

July 25, 2017

## Kaizen Discovery provides update on exploration program at Pinaya Copper-Gold Project

**VANCOUVER, CANADA** – Kaizen Discovery Inc. (TSXV: KZD) today provided an update on its exploration program at the Pinaya Copper-Gold Project in Peru.

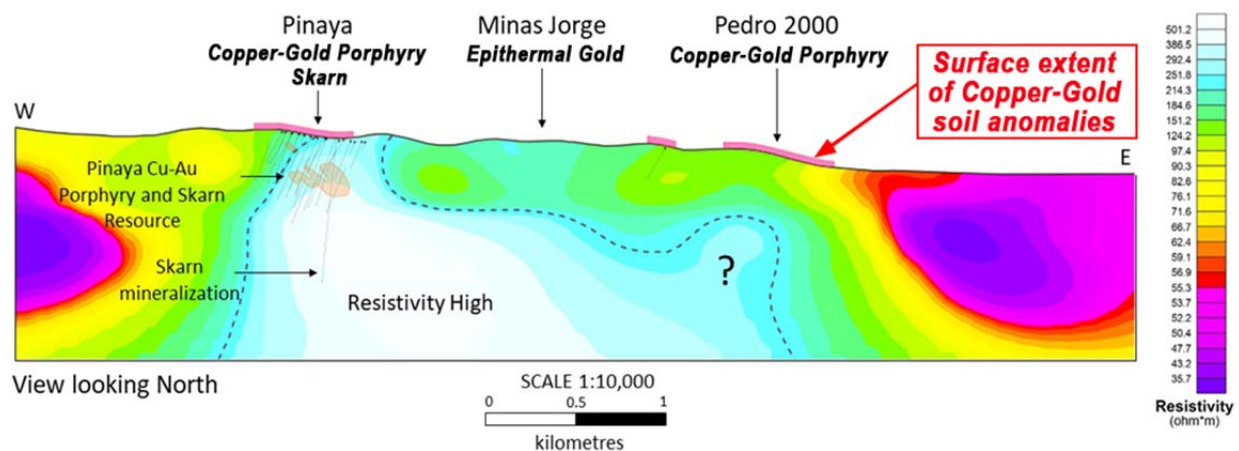
The company now has completed a detailed geological mapping program over a significant portion of the highly-prospective Pinaya Copper-Gold Project. The mapping, led by Gustavo Zulliger, Kaizen’s Vice President, Exploration, has identified a new, high-priority target — Pedro 2000 — that the company plans to test during its 2017 Pinaya drilling program.

The 2017 drilling program, which will consist of approximately 4,000 metres, is awaiting receipt of formal permission to initiate activities from the Peruvian Minister of Energy and Mines. Based on the latest dialogue with government officials, the company remains confident that the drilling program will be completed as planned this year.

Approximately 3,000 metres of drilling will be focused on the expansion of the Pinaya Mineral Resource area, where recent re-logging of core drilled by previous operators has identified compelling resource expansion opportunities along strike to the north (the Antaña target area) and south of the defined Mineral Resource area.

An additional 1,000 metres of drilling is planned to test new targets to the east of the current resource, including the Pedro 2000 target (Figure 1). Recent site visits have identified outcropping potassic-altered quartz diorite porphyry carrying chalcopyrite-bearing, early-stage “A” type veining, which coincides with anomalous values of copper and gold in soils as well as ground-magnetic and chargeability anomalies. The Pedro 2000 target has never been drill tested.

**Figure 1: Resistivity cross-section (west to east) through the Pinaya Mineral Resource area to the Pedro 2000 target.**



As per the terms of the April 2016 strategic financing agreement with ITOCHU Corporation, Kaizen's partner on the Pinaya Project, ITOCHU is scheduled to make its third and final payment of C\$1.25 million to Kaizen Peru Holdings Ltd. – the indirect holder of the Pinaya Project – after all permits, licences and authorizations necessary to commence exploration drilling activities have been received. The C\$1.25 million payment to fund exploration for the Pinaya Project will increase ITOCHU's ownership in Kaizen Peru Holdings to 20% from its current level of 10%.

### **About Kaizen Discovery**

Kaizen is a Canadian mineral exploration and development company with exploration projects in Peru and Canada.

More information on Kaizen is available at [www.kaizendiscovery.com](http://www.kaizendiscovery.com).

### **Qualified person**

Kaizen's Chief Operating Officer, Mark Gibson, PrNatSci, is the Qualified Person as defined under National Instrument 43-101 who has reviewed, approved and is responsible for the scientific and technical information presented in this news release.

### **Information contact**

Bill Trenaman  
+1-604-669-6446  
[info@kaizendiscovery.com](mailto:info@kaizendiscovery.com)

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### **Forward-looking statements**

Certain statements in this release constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable securities laws, including without limitation (i) statements regarding the geological mapping program has identified a number of new, high-priority targets that the company plans to test during its 2017 drilling program; (ii) statements regarding the 2017 drilling program will consist of approximately 4,000 metres; and (iii) statements regarding the timing and receipt of the third payment from ITOCHU. Such statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Kaizen Discovery, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Such statements can be identified by the use of words such as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate", "scheduled", "forecast", "predict" and other similar terminology, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. These statements reflect the Company's current expectations regarding future events, performance and results and speak only as of the date of this news release.

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