

**FORM 51-102F3
Material Change Report**

PART 1 GENERAL INSTRUCTIONS AND INTREPRETAION

(a) Confidentiality

If this Report is filed on a confidential basis, state in block capitals "CONFIDENTIAL" at the beginning of the Report.

(b) Use of "Company"

Wherever this Form uses the word "company" the term includes other types of business organizations such as partnerships, trusts and other unincorporated business entities.

(c) Number and Headings

The numbering, headings and ordering of the items included in this Form are guidelines only. You do not need to include the headings or numbering or follow the order of items in this Form. Disclosure provided in response to any item need not be repeated elsewhere.

(d) Defined Terms

If a term is used but not defined in this Form, refer to Part 1 of National Instrument 51-102 and to National Instrument 14-101 *Definitions*. If a term is used in this Form and is defined in both the securities statute of a local jurisdiction and in National Instrument 51-102, refer to section 1.4 of Companion Policy 51-102CP.

(e) Plain Language

Write the Report so that readers are able to understand it. Consider both the level of detail provided and the language used in the document. Refer to the plain language principles listed in section 1.5 of Companion Policy 51-102CP. If you use technical terms, explain them in a clear and concise manner.

PART 2 CONTENT OF MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Kodiak Exploration Limited

Item 2. Date of Material Change

September 15, 2006

Item 3. News Release

The date of the news release is September 15, 2006 and the method of dissemination of the news release under section 7.1 of National Instrument 51-102 was through CCN Matthews and Canada Stockwatch.

Item 4. Summary of Material Change

Kodiak Plans Phase II Drilling at Caribou Nickel Copper Discovery.

Item 5. Full Description of Material Change

The Company is pleased to report completion of its Phase 1 exploration program at Caribou Lake, NT. By using a combination of geophysics, exploratory stratigraphic drilling and surface exploration, and in conjunction with a team of internationally recognized nickel specialists including Dr. Walter Peredery, Kodiak has identified at least twelve large structural traps, any one of which could host a significant sulphide ore body. With a 5-year exploration permit from the government now in place, these deeper targets are planned to be tested for their economic potential during the next phase of drilling.

Massive, semi-massive and net-textured primary nickel-copper sulphides encountered during the first phase of exploration demonstrate that the Caribou Lake intrusion was saturated with copper, nickel and cobalt when it formed. Surface mapping and stratigraphic drilling, which permitted mapping of the upper portion of the intrusion, has shown that the central part of the Caribou Lake mafic intrusion consists of coarse and very coarse-grained, layered mafic and ultramafic rocks (peridotite and pyroxenite) with crystals up to 3 centimetres in size, and patchy to disseminated primary sulphides, mostly pyrrhotite and chalcopyrite. The presence of these very large crystals indicates the intrusion cooled slowly in a favourable chemical environment, which would allow metal sulphides to settle out and concentrate in structural traps along the base of the intrusion when it was forming. Historically, economic concentrations of nickel and copper sulphide have been discovered by identifying and drilling these structural traps along the base of a mafic or ultramafic intrusion.

Initial analysis of detailed three-dimensional magnetic images has identified twelve geologically significant structural traps along the base of the Caribou Lake intrusion where massive nickel, copper and cobalt sulphides should have concentrated. These targets are located along 25 kilometres of geophysically indicated troughs which follow the base of the intrusion. Individual targets range from 200 to 500 metres long in their north-south dimension and from 260 to 550 metres wide in their east-west dimension. The bases of eight of the 12 targets are interpreted to lie at depths ranging from 330 to 530 metres below surface. The targets have a cumulative length of 4.5 kilometres north-south and a width of 3.6 kilometres east-west.

Several drillholes (see attached map) in which primary massive, semi-massive and net-textured nickel-copper sulphides were intersected correspond closely to EM anomalies identified earlier this year. A massive sulphide intersection in the first hole (CL-06-01) assayed 1.02% Ni, 1.375% Cu and 0.13% Co over 0.78 metres, within a larger 3.18 metre interval grading 0.53% Ni, 0.7% Cu and 0.07% Co, indicating the intrusion was saturated in nickel, copper, and cobalt when it formed. Holes 4, 6, 8, 17 and 21 are underlain by a

strong VTEM anomaly which is believed to be associated with the structural trap identified as Target 1. Many other EM anomalies remain to be tested by the phase II drilling as the recently completed shallow drilling achieved a vertical depth of only 170 metres. All of the newly modeled structural traps are deeper than 170 metres.

Five other drillholes (3, 5, 7, 15 and 16) in the area of VTEM anomaly 1 also returned significant mineralized intersections at shallow depths, including hole 16 which intersected 6.6 metres of semi-massive sulphide grading 0.38% Ni, 0.56% Cu and 0.047% Co within a 53.2 metre intersection of disseminated, net-textured and massive sulphide mineralization from 34.5 to 87.7 metres downhole.

Holes 2 and 23 in the Anomaly 1 area, Holes 9 and 10 in the Anomaly 3 area, Hole 13 in the Anomaly 7 area and Hole 26 in the Anomaly 12 area did not intersect the VTEM conductors associated with these anomalies. However, all these holes cut minor amounts of disseminated nickel-copper sulphides. Also, a broad section of coarse-grained gabbro, peridotite and pyroxenite was logged in Hole 12. Assays are pending on holes 27-31 and 33-50. Coarse-grained sulphides and broad intervals of coarse-grained gabbro, peridotite and pyroxenite were observed in some of these later drillholes. With 20 holes remaining to be split, logged and/or assayed, compilation and interpretation of data is ongoing and will be focused on generating further drill targets. This information will be released as it becomes available.

Shallow Drilling Summary

This table lists highlights of sulphide intersections in the shallow upper portion of the Caribou Lake intrusion, and demonstrates the intrusion was saturated in copper, nickel and cobalt when it formed.

Hole No.	Depth		Interval (metres)	Base Metals		
	From	To		Ni (%)	Cu (%)	Co (%)
CL-01-01	21.60	27.00	5.40	0.36	0.50	0.05
including	21.60	24.78	3.18	0.53	0.7	0.07
including	24.0	24.78	0.78	1.02	1.375	0.13
CL-06-03	26.85	31.50	4.65	0.18	0.20	0.029
and	35.20	36.60	1.40	0.925	1.00	0.12
CL-06-05	75.00	83.40	8.40	0.27	0.34	0.125
including	80.70	81.90	1.20	1.123	1.083	0.125
CL-06-07	39.00	42.10	3.10	0.14	0.23	0.017
and	63.00	83.75	20.75	0.103	0.189	0.014
CL-06-12	41.00	60.0	19.0	0.149	0.110	0.018
and	116.45	133.85	17.4	0.155	0.111	0.022
CL-06-16	33.90	87.40	53.50	0.118	0.159	0.017

including	52.10	58.70	6.60	0.380	0.564	0.047
CL-06-17	89.40	96.15	6.75	0.124	0.251	0.016
CL-06-18	44.75	48.1	3.35	2.601*	0.185	0.485*
CL-06-20	13.0	16.1	3.1	0.107	0.148	0.018
CL-06-22	13.4	26.3	12.9	0.103	0.160	0.011
CL-06-24	120.1	134.7	14.6	0.102	0.125	0.014
CL-06-25	81.90	97.75	15.85	0.116	0.132	0.015
CL-06-32	14.40	16.15	1.75	0.208	0.132	0.019
and	34.5	35.85	1.35	0.211	0.116	0.019
and	39.35	39.95	0.6	0.524	0.302	0.025
and	47.80	48.30	0.5	0.290	0.247	0.038
and	54.60	56.70	2.10	0.168	0.123	0.019

*niccolite

Three-dimensional magnetic imaging has outlined twelve principal large targets which have been selected to be drill tested for their economic potential under the 5 year Type “A” Land Use Permit issued to the Company on September 6, 2006. One of the twelve targets, Target 1, is located at VTEM anomaly 1 in close proximity to a large feeder dyke, where primary sulphides were encountered on surface and in six shallow drillholes. The presence of hydrothermally remobilized niccolite in this area and several other target areas indicates the presence of nickel sulphides at depth. This target has geophysically-indicated dimensions of 300 by 200 metres and lies below shallow drillholes 1, 3, 5, 7, 15 and 16 (see attached map). Target 8, with geophysically indicated dimensions of 200 by 250 metres, is located 500 metres west of Hole 33, in an area where very coarse-grained gabbro and ultramafic rocks, and coarse-grained chalcopyrite and pyrrhotite, have been found on surface and in drill core. Targets 6 and 7, with geophysically-indicated dimensions of 450 by 200 and 500 by 360 metres respectively, lie beneath Caribou Lake, west of Target 8.

As well as nickel, copper and cobalt, highly anomalous amounts of platinum, palladium and gold have been found in surface rocks and drill core. An anomalous grab sample of gabbro containing magnetite and chalcopyrite assayed 197.9 ppb Pt, 11.4 ppb Pd and 40 ppb Au. A layer of porphyritic gabbro 20 metres thick and enriched in PGEs and gold was identified in drillholes 1, 2, 6, 7, 17 and 19 (see attached map) and on surface. Coarse-grained pyroxenite and medium-grained serpentized peridotite in hole CL-06-30 was also enriched in PGEs, averaging 104.15 ppb Pt + Pd over 2.90 metres and 81.74 ppb Pt + Pd over 5.15 m within an interval of 50.35 ppb Pt + Pd over 20.70 metres. Further work is required in order to determine the economic potential of PGEs in the Caribou Lake intrusion.

The Caribou Lake property is located on the north shore of Great Slave Lake, 90 kilometres east of Yellowknife, Northwest Territories. It has direct deep water access and is accessible in winter by ice road. The town of Hay River on the south shore of Great Slave Lake provides direct access to transcontinental road and rail networks, and Sherritt International's nickel-cobalt refinery at Fort Saskatchewan, Alberta, is located 1100 kilometres to the south. Kodiak controls the Caribou Lake property 100%, and a 5-year exploration permit is in place.

Based on the abundance of primary metal sulphides, some of which contain significant grades of nickel-copper-cobalt, with large volumes of coarse-grained, slow-cooling gabbro and numerous geophysically indicated sulphide traps located at depth along the base of the intrusion, Kodiak believes Caribou Lake has the necessary indicators for a significant nickel-copper-cobalt discovery.

Drill core is logged on site by Kodiak's consulting geologists. Core is then split under their supervision. One half is retained and stored on site for reference, and one half is sent for analysis. Blanks, standards and duplicates are inserted at regular intervals as quality control. Additional standards, blanks and duplicate assays are also employed by Acme.

Core samples are delivered to Acme Analytical Laboratories' Yellowknife preparation facility for crushing and pulverizing. Pulps are then forwarded to Acme's Vancouver laboratory and assayed for gold, platinum and palladium by Fire Assay-ICP using a 30g inquart (method 3B-MS), and for multiple trace element geochemical analysis by ICP-MS using a four-acid digestion (method code 1T-MS). Samples exceeding 0.5% copper or nickel and more than 0.1% cobalt are assayed using a hot four-acid digestion and ICP-ES (method code 7TD). Major elements are also determined for the selected samples by fusion-ICP-MS (method code 4A).

The information contained in this news release has been reviewed and approved by Dr. Walter Peredery, P. Geo. and Trevor Bremner, P. Geo., who are qualified persons for the Caribou Lake project under the definitions established by National Instrument 43-101. Dr. Peredery and Mr. Bremner are independent consultants to Kodiak.

Note of Interest: Initial drill core and trench assays from Kodiak's summer exploration and drill program at its Hercules Gold Property in Ontario, Canada will be released in the immediate future.

INSTRUCTION

If your company is engaged in oil and gas activities, the disclosure under Item 5 must also satisfy the requirements of Part 6 of National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities.

Item 6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable

INSTRUCTION

Refer to subsections 7.1 (4), (5), (6) and (7) of National Instrument 51-102 concerning continuing obligations in respect of reports filed under subsection 7.1(2) or (3) of National Instrument 51-102.

Item 7. Omitted Information

Not applicable

INSTRUCTIONS

In certain circumstances where a material change has occurred and a Report has been or is about to be filed but subsection 71.(2), (3) or (5) of National Instrument 51-102 is not or will no longer be relied upon, your company may nevertheless believe one or more significant facts otherwise required to be disclosed in the Report should remain confidential and not be disclosed or not be disclosed in full detail in the Report.

Item 8. Executive Officer

The following executive officer (or the name of an officer through whom such executive officer may be contacted) of the Company is knowledgeable about the material change disclosed in this report.

William S. Chornobay, President
Business Telephone No.: 604-688-9006

Item 9. Date of Report

DATED THIS 15th day of September, 2006