

Corazon to acquire high grade cobalt-copper-gold project Due Diligence Successfully Completed

- **Due diligence on Mt Gilmore Co-Cu-Au Project in NSW successfully completed**
 - **Agreement to earn up to 80% of the Project to proceed**
 - **Cobalt mineralisation at Cobalt Ridge Prospect is open-ended - total strike length extended to possibly 500 m**
 - **Other regional cobalt targets identified in project area**
 - **Exploration to commence immediately and will include**
 - **Soil geochemistry and geophysics at Cobalt Ridge**
 - **Regional geochemistry and geophysics testing new areas of defined cobalt mineralisation**
 - **Drilling of priority targets proposed for the current quarter**
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Australian mineral exploration company, Corazon Mining Limited (ASX:CZN) (“Corazon” or “the Company”), is pleased to announce it has completed Due Diligence to its satisfaction and will now proceeding with its agreement to earn up to 80% of the Mount Gilmore Cobalt-Copper-Gold Project (“Project”) in north-eastern New South Wales.

Corazon entered into an agreement with Providence Gold and Minerals Pty Ltd (“Providence”) for an exclusive right to earn up to an 80% interest in the Project through payment of cash and shares, plus the expenditure of \$2.2 million in-ground last month (ASX announcement, 16 June 2016).

Corazon now advises that it has successfully completed due diligence and that it will proceed with the agreement.

The due diligence process included a reconnaissance site visit of the project area by Corazon. The site visit was extremely encouraging and highlighted that cobalt mineralisation at the key Cobalt Ridge Prospect is open ended, extending under cover to the east and west towards the granite contact – significantly increasing the total defined strike length potential.

Other prospects within the project area, initially identified as copper-gold targets, also appear to host strong cobalt mineralisation (ASX announcement, 21 June 2016). In the Company’s view, this significantly adds to the project’s cobalt potential.

With due diligence successfully completed, the Company will now move forward immediately with its exploration plans at the Project. These include;

- Extending the current soil geochemistry program at Cobalt Ridge;
- Induced polarisation (IP) geophysics to trace mineralisation under cover at Cobalt Ridge;

- Regional geochemistry and geophysics across the wider project area; to be followed by
- Drilling of priority targets identified, proposed to be undertaken in the current quarter, subject to satisfaction of standard regulatory approvals.

Project Background

The Mt Gilmore Project is located only 35km from the major centre of Grafton in north-eastern New South Wales (Figure 1). Project tenure includes one granted Exploration Licence (EL8379 – one year old), covering an area of approximately 25km by 15km.

The Cobalt Ridge Prospect

The high-grade nature of this cobalt mineralisation is published in historical records from shallow mining (maximum shaft depth 36.5m), reporting a maximum of 14.7% cobalt (Co) and up to 1.7 oz/ ton gold (Au). The richer mineralisation seemingly occurs in small lenses or pods within a broader zone of mineralisation.

Modern exploration within the Project commenced in the 1980's; PanContinental completed ground IP and magnetic geophysical surveys, gridded soil geochemistry for Cu (copper), As (arsenic), Au and Co, 25 trenches (1,518.5m) and 17 RC drill holes (for 1,020.82m).

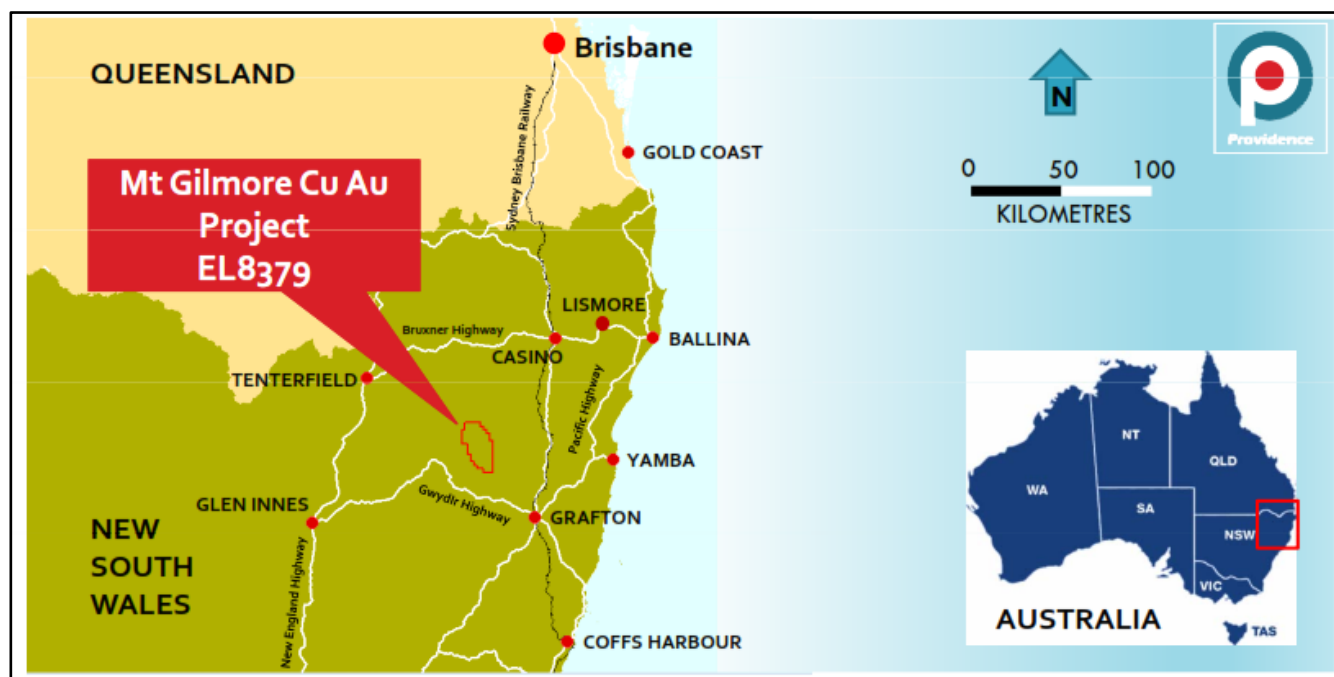


Figure 1 – Project Location

Between 2006 and 2008, Central West Gold N.L. drilled 25 holes for 2,880 metres, including 21 holes for 2,604m at Cobalt Ridge. This work defined multiple parallel sub-vertical Co-Cu-Au sulphide lodes over a strike of 300m and width of between 50m and 120m (Figures 2 and 3).

Maximum individual 1m drill results include **3.38% Co, 3.18% Co and 4.92 g/t Au.**

The Cobalt Ridge Prospect represents an advanced cobalt play with shallowly drilled Co-Cu-Au lodes that remain open along strike and at depth. With a small amount of infill and extensional drilling, the Company believes the potential exists to define a JORC resource in the short term.

Numerous undrilled regional cobalt prospects exist, including several defined by soil geochemistry and geophysics close to Cobalt Ridge (Figure 2). This style of mineralisation (Co-Cu-Au sulphides) is typically responsive to geophysics, with the Cobalt Ridge mineralisation being traced for at least an additional 100m to 200m under cover outside of existing drilling.

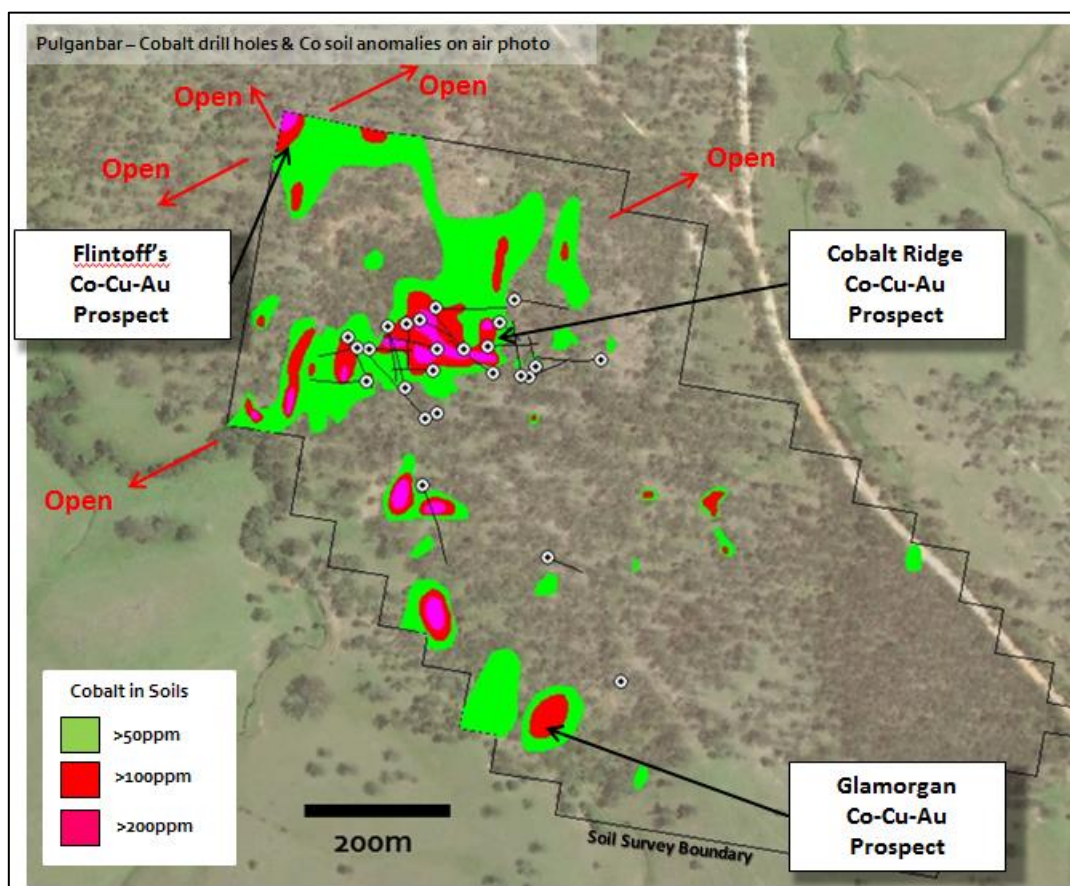


Figure 2: Cobalt Ridge Area – drilling and cobalt soil geochemistry over aerial photograph

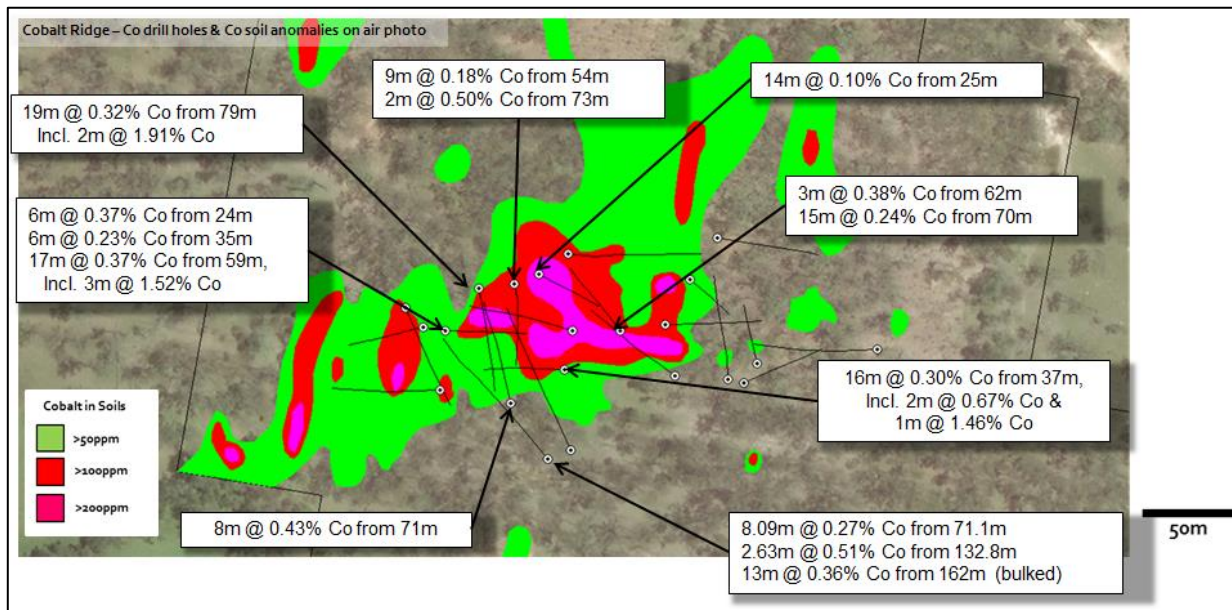


Figure 3: Cobalt Ridge Area – drilling and cobalt soil geochemistry over aerial photograph, with identified drill holes intercepts.

Mount Gilmore Copper-Gold Potential

The Project is located in the New England Orogen, a significant mineral province in Eastern Australia with a gold endowment of more than 35M ounces and the potential to host large copper-gold systems. This region hosts deposits such as the Mount Morgan Cu-Au Mine (+50Mt @ 5.9 g/t Au and 0.7% Cu) and Mt Rawdon Gold Mine (50Mt @ 0.71 g/t Au).

A prospective 18km trend (the Mt Gilmore Trend – Figure 4) has been identified within the Project. This zone includes:

- More than 25 historic copper, gold, cobalt and iron workings, including significant shafts, adits and drives with high-grade copper and gold mineralisation (rock chips up to grades of 26.8%Cu and 9.2 g/t Au)
- Five large scale Cu-Au targets have been defined (Figure 4).

Although mapping has identified extensive hydrothermal alteration and copper-gold mineralisation at surface, very little modern exploration has been undertaken. Aside from small-scale historic copper-gold and iron mines, previous exploration has predominantly been restricted to general prospecting/mapping, rock-chip/ grab sampling, with drilling completed at only one of the targets (the Pulganbar – Cobalt Ridge area).

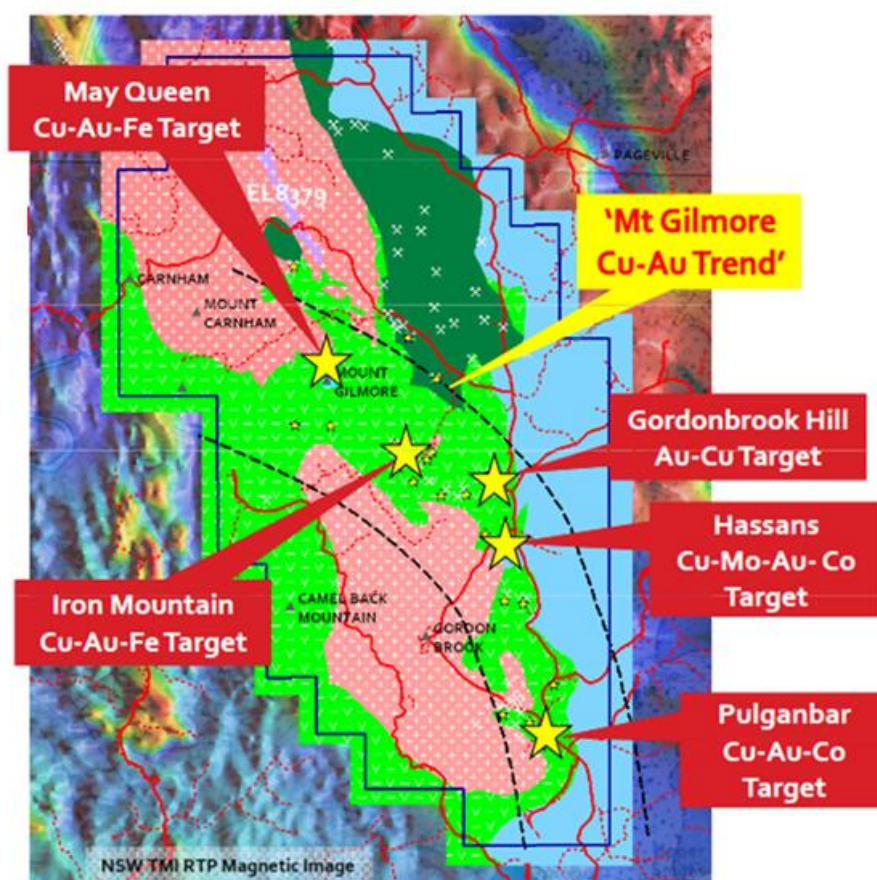


Figure 4: The Mt Gilmore Trend and Prospect Location over Regional Geological Interpretation

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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.