

The Manager - Company's Announcements
Australian Securities Exchange

**DETAILED SURVEY ENHANCES GEOPHYSICAL ANOMALIES
- ANALOGOUS TO KNOWN DEPOSITS -**

Key facts:

- Detailed Induced Polarisation (“IP”) survey has been completed and is now being assessed
- Initial results have confirmed significant geophysical anomalies 5km south of the historic Lynn Lake nickel-copper-cobalt mine in Canada
- Several large prominent IP features defined from depth to near surface, under shallow cover, believed to be representative of nickel-copper-cobalt sulphide mineralisation
- IP is a proven tool for identifying mineralisation at Lynn Lake
- Prospectivity supported by nickel sulphides in 1950’s drilling, rock-chip geochemistry and glacial boulders
- Detailed analysis of IP anomalies and drill target definition currently underway
- Lynn Lake is historically one of Canada’s most prolific nickel producing districts
- Entire Lynn Lake nickel-copper-cobalt district controlled by Corazon.

Corazon Mining Limited (ASX: CZN) (“Corazon” or “the Company”) is pleased to announce the completion of Induced Polarisation (“IP”) and Resistivity ground geophysical surveys undertaken at the Fraser Lake Complex, located within the Company’s wholly owned Lynn Lake Nickel-Copper-Cobalt Sulphide Project (the Project) in the central Canadian province of Manitoba.

The Fraser Lake Complex (“FLC”) is located just 5km south of the historic Lynn Lake mining centre (Corazon 100%). The Company has just completed approximately 49km of Gradient Array IP and 13.5km of Pole-Dipole IP over the complex. IP in tandem with other complementary geophysical methods including magnetics, gravity and electromagnetics provide powerful predictive tools for prospecting under cover in the Lynn Lake area.

An initial reconnaissance Gradient Array survey (ASX announcement 11th April, 2016) identified several zones of geophysical interest at depths to about 700m, warranting further exploration. A follow-up detailed Pole-Dipole survey has just been completed, targeting the most prominent IP signatures and mapping them from surface down to a depth of 700m.

Early analysis from the integration of these surveys indicates the presence of several prominent IP signatures at depth, with some anomalies appearing to extend to shallower depths (near outcropping). These anomalies are geophysically analogous to the nickel-copper-cobalt sulphide mineralisation mined for decades within the Lynn Lake Mining Centre.

CAPITAL STRUCTURE

Market cap. @ A\$0.007 A\$3.09M
 Ordinary shares 441.6M
 Options 7.5M
 ASX: CZN

BOARD OF DIRECTORS

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

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Defined anomalies are currently being analysed in detail for ranking and drill target definition. This work is expected to be completed and announced before the end of May, 2016.

Anomalous nickel and base metal mineralisation within the FLC was originally recognised by mining company Sherritt-Gordon in the late 1940's to early 1950's, around the same time as their massive sulphide discovery at Lynn Lake. Lynn Lake went on to be mined for 24 years before closure in 1976 and remains the 4th largest nickel producing area in Canada (behind Sudbury, Voisey's Bay and Raglan).

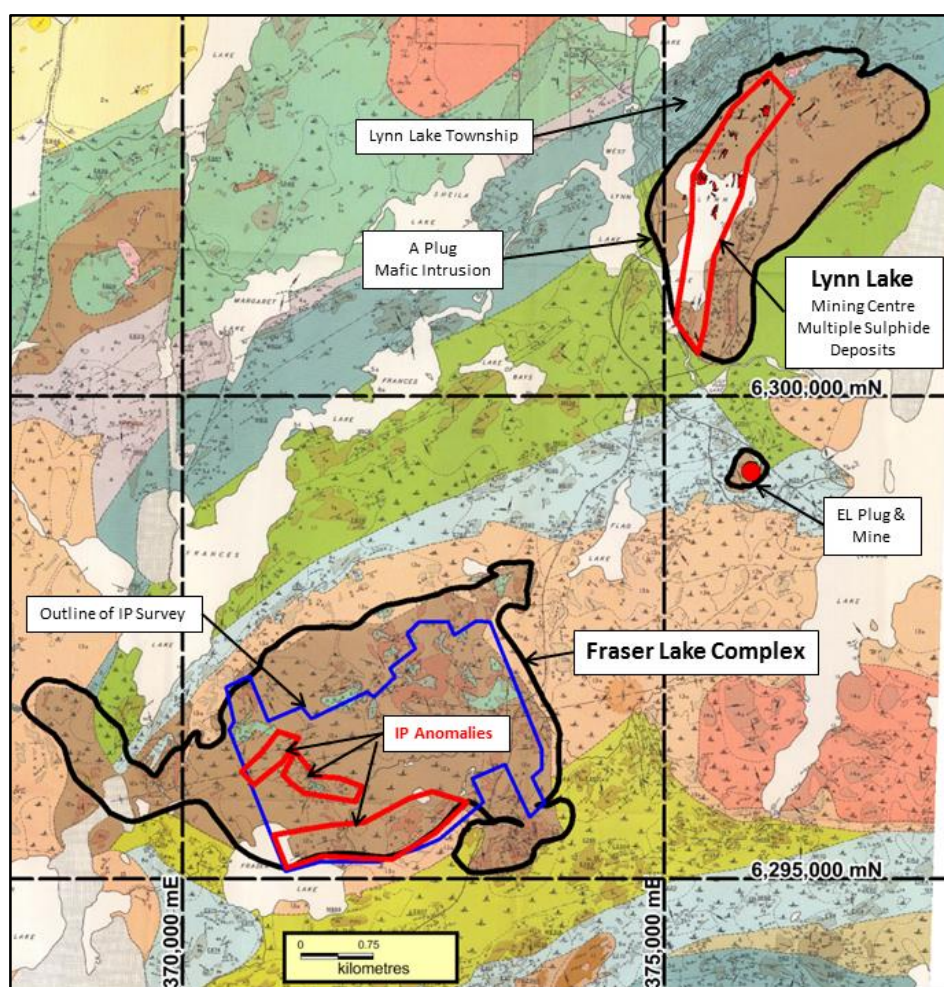


Figure 1 - Interpreted Geology – Emslie, R.R. and Moore, J.M. 1961. Manitoba Mines Branch, Publication 57-4. Datum UTM Zone 14 (NAD83).

The main targets identified by Corazon's recent work have never been tested by surface geochemistry or drilling. However, past exploration has shown the FLC to be fertile with nickel mineralisation. Figure 2 indicates the results of surface (grab) sampling and drilling completed within the FLC by previous operators between 1950 and 1972. Seemingly un-altered, un-mineralised gabbroic rocks can typically contain nickel concentrations of +1,000ppm. This is unusual and suggests there is a significant amount of nickel in the intrusive complex at the FLC.

There are three areas within the FLC where historic "run of mine" grades have been identified (N1, N2 and N3 in Figure 2).

“N1” locates drill hole 503 drilled in 1957 by Sherritt-Gordon which returned 14’ (4.3m) at 0.78% nickel and 0.54% copper. Drill hole 505 (same generation) also contained visible nickel sulphide mineralisation.

“N2” is a sample of sulphide rich altered gabbro carrying approximately 0.38% nickel.

“N3” locates mineralised and altered gabbro in glacial boulders that returned a grade of 0.79% nickel.

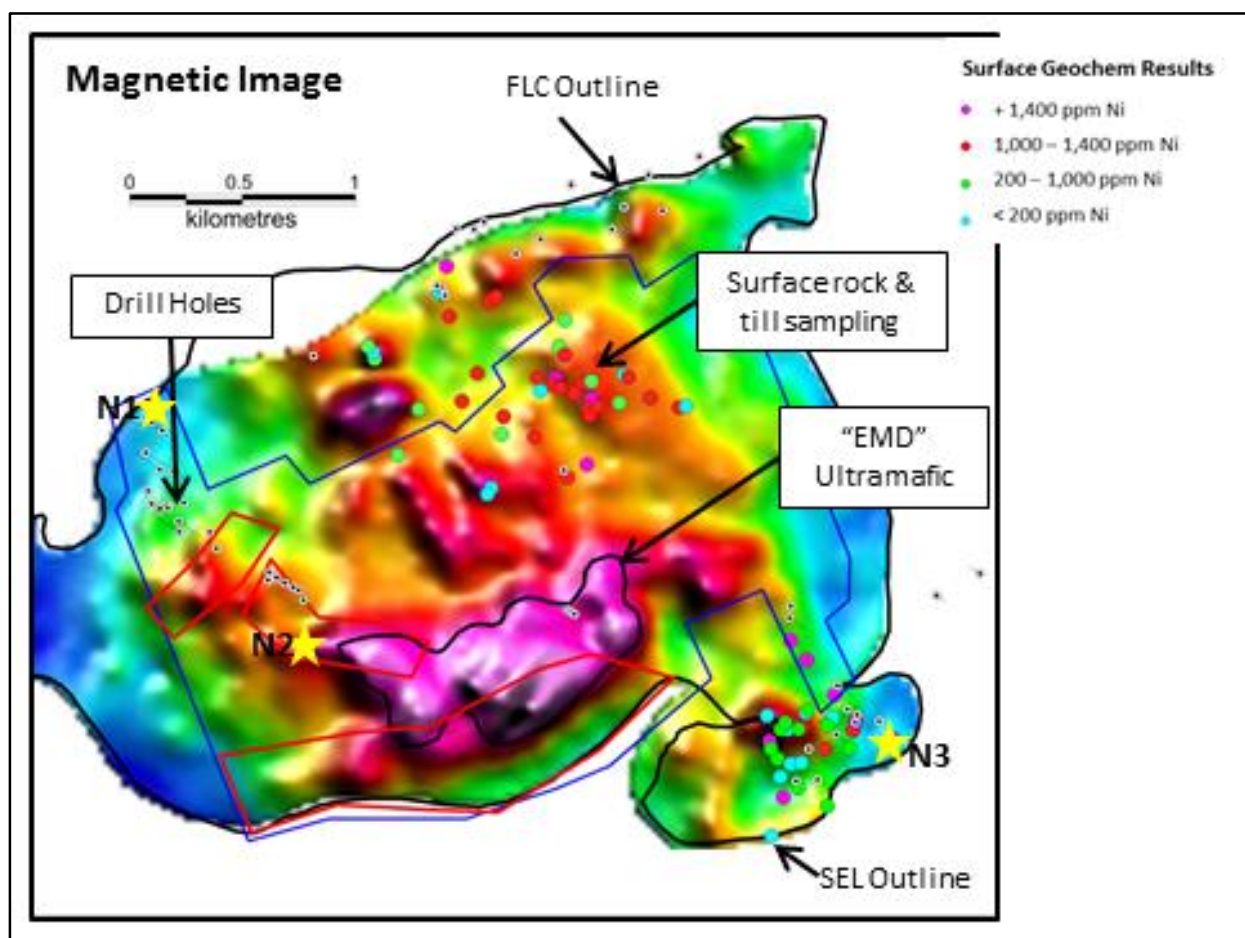


Figure 2 - Aeromagnetic Image (2005). Detailing survey outline (blue), Eastern Magnetic Domain “EMD” (black) and areas of chargeable anomalism (red). Reference Fig 1 for location.

The current geophysical program has also identified what is believed to be xenoliths of Volcanogenic Massive Sulphide deposits, caught up in the mafic intrusion, highlighting the potential for zinc, copper, lead, silver and gold deposits in the regional system. This style of mineralisation is hosted within different rocks, and has a different and distinctive geophysical signature compared to the nickel-copper-cobalt deposits currently being targeted.

Lynn Lake Project Summary

On 1st April 2015, Corazon announced it had consolidated the Lynn Lake Nickel-Copper Field under the ownership of one company for the first time since mine closure in 1976 and, in doing so, created a significant nickel-copper sulphide asset.

Consolidating the nickel field improves the economics of any potential mining operation and provide benefits in scale and possible mine life, enhancing the opportunity to take advantage of an appreciating nickel metal price.

Despite closing in 1976, Lynn Lake remains Canada's fourth largest nickel producing districts. Between 1953 and 1976 approximately 22.2Mtons at 1% nickel and 0.5% copper (cobalt not reported) were mined. The Lynn Lake deposits are favourable for large-scale, low-cost mining methods and in places have been exploited down to depths of more than one kilometer.

On 16th April 2015, the Company published an initial JORC Indicated and Inferred Mineral Resource Estimate for the consolidated Lynn Lake Project of 9.4Mt @ 0.88% nickel and 0.40% copper, for 83,000 tonnes of contained nickel and 37,800 tonnes of contained copper.

The Resource grade is consistent with historical grades from the Lynn Lake Mine, which operated for 24 years as a large tonnage, low cost mine. Corazon is of the view that there are obvious areas where the existing Resource may be increased. **In recent years, three new discoveries have been made at Lynn Lake, in the "shadow of the headframe"**. These discoveries are not included in the current Resource and have the potential to add to the existing Resource inventory.

Since consolidating the Project in 2015, Corazon has completed extensive work in locating and acquiring all exploration and mining data for Lynn Lake. This has been an enormous task with information scattered throughout Canada held by multiple parties and predominantly in paper format. The Company reasonably estimates \$3 million worth of geophysics has been accumulated.

In addition to the geophysical data, the digital drill-hole database has increased from 3,800 drill-holes to almost 9,000 drill-holes, and the surface geochemical dataset has developed from zero to 2,783 samples of predominantly research-quality element analysis.

This information has generated the targets currently being tested at the FLC and the data will also be used to target additional resource opportunities in the Lynn Lake Mining Centre.

The Lynn Lake project area is situated immediately adjacent to the **Lynn Lake Township** which was established in the 1950s to support the Lynn Lake mining operation; as such, the area boasts excellent infrastructure and the capacity to support the recommencement of mining.

The Thompson Nickel Refinery (owned by Vale) is located only 320km from the Lynn Lake Project and is accessible by a major road. In addition to road, a rail line links Lynn Lake with the mining town of Flin Flon, approximately 270km to the south (northern 100km of railway line not currently in use).

The Manitoba Provincial Government is supportive and is actively encouraging mineral exploration and mining. The Lynn Lake project area carries no historical environmental liability from previous mining activities.

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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 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.

Canadian geologist Dr Larry Hulbert has been engaged by Corazon to manage 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. Dr Hulbert is one of North America's foremost experts on magmatic sulphide deposits and would 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".

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.

Matrix GeoTechnologies Ltd (Matrix) has been engaged by Corazon to design, complete and analyse an Induced Polarization (IP) ground geophysical survey within the Fraser Lake Complex at Lynn Lake. Matrix is a Canadian based geophysical consultancy, leading the field in multi-disciplinary geoscientific surveying, interpretation and presentation. Matrix is active worldwide and has considerable experience in the Lynn Lake region and in particular within the mining centre.

Matrix senior geophysicists engaged by Corazon for the current IP survey include Dr Kapllani and Mr Genc Kallfa. Dr. Kapllani (PhD AIPG) is the co-founder and President of Matrix with over 35 years' experience in geophysical methodology and research gained over countless assignments spreading across North America, Europe, Africa, Asia, and South America. Mr. Kallfa (BSc PGeo) has more than 29 years' experience and is co-founder and CEO of Matrix as well as a member of Association of Professional Geoscientists of Ontario. Both Dr Kapllani and Mr Kallfa would qualify as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".