

The Manager - Company's Announcements  
Australian Securities Exchange

## **HIGH-GRADE COBALT RESULTS**

### **All assays received from Mt Gilmore RC Drilling**

- **All assays received from RC drilling at Cobalt Ridge within the Mt Gilmore Cobalt-Copper-Gold Project**
- **Results confirm Project's potential as a valuable, high-grade cobalt-dominant deposit**
- **Excellent high-grade cobalt intersections returned in targeted lode position within broad shallow mineralisation**
- **Assays returned for all 6 RC holes intersecting the main lode; included:**
  - **MGRC002** 16m @ 0.65% cobalt from 135m, including  
6m @ 1.48% cobalt and 0.14% copper
  - **MGRC003** 37m @ 0.14% cobalt from surface, including  
2m @ 0.36% cobalt and 1.37% copper,  
1m @ 1.20% cobalt and 1.02% copper
  - **MGRC006** 34m @ 0.23% cobalt from 42m, including  
4m @ 0.48% cobalt and 0.27% copper,  
5m @ 0.71% cobalt and 0.88% copper
  - **MGRC007** 15m @ 0.33% cobalt from 41m, including  
3m @ 0.82% cobalt and 0.26% copper,  
1m @ 0.61% cobalt and 0.67% copper
  - **MGRC008** 17m @ 0.35% cobalt from 97m, including  
7m @ 0.72% cobalt and 0.02% copper
  - **MGRC009** 28m @ 0.10% cobalt from 12m, including  
1m @ 0.53% cobalt and 2.01% copper
- **Broader cobalt zones also include copper and gold mineralisation**
- **High-grade mineralisation is open to the west, providing potential upside**
- **New geological interpretation identifies three new priority targets**
- **Holes MGRC001, MGRC004 and MGRC010 extended with core drilling to intersect main cobalt lode - results expected early 2017.**

#### CAPITAL STRUCTURE

Market cap. @ A\$0.025	A\$20.25M
Ordinary shares	810M
Options	20M
ASX: CZN	

#### BOARD OF DIRECTORS

Clive Jones	Non-executive Chairman
Brett Smith	Managing Director
Jonathan Downes	Director
Adrian Byass	Director

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Corazon Mining Limited (ASX: CZN) (“Corazon” or “the Company”) is pleased to announce high grade assay results from its recently completed maiden reverse circulation (RC) and core drilling program at the Mt Gilmore Cobalt-Copper-Gold Project (“Project”) in north-eastern New South Wales.

The program focused on the high-grade Cobalt Ridge prospect and was highly successful. In total, 15 RC drill holes were completed at Cobalt Ridge and three RC holes at the Iron Mountain target, for 2086 metres. Core drilling included three tails (extensions on RC holes) for a total of 261.1 metres.

**RC drilling assay results have validated the Company’s assessment of Cobalt Ridge as a unique, high-grade cobalt-dominant deposit with the potential to deliver valuable, discrete high-grade zones of cobalt, within broader moderate grade mineralisation.**

Six of the 15 RC holes completed at Cobalt Ridge targeted the Main Cobalt Lode. An additional three holes have been extended with core drilling to intersect the main zone. Core drilling results are expected early in 2017.

The main cobalt lode has been drilled over a strike of about 200 metres, to a depth of 140 metres below surface (Figures 1 and 2). The mineralisation is open to the west, where it is coincident with soil geochemical anomalism and small-scale historical workings targeting copper mineralisation.

The cobalt mineralisation is typically about 16 metres in down-hole width (~8 metres true width), with intersections up to 37 metres down-hole. Average cobalt grades for these intervals within the drilling completed by Corazon are between 0.23% and 0.65% cobalt. Multiple higher-grade zones of up to 1.48% cobalt exist, at between one and seven metres down hole widths. Best individual one metre assay from this program of RC drilling is 2.79% cobalt.

Significant assay results are presented in Table 1, with additional details pertaining to drilling and assaying available in Table 2.

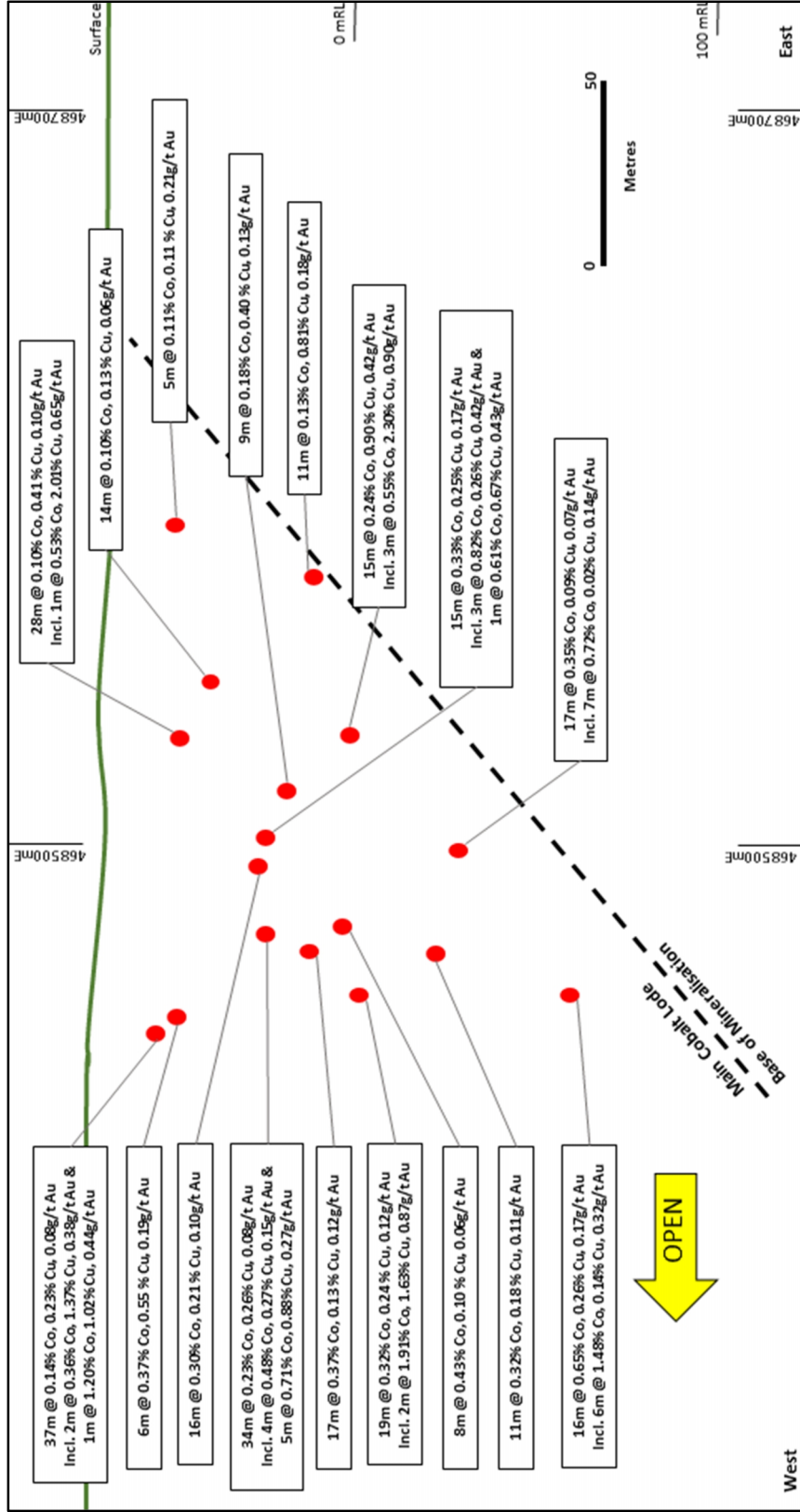
### **Importance of Cobalt**

Cobalt is a metal of growing strategic importance due to its requirement for use in lithium-ion batteries and the emerging rechargeable battery sector. At current cobalt metal prices of around US\$30,000 per tonne, the grades intersected in the drilling at Cobalt Ridge represent potentially significant in-ground value for both the broad zones and discreet high grade zones of cobalt mineralisation. Historic mining for cobalt, copper, gold and silver within the project area supports the opportunity for the metallurgical extraction of these metals. Metallurgical performance test work on RC drill chips is currently underway, with results expected Q1, 2017.

### **Background to Mr Gilmore drill program**

Corazon’s maiden drill program at Mt Gilmore has been designed to confirm the continuity, position and extent of the cobalt-copper-gold mineralisation within the Cobalt Ridge prospect area, which has been identified by previous drilling. **Corazon’s drilling has validated historical mining and exploration results and has confirmed the presence of multiple zones of sulphide mineralisation over a strike length of at least 300 metres.** The mineralisation remains open along strike and at depth.

Core drilling at Cobalt Ridge has been completed and assay results from this work are expected early in 2017.



**Figure 1 – Interpretive Cobalt Ridge Long Section**

Approximate Drill Hole Pierce Point Centroids of Main Cobalt Lode

(Refer to Figure 2 for section location)

**Table 1 - Significant Assay Intervals**

Hole ID	Interval		Down Hole Width (m)	Co %	Cu %	Au g/t	Comments
	From m	To m					
MGRC001	39	53	14	0.15	0.26	0.18	Assays to 56m. Core tail from 56m. Main Cobalt Lode targeted at depth.
MGRC002	72	75	3	0.05	0.20	0.08	<b>Interpreted Main Cobalt Lode</b>
	90	93	3	0.22	0.85	0.14	
	103	110	7	0.07	0.20	0.07	
	<b>135</b>	<b>151</b>	<b>16</b>	<b>0.65</b>	<b>0.26</b>	<b>0.17</b>	
	<b>Incl. 135</b>	<b>141</b>	<b>6</b>	<b>1.48</b>	<b>0.14</b>	<b>0.32</b>	
MGRC003	0	37	37	0.14	0.23	0.08	<b>Interpreted Cobalt Lode. Partially oxidised to 28m down hole.</b>
	Incl. 20	22	2	0.36	1.37	0.38	
	Incl. 32	33	1	1.20	1.02	0.44	
	55	57	2	0.09	0.43	0.14	
	70	71	1	0.38	0.25	0.16	
MGRC004	20	22	2	0.06	0.03	0.02	Assays to 105m. Core tail from 105m. Main Cobalt Lode targeted at depth.
	65	66	1	0.09	0.11	0.36	
	85	87	2	0.34	0.41	0.06	
MGRC005	24	26	2	0.06	0.02	0.01	Hole failed at 89m. Core tail on hole MGRC004 targeting main cobalt lode at depth.
	83	85	2	0.27	0.01	0.03	
MGRC006	42	76	34	0.23	0.26	0.08	<b>Interpreted Cobalt Lode</b> <b>Incl. 1m @ 1.06% Co, 0.40% Cu &amp; 0.29g/t Au from 47m</b> <b>Incl. 1m @ 1.92% Co, 1.35% Cu &amp; 0.66g/t Au from 66m</b>
	Incl. 44	48	4	0.48	0.27	0.15	
	Incl. 65	70	5	0.71	0.88	0.27	
	85	87	2	0.23	0.09	0.05	
	101	103	2	0.65	0.41	0.29	
MGRC007	0	10	10	0.06	0.08	0.01	<b>Interpreted Cobalt Lode</b> <b>Incl. 1m @ 1.20% Co, 0.43% Cu &amp; 0.58g/t Au from 48m</b>
	18	19	1	0.09	0.05	<0.01	
	23	35	12	0.10	0.27	0.07	
	41	56	15	0.33	0.25	0.17	
	Incl. 47	50	3	0.82	0.26	0.42	
	Incl. 54	55	1	0.61	0.67	0.43	
	72	75	3	0.08	0.19	0.04	
MGRC008	19	21	2	0.06	0.13	0.03	<b>Interpreted Cobalt Lode</b> <b>Incl. 1m @ 1.51% Co, 0.01% Cu &amp; 0.25g/t Au from 108m</b>
	37	38	1	0.06	0.03	0.02	
	72	81	9	0.13	0.02	0.02	
	97	114	17	0.35	0.09	0.07	
	Incl. 104	111	7	0.72	0.02	0.14	
MGRC009	4	8	4	0.05	0.18	0.07	<b>Interpreted Cobalt Lode</b>
	12	40	28	0.10	0.41	0.10	
	Incl. 28	29	1	0.53	2.01	0.65	
MGRC010	40	41	1	0.22	1.71	5.90	Assays to 121m. Core from 121m. Main Cobalt Lode targeted at depth.
	95	97	2	0.10	1.06	0.26	
MGRC011	48	55	7	0.05	0.13	0.05	
	59	61	2	0.06	0.15	0.14	
	86	90	4	0.16	0.87	0.20	
MGRC012	14	16	2	0.11	0.03	0.02	
	39	40	1	0.09	0.34	0.84	
	59	70	11	0.13	0.81	0.18	
MGRC013	41	45	4	0.06	1.14	0.25	
	96	97	1	0.10	0.49	0.11	
MGRC014	34	35	1	0.07	0.84	1.15	
	67	68	1	0.06	0.08	0.77	
MGRC015	88	89	1	0.05	0.36	0.03	
	124	125	1	0.06	0.09	0.03	
MGRC016	94	96	2	0.05	0.22	0.12	
MGRC017	11	12	1	0.06	0.07	0.07	
MGRC018	41	42	1	0.07	0.11	1.44	
	57	59	2	0.08	0.25	0.69	

**Notes:**

Intercept calculation parameters: > or equal to 1m down hole thickness, > or equal to 0.05% Co, > or equal to 0.05% Co cut-off & < or equal to 3m internal dilution

Gold values at lower detection limit <0.01ppm halved to 0.005ppm for Au intercept calculations

All drilling planned with dips of -60°, targeting interpreted subvertical mineralisation.

## Cobalt Ridge – Potential Upside

Geological interpretation of the drill core and RC assay results has resulted in a fuller understanding of the mineralisation at Cobalt Ridge. As evidenced in the diamond core (Figure 3), the mineralised system displays intense pervasive alteration and sulphide filled tourmaline brecciation indicative of a larger cobalt-copper-gold system. This alteration is observed on surface at Cobalt Ridge and other prospects within the greater Mt Gilmore region.

Three priority target areas have been defined at Cobalt Ridge. None of these targets have been tested with modern exploration and it is proposed that surface geochemistry and geophysics will provide a good first-pass test.

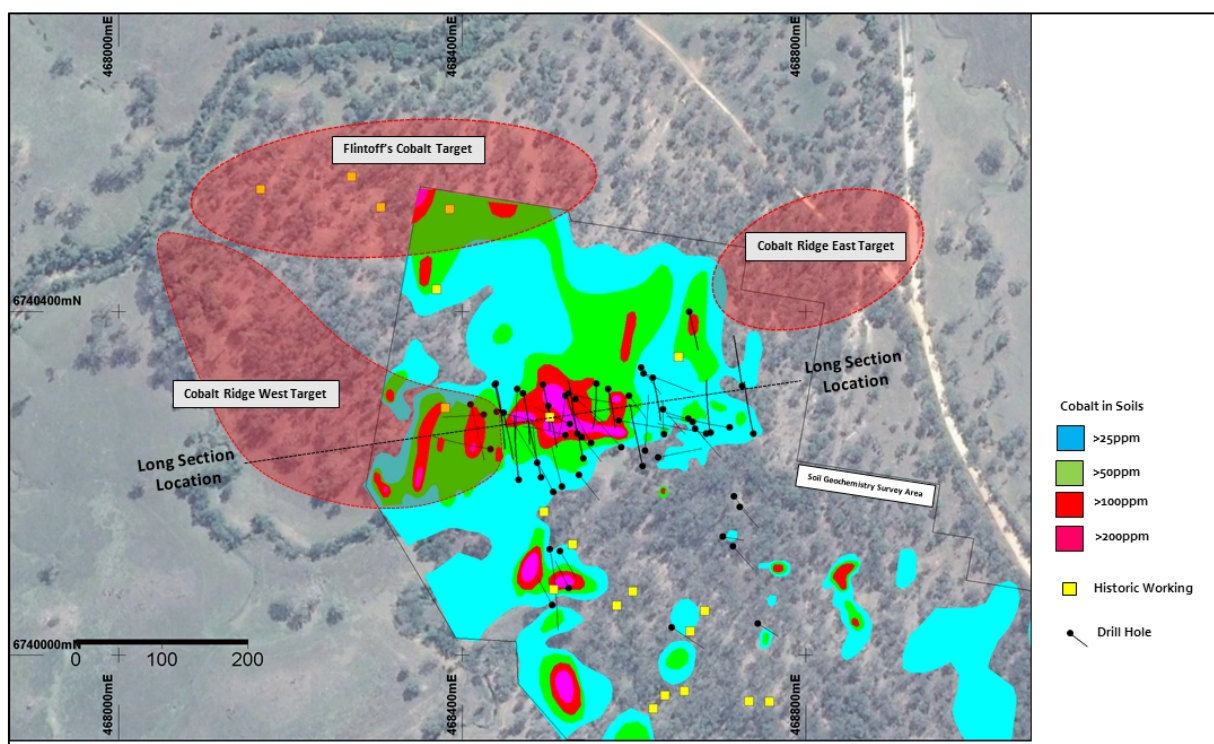
**Cobalt Ridge West** – The best result from drilling by Corazon at Cobalt Ridge is the western-most hole, MGRC002. This mineralisation plunges to the west-northwest, coincident with the intersection of structures and lithologies. Additional (undrilled) structures have been identified at surface, which have the potential to generate high-grade mineralisation.

The target is supported by anomalous soil geochemistry (Figure 2) and abundant sub-cropping quartz-tourmaline-limonite breccia (Cobalt Ridge host rock).

**Flintoff's** – This target sits immediately to the north of Cobalt Ridge and is centred on late 1800's copper workings. These workings exhibit the same trend and host material as at Cobalt Ridge, but are substantially larger.

The edge of the Cobalt Ridge soil sampling survey just touches on this trend, returning strong anomalism (Figure 2).

**Cobalt Ridge East** – The target is situated at the intersection of the Cobalt Ridge and Flintoff's trends, under the cover of thin sediments.

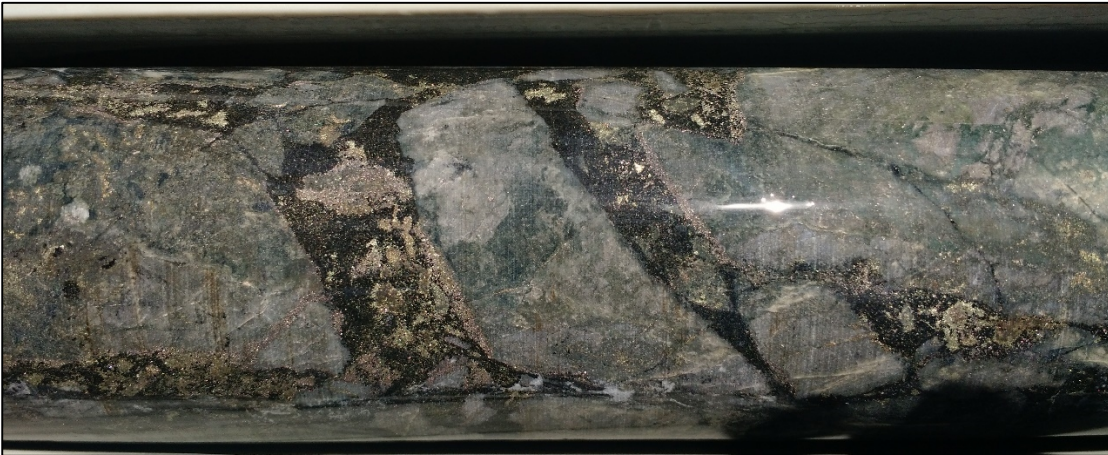


**Figure 2** – New Targets Identified at Cobalt Ridge (Datum GDA94 – Zone56)

MGRCD001 – Quartz tourmaline carbonate sulphide breccia



MGRCD001 – Tourmaline sulphide cemented breccia



MGRCD004 – Sulphide cemented tourmaline breccia



**Figure 3** – Cobalt Ridge Core – 2016 Drilling Program

## **Mt Gilmore Project Overview**

The Mt Gilmore Project (“Project”) is located 35 kilometres from the major centre of Grafton in north-eastern New South Wales. Corazon has an exclusive right to earn up to an 80% interest in the Project.

The Project is located in the New England Orogen, a significant mineral province in Eastern Australia with a gold endowment of more than 35M ounces and the potential to host large copper-gold systems.

This region hosts deposits such as the Mount Morgan Cu-Au Mine (+50Mt @ 5.9 g/t Au and 0.7% Cu) and Mt Rawdon Gold Mine (50Mt @ 0.71 g/t Au).

Within the Project, a prospective 18 kilometre trend (the Mt Gilmore Trend) has been identified which includes:

- More than 25 historic copper, gold, cobalt and iron workings, including significant shafts, adits and drives with high-grade copper and gold mineralisation (rock chips up to grades of 26.8%Cu and 9.2 g/t Au); and
- Five large scale Cu-Au targets defined to date.

Although mapping indicates extensive hydrothermal alteration and copper-gold mineralisation at surface, very little modern exploration has been undertaken. Aside from small-scale historic copper-gold and iron mines, previous exploration has predominantly been restricted to general prospecting/mapping, rock-chip/ grab sampling, with drilling completed at only one of the targets (the Pulganbar – Cobalt Ridge area).

### The Cobalt Ridge Prospect

The Cobalt Ridge Prospect is a small part of the greater Mt Gilmore Copper-Cobalt-Gold Project. It represents an advanced cobalt play with shallow drilled defined Co-Cu-Au lodes that remain open along strike and at depth.

The high-grade nature of this cobalt mineralisation is published in historical records from shallow mining (maximum shaft depth 36.5 metres), reporting a maximum of 14.7% cobalt (Co), 14.9% copper (Cu) and up to 1.7 oz/ ton gold (Au). The richer mineralisation seemingly occurs in small lenses or pods within a broader zone of lower-grade mineralisation.

Modern exploration within the Mt Gilmore Project commenced in the 1980’s; PanContinental completed ground IP and magnetic geophysical surveys, gridded soil geochemistry for Cu, Au and Co, 25 trenches (1518.5 metres) and 17 RC drill holes (for 1020.82 metres).

Between 2006 and 2008, Central West Gold N.L. drilled 25 holes for 2880 metres, including 21 holes for 2604 metres at Cobalt Ridge. This work defined multiple parallel sub-vertical Co-Cu-Au sulphide lodes over a strike of 300 metres and width of between 50 metres and 120 metres. Maximum individual one (1) metre drill results include **3.38% Co, 3.18% Cu and 4.92 g/t Au**.

## **Company Overview – Corazon Mining Limited**

Corazon Mining Limited (ASX:CZN) (“Corazon” or “the Company”) is a Perth-based Australian mineral exploration company with projects in Canada and Australia.

The Company’s flagship project is the Lynn Lake Nickel-Copper-Cobalt Project in the Canadian province of Manitoba. The recent acquisition of the Mt Gilmore Cobalt-Copper-Gold Project (ASX announcement, 16 June 2016) in New South Wales (Australia) has provided Corazon with an exciting dual focus and opportunity.

Lynn Lake is a significant historic nickel-copper-cobalt mining area that ceased operation in 1976, after 24 years of continuous production. Corazon has been active in the Lynn Lake area since 2010 and has, for the first time since mine closure in 1976, consolidated the Lynn Lake Mining Centre under the ownership of one company.

The Lynn Lake Project is a development opportunity and boasts large remnant nickel-copper-cobalt resources within the historical mining centre, as well as significant drill defined resource potential from historical drilling and modern discoveries proximal to the mines. In addition to the near-mine opportunities, the exploration upside of this project is potentially enormous.

Recent work by Corazon has highlighted a very large and compelling exploration target at the nearby Fraser Lake Complex (refer to Corazon’s previous ASX announcements). The Fraser Lake Complex is predominantly under cover, twice as large as Lynn Lake, and has all the geophysical and geochemical characteristics of the Lynn Lake mineralisation.

The Australian Mt Gilmore Project provides the Company with an early-stage exploration play with indicators of large scale copper-gold systems such as porphyry and skarn intrusive related deposits. The most advanced exploration project within Mt Gilmore is the Cobalt Ridge prospect, a high-grade cobalt deposit with accompanying copper and gold mineralisation. The cobalt mineralisation within the Mt Gilmore Project provides an early focus for exploration activities for the Company.

**END.**

**For further information visit [www.corazon.com.au](http://www.corazon.com.au) or contact:**

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## **Important Information**

### ***Competent Persons Statement:***

The information in this report that relates to Exploration Results and Targets is based on information compiled by Mr Brett Smith, B.Sc Hons (Geol), Member AusIMM, Member AIG and an employee of Corazon Mining Limited. Mr Smith has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Smith consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The Company has engaged senior geologists Mr Darren Glover and Mr Ben Harper to assist in the planning and completion of the current phase of exploration at Mt Gilmore. Both Mr Glover and Mr Harper are New South Wales based geologists and have extensive experience in Intrusive Related Copper Gold systems that provide models for the mineralisation at Mt Gilmore.

## Table 2: Checklist of Assessment and Reporting Criteria

14 December, 2016

### Mt Gilmore Project, New South Wales, Australia.

RC Drilling – October-November 2016

#### Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<p>Pulverised rock chip samples from drilling were collected in large PVC bags on a one metre basis.</p> <p>Reverse Circulation drilling utilising a face sampling hammer provided a clean, predominantly dry sample, from which subsamples were taken for laboratory analysis and geological logging.</p> <p>Sub-sampling provided a nominal 2kg to 3kg sample for lab analysis. Sub-sampling was completed on a 1 metre basis, or composited on a 2 metre or 4 metre basis according to geology.</p> <p>Industry standard sample Blanks and Standards were submitted for analysis with drill samples on a 1 in 50 basis.</p> <p>Field duplicate samples for analysis were taken every 50 samples.</p> <p>All samples were submitted to an independent certified Australian laboratory for analysis.</p>
Drilling techniques	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<p>Reverse circulation drilling has been undertaken by Drillit Consulting, utilising a rubber track mounted rig and rod holding support unit. Equipment details include:</p> <ul style="list-style-type: none"> <li>Multi-Drill 600 drill rig</li> <li>6m length rods, 122 mm diameter RC drill bit</li> <li>Auxiliary compressor (1150psi) and booster (900cfm)</li> <li>Above ground sumps and water collection units.</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> </ul>	<p>Sample recovery is considered to be very good by industry standards and predominantly dry. Where drilling intersected ground water wet samples and recovery was noted on 1m intervals in drill logs. When water inflow</p>

## Table 2: Checklist of Assessment and Reporting Criteria

14 December, 2016

### Mt Gilmore Project, New South Wales, Australia.

RC Drilling – October-November 2016

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	compromised sample quality, drilling was discontinued.
Logging	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	Qualitative and quantitative logging was completed by a qualified and experienced senior geologist. Drill holes were logged on a 1 metre basis.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<p>Drill holes were bulked sampled on a 1 metre basis. Geological logging determined sub-sampling, which was completed on either 1 metre basis, or composited individual 1 metre samples on a 2 metre or 4 metre basis.</p> <p>Subsampling of the bulk 1 metre samples was undertaken utilising a spear sampling tool.</p> <p>Subsampling size for laboratory submission is nominally between 2kg and 3kg.</p> <p>These sub-sampling techniques are industry standard and if correctly applied provide quality, representative samples for laboratory analysis.</p> <p>Field duplicates of the sub-sampling were taken on a 1 in 50 basis, for laboratory analysis and subsequent statistical auditing of sampling procedures.</p>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument</li> </ul>	All samples for analysis have been submitted to ALS Minerals, Shand Street, Brisbane, Queensland. ALS is a respected and certified independent laboratory with extensive experience and with operations throughout the world.

## Table 2: Checklist of Assessment and Reporting Criteria

14 December, 2016

### Mt Gilmore Project, New South Wales, Australia.

RC Drilling – October-November 2016

Criteria	JORC Code explanation	Commentary									
	<p><i>make and model, reading times, calibrations factors applied and their derivation, etc.</i></p> <ul style="list-style-type: none"> <li><i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>	<p>Samples submitted included sub-samples and composited samples, field duplicates and certified Standards and Blanks.</p> <p>Lab Standards, Repeats and Blanks have also been reported within the ALS Certificates, along with the standard QC Reports.</p> <p>Sample preparation included crush (-6mm), pulverising and sub-split for analysis.</p> <p>Analysis methods and detection limits for work are reported in the table below.</p> <table border="1"> <thead> <tr> <th>Element</th> <th>Method</th> <th>Detection Limit</th> </tr> </thead> <tbody> <tr> <td>Au</td> <td>ALS Method – Au-AA26 Ore grade 50gm FA AAS finish</td> <td>0.01ppm</td> </tr> <tr> <td>Ag, Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Fe, Ga, Be, Hf, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti, Tl, U, V, W, Y Zn Zr.</td> <td>ALS Methods – GEO-4A01 ME-MS61 + 48 element 4 acid digestion, with ICP-MS &amp; ICPAES analysis Co-OG62 for &gt;1% Co &amp; Cu-OG62 for &gt;1% Cu</td> <td>Variable</td> </tr> </tbody> </table>	Element	Method	Detection Limit	Au	ALS Method – Au-AA26 Ore grade 50gm FA AAS finish	0.01ppm	Ag, Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Fe, Ga, Be, Hf, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti, Tl, U, V, W, Y Zn Zr.	ALS Methods – GEO-4A01 ME-MS61 + 48 element 4 acid digestion, with ICP-MS & ICPAES analysis Co-OG62 for >1% Co & Cu-OG62 for >1% Cu	Variable
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Au	ALS Method – Au-AA26 Ore grade 50gm FA AAS finish	0.01ppm									
Ag, Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Fe, Ga, Be, Hf, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti, Tl, U, V, W, Y Zn Zr.	ALS Methods – GEO-4A01 ME-MS61 + 48 element 4 acid digestion, with ICP-MS & ICPAES analysis Co-OG62 for >1% Co & Cu-OG62 for >1% Cu	Variable									

## Table 2: Checklist of Assessment and Reporting Criteria

14 December, 2016

### Mt Gilmore Project, New South Wales, Australia.

RC Drilling – October-November 2016

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<p>Sampling and analytical methods are of a good standard and as such the results are considered representative of the mineralisation.</p> <p>Sample security has been controlled by the Company or ALS Minerals.</p> <p>Auditing of these results will be completed when all results have been returned from the RC drilling program.</p> <p>Core drilling has been completed and is currently being assayed. This drilling will provide a better understanding of the nature of the mineralisation.</p>
Location of data points	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<p>Drill hole locations were surveyed by hand-held GPS utilising the GDA94 (Zone 56) datum (approximately <math>\pm 5</math>m accuracy). Subsequent to the completion of the drilling, all current and historical holes will be surveyed using a more accurate DGPS.</p> <p>Down hole surveying of holes was undertaken nominally every 14 metres down-hole using a Reflex Electronic Multi-Shot Camera.</p>
Data spacing and distribution	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>Whether sample compositing has been applied.</li> </ul>	<p>Data spacing is variable. No determination has yet been made regarding data spacing and whether sample distribution is sufficient for resource estimation.</p>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<p>Drill hole azimuths are believed to be perpendicular to the mineralised trend as defined by past exploration. Mineralised zones are interpreted to be sub-vertical with drilling with planned dips of <math>-60^{\circ}</math> into these zones.</p> <p>Analysis of sample and data bias has yet to be undertaken. No information has been provided in the current or historical reporting to suggest any bias.</p>

## Table 2: Checklist of Assessment and Reporting Criteria

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### Mt Gilmore Project, New South Wales, Australia.

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Criteria	JORC Code explanation	Commentary
		Core drilling has been completed and has provided good geological understanding and information regarding mineralised trends.
Sample security	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	Sample submission for the RC drill program was undertaken by a qualified geologist.
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	No audit of results has yet been undertaken.

### Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<p>The Mount Gilmore Project includes a single Exploration Licence (EL8379) located in New South Wales, Australia. The lease was granted on 23<sup>rd</sup> June 2015 and includes 99 “Units”.</p> <p>EL8379 is owned 51% by Corazon Mining Limited subsidiary Mt Gilmore Resources Pty Ltd and 49% by Providence Gold and Minerals Pty Ltd. Corazon Mining Limited has the option to earn up to 80% equity in the Project (refer to announcement dated 16 June, 2016).</p> <p>The lease covers private farm (station) land and minor Crown Land.</p>
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<p>Mineralisation was discovered in the Mt Gilmore Project region more than 130 years ago with small scale mining being completed in the late 1870's at Glamorgan, Flintoffs and Federal copper and mercury mines.</p> <p>Historical records exist for the historical production and sampling. These reports are variable in quality and reliability.</p> <p>Modern exploration within the Project commenced in the 1980's when PanContinental completed ground IP and magnetic geophysical surveys, gridded soil geochemistry for Cu, As, Au and Co, 25 trenches (1518.5m)</p>

## Table 2: Checklist of Assessment and Reporting Criteria

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### Mt Gilmore Project, New South Wales, Australia.

RC Drilling – October-November 2016

Criteria	JORC Code explanation	Commentary																																			
		<p>and 17 RC drill holes (for 1,020.82m).</p> <p>Between 2006 and 2008 Central West Gold NL completed 25 RC holes and 2 core tails for 2,880m of RC and 163m of core. 21 of these holes were targeting Cobalt Ridge and 4 were completed at Gold Hill.</p> <p>The current Project holders have been focussed on developing data that supports a regional scale Cu-Au system along the Mt Gilmore trend.</p>																																			
Geology	<ul style="list-style-type: none"> <li>• <i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<p>The Project is located on the western edge of the Mesozoic Clarence-Morton Basin, where it abuts the Siluro-Devonian Silverwood Group. The Silverwood group is intruded by the Later Permian Towgon Grange Granodiorite and, at the contact, tourmaline rich bodies occur that range from veinlets to breccia-fill to dyke-like bodies up to 10m wide. The tourmaline enrichment appears to correlate with copper, cobalt and gold soil anomalies. Zoning of mineralisation has been identified, with cinnabar concentrated within the granodiorite and copper and gold concentrated within the hornfels.</p> <p>The Project is considered prospective for tourmaline breccia hosted Co-Cu-Au deposits, Cu-Au-Fe skarns and Quartz-sulphide vein systems, including porphyry Cu-Au deposits.</p>																																			
Drill hole Information	<ul style="list-style-type: none"> <li>• <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <li>○ <i>easting and northing of the drill hole collar</i></li> <li>○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>○ <i>dip and azimuth of the hole</i></li> <li>○ <i>down hole length and interception depth</i></li> <li>○ <i>hole length.</i></li> </ul> </li> <li>• <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from</i></li> </ul>	<p>Drill hole information for RC drilling completed by Corazon Mining Limited at the Cobalt Ridge prospect is proved in the table below.</p> <table border="1"> <thead> <tr> <th>Hole ID</th> <th>North</th> <th>East</th> <th>RL</th> <th>Dip (degrees)</th> <th>Mag Az (degrees)</th> <th>Total Depth</th> </tr> </thead> <tbody> <tr> <td>MGRC001</td> <td>6,740,207</td> <td>468,492</td> <td>65</td> <td>-60</td> <td>335.0</td> <td>56</td> </tr> <tr> <td>MGRC002</td> <td>6,740,204</td> <td>468,466</td> <td>69</td> <td>-60</td> <td>335.0</td> <td>174</td> </tr> <tr> <td>MGRC003</td> <td>6,740,282</td> <td>468,448</td> <td>72</td> <td>-60</td> <td>155.0</td> <td>120</td> </tr> <tr> <td>MGRC004</td> <td>6,740,316</td> <td>468,439</td> <td>72</td> <td>-60</td> <td>155.0</td> <td>105</td> </tr> </tbody> </table>	Hole ID	North	East	RL	Dip (degrees)	Mag Az (degrees)	Total Depth	MGRC001	6,740,207	468,492	65	-60	335.0	56	MGRC002	6,740,204	468,466	69	-60	335.0	174	MGRC003	6,740,282	468,448	72	-60	155.0	120	MGRC004	6,740,316	468,439	72	-60	155.0	105
Hole ID	North	East	RL	Dip (degrees)	Mag Az (degrees)	Total Depth																															
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Criteria	JORC Code explanation	Commentary						
	<i>the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	MGRC005	6,740,315	468,438	72	-60	155.0	89
		MGRC006	6,740,305	468,471	73	-60	155.0	120
		MGRC007	6,740,290	468,500	67	-60	155.0	100
		MGRC008	6,740,315	468,494	67	-60	155.0	132
		MGRC009	6,740,258	468,534	66	-60	335.0	126
		MGRC010	6,740,229	468,541	65	-60	335.0	121
		MGRC011	6,740,316	468,556	67	-60	170.0	114
		MGRC012	6,740,310	468,570	67	-60	155.0	96
		MGRC013	6,740,323	468,622	69	-60	155.0	105
		MGRC014	6,740,400	468,664	67	-60	155.0	97
		MGRC015	6,740,220	468,610	69	-60	335.0	149
		MGRC016	6,740,259	468,689	73	-60	335.0	120
		MGRC017	6,740,313	468,726	67	-60	335.0	126
		MGRC018	6,740,258	468,739	67	-60	335.0	120
		<b>Cobalt Ridge RC Drilling - October-November 2016</b>						
		All measurements in metres. Location datum GDA94 - Zone 56.						
		RC drill holes MGRC001, MGRC004 and MGRC010 have been extended with HQ and NQ core tails. Core tails are prefixed with 'MGRCD'. Drilled intervals include: MCRCD001 from 56 to 183.85 metres (HQ) MCRCD004 from 105 to 165.15 metres (NQ) MCRCD010 from 121 to 194.10 metres (NQ).						
Data aggregation methods	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high grade</li> </ul>	Intercepts > or equal to 1m down hole Co thickness, with > or equal to 0.05% Co, > or equal to 0.05% Co cut-off & < or equal to 3m internal dilution parameters were used to calculate down hole Co-Cu-Au intercepts.						



## Table 2: Checklist of Assessment and Reporting Criteria

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Criteria	JORC Code explanation	Commentary
	<p><i>results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></p> <ul style="list-style-type: none"> <li>• <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>• <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></li> </ul>	<p>All drill hole intervals provided are down hole widths.</p> <p>Drilling has been planned such that it is perpendicular to the main mineralised trend as defined by historical work.</p> <p>Mineralised zones are interpreted to be sub-vertical. Drilling has collar dips of 60° into these zones.</p>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>• <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></li> </ul>	<p>All diagrams include scales for reference (if appropriate).</p>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>• <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></li> </ul>	<p>Noted and complied with.</p>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>• <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></li> </ul>	<p>Historical exploration results have been previously reported by Corazon Mining Limited. This work included rock-chip sampling, soil geochemistry, geophysics and drilling. Reliance has been placed on historical reports as an indicator of potential only.</p>
<i>Further work</i>	<ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas,</i></li> </ul>	<p>Consideration of additional work at Cobalt Ridge is currently underway. It is expected surface geochemistry and geophysics will provide</p>

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### Mt Gilmore Project, New South Wales, Australia.

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Criteria	JORC Code explanation	Commentary
	<i>provided this information is not commercially sensitive.</i>	additional targets close to the defined mineralisation at Cobalt Ridge. Metallurgical test work is currently in progress.