

QUARTERLY ACTIVITIES REPORT**PERIOD ENDING 30 JUNE 2020**

Corazon Mining Limited (ASX: CZN) (Corazon or Company) is a base metals explorer advancing the entire Lynn Lake Nickel Copper Cobalt Mining Centre in Canada, and the Mt Gilmore Cobalt Copper Gold Sulphide Project in N.S.W. Both are regarded as quality projects 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 30 June 2020 (Quarter).

QUARTER HIGHLIGHTS:**HIGH-GRADE DRILLING RESULTS AT THE HISTORICAL LYNN LAKE MINING CENTRE**

- Drilling at the “A Orebody” within the Lynn Lake Mining Centre has intersected new significant near surface sulphide mineralisation. Mineralised high-grade nickel intervals include:
 - 37 m @ 1.34%Ni, 0.50%Cu, 0.040%Co from 8 metres; including
 - 8.35 m @ 2.36%Ni, 0.66%Cu, 0.063%Co from 17 metres; and
 - 21 m @ 0.67%Ni, 0.50%Cu, 0.020%Co from 8 metres.
- Broad zones of near surface mineralisation, above deposits historically mined from underground, define the potential for an open-pit mining operation at Lynn Lake.

DRILLING COMMENCES AT FRASER LAKE COMPLEX (FLC) EXPLORATION GROUND AT LYNN LAKE

- Drilling that commenced in April 2020 at the FLC prospect was disrupted in early-May by localised flooding from seasonal meltwaters. Preparations are now underway for the recommencement of drilling at the FLC before the end of July.
- Drilling at the FLC is testing a compelling new geophysical target, located adjacent to areas of substantial drill defined sulphide mineralisation:
 - Priority hole FLC2020-22 has been drilled to the top of the geophysical target – approximately 400 metres below surface.
 - Sulphide content is increasing with depth towards the geophysical target.
 - The base of the target is interpreted to be approximately 500 metres below surface.
- Further updates will be provided once drilling commences.

OPTION EXERCISED TO ACQUIRE 100% OF LYNN LAKE PROJECT AREA

- Corazon exercised its option to acquire ground that provides 100% ownership of the entire Lynn Lake nickel sulphide historical mining centre and all prospective exploration ground.

PLACEMENT AND ENTITLEMENT OFFER

- Corazon is undertaking a capital raising of up to \$1.68M, consisting of a Placement to sophisticated shareholders and an Entitlement Offer (EO) to eligible shareholders, to fund ongoing exploration at Lynn Lake. The EO Closing Date has been extended to 6 August 2020.

LYNN LAKE NICKEL-COPPER-COBALT SULPHIDE PROJECT

Overview

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

The Company believes the historical mining centre, with large JORC compliant resources and infrastructure, has significant redevelopment potential.

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.

High Grade Drilling Results

The Company’s recent exploration at Lynn Lake focused on defining additional areas of mineralisation with the potential to add to the Lynn Lake’s significant existing resource base. Priority targets for the recent drilling program at Lynn Lake include:

- near-surface mineralisation,
- areas on-trend from historical mines, and
- areas adjacent to existing resources.

Corazon’s recent mining studies at Lynn Lake predominantly centred on nickel deposits at depths of more than 400 metres below surface. This work highlighted the potential to define additional resources closer to the surface and adjacent to Lynn Lake’s historically mined areas, which were the focus of the Company’s recent drill programs.

During the Quarter, Corazon announced high-grade assay results from its latest phase of drilling at Lynn Lake (ASX announcement 1 May 2020).

All assay results have been returned from the three (3) hole, 243.4 metre drill program (holes LL2020_07 to LL2020_09) completed at the A Orebody within the Lynn Lake Mining Centre (Mining Centre). These results have delivered further exceptional high-grade nickel, copper and cobalt intersections.

Combined with the December 2019 drilling, a total of six (6) holes have targeted the surface expression of the A Orebody. This drilling was successful in defining additional areas of high-grade mineralisation with the potential to add to Lynn Lake’s significant existing resource base.

A summary of significant assay results from the recent drilling at the “A Orebody” target is provided in Table 1.

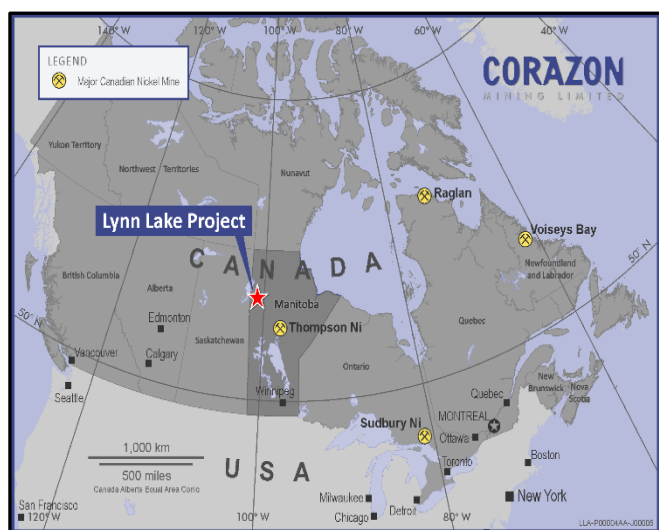


Figure 1 – Lynn Lake project location map

The high-grade characteristics of the A Orebody are very encouraging, elevating the potential for several other near surface deposits within the large Mining Centre, yet to be considered for drill testing. The definition of additional high-grade mineralisation in this latest phase of drilling within the Mining Centre bolsters the Company's belief in the strong potential for near-surface mineralisation to add beneficial "start-up" material for any future mining operation at Lynn Lake.

Hole	From (m)	Interval (m)	Ni%	Cu%	Co%
LL2019-01	16.4	7.0	0.62	0.37	0.022
LL2019-02 Incl	10.0	37.8	1.68	0.67	0.050
	24.4	22.6	2.30	0.82	0.068
	95.8	7.3	0.75	0.37	0.020
LL2019-03	15.0	8.8	0.65	0.85	0.017
	34.0	5.0	0.65	0.59	0.016
	41.0	4.0	0.52	0.43	0.015
LL2020-07	8.0	21.0	0.67	0.5	0.020
LL2020-08 incl	8.0	37.0	1.34	0.50	0.040
	17.0	8.4	2.36	0.66	0.063
LL2020-09	No Significant Result				

Table 1 – Significant results from recent "A Orebody" drilling

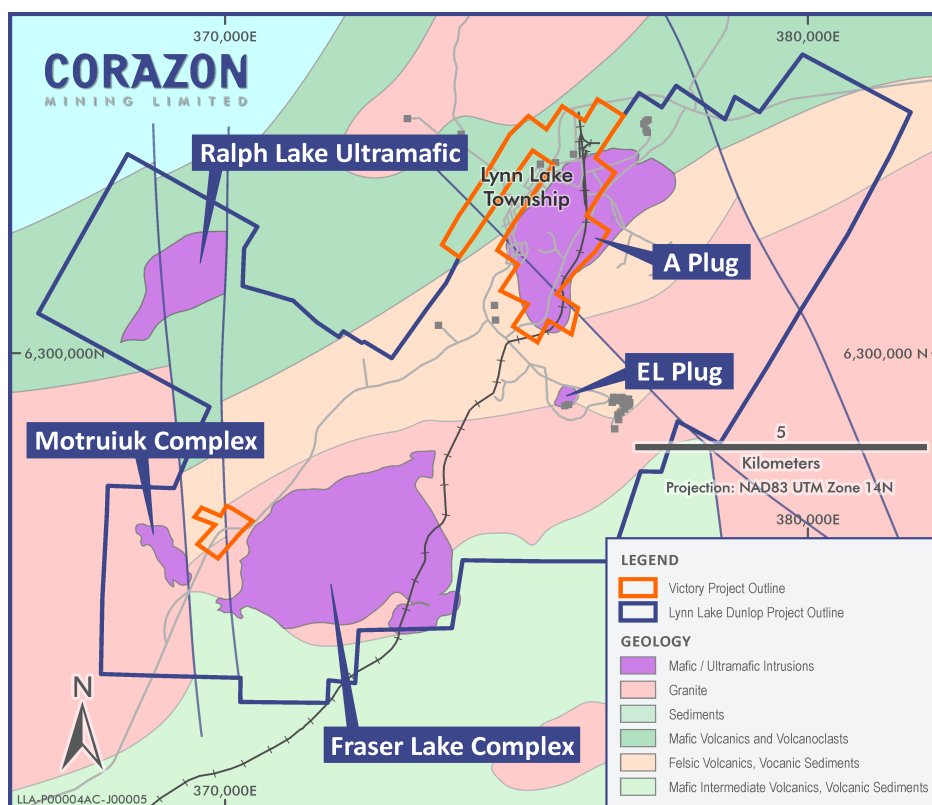


Figure 2 – Regional Geology Interpretation and Project Area Outlines.

Fraser Lake Complex – New Drill Targets Defined

Corazon's current phase of drilling at Lynn Lake is focused on its priority exploration target - the Fraser Lake Complex (FLC). This exciting exploration ground is located five (5) kilometres south of the Lynn Lake Mining Centre (Figure 2), where significant new nickel-sulphide mineralisation has been defined.

The Company is currently drill testing a compelling new geophysical anomaly, interpreted as a flat lying magnetic feature at the basal contact of the intrusion. The target covers an area of at least 350 metres by 200 metres, with the peak of the magnetic anomaly at about 450 metres below surface and the base of the FLC intrusion interpreted to be at about 500 metres below surface.

The initial drill hole (FLC2020-22) into this target was paused in May, due to unstable surface conditions caused by the northern hemisphere spring melt. Drilling had reached the top of the defined target anomaly at a downhole depth of 523.4 metres (approximately 400 metres below surface) (ASX announcement 1 May 2020).

Corazon has now successfully completed a site inspection and green-lighted the recommencement of drilling. Personnel and equipment are being mobilised to site, and drilling is scheduled to recommence at drill hole FLC2020-22 by the end of July (ASX announcement 22 July 2020).

Option Exercised to Acquire 100% of Lynn Lake Project

During the Quarter, Corazon announced it had exercised a long-standing option to acquire the "Dunlop Project" exploration ground and historical EL Mine (ASX announcement 17 April 2020).

This acquisition consolidates the entire Lynn Lake Mining Centre and all prospective exploration tenure under Corazon's 100% ownership.

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.

Several other areas within the Mining Centre hold the potential for near surface mineralisation surrounding historical underground mining operations. The potential to access these areas for drilling are to be investigated over the Canadian summer months.

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 FLC, where past drilling by Corazon has discovered a large magmatic sulphide system that is analogous to the Lynn Lake deposits.

Results from drilling within the FLC have defined large areas of low-grade mineralisation, with the best results returned to date including:

- **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)

Corazon is continuing to conduct exploration and target generation work within the FLC and regional areas of the greater Lynn Lake project.

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. 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.

Work by Corazon since acquisition in mid-2016, underpins the belief that Mt Gilmore is prospective for hosting large intrusive related copper-gold systems, enriched in cobalt.

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 (Figure 4). These targets are Corazon's exploration focus at Mt Gilmore.

Current Exploration

Several large geochemical anomalies have been generated at Mt Gilmore. These areas have had an initial test using IP geophysical survey (ASX announcements 23 July 2019) and 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.

Current activities at Mt Gilmore are focused on defining potential drill targets within the extensive areas of anomalism within the project area.



Figure 3 – Mt Gilmore Project Location Map

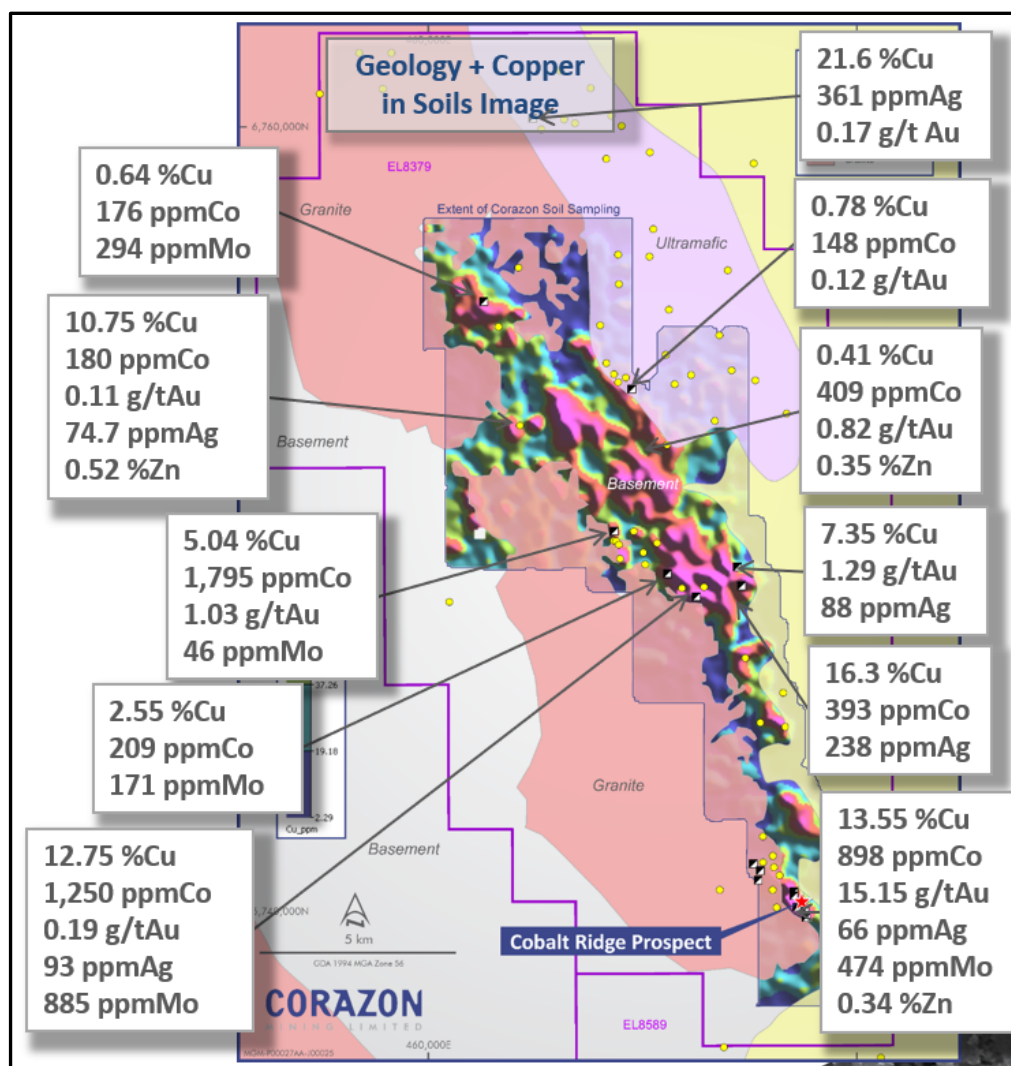


Figure 4 – Mt Gilmore Project – Copper in Soils Geochemical Image and Rock Chip Results over Interpreted Geology Plan

CORPORATE

Cash and Appendix 5B Disclosure

Corazon closed the Quarter with approximately \$528,000 in cash; the Company's quarterly summary of financials are presented as a separate ASX release in the Appendix 5B.

In accordance with Listing Rule 5.3.5, 5.3.1 and 5.3.2 the Company hereby provides disclosure to reflect the information required

in the quarterly report and the Appendix 5B,
the information required is as follows:

Item 6.1 in the Appendix 5B included an amount of \$70,000 as payment to related parties this reflected payments to directors including non-executive directors for fees, salaries and consulting costs for the quarter.

Item 1.2 in the Appendix 5B included an expenditure of \$365,000 on Exploration

Activities, associated with geological interrogation, geophysical processing, target generation, drilling and assaying within the Lynn Lake Project in Canada.

Lapse of Unlisted Options

On 1 April 2020, Corazon announced that 40,000,000 unlisted options exercisable at \$0.035 on or before 31 March 2020 expired unexercised.

General Meeting of Shareholders

On 8 April 2020, Corazon held a General Meeting to ratify the prior issue of shares and to seek shareholder approval to issue the Attaching Options to participants in the February 2020 Placement.

All resolutions put to the meeting were passed by a poll.

Lynn Lake Option Exercised

On 17 April 2020, the Company completed all earn-in requirements to acquire 100% of the Lynn Lake Project area. This acquisition consolidates the entire Lynn Lake Mining Centre and all prospective exploration tenure under Corazon's 100% ownership.

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.

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 triggered an issue 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. These shares were issued post Quarter-end on 10 July 2020.

Issue of Securities

On 21 April 2020, Corazon issued 341,582,138 listed options in accordance with the

resolution passed at the Company's General Meeting on 8 April 2020.

Placement and Entitlement Offer

Post Quarter-end on 1 July 2020, Corazon announced a capital raising to raise up to \$1.678 million to fund ongoing exploration at the Lynn Lake Project in Canada. The raising comprises a Placement as well as an Entitlement Offer to eligible shareholders, as outlined below.

- **Placement:** Corazon received firm commitments from sophisticated and professional investors to raise approximately **\$714,000** via the issue of up to 356,984,000 fully paid ordinary shares (Shares) at an issue price of \$0.002 per Share. Participants will also be issued one (1) attaching option for every one (1) Share subscribed for, subject to shareholder approval.
- **Entitlement Offer:** Corazon also announced will undertake a pro-rata non-renounceable Entitlement Offer to raise up to **\$964,000** via the issue of approximately 481.9 million Shares at an issue price of \$0.002 per Share, on the basis of one (1) Share for every five (5) Shares held. Participants will also be issued one (1) attaching option for every one (1) Share issued.

The Company reserves the right to place any shortfall arising from the Entitlement Offer. The new Shares issued under the Entitlement Offer will be listed on ASX and will rank pari-passu with the existing fully paid ordinary shares in the Company.

Corazon completed the dispatch of the prospectus on 14 July 2020.

Notice of General Meeting

Post Quarter-end on 24 June 2020, the Company announced it will be holding a General Meeting on 26 August 2020.

Issue of Placement Shares

Post Quarter-end on 10 July 2020, the

Placement Shares were issued under the Company's existing placement capacity under ASX Listing Rule 7.1. The Company will seek shareholder approval at a general meeting to be held on 26 August 2020, to issue the Attaching Options to participants in the Placement.

Entitlement Rights Issue Extended

Post Quarter-end on 20 July 2020, the Company announced that the closing date for its non-renounceable entitlement offer has been extended to **Thursday 6 August 2020**. The revised indicative timetable is set out in ASX announcement of 20 July 2020.

Eligible Shareholders can access the Prospectus and the Entitlement and Acceptance Form via Corazon's share registry, Advanced Share Registry (www.advancedshare.com.au).

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	New South Wales	51%	
MT GILMORE	EL 8589	New South Wales	100%	
LYNN LAKE	P7698E	Canada	100% ¹	
LYNN LAKE	P8370E	Canada	100% ¹	
LYNN LAKE	P7699E	Canada	100% ¹	
LYNN LAKE	P7702E	Canada	100% ¹	
LYNN LAKE	P3163F	Canada	100% ¹	
LYNN LAKE	P3164F	Canada	100% ¹	
LYNN LAKE	P3165F	Canada	100% ¹	
LYNN LAKE	P2291F	Canada	100% ¹	
LYNN LAKE	P3534F	Canada	100% ¹	
LYNN LAKE	MB2482	Canada	100% ¹	
LYNN LAKE	MB3566	Canada	100% ¹	
LYNN LAKE	MB3567	Canada	100% ¹	
LYNN LAKE	P1045F	Canada	100% ¹	
LYNN LAKE	MB3580	Canada	100% ¹	

LYNN LAKE	MB3581	Canada	100% ¹	
LYNN LAKE	MB7346	Canada	100% ¹	
LYNN LAKE	MB7349	Canada	100% ¹	
LYNN LAKE	MB7350	Canada	100% ¹	
LYNN LAKE	MB7025	Canada	100% ¹	
LYNN LAKE	MB7361	Canada	100% ¹	
LYNN LAKE	MB7362	Canada	100% ¹	
LYNN LAKE	MB6364	Canada	100% ¹	
LYNN LAKE	MB5175	Canada	100% ¹	
LYNN LAKE	MB5701	Canada	100% ¹	
LYNN LAKE	MB8734	Canada	100% ¹	
LYNN LAKE	MB8735	Canada	100% ¹	
LYNN LAKE	MB9218	Canada	100% ¹	
LYNN LAKE	MB5399	Canada	100% ¹	
LYNN LAKE	MB6360	Canada	100% ¹	
LYNN LAKE	MB6361	Canada	100% ¹	
LYNN LAKE	MB6362	Canada	100% ¹	
LYNN LAKE	MB6363	Canada	100% ¹	
LYNN LAKE	MB9453	Canada	100% ¹	
LYNN LAKE	MB5672	Canada	100% ¹	
LYNN LAKE	MB5669	Canada	100% ¹	
LYNN LAKE	MB10070	Canada	100% ¹	
LYNN LAKE	MB10071	Canada	100% ¹	
LYNN LAKE	MB10085	Canada	100% ¹	
LYNN LAKE	MB10086	Canada	100% ¹	
LYNN LAKE	MB10382	Canada	100% ¹	

LYNN LAKE	MB10383	Canada	100% ¹	
LYNN LAKE	MB10384	Canada	100% ¹	
LYNN LAKE	MB10387	Canada	100% ¹	
LYNN LAKE	MB10388	Canada	100% ¹	
LYNN LAKE	MB11838	Canada	100% ¹	
LYNN LAKE	MB11839	Canada	100% ¹	
LYNN LAKE	MB11840	Canada	100% ¹	
LYNN LAKE	MB11841	Canada	100% ¹	
LYNN LAKE	MB11842	Canada	100% ¹	
LYNN LAKE	MB11843	Canada	100% ¹	
LYNN LAKE	MB11844	Canada	100% ¹	
VICTORY PROJECT	MB11328	Canada	100% ²	
VICTORY PROJECT	MB11388	Canada	100% ²	
VICTORY PROJECT	MB11389	Canada	100% ²	
VICTORY PROJECT	MB11390	Canada	100% ²	
VICTORY PROJECT	M2228	Canada	100% ²	
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. For terms of the agreement, refer to prior announcement dated 09/08/12.
2. Victory Purchase agreement for terms of the agreement, refer to prior announcement dated 04/04/15.