

The Manager - Company's Announcements

Australian Securities Exchange

QUARTERLY ACTIVITIES REPORT PERIOD ENDING 31 MARCH 2015

- **Transaction completed to acquire the Victory Nickel-Copper Project at Lynn Lake in Canada from Victory Nickel Inc (TSX: NI)**
 - Acquisition consolidates the Lynn Lake Nickel Field for the first time since mine closure in 1976
 - Combined project creates a significant nickel-copper asset - benefits in scale and mine-life for potential future mining operation
- **Maiden JORC Resource Estimate for consolidated Lynn Lake Nickel-Copper Project**
 - Total Indicated and Inferred Resource of 9.4Mt @ 0.88% nickel and 0.40% copper, for 83,000t contained nickel and 37,800t contained copper
- **Further upside potential identified with large areas of drill defined mineralisation and multiple highly prospective targets yet to be included within the resource**
- **Mining and processing studies underway, preparing the project for potential recommencement of mining subject to improved metal prices**

Corazon Mining Limited (ASX: CZN) ("Corazon" or "the Company") is pleased to present its Quarterly Activities Report for the period ending 31 March 2015.

During this quarter an appreciating nickel price fuelled the Company's focus on developing and expanding its Lynn Lake Nickel-Copper Sulphide Project ("Project") in the Manitoba region of Canada. The Company has recently announced the completion of its acquisition of the Victory Nickel Project, which consolidates the Lynn Lake Nickel Field for the first time since the Lynn Lake Mine closed in 1976, after 24 years of operation as a large tonnage-low cost mine.

Corazon also recently announced a JORC 2012 compliant Resource Estimate ("Resource") for the Lynn Lake Project. This estimation combines and upgrades resources previously reported in both JORC 2004 and NI43-101 (Canadian) reporting standards, as well as incorporating some new areas of mineralisation defined by the previous mining operation.

Corazon's consolidation of the Lynn Lake nickel field provides both a significant nickel-copper asset and an excellent development opportunity that is leveraged to improvements in the nickel metal price.

ACQUISITION OF VICTORY NICKEL PROJECT, CANADA

Post quarter, Corazon announced it had completed the transaction with Victory Nickel Inc ("Victory") to acquire 100% equity of the Victory Nickel-Copper Project ("Victory Project") in the Lynn Lake Nickel-Copper Field, in the central Canadian province of Manitoba.

CAPITAL STRUCTURE

Market cap. @ A\$0.007	\$3.09M
Ordinary shares	441.6M
Unlisted Options	30M
ASX: CZN	

BOARD OF DIRECTORS

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

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The Victory Project is located immediately adjacent to Corazon's Lynn Lake Nickel Project and the acquisition consolidates the Lynn Lake Nickel-Copper Field for the first time since its closure in 1976. The Victory Project has a Canadian (NI 43-101) Measured, Indicated and Inferred Resource (this is a foreign estimate of mineralisation and not reported in accordance with JORC) totalling 17Mt @ 0.66% Ni and 0.33% Cu, for the 'N', 'O' and 'G' deposits, closest to Corazon's EL Deposit (Figures 1 & 2).

In accordance with the agreement (ASX announcement dated 5th November, 2014), Corazon issued Victory 40 million Corazon shares to complete the deal. The transfers of mining titles to Corazon have been lodged with the Manitoba Government and are in progress.

Corazon strongly believes that bringing the two nickel projects together creates a significant nickel-copper asset, improves the economics of any potential mining operation and provides benefits in scale and possible mine life, thus enhancing the opportunity to take advantage of an appreciating nickel metal price.

Terms of the Victory Nickel Project Agreement

The terms of the Victory Nickel Project acquisition (for Corazon to earn 100% of the Victory Project) include:

- Issuing 40 million Corazon shares to Victory, upon settlement – completed.
- Victory to retain a 1.5% net smelter royalty on production from the Victory project area. Corazon has the right to purchase 1% of the 1.5% royalty for AUD\$1M.
- Over the five years following execution of the full agreement, Corazon is required to spend an aggregate AUD\$3.5M on exploration and resource development. In the event that Corazon fails to meet this expenditure requirement:
 - The difference between AUD\$3.5M expenditure requirement and what is actually spent, must be paid to Victory in cash or shares; or
 - The project is returned to Victory.
- Within 30 days of the re-commencement of ore processing at Lynn Lake, Victory will receive a payment of AUD\$1M (cash and/or shares at Corazon's discretion).

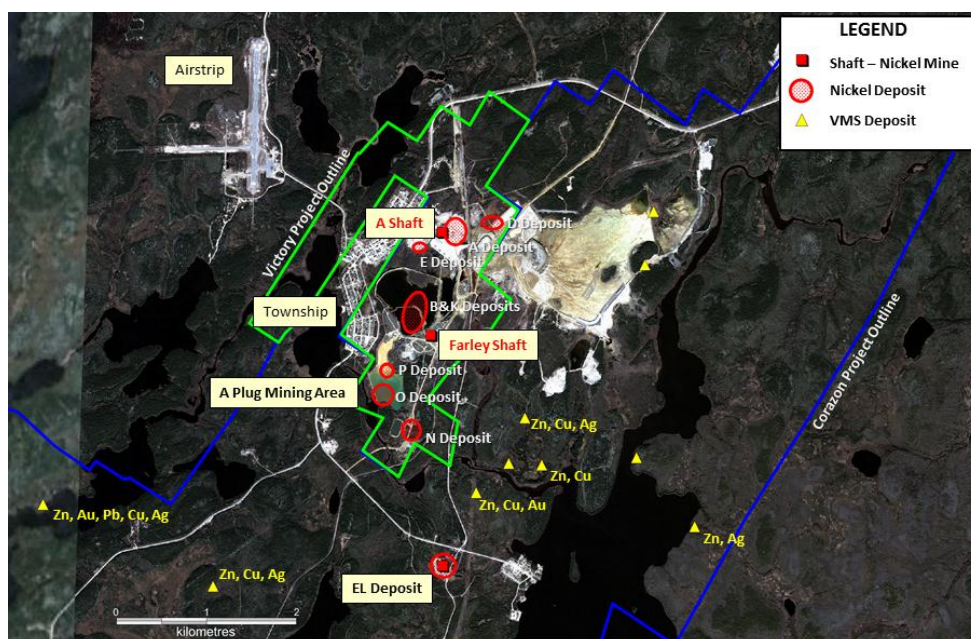


Figure 1: Lynn Lake Claim Outline and Prospect Location

RESOURCE UPGRADE AT LYNN LAKE

Post quarter, Corazon announced its completion of a JORC 2012 compliant Resource Estimate ("Resource") for the Lynn Lake Project, in Canada. This estimation combines and upgrades resources previously reported in both JORC 2004 and NI43-101 (Canadian) reporting standards, as well as incorporating some new areas of mineralisation defined by the previous mining operation.

Perth based independent mining consultants Ravensgate have defined an Indicated and Inferred Resource of:

- **9.4Mt @ 0.88% nickel and 0.40% copper,**
- **For 83,000 tonnes of contained nickel and 37,800 tonnes of contained copper.**

Refer to Table 1 for a break-down of this Resource

The Resource incorporates the EL, N, O and G nickel-copper sulphide deposits (Figure 1 & 2, Table 1) and is the first time a combined resource for the Lynn Lake project area has been defined in-line with Australian reporting standards.

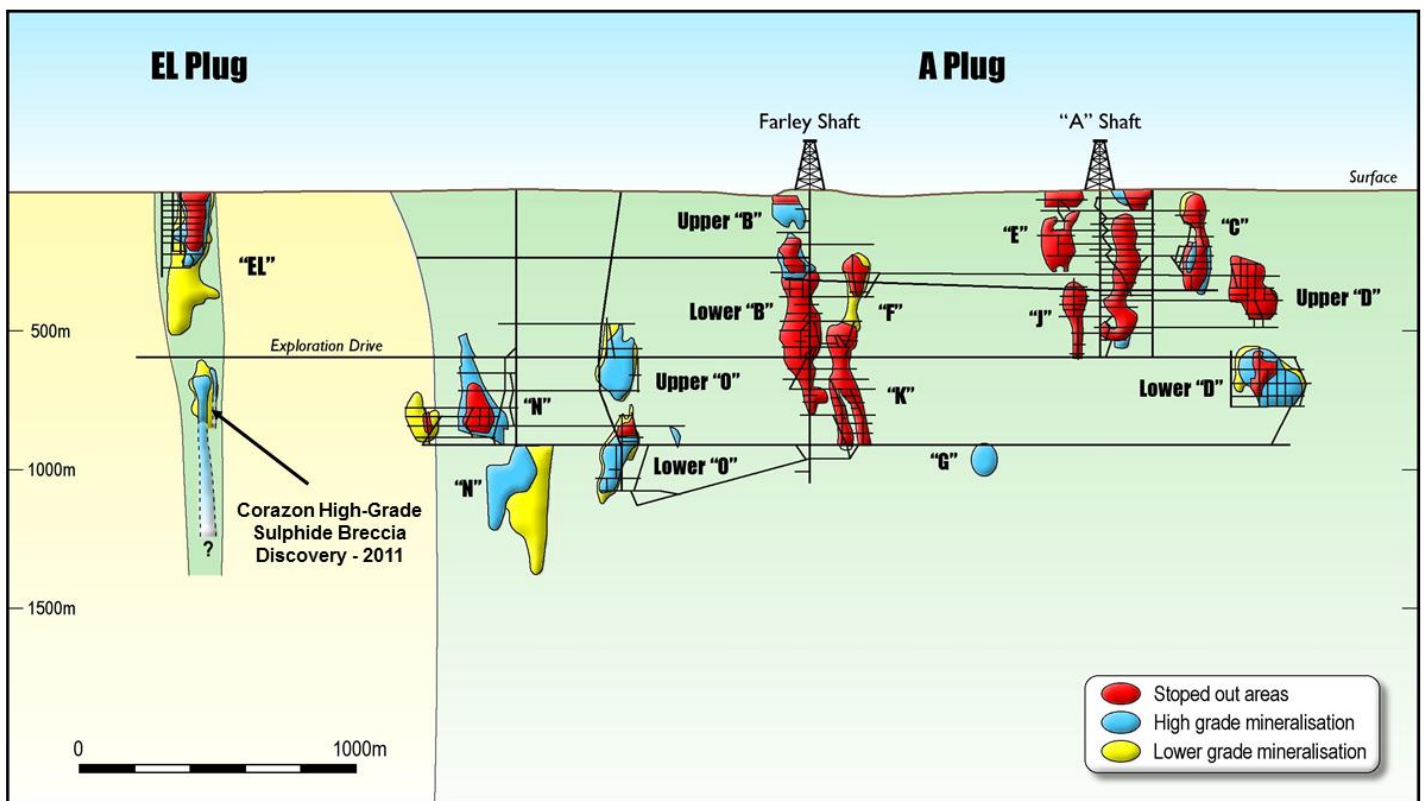


Figure 2: Lynn Lake Mining Centre Long Section

Table 1: Mineral Resource for the EL, N, O and G deposits at Lynn Lake

Deposit	Lower Cut-off Grade		Tonnes	Grade		Contained Metal	
	NIEQ %	Ni %		Ni %	Cu %	Ni Tonnes	Cu Tonnes
Indicated Resource Category							
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
Indicated Sub-Total			7,420,000	0.83	0.38	61,500	28,500
Inferred Resource Category							
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
Inferred Sub-Total			1,990,000	1.09	0.47	21,600	9,300
Total			9,400,000	0.88	0.40	83,000	37,800

Table 1 Notes:

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

The Resource grade is consistent with the historical grades from the Lynn Lake Mine which operated for 24 years as a large tonnage-low cost mine, before its closure in 1976. In defining this Resource, Corazon has utilised higher cut-off nickel grades for reporting the Project's Resource than those previously published by past Canadian operators. This is in-line with the Company's focus on determining exploitable resources rather than seeking to identify the total metal content within the project area.

Summary of recently completed resource work

- Reported a resource for the whole Lynn Lake nickel-copper camp and not just on a prospect scale.
- Identified more tonnes at the EL Plug. In particular, some near surface mineralisation defined by past drilling and mining activities has been upgraded to resource status.

- Changed the resource category classifications quoted in the Canadian NI43-101 Resource of Measured, Indicated and Inferred for the A Plug (N, O and G deposits) to JORC 2012 Indicated and Inferred Resource classification reflecting a reassessment of the historic nature of the data as resource reporting “modifying factor”.
- Identified significantly less tonnages than that reported in the NI43-101 “foreign estimate of mineralisation” for the A Plugs N, O and G deposits. This is due to a much higher lower cut-off grade being used for the current resource statement. However, the Company is confident the larger global mineral inventories previously reported are accurate in their representation of the mineralisation at lower cut-off grades.

CURRENT ACTIVITIES

Throughout the quarter, desk-top resource and mining studies on the Lynn Lake Project were completed, and Corazon recently announced it had upgraded historical resources for the EL Deposit and Victory Project to JORC 2012 resource status. These resources will form the basis of future mining and processing work.

Funding: The Company is in a solid financial position with approximately \$2.2 million in cash. The activities proposed below are predominantly desk-top studies and are relatively low cost.

Exploration: Canadian geologist Dr Larry Hulbert has been engaged by Corazon to assist in the collation of past exploration information and the definition of new targets at Lynn Lake. Dr Hulbert has extensive knowledge of the Lynn Lake district and over 40 years' experience in Ni-Cu-PGM exploration and research and is one of North America's foremost experts on magmatic sulphide deposit exploration and discovery.

Dr. Hulbert has been actively running exploration programs in Canada for over 20 years and has been working as a Cu-Ni-PGM specialist consulting to companies engaged in exploration in Canada, USA and Mexico. Dr. Hulbert has authored numerous professional papers, was the recipient of the Barlow Medal from CIM in 1993, a Robinson Distinguished Lecturer for the Geological and Mineralogical Association of Canada for 2001-2002, and in 2003 received the Earth Sciences Sector Merit Award from Natural Resources Canada.

Mining Studies: Canadian based Australian senior mining engineer Mr George Smith has been engaged by the Company as an independent consultant to manage the development of a Scoping Study for the Lynn Lake Nickel-Copper Project. Mr Smith has more than 20 years of underground and open-cut mining experience in Australia and Canada and was most recently the Manager of Evaluations for Barrick Gold Corporation (based in Toronto). His extensive experience in the management and mining of a large variety of mineral deposit types will be of enormous benefit to developing mining strategies at Lynn Lake.

Mineral Processing Analysis: Australian project services company Midas Mets Engineering has been contracted to provide mineral processing technical due diligence and concentrate treatment options. Processing methods have changed considerably since previous mining was undertaken at Lynn Lake in the 1970's, with modern options providing a much broader range of choices regarding the extraction and treatment of nickel and copper concentrate.

Ends

28 April 2015

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

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Important Information

Competent Persons Statement: The information in this report that relates to Exploration Results and 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.

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.

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
LYNN LAKE PROJECT				
LYNN LAKE	P7700E	Canada	100% ¹	
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	

¹ Option to acquire up to 100% of Lynn Lake, refer to prior announcement for terms of the agreement.