

Extractive Sector Transparency Measures Act Report

Reporting Year From: 1/1/2016 To: 12/31/2016
Reporting Entity Name Kaizen Discovery Inc.
Reporting Entity ESTMA Identification Number E430261
Subsidiary Reporting Entities (if necessary) N/A

Attestation: Please check one of the the boxes below and provide the required information

Attestation (by Reporting Entity)

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.

Attestation (through independent audit)

In accordance with the requirements of the ESTMA, and in particular section 9 thereof, I attest that I engaged an independent auditor to undertake an audit of the ESTMA report for the entity(ies) and reporting year listed above. Such an audit was conducted in accordance with the Technical Reporting Specifications issued by Natural Resources Canada for independent attestation of ESTMA reports.

*The auditor expressed an unmodified opinion, dated [ENTER DATE: YYYY-MM-DD], on the ESTMA report for the entity(ies) and period listed above.
The independent auditor's report can be found at [INSERT WEBLINK TO AUDIT OPINION POSTED ONLINE – link should be on same page as report link]*

Director or Officer of Reporting Entity Full Name:
Position Title:

David Garratt
Chief Financial Officer

Date: 5/26/2017

Extractive Sector Transparency Measures Act - Annual Report

Reporting Year
Reporting Entity Name
Reporting Entity ESTMA
Identification Number
Subsidiary Reporting
Entities (if necessary)

From: 1/1/2016 **To:** 12/31/2016

Kaizen Discovery Inc.

E430261

N/A

Payments by Payee

Country	Payee Name	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			\$600					\$600	
Peru	Government of the Republic of Peru - Superintendencia Nacional de Aduanas y de Administración Tributaria	\$7,900							\$7,900	
Peru	Government of the Republic of Peru - Ministerio de Energía y Minas			\$261,300					\$261,300	
Peru	Government of the Republic of Peru - Ministerio de Cultura			\$2,600					\$2,600	

(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:	1.3248
Peruvian sol to Canadian dollar:	0.3926

Extractive Sector Transparency Measures Act - Annual Report

Reporting Year
Reporting Entity Name
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(if necessary)

From: 1/1/2016

To: 12/31/2016
Kaizen Discovery Inc.
E430261
N/A

Payments by Project

Country	Project Name	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Project	Notes
Peru	Pinaya	\$7,900.00		\$264,500					\$272,400	

(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:	1.3248
Peruvian sol to Canadian dollar:	0.3926