

KODIAK COPPER CORP.
Consolidated Financial Statements

For the years ended September 30, 2025 and 2024

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Kodiak Copper Corp.

Opinion

We have audited the accompanying consolidated financial statements of Kodiak Copper Corp. (the "Company"), which comprise the consolidated statements of financial position as at September 30, 2025 and 2024 and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company incurred a net loss of \$1,174,198 during the year ended September 30, 2025 and, as of that date, the Company's accumulated deficit was \$62,588,317. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined that the matters described below to be the key audit matters to be communicated in our auditor's report.

Assessment of Impairment Indicators of Exploration and Evaluation Assets ("E&E Assets")

As described in Note 5 to the consolidated financial statements, the carrying amount of the Company's E&E Assets was \$40,798,487 as of September 30, 2025. As more fully described in Note 3 to the consolidated financial statements, management assesses E&E Assets for indicators of impairment at each reporting date.



The principal considerations for our determination that the assessment of impairment indicators of the E&E Assets is a key audit matter is that there was judgment made by management when assessing whether there were indicators of impairment for the E&E Assets, specifically relating to the assets' carrying amount which is impacted by the Company's intent and ability to continue to explore and evaluate these assets. This in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence relating to the judgments made by management in their assessment of indicators of impairment that could give rise to the requirement to prepare an estimate of the recoverable amount of the E&E Assets.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. Our audit procedures included, among others:

- Evaluating management's assessment of impairment indicators.
- Evaluating the intent for the E&E Assets through discussion and communication with management.
- Reviewing the Company's recent expenditure activity.
- Evaluating title to ensure mineral rights underlying the E&E Assets are in good standing.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

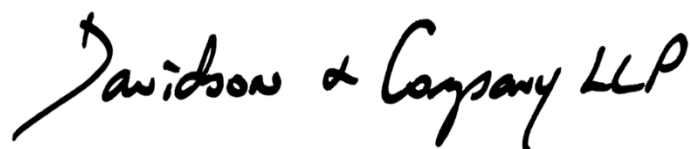
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Michael MacLaren.

A handwritten signature in black ink that reads "Davidson & Company LLP". The signature is written in a cursive, flowing style.

Vancouver, Canada

Chartered Professional Accountants

January 26, 2026

KODIAK COPPER CORP.

Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

As at

	September 30, 2025	September 30, 2024
Assets		
Current Assets:		
Cash and cash equivalents	\$ 9,429,251	\$ 3,628,045
Amounts receivable	109,352	168,498
Advances and deposits	114,498	340,049
Marketable securities (Note 11)	-	40,323
	9,653,101	4,176,915
Non-Current Assets:		
Reclamation bonds (Note 4)	585,286	477,293
Long term deposits	62,550	62,550
Exploration and evaluation assets (Note 5)	40,798,487	35,764,862
Total Assets	\$ 51,099,424	\$ 40,481,620
Liabilities and Shareholders' Equity		
Current Liabilities:		
Accounts payable and accrued liabilities (Note 6 & 7)	\$ 707,344	\$ 912,540
Flow through share premium liability (Note 9)	2,693,057	872,455
	3,400,401	1,784,995
Deferred tax liability (Note 14)	2,226,000	2,088,858
Total Liabilities	5,626,401	3,873,853
Shareholders' Equity:		
Share capital (Note 8)	97,377,855	87,869,568
Reserves (Note 8)	10,766,249	10,214,288
Accumulated other comprehensive loss	(82,764)	(420,506)
Deficit	(62,588,317)	(61,055,583)
	45,473,023	36,607,767
Total Liabilities and Shareholders' Equity	\$ 51,099,424	\$ 40,481,620

Nature of Operations and Ability to Continue as a Going Concern (Note 1)

Approved on Behalf of the Board:

"Steven Krause"
Steven Krause

"Chad Ulansky"
Chad Ulansky

The accompanying notes are an integral part of these consolidated financial statements.

KODIAK COPPER CORP.

Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
For the years ended

	September 30,	
	2025	2024
Expenses		
Consulting fees	\$ 155,677	\$ 149,917
Insurance	33,963	44,715
Management fees and wages (Note 7)	575,726	879,686
Directors' fees (Note 7)	60,917	78,000
Payroll costs	173,499	149,336
Office and administration	162,319	197,437
Professional fees	87,722	76,313
Rent	152,400	123,053
Share-based compensation (Notes 7 & 8 (d))	557,153	643,948
Transfer agent and filing	56,625	56,168
Travel, promotion and investor relations	811,746	637,381
Impairment of exploration and evaluation assets (Note 5)	29,072	15,832
Loss before other expense	(2,856,819)	(3,051,786)
Other income (expenses)		
Foreign currency gain (loss)	12,945	(29,106)
Interest income	138,638	244,069
Other income (Note 9)	1,895,175	1,956,724
Government grant income	-	10,000
Part 12.6 Tax (Note 9)	(12,995)	(51,952)
Other income	2,033,763	2,129,735
Loss before taxes	(823,056)	(922,051)
Deferred income tax expense (Note 14)	(351,142)	(1,507,480)
Loss for the year	(1,174,198)	(2,429,531)
Other comprehensive loss		
Foreign currency translation adjustment	(18,053)	22,887
Gain on marketable securities (Note 11)	(2,741)	(35,580)
Comprehensive loss for the year	\$ (1,194,992)	\$ (2,442,224)
Loss per share - basic and diluted	\$ (0.014)	\$ (0.036)
Weighted average number of shares outstanding	81,381,915	66,924,153

The accompanying notes are an integral part of these consolidated financial statements.

KODIAK COPPER CORP.

Consolidated Statements of Changes in Shareholders' Equity

For the years ended

(Expressed in Canadian Dollars – except share amounts)

	Notes	Share Capital		Reserves	AOCL*	Deficit	Total
		Number of Shares	Amount				
Balance at September 30, 2023		63,927,058	\$ 82,513,553	\$ 9,560,204	\$ (413,063)	\$ (58,626,052)	\$ 33,034,642
Loss for the year		-	-	-	-	(2,429,531)	(2,429,531)
Share based compensation		-	-	643,948	-	-	643,948
Shares issued in private placement		1,293,000	594,780	12,930	-	-	607,710
Flow through shares issued in private placement		9,143,850	6,210,573	53,037	-	-	6,263,610
Flow through shares premium		-	(2,004,402)	-	-	-	(2,004,402)
Shares issued for mineral property		1,400,000	602,000	-	-	-	602,000
Share issues costs		-	(253,264)	-	-	-	(253,264)
Options exercised		155,000	113,956	(55,831)	-	-	58,125
Deferred income tax recovery		-	92,372	-	5,250	-	97,622
Foreign currency translation adjustment		-	-	-	22,887	-	22,887
Fair value adjustment on marketable securities		-	-	-	(35,580)	-	(35,580)
Balance at September 30, 2024		75,918,908	\$ 87,869,568	\$ 10,214,288	\$ (420,506)	\$ (61,055,583)	\$ 36,607,767
Balance at September 30, 2024		75,918,908	87,869,568	10,214,288	(420,506)	(61,055,583)	36,607,767
Loss for the year		-	-	-	-	(1,174,198)	(1,174,198)
Share based compensation		-	-	557,153	-	-	557,153
Share issued in private placement		6,613,858	3,423,020	-	-	-	3,423,020
Flow through shares issued in private placement		11,900,000	10,145,000	-	-	-	10,145,000
Flow through shares premium		-	(3,937,000)	-	-	-	(3,937,000)
Share issue costs		-	(687,136)	107,268	-	-	(579,868)
Shares issued for mineral property		143,349	58,773	-	-	-	58,773
Options exercised		499,000	291,630	(112,460)	-	-	179,170
Deferred income tax recovery		-	214,000	-	-	-	214,000
Transfer share sale AOCI balance to deficit		-	-	-	358,536	(358,536)	-
Foreign currency translation adjustment		-	-	-	(18,053)	-	(18,053)
Fair value adjustment on marketable securities		-	-	-	(2,741)	-	(2,741)
Balance at September 30, 2025		95,075,115	\$ 97,377,855	\$ 10,766,249	\$ (82,764)	\$ (62,588,317)	\$ 45,473,023

The accompanying notes are an integral part of these consolidated financial statements.

KODIAK COPPER CORP.

Consolidated Statements of Cash Flows

For the years ended

(Expressed in Canadian Dollars)

Cash provided by / (used in):	September 30, 2025	September 30, 2024
Operating Activities:		
Loss for the year	\$ (1,174,198)	\$ (2,429,531)
Items not affecting cash:		
Other income	(1,895,175)	(1,956,724)
Share-based compensation	557,153	643,948
Impairment of exploration and evaluation assets	29,072	15,832
Deferred income tax expense	351,142	1,507,480
Government grant income	-	(10,000)
Net changes in non-cash working capital items:		
Amounts receivable	59,146	24,376
Advances and deposits	225,551	(152,638)
Long term deposits	-	(3,064)
Accounts payable and accrued liabilities	(118,160)	(22,956)
	(1,965,469)	(2,383,277)
Investing Activities:		
Reclamation bonds	(107,993)	(1,205)
Exploration and evaluation assets	(5,247,663)	(7,255,241)
Proceeds from sale of marketable securities	37,582	-
	(5,318,074)	(7,256,446)
Financing Activities:		
Shares issued for cash	13,568,020	6,871,320
Share issuance costs	(644,388)	(341,201)
Options exercised	179,170	58,125
CEBA Loan Repayment	-	(30,000)
	13,102,802	6,558,244
Effect of exchange rate changes on cash and cash equivalents	(18,053)	22,887
Change in cash and cash equivalents for the year	\$ 5,801,206	\$ (3,058,592)
Cash and cash equivalents, beginning of the year	\$ 3,628,045	\$ 6,686,637
Cash and cash equivalents, end of the year	\$ 9,429,251	\$ 3,628,045
Supplemental Information:		
Non-cash investing and financing activities:		
Flow-through premium liability	\$ 3,937,000	\$ 2,004,402
Fair value transfer of options and warrants exercised	\$ 112,460	\$ 55,831
Deferred tax recovery in equity	\$ 214,000	\$ 97,622
Shares issued for exploration and evaluation assets	\$ 58,773	\$ 602,000
Mineral property costs included in accounts payable	\$ 146,611	\$ 390,350
Share issuance costs in accounts payable	\$ 156,703	\$ -
Residual value of warrants	\$ -	\$ 65,967

During the year ended September 30, 2025, the Company paid \$Nil in taxes (2024 - \$51,952) and \$Nil in interest expense (2024 - \$Nil).

Refer to Note 3e for breakdown between cash and cash equivalents.

The accompanying notes are an integral part of these consolidated financial statements.

KODIAK COPPER CORP.

Notes to the Consolidated Financial Statements
For the years ended September 30, 2025 and 2024
(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND ABILITY TO CONTINUE AS A GOING CONCERN

Kodiak Copper Corp. ("Kodiak" or the "Company") was incorporated under the laws of the Province of British Columbia on January 12, 1987. The Company's common shares are trading as a mining issuer on Tier 2 of the TSX Venture Exchange under the trading symbol KDK.

The Company's activities consist of the exploration and development of base metals throughout North America. The head office and principal address of the Company are located at 1020 – 800 West Pender Street, Vancouver, BC V6C 2V6.

As the Company is in the exploration stage, the recoverability of amounts shown for exploration and evaluation assets and the Company's ability to continue as a going concern is dependent upon the discovery of economically recoverable reserves, continuation of the Company's interest in the underlying resource claims, the ability of the Company to obtain necessary financing to complete their development and upon future profitable production or proceeds from the disposition thereof. The amounts shown as exploration and evaluation assets represent net costs to date, less amounts amortized and/or written-off, and do not necessarily represent present or future values.

The Company incurred a loss of \$1,174,198 during the year ended September 30, 2025, and, as of that date, the accumulated deficit was \$62,588,317. The Company expects to incur future losses in the development of its business. While these consolidated financial statements have been prepared with the assumption that the Company will be able to meet its obligations and continue its operations for its next fiscal year, the aforementioned conditions indicate the existence of material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. Realization values may be substantially different from carrying values as shown and these consolidated financial statements do not give effect to adjustments that would be necessary if the Company were not to continue as a going concern.

Statement of Compliance

These consolidated financial statements for the year ended September 30, 2025, were prepared in accordance with IFRS Accounting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") in effect at September 30, 2025. The Company has elected to present the statements of loss and comprehensive loss in a single statement. These consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The consolidated financial statements of the Company for the year ended September 30, 2025 (including comparatives) have been prepared by management, reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on January 26, 2026.

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Notes to the Consolidated Financial Statements
For the years ended September 30, 2025 and 2024
(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION

Critical judgments in applying accounting policies

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the year. Actual results could differ from these estimates. Significant estimates and judgements used by management are discussed in Note 3q.

These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

a. Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments which are recorded at fair value.

b. Basis of consolidation

These consolidated financial statements include the financial statements of Kodiak Copper Corp. and its wholly owned subsidiaries - Minera Ocean Park, incorporated in Mexico, Mohave Holdings Inc. incorporated in Canada, pursuant to the laws of British Columbia, and Four Point Construction Inc., incorporated in the United States,. All intercompany transactions and balances have been eliminated upon consolidation.

c. Foreign currencies

The consolidated financial statements for the Company and its subsidiaries are prepared using their functional currencies. Functional currency is the currency of the primary economic environment in which an entity operates. The presentation currency of the Company is Canadian dollars. The functional currency of Kodiak Copper Corp., Mohave Holdings Inc. and Four Points Construction Inc. is the Canadian dollar, and Minera Ocean Park is the Mexican Peso.

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of the transactions.

At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary assets and liabilities that are measured at historical cost are translated by using the exchange rate in effect at the date of the initial transaction and are not subsequently restated. Non-monetary assets and liabilities that are measured at fair value or a revalued amount are translated by using the exchange rate in effect at the date the value is determined, and the related translation differences are recognized in the statement of loss and comprehensive loss or other comprehensive loss consistent with where the gain or loss on the underlying non-monetary asset or liability has been recognized.

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Notes to the Consolidated Financial Statements
For the years ended September 30, 2025 and 2024
(Expressed in Canadian Dollars)

3. MATERIAL ACCOUNTING POLICIES (continued)

The assets and liabilities of each subsidiary are translated into Canadian dollars using the exchange rate at the reporting date and the operations are translated into Canadian dollars using the average exchange rate for the reporting period. All gains and losses on translation of a subsidiary from its functional currency to the presentation currency are charged to other comprehensive income (loss).

d. Financial instruments

Financial assets

Financial assets are classified as either financial assets at fair value through profit or loss ("FVTPL"), fair value through other comprehensive income ("FVTOCI") or amortized cost. The Company determines the classification of financial assets at initial recognition.

(i) Financial assets at FVTPL

Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Equity instruments that are held for trading are classified as FVTPL. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets held at FVTPL are included in profit or loss in the period in which they arise.

(ii) Financial assets at FVTOCI

Financial assets carried at FVTOCI are initially recorded at fair value plus transaction costs with all subsequent changes in fair value recognized in other comprehensive income (loss). For investments in equity instruments that are not held for trading, the Company can make an irrevocable election (on an instrument-by-instrument basis) at initial recognition to classify them as FVTOCI. On the disposal of the investment, the cumulative change in fair value remains in equity and is not recycled to profit or loss.

(iii) Amortized cost

Financial assets are classified at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the loss allowance is measured for the financial asset at an amount equal to twelve months expected credit losses. For accounts receivable, the Company applies the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized.

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Notes to the Consolidated Financial Statements
For the years ended September 30, 2025 and 2024
(Expressed in Canadian Dollars)

3. MATERIAL ACCOUNTING POLICIES (continued)

d. Financial instruments (*continued*)

Financial liabilities

Financial liabilities are initially recorded at fair value and subsequently measured at amortized cost, unless they are required to be measured at FVTPL or the Company has opted to measure at FVTPL. The Company's financial liabilities include accounts payable and accrued liabilities and long-term loan which are all classified at amortized cost.

The following table shows the classifications of financial instruments.

	Classification
Cash and cash equivalents	Amortized cost
Long term deposits	Amortized cost
Amounts receivable	Amortized cost
Reclamation bonds	Amortized cost
Marketable Securities	FVTOCI
Long term loan	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

e. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held on call with Canadian chartered banks and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value. As at September 30, 2025, the cash and cash equivalents consist of \$9,366,751 (2024 - \$3,512,016) in cash and \$62,500 (2024 - \$116,029) in cash equivalents.

f. Mineral properties under exploration

Pre-acquisition costs are expensed in the period in which they are incurred.

Once the legal right to explore a property has been acquired, all costs related to the acquisition, exploration and evaluation of mineral properties are capitalized by property. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they occur.

Where the Company has entered into option agreements to acquire interests in mineral properties that provide for periodic payments or periodic share issuances, amounts unpaid and unissued are not recorded as liabilities since they are payable and issuable entirely at the Company's option. Option payments are recorded as mineral property costs when the payments are made and the share issuances are recorded as mineral property costs using the fair market value of the Company's common shares at the measurement date.

When a project has been established as commercially viable and technically feasible, related development costs are capitalized into development costs. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs which give rise to a future benefit.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

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Notes to the Consolidated Financial Statements
For the years ended September 30, 2025 and 2024
(Expressed in Canadian Dollars)

3. MATERIAL ACCOUNTING POLICIES (continued)

g. Reclamation bonds

Cash which is subject to contractual restrictions on use for mineral properties is classified separately as reclamation bonds (Note 4).

h. Impairment of non-financial assets

At each date of the statement of financial position, the Company's carrying amounts of its assets are reviewed to determine whether there is any indication that those assets maybe impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

i. Restoration and environmental rehabilitation provisions

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. The Company is required to record the estimated present value of future cash flows associated with site reclamation as a liability when the liability is incurred and increase the carrying value of the related assets for that amount. The obligations recognized are statutory, contractual or legal. The liability is accreted over time for changes in the fair value of the liability through charges to accretion, which is included in the statement of loss and comprehensive loss.

Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or the straight-line method. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage which is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

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Notes to the Consolidated Financial Statements
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3. MATERIAL ACCOUNTING POLICIES (continued)

j. Income taxes

Income tax expense comprises current and deferred tax. Current tax is the expected tax payable or receivable on the taxable income or loss for the year using tax rates enacted or substantively enacted at the reporting date. As the Company is in a loss position there is no current tax payable.

Deferred income tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the tax laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

k. Share capital

Share capital represents the amount received on the issue of shares, less issuance costs. Deficit includes all current and prior year losses.

Common shares

Common shares and warrants are classified as equity. Incremental costs directly attributable to the issue of common shares, including warrants, are recognized as a reduction of equity, net of tax. The Company uses the residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The fair value of the common shares issued in the private placements was determined to be the more easily measurable component and were valued at their fair value, as determined by the quoted market price on the issuance date. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded in reserves.

Flow-through common shares

Canadian tax legislation permits a company to issue flow-through common shares whereby the deduction for tax purposes relating to qualified resource expenditures is claimed by the investors rather than the Company.

Upon issuance of flow-through common shares, the fair value of the common shares is recorded as an increase in share capital. Any difference (premium) between the amounts recognized in share capital and the amount paid by the investor is recognized as a flow-through share premium liability and is reversed into earnings at the time the flow-through expenditures have been incurred, net of share issuance costs.

When flow-through expenditures have been incurred and it is the Company's intent to renounce such expenditures, the Company records the tax effect as a charge to profit or loss and an increase to deferred tax liabilities. To the extent that the Company has deferred tax assets that were not recognized in previous periods, a deferred tax recovery is recorded as an offsetting recovery in profit or loss.

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Notes to the Consolidated Financial Statements
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3. MATERIAL ACCOUNTING POLICIES (continued)

l. Loss per share

Basic loss per share is computed by dividing net earnings/loss available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted loss per share is computed similar to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

m. Share-based compensation

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the statement of loss and comprehensive loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted.

As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of loss and comprehensive loss over the remaining vesting period.

Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized in the statement of loss and comprehensive loss over the vesting period, described as the period during which all the vesting conditions are to be satisfied.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statement of loss and comprehensive loss. Share issuance costs related to the issuance of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based compensation cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

All equity-settled share-based compensation are reflected in reserves, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in reserves is credited to share capital, adjusted for any consideration paid.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

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3. MATERIAL ACCOUNTING POLICIES (continued)

n. Comprehensive income (loss)

Comprehensive income (loss) is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in net profit such as foreign currency gains or losses related to translation of the financial statements of foreign operations, and unrealized gains and losses on marketable securities. The Company's comprehensive income/loss, components of other comprehensive income/loss and cumulative translation adjustments are presented, in the statements of loss and comprehensive loss and the statements of changes in shareholders equity.

o. Contingent consideration

Contingent consideration from an asset acquisition is recognized when: (i) the conditions associated with the contingency are met; (ii) the Company has a present legal or constructive obligation that can be estimated reliably; and (iii) and it is probable that an outflow of economic benefits will be required to settle the obligation.

p. New accounting standards issued but not yet in effect

New standards, interpretations and amendments

The Company monitors guidance for new standards, interpretations and amendments, which have been applied in these financial statements.

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

The amendments to IAS 1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date. These amendments are effective for reporting periods beginning on or after January 1, 2024. The adoption of this new amendment did not have a significant impact on the financial statements.

Future standards not yet adopted

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements ("IFRS 18") which replaces IAS 1 Presentation of Financial Statements.

IFRS 18 introduces:

- i. New requirements on presentation within the statement of profit or loss;
- ii. Disclosure standards regarding management defined performance measures; and
- iii. Principles for aggregation and disaggregation of financial information in the financial statements and the notes.

IFRS 18 will be effective for annual reporting periods beginning on or after January 1, 2027. IFRS 18 is to be applied retrospectively. The Company is currently assessing the impact that IFRS 18 will have on its financial statements.

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Notes to the Consolidated Financial Statements
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3. MATERIAL ACCOUNTING POLICIES (continued)

q. Significant Accounting Judgements and Estimates

Information about critical judgments and estimates that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements within the next financial year are discussed below:

Title to Mineral Property Interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Impairment of Capitalized Exploration and Evaluation Expenditure

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

Share-based compensation

Share-based compensation expense is measured by reference to the fair value of the stock options at the date at which they are granted. Estimating fair value for granted stock options requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility, dividend yield, and rate of forfeitures and making assumptions about them.

Deferred tax assets and liabilities

The measurement of a deferred tax provision is subject to uncertainty associated with the timing of future events and changes in legislation, tax rates and interpretations by tax authorities. The estimation of taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's

ability to utilize future tax deductions changes, Kodiak would be required to recognize more or fewer deferred tax assets, and future tax provisions or recoveries could be affected.

Going Concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures and meet its liabilities for the ensuring year involves significant judgement based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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Notes to the Consolidated Financial Statements
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4. RECLAMATION BONDS

	September 30, 2025	September 30, 2024
MPD	\$ 446,000	\$ 345,000
Mohave	99,286	92,293
Kahuna	40,000	40,000
	<u>\$ 585,286</u>	<u>\$ 477,293</u>

The MPD portion of the reclamation bonds is a \$446,000 security deposit paid to the Ministry of Mining and Critical Minerals of British Columbia as a part of the permit application. During the year ended September 30, 2025 an additional \$101,000 was paid for reclamation bonds to the BC government. \$80,000 of this total was an amount due by March 31st, 2025 for the MPD project, and \$21,000 was related to the Aspen Grove claims, purchased in September 2024. In April of 2025, \$21,000 was returned to Kodiak from the Aspen Grove claims vendor, Pinwheel Resources as per the agreement terms.

The Mohave portion of the reclamation bonds is a cost determined to be paid by the Company to the Bureau of Land Management ("BLM") Kingman Field Office in the state of Arizona, USA. This cost determined by the BLM of \$99,286 (US\$68,370), (2024 - \$92,293 (US \$68,370) is for the Company to meet its anticipated reclamation requirements.

For the Kahuna resource property in the territory of Nunavut a reclamation Letter of Credit is recorded in reclamation bonds. This letter is held by the financial institution as security for possible reclamation obligations pursuant to Land Use License KVL315B01.

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Notes to the Consolidated Financial Statements
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5. EXPLORATION AND EVALUATION ASSETS

Summary of the mineral projects' costs by project for the year ended September 30, 2025:

	Notes	Kahuna (NU, Canada)	MPD (BC, Canada)	Mohave (AZ, USA)	Total
<u>Acquisition costs:</u>					
Beg balance, September 30, 2024		\$ -	\$ 2,774,874	\$ 300,016	\$ 3,074,890
Additions /(deductions) during the year:					
Claim fees		-	2,683	130,205	132,888
Common shares issued		-	58,773	-	58,773
Acquisition costs, September 30, 2025		\$ -	\$ 2,836,330	\$ 430,221	\$ 3,266,551
<u>Exploration costs:</u>					
Beg balance, September 30, 2024		\$ -	\$ 32,476,085	\$ 213,887	\$ 32,689,972
Additions /(deductions) during the year:					
Geological staff & consulting	7	24,172	2,332,054	13,027	2,369,253
Drilling & support		-	1,501,385	-	1,501,385
Assays		-	311,889	-	311,889
Exploration support		5,500	450,539	10,489	466,528
Fuel		-	16,001	-	16,001
Travel		-	227,580	-	227,580
Impairment of exploration costs		(29,672)	-	-	(29,672)
Cost recovery	4	-	(21,000)	-	(21,000)
Exploration costs, September 30, 2025		\$ -	\$ 37,294,533	\$ 237,403	\$ 37,531,936
Balance, September 30, 2025		\$ -	\$ 40,130,863	\$ 667,624	\$ 40,798,487

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Notes to the Consolidated Financial Statements
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5. EXPLORATION AND EVALUATION ASSETS (continued)

Summary of the mineral projects' costs by project for the year ended September 30, 2024:

	Notes	Kahuna (NU, Canada)	MPD (BC, Canada)	Mohave (AZ, USA)	Total
<u>Acquisition costs:</u>					
Beg balance, September 30, 2023		\$ -	\$ 2,169,966	\$ 269,534	\$ 2,439,500
Additions /(deductions) during the year:					
Claim fees		-	2,908	30,482	33,390
Common shares issued		-	602,000	-	602,000
Acquisition costs, September 30, 2024		\$ -	\$ 2,774,874	\$ 300,016	\$ 3,074,890
<u>Exploration costs:</u>					
Beg balance, September 30, 2023		\$ -	\$ 25,720,744	\$ 160,433	\$ 25,881,177
Additions /(deductions) during the year:					
Geological staff & consulting	7	5,382	2,691,622	31,289	2,728,293
Drilling & support		-	2,723,453	-	2,723,453
Assays		-	568,892	-	568,892
Exploration support		10,450	413,670	22,012	446,132
Fuel		-	27,203	-	27,203
Travel		-	330,501	153	330,654
Impairment of exploration costs		(15,832)	-	-	(15,832)
Exploration costs, September 30, 2024		\$ -	\$ 32,476,085	\$ 213,887	\$ 32,689,972
Balance, September 30, 2024		\$ -	\$ 35,250,959	\$ 513,903	\$ 35,764,862

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Notes to the Consolidated Financial Statements
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5. EXPLORATION AND EVALUATION ASSETS (continued)

a. Man, Prime and Dillard Property (MPD)

In November 2018 Kodiak announced the acquisition of 100% ownership of the MPD copper-gold porphyry project ("MPD") consisting of the consolidated Man, Prime and Dillard properties in south-central British Columbia. The consideration for MPD consisted of \$100,000 in cash (paid), 360,000 Kodiak shares issued upon closing of the transaction (issued) and an additional \$100,000 in cash payable on April 1, 2019 (paid). A 1.25% to 2% NSR, partly with buy-back rights is payable on three of a total 28 mineral claims. No royalties are payable on the remaining 25 claims.

On April 19, 2021 the Company announced that it had entered into a purchase agreement to acquire a 100% interest in the Axe Copper-Gold Property from Orogen Royalties ("Orogen"). The property is contiguous with the Company's MPD property.

As consideration for the property, the Company provided the following:

- 950,000 Kodiak shares upon closing of the transaction; (issued)
- A 2% net smelter returns royalty on the Axe property of which 0.5% may be purchased by Kodiak for \$2,000,000 at any time;
- A cash payment will be made to Orogen in the amount equal to the value of 75,000 Orogen shares up to a maximum of \$50,000 upon the completion of 5,000 metres of drilling on the Axe Property (paid-\$40,495)
- A cash payment will be made to Orogen in the amount equal to the value of 200,000 Orogen shares up to a maximum of \$150,000 upon the announcement of a measured or indicated mineral resource estimate of at least 500,000,000 tonnes at a grade of at least 0.40% copper equivalent on the Axe property; and
- A cash payment will be made to Orogen in the amount equal to the value of 250,000 Orogen shares up to a maximum of \$200,000 upon the completion of a feasibility study on the Axe Property.

On April 10, 2023 the Company completed the purchase of mineral claims from Donald Rippon for total consideration of \$150,646. The claims are contiguous with Kodiak's 100% owned MPD copper-gold porphyry project and includes a net smelter returns royalty of 2% on all claims. The Company has the irrevocable right at any time to purchase one half of the royalty (1% net smelter return) by way of a one-time payment of \$3,000,000.

On September 23, 2024 the Company completed the purchase of a 100% interest in the Aspen Grove copper-gold property from Pinwheel Resources Ltd. for a total of 1,400,000 Kodiak shares with a fair value of \$602,000. The Aspen Grove claims are subject to pre-existing net smelter return royalties ("NSR") of either 2% or 3%, on certain blocks of claims. Kodiak retains the right to buy back 0.5% or 1% of the NSRs respectively for \$2,000,000 or \$3,000,000 prior to publication of a feasibility study.

On March 6th, 2025 the Company completed the purchase of a 100% interest in claims internal to Kodiak's MPD Northwest claim block (the "Delorme claims"). Consideration for the Delorme claims was 143,349 Kodiak common shares (issued) with a fair value of \$58,773. The vendors will retain a 0.5% net smelter return royalty. Kodiak shall retain the right to buy back the entire royalty at anytime for \$250,000.

b. Mohave Property

On March 4, 2019, the Company announced that it had entered into a letter of intent to acquire 100% of the Mohave copper-molybdenum-silver porphyry ("Mohave") option agreement in Mohave County, Arizona, USA, from Bluestone Resources Inc. ("Bluestone").

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Notes to the Consolidated Financial Statements
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5. EXPLORATION AND EVALUATION ASSETS (continued)

In relation to the acquisition, the Company paid \$50,000 in cash and issued 232,558 common shares at a fair value of \$100,000 upon closing of the transaction, which occurred on May 22, 2019. The Company has committed to issue 100,000 shares upon the public disclosure of a 43-101 resource of the project, 100,000 shares upon the public disclosure of a preliminary economic analysis for the project, 100,000 shares upon the public disclosure of a pre-feasibility or more advanced study for the project, and a 0.5% NSR royalty on the Mohave claims and on a 2km area of interest around the Mohave claims.

Including the royalty newly granted to Bluestone, the Company is committed to a 3.5% net smelter return royalty of which 1% can be bought back for US\$1,000,000 to the original optionors of the Mohave Property. Following the completion of a bankable feasibility study the Company shall pay to the optionors, on an annual basis, the sum of US\$100,000 until the commencement of commercial production. The advance payments will be deducted from any royalty payments payable.

c. Kahuna Property

By agreements dated November 4, 2014, and April 30, 2017, the Company acquired a 100% interest in the Kahuna Diamond project located in Nunavut, Canada.

The Kahuna Property is currently subject to two separate 2% gross overriding royalties "GOR" on diamonds, and two separate 2% net smelter return royalties (each, an "NSR" and together, the "NSRs") on all other minerals derived from the property. Pursuant to the Royalty Agreement, 1% of each GOR may be purchased from either of the parties for \$2 million, and 1% of each NSR may be purchased from either of the parties for \$2,000,000.

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6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable include primarily amounts owing for Company's exploration programs, and general corporate expenditures. The accounts payable and accrued liabilities balance of \$707,344 (2024 - \$912,540) is made up of \$547,767 (2024 - \$779,668) of accounts payable and \$159,577 (2024 - \$132,872) of accrued liabilities.

7. RELATED PARTY TRANSACTIONS

The Company's transactions with related parties during the year ended September 30, 2025, and 2024 mainly include management and consulting fees, director and committee fees as well as share-based compensation. The related parties are represented by the key management personnel, which include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. Related parties also include companies, controlled by officers and/or directors.

Amounts paid and accrued to key management personnel, officers and companies controlled by directors and officers:

	Year ended September 30, 2025	Year ended September 30, 2024
Geological fees capitalized to exploration & evaluation ⁽¹⁾	\$ 226,412	\$ 258,412
Management fees and director fees ⁽²⁾	474,090	645,417
Share-based compensation	308,920	327,587
Total	\$ 1,009,422	\$ 1,231,416

(1) Geological fees were paid to the Company's VP Exploration, former VP Exploration, and Chairman.

(2) Management fees includes salaries and compensation to the Company's Chairman, CEO & President, VP Exploration, former VP Exploration, Directors and the CFO.

As at September 30, 2025 \$10,373 (2024, \$Nil) was due to related parties.

8. SHARE CAPITAL AND RESERVES

a. Authorized

Share capital consists of an unlimited number of common shares and preferred shares without par value. The Company has not issued any preferred shares.

As at September 30, 2025, the Company had 95,075,115 (2024 – 75,918,908) common shares issued and outstanding.

b. Share Issuances

Issued during the year ended September 30, 2025

On September 25, 2025 the Company announced that it had closed its bought deal financing. A total of 6,050,000 charity-flow through units at a price of \$1.00 per charity flow through unit and 3,226,000 common share units at a price of \$0.62 per common share unit were issued for total gross proceeds of \$8,050,120. Each charity flow-through unit and common share unit consists of one non-flow-through common share and one half of one non-flow-through common share purchase warrant. Each warrant issued under the offering entitles the holder to purchase one non flow-through common share at an exercise price of \$0.95 for a period of 24 months following the closing date.

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8. SHARE CAPITAL AND RESERVES (continued)

b. Share Issuances (continued)

A total of \$2,299,000 was allocated to flow through premium. In connection with the offering, the Company incurred a total of \$809,842 of share issuance costs including \$702,574 paid in cash and \$107,268 recorded as the fair value of the 478,170 finders warrants issued. Of this total \$211,869 was allocated to offset the flow through premium liability.

On March 18, 2025 the Company announced that it had closed its non-brokered private placement. A total of 5,850,000 charity-flow through units at a price of \$0.70 per charity flow through unit and 3,387,858 common share units at a price of \$0.42 per common share unit were issued for total gross proceeds of \$5,517,900. Each charity flow-through unit and common share unit consists of one non-flow-through common share and one half of one non-flow-through common share purchase warrant. Each warrant issued under the offering entitles the holder to purchase one non flow-through common share at an exercise price of \$0.75 for a period of 24 months following the closing date.

A total of \$1,638,000 was allocated to flow through premium. In connection with the offering, the Company incurred a total of \$98,517 in share issuance costs of which \$9,354 was allocated to offset the flow through premium liability.

On March 6, 2025, the Company issued 143,349 Kodiak common shares with a fair value of \$58,773 as consideration for the Delorme claims purchase – see note 5a.

During the year ended September 30, 2025 a total of 499,000 options were exercised for total proceeds of \$179,170. Upon exercise of the options, \$112,460 was transferred from reserves to share capital.

Issued during the year ended September 30, 2024

On September 23, 2024 1,400,000 shares were issued to Pinwheel Resources Ltd. as consideration for the purchase of a 100% interest in the Aspen Grove copper-gold property. The shares were issued at \$0.43 which was the closing price on September 23, 2024, for total consideration value of \$602,000 (see note 5a).

On June 21, 2024 the Company closed a private placement and issued a total of 5,303,724 charity flow-through units at a price of \$0.79 per charity flow-through unit, 3,840,126 flow-through shares at a price of \$0.54 per flow through share, and 1,293,000 units at a price of \$0.47 per unit for gross aggregate gross

proceeds of \$6,871,320. Each charity flow-through unit and unit consists of one common share and one-half of one common share purchase warrant.

Each whole flow-through warrant and whole warrant issuable under the offering will entitle the holder to purchase one non-flow-through common Share at an exercise price of \$0.65 for a period of 24 months following the closing date.

A total of \$2,004,402 was allocated to flow through premium. In connection with the offering, the Company incurred a total of \$341,201 in share issuance costs of which \$87,937 was allocated to offset the flow through premium liability. A total of \$65,967 was allocated to warrant reserves for the residual value of warrants included in the units.

During the year ended September 30, 2024 155,000 options were exercised for total proceeds of \$58,125. Upon exercise of the 155,000 options, \$55,831 was transferred from reserves to share capital.

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8. SHARE CAPITAL AND RESERVES (continued)**c. Warrants**

	Number of Warrants	Weighted Average Exercise Price
Balance as at September 30, 2023	4,096,872	\$1.10
Issued	3,298,362	\$0.65
Balance as at September 30, 2024	7,395,234	\$0.90
Issued	9,735,100	\$0.86
Expired	(4,096,872)	\$1.10
Balance as at September 30, 2025	13,033,462	\$0.80

As at September 30, 2025, the outstanding warrants are summarized as follows:

Expiry date (mm/dd/yyyy)	Number of Warrants	Weighted Average Remaining Life in Years	Weighted Average Exercise Price
06/21/2026	3,298,362*	0.72	\$0.65
03/18/2027	4,618,930	1.46	\$0.75
09/25/2027	5,116,170	1.99	\$0.95
	13,033,462	1.48	\$0.80

* Subsequent to year end 76,000 warrants were exercised for total gross proceeds of \$49,400.

d. Stock Options

On June 29, 2022, the Company approved, certain amendments to the Option Plan and the amendments to the Option Plan (the Option Plan, as amended, being referred to as the “**Amended Option Plan**”) which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with TSX-V requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. Included in the Amended Option Plan are provisions that provide that the number of common shares reserved for issuance will not exceed 10% of the then issued and outstanding common shares of the Company. At the discretion of the Board of Directors of the Company, options granted under the Amended Option Plan can have a maximum exercise term of 10 years from the date of grant and have exercise prices no less than the discounted market price as permitted by the TSX-Venture exchange. Vesting terms are determined at the time of grant by the Board of Directors and unless otherwise stated fully vest when granted.

During the year ended September 30, 2025, the Company recognized share-based compensation of \$557,153 (2024 - \$643,948).

The fair value of the options was estimated at the grant date based on the Black-Scholes valuation model, using the following range of assumptions:

	Year Ended September 30, 2025	Year Ended September 30, 2024
Expected dividend yield	0%	0%
Risk-free interest rate	2.54-2.96%	3.61%
Expected life	1-5 years	1-5 years
Expected volatility	65%-90%	58%-106%
Share price	\$0.47-0.63	\$0.47
Fair value of options granted	\$0.12-\$0.42	\$0.11-\$0.37

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8. SHARE CAPITAL AND RESERVES (continued)

d. Stock Options (continued)

The following is a summary of the Company's stock option activity:

	Number of Options	Weighted Average Exercise Price
Balance as at September 30, 2023	4,763,000	\$ 1.07
Granted	1,344,000	\$ 0.48
Exercised	(155,000)	\$ 0.375
Expired	(358,000)	\$ 1.06
Balance as at September 30, 2024	5,594,000	\$ 0.95
Granted	1,740,000	\$ 0.47
Exercised	(499,000)	\$ 0.36
Expired	(333,000)	\$ 0.40
Balance as at September 30, 2025	6,502,000	\$ 0.89

¹ 4,922,500 options were exercisable at September 30, 2025

² Upon exercise of 499,000 options during the year ended September 30, 2025 (2024 – 155,000), \$112,460 (2024 - \$55,831) was transferred from reserves to share capital.

As at September 30, 2025, the Company has outstanding stock options as follows:

Expiry date (mm/dd/yyyy)	Number of Options	Weighted Average Remaining life in years	Weighted Average Exercise Price
01/20/2026	800,000 ¹	0.31	\$1.56
03/18/2026	22,000	0.46	\$0.47
08/03/2026	100,000	0.84	\$1.41
10/07/2026	50,000	1.02	\$1.20
02/03/2027	1,136,000 ²	1.35	\$1.35
04/21/2027	40,000	1.56	\$1.73
09/01/2027	25,000	1.92	\$0.91
02/23/2028	1,325,000 ³	2.40	\$0.96
02/21/2029	1,286,000*	3.65	\$0.48
03/18/2030	1,636,000*	4.47	\$0.47
06/10/2030	50,000	4.70	\$0.50
08/12/2030	32,000	4.87	\$0.63
	6,502,000	2.66	\$0.89

* Subsequent to year end 41,998 options were exercised for total gross proceeds of \$20,016.

¹ 800,000 options expired subsequent to September 30, 2025.

² 80,000 options expired subsequent to September 30, 2025.

³ 90,000 options expired subsequent to September 30, 2025.

e. Restricted and Deferred Share Units

On April 21, 2021, the Board approved the adoption of a restricted share unit ("RSU") and deferred share unit ("DSU") compensation plan (the "RSU & DSU Plan"). On June 29, 2022, the Company amended certain terms of the plan. RSU's granted under RSU & DSU Plan may be granted to directors, officers, employees, management company employees and consultants or an affiliate of the Company. Subject to adjustment, the maximum number of Common shares that may be reserved for issuance under the RSU & DSU Plan as at September 30, 2025, is 2,290,768 Common Shares.

There are no RSU's or DSU's outstanding as at September 30, 2025 (2024 – Nil).

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9. FLOW THROUGH SHARE PREMIUM LIABILITY

Flow through share premium liabilities include the liability portion of the flow through shares issued. The following is a continuity schedule of the liability portion of the flow through shares issuances.

	Issued in April, 2023	Issued in June, 2024	Total
Balance at September 30, 2023	\$ 912,714	\$ -	\$ 912,714
Liability incurred on flow through shares issued	-	2,004,402	2,004,402
Flow-through issuance costs (Note 8b)	-	(87,937)	(87,937)
Settlement of flow through share liability on incurring expenditures	(912,714)	(1,044,010)	(1,956,724)
Balance at September 30, 2024	\$ -	\$ 872,455	\$ 872,455

	Issued in June, 2024	Issued in March 2025	Issued September 2025	Total
Balance at September 30, 2024	\$ 872,455	\$ -	\$ -	\$ 872,455
Liability incurred on flow through shares issued	-	1,638,000	2,299,000	3,937,000
Flow-through issuance costs (Note 8b)	-	(9,354)	(211,869)	(221,223)
Settlement of flow through share liability on incurring expenditures	(872,455)	(1,022,720)	-	(1,895,175)
Balance at September 30, 2025	\$ -	\$ 605,926	\$ 2,087,131	\$ 2,693,057

As at September 30, 2025, the Company had fulfilled 100% of its commitment to incur expenditures in relation to the flow through share financing from April 2023. During the fiscal year 2025 the Company paid \$12,995 in part 12.6 tax to the receiver general in relation to the April 2023 flow through raise. During fiscal year 2024 the Company paid \$51,952 in part 12.6 tax to the receiver general in relation to the March 2022 flow through raise.

In relation to the flow through share financing from June 2024 a net flow through premium liability of \$872,455 was recognized during the year ended September 30, 2025 (2024 - \$1,044,010). The Company has now fulfilled its commitment to incur expenditures in relation to the June 2024 financing.

In relation to the flow through share financing from March 2025, a net flow through premium liability of \$1,628,646 was recorded. A net flow through premium of \$1,022,720 was recognized during the year ended September 30, 2025.

In relation to the flow through share financing from September 2025, a net flow through premium liability of \$2,087,131 was recorded. A net flow through premium of \$Nil was reversed during the year ended September 30, 2025.

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10. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, amounts receivables, reclamation bonds, marketable securities, accounts payable and accrued liabilities and long-term loan. The fair values of these financial instruments approximate their carrying values due to their short terms to maturity and market rates of interest, other than marketable securities which is carried at fair value.

Marketable securities are a Level 1 financial instrument.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following summarizes fair value hierarchy under which the Company's financial instruments are valued:

- Level 1 – fair values based on unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – fair values based on inputs that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – fair values based on inputs for the asset or liability that are not based on observable market data.

The Company examines the various financial instrument risks to which it is exposed and assesses any impact and likelihood of those risks. The Company's risk exposures and their corresponding impact on the Company's consolidated financial instruments are summarized below.

Liquidity risk is the risk that the Company cannot meet a demand for cash or fund its obligations as they come due. As at September 30, 2025, the Company had cash and cash equivalents balance of \$9,429,251, to settle current liabilities of \$3,400,401 that are due within one year.

The Company intends to finance future requirements from its existing cash reserves together with share issuances, the exercise of options and/or warrants, debt or other sources. There can be no certainty of the Company's ability to raise additional financing through these means.

Credit risk is the risk that the counterparty to a financial instrument will fail to meet their payment obligations, thus this risk is primarily attributable to cash and cash equivalents and reclamation bonds. As at September 30, 2025, the Company had a receivable balance of \$109,352, which relates to GST receivable from the Federal Government of Canada and \$585,286 in reclamation bonds held by the Federal Government of Canada and the Bureau of Land Management in Arizona. The Company believes its credit risk is low.

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, and commodity and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Investments in equity instruments which are classified as fair value through other comprehensive income (loss) and are measured at fair value, are listed on public stock exchanges, including TSX-V and OTC-QB.

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10. FINANCIAL INSTRUMENTS (continued)

Interest rate risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at September 30, 2025, the Company does not have any interest-bearing loans or liabilities outstanding, see Note 12. All receivable and accounts payable balances are current and as such, are not subject to interest, so its exposure to interest rate risk is insignificant.

Currency risk relates to the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign currency. As at September 30, 2025, the Company did not have any material monetary assets or liabilities denominated in a foreign currency and consequently is not exposed to significant foreign currency risk.

Price Risk is the risk that the Company is exposed to with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on profit or loss and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of resources, individual equity movements, and the stock market to determine the appropriate course of actions to be taken by the Company.

11. MARKETABLE SECURITIES

As at September 30, 2025 the Company held Nil (2024 – 474,393) shares with a fair value of \$Nil (2024 - \$40,323). The total fair value adjustment on the marketable securities of (\$2,741) for the year ended September 30, 2025 (2024 - \$35,580), has been recorded to other comprehensive income (loss). All of the remaining shares were sold during fiscal 2025. Upon disposal of the shares, the Company recognized a realized loss of \$358,536. The Company transferred the realized loss of \$358,536 from accumulated other comprehensive income ("AOCI") to deficit.

12. CAPITAL DISCLOSURES

The Company's objective, when managing capital, is to ensure sufficient resources are available to meet day to day operating and exploration requirements and to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

In May of 2020, the Company received the \$40,000 interest free Canada Emergency Business Account (CEBA) loan. The program is operated by the Government of Canada. If the loan balance is paid on or before January 18, 2024, there will be loan forgiveness of 25% or \$10,000. The Company paid the \$30,000 before January 18, 2024 and obtained the \$10,000 in forgiveness.

The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the period. In the management of capital, the Company includes the components of shareholders' equity, as well as cash and cash equivalents.

13. SEGMENTED INFORMATION

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance. All of the Company's operations are within the mineral exploration sector in Canada and the USA (Note 5). No material assets and revenue exist in the USA for separate presentation, other than what is included in Note 5.

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14. INCOME TAXES

The income tax provision recorded differs from the income tax obtained by applying the statutory income tax rate of 27% (2024 – 27%) to the income for the year and is reconciled as follows:

	Year Ended Sept 30, 2025	Year Ended Sept 30, 2024
Loss for the year before taxes	\$ (823,056)	\$ (922,051)
Statutory Canadian federal and provincial tax rates	27%	27%
Expected tax (recovery)	(222,000)	(249,000)
Change in statutory, foreign exchange rates and other	(32,858)	46,000
Permanent difference	(364,000)	(348,000)
Impact of flow through shares	1,300,000	1,828,000
Adjustment to prior years provision versus statutory tax returns	(367,000)	277,000
Change in unrecognized deductible tax benefits	37,000	(46,000)
Deferred income tax expense (recovery)	\$ 351,142	\$ 1,507,480
Deferred income tax expense	\$351,142	\$1,507,480
Deferred income tax recovery – equity	(\$214,000)	(\$92,372)
Deferred income tax expense – OCI	\$ -	(\$5,250)

The tax effects on the temporary differences that give rise to the Company's deferred tax assets and liabilities are as follows:

	2025	2024
Exploration and evaluation assets	\$ (7,079,000)	\$ (6,155,000)
Share issue costs	315,000	227,000
Property and equipment	46,000	46,000
Non capital losses	4,492,000	3,793,142
	(2,226,000)	(2,088,858)
Net deferred tax liability	\$ (2,226,000)	\$ (2,088,858)

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have been included on the statement of financial position are as follows:

	2025	Expiry Date Range	2024	Expiry Date Range
Temporary differences				
Exploration and evaluation assets	1,158,000	No expiry date	1,048,000	No expiry date
Marketable securities	-	No expiry date	133,000	No expiry date
Allowable capital losses	175,000	No expiry date	108,000	No expiry date
Non-capital losses	124,000	See below	108,000	See below
USA	104,000	Indefinite	94,000	Indefinite
Mexico	20,000	2026 to 2032	14,000	2025 to 2031

Tax attributes are subject to review and potential adjustment by tax authorities.

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15. SUBSEQUENT EVENTS

In October 2025, the Company entered into a purchase agreement with Eagle Plains Resources Ltd. to acquire a claim package adjacent to Kodiak's 100% owned MPD project in southern British Columbia. The consideration consisted of 300,000 Kodiak shares upon closing of the transaction, and a net smelter return royalty of 2%. Kodiak will retain the right to buy back 1% of the NSR for \$1,750,000 at any time.