

QUARTERLY ACTIVITIES REPORT

PERIOD ENDING 31 MARCH 2020

Corazon Mining Limited (ASX: CZN) (Corazon or Company) is a base metals explorer active at the Lynn Lake Nickel Copper Cobalt Mining Centre in Canada, and the Mt Gilmore Cobalt Copper Gold Sulphide Project in N.S.W. Both projects are regarded as quality assets with the potential to supply strategic metals to what is forecast to be a major growth sector – the rechargeable battery industry. Corazon is an aggressive explorer and has recently discovered new, large sulphide systems at both of its projects.

The Company is pleased to present its Quarterly Activities Report for the period ending 31 March 2020 (Quarter).

QUARTER HIGHLIGHTS:

DRILLING UNDERWAY AT THE LYNN LAKE NICKEL PROJECT

- **Drilling is underway at the Lynn Lake Project; program to include ~1,500 metres of core drilling designed to:**
 - Test near-surface targets within the mine area with the potential to add to the existing Resource; and
 - Test new geophysical anomalies at the highly promising Fraser Lake Complex (FLC), located 5 kilometres south of Lynn Lake
- **Drilling is expected to be completed in April and results will be released as they become available**

OPTION EXERCISED TO ACQUIRE 100% OF LYNN LAKE PROJECT AREA

- **Post Quarter-end, in accordance with long-standing agreements, Corazon exercised its option to acquire the final remaining component of the Lynn Lake Project area**
- Corazon has previously consolidated the entire Lynn Lake nickel-sulphide mining centre under its control via its:
 - **Acquisition of 100% of the Victory Nickel-Copper Project at Lynn Lake; and,**
 - **Option to acquire 100% of the Dunlop Project area at Lynn Lake**
- The Dunlop Project Area includes the high-grade historical EL Mine and the very prospective FLC area, where drilling is currently underway

RE-FOCUS ON LYNN LAKE NICKEL PRECINCT

- **Improved nickel price has driven Corazon's positive strategic review of its Lynn Lake Project creating the opportunity for accelerated exploration and development plans**

LYNN LAKE NICKEL-COPPER-COBALT SULPHIDE PROJECT

Overview

The Lynn Lake Mining Centre (Lynn Lake) has been described as one of the best “brown-fields” exploration plays in North America. New exploration techniques and a modern understanding of these nickel-copper-cobalt sulphide systems have resulted in Corazon’s discovery of several new areas of mineralisation at Lynn Lake.

Corazon controls the entire Lynn Lake Mining Centre, located in Manitoba, Canada (Figure 1) - an historical mining centre with large JORC compliant resources and infrastructure that, with an improved nickel price, has significant redevelopment potential.

Corazon recently exercised its option to acquire 100% of the Lynn Lake Nickel Copper Cobalt Sulphide Project (Project) area, and is the first company to have control of the entire Lynn Lake nickel camp since mine closure in 1976.

The Company has consolidated the Lynn Lake nickel camp and its extensive historical datasets, which includes more than 75 years of exploration and 24 years of mining information. This data provides the opportunity to compete detailed interrogation and targeting within the mine area and across the wider project area.

As part of Corazon’s process of defining Lynn Lake’s development potential, new quality resource estimations have been completed and modern metallurgy has delivered a major technical breakthrough, producing separate high-value and high-purity nickel and copper concentrates.

This work will enable the determination of value for the large historical mining centre at a time when there is an expectation of future increased demand for metals.



Figure 1 – Lynn Lake project location map

Current Phase of Drilling

During the Quarter, Corazon was pleased to announce the commencement of the next phase of drilling at the Lynn Lake Nickel-Copper-Cobalt Sulphide Project (ASX announcement 18 March 2020).

In this program, approximately 1,500 metres of diamond core drilling will be completed at high priority targets within the historical Lynn Lake Mining Centre, as well as at regional targets at the Fraser Lake Complex, situated five (5) kilometres south of Lynn Lake.

This phase of work expected to be completed by the end of April.

Lynn Lake Mining Centre

The program within the Mining Centre is designed to define additional areas of mineralisation that have the potential to add to Lynn Lake’s already substantial resource base.

Corazon’s recent exploration drilling at Lynn Lake is focused on testing the near surface expressions of historic underground mines, which operated continuously for 24 years until 1976. The Company’s drilling in December 2019 was highly successful and delivered multiple high-grade nickel sulphide intersections (ASX announcement 21 January 2020), including:

"A Orebody"

- **37.8 metres @ 1.68%Ni, 0.67%Cu, 0.050%Co** from 10 metres; including
 - **22.6 metres @ 2.30%Ni, 0.82%Cu, 0.068%Co** from 24.4 metres

"E Orebody"

- **4.5 metres @ 1.17%Ni, 0.22%Cu, 0.029%Co** from 25 metres
- **4.1 metres @ 2.09%Ni, 0.57%Cu, 0.073%Co** from 26.9 metres

The current phase of drilling will test both the A Orebody and E Orebody areas and further define the near-surface resource potential of these targets.

Fraser Lake Complex (FLC)

FLC is located five kilometres south of the Lynn Lake Mining Centre (Figure 2). The best results returned to date from FLC drilling (ASX announcement 29 August 2017) include:

- **22.6 metres @ 0.70% Ni & 0.35% Cu from 258 metres** (hole #14)
- **7 metres @ 0.37% Ni & 0.16% Cu from 30 metres** (hole #16)

The sulphide textures and style of mineralisation observed at the FLC are analogous to that observed within the Lynn Lake Mining Centre. The recent exploration within the Mining Centre has refined targeting methodologies, particularly with respect to the processing and interpretation of geophysical datasets. These new processes have been applied to the FLC, resulting in a much more complete understanding of the framework of the mafic intrusion and generating new geophysical features for testing in this phase of drilling.

Option Exercised to Acquire 100% of Lynn Lake Project Area

Post Quarter-end, Corazon was pleased to announce it has completed all earn-in requirements to acquire 100% of the Lynn Lake Project area, and has now exercised the

option to acquire 100% of the Project area (ASX announcement 17 April 2020).

Corazon has consolidated the entire Lynn Lake nickel-sulphide mining centre, historically one of Canada's largest nickel producing operations, under its sole ownership. This includes ground 100% owned by Corazon following its acquisition of the Victory Nickel-Copper Project (ASX announcement 1 April 2015), and additional ground (referred to as the Dunlop Project area) where Corazon has the rights to acquire 100% ownership (ASX announcements 9 August 2012 and 29 July 2015).

Corazon has now satisfied its obligations for settlement to exercise its Option to Acquire 100% interest in the Dunlop Project area, which covers a large portion of the wider Lynn Lake Project (Figure 2).

Ownership title for the Dunlop Project area is in the process of being transferred to Corazon.

In accordance with existing agreements, the current owner of the Lynn Lake Dunlop Project will retain production payment and royalty rights. The change of ownership will also trigger a payment of 4.5 million Corazon shares to the original vendors of the Australian and Canadian holding companies, as a consideration conditional on the completion of the transaction.

The Dunlop Project area represents a critical component of the wider Lynn Lake Project (Figure 2), covering the high-grade EL Mine and the very exciting Fraser Lake Complex intrusion.

Re-Focus on Lynn Lake Nickel Precinct

The recent recovery in the price of nickel led Corazon to undertake a positive strategic review of its Lynn Lake Project, and the opportunity to re-focus and accelerate its exploration and development plans to deliver value for shareholders.

The nickel-copper-cobalt sulphide deposits at Lynn Lake were mined continuously between 1954 and 1976, processing more than 20

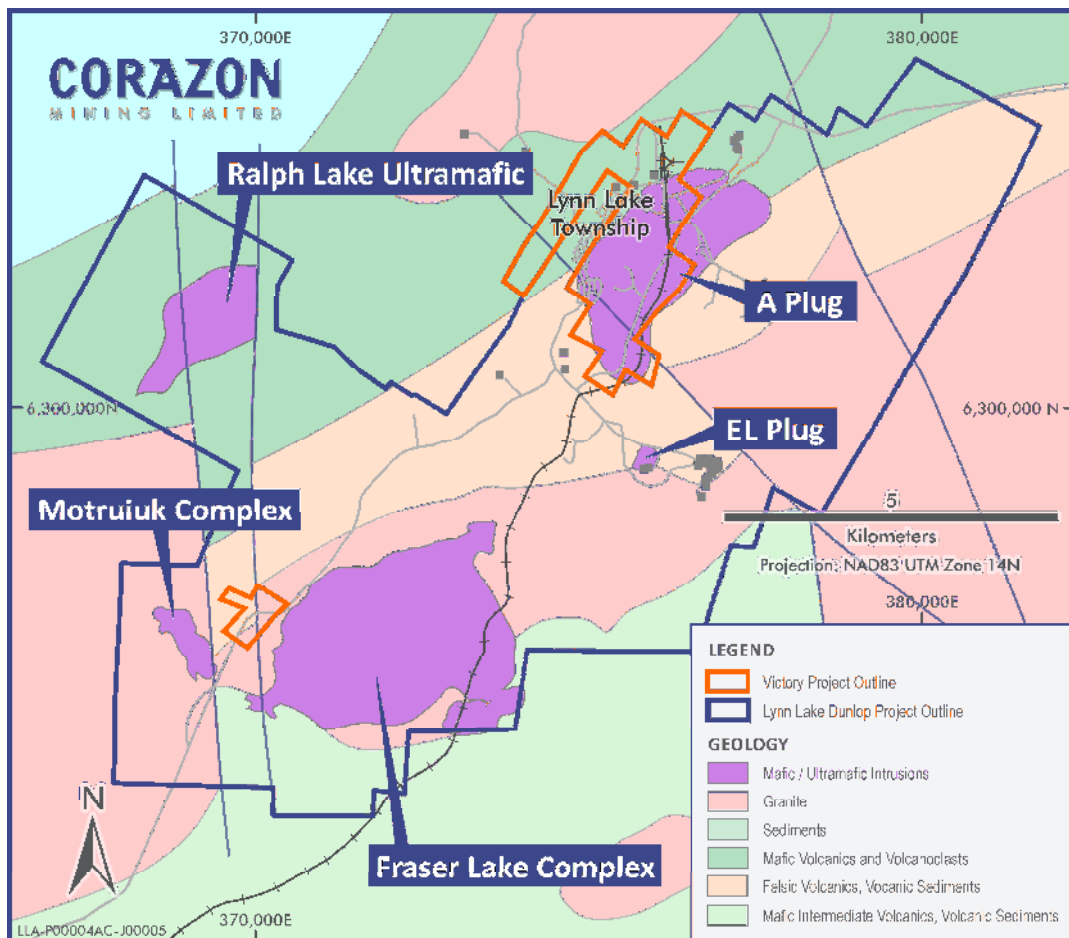


Figure 2 – Regional Geology Interpretation and Project Area Outlines.

million tonnes and it was one of Canada's major nickel mining centres of its time. Substantial resources remain and further extensive drill defined mineralisation also exists within the Lynn Lake mining centre. These areas outline targets for further exploration.

With little modern exploration being undertaken, the opportunity for discovery at Lynn Lake is substantial. Recent work highlights Lynn Lake's potential, with discoveries made by several companies including Western Areas NL (ASX: WSA), Independent Nickel Inc (TSX: INI) and Corazon.

Mining studies at Lynn Lake have predominantly centred on nickel deposits at depths of more than 400 metres below surface. The Company's recent work has highlighted the potential to define additional

resources closer to surface adjacent to historically mined areas.

The priority targets for upcoming drilling programs are focused on near-surface mineralisation, as well as areas on-trend from the historical workings at Lynn Lake.

Multiple zones of broad, near-surface high-grade mineralisation were intersected in areas surrounding previously mined deposits

The estimation has focused on the EL, N, O, P, Disco and Golf deposits within the Mining Centre. Lynn Lake hosts additional deposits, as well as numerous occurrences of drill-defined mineralisation, that are yet to be considered for resource studies. These areas support the potential for further upgrades to Lynn Lake's Mineral Resource.

Next Steps for Lynn Lake

Mine Exploration - Resource Definition

Corazon's drilling programs have established the potential for the areas surrounding previously mined deposits to deliver near-surface tonnages.

Lynn Lake currently hosts a significant resource, and the potential for additional "easy start-up" tonnages would be enormously beneficial for any new mining operation at Lynn Lake. Accordingly, defining such tonnages is a key priority for Corazon as it moves towards feasibility work.

There are also several other areas in the Mining Centre with the potential for near surface mineralisation surrounding historical underground mining operations.

Regional Exploration

The recent exploration work within the Mining Centre has refined targeting methodologies, particularly with respect to the processing and interpretation of geophysical datasets. These new processes can be easily and quickly applied regionally in the exploration for new deposits.

A priority target area is the Fraser Lake Complex (Figure 2) where past drilling by Corazon has discovered a large magmatic sulphide system that is analogous to the Lynn Lake deposits.

Drilling results within the Mining Centre, adjacent to mined massive sulphide deposits, have reinforced Corazon's belief that the style and intensity of mineralisation intersected is no different to what it has drilled at FLC.

The best results returned to date from FLC drilling include:

- **22.6 metres @ 0.70% Ni & 0.35% Cu** from 258m (hole #14)
- **27 metres @ 0.37% Ni & 0.16% Cu** from 30m (hole #16)

Mining and Mineral Processing Studies

Studies currently in progress for Lynn Lake have

identified areas where it is believed processes can be improved and costs reduced.

Historically, Lynn Lake was a large-tonnage low-cost mining operation. The current mining studies are looking to reduce mining and capital development costs for a potential underground operation via the implication of modern mining practices and new technology.

Corazon's recent metallurgical testwork delivered exceptional results, and there is a strong belief that further improvements can be made.

Priority focus for this work will include the scoping and testwork for pre-flotation "sorting" of low-grade disseminated mineralisation to feed grade, and onsite downstream processing options.

MT GILMORE COBALT-COPPER-GOLD PROJECT

Overview

The Mt Gilmore Cobalt-Copper-Gold Project (Mt Gilmore) is located 35 kilometres from the city of Grafton in north-eastern New South Wales (NSW) (Figure 3). Corazon owns an 80% interest in Mt Gilmore and is managing and sole funding exploration until any future decision to mine is made.

Much of Mt Gilmore's historical exploration has focused on the Cobalt Ridge prospect (Cobalt Ridge) - a rare high-grade cobalt sulphide deposit. Corazon's metallurgical testwork on the Cobalt Ridge mineralisation has delivered exceptional, high-grade metal concentrates and cobalt/copper sulphates, suitable for use in rechargeable (lithium-ion) batteries.

Since acquisition in mid-2016, Corazon's exploration results have underpinned its belief that Mt Gilmore is prospective for hosting multiple rare, cobalt-rich sulphide deposits, similar to Cobalt Ridge.

Corazon's recent exploration of the prospective 22 kilometre "Mt Gilmore trend" uncovered a major copper-cobalt-silver-gold geochemical trend, potentially representing a district-scale exploration play for large intrusive related copper-cobalt-gold deposits. These targets are Corazon's exploration focus at Mt Gilmore.



Figure 3 – Mt Gilmore Project Location Map

Geophysical Targets Identified Below Large Surface Geochemical Anomalies

Initial results from Corazon's IP geophysical survey recently identified copper-cobalt-silver soil anomalies (ASX announcements 23 July 2019) are believed to support the potential for a large concealed sulphide system (ASX announcement 31st May 2019).

Importantly, these newly identified areas of mineralisation are adjacent to the high-grade copper rich structures previously identified by Corazon (ASX announcement 5 February 2019), and are believed to represent a mineralised alteration halo of what may potentially be a large, concealed sulphide system.

IP methods have been used with great effect in the successful exploration for sulphide deposits in NSW.

Corazon's IP survey at Mt Gilmore was a first-pass, wide-spaced program which provided an initial test of the effectiveness of IP, testing for geophysical characteristics typical of concealed copper-cobalt-gold sulphide bodies.

The IP survey has defined large areas of moderate "IP changeability" anomalism, interpreted to be hydrothermal alteration and sulphide mineralisation in association with high "IP resistivity" areas, interpreted to be intrusive bodies. This relationship is supported by field mapping undertaken by Corazon at Mt Gilmore.

The Gordonbrook Hill (GBH) target is the best IP anomaly identified to date, exhibiting moderate changeability anomalism over an area of approximately one (1) kilometre in diameter.

In addition, mapped "leakage structures", adjacent to and extending from the GBH target have previously returned **rock chip sample results of up to 16.3% copper, 1,250 ppm cobalt and 1.29 g/t gold** (ASX Announcement 5 February 2019), which reinforce this target area's strong prospectivity.

CORPORATE

Cash

Corazon closed the Quarter with ~\$887,000 in cash; the Company's quarterly summary of financials are presented as a separate ASX release in the Appendix 5B.

Placement

On 13 February 2020, the Company announced the receipt of firm commitments from sophisticated and professional investors totalling up to approximately \$1.1 million through a placement of up to 321,582,138 fully paid ordinary shares (Shares) at an issue price of \$0.0035 per Share (Placement). The new shares include the immediate issue of

112,750,757 shares under ASX Listing Rule 7.1 and 208,831,381 shares under ASX Listing Rule 7.1A.

Participants in the Placement will also be issued one (1) attaching option for every one (1) Share subscribed, exercisable at \$0.007 cents each and will have an expiry date 10 July 2022 (the "Attaching Options"), subject to shareholder approval.

The funds raised pursuant to the Placement will be used to accelerate exploration activities at the Lynn Lake Project and for working capital.

Listed Options

At the General Meeting of Shareholders (held post Quarter-end on 8 April 2020), Corazon received shareholder approval to issue the Attaching Options to participants in the Placement. The 321,582,138 Attaching Options have the same terms and conditions as the existing listed options CZNO.

Additional Placement Details

The Placement Shares were issued on 19 February 2020, under the Company's existing placement capacity under ASX Listing Rule 7.1 and ASX Listing Rule 7.1A.

The Placement was completed by Sanlam Private Wealth Pty Ltd (Sanlam); in exchange for their services, Sanlam received a 6% commission on funds raised, and 20,000,000 CZNO listed options.

General Meeting of Shareholders

Post Quarter-end, on 8 April 2020, the Company held a General Meeting of Shareholders. All resolutions put to the meeting were passed by a poll.

Issue of Shares

Post Quarter-end on 21 April 2020, the Company issued the 341,582,138 listed options in accordance with the resolution passed at the Company's General Meeting of Shareholders on 8 April 2020.

Lapse of Unlisted Options

Post Quarter-end, on 1 April 2020, the Company announced that 40,000,000 unlisted options exercisable at \$0.035 on or before 31 March 2020 expired unexercised.

END.

For further information visit

www.corazon.com.au

This announcement has been authorised by Mr, Brett Smith on behalf of Corazon Mining Limited.

Competent Persons Statement

The information in this report that relates to Mineral Resources for the EL, Disco, 'N', 'O' and 'P' deposits contained within the Lynn Lake Nickel Project is based on information compiled by Mr Stephen Hyland who is a Fellow of the Australasian Institute of Mining and Metallurgy and who has provided expert guidance on resource modelling and resource estimation. Mr Hyland is a Principal Consultant Geologist at HGMC consultants and 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. 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.

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 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. 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 Lynn Lake 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 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.

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

Schedule of Tenements
**CORAZON MINING LIMITED CONSOLIDATED BASIS
 SCHEDULE OF INTERESTS IN MINING TENEMENTS**

(as required by ASX Listing Rule 5.3.3)

Project	Mining tenements held	Location of tenements	Beneficial % interest at the end of the quarter	Change in the quarter
MT GILMORE	EL 8379	NSW ³	80%	
MT GILMORE	EL 8589	NSW ³	100%	
LYNN LAKE	P7698E	Canada	100% ¹	100%
LYNN LAKE	P8370E	Canada	100% ¹	100%
LYNN LAKE	P7699E	Canada	100% ¹	100%
LYNN LAKE	P7702E	Canada	100% ¹	100%
LYNN LAKE	P3163F	Canada	100% ¹	100%
LYNN LAKE	P3164F	Canada	100% ¹	100%
LYNN LAKE	P3165F	Canada	100% ¹	100%
LYNN LAKE	P2291F	Canada	100% ¹	100%
LYNN LAKE	P3534F	Canada	100% ¹	100%
LYNN LAKE	MB2482	Canada	100% ¹	100%
LYNN LAKE	MB3566	Canada	100% ¹	100%
LYNN LAKE	MB3567	Canada	100% ¹	100%
LYNN LAKE	P1045F	Canada	100% ¹	100%
LYNN LAKE	MB3580	Canada	100% ¹	100%
LYNN LAKE	MB3581	Canada	100% ¹	100%
LYNN LAKE	MB7346	Canada	100% ¹	100%
LYNN LAKE	MB7349	Canada	100% ¹	100%
LYNN LAKE	MB7350	Canada	100% ¹	100%
LYNN LAKE	MB7025	Canada	100% ¹	100%
LYNN LAKE	MB7361	Canada	100% ¹	100%
LYNN LAKE	MB7362	Canada	100% ¹	100%
LYNN LAKE	MB6364	Canada	100% ¹	100%
LYNN LAKE	MB5175	Canada	100% ¹	100%
LYNN LAKE	MB5701	Canada	100% ¹	100%
LYNN LAKE	MB8734	Canada	100% ¹	100%
LYNN LAKE	MB8735	Canada	100% ¹	100%
LYNN LAKE	MB9218	Canada	100% ¹	100%
LYNN LAKE	MB5399	Canada	100% ¹	100%
LYNN LAKE	MB6360	Canada	100% ¹	100%
LYNN LAKE	MB6361	Canada	100% ¹	100%
LYNN LAKE	MB6362	Canada	100% ¹	100%
LYNN LAKE	MB6363	Canada	100% ¹	100%
LYNN LAKE	MB9453	Canada	100% ¹	100%
LYNN LAKE	MB5672	Canada	100% ¹	100%

LYNN LAKE	MB5669	Canada	100% ¹	100%
LYNN LAKE	MB10070	Canada	100% ¹	100%
LYNN LAKE	MB10071	Canada	100% ¹	100%
LYNN LAKE	MB10085	Canada	100% ¹	100%
LYNN LAKE	MB10086	Canada	100% ¹	100%
LYNN LAKE	MB10382	Canada	100% ¹	100%
LYNN LAKE	MB10383	Canada	100% ¹	100%
LYNN LAKE	MB10384	Canada	100% ¹	100%
LYNN LAKE	MB10387	Canada	100% ¹	100%
LYNN LAKE	MB10388	Canada	100% ¹	100%
LYNN LAKE	MB11838	Canada	100% ¹	100%
LYNN LAKE	MB11839	Canada	100% ¹	100%
LYNN LAKE	MB11840	Canada	100% ¹	100%
LYNN LAKE	MB11841	Canada	100% ¹	100%
LYNN LAKE	MB11842	Canada	100% ¹	100%
LYNN LAKE	MB11843	Canada	100% ¹	100%
LYNN LAKE	MB11844	Canada	100% ¹	100%
VICTORY PROJECT	MB11328	Canada	100% ²	
VICTORY PROJECT	MB11388	Canada	100% ²	
VICTORY PROJECT	MB11389	Canada	100% ²	
VICTORY PROJECT	MB11390	Canada	100% ²	
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VICTORY PROJECT	M2229	Canada	100% ²	
VICTORY PROJECT	M2230	Canada	100% ²	
VICTORY PROJECT	M2232	Canada	100% ²	
VICTORY PROJECT	M2233	Canada	100% ²	
VICTORY PROJECT	M2234	Canada	100% ²	
VICTORY PROJECT	M2248	Canada	100% ²	
VICTORY PROJECT	M2249	Canada	100% ²	
VICTORY PROJECT	M2251	Canada	100% ²	
VICTORY PROJECT	M2252	Canada	100% ²	
VICTORY PROJECT	M2253	Canada	100% ²	
VICTORY PROJECT	M2254	Canada	100% ²	
VICTORY PROJECT	M2255	Canada	100% ²	
VICTORY PROJECT	M2256	Canada	100% ²	
VICTORY PROJECT	ML77	Canada	100% ²	
VICTORY PROJECT	ML90	Canada	100% ²	

NOTES:

1. Option to acquire up to 100% of Lynn Lake Project was completed and announced on 17/04/20.
2. Victory Purchase agreement for terms of the agreement, refer to prior announcement dated 04/04/15.
3. N.S.W – New South Wales, Australia.