



July 9, 2018

Kaizen Discovery receives Authorization to Commence Activities for its planned exploration program at the Pinaya copper-gold project

LIMA, PERU – Kaizen Discovery Inc. (TSXV: KZD) is pleased to announce that the government led Consulta Previa or “Prior Consultation” process at its Pinaya Copper-Gold Project in Peru has been successfully completed and the Peruvian government has issued Kaizen with the Authorization to Commence Activities for its planned drilling program at the project.

The Pinaya Project is in southeastern Peru, approximately 150 kilometres northeast of the city of Arequipa. ITOCHU Corporation, Kaizen’s joint venture partner at Pinaya, holds a 10% stake in Kaizen Peru Holdings – the indirect holder of the Pinaya Project – with Kaizen holding a 90% stake.

The Pinaya Project’s Consulta Previa review involved consultation with the community of Pinaya and the neighboring community of Atecata, which may be indirectly affected by the planned exploration activities. Under Peruvian law, the Consulta Previa review verifies that the considerations of any local peoples that could represent an indigenous population have been recognized. This process is designed to ensure that, as the project advances, future community stakeholder relations are managed in a transparent and comprehensive manner.

“While the Consulta Previa took longer to complete than expected, we are pleased that there is a comprehensive and transparent process for collaboration between the local communities and the government to better understand our planned drill program and ensure any concerns the communities may have been dealt with to the satisfaction of all stakeholders,” said Tom Peregoodoff, Kaizen’s President and Chief Executive Officer.

“We would like to acknowledge the support of the communities of both Pinaya and Atecata and we thank the community leaders and all members for their clear endorsement of our exploration activities. We are very pleased that we now can confidently move forward with the process of systematically drill testing the high-priority copper and gold targets that our geologists have identified at Pinaya.”

The current, planned first phase of exploration at Pinaya includes approximately 4,000 metres of drilling. Of this total, approximately 3,000 metres is planned to focus on the expansion of the Mineral Resource area, where re-logging of core drilled by previous operators has identified compelling resource expansion opportunities along strike to the north (the Cerro Antaña target area) and south of the defined Mineral Resource area. An additional 1,000 metres is planned to test new targets to the east of the current resource, including the new Pedro 2000 target.

Kaizen’s technical team continues to assess other mineral exploration projects with the goal of identifying new opportunities for growth.

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.

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.

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