

# CORAZON

MINING LIMITED

## Company Presentation

28<sup>th</sup> August 2018

# Important Notice

## Looking Forward Statement

This presentation has been prepared by Corazon Mining Limited (“Corazon”). It contains forecasts and forward looking statements which are not a guarantee of future performance and which involve certain risks. Actual results and future outcomes will in all likelihood differ from those outlined herein. The presentation should not be construed as an offer or invitation to subscribe for or purchase securities in Corazon. Nor is it an inducement to make an offer or an invitation with respect to said securities.

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 in this release continue to apply and have not materially changed.

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.

# Corporate Overview

## ASX: CZN

Total Ordinary Shares on Issue	1,265m
Options on issue	145m
Market Capitalisation (\$0.008/share)	\$10.12m
Trading Range (1 year)	\$0.007-\$0.03
Average Daily Trading Volume	2.27m
Cash (30 <sup>th</sup> June 2018)	\$2.38m

## Board of Directors

Clive Jones	Non Executive Chairman
Brett Smith	Managing Director
Mark Yumin Qiu	Non Executive Director
Jonathan Downes	Non Executive Director

## Shareholders

Top 20 Shareholders	35%
Board and Management	1.74%
Hanking Australia Investments	11.54%
Crescent Nominees Ltd	8.36%

## Hanking Australia Investments Pty Ltd

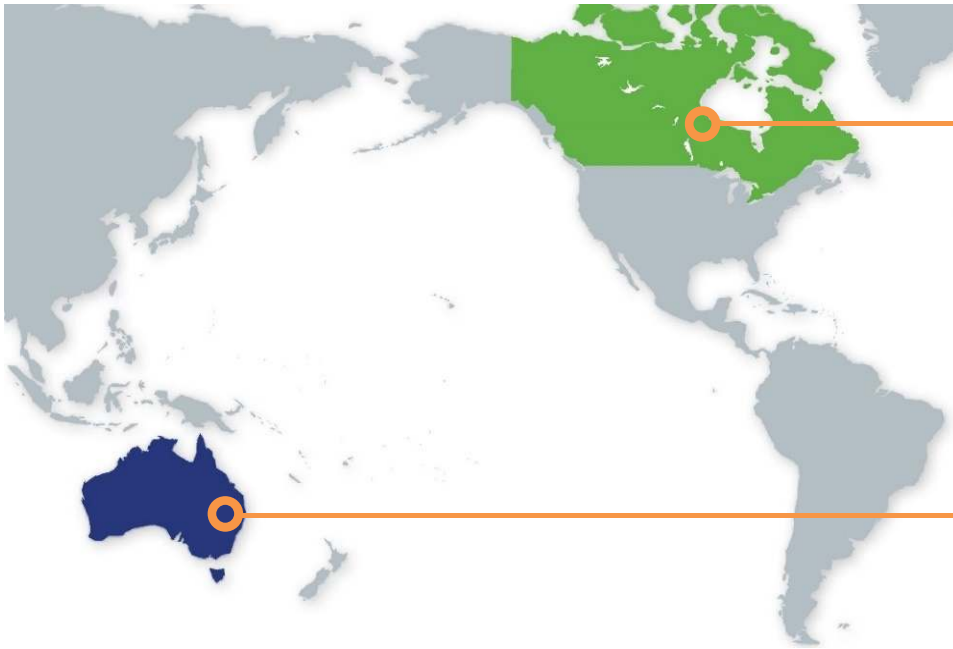
Australian investment vehicle of China Hanking Holdings Limited

Listed on Hong Kong SE +HK\$1.9B Mkt Cap

Proven track record of developing projects in Australia

**Hanking provides potential for future project funding and offtake opportunities**

# Two Quality Projects



## Lynn Lake Nickel-Copper-Cobalt

- 100% control of entire historical mining centre
- Beneficial infrastructure and large remnant resources
- Easy development opportunity
- Exciting exploration potential
- Recent drilling has discovered another large magmatic Ni-Cu-Co sulphide system – 5km from historic mine area

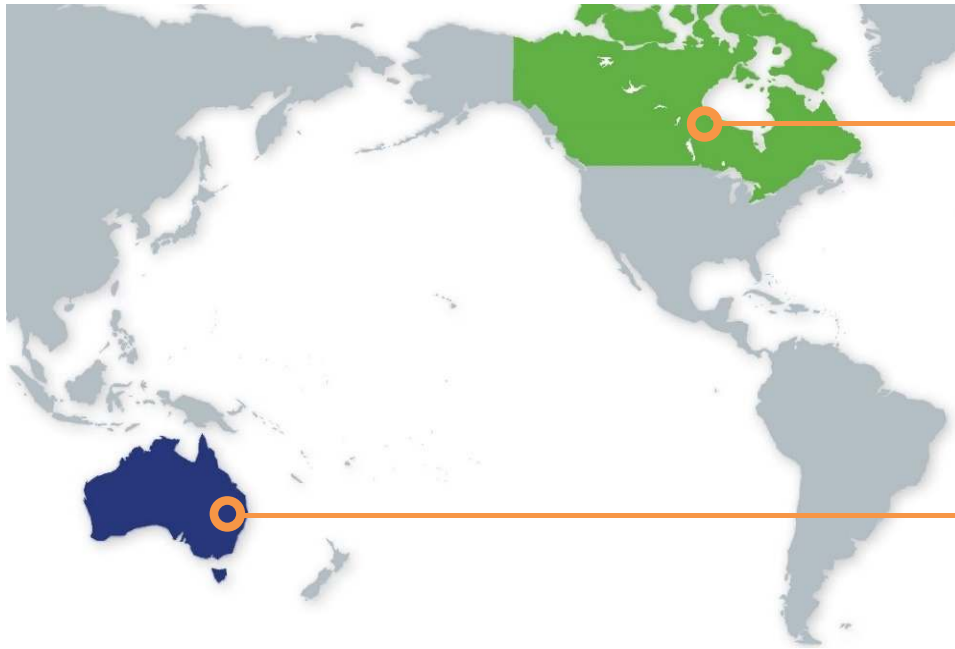
## Mt Gilmore Cobalt-Copper-Gold

- Earning into 80% project equity
- A “pure cobalt sulphide play” – strong development opportunity
- Metallurgically very simple – offering simple processing options
- Cobalt – a critical component for rechargeable lithium ion batteries
- Large hydrothermal system – potential untapped
- Very little modern exploration

**Both projects host advanced prospects or resources, in regions that are relatively under explored & offer enormous discovery potential**



# Corazon's **Cobalt** Endowment



## Lynn Lake Nickel-Copper-Cobalt

- **Cobalt** metal credit - mined and processed for +24 years
- Poor historical information for **cobalt** production and reconciliation
- Cobalt not recorded in historical drill hole database ~9,000 holes
- Corazon currently upgrading resource estimates to include **cobalt**

## Mt Gilmore Cobalt-Copper-Gold

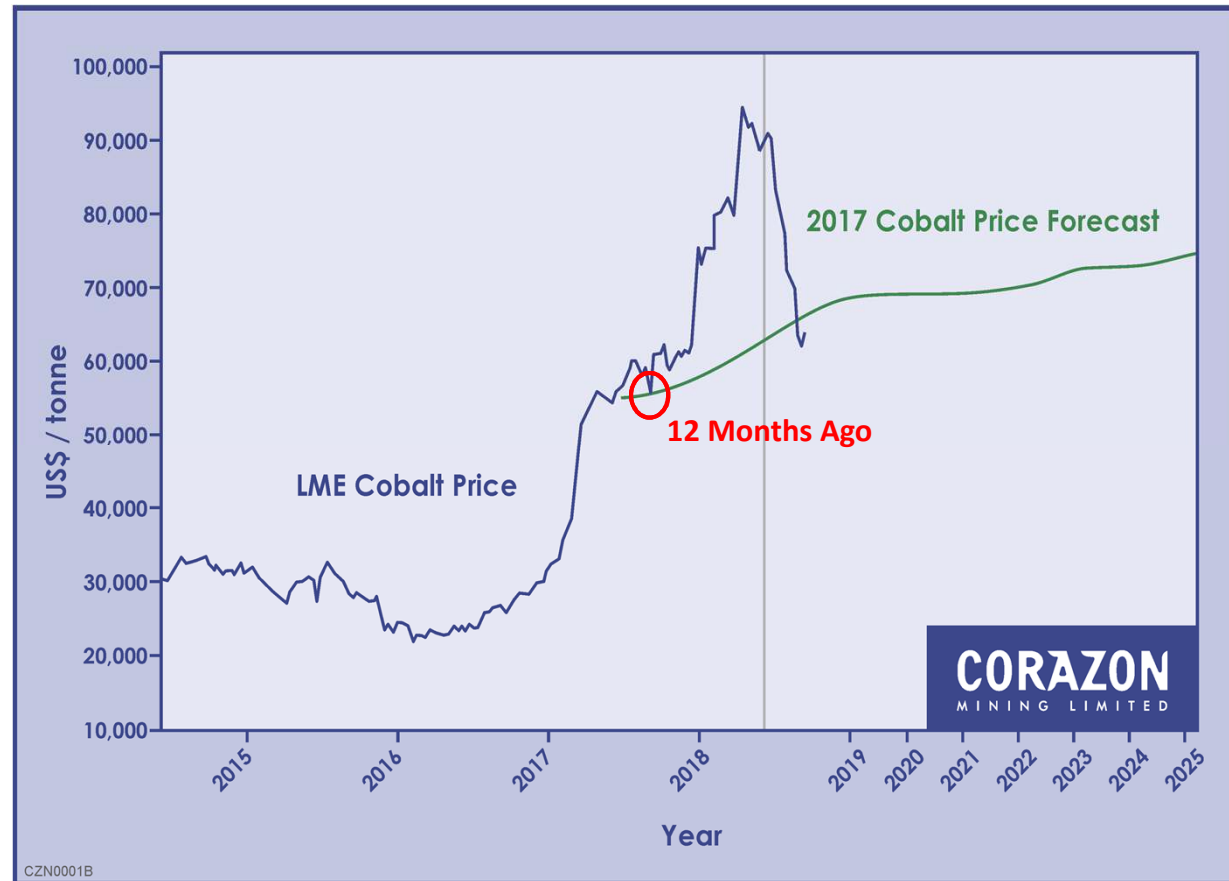
- Drill defined **cobalt**-copper-gold sulphide mineralisation restricted to Cobalt Ridge prospect
- Large project area – numerous historical copper-gold workings not tested for **cobalt**
- Recent work by Corazon has identified new areas of **cobalt** mineralisation – supports likelihood of more discoveries

**Growing demand for clean and ethically mined cobalt from stable jurisdictions**

# Cobalt Metal Price Performance

## COBALT - CRITICAL INGREDIENT FOR LITHIUM ION BATTERIES

- Cobalt – a small market - prices can be driven by sentiment - but fundamentals support a strong growth in demand
- Electric Vehicle production >> industry forecasts
  - 2011 China produced ~ 8,200 new EV's
  - 2018 China expecting +1M new EV's
- The Energy Storage industry is also a very strong growth sector
- International Energy Agency - "*Even considering changes in battery technology aimed at reducing cobalt content, demand for the metal is expected to increase by between 500% and 1,250% by 2030*"
- Securing a stable supply of ethically mined cobalt is a growing concern for battery makers



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# **Mt Gilmore Project NSW**



# Mt Gilmore Project – Point of Difference

Sulphide Mineralisation



## SIMPLE PROCESSING OPTIONS

- Sulphide = low-cost conventional flotation processing
- Product options = high value metal concentrate or cobalt/copper sulphates

Cobalt Dominant



## COBALT RIDGE - HIGH-GRADE COBALT DOMINANT

- Cobalt the primary value - not by-product dependent
- High-grade cobalt lodes - hosted within a broader halo of lower grade cobalt-copper-gold mineralisation
- Both narrow high-grade and broader lower-grade mineralisation provide targets for resource definition work

Resource Size Potential



## MINERALISATION OPEN & UNTESTED – BLUE SKY POTENTIAL

- Large alteration system defined at Mt Gilmore – Cobalt Ridge is the sole prospect drilled
- Cobalt exploration until recently restricted to the Cobalt Ridge outcrop (1.0km by 0.5km) – Main Lode drill tested only over a 300m strike – mineralisation open in all directions
- Current work is focused on extending the Cobalt Ridge deposit with drilling and discovering new areas of cobalt mineralisation within the Mt Gilmore Project



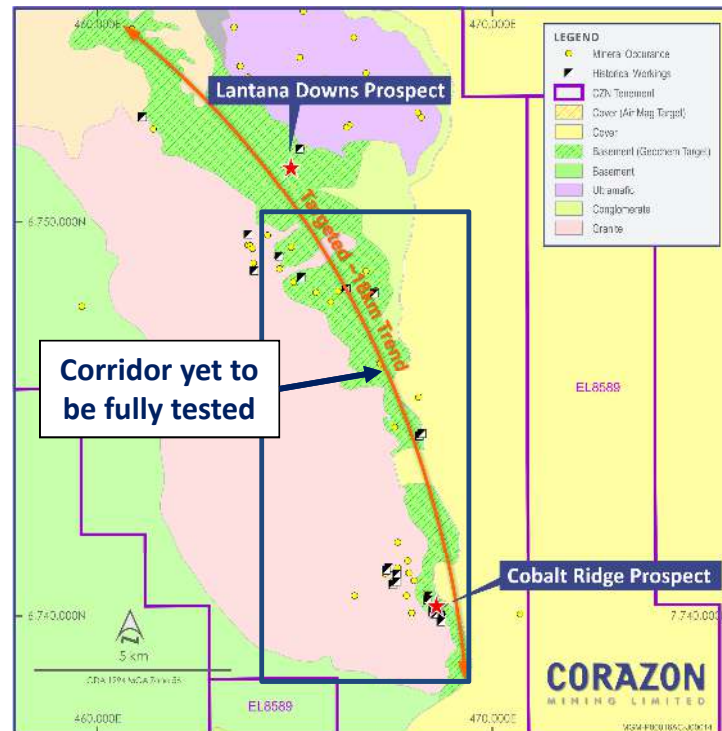
Project Location Map



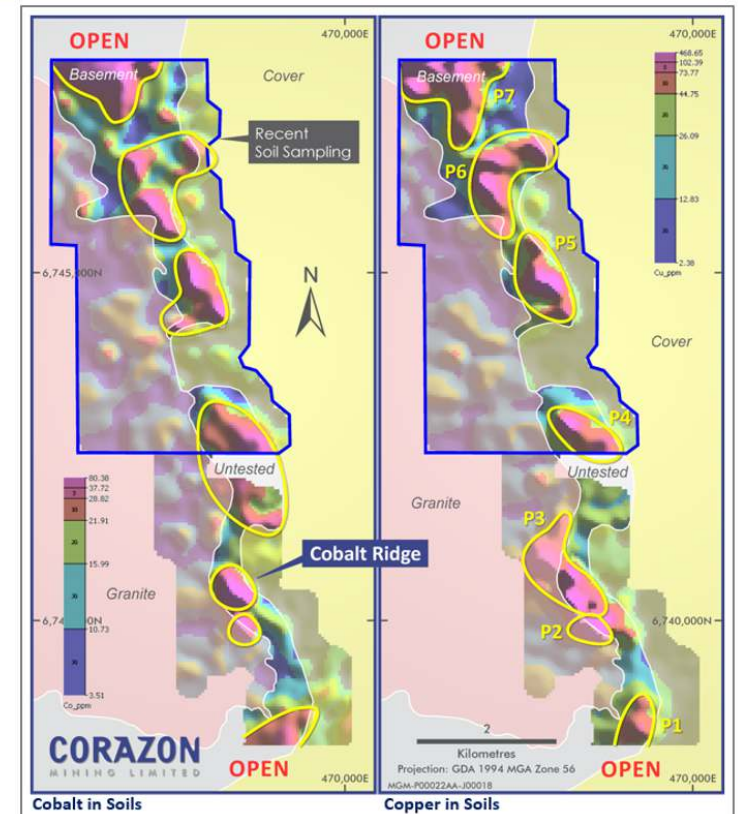
# New Cobalt Mineralisation Discovered

## MT GILMORE TREND

- Large hydrothermally altered metal-rich corridor >18km strike
- Potential for large intrusive related Cu-Au ( $\pm$ Co) systems
- Very little cobalt exploration
- Recent soil sampling has defined multiple targets – most basement outcrops are anomalous in metals
- Detailed work underway to better define new prospects.



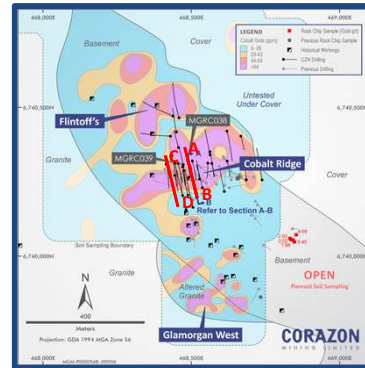
Interpreted Geology & Prospects  
Large Mineralised Corridor



Multiple Untested Anomalies  
Cobalt - Copper- Gold

# Cobalt Ridge Drilling – High Grade Cobalt

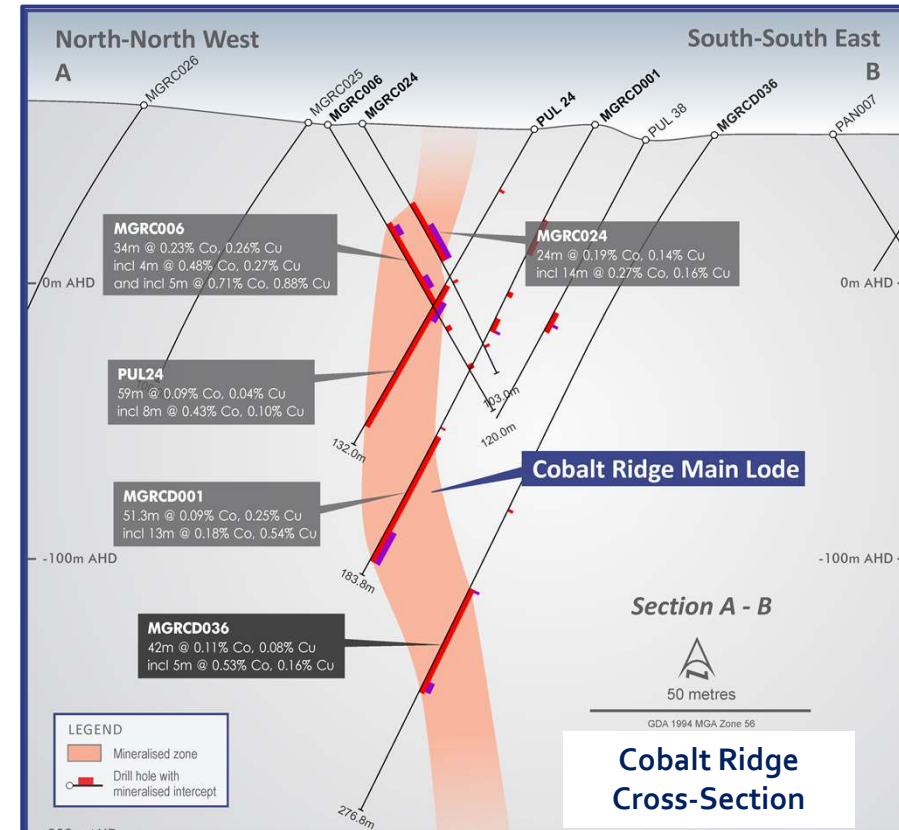
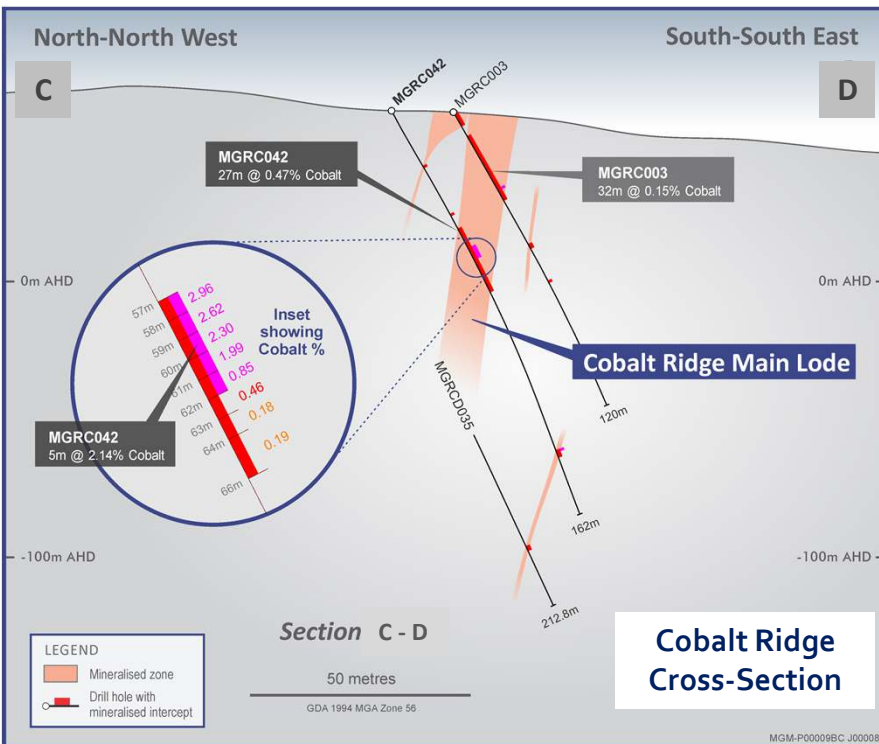
## RARE COBALT DOMINANT SULPHIDE DEPOSIT



Cobalt Soils Image



Cobalt (Erythrite) Oxidising In Drill Chips





# Cobalt Ridge Mineralisation – Simple Metallurgy

## EXCEPTIONAL METAL RECOVERIES – SIMPLE PROCESSING OPTIONS

- Sulphide mineralisation – compared to laterite deposits - provides huge benefits
- Improvements to metallurgy results expected by fine-tuning conventional flotation process
- Testwork focusing on down-stream concentrate processing options, detailed process engineering studies and product definition

## BACKGROUND GRADE SAMPLE – DRILL CORE

- Tested marginal-grade drill core of 0.14% cobalt, 0.32% copper and 0.09 g/t gold
- Recoveries of 93.6% cobalt, 98.4% copper and 80-90 % gold
- Final concentrate grade of 3.31% cobalt, 9.28% copper and 2.73 g/t gold
- Rougher Concentrate only 6.4% of initial feed mass – Cleaner Concentrate only 2.9% of the Rougher feed mass

## HIGH GRADE SAMPLE – RC DRILL CHIPS

- Tested bulk sample of high-grade RC drill chips at 0.84% cobalt, 0.21% copper and 0.47 g/t gold
- Recoveries of 92.2% cobalt, 89.0% copper and 75.5% gold
- Concentrate grade of 7.38% cobalt, 1.29% copper and 4.1 g/t gold reporting to only 11.1% of the initial mass feed.



# Exciting Work Program Underway

## ESTABLISHING MT GILMORE AS A PREMIER COBALT PROJECT

- **Cobalt Ridge - Drill Target Definition**
  - Geophysics has identified multiple anomalies and trends
  - Geochemistry of basement rocks has identified numerous areas of anomalism
  - Drilling underway
- **Cobalt Ridge - Detailed Metallurgical Testwork**
  - Defining down-stream processing options and product specifications - completed
- **Identifying New Cobalt Prospects At Mt Gilmore**
  - Initial geophysics completed – field testing of targets underway
  - Regional soil sampling of basement rocks – on-going



Drilling at Cobalt Ridge



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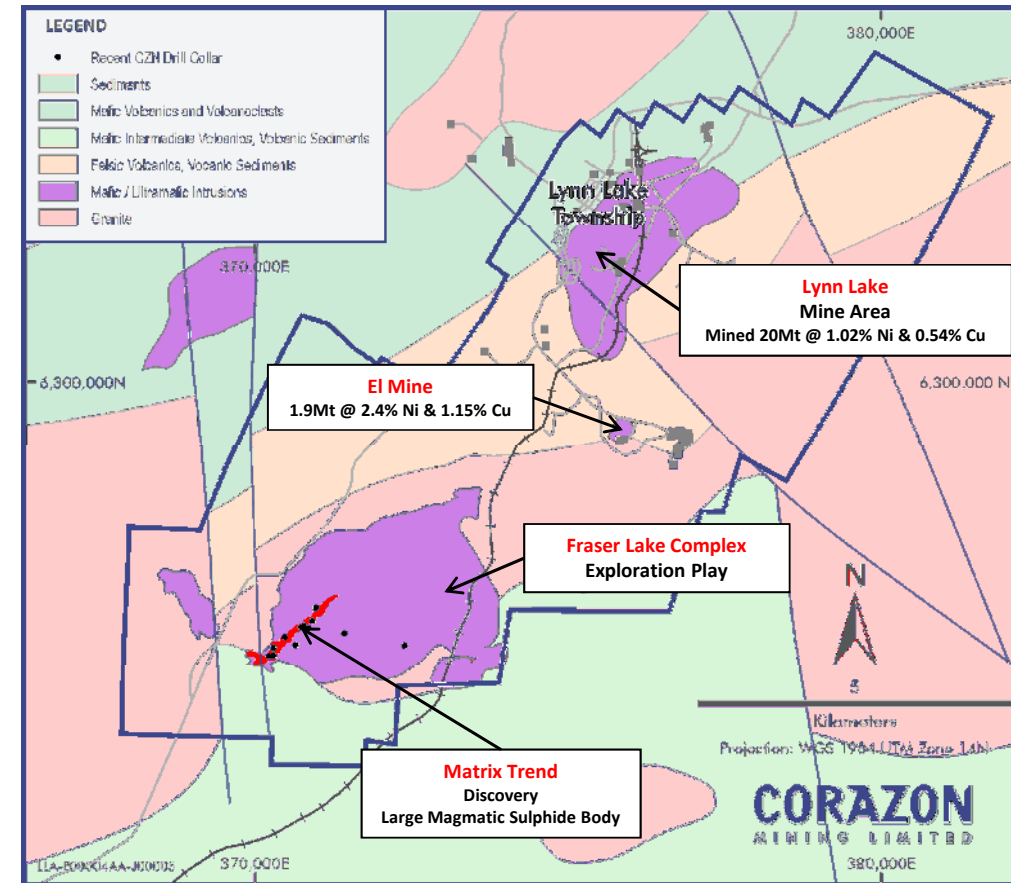
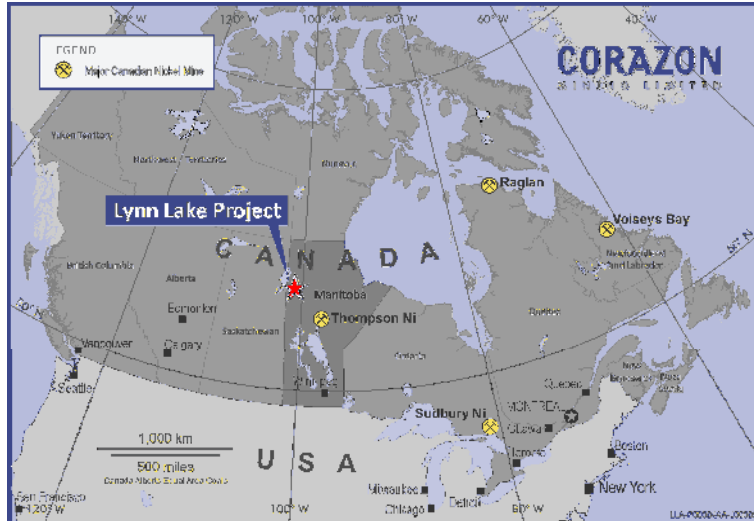
# Lynn Lake Project Canada



# Lynn Lake Nickel-Copper-Cobalt Sulphide Project

## PROLIFIC HISTORICAL MINING CENTRE

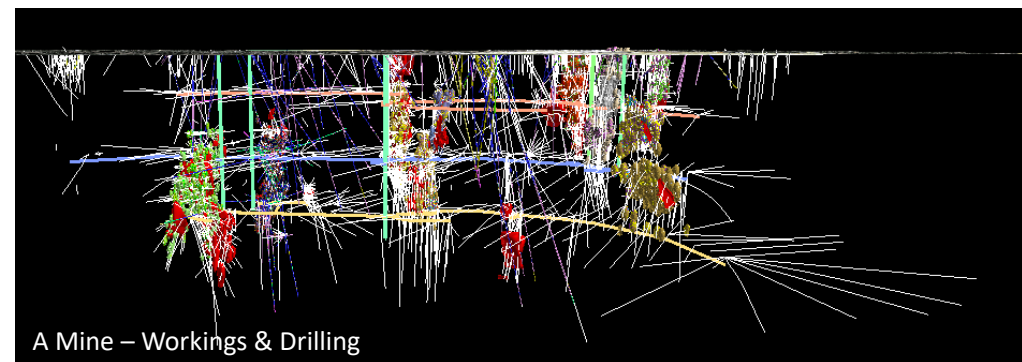
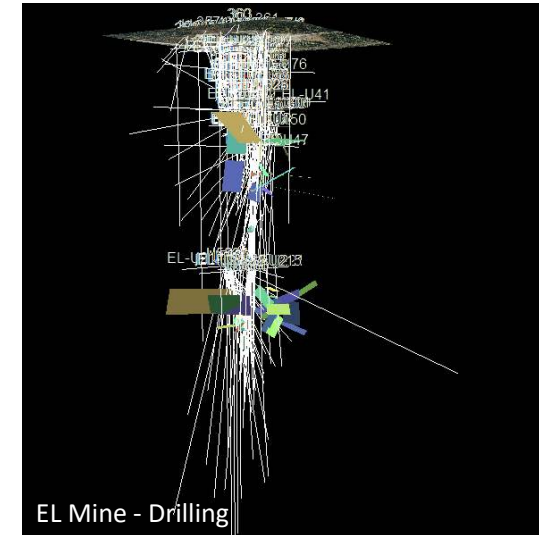
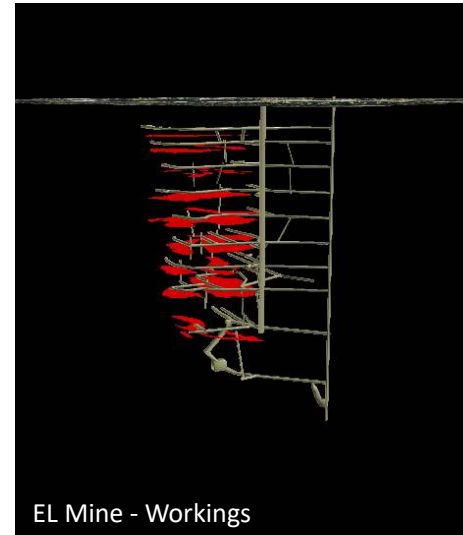
- 24 year mine production - ~1Mtpa – shutdown in 1976
- Corazon has consolidated the entire nickel mining centre for the first time since closure
- Infrastructure beneficial for re-development
- Large remnant resources (JORC & NI43-101)
- Huge opportunity for the discovery of additional resources



# Lynn Lake - Mining Focus For Current Activities

## LYNN LAKE DEVELOPMENT OPPORTUNITY

- Rising metal prices and positive forecasts result in a renewed focus on defining Lynn Lake's development potential
- Resource up-grade now expected Q3 2018
  - 6,000 historical drill holes added to database
  - Drill defined mineralisation near mine - expected to provide additional resource areas
  - Expected improvement JORC categories
- Mining and processing studies to follow
  - 500kg rock sample just arrived in Australia
    - First detailed processing testwork since 1970's
    - Substantial advances in processing methods expected to identify beneficial processing options

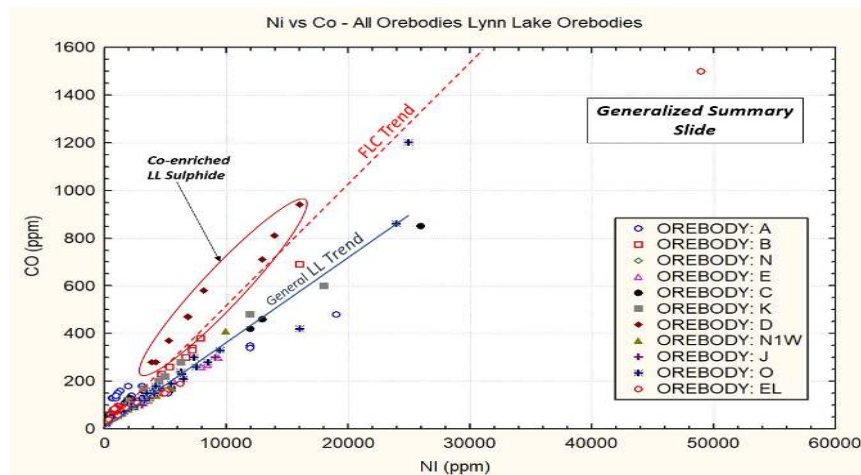




# Cobalt To Be Added To Resource Estimates At Lynn Lake

## COBALT A VALUABLE METAL CREDIT FOR LYNN LAKE

- Cobalt – historically produced but not reported – to be included in new resource estimates
- Linear statistical correlation for nickel-cobalt permits accurate estimation of cobalt content
- Each deposit is unique in its metal content - cobalt grade of orebodies mined varied between 0.024% and 0.100%



Lynn Lake Mine – Linear Relationship Between Nickel and Cobalt

Deposit	Lower Cut-off Grade		Tonnes	Grade		Contained Metal	
	NIEQ %	Ni %		Ni %	Cu %	Ni Tonnes	Cu Tonnes
<b>Indicated Resource Category</b>							
EL Upper		0.4	1,120,000	0.77	0.34	8,600	3,800
EL Lower		0.6	676,000	0.83	0.40	5,600	2,700
N	0.8		2,990,000	0.86	0.41	25,700	12,300
O	0.8		2,630,000	0.82	0.37	21,600	9,700
<b>Indicated Sub-Total</b>			<b>7,420,000</b>	<b>0.83</b>	<b>0.38</b>	<b>61,500</b>	<b>28,500</b>
<b>Inferred Resource Category</b>							
EL Upper		0.4	645,000	1.55	0.61	10,000	3,900
EL Lower		0.6	292,000	1.01	0.44	3,000	1,300
N	0.8		710,000	0.79	0.39	5,600	2,800
O	0.8		100,000	0.75	0.36	750	360
G	0.8		240,000	0.94	0.39	2,300	940
<b>Inferred Sub-Total</b>			<b>1,990,000</b>	<b>1.09</b>	<b>0.47</b>	<b>21,600</b>	<b>9,300</b>
<b>Total</b>			<b>9,400,000</b>	<b>0.88</b>	<b>0.40</b>	<b>83,000</b>	<b>37,800</b>

### Resource Statement Notes -

Resource released by Corazon Mining Limited in an ASX announcement date 16<sup>th</sup> April, 2015.

Nickel equivalent grades (NIEQ%) are provided as an indicator of value in a multi-metallic deposit. Lynn Lake has a long history as a nickel, copper and cobalt mining camp. It is the Company's opinion that all elements included in the metal equivalent calculation have a reasonable potential to be recovered. Past mining of these deposits on average produced a nickel concentrate, consisting of 14% nickel, 1.5% copper and 0.35% cobalt and a copper concentrate having 30% copper and 0.60% nickel. In this circuit, 85% of the nickel, 93% of the copper and 80% of the cobalt were recovered on average.

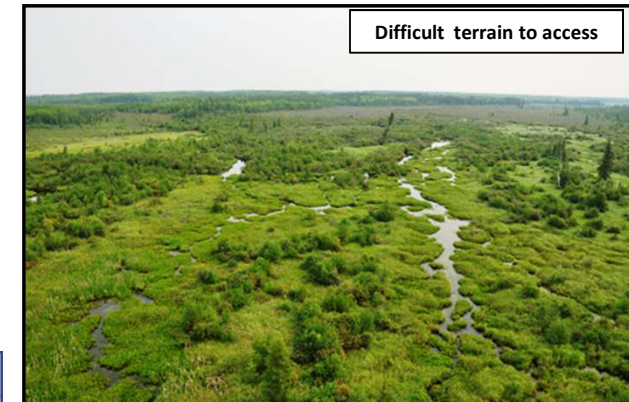
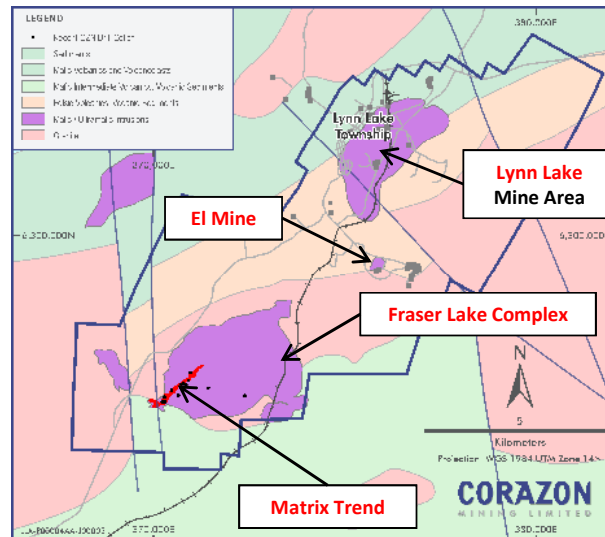
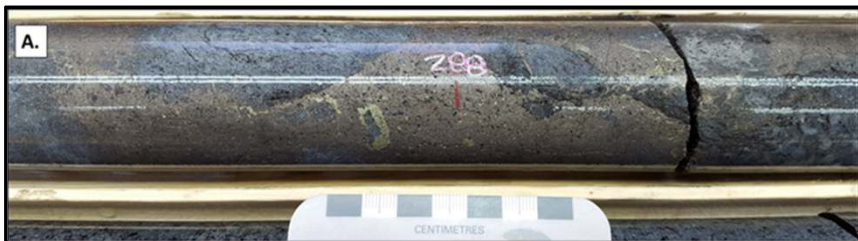
$NIEQ\% = \frac{((Cu\% * 2 * 22.04622) + (Ni\% * 7.22 * 22.04622)) / 7.22}{22.04622}$  based on metal prices of Ni = US\$7.22 / lb Cu = US\$2.00 / lb.



# Lynn Lake – Looking in the Shadow of the Headframe

## HUGE POTENTIAL FOR DISCOVERY

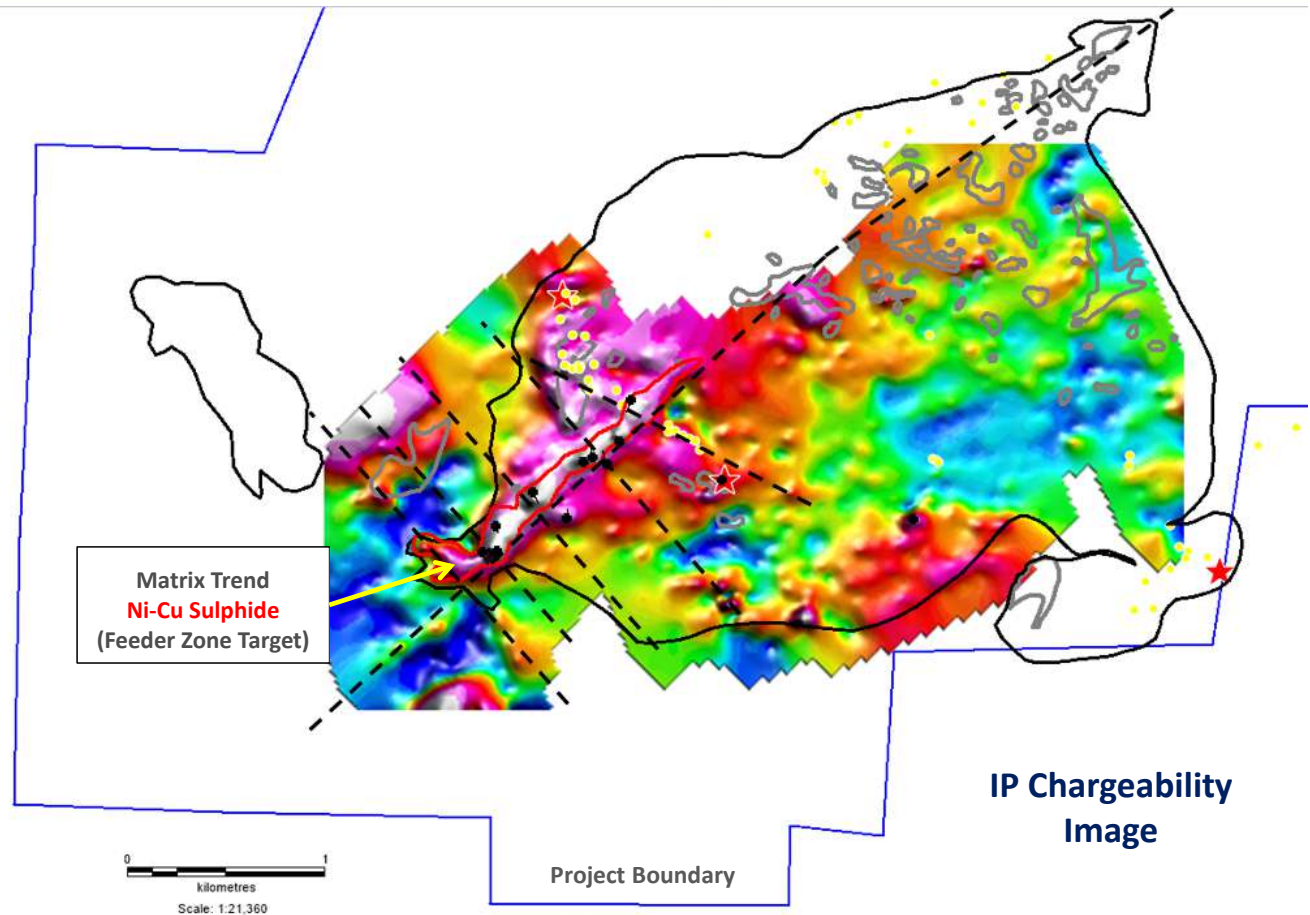
- Previous operators had a strong mining and processing focus
- Difficult ground to explore – limited outcrop, extensive water, glacial till and snow cover
- Modern exploration techniques, computers, software and understanding of the style of mineralisation far superior than in the 1970's
- **Fraser Lake Complex (FLC)** – a new discovery
  - 2016 geophysics – targets defined
  - 2017 drilling & geophysics –  
Ni-Cu-Co sulphides discovered
  - 2018 drilling completed



# Lynn Lake – Fraser Lake Complex (FLC)

## Ni-Cu-Co MAGMATIC SULPHIDE DISCOVERY

- 2017/2018 drilling at FLC determined the large Matrix Trend IP Chargeability anomaly is caused by magmatic Ni-Cu-Co sulphide mineralisation
- Where drilled, the Matrix Trend is interpreted to be a sulphide rich channel with a dominant horizontal flow regime
- Multiple pulses of sulphide rich melt defined
- Exploration at FLC focused on identifying high-grade massive sulphide vertical feeder channels







# Corazon - An Overview

## PROJECT QUALITY

- Two exceptional projects with demonstrated prospectivity in key, demand-driven commodities
- Both projects have the capacity for large economic mineral deposits
- Current market sentiment for cobalt, nickel and copper supports Corazon's immediate focus on cobalt, whilst preparing Lynn Lake for forecasted nickel price increases in 2019 and beyond

## ACTIVE EXPLORATION PROGRAMS

- The Mt Gilmore Project and the Cobalt Ridge prospect are priority focuses
  - Geophysics and soil sampling is defining "blue-sky" potential for additional sulphide deposits
  - Drilling at Cobalt Ridge currently underway
- A development focus at Lynn Lake - Resource Estimates underway, with metallurgical testwork and Scoping Studies to follow

## CORPORATE

- Strong market awareness and support for the Company's growth potential



# Competent Person's 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 Exploration Results and Mineral Resources for the A Plug deposits at the Lynn Lake project is based on information compiled by Mr Neal Leggo who is a Member of the Australian Institute of Geoscientists. Mr Leggo is a full time employee of Ravensgate and has sufficient experience that is 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". Mr Leggo 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 Exploration Results and Mineral Resources for the EL Plug deposits at the Lynn Lake project is based on information compiled by Mr Stephen Hyland who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Hyland is a full time employee of Ravensgate and has sufficient experience that is 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". Mr Hyland consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.



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