CORAZON MINING LIMITED

OUTSTANDING COBALT METALLURGICAL RESULTS
Mt Gilmore Project

- **First pass flotation testwork recovers 92.2% of the cobalt, 89.0% of the copper and 75.5% of the gold in 11.1% of mass**
- **Concentrate graded at 7.38% cobalt, 1.29% copper and 4.1 g/t gold**
- **Testwork completed on reverse circulation drill chips – improvements expected**
- **Cobalt and copper present as sulphide minerals, gold associated with sulphide**
- **Viable production of a bulk concentrate for processing and separation**

Corazon Mining Limited (ASX: CZN) ("Corazon" or "the Company") is pleased to announce that preliminary metallurgical testwork completed on samples from the Mount Gilmore Project ("Project") in New South Wales has delivered excellent results.

Simple flotation testing has yielded a recovery of 92.2% for cobalt, 89% for copper and 75.5% for gold, in a total concentrate with 11.1% mass recovery.

Testwork was conducted on a representative sample composited from reverse circulation (RC) chips from the Company's Q4 2016 drilling program, which intersected mineralisation from near surface to depths of up to 151 metres. The composite sample contained 0.84% cobalt, 0.21% copper and 0.47 g/t gold.

These are first pass results and the Company expects that even better results will be achieved with optimisation. Due to the fine nature of the material, samples from RC chips are typically difficult to control during flotation and it can be expected that the results would improve for testwork carried out on core or rock samples.

Initial sighter-gravity concentration testwork indicated that a high-grade cobalt concentrate can be obtained from a small fraction of the feed mass. The results suggest that a 12.2% cobalt grade concentrate can be produced from only 1.31% of the initial mass. This has the potential to significantly reduce downstream equipment size and reagent consumption, improving both the Project's CAPEX and OPEX.

Mineralogy has confirmed the Company's expectations - cobalt is present as cobaltite, copper is present as chalcopyrite and the gold is predominantly associated with the sulphide minerals. The similar nature of the sulphide minerals, together with the gold association, has the potential to simplify the beneficiation process by the production of a bulk concentrate.

The testwork was managed by internationally recognised metallurgical consultants, METS Engineering (see competent person statement below) and independently carried out at ALS laboratories in Perth, Western Australia.

A micrograph of the initial flotation concentrate is shown in Figure 1, below. Cobaltite is abundant, exhibiting a highly reflective, violet-steely grey colour, and other sulphides including chalcopyrite and pyrite are also abundant, exhibiting their yellow/dark gold colour.

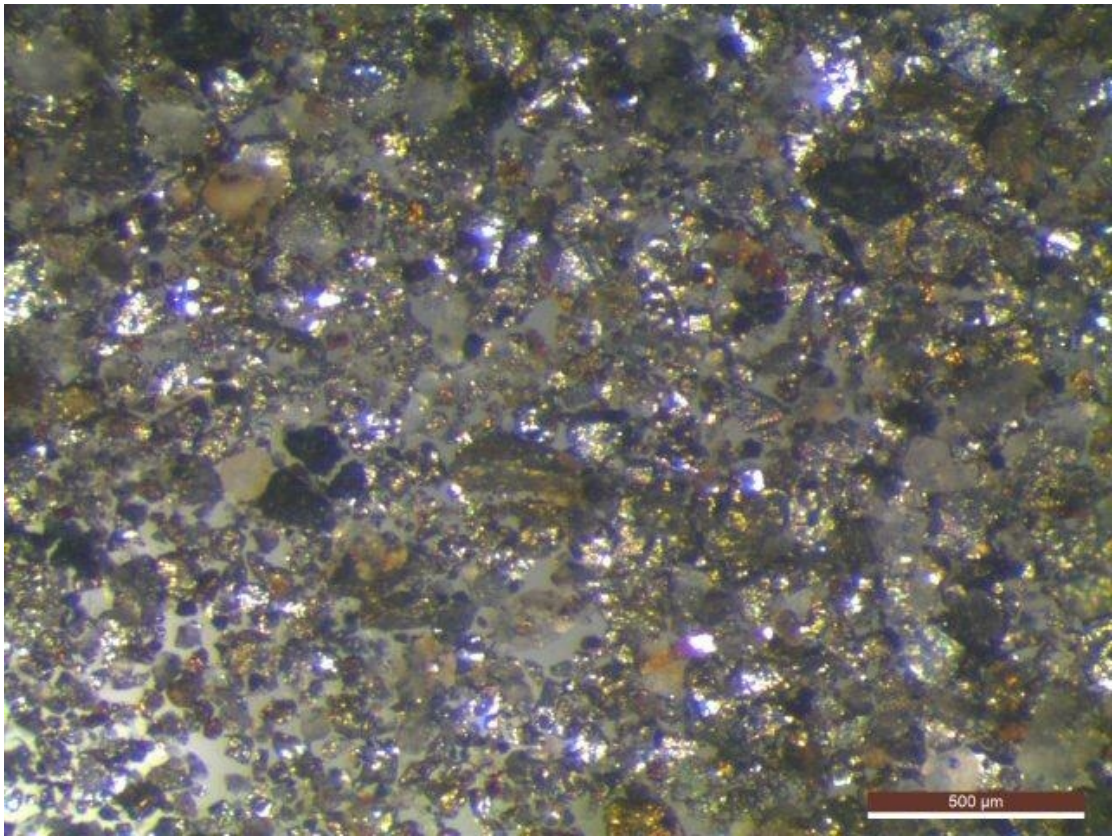

Figure 1: Micrograph of the flotation concentrate

These results suggest excellent potential for the production of a concentrate for hydrometallurgical processing. The metallurgical testwork was conducted on RC chip samples obtained during Corazon's Q4 2016 Drilling Program, and was carried out by ALS metallurgy in Perth, under the supervision of METS Engineering (METS).

END.

For further information visit www.corazon.com.au or contact:

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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 information in this report that relates to the Processing and Metallurgy for the Mount Gilmore project is based on and fairly represents information and supporting documentation compiled by Damian Connelly who is a Member of The Australasian Institute of Mining and Metallurgy and a full time employee of METS Engineering (METS). Damian Connelly has sufficient experience relevant to the style of mineralisation 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'. Damian Connelly consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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.

Table 1: Checklist of Assessment and Reporting Criteria

7th March, 2017

Mt Gilmore Project, New South Wales, Australia.

RC and Core Drilling – October to December 2016. Metallurgical Testwork – March 2017

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *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.*	Pulverised rock chip samples from drilling were collected in large PVC bag on a one metre basis. Reverse Circulation drilling utilizing a face sampling hammer provided a clean, predominantly dry sample, from which subsamples were taken for laboratory analysis and geological logging. 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. Core drilling included both HQ and NQ core sizes. Sampling was completed on half-core, for intervals of a minimum of 300mm and maximum of 1 metre, determined based on geological boundaries. Industry standard sample Blanks and Standards were submitted for analysis with drill samples on a 1 in 50 basis. Field duplicate samples for analysis were taken every 50 samples. All samples were submitted to an independent certified Australian laboratory for analysis. **Metallurgical testwork** was completed on composited fresh (sulphide) RC drill chips. Samples provided were the complete bulk RC reject site samples. These were then composited by METS Engineering in Perth for analysis and testwork.
Drilling techniques	• *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*	Reverse circulation and core drilling was undertaken by Drillit Consulting, utilizing a rubber track mounted rig and rod holding support unit. Equipment details include:

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	type, whether core is oriented and if so, by what method, etc).	• Multi-Drill 600 drill rig • 6m length rods, 122 mm diameter RC drill bit, HQ and NQ core diametres • Auxiliary compressor (1150psi) and booster (900cfm) • Above ground sumps and water collection units.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	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 compromised sample quality, drilling was discontinued.
Logging	• *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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	Qualitative and quantitative logged was completed by a qualified and experienced senior geologist. RC drill holes were logged on a 1 metre basis.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.*	RC 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. Subsampling of the bulk 1 metre samples was undertaken utilizing a spear sampling tool. Subsampling size for laboratory submission is nominally between 2kg and 3kg.

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	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	For some of the drilling, the bulk RC reject sample has been used for metallurgical testwork. Core drilling included both HQ and NQ core sizes. Sampling was completed on half-core, for intervals of a minimum of 300mm and maximum of 1 metre, determined based on geological boundaries. Drill core was halved by using an industry standard core saw. These sub-sampling techniques are industry standard and if correctly applied provide quality, representative samples for laboratory analysis. Field duplicates of the RC sub-sampling were taken on a 1 in 50 basis, for laboratory analysis and subsequent statistical auditing of sampling procedures.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *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.*	**Metallurgical Testwork** First pass metallurgical testwork has been managed by internationally recognised Metallurgical consultants, METS Engineering and independently carried out at ALS laboratories in Perth, Western Australia. This word included: - • Compositing of RC drill samples • Gravity separation testwork • Standard flotation testwork • Petrology and SEM analysis **Analysis of Drill Samples** 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.

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Criteria	JORC Code explanation	Commentary
		Samples submitted included sub-samples and composited samples, field duplicates and certified Standards and Blanks. Lab Standards, Repeats and Blanks have also been reported within the ALS Certificates, along with the standard QC Reports. Sample preparation included crush (-6mm), pulverizing and sub-split for analysis. Analysis methods and detection limits for work are reported in the table below.

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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Mt Gilmore Project, New South Wales, Australia.

RC and Core Drilling – October to December 2016. Metallurgical Testwork – March 2017

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	Sampling and analytical methods are of a good standard and as such the results are considered representative of the mineralisation. Sample security has been controlled by the Company or ALS Minerals. Auditing of these results have determined accuracies within acceptable industry standards.
Location of data points	• *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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	Drill hole locations were surveyed by hand-held GPS utilising the GDA94 (Zone 56) datum (approximately ± 5m accuracy). Subsequent to the completion of the drilling, all current and historical holes will be surveyed using a more accurate DGPS. Down hole surveying of holes was undertaken nominally every 14 metres down-hole using a Reflex Electronic Multi-Shot Camera.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	Data spacing is variable. No determination has yet been made regarding data spacing and whether sample distribution is sufficient for resource estimation.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	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 -60^0 into these zones. 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. Core drilling is currently underway and will assist in the geological understanding of mineralised trends.
Sample security	• *The measures taken to ensure sample security.*	Sample submission for the RC drill program was undertaken by a qualified geologist.

Criteria	JORC Code explanation	Commentary
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	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	• *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.* • *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.*	The Mount Gilmore Project includes a single Exploration Licence (EL8379) located in New South Wales, Australia. The lease was granted on 23rd June 2015 and includes 99 "Units". 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). The lease covers private farm (station) land and minor Crown Land.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	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. Historical records exist for the historical production and sampling. These reports are variable in quality and reliability. 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) and 17 RC drill holes (for 1,020.82m). 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.

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7th March, 2017

Mt Gilmore Project, New South Wales, Australia.

RC and Core Drilling – October to December 2016. Metallurgical Testwork – March 2017

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>The current Project holders have been focussed on developing data that supports a regional scale Cu-Au system along the Mt Gilmore trend.</td></tr>
<tr><td>Geology</td><td>• Deposit type, geological setting and style of mineralisation.</td><td>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.

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.</td></tr>
<tr><td>Drill hole Information</td><td>• 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:
○ easting and northing of the drill hole collar
○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar
○ dip and azimuth of the hole
○ down hole length and interception depth
○ hole length.
• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</td><td>Drill hole information for RC drilling completed by Corazon Mining Limited at the Cobalt Ridge prospect is proved in the table below.

<table>
<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>
<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>
<tr><td>MGRC005</td><td>6,740,315</td><td>468,438</td><td>72</td><td>-60</td><td>155.0</td><td>89</td></tr>
<tr><td>MGRC006</td><td>6,740,305</td><td>468,471</td><td>73</td><td>-60</td><td>155.0</td><td>120</td></tr>
<tr><td>MGRC007</td><td>6,740,290</td><td>468,500</td><td>67</td><td>-60</td><td>155.0</td><td>100</td></tr>
<tr><td>MGRC008</td><td>6,740,315</td><td>468,494</td><td>67</td><td>-60</td><td>155.0</td><td>132</td></tr>
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7th March, 2017

Mt Gilmore Project, New South Wales, Australia.

RC and Core Drilling – October to December 2016. Metallurgical Testwork – March 2017

Criteria	JORC Code explanation	Commentary

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

Cobalt Ridge RC Drilling - October-November 2016

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 form 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	• *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.* • *Where aggregate intercepts incorporate short lengths of high grade 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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	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.

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Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *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').*	All drill hole intervals provided are down hole widths. Drilling has been planned such that it is perpendicular to the main mineralised trend as defined by historical work. Mineralised zones are interpreted to be sub-vertical. Drilling has collar dips of 60^0 into these zones.
Diagrams	• *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.*	All diagrams include scales for reference (if appropriate).
Balanced reporting	• *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.*	Noted and complied with.
Other substantive exploration data	• *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.*	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.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Additional analysis of this drilling will provide a better understanding of the mineralised trends and mineralisation processes that will be used in future interpretation and modelling at Cobalt Ridge. First pass metallurgical testwork on the Cobalt Ridge mineralisation has been completed. Additional test work is proposed that will define optimal processing options.