US will start a rapid catch-up beginning today with the US\$2T+ US\$400B infrastructure plan (assumes Congress passes it). Copper prices have been surging over the past 6 months as the market identifies the strong demand drivers and limited available new copper supply.

For investors looking for a potentially higher risk/higher reward copper play it is hard to go past Kodiak Copper. Management is top tier with a track record of success. Kodiak has enormous potential as they continue to explore both their copper-gold porphyry MPD Property as well as their two other promising projects (The Mohave Copper-Molybdenum-Silver Porphyry Project in Arizona USA and the Kahuna Diamond Project in Canada).

On a market cap of just C\$59M for 3 quality exploration projects in safe locations, investors would be wise to take a look again at Kodiak Copper Corp..

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## **Chris Thompson on Kodiak Copper's high-grade porphyry drill results from its MPD copper-gold project in BC**

Earlier this month, Kodiak Copper Corp. (TSXV: KDK) reported additional high-grade porphyry drill results from its MPD copper-gold project in southern British Columbia.

Results are being released from a nine-hole, 6,000+ metre summer drill program, primarily targeting the northern end of

the 9,730-hectare (24,000-acre) property in an area called the Gate Zone.

On November 9, Kodiak released the results from drill hole MPD-20-005. It returned a mineralized interval of 515.8 metres of 0.41% copper, 0.22 g/t gold and 1.50 g/t silver from 223.5 metres down hole. This result included a high-grade interval of 45 metres of 1.18% copper, 1.01 g/t gold and 4.00 g/t silver (2.13% copper equivalent).

Claudia Tornquist, President and CEO of Kodiak commented, "This hole expands the central high-grade zone previously announced in hole MPD-20-004. Importantly, we are also starting to see significant size to the larger mineralized envelope, first identified in the near-surface by shallow historic drilling and extended down to a depth of over 800 metres by Kodiak."

The Company also commented that the results were similar to hole MPD-20-004, originally reported in October, which assayed 535.1 metres of 0.49% copper, 0.29 g/t gold and 1.76 g/t silver (0.76% copper equivalent). This result included a high-grade interval of 45.7 metres of 1.41% copper, 1.46 g/t gold and 5.56 g/t silver (2.75% copper equivalent).

The drill results continue to define a mineralized zone and identify an area of higher copper and gold grades. See the figure below for the results and location of holes MPD-20-004 and MPD-20-005.

### **Final Summer Drill Results Pending and Fully Funded Through 2021**

With a current backlog at the assay lab, results are still pending from 4 holes, including MPD-20-006, MPD-20-007 and MPD-20-009, which were drilled into the same Gate Zone. (See the figure below.)

In September, Kodiak completed a C\$12.7 million financing,

including a C\$10.5 million strategic investment from Teck Resources (TSX: TECK.B) for a 9.9% interest in the Company.

Proceeds from the financing will be used to fund the Company's exploration programs on both its copper porphyry exploration projects in British Columbia and Arizona into 2021, including 30,000 metres of drilling at the MPD project.

### **MPD Copper-Gold Porphyry Project**

Kodiak's principal project is MPD and it is located near producing mines in the Quesnel Trough in southern British Columbia. The project is accessible year-round with paved highways within a kilometre of the drill targets.

From previous exploration on the MPD project, over 100 historical drill holes defined the potential for a large copper-gold system with multiple centres, across 10 square kilometres of the property. However historical drilling focussed mainly on shallow mineralization, down to about 200 metres and current drilling by Kodiak extends the drilling depth down to 800 metres.

The discovery hole from 2019 (MPD-19-003) underlied a large copper-in-soil anomaly with over one kilometre of strike at the Gate Zone. With these current drill results, the Company now has mineralized core from the three known copper porphyry zones on the MPD Project but believe they have literally "only scratched the surface" as many of the project's copper-in-soil anomalies remain untested.

### **Don't Let the Grade and Depth Get You Down, it is the Size that Matters**

After the recent drill results were released, Kodiak's stock price corrected downward by almost 60% from its 52-week high.

However, investors need to understand that a porphyry can be a giant of a mineral deposit. Deposit sizes range from 100

million to 5 billion tonnes of ore with grades that are typically in the 0.2% to 1% copper range.

Virtually all significant copper mines in the Quesnel Trough consist of multiple porphyry centres and Kodiak has defined three copper porphyry zones but believe there are more to discover. The upcoming drill program with up to 30,000 metres could go a long way to proving up the project's potential.

With grades of 0.41% and 0.49% copper over 500+ metres in the most recently drilled holes, the results compare well with the two other large-tonnage producing mines in the Quesnel Trough that *average* less than 0.30% copper:

#### 1. Copper Mountain Mining (TSX: CMMC)

- Copper Mountain Mine: 190 km south of Kamloops, B.C.
- 412.9 million tonnes at 0.24% copper, 0.11 g/t gold, 0.76 g/t silver (December 31, 2019 reserves)

#### 2. Teck Resources (TSX: TECK.B)

- Highland Valley Mine: 75 km southwest of Kamloops, B.C.
- 484.0 million tonnes at 0.31% copper (December 31, 2019 reserves)

### **Copper Demand Soon to Outstrip Supply**

Copper's forecasted supply and demand imbalance should work in Kodiak's favour.

After hitting a 4-year low in March and in the midst of a global pandemic, the price of copper rebounded and is up over 50%, flirting near the highs of 2018.

Around the world, political pressure is calling for Green New Deals, whereby clean-generated electricity replaces fossil fuels to reduce pollution and fight climate change.

According market research, an electric vehicle requires 5-10



times more copper than a regular internal combustion engine and green electric energy from solar and wind needs 4-6 times more copper than energy generated from fossil fuels.

In addition, as fossil fuel power is replaced by wind and solar, the electrical infrastructure would need an overhaul, increasing the demand for copper further.

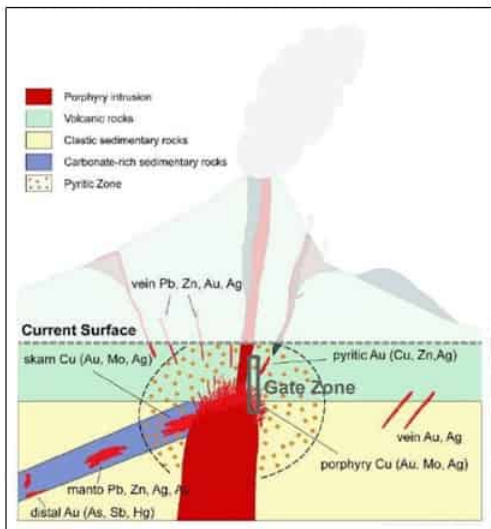
Finally, in various studies, copper exhibits antibacterial, antiviral and anti-fungal properties and, due to the recent pandemic, there could be a shift by manufacturers and governments from stainless steel to copper covered surfaces.

According to S&P Global Market Intelligence, copper demand from power projects, construction and electric vehicles will outstrip supply starting this year. The current forecasted shortfall is 299,000 tonnes of copper this year, rising to 489,000 tonnes in 2024.

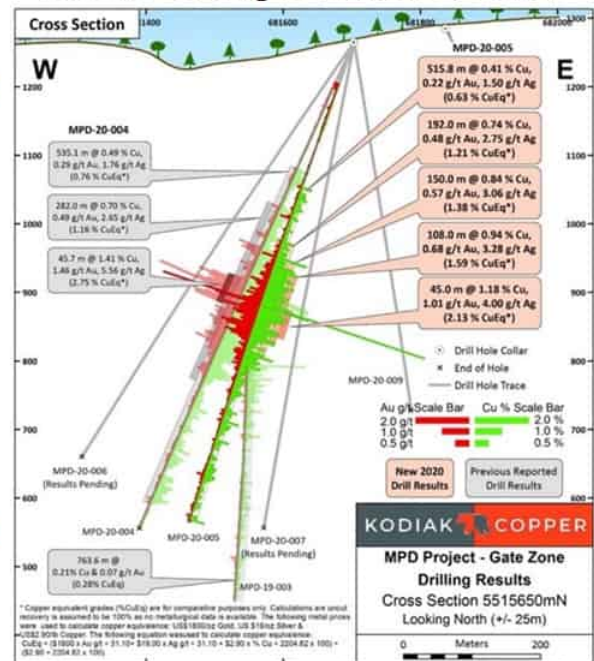
Meanwhile, to fill the demand, the pipeline of copper development projects coming into production is low and may require higher copper prices to fuel more exploration and development interest.

The world is going to need more copper and Kodiak remains well positioned with location, cash, a strategic partner and a solid start with multiple mineralized zones to build upon.

### Example of an Upright and Intact Porphyry System



### Drill Program at the Gate Zone, Holes 4 & 5 Released, Results Pending from Holes 6, 7 and 9



Source

# Kodiak Copper proves that what shareholders want is leadership, copper – and gold

On September 14 it was announced that Teck Resources has agreed to make a strategic investment of a 9.9% interest in Kodiak Copper (TSXV: KDK) ('Kodiak'), at C\$1.95 per share raising C\$10.5m.

Add in drill results on September 3rd that included **282 m of 0.70% copper and 0.49 g/t gold (1.16% CuEq)** at Kodiak's advanced MPD copper-gold porphyry project in British Columbia, shareholders have responded positively. In fact, **Kodiak**

Copper's stock price has risen from C\$0.50 on August 24th to C\$2.80 as of September 28th for a 460% increase in the last month.



Source

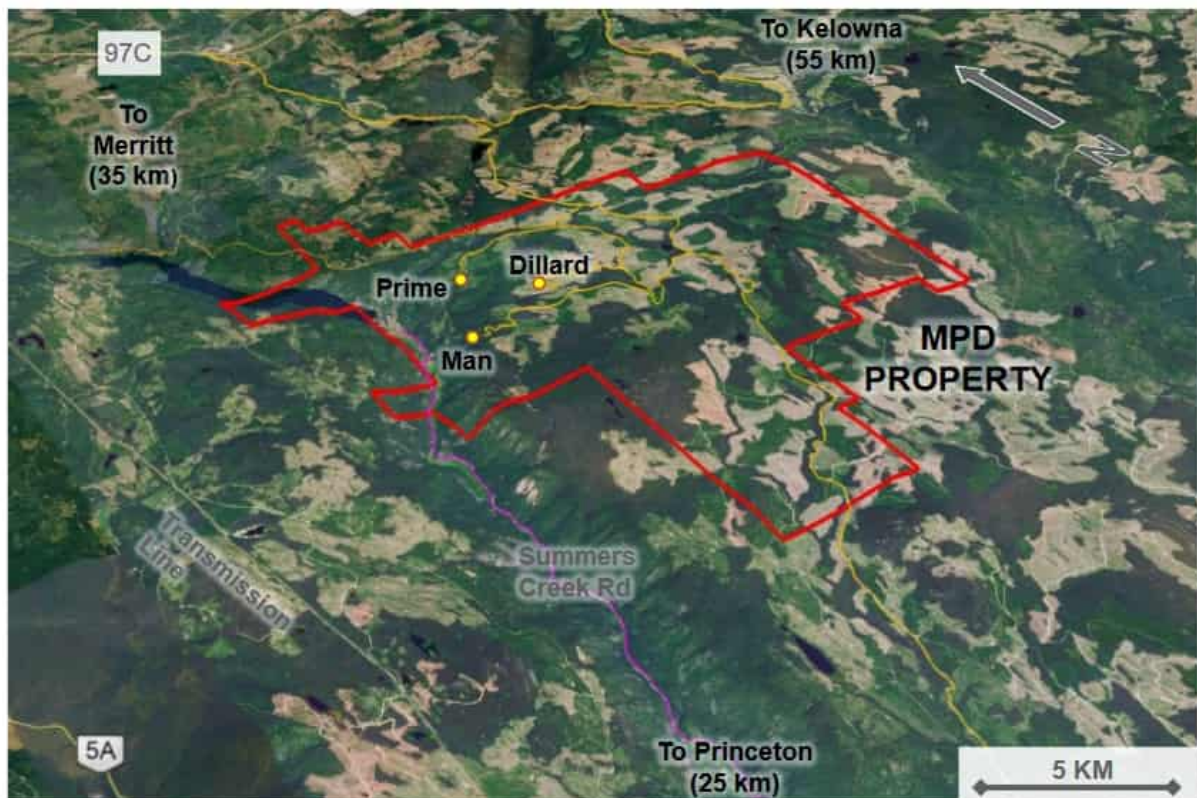
Today I take a deeper look at Kodiak's MPD porphyry project. As most resource investors know copper porphyry projects can be enormous in size and contain valuable by-products (gold, silver, molybdenum) which can make them economical even at lower grades than other projects.

### **MPD Copper-Gold Porphyry Project**

The MPD Project is located in the prolific Quesnel Trough in southern British Columbia, Canada. Kodiak amalgamated 3 projects into one – Man, Prime, Dillard – hence the name MPD. The region is mining friendly with good access to infrastructure.

**The MPD Project has road access and is close to infrastructure**

## MPD – Road Access and Close to Infrastructure



- ◆ Property adjacent to highways and with excellent road and trail access
- ◆ Close to nearby mines, transmission corridor and towns of Merritt, Princeton and Kelowna

### Source

Previous drilling by Newmont Corporation and Rio Tinto was focused on depths up to 200 meters below the surface. Kodiak's strategy is to use modern mining methods and to drill deeper. So far it is paying off. In November 2019, Kodiak (then known as Dunnedin Ventures) started its first drill campaign at MPD and discovered the Gate Zone, including several promising drill results that followed. The key was they were drilling deeper than before. The January 2020 announcement included the following:

- "The new discovery underlies a **large copper-in-soil anomaly with over one kilometre of strike** at the 'Prime' area of the project. Over 100 historical drill holes containing copper and gold mineralization define a **large, likely multi-centre porphyry system across 10**

**square kilometres of the MPD project.**

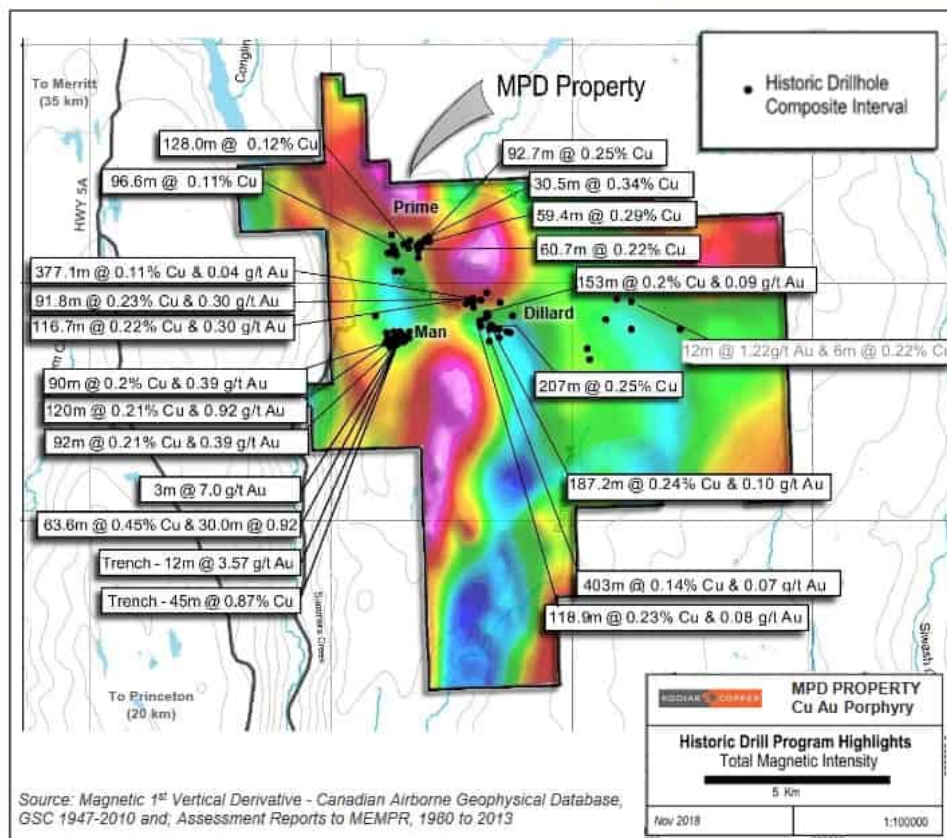
- The Gate Zone includes intervals of higher grade copper-gold within a broad lower grade interval, with mineralization present from **near surface to a vertical depth of 800 metres**, and remains open at depth.
- Higher grade intervals include: 74.9 metres of 0.54% CuEq (0.43% copper and 0.11 g/t gold) from 297.0 metres to 371.9 metres. 102.0 metres of 0.68% CuEq (0.53% copper and 0.16 g/t gold) from 404.9 metres to 507.0 metres.
- Broad moderate grade intervals include: 763.6 metres of 0.28% CuEq (0.21% copper and 0.07 g/t gold) from 52.3 metres to 816.0 metres (entire bedrock drill hole length). 340.7 metres of 0.42% CuEq (0.33% copper and 0.09 g/t gold) from 219.0 metres to 559.7 metres.”

Combining this with the September 2020 result of 282 m of 0.70% copper and 0.49 g/t gold (1.16% CuEq), with further assays results pending, and further drilling in 2020; you can start to see why investors (including mining giant Teck Resources) are getting excited.

**Kodiak Copper’s MPD project historic drill results, strong discovery potential at depths below 200m**



# MPD – Good Historic Drill Results, Most Drilling Very Shallow



- ◆ 129 drill holes (25,780 m) completed from 1966 to 2014. Previous operators include Rio Tinto PLC (LSE:RIO) and Newmont Mining Corp (NYSE: NEM)
- ◆ Numerous showings; copper and gold confirmed across a large, 10km<sup>2</sup> area
- ◆ Mineralization from surface, historic drill holes rarely tested below 200m vertical depth
- ◆ Discovery potential with deeper drilling

Source

## Closing remarks

Kodiak Copper was founded by Chris Taylor who is well-known for his gold discovery success with Great Bear Resources, Kodiak is lead by President, CEO and Director Claudia Tornquist, the former General Manager at Rio Tinto. Kodiak is also part of the Discovery Group led by one of the most successful mining entrepreneurs in Canada John Robins and added to this, we now have Teck Resources (market cap US\$7.4b) taking a 9.9% interest.

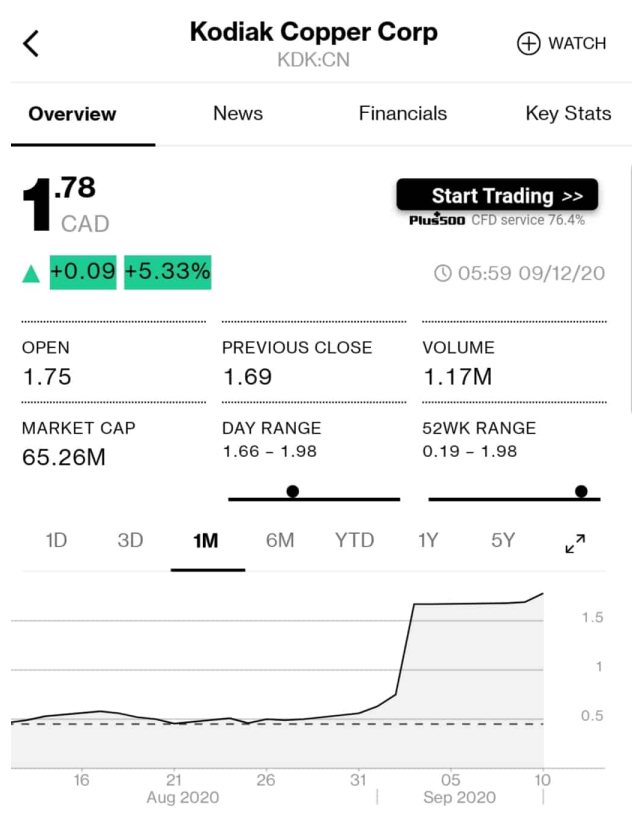
More assay results (drill hole MPD-20-005) are due out soon and then there will be further drill results in Q4, 2020. With a current market cap of C\$102m means, Kodiak now has plenty of cash and plans to drill their US located Mohave porphyry project next.

# Kodiak Copper sees its stock almost triple on drill results

## Discovery viewed as “transformative”

Today I take a look at junior copper miner, Kodiak Copper (TSXV: KDK | OTC: KDKCF). Kodiak saw its stock price almost triple in the past week after announcing drill results, including **282 m of 0.70% Copper and 0.49 g/t Gold (1.16% CuEq)** at their advanced MPD copper-gold porphyry project in British Columbia, Canada.

## Kodiak Copper almost triples on a drill result last week



The copper price, currently at US\$2.98/lb, has started to recover lately as global activity comes back from the initial shock of COVID-19. Looking further ahead, in the next 10 years there is a clear demand surge about to hit from the coming booms in electric vehicles and renewable energy.

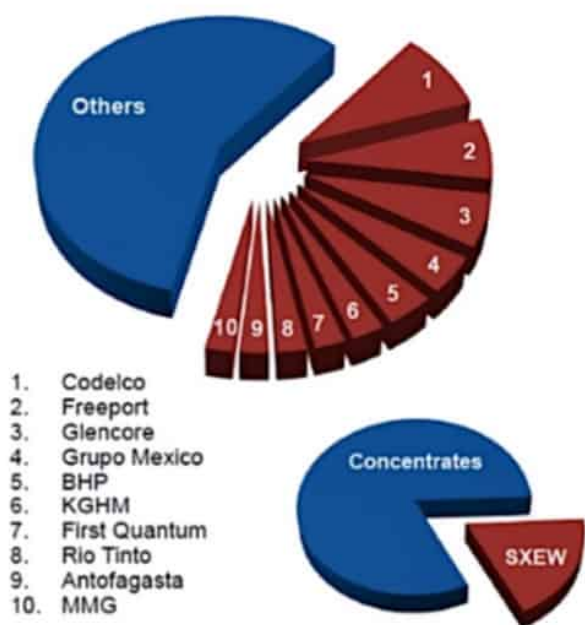
From a supply perspective declining global copper grades and a lack of new projects means less copper output is expected. Higher copper prices will be needed to incentivize new copper projects.

Any copper companies that can bring a growing, low cost, production of new copper supply to market this decade should do very well.

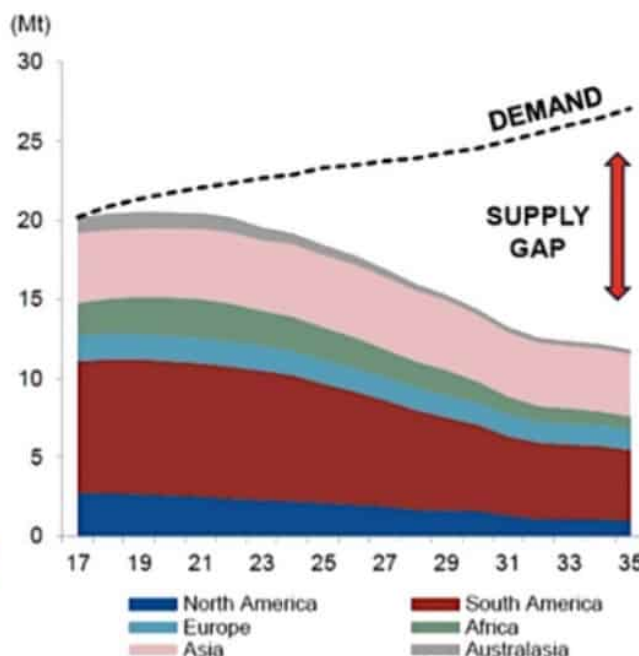
**Analysts are forecasting a future copper deficit to emerge in the 2020s**

### Lack of new copper projects to trigger supply gap of over 15Mt by 2035

1. Copper Mine Production 2017: 20.4Mt



2. Committed\* Mine Supply Forecast

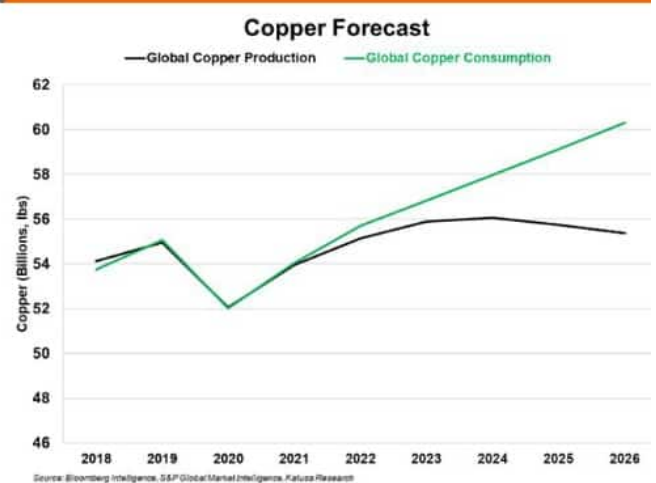
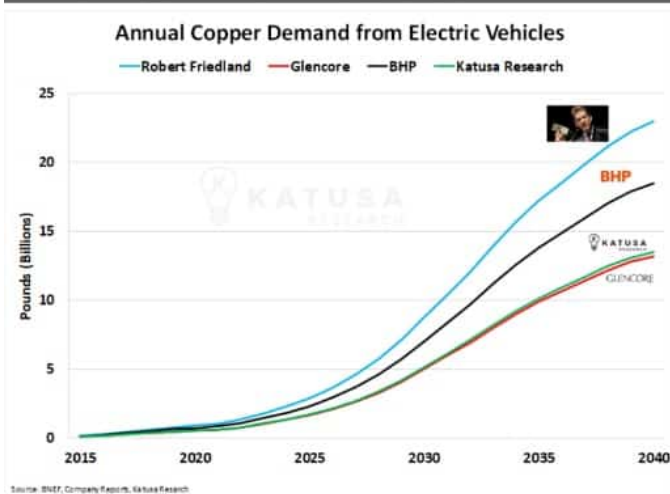


Source: Courtesy CRU Group

### Copper demand vs. supply forecast



# Green Revolution Fuels Copper Demand, Copper Deficit Looming



*“While conventional cars have 18-49 pounds of copper, hybrid electric vehicles contain approximately 85 pounds, plug-in hybrid electric vehicles use 132 pounds, battery*

*“Over the next 26 years the world is going to mine more copper than what has been mined in all history.” – USGS, Chief Economist, 2018*

Source

## The drill results

Kodiak announced on September 3, 2020 the discovery of a **significant high-grade copper-gold extension** of the recently discovered Gate Zone at the company’s 100% owned MPD copper-gold porphyry project in southern British Columbia, with a drill result of **“282 m of 0.70% Copper and 0.49 g/t Gold (1.16% CuEq), Including 45.7 m of 1.41% Copper and 1.46 g/t Gold (2.75% CuEq).”**

Chris Taylor, Chairman of Kodiak commented that, “as compelling as our 2019 discovery of the Gate Zone was, it now appears we had only grazed the margins of a much stronger copper-gold zone which we have now successfully targeted. Our new results include **discovery of a central high-grade copper-gold zone** within the wider copper-gold mineralized envelope of the Gate Zone. These drill results are among the strongest that have been reported from this well-established copper mining district in southern British Columbia.”

Claudia Tornquist, President and CEO of Kodiak, added they viewed “this new discovery as transformative for the project, and by extension for Kodiak, and pointed specifically to the “new high gold values, which we would have viewed as a successful stand-alone gold discovery in the absence of any copper.” She said that Kodiak anticipates “a very active remainder of 2020, and that 2021 will be our most exciting and productive year so far.”

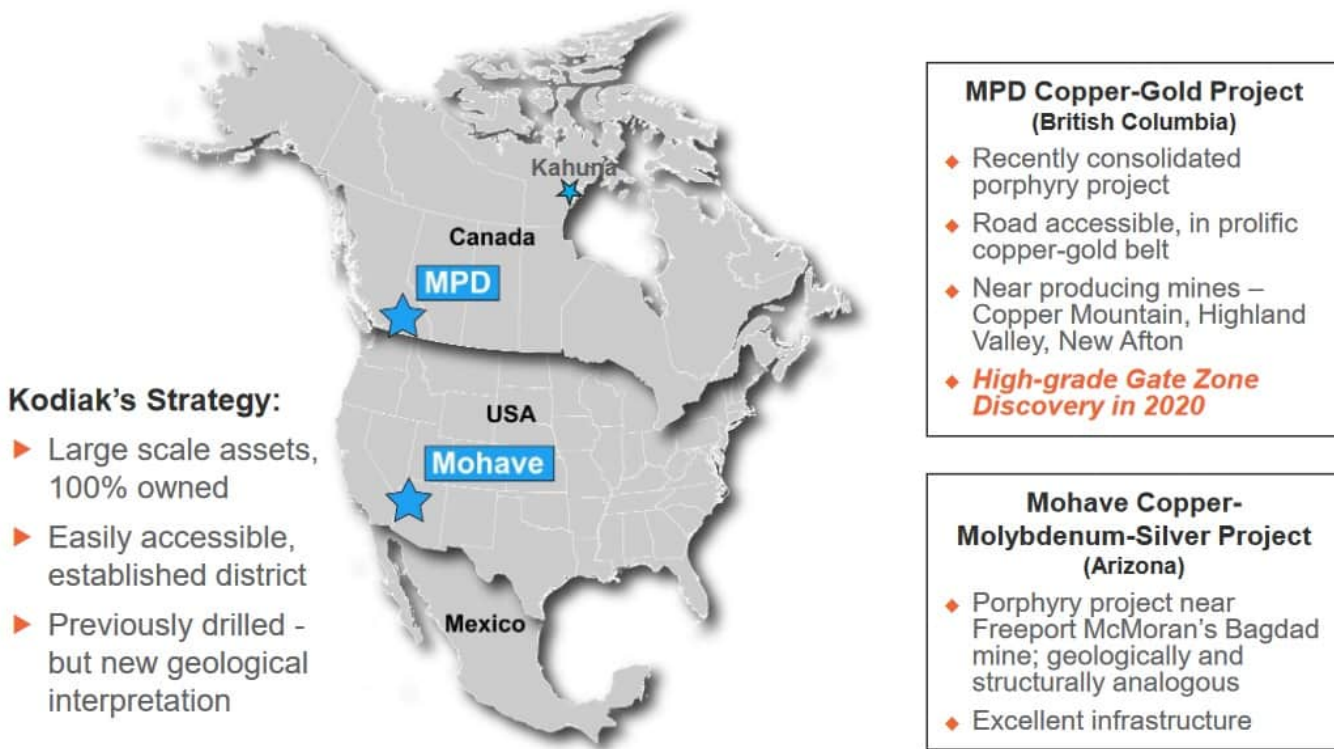
### **Kodiak Copper’s projects**

Kodiak is focused on its portfolio of 100% owned copper porphyry projects in Canada and the USA.

- **MPD Copper-Gold Porphyry Project** in the prolific Quesnel Trough in southern British Columbia, Canada, where the Company made a discovery of high-grade mineralization in 2020 (as mentioned above).
- **Mohave Copper-Molybdenum-Silver Porphyry Project** in Arizona, USA, near the world-class Bagdad Mine.
- **Kahuna Diamond Project** in Nunavut, Canada, hosts a high-grade, near surface inferred diamond resource and numerous kimberlite pipe targets.

Note: Both of Kodiak’s porphyry projects have been historically drilled and present known mineral discoveries with the potential to hold large-scale deposits.

### **Kodiak Copper’s 3 projects location map**



## Source

Kodiak was founded by Chris Taylor who is well known for founding Great Bear Resources (TSXV: GBR) (Market cap C\$897m), which made a highly significant gold discovery. Kodiak is also part of the Discovery Group of companies led by John Robins, one of the most successful mining entrepreneurs in Canada.

## Closing remarks

Juniors that can find and grow good size copper resources will be handsomely rewarded, especially if their project is located in a safe jurisdiction. It is still very early days for Kodiak Copper as they continue to explore and work to develop a resource. Further drill results are expected before the end of the year.

As experienced resource investors know, porphyry projects are usually lower grade but large. What excited the market so much last week was that Chris Taylor may have again discovered something big in Canada. Given the market cap is still only C\$65m, if the project can continue to progress and grow a significant resource this may only be the beginning for Kodiak

Copper.

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# MI3 Tech Note on Kodiak Copper Corp. (TSXV: KDK)

Mario Drolet President of MI3 Communications Financières Inc. (MI3) released a technical note at market open today on Kodiak Copper Corp. (TSXV: KDK) for exclusive distribution on InvestorIntel. In this note, MI3 highlighted the following points on Kodiak Copper Corp.:

- Kodiak is focused on its portfolio of 100% owned copper porphyry projects in Canada and the USA. The Company's most advanced asset is the MPD copper-gold porphyry project in the prolific Quesnel Trough in south-central British Columbia, Canada, where the Company made a discovery of high-grade mineralization in 2020.
- Proved our approach with Gate Zone discovery on our first drill program – best hole in the 50-year history of the MPD copper gold project in Southern BC.
- strong cash position and tight capital structure, only 37 million shares outstanding.
- KDK surge at the open ... Over 1.1 Million in Volume TODAY ...
- MACD positive, RSI at 76
- Support: S2; \$0.375    S1; \$0.425    Resistance:    R1; \$0.47    R2; \$0.50



## About Kodiak Copper Corp.

Kodiak is focused on its portfolio of 100% owned copper porphyry projects in Canada and the USA. The Company's most advanced asset is the MPD copper-gold porphyry project in the prolific Quesnel Trough in south-central British Columbia, Canada, where the Company made a discovery of high-grade mineralization in 2020. Kodiak also holds the Mohave copper-molybdenum-silver porphyry project in Arizona, USA, near the world-class Bagdad mine. The Company's Trapper copper-gold porphyry project is located in the northern Golden Triangle region of British Columbia. All three of Kodiak's porphyry projects have been historically drilled and present known mineral discoveries with the potential to hold large-scale deposits.

**PLEASE DO YOUR DUE DILIGENCE**

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