

# Extractive Sector Transparency Measures Act - Annual Report

<b>Reporting Entity Name</b>	Kaizen Discovery Inc.					
<b>Reporting Year</b>	<b>From</b>	1/1/2018	<b>To:</b>	12/31/2018	<b>Date submitted</b>	5/27/2019
<b>Reporting Entity ESTMA Identification Number</b>	E430261	<input checked="" type="radio"/> Original Submission <input type="radio"/> Amended Report				
<b>Other Subsidiaries Included</b> (optional field)	N/A					
<b>Not Consolidated</b>						
<b>Not Substituted</b>						
<b>Attestation by Reporting Entity</b>	<p><i>In accordance with the requirements of the ESTMA, and in particular section 9 thereof, I attest I have reviewed the information contained in the ESTMA report for the entity(ies) listed above. Based on my knowledge, and having exercised reasonable diligence, the information in the ESTMA report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.</i></p>					
<b>Full Name of Director or Officer of Reporting Entity</b>	Greg Shenton			<b>Date</b>	5/27/2019	
<b>Position Title</b>	Chief Financial Officer					

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<b>Reporting Entity ESTMA Identification Number</b>	E430261					
<b>Subsidiary Reporting Entities (if necessary)</b>						

### Payments by Payee

Country	Payee Name	Department/Agency within Payee that Received Payments	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes
Peru	Government of the Republic of Peru	Autoridad Nacional del Agua			\$ 400					\$ 400	Payments remitted in Peruvian Soles and has been converted to Canadian dollars using an average exchange rate of 0.3943.
Peru	Government of the Republic of Peru	Ministerio de Cultura			\$ 1,400					\$ 1,400	Payments remitted in Peruvian Soles and has been converted to Canadian dollars using an average exchange rate of 0.3943.
Peru	Government of the Republic of Peru	Ministerio de Energia y Minas			\$ 310,000					\$ 310,000	Payment of C\$310,000 remitted in U.S. dollars and has been converted to Canadian dollars using an average exchange rate of 1.2957.
Totals			\$ -	\$ -	\$ 311,800	\$ -	\$ -	\$ -	\$ -	\$ 311,800	

**Additional Notes:**

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<b>Reporting Entity Name</b>	Kaizen Discovery Inc.		<b>Currency of the Report</b> CAD
<b>Reporting Entity ESTMA Identification Number</b>	E430261		
<b>Subsidiary Reporting Entities (if necessary)</b>			

### Payments by Project

Country	Project Name	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Project	Notes
Peru	Pinaya			\$ 311,800					\$ 311,800	
	Totals	\$ -	\$ -	\$ 311,800	\$ -	\$ -	\$ -	\$ -	\$ 311,800	

**Additional Notes:**

(1) Payments incurred in foreign currencies have been converted to Canadian dollars using the following average exchange rates for the reporting year:  
 U.S. dollar to Canadian dollar: 1.2957  
 Peruvian sol to Canadian dollar: 0.3943