

Divestment of Lithium Rights to Continue Growth Opportunities

Corazon to receive up to A\$9.5m for 85% of the lithium rights at the Miriam Project from lithium focused explorer and developer Future Battery Minerals Limited (ASX: FBM)

Key Highlights

- Future Battery Minerals Limited (**FBM**) to acquire an 85% interest in Corazon's wholly owned subsidiary Coolgardie Nickel Pty Ltd, which holds the lithium and industrial minerals rights for the Miriam Project in Western Australia.
- The offer includes A\$2m as initial consideration (A\$1m in cash and A\$1m in FBM shares) and up to A\$7.5m on achieving project milestones (in cash or FBM shares at FBM's election).
- Corazon will be free carried on lithium exploration and development costs until the completion of a Definitive Feasibility Study.
- Corazon will keep the base and precious metals rights (including nickel) through its wholly owned subsidiary Coolgardie Mineral Rights Pty Ltd.
- The Miriam Project is located immediately north of FBM's flagship Kangaroo Hills Lithium Project, enabling a strategic consolidation of the prospective landholdings.
- The transaction is subject to conditions precedent and is anticipated to complete in May 2024.
- This investment allows Corazon to remain focused on its nickel sulphide assets in Australia and Canada, as well as advancing the Mt Gilmore Copper-Cobalt-Gold Project in New South Wales.

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Corazon Mining Limited (ASX: CZN) (**Corazon** or **Company**) is pleased to announce it has entered into a sale agreement (**Sale Agreement**) with Future Battery Minerals Limited (ASX: FBM) (**FBM**) pursuant to which FBM (through its wholly owned subsidiary Eastern Coolgardie Goldfields Pty Ltd (**Eastern Coolgardie**)) will acquire 85% of Coolgardie Nickel Pty Ltd (**Coolgardie Nickel**), a wholly owned subsidiary of Corazon, which holds the lithium and industrial minerals rights and tenement title for the Miriam Nickel Sulphide and Lithium Project (**Miriam Project**) within the Eastern Goldfields of Western Australia (**Divestment**).

The transaction will deliver initial cash and FBM shares to Corazon, with performance rights allowing the Company to participate in any future upside from FBM's exploration or development success at the Miriam Project.

Under the Divestment, the base and precious metals rights will be retained by Corazon (to be held by wholly owned subsidiary Coolgardie Mineral Rights Pty Ltd (**Coolgardie Mineral Rights**)), and the lithium and industrial minerals rights held by Coolgardie Nickel will be owned by both ECG (85%) and Corazon (15%).

The Miriam Project is located to the north of FBM's Kangaroo Hills Lithium Project, near the



town of Coolgardie within the Eastern Goldfields of Western Australia (Figure 1). The acquisition by FBM represents the logical move to consolidate tenure prospective for lithium bearing pegmatites within the region. The Miriam Project offers a highly prospective, drill-ready opportunity following Corazon’s identification of outcropping spodumene lithium-bearing pegmatites within a large geochemical soil anomaly (Corazon ASX announcements 17 January 2023 and 29 March 2023).

Corazon will utilise the funds received from this sale and the funds previously allocated to drilling at the Miriam lithium anomaly to advance activities at the Lynn Lake Nickel-Sulphide and Mt Gilmore Copper-Gold-Cobalt projects. Additional information regarding these activities will be provided in the near future.

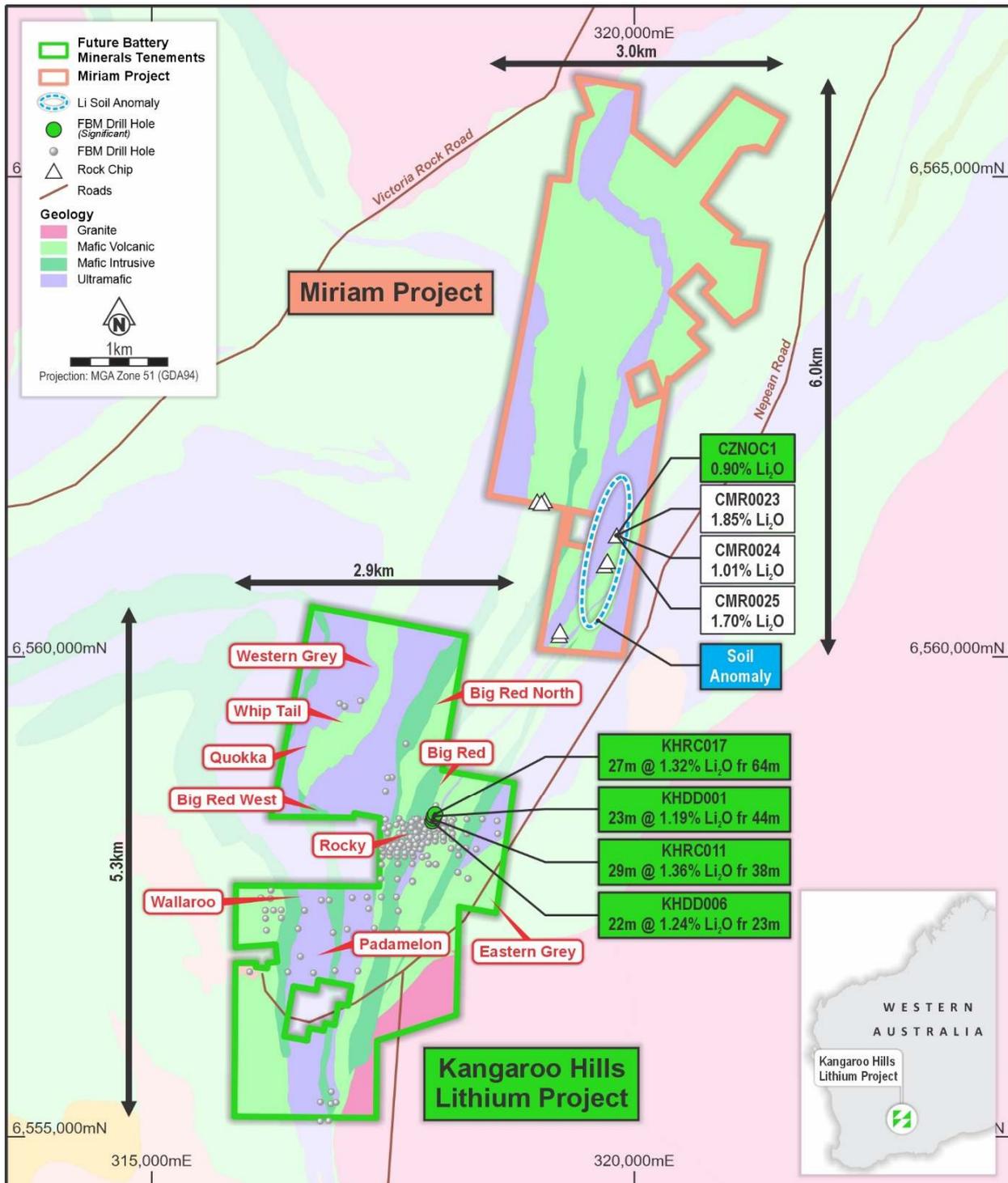


Figure 1: Regional map showing Corazon’s Miriam Project and Future Battery Minerals’ Kangaroo Hills Lithium Project

The Transaction:

- Eastern Coolgardie will acquire 85% ownership of Coolgardie Nickel. Coolgardie Nickel holds title to the Miriam Project tenure and the lithium and industrial mineral rights. Eastern Coolgardie will manage lithium exploration and development activities at the Miriam Project, and will sole fund these activities until completion of a Definitive Feasibility Study (**DFS**).
- Corazon will retain a 15% interest in Coolgardie Nickel and will be free-carried with respect to costs for lithium exploration and development, until completion of a DFS.
- Corazon will retain ownership of the base and precious metals rights, via its wholly owned subsidiary, Coolgardie Mineral Rights. Any base and precious metals exploration within the Miriam Project will be conducted by and at the expense of Corazon.
- Completion of the Divestment (**Completion**) is subject to (amongst other matters) FBM obtaining shareholder approval to issue the FBM Shares and Performance Rights, and FBM completing a capital raising to raise at least \$5m. The Divestment is anticipated to complete in or around mid-May 2024.

Transaction Consideration:

The total consideration for the Divestment under the Sale Agreement is as follows:

- \$250,000 cash deposit on execution of the Sale Agreement;
- \$750,000 in cash at Completion;
- 16,129,033 fully paid ordinary shares in FBM (**FBM Shares**) at Completion; and
- 120,967,744 performance rights (**Performance Rights**) at Completion with the following vesting conditions:
 - 8,064,517 Performance Rights will vest upon achievement of a drillhole intercept of at least +15 metres at +1% Li₂O at the Miriam Lithium Project;
 - 32,258,065 Performance Rights will vest upon definition of a Mineral Resource estimate of greater than 10Mt at +1% Li₂O at the Miriam Lithium Project; and
 - 80,645,162 Performance Rights will vest upon definition of a Mineral Resource estimate of greater than 20Mt at +1% Li₂O at the Miriam Lithium Project.

Upon satisfaction of the vesting conditions, FBM may (at its sole discretion) elect to make a cash payment or issue FBM Shares to Corazon as further detailed in the Annexure of this Announcement.

A summary of the material terms of the Sale Agreement (including additional conditions precedent) is provided within the Annexure of this announcement.

Annexure A – Material Terms of the Sale Agreement

Seller	Corazon Mining Ltd.
Buyer	Eastern Coolgardie Goldfields Pty Ltd, a wholly owned subsidiary of FBM (Eastern Coolgardie)
Conditions Precedent	<ul style="list-style-type: none"> ▪ The conditions precedent to completion are (amongst other matters) as follows:FBM obtaining shareholder approval to issue the Share Consideration and Performance Rights Consideration; ▪ FBM completing a capital raising to raise at least A\$5m; ▪ Corazon providing evidence that all debts owing by Coolgardie Nickel are forgiven; and ▪ No material adverse change has occurred in respect to Coolgardie Nickel or its assets prior to completion.
Completion	Completion will occur five business days after the satisfaction of the conditions precedent (Completion Date).
Consideration	<p>Total consideration is as follows:</p> <ul style="list-style-type: none"> ▪ \$250,000 deposit in cash on execution of the Sale Agreement – such amount to be refunded to Eastern Coolgardie if Corazon fails to satisfy certain conditions precedent (under its control) or Eastern Coolgardie terminates for breach by Corazon; ▪ At Completion: <ul style="list-style-type: none"> ○ Eastern Coolgardie must pay \$750,000 in cash; ○ FBM must allot and issue to Corazon 16,129,033 FBM Shares (Share Consideration); ○ FBM must allot and issue to Corazon 120,967,744 performance rights (Performance Rights Consideration) subject to the following vesting conditions: <ul style="list-style-type: none"> ▪ (Class A) 8,064,517 Performance Rights will vest upon achievement of a drill hole intercept of at least +15 meters @+1% Li²O at the Miriam Project; ▪ (Class B) 32,258,065 Performance Rights will vest upon definition of a Mineral Resource estimate of greater than 10mt @ +1% Li²O at the Miriam Project; ▪ (Class C) 80,645,162 Performance Rights will vest upon definition of a Mineral Resource estimate of greater than 20mt @ +1% Li²O at the Miriam Project. <p>Upon the satisfactory completion of the applicable vesting condition for the Performance Rights, FBM must within 10 Business Days either (at its sole discretion):</p> <ul style="list-style-type: none"> ▪ allot and issue, or transfer, the number of FBM Shares in respect to the applicable vesting condition; or ▪ pay to Corazon the amounts as follows:

	<ul style="list-style-type: none"> ○ in respect to the satisfaction of the Class A vesting conditions, \$500,000; ○ in respect to the satisfaction of the Class B vesting conditions, \$2,000,000; and ○ in respect to the satisfaction of the Class C vesting conditions, \$5,000,000, <p>in lieu of issuing any FBM Shares.</p>
<p>Ancillary transaction documents</p>	<p>Base and Precious Metals Sale Agreement</p> <p>Coolgardie Nickel and Coolgardie Mineral Rights will be parties to a sale agreement for the sale of 100% of the base and precious metals rights from Coolgardie Nickel to Coolgardie Mineral Rights for nominal consideration. Completion is conditional on entry into an assignment and assumption deed with existing royalty holder, Limelight Industries Pty Ltd.</p> <p>Incorporated Joint Venture Agreement</p> <p>Corazon and Eastern Coolgardie will be parties to an incorporated joint venture agreement in respect to Coolgardie Nickel, under which it is proposed that:</p> <ul style="list-style-type: none"> ▪ Corazon will be free carried, and Eastern Coolgardie will sole fund all exploration activities, until completion of a definitive feasibility study; ▪ Eastern Coolgardie will control the board and all decision making of Coolgardie Nickel; ▪ Eastern Coolgardie may, at any time after completion of a DFS and prior to a decision to mine, provide notice to buy-out Corazon's interests in Coolgardie Nickel for fair market value; ▪ If a decision to mine is made by simple majority of the board of Coolgardie Nickel (rather than a unanimous vote), Eastern Coolgardie may provide notice to buy-out Corazon's interest in Coolgardie Nickel for fair market value; ▪ Eastern Coolgardie has a right of pre-emption in respect to the sale of Corazon's shares in Coolgardie Nickel; and ▪ Corazon and Eastern Coolgardie are subject to drag and tag-along provisions under the incorporated joint venture agreement. <p>Mineral Rights Sharing Agreement</p> <p>Corazon, via Coolgardie Mineral Rights, and Coolgardie Nickel will be parties to a mineral rights sharing arrangement which (amongst other matters) will govern the exercise of the lithium and industrial minerals rights to be held by Coolgardie Nickel and the base and precious metals rights to be held by Coolgardie Mineral Rights.</p>
<p>Other Terms</p>	<p>Customary terms for agreements of this nature, including in relation to representations and warranties.</p>

About Corazon

Corazon Mining Limited (ASX: CZN) is an Australian mineral resources company with a portfolio of critical minerals projects in Australia and Canada. The Company's core commodities focus – nickel sulphide, copper and cobalt – positions it to take advantage of the massive demand for these metals which are critical inputs for the booming global rechargeable battery sector.

Corazon's core asset is the Lynn Lake Nickel-Copper-Cobalt-Project (**Lynn Lake**) in Manitoba Province, Canada. Corazon has consolidated the entire historical mining centre and surrounding tenure under its sole ownership – the first company to do so in this major nickel producing district, since mine closure in 1976. Lynn Lake hosts a large JORC compliant nickel-copper-cobalt resource and presents Corazon with a major development opportunity that is becoming increasingly prospective due to increases in metal prices, and their strong demand outlooks as core components in the emerging global rechargeable battery industry.

In Australia, Corazon is exploring the Miriam Nickel Sulphide and Lithium Project (**Miriam**) in Western Australia and the Mt Gilmore Cobalt-Copper-Gold Sulphide Project (**Mt Gilmore**) in New South Wales.

Miriam is a highly prospective nickel sulphide exploration project and is a strategic addition to Corazon's nickel sulphide asset portfolio. Recent exploration by Corazon has also identified the potential for lithium (spodumene) bearing pegmatites at the Miriam Project (ASX announcement 29 March 2023). Corazon is currently securing drilling permits for a first-phase drilling program at priority nickel sulphide and lithium targets.

Mt Gilmore is centered on a regionally substantive hydrothermal system with extensive copper, cobalt, silver and gold anomalism, including high-grade rock chip samples over a strike of more than 20 kilometres. Mt Gilmore also hosts the Cobalt Ridge Deposit - a unique high-grade cobalt-dominant sulphide deposit. The University of Tasmania has been engaged to undertake "mineral geochemistry vectoring analysis", which utilises proprietary science designed to identify the location of the heat source of "large porphyry copper deposit(s)", that the University expert geologists believe are the cause of the surface mineralisation/alteration at Mt Gilmore.

This announcement has been authorised by the board of Corazon Mining Limited.

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Competent Persons Statement:

The information in this release that relates to Exploration Results and Targets for the Miriam Project and Mt Gilmore Project is based on information previously disclosed in the following Company ASX announcements:

- 21 June 2016, Mount Gilmore rock chip results.
- 23 July 2019, Mt Gilmore Geophysical targets defined.
- 17 January 2023, Miriam Lithium Assay Results.
- 29 March 2023, Miriam Lithium soil results.

The information in this release that relates to Mineral Resources for the Lynn Lake Project is based on information previously disclosed in the Company's 25 October 2021 ASX announcement 'Lynn Lake Resource Upgrade'.

The ASX Announcements are available on the Company's website (www.corazon.com.au) and the ASX website (www.asx.com.au) under the Company's ticker code 'CZN'.

The information within Figure 1 pertaining to exploration results at the Kangaroo Hills Lithium Project have been provided by Future Battery Minerals Limited (ASX:FBM) and can be found within ASX announcements released by that company.

The Company confirms that it is not aware of any new information as at the date of this release that materially affects the information included in this release and that all material assumptions and technical parameters underpinning the estimates and results continue to apply and have not materially changed.

Forward Looking Statements

This announcement contains certain statements that may constitute "forward looking statement". Such statements are only predictions and are subject to inherent risks and uncertainties, which could cause actual values, results, performance achievements to differ materially from those expressed, implied or projected in any forward looking statements.

Forward-looking statements are statements that are not historical facts. Words such as "expect(s)", "feel(s)", "believe(s)", "will", "may", "anticipate(s)" and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company's prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

The Company believes that it has a reasonable basis for making the forward-looking statements in the announcement based on the information contained in this and previous ASX announcements.

The Company is not aware of any new information or data that materially affects the information included in this ASX release, and the Company confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the exploration results and targets in this release continue to apply and have not materially changed.