ASX ANNOUNCEMENT

11th April 2016

The Manager - Company's Announcements
Australian Securities Exchange

CORAZON IDENTIFIES LARGE GEOPHYSICAL ANOMALIES NEAR MINING CENTRE

- ANALOGOUS TO KNOWN DEPOSITS -

Key facts:

- **Induced Polarization ("IP") survey discovers large geophysical anomalies 5km south of the historic Lynn Lake nickel-copper-cobalt mines in Canada.**
- **The anomalies are within the Fraser Lake Complex, a large intrusion twice the size of the host intrusion at the Lynn Lake Mining Centre.**
- **Anomalies are predominantly under cover and thought to represent nickel-copper-cobalt sulphide mineralisation.**
- **Nickel sulphides in 1950's drilling, anomalous rock-chip geochemistry and mineralised glacial boulders support the prospectivity of the area tested.**
- **Lynn Lake is historically one of Canada's most prolific nickel producing districts, with existing resources and exciting exploration upside.**
- **IP has proven to be an excellent method for defining mineralisation at Lynn Lake.**
- **Detailed follow-up IP underway - aimed at "mapping" the priority anomalies to surface for drill hole targeting. Corazon is fully permitted for drilling at Fraser Lake.**
- **Corazon controls the entire Lynn Lake nickel district.**

Corazon Mining Limited (ASX: CZN) ("Corazon" or "the Company") is pleased to announce the results of an Induced Polarisation (IP) geophysical survey completed at its Lynn Lake Nickel-Copper-Cobalt Sulphide Project (the Project) located in the central Canadian province of Manitoba.

Corazon has completed 49km of gradient array IP in a first pass reconnaissance survey over the Fraser Lake Complex (FLC), 5km south of the historic Lynn Lake mining centre (Corazon 100%).

Anomalous nickel and base metal mineralisation within the FLC was discovered by mining company Sherritt-Gordon in the late 1940's - 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).

CONTACT US

P: +61 (8) 6142 6366
M: PO Box 8187, Subiaco East WA 6008
E: info@corazon.com.au
W: www.corazon.com.au

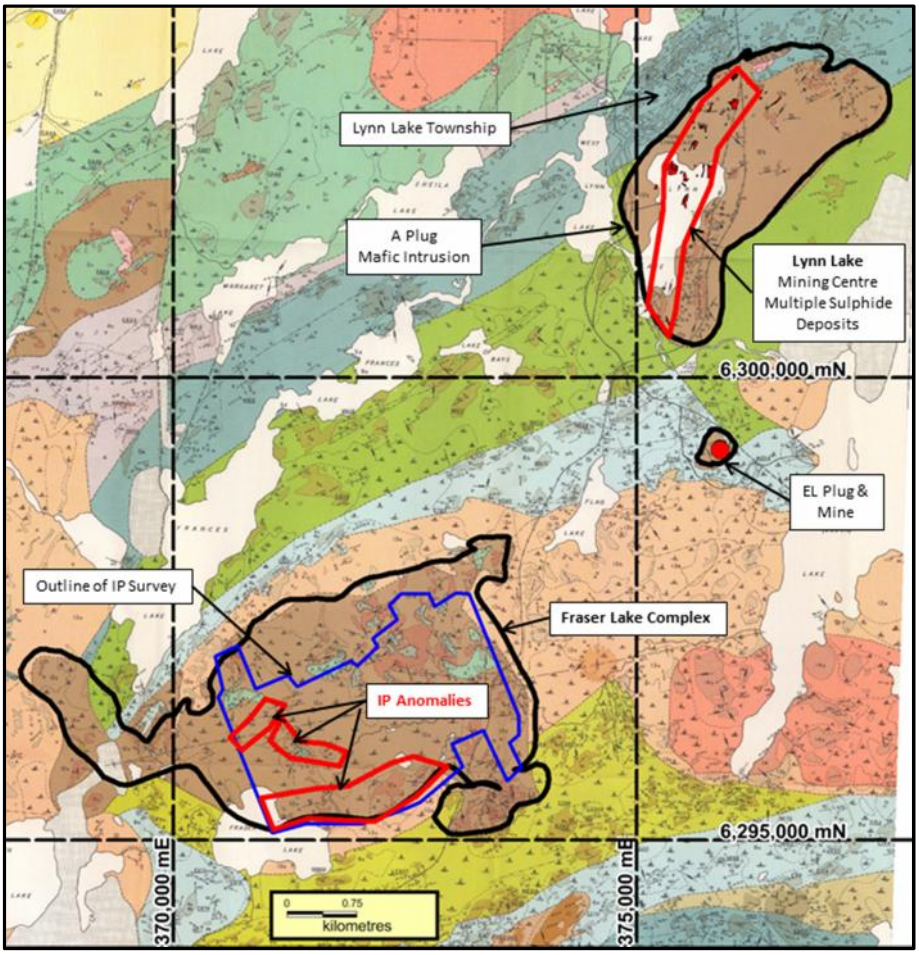


Figure 1 - Interpreted Geology – Emslie, R.R. and Moore, J.M. 1961. Manitoba Mines Branch, Publication 57-4. Datum UTM Zone 14 (NAD83).

Ground geophysics can only practicably be conducted during Canada's winter months. Access to the FLC is limited in an otherwise very swampy 'muskeg' bog terrain, which has previously restricted exploration, obscuring surficial exposure over the target areas.

Figure 2 - Typical Muskeg terrain at Lynn Lake

The use of IP in tandem with other geophysical methods including magnetics, gravity and electromagnetics provides a powerful predictive tool for prospecting under cover in the Lynn Lake area.

The recent IP survey has identified multiple, strong-chargeable anomalies that are geophysically analogous to the nickel-copper-cobalt sulphide mineralisation mined for decades within the Lynn Lake Mining Centre.

Managing Director Brett Smith stated, "The results we are seeing in this IP indicate support for a 70 year held belief that there has to be mineralisation at the FLC. These anomalies aren't where the old-timers were looking, but in hindsight where they are located make good geological sense."

"The IP anomalies display signatures similar to known deposits in Lynn Lake's mine area and includes multiple features with high chargeabilities of plus 20 mVolts, with some more than 40 mVolts. It's difficult to imagine what could cause this response, other than magmatic sulphides".

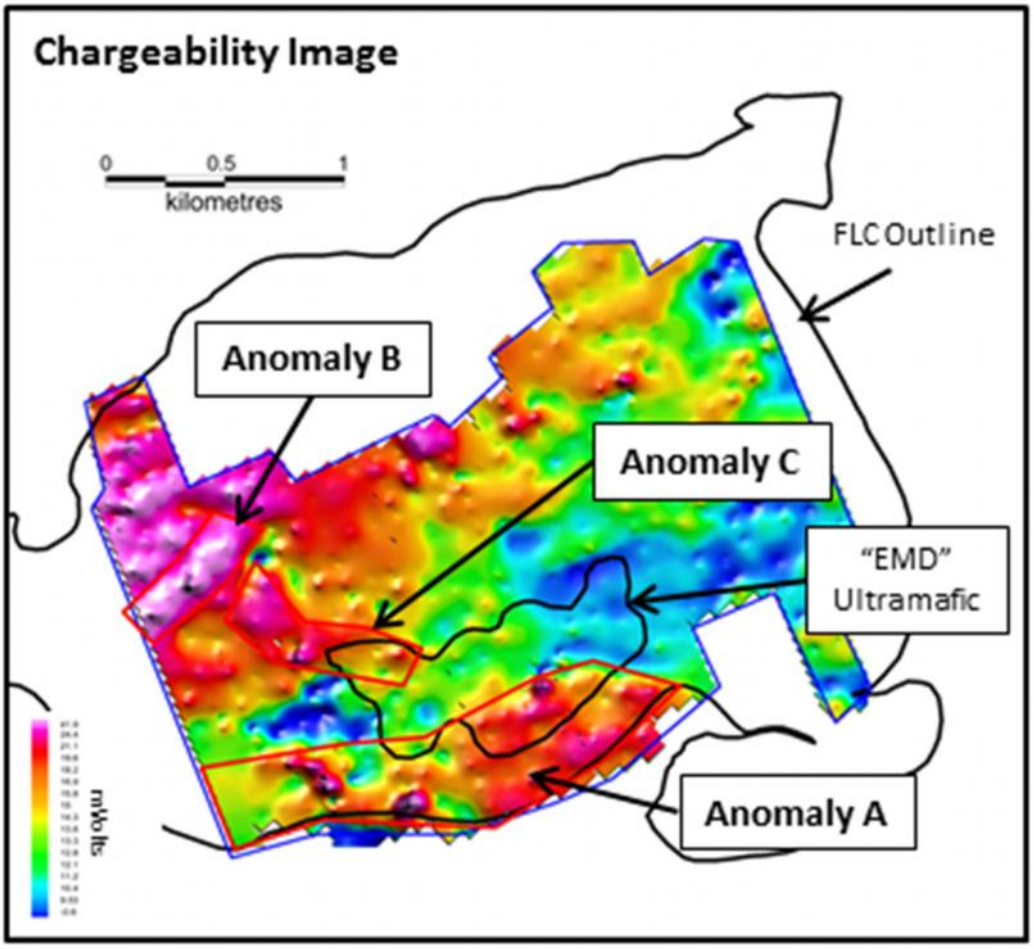


Figure 3 - IP Chargeability Plot - Gradient Array Survey. Detailing survey outline (**blue**), Eastern Magnetic Domain "EMD" (**black**) and areas of chargeable anomalism (**red**). Reference Fig 1 for location.

Three main target areas have been identified (figures 3 and 4).

The **Anomaly A** area hosts multiple strong-chargeable anomalies (+20mV) that appear similar in form to the high-grade plug-like sulphide bodies in the Lynn Lake Mining Centre. At least six targets have been prioritised for detailed IP follow-up.

Anomaly B is a large linear zone of high chargeability similar in IP characteristics to the "N" Deposit at Lynn Lake. The target is about 600m long and open to the west.

Anomaly C is a zone of high chargeability that links into the Eastern Magnetic Domain (EMD). This feature may be a feeder to the EMD and also incorporates a few distinctive pipe-like targets.

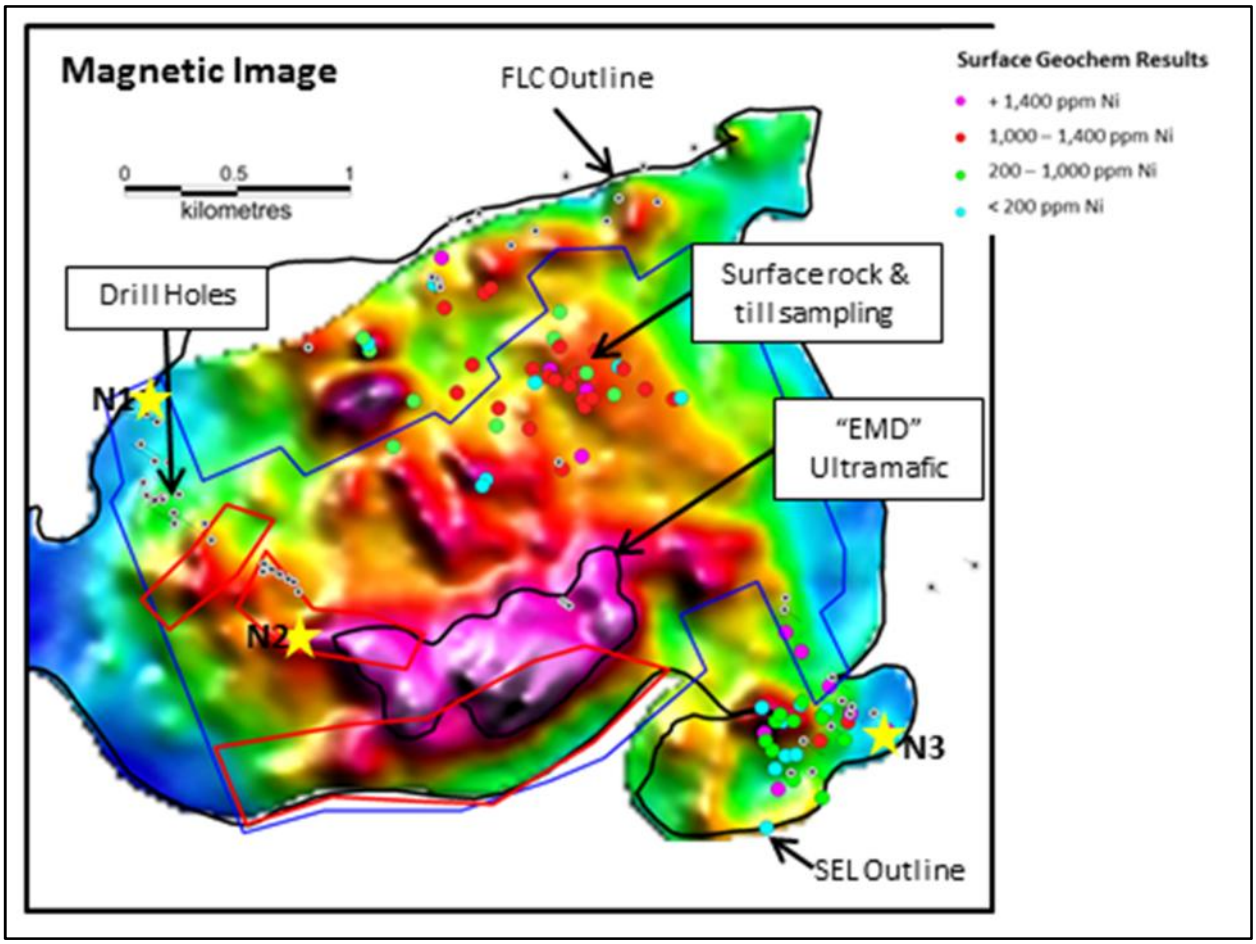


Figure 4 - Aeromagnetic Image (2005). Detailing survey outline (**blue**), Eastern Magnetic Domain "EMD" (**black**) and areas of chargeable anomalism (**red**). Reference Fig 1 for location.

The main targets identified by the IP survey have not been tested by surface geochemistry or drilling. However past exploration has shown the FLC is fertile with nickel mineralisation. Figure 4 indicates the results of surface (grab) sampling and drilling completed 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 4).

"**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.

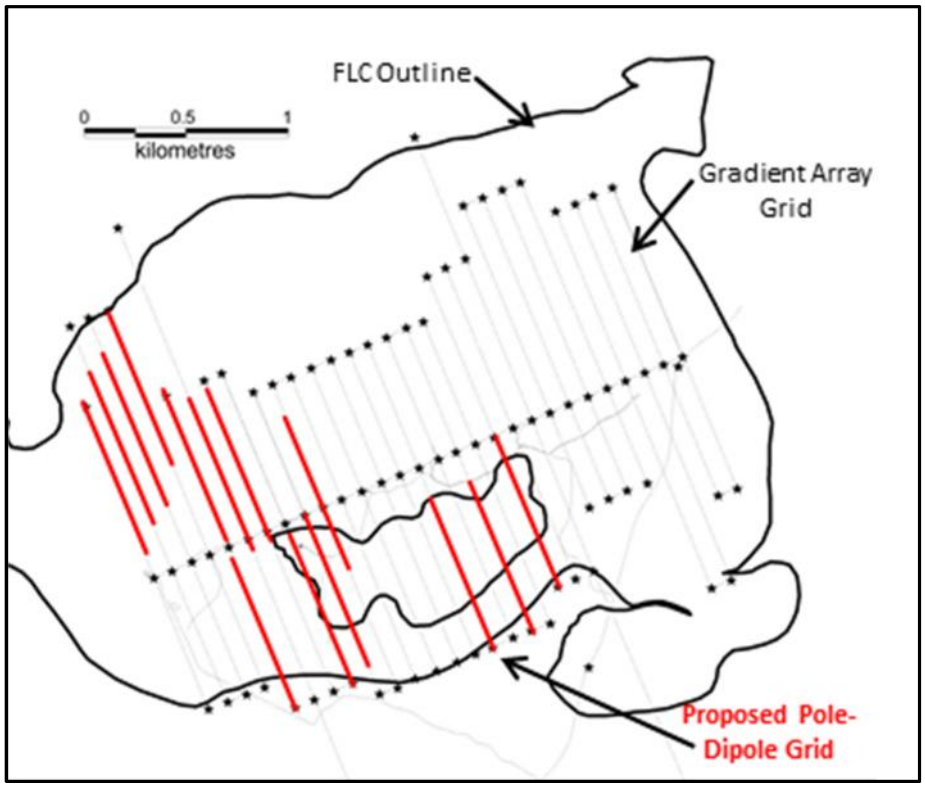


Figure 5 - IP Survey Outline. Detailing the Gradient Array Survey (**black**) and areas for detailed Pole-Dipole follow-up work. Reference Fig 1 for location.

IP is an excellent method for defining mineralisation at Lynn Lake.

The IP anomalies defined within the FLC are large. The on-ground set-up of this reconnaissance Gradient Array IP (Figure 5 and detailed in Table 1) enables the definition of chargeability and resistivity properties to about 700m below surface.

The Company is now completing detailed Pole-Dipole IP that will enable the better definition of priority targets between 700m and surface. The detail of this work will also be sufficient to allow the targeting of drill holes. The fieldwork will be completed this month, with interpretation and target generation expected to be completed in May 2016.

Corazon currently has all approvals and permits in place for drilling at the FLC.

Additional information regarding this IP survey is provided in the table attached to this announcement.

The IP contractor (Matrix GeoTechnologies) has considerable experience with this style of mineralisation and in 2010 completed a similar IP survey over the Lynn Lake Mining Centre. This survey and subsequent interpretations identified known orebodies, extensions to the mined areas and new targets.

The limited drilling previously completed on these defined targets has been successful in intersecting previously unknown "run of mine" tenor mineralisation. Multiple targets remain untested.

Recent Project Activity

On 1st April 2015, Corazon announced it had reached an agreement with Canadian company Victory Nickel Ltd to acquire the main mining area at Lynn Lake. This resulted in the entire Lynn Lake Mining Centre being under the control of one company (Corazon) for the first time since mine closure in 1976.

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 reasonable 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 nothing to 2,783 samples of predominantly research quality element analysis.

Part of this information has been used to generate the targets currently being tested at the FLC and will also be used to target additional resource opportunities in the Lynn Lake Mining Centre.

Lynn Lake Project Summary

Corazon has 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 has 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.

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 sealed 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.

END.

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

Brett Smith
Managing Director
Corazon Mining Limited
P: +61 (8) 6142 6366
E: info@corazon.com.au

James Moses
Media and Investor Relations
Mandate Corporate
M: +61 (0) 420 991 574
E: james@mandatecorporate.com.au

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".

Table 1: Checklist of Assessment and Reporting Criteria

11 April, 2016

The Fraser Lake Complex, Lynn Lake Project, Canada.

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	**Current Induced Polarization geophysical survey** The sampling information (methodology) for this survey is provided in the section titled "*Other substantive exploration data"* within this table. This work program was completed and managed by Canadian geophysical consultancy Matrix Geo Technologies and overseen on the Company's behalf by Dr Larry Hulbert. Both parties are referenced in the Competent Person Statement of this announcement. **Historical Drilling** Drilling campaigns were conducted intermittently on the Fraser Lake Complex (FLC) by Sherritt-Gordon from 1956-1971. During this period approximately 56 drill holes were completed. Many of the drill holes were targeting conductors which intersected barren VMS xenoliths within the intrusion. All assaying was done in Sherritt-Gordons Lynn Lake laboratory which employed an aqua-regia digestion and classical Ni, Cu, Co Fe analyses by wet chemistry. All drill holes were derived from Hulbert's 1978 thesis map and as such the survey information is not of a quality sufficient for resource calculations. The drill holes were down-hole surveyed by acid etch dip tests. **Historical Surface Geochemistry** A total of 138 samples within the FLC exist in the Corazon Mining geochemical database. Eighty-seven (87) of the samples have been analysed for major element chemistry, sulphur, full trace and Rare-Earth Element as well as Pt, Pd,

The Fraser Lake Complex, Lynn Lake Project, Canada.

Criteria	JORC Code explanation	Commentary
		Au.to research quality standards by the Geological Survey of Canada laboratories in Ottawa (years 1985-1986). Major, trace and Rare Earth element analyses were by ICP-ES, ICP-MS, Sulphur by Leco Analyser and Pt-Pd-Au by Pb-Fire Assay followed by ICP-MS finish. The remaining twenty (20) samples consist of analyses (major element, V, Cr, Co, Cu, Ni, Sr and Ba) conducted at BRGM (French Geological Survey) in France. All of the BRGM samples were done by XRF analyses after a lithium-borate fusion. Thirty-one (31) Sherritt-Gordon prospecting samples (early 1950's) with "anomalous Ni-Cu" concentrations were recorded from old archived paper maps that were subsequently digitized to NAD 83 Zone 14 datum and projection. All assaying was done in Sherritt-Gordons Lynn Lake laboratory which employed an aqua-regia digestion and classical Ni, Cu, Co Fe analyses by wet chemistry. The highest Ni and Cu concentration were 0.16% and 0.12% respect.. All geochemical samples represent surface rock samples of hand-size dimensions.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	**Historical Drilling** The Company has information on 56 drill holes within the FLC. The majority of these holes were traditional core holes, BX in size prospecting style of exploration drilling. Two (2) deep (762 m) geological holes were drilled by Sherritt-Gordon in 1971-1972. Twenty-six (26) of these holes were shallow (< 50 m) pack-sac (Winkie) drill holes (small diameter – approx. 27 mm).
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade*	**Historical Drilling** Sampling intervals appear variable. Not all drilling has been sampled. Details of sample size (full core, half core etc) are not available.

The Fraser Lake Complex, Lynn Lake Project, Canada.

Criteria	JORC Code explanation	Commentary
	and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	**Historical Drilling** Drill holes were logged according to Sherritt-Gordon's geology codes used in the Lynn Lake Mining Centre. The standard of logging and consistency of quality of this work appears of a very high quality. Paper logging sheets recorded dates, survey information, depths, rock classification codes, mineralisation, assay data and additional features such as veining and structure.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	**Historical Drilling** The Company has not completed this level of analysis on the historical drilling completed at the FLC.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	**Historical Drilling and Geochemistry** The majority of the surface geochemistry completed on the FLC post completion of mining (1976) is to research standard quality. It has been assumed all assaying of drill holes and surface geochemistry pre-1976 was completed in Sherritt-Gordons Lynn Lake laboratory which employed an aqua-regia digestion and classical Ni, Cu, Co Fe analyses by wet chemistry. This laboratory was used predominantly for the mining operation at Lynn Lake. The Company has no information on the quality and repeatability

The Fraser Lake Complex, Lynn Lake Project, Canada.

Criteria	JORC Code explanation	Commentary
		of analysis from this Laboratory. Recent work by Corazon Mining on resource drilling in the Mining Centre suggested the comparison of historical assay results against re-sampling of historical core was acceptable. That is, the work by Sherritt-Gordon with regard to sample analysis is acceptable by modern standards.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	**Current Induced Polarization geophysical survey** The sampling information (methodology) for this survey is provided in the section titled "*Other substantive exploration data"* within this table. This work program was completed and managed by Canadian geophysical consultancy Matrix Geo Technologies and overseen on the Company's behalf by Dr Larry Hulbert. Both parties are referenced in the Competent Person Statement of this announcement. All data is captured digitally. Procedures are in place to guarantee data quality, which is verified by field personnel and subsequently forwarded to Matrix Geo Technologies Geophysicists for additional QA/QC. **Historical Drilling and Geochemistry** No such work has been completed by the Company for the historical exploration results on the FLC.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	**Current Induced Polarization geophysical survey** The sampling information (methodology) for this survey is provided in the section titled "*Other substantive exploration data"* within this table. All stations are initially laid out and staked during line-clearing and chaining of the survey grid. The field work for the survey was complete on the local grid established during line clearing. The final survey data is recorded in real-world grid system NAD 83 Zone 14. **Historical Drilling and Geochemistry** Sherritt-Gordon utilised a local Mine Grid at Lynn Lake. This grid was surveyed in by Certified Surveyors. The Company has generated

The Fraser Lake Complex, Lynn Lake Project, Canada.

Criteria	JORC Code explanation	Commentary
		"metre" accurate transformations from the Local Mine Grid to NAD 83 Zone 14 datum. The surface drill hole and geochemistry locations within the FLC were digitised of paper plans utilizing the Local Mine Grid. All drill holes were digitised from Hulbert's 1978 thesis map and as such the survey information is not of a quality sufficient for resource calculations. The base maps used for this mapping where created from aerial photography and using mine-site (local) coordinate information from certified surveyors. As such the information is considered of a quality suitable for prospecting and reconnaissance exploration.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	**Current Induced Polarization geophysical survey** The sampling information (methodology) and grid specifications for this survey is provided in the section titled "*Other substantive exploration data"* within this table. **Historical Drilling and Geochemistry** Drilling is exploratory in nature and widely spaced. No resource has been estimated using this historical data.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	**Current Induced Polarization geophysical survey** The sampling information (methodology) for this survey is provided in the section titled "*Other substantive exploration data"* within this table. The grid pattern and spacing for this survey is considered appropriate for the delineation of the targeted style of mineralisation. **Historical Drilling and Geochemistry** Quantity and distribution of sampling is not sufficient to draw any conclusions.
Sample security	• *The measures taken to ensure sample security.*	**Historical Drilling and Geochemistry** No information regarding this matter is available from the historical

Criteria	JORC Code explanation	Commentary
		records.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	**Current Induced Polarization geophysical survey** The sampling information (methodology) for this survey is provided in the section titled "*Other substantive exploration data"* within this table. This work program was completed and managed by Canadian geophysical consultancy Matrix Geo Technologies and overseen on the Company's behalf by Dr Larry Hulbert. QA/QC procedures are in place to ensure data quality. **Historical Drilling and Geochemistry** No information regarding this matter is available from the historical records.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	The FLC is predominantly covered in an agreement between Mr Peter Dunlop and Corazon Mining Limited whereby Corazon has the option to acquire 100% of the project by meeting certain conditions. This agreement was originally announced within a Company ASX announcement dated 18 May 2010, with the most recent amendments to this agreement presented in a Company ASX announcement dated 29 July 2015. The tenure includes multiple Mineral Claims as defined by the Provincial Government of Manitoba. All claims are currently in good standing. Corazon Mining works closely with First Nation groups and several government organizations responsible for mining and the environment. Work Permits are currently in place for the FLC and covers activities such as ground geophysics and land-based drilling.

Table 1: Checklist of Assessment and Reporting Criteria

11 April, 2016

The Fraser Lake Complex, Lynn Lake Project, Canada.

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	Where exploration has been completed by other parties, those parties have been referenced in this document.
Geology	• *Deposit type, geological setting and style of mineralisation.*	Magmatic nickel-copper-cobalt sulphide deposits associated within mafic/ultramafic intrusive rock (gabbro related). Volcanogenic massive sulphide (VMS) deposits. Zinc dominant +/- lead, copper, silver and gold.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	**Historical Drilling** The Company has recently collated a drill hole database of some 9,000 drill holes for the Lynn Lake district. The majority of these are within the Lynn Lake Mining Centre. Survey and sampling information exists for all drill holes. The drilling previously completed in the FLC includes 56 holes and is exploratory in density and quality. Information regarding this drilling is in-complete by modern best practice requirements. This announcement details drilling and surface geochemistry in relation to their geographic location to newly identified geophysical targets within the FLC. On this scale of analysis, the exclusion of detailed survey and sampling information is not material and does not detract from the understanding of the announcement or report.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	**Historical Drilling** The Company has not completed this level of analysis on the historical drilling completed at the FLC.

The Fraser Lake Complex, Lynn Lake Project, Canada.

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	**Historical Drilling** The Company has not completed this level of analysis on the historical drilling completed at the FLC.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Appropriate diagrams have been included in the announcement.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	**Historical Exploration** The quantity and quality of historical exploration is accurately portrayed in this report. Surface geochemical sample sites are identified and coloured in diagrams in accordance to nickel values. The results include the full statistical assay range and are detailed in the legends provided. **Current Induced Polarization geophysical survey** Images depicting Chargeability features identify the fully range of values, referenced in the legends.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	The announcement contains results of current and past exploration programs including geophysics and geological mapping. These programs are summarized below. **Current Exploration Program** *GROUND IP SURVEY* A ground IP geophysical survey is currently being conducted on behalf of

The Fraser Lake Complex, Lynn Lake Project, Canada.

Criteria	JORC Code explanation	Commentary
		Corazon Mining Ltd by Matrix Geotechnologies Ltd., Toronto, Ontario on the Fraser Lake Complex. The survey was designed to stay within the confines of the Fraser Lake intrusive body. Approximately 49 line km of gradient TDIP\Resistivity surveying has been completed, testing to 700 meters depth. A further fourteen (14) Quantitative Sections (2D QS) detailing lines, are underway to test from surface to 700 m depth. Average length of each line is approximately 800 meters. *Survey Grid Specifications* Coordinate Reference System: UTM Coordinates Established: Line Direction: Line Separation: Station Interval: Prior and during the survey execution NW-SE Method of Chaining: 325 feet (99.06 m) 80 feet (24.38 m) GPS and Metric-chained *IP\Resistivity Survey Specifications* • **Arrays:** 1) Gradient (gradient configuration – (see Fig. 2) 2) Pole-Dipole (dipole-pole configuration – (see Fig. 3) • **Transmitting dipole spacing:** Gradient: C1-C2 =

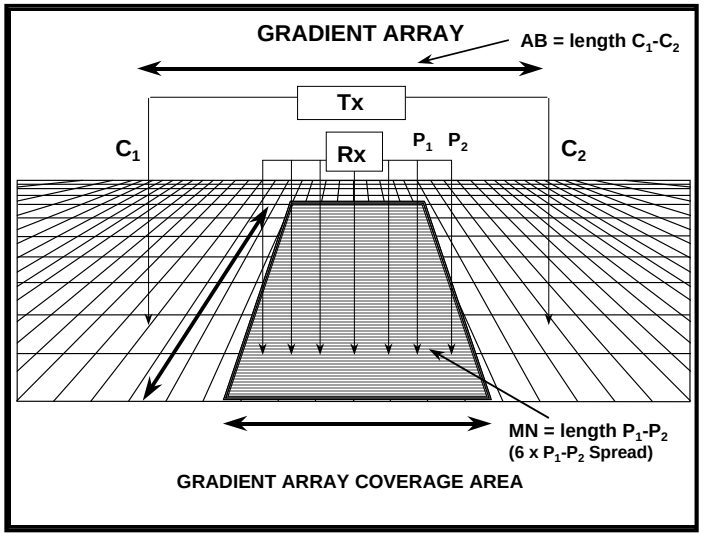
Table 1: Checklist of Assessment and Reporting Criteria

11 April, 2016

The Fraser Lake Complex, Lynn Lake Project, Canada.

Criteria	JORC Code explanation	Commentary	
		12000 ft (3657.6 m)	Pole-Dipole: C_1-C_2 = 3500 ft min
		• **Array Parameters:** (30.48 m)	Gradient: MN= 100 ft Pole-Dipole: n=2a, a=100 ft, dipole 1 to 6
		• **Sampling Interval:**	80 feet (24.38 m)
		• **Total Gradient AB Blocks:**	2 blocks
		• **Total Lines:**	29 lines
		• **Areal Coverage:**	approx. 4.0 km^2
		Total Length of Survey:	**49 km**

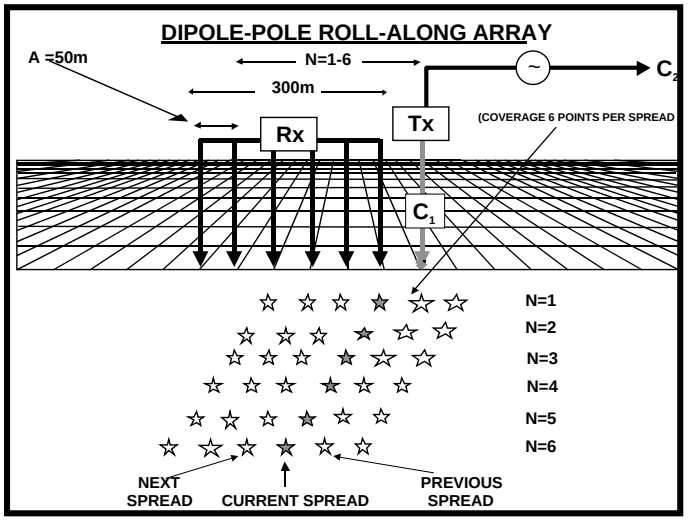
The Fraser Lake Complex, Lynn Lake Project, Canada.

Criteria	JORC Code explanation	Commentary
		 ***Figure 1: Gradient Schematic Array Layout***

The Fraser Lake Complex, Lynn Lake Project, Canada.

Criteria	JORC Code explanation	Commentary

Figure 2: Pole-Dipole Schematic Array Layout



INSTRUMENTATION

- **Receiver:** IRIS IP-6 (time domain / 10 channels)
- **Transmitter:** Walcer 9000 Transmitter
- **Power Supply:** MG-12 Honda 12.0 KW Generator

PARAMETERS

- **Input Waveform:** 0.0625 Hz square

Criteria	JORC Code explanation	Commentary
		wave at 50% duty cycle (16 seconds On/Off) • **Receiver Sampling Parameters:** Customize windows • **Measured Parameters**: 1) Chargeability in millivolts/Volt (10 time slices + under decay curve) 2) Primary Voltage in millivolts and Input Current Resistivity calculation according to the pole-dipole and gr geometry factor[1]. **MEASUREMENT ACCURACY AND REPEATABILITY** • **Chargeability**: generally ≤ 0.5 mV/V. • **Resistivity:** less than 5% cumulative error from Primary voltage and Input current measurements.

The Fraser Lake Complex, Lynn Lake Project, Canada.

Criteria	JORC Code explanation	Commentary
		Historical Geophysical Programs - FLC *3D IP – SE LOBE OF FLC* SJ Geophysics Ltd. was contracted by North American Palladium Ltd. to conduct 3D Induced Polarization (IP) surveys on the South East Lobe of Fraser Lake grid near Lynn Lake, Manitoba, from February to March 2006. On the Fraser Lake grid (Lynn Lake Mine Grid), a 3D IP survey was carried out on 13 north-south trending lines with 120m line spacing and 50m station separation. The total line kilometres for this grid is 12.5km. For the 3D-IP survey a modified pole-dipole 3D-IP configuration array was used with 12 dipoles of 50m separation for 50m station spacing on the Fraser Lake grid. The IP data was collected using SJ Geophysics' Full Waveform Digital receiver. The current was injected with a 2 seconds on, 2 seconds off duty cycle into the ground via a transmitter (Tx). Two transmitters, a GDD Tx II and an IRIS VIP 3000 were available for use during the project. The potential array was implemented using standard 8 conductor network cables configured with 50m takeouts for the potential rods. At each current station, the electrodes used consisted of 5/8" stainless steel rods of approximately 1m in length. For the potential line, the electrodes consisted of 3/8" stainless steel "pins" of 0.5m in length. The exact location of the remote current is used in the geophysical calculations. The location data was collected also by the SJ crew and the location coordinates are in UTM projection with datum of NAD 83.

The Fraser Lake Complex, Lynn Lake Project, Canada.

Criteria	JORC Code explanation	Commentary
		Instrument Specifications: **IRIS VIP 3000 - IP Transmitter** **Output Ratings** Output power: 3000 VA maximum. Output voltage: 3000V maximum, auto voltage range selection. Output current: 20 ma to 5A, current regulated to better than 1 %. Dipoles: 9, push button selected. Output connectors: Uniclip connectors accept bare wire or plug of up to 4 mm diameter. Waveforms: see figure 4.1. Fall times: better than 1 msce in resistive load. Time domain: Preprogramed on and off times from 0.25 to 8 seconds, by factor of 2. Other cycles programmable by user. Automatic circuit opening in off time. Frequency domain: Preprogramed frequencies from 0.0625 Hz to 4Hz, by factor of 2. Alternate or simultaneous transmission of two frequencies. Other frequencies programmable by user. Time and frequency stability: 0.01 % 1 PPB optional Display: Alphanumeric liquid crystal display. Power source: 175 to 270 VAC, 45-450 Hz, single phase. Operating temperature: -40o to +50o C. Protection: short circuit at 20 open loop at 60 000 thermal, input overvoltage and undervoltage. Remote control: full duplex RS232C, 300-19 200 bps. Dimensions (h w d): 410 x 320 x 240 m Weight: 16kg.

The Fraser Lake Complex, Lynn Lake Project, Canada.

Criteria	JORC Code explanation	Commentary
		GDD Tx II - IP Transmitter Input voltage: 240V / 60Hz (50Hz optional) Output power: 3.6 Kw maximum. Output voltage: 150 to 2000 Volts Output current: 5 ma to 10Amperes Time domain: Transmission cycle is 2 seconds ON, 2 seconds OFF Operating temp. range -400 to +650 C Display Digital LCD read to 0.001A Dimensions (h w d): 34 x 21 x 39 cm Weight: 45kg **SJ-24 Full-Waveform Digital IP Receiver** Technical: Input impedance: 10 Mohm Input overvoltage protection: up to 1000V External memory: Unlimited readings Number of dipoles: 4 to 16 +, expandable. Synchronization: Software signal post-processing user selectable Common mode rejection: More than 100 dB (for Rs =0) Self potential (Sp): Range:-5V to + 5V Resolution: 0.1 mV Proprietary intelligent stacking process rejecting strong non-linear SP drifts Primary voltage: Range: 1µV – 10V (24bit) Resolution: 1µV Accuracy: typ. <1.0% Chargeability: Resolution: 1µV/V Accuracy: typ. <1.0% General (4 dipole unit): Dimensions: 18x16x9 cm Weight: 1.1 Kg Battery: 12V External Operating temperature range: -30°C to 40°C

The Fraser Lake Complex, Lynn Lake Project, Canada.

Criteria	JORC Code explanation	Commentary
		AERIAL VERSATILE TIME DOMAIN ELECTROMAGNETICS (VTEM) In April 2007, Geotech Ltd carried out a detailed helicopter-borne geophysical survey for VMS Ventures Inc. over the Fraser Lake Complex. Principal geophysical sensors included a versatile time domain electromagnetic system (VTEM) and a high resolution cesium magnetometer. Ancillary equipment included a GPS navigation system and a radar altimeter. The line spacing was fixed at 100 m. Tie lines were flown in the perpendicular direction with line spacing of 1000 m. The helicopter maintained an overall mean terrain clearance of 75 metres, and the average height of the VTEM receiver was 35 metres beneath the helicopters and at 40 metres above the ground. The magnetic sensor was towed at 15 m below the helicopter. The average EM sensor terrain clearance was 40 m (EM loop height above ground). The average helicopter height was about 75 m above the ground. Nominal survey speed was 80 km/hour. The data recording rates during the data acquisition was 0.1 second for electromagnetics and magnetometer, 0.2 second for altimeter and GPS. This translates to a geophysical recording about every 2 metres along the flight line. The survey (FR-2) consisted of two sub-blocks. The first sub-block was flown in a N88ºE/ N2ºW direction and consisted of 37 lines each approximately 4.3 km in length for a total of 159.1 km. Four 4.1 km orthogonal T-Lines were flown in a N2ºW/ N88ºE direction for a total of 16.4 km. The second more easterly sub-block was flown in a N-S direction (N2ºW/ N88ºE) and consisted of 33 lines each approximately 3.6 km in length for a total of 118.8 km. Four orthogonal T-lines each approximately 3.7 km in length for a total of 14.8 km where flown in a N88ºE/ N2ºW direction.

The Fraser Lake Complex, Lynn Lake Project, Canada.

Criteria	JORC Code explanation	Commentary
		In total the Fraser Lake VTEM survey (FR-2) consisted of 309.1 line kilometres of surveying. All data was collected in UTM WGS84 Z14. <u>*AERIAL ELECTROMAGNETIC AND MAGNETIC SURVEY*</u> In July 2005 Terraquest Ltd. of Markham, Ontario was contracted by North American Palladium Ltd. to fly a fixed wing geophysical survey over the Fraser Lake Complex . The survey was designed to provide high sensitivity magnetic and passive EM data by flying along parallel flight lines at even intervals, and oriented so as to intersect the geology and structures in a way that would provide optimum contour patterns of the geophysical data. A total of 641 line km was surveyed at a line spacing of 70 m. The survey aircraft, a Cessna 206, flew on 70 ± 3 metre line spacings in both north-south and east-west headings, with sample points at 6 meters along the flight lines. Navigation was assisted by a Trimble GPS receiver processed by a PNAV2001 navigation system. The elevation was maintained at 70 ± 5 meter above the ground using a radar and a barometric altimeter. Data recording every 6 meters for electromagnetics and magnetometer data , and 0.2 seconds for altimeter and GPS. The primary onboard geophysical equipment included three high sensitivity cesium vapour magnetometers mounted in a tail stinger and two wing tips extensions, plus a VLF-EM system using 3 orthogonal coils mounted in tube projected forward from the midpoint of the port wing. The VLF-EM system used the transmitter signal from Cutler Maine. A fluxgate tn-axial magnetometer mounted in front of the tail stinger was used to post flight compensate the high sensitivity data. A high sensitivity cesium vapour magnetometer and GPS base station receiver recorded the diurnal activity for adherence to survey tolerances.

Criteria	JORC Code explanation	Commentary
		This base station was set up at the airport in Lynn Lake. All data was collected in UTM WGS84 Z14. <u>*GEOTEM ELECTROMAGNETIC AND MAGNETIC SURVEY*</u> An airborne GEOTEM electromagnetic and magnetic survey was flown on behalf of AUR Resources by Geoterrex, a division of CGG Canada Ltd. Based out of Lynn Lake Manitoba, a total of 1536.9 line kilometres were obtained over the Eldon Lake (East and West) projects near Lynn Lake, Manitoba during April 1996. The Eldon Lake West project covered all of the Fraser Lake Complex by N69°W lines, spaced 100m apart, with orthogonal control lines spaced approximately 2.0 km apart for a total of 384.0 km. The electromagnetic GEOTEM system was used for this survey. The platform was a CASA C-212 STOL twin engine aircraft flying at a nominal terrain clearance of 120 m at 120 knots. A cesium vapour towed bird magnetometer with a sensitivity of 0.01 nT and sample rate of 10 samples/sec at 75 m above the ground was employed. Navigation equipment was a Sercel NR103 10-channel GPS receiver, linked to the OMNISTAR real-time differential network. A Panasonic VHS video camera was also engaged. All navigational data was collected in NAD 27, Z14 datum and projection and transformed to WGS84 for the current project. <u>GROUND GRAVITY SURVEY</u> **Fraser Lake Complex (“South Plug”) Gravity Survey - Sherritt-Gordon – Newmont Mining** Approximately 2500 gravity stations were occupied in the period March 19, 1964 to June 6, 1964.

Criteria	JORC Code explanation	Commentary
		A Worden Gravity meter was used for the survey which was rented from Texas Instruments Inc. The instrument had a scale constant of 0.0976 milligals per scale division and data accuracy was better than +/- 0.1 milligals. Surveying was performed by looping within a two hour period for accurate correction of drift, temperature and tidal effects. Elevations were run by levelling in loops and an elevation correction of factor of +/- 0.06 milligals per foot was used. A latitude correction factor of +/- 0.0226 milligals per 100 feet north-south (astronomic) was used which on the mine coordinate grid resulted in +/- 0.0193 mg per 100 feet mine north-south (negative to the north) and +/- 0.0118 mg per 100 feet mine east-west (negative to the west). The basic grid for coverage of the FLC consisted of north-south and east-west lines with a 1000 feet (304.8 m) spacing and station measurements approximately on 400 foot (122m) centres both north-south and east-west. In addition, six long lines were run extending from the grid for background control and tie lines were run to tie into the 1948 gravity survey of the EL Mine area. Earlier geophysical surveys, using ground Tilt EM and magnetics and limited shallow drilling were discouraging as to possible ore discoveries in the upper 100 feet (30.5 m) or so of the Fraser Lake Complex. Therefore, it is reasonable to assume that if ore bodies are present here, they must occur at depth. Direct detection of “A” and “EL” type orebodies buried by hundreds of feet was an uncertain proposition utilizing the electromagnetic and magnetic technology of the 1960’s. Therefore, the planned approach of the gravity survey was not for a direct ore detection technique but instead to indirectly determine the behaviour of the plug itself and to delineate the plug and derive its component parts and outline potential areas within the plug where the chance of finding ore are better and as

Criteria	JORC Code explanation	Commentary
		possible sites for deeper drilling. In Mid-march of 2011 Quantec Geoscience conducted a detailed gravity survey on the “150 Prospect” area which overlapped the north end of the 1964 gravity survey grid. The overlap allowed levelling of the 1964 data to that of the modern 2011 survey and current gravity geophysical standards. All 1964 data was transformed from Sherritt-Gordon mine grid to UTM NAD 83 Zone 14 datum and projection. **Past Geological Mapping Programs** Geological mapping of the Fraser Lake area and surrounds has taken place almost continuously from the early 1950’s to the 80’s. 1. Milligan, G.C., 1960. Geology of the Lynn Lake District; Manitoba Mines Branch, Publication 57-1. 2. Emslie, R.R. and Moore, J.M.. 1961. Geological studies of the Area between Lynn Lake and Fraser Lake; Manitoba Mines Branch, Publication 57-4 3. Gilbert, H.P., 1978. Lynn Lake Project (Arbour Lake); in Report of Field Activities 1978. Manitoba Mineral Resources Divison. 4. Syme, E.C., 1976. Geology of the Southern Lynn Lake Greenstone Belt; in Report of Field Activities 1976. Manitoba Mineral Resources Divison. 5. Hulbert, L.J., 1978. Geology of the Fraser Lake Gabbro Complex, Manitoba. University of Regina, M.Sc. Thesis (unpublished).

The Fraser Lake Complex, Lynn Lake Project, Canada.

Criteria	JORC Code explanation	Commentary
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	The Company is currently completing detailed pole-dipole IP over 14 x 800m lines, targeting IP anomalies as defined by the gradient array survey. Both these surveys are detailed and explained in the section above. Corazon is fully permitted to complete ground geophysics and land-based drilling at the FLC.