Kaizen Discovery Provides Exploration Update for the Pinaya Copper-Gold Project in Peru

24.03.2021 | Newsfile

Planning underway for drilling of shallow gold targets

HPX's deep-penetration induced polarization survey to search for porphyry copper-gold mineralization

Vancouver, March 24, 2021 - Kaizen Discovery Inc. (TSXV: KZD) (otherwise "Kaizen" or "the Company") is pleased to provide an exploration update for its 100%-owned Pinaya Copper-Gold Project. The Pinaya Project is located in the prolific Andahuaylas-Yauri Porphyry-Skarn Belt in southeastern Peru, which contains some of the world's largest recent copper mine developments.

Highlights:

- Historic shallow-penetrating Induced Polarization ("IP") geophysical surveys highlight several shallow chargeability anomalies, coincident with gold and geochemical anomalies, over a 6 km long by 2 km wide zone. These have high potential for skarn and vein-related gold mineralization and are mostly untested by drilling.
- Kaizen is planning to test these gold targets with up to ten, 300 m diamond drill holes.
- Planning is also underway for an IP-resistivity survey using the proprietary deep-penetration Typhoon™ high-power transmitter system owned by parent company HPX TechCo Inc. ("HPX") - a wholly-owned subsidiary of High Power Exploration Inc., to trace the Pinaya Mineral Resource and shallow chargeability anomalies to depth, to identify deeper concealed mineralized bodies within the 10 km-long Pinaya hydrothermal system, and to explore beneath Miocene cover rocks west of the Mineral Resource.

"This planned program is an exciting new phase in the advancement of the Pinaya Project. The existing Pinaya Mineral Resource is only part of a much larger hydrothermal system, with plenty of scope for new discoveries," commented Eric Finlayson, Kaizen's interim Chief Executive Officer.

Planned 2021 Drill Program

Multiple untested shallow gold targets have been identified by Kaizen after reviewing historical geophysical and geochemical data, combined with Kaizen's more recent geologic mapping and soil re-sampling. Of the seven large chargeable features identified, only three have been partially drill tested in the past with encouraging results. The focus of exploration by previous operators was to define the current Pinaya Mineral Resource and much less on drill-testing regional exploration targets.

The first phase of the 2021 diamond drill plan at Pinaya will comprise up to 3,000 m of diamond drilling over 10 holes (~300 m each) across six of the seven shallow gold targets (see Figure 1 below). Strike extensions of mineralized cross structures in the area of the Pinaya Mineral Resource are also planned to be drilled.

Permitting of the drill holes is underway and the Company is considering available options to finance the exploration program.

Planned 2021 Typhoon™ Deep-Penetration IP-Resistivity Survey

As indicated previously (refer to Kaizen's news release dated July 7, 2020), an IP-resistivity survey using HPX's proprietary deep-penetration Typhoon™ high-power transmitter system is planned to trace the Pinaya Mineral Resource and shallow chargeability anomalies to depth, to identify deeper concealed bodies

of mineralization within the 10 km-long Pinaya hydrothermal system and to explore beneath Miocene cover rocks to the west of the Puno Group host rock sequence. Subject to Typhoon™ availability, this survey could commence as early as May.

Background on Pinaya

The Pinaya copper-gold property is located in the Middle Eocene to Early Oligocene Andahuaylas-Yauri Belt, a significant porphyry copper province that hosts numerous productive copper porphyry and skarn systems including Las Bambas, Constancia and Antapaccay. Pinaya appears to be the southernmost and youngest of the deposits with an age of 28.5 Ma, almost 5 Ma younger than any other deposit within the belt. While most deposits within the Andahuaylas-Yauri Belt are gold-poor, informal gold mining has occurred intermittently at Pinaya and is focused on the area of mineralization known as the Gold Oxide Skarn Zone.

Pinaya occurs within a fold and thrust belt, with the deposit truncated on the western side by a fault that throws the deposit and its Early Oligocene Puno Group sedimentary host rocks against younger Miocene-age rocks. There is untested potential for mineralization to continue westwards beneath the Miocene cover. Geological evidence suggests that mineralization was emplaced during early stages of the fold and thrust deformation, with both porphyry intrusions and mineralization showing strong structural and stratigraphic controls.

The Pinaya Mineral Resource

The Pinaya deposit is located within a 10 km-long zone marked by deep surface oxidation (extending up to 300 m below the surface) and reflecting elevated sulphide contents in the Puno Group host rocks (see Figure 2). Kaizen interprets this to be the overall footprint of the Pinaya hydrothermal system within which numerous copper and gold deposits could potentially occur.

Drilling to date has identified a shallow Mineral Resource comprising Measured and Indicated Resources totalling 41.7 million tonnes grading 0.63% CuEq[1],[2] (0.32% copper and 0.49 g/t gold) and containing 135,000 tonnes of copper and 656,000 ounces of gold, plus 40.2 Mt of Inferred Resources grading 0.55% CuEq (0.36% copper and 0.30 g/t gold) and containing 145,000 tonnes of copper and 388,000 ounces of gold. Mineral Resources are reported at cut‐off grades of 0.25 g/t Au for the GOSZ (Gold Oxide Skarn Zone) and 0.3% Cu Equivalent for the WPZ (Western Porphyry Zone) and NWPZ (Northwestern Porphyry Zone) zones. Note that Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

Mineralization remains open to depth and is of both porphyry and skarn styles, with the porphyry mineralization developed within and around sill-type porphyry intrusions. The skarn mineralization, which is the target of the informal miners, is developed within calcareous members of the Puno Group host sequence.

There are two significant features to note about the porphyry mineralization. First is the presence of several long, unusually high-grade copper-gold intersections. Historic drilling in the Pinaya Mineral Resource area intersected several significant copper-gold mineralized zones including 84 metres grading 1.11% Cu and 2.11 g/t Au in PDH-039[2] and 103 metres grading 1.21% Cu and 1.28 g/t Au in PDH-060[2]. Second is the presence of pyrophyllite, dickite, bornite and enargite; and hypogene chalcocite and covellite. Taken together, these features suggest that hypogene enrichment has occurred, a hydrothermal process in which copper is upgraded in a deposit through the action of late acidic fluids. This process is a feature in porphyry copper systems such as Oyu Tolgoi in Mongolia and Resolution in Arizona.

It remains to be determined where the Pinaya porphyry sills and mineralizing fluids originated. It is notable that the original shallow Pebble porphyry copper-gold discovery in Alaska was also hosted by a sill and by tracking the sill eastward to depth, the giant Pebble East deposit was subsequently discovered.

Geophysical expression of mineralization

Historic geophysical surveys at Pinaya included a shallow-penetrating IP-resistivity survey, with a search depth of around 300 m. As this survey did not see through the deep oxidation layer, the IP chargeability

response of the porphyry mineralization was muted. However, the Gold Oxide Skarn Zone mineralization, which was presumably more sulphide-rich, provided a much stronger chargeability response due to the presence of more abundant relict sulphides.

What is evident from the historic IP-resistivity data is that the strongest chargeability features, extending in combination over several kilometres, have not been properly tested by drilling. As with the Gold Oxide Skarn Zone mineralization, these anomalies presumably reflect sulphide-rich zones that have not been entirely oxidized near surface.

Geochemical expression of mineralization

The high-chargeability zones are coincident with elevated gold in soils and historic surface trench samples (up to 10 g/t Au) (see Figure 1 below), and with pathfinder element anomalies (principally arsenic and metals such as copper, bismuth and tellurium). The anomalies are structurally controlled and lie along major northwest-southeast and northeast-southwest trending features.

Figure 1: Pinaya shallow chargeable features coincident with anomalous gold in soils and trenches. Also shown are preliminary proposed drill collars relative to historic drilling.

To view an enhanced version of this graphic, please visit:
https://orders.newsfilecorp.com/files/2875/78456_860b81cb14fb4905_002full.jpg

1. Refer to the National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101") technical report titled: "Pinaya Gold-Copper Project Technical Report" with an effective date of April 26, 2016, available under Kaizen's SEDAR profile at www.sedar.com and at www.kaizendiscovery.com.
2. Refer to Kaizen's news release dated July 7, 2020.
3. Refer to "Notes on mineral resources".

Figure 2. Pinaya project area highlighting geology, the extensive oxidized zone and current Mineral Resource.

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About Kaizen

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.

ON BEHALF OF THE COMPANY
Eric Finlayson, Interim President and Chief Executive Officer

Qualified Person

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

The Mineral Resources disclosed herein for the Pinaya Project are reported in the National Instrument 43-101 Technical Report dated April 26, 2016, "Pinaya Gold-Copper Project Technical Report" prepared jointly by Brian Cole, P.Geo. and Ronald G. Simpson, P.Geo. (Geosim Services Inc.). Both Mr. Cole and Mr. Simpson are the Qualified Persons for the Mineral Resource estimate and are independent of Kaizen.

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Forward-looking statements

This news release includes "forward-looking statements" and "forward-looking information" within the meaning of Canadian securities legislation. All statements included in this news release, other than statements of historical fact, are forward-looking statements including, without limitation, statements with respect to the planned drilling program, the planned Typhoon™ survey including availability of the Typhoon™ and the availability of financing. Forward-looking statements include predictions, projections and forecasts and are often, but not always, identified by the use of words such as "anticipate", "believe", "plan", "estimate", "expect", "potential", "target", "budget" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions and includes the negatives thereof.

Forward-looking statements are based on a number of assumptions and estimates that, while considered reasonable by management based on the business and markets in which the Company operates, are inherently subject to significant operational, economic, and competitive uncertainties, risks and contingencies. These include assumptions regarding, among other things: drilling programs and results at Pinaya; use of Typhoon™ geophysical surveys; general business and economic conditions; the availability of additional exploration and mineral project financing; the supply and demand for, inventories of, and the level and volatility of the prices of metals; the timing and receipt of governmental permits and approvals; the timing and receipt of community and landowner approvals; changes in regulations; political factors; the accuracy of the Company's interpretation of drill results; the geology, grade and continuity of the Company's mineral deposits; the availability of equipment, skilled labour and services needed for the exploration and development of mineral properties; and currency fluctuations. There can be no assurance that forward-looking statements will prove to be accurate and actual results, and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations include actual exploration results, interpretation of metallurgical characteristics of the mineralization, changes in project parameters as plans continue to be refined, future metal prices, availability of capital and financing on acceptable terms, general economic, market or business conditions, uninsured risks, regulatory changes, delays or inability to receive required approvals, unknown impact related to potential business disruptions stemming from the COVID-19 outbreak, or another infectious illness, and other exploration or other risks detailed herein and from time to time in the filings made by the Company with securities regulators, including those described under the heading "Risks and Uncertainties" in the Company's most recently filed MD&A. The Company does not undertake to update or revise any forward-looking statements, except in accordance with applicable law.

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[1] Copper equivalent ("CuEq") grade estimate based on $2.84/lb copper and $1,236/oz gold.

[2] Measured Resources total 8.2 Mt grading 0.71% CuEq (0.33% copper and 0.60 g/t gold) and containing 26,770 tonnes of copper and 158,000 ounces of gold. Indicated Resources total 33.5 Mt grading 0.62% CuEq (0.32% copper and 0.46 g/t gold) and containing 108,360 tonnes of copper and 497,000 ounces gold.[3]. Refer to the National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101") technical report titled: "Pinaya Gold-Copper Project Technical Report" with an effective date of April 26, 2016, available under Kaizen's SEDAR profile at www.sedar.com and at www.kaizendiscovery.com.

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