Kodiak Announces Upsize in Private Placement of Flow-Through Common Shares

written by Raj Shah | March 9, 2022

March 9, 2022 (Source) – Kodiak Copper Corp. (the "Company" or "Kodiak") (TSXV: KDK) (OTCQB: KDKCF) (Frankfurt: 5DD1) is pleased to announce that in connection with its previously announced "bought deal" private placement financing, the Company and Cormark Securities Inc. as lead underwriter and sole bookrunner on behalf of a syndicate of underwriters (collectively, the "Underwriters") have agreed to increase the size of the previously announced financing. The Company will now issue 3,875,000 charity flow-through common shares ("Charity FT Shares") at a price of C$2.08 per Charity FT Share, on a "bought deal" private placement basis, for aggregate gross proceeds to the Company of C$8,060,000 (the "Offering").

The Company has granted the Underwriters an option, exercisable at the offering price until the closing of the Offering, to purchase up to an additional 500,000 of the Charity FT Shares issued in connection with the Offering.

As previously announced, Kodiak will also be completing a non-brokered private placement of flow-through common shares (the "FT Shares") for aggregate gross proceeds of up to C$0.5 million (the "Private Placement"). The FT Shares will be issued at a price of C$1.92. Certain insiders of the Company will participate in the Private Placement.

The Charity FT Shares and FT Shares qualify as "flow-through shares" of the Company for the purposes of the *Income Tax Act* (Canada). The gross proceeds from the Offering and Private

Placement will be used to incur “Canadian exploration expenses” which also qualify as “flow through mining expenditures” (as those terms are defined in the *Income Tax Act* (Canada)) related to Kodiak’s projects in British Columbia. The Company will renounce these expenses to the purchasers with an effective date of no later than December 31, 2022.

The Offering and Private Placement are scheduled to close on or about March 31, 2022 and is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory and other approvals including the approval of the TSX Venture Exchange. The Charity FT Shares and FT Shares will be subject to a four month hold period from the date of closing.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the *United States Securities Act of 1933*, as amended (the “U.S. Securities Act”), or any state securities laws and may not be offered or sold within the United States or to or for the account or benefit of a U.S. person (as defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

On behalf of the Board of Directors

Kodiak Copper Corp.

Claudia Tornquist
President & CEO

About Kodiak Copper Corp.

Kodiak is focused on its 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 within a wide mineralized envelope in 2020. Kodiak also holds the Mohave copper-molybdenum-silver porphyry project in Arizona, USA, near the world-class Bagdad mine. Kodiak's porphyry projects have both been historically drilled and present known mineral discoveries with the potential to hold large-scale deposits.

Kodiak's founder and Chairman is Chris Taylor who is well-known for his gold discovery success with Great Bear Resources. Kodiak is also part of Discovery Group led by John Robins, one of the most successful mining entrepreneurs in Canada.

Cautionary Note Regarding Forward-Looking Information

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statement (Safe Harbor Statement): This press release contains forward looking statements within the meaning of applicable securities laws. The use of any of the words "anticipate", "plan", "continue", "expect", "estimate", "objective", "may", "will", "project", "should", "predict", "potential" and similar expressions are intended to identify forward looking statements. In particular, this press release contains forward looking statements concerning the Offering and Private Placement, including the proposed use of proceeds, the participation of Teck and/or certain insiders of the Company in the Offering or the Private Placement, the closing date of the Offering and Private Placement, and the expected receipt of regulatory and stock exchange approvals. Although the Company

believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company cannot give any assurance that they will prove correct. Since forward looking statements address future events and conditions, they involve inherent assumptions, risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of assumptions, factors and risks, many of which are beyond the Company's ability to control or predict. Factors that could cause actual results or events to differ materially from current expectations include, but are not limited to, conditions in the equity financing markets, stock market volatility, unquantifiable risks related to government actions and interventions, the termination of any agreement governing the Offering and Private Placement, changes in laws or permitting requirements, failure to obtain necessary regulatory approvals as well as those risks identified in the Company's annual Management Discussion & Analysis.

Management has provided the above summary of risks and assumptions related to forward looking statements in this press release in order to provide readers with a more comprehensive perspective on the Company's future operations. The Company's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward looking statements will transpire or occur, or if any of them do so, what benefits the Company will derive from them. These forward-looking statements are made as of the date of this press release, and, other than as required by applicable securities laws, the Company disclaims any intent or obligation to update publicly any forward looking statements, whether as a result of new information, future events or results or otherwise.

SOURCE Kodiak Copper Corp

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