



Quarterly Activities Report

Period ending 31 March 2022

Corazon Mining Limited (ASX: CZN) (Corazon or Company) is pleased to present its Quarterly Activities Report for the period ending 31 March 2022 (Quarter).

Exploration Highlights

Lynn Lake Nickel Sulphide Project, Canada

Drilling is underway at the Lynn Lake Nickel Sulphide Project (Lynn Lake), targeting numerous untested, pipe-like intrusive bodies (pipes) at the highly prospective Fraser Lake Complex

- Pipes are geophysically analogous to the massive sulphide deposits previously mined at Lynn Lake
- Drilling is expected to be completed over the next three months and results will be released when available

Perth-based metallurgical testwork has commenced on Lynn Lake drill core

Miriam Nickel Sulphide Project, Western Australia

Stage 2 in the acquisition process for the Miriam Nickel Sulphide Project has been completed

- Corazon has assumed sole-management of Miriam and is progressing the grant of tenure as a priority
- Work programs for Miriam are under development with a focus on modern, high-powered geophysics to test areas of known mineralisation for follow-up drilling

Corporate Highlights

\$9.6m raised to accelerate advancement of the Lynn Lake Project

- \$2.0m Placement to Blackstone Minerals Ltd (ASX:BSX) completed at an issue price of \$0.04/share
- \$7.6m Entitlement Offer completed at an issue price of \$0.03/ share
- Funds have been raised to enable Corazon’s commitment to the current phase of drilling at Lynn Lake, and advance exploration and development across its project portfolio



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LYNN LAKE NICKEL-COPPER-COBALT SULPHIDE PROJECT

Overview

Corazon owns 100% of the Lynn Lake Nickel-Copper-Cobalt Sulphide Project (Lynn Lake) in Manitoba, Canada (Figure 1) - a prolific historical nickel-copper-cobalt mining centre that was mined for 24 years before closure in 1976. Corazon is the first company to have control of the entire Lynn Lake nickel camp since mine closure. Highlights of the Lynn Lake Project include:

- 100% ownership of nickel sulphide district
- Large JORC resources
- Exciting and proven exploration upside
- Beneficial infrastructure that would reduce start-up capital requirements
 - Township originally built for the historical mining operation
 - Hydro-Power – an important component for any future sustainable and environmentally compliant mining operation
 - Nearby to emerging North American and European rechargeable battery industries

Corazon's two-pronged strategy at Lynn Lake is focused on development and exploration. Mining Centre studies are seeking cost and performance efficiencies in mining and processing practices, progressing the possible development of a significant, low-cost mining operation.

Exploration in the mine area is looking to expand the near-surface JORC resource base in search of start-up feed to complement existing resources at depth. Exploration within the greater project area has focused on the Fraser Lake Complex (FLC), where a large magmatic sulphide system, bigger than the Lynn Lake mine area footprint, has been discovered.

Together, this work will enable the determination of value for Lynn Lake at a time when there is an expectation of future increased demand for metals.

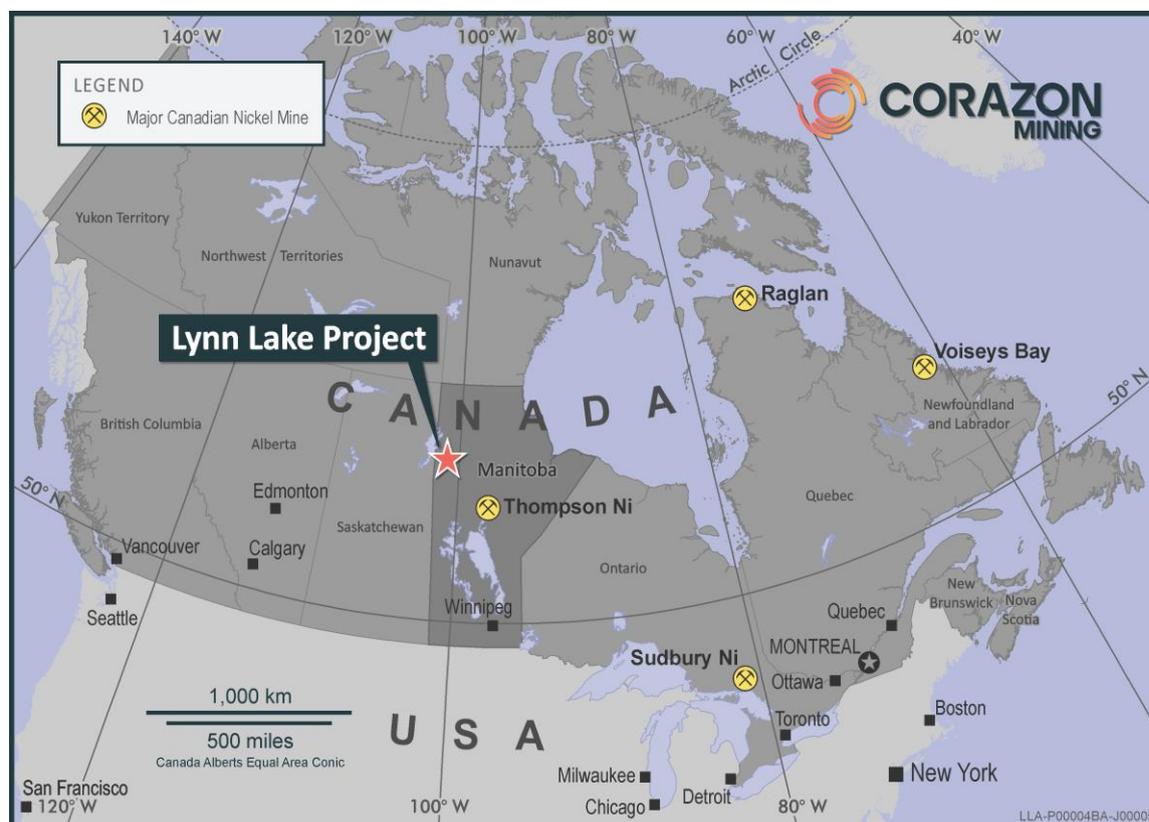


Figure 1 – Lynn Lake Project location map

Drilling Commenced

Post Quarter-end, Corazon announced the commencement of the next phase of drilling at its 100%-owned Lynn Lake Nickel-Copper- Cobalt Sulphide Project (Lynn Lake or Project) in Manitoba, Canada (ASX announcement 11 April 2022).

Corazon’s exploration at Lynn Lake is focused on the Fraser Lake Complex (FLC) - a large metal rich mafic intrusive body, located approximately five kilometres from the historical Lynn Lake Mining Centre (Mining Centre) (Figure 2).

Drilling is designed to test discrete, geophysically-dense pipe-like bodies (pipes) within the FLC, which are analogous to the spatially related ultramafic intrusives and massive sulphide deposits within the Mining Centre, which were previously successfully mined over a period of 24 years.

Corazon plans to test a minimum of four targets at the FLC, for a total of approximately 3,000 metres of core drilling. About eight to ten priority targets were generated from recent geological surveys (Figure 2) (ASX announcement 17 January 2022) and, pending drilling results, this program may be extended to include these priority targets.

This drilling program is scheduled for completion by the end of the June 2022 quarter and results will be released when available. The nickel and copper sulphide mineralisation is typically visually obvious and it is anticipated that, if mineralisation is intersected, announcements will be made prior to assays being returned.

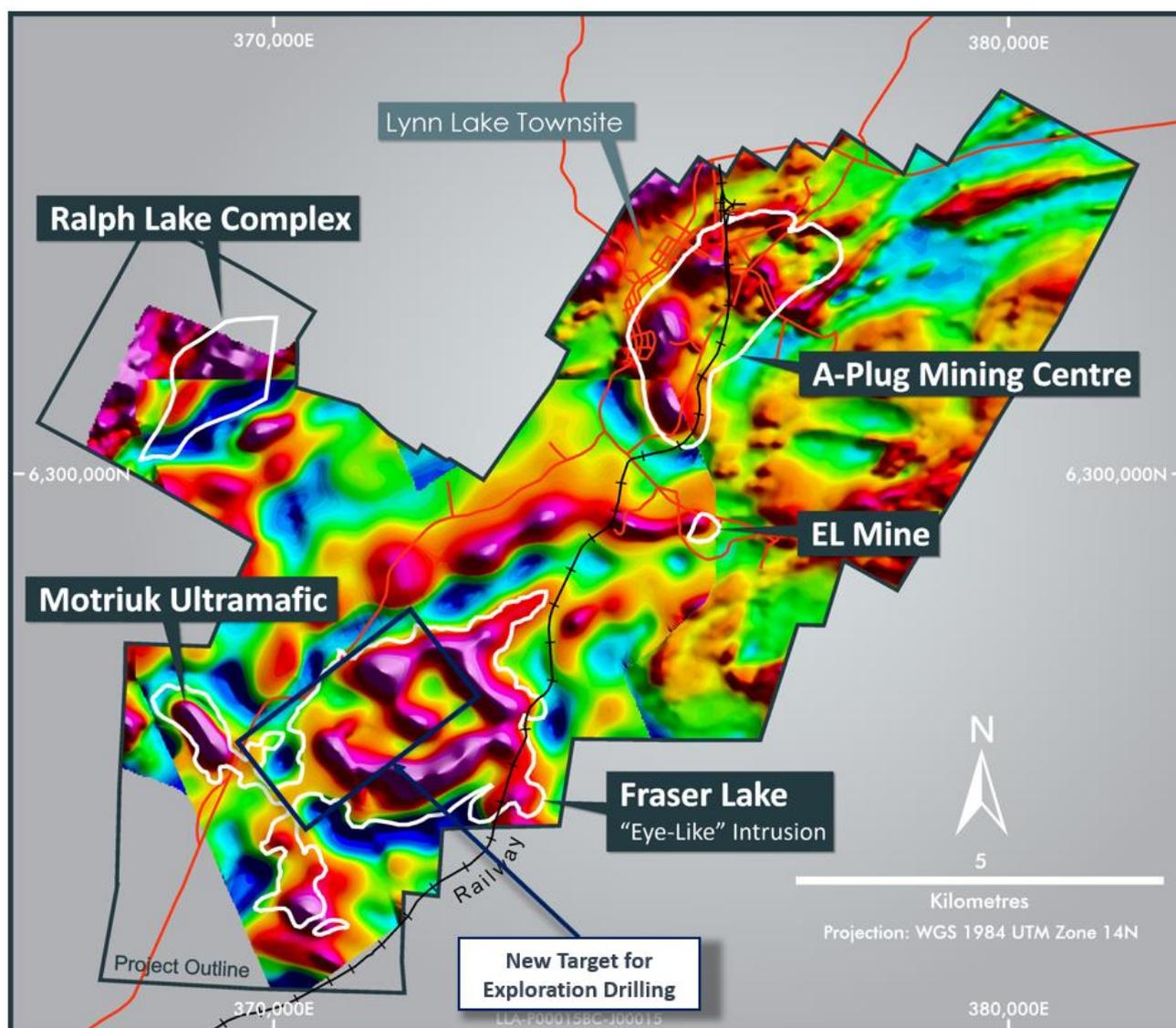


Figure 2 – Lynn Lake Project - MobileMT survey magnetic susceptibility inversion depth slice at 50m below surface - over a GeoTem total-field regional aeromagnetic image, with the area of the gravity high target outlined

New Mining and Metallurgical Studies Underway

New mining studies for Lynn Lake have been designed to assess optionality and determine the most appropriate development pathway to deliver a robust, long-lived, economically viable mining operation, utilising modern mining and processing techniques. The commencement of mining studies (ASX announcement 26 May 2021) represents a significant step forward in the Lynn Lake Project's development pathway.

International mining consultants (Palaris) have been engaged to undertake the mining studies, which are focused on four separate disciplines: Geology, Geotechnical, Mining Strategy, and Processing. The study program seeks to assess and maximise the synergies and interactions across all four disciplines to ensure optimal whole-of-project outcomes. The final deliverable of the mining studies will be a revised mining strategy for the entire mineralised area, focused on optimal production rates and low mining costs.

New metallurgical testwork will soon commence on the Lynn Lake mineralisation. Approximately 500 kilograms of core sample acquired from drilling at the EL Mine (conducted in December 2021) has arrived in Perth and testwork has commenced. This core will be used for –

- Finalising flotation testwork
- Investigating pre-flotation ore-upgrade of low-grade material
- Initial work on the amenability of Lynn Lake mineralisation in the production of battery grade products for rechargeable lithium-ion batteries.

MIRIAM NICKEL-SULPHIDE PROJECT, W.A.

OVERVIEW

The Miriam Nickel Sulphide Project (Miriam) is located approximately 10 kilometres south-southwest of Coolgardie on a trend of ultramafics best identified by the Miriam and Nepean (Auroch Minerals, ASX: AOU) nickel deposits (Figure 3). Miriam is a highly prospective nickel exploration project, representing a strategic addition to Corazon's portfolio of nickel sulphide assets.

The Miriam Project covers an area of about six kilometres by 1.5 kilometers and comprises five (5) Prospecting Licence applications (P15/6135 to P15/6139 inclusive).

The Miriam Deposit was discovered in 1969, with 'high nickel tenor' massive and disseminated sulphides intersected in drilling. Miriam has not been extensively explored and there is extensive untested opportunity for nickel sulphide mineralisation at depth and along strike from previous drilling. The existence of the defined target trend will allow Corazon to undertake focused and detailed exploration programs, utilising modern higher-powered electromagnetic (EM) geophysics.

Acquisition further advanced

Post Quarter-end, Corazon announced it has further progressed its rights to acquire 100% of the Miriam Nickel Sulphide Project (Miriam or Project) near Coolgardie in Western Australia's Goldfields minerals district (ASX announcement 22 April 2022).

Previously, Corazon announced it had entered into an agreement with Limelight Industries Pty Ltd (Vendor) to acquire 100% of the Miriam Project (ASX announcements 26 July and 15 October 2021); Corazon has now successfully completed Stage 2 of the acquisition. Corazon will acquire a 100% interest in Miriam (and take control and management of Miriam) in consideration of the payment to the Vendors of \$400,000 and a 2% net smelter return royalty, pursuant to the Option Agreement, details of which are included in the Corporate section of this ASX announcement.

The completion of Stage 2 sees Corazon being entitled to 100% of the Miriam Project and taking sole control and management of the Project, on behalf of all parties, with the Vendor retaining the right to mine mullock dumps (for gold mineralisation) and to metal detect on the area for the first three (3) years post grant of the relevant tenure.

Drilling undertaken predominantly in the 1960s and 1970s at the Miriam Nickel Deposit intersected 'high nickel tenor'

massive and disseminated sulphides. Corazon has highlighted extensions to areas of known mineralisation as the initial priority exploration focus.

Next Steps

Corazon is working towards securing the granting of the tenement applications prior to the commencement of its on-ground exploration programs. This work is designed to culminate in a first phase of drilling which will target the Miriam Nickel Deposit, as well as other known nickel occurrences along the Miriam Trend. Past exploration results, including drilling and geophysics, will be integrated into the Company’s drill targeting exercise.

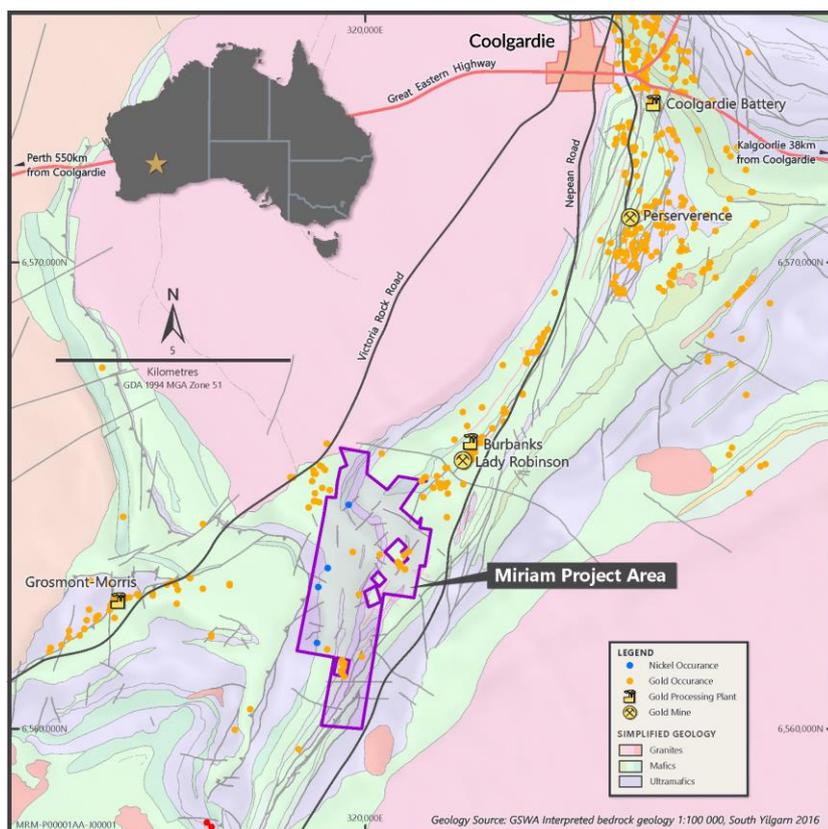


Figure 3 – Miriam Project location map

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 (N.S.W.) (Figure 4). 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 “Mt Gilmore trend” has uncovered a major copper–cobalt–silver-gold geochemical trend, potentially representing a +20 kilometre-long district-scale exploration play for large intrusive related copper-cobalt-gold deposits.

Targeting a Large Mineralised System

Corazon’s maiden drilling program at Mt Gilmore targeted the priority eight kilometres-long Gordonbrook Hill – May Queen copper-cobalt- silver-gold anomaly (located within the greater 20 kilometre-long Mt Gilmore Trend) (ASX announcement 17 June 2021). Two core holes were drilled for a total of 841.4 metres, testing the area near the Gordonbrook Hill mineralised porphyry, identified by Corazon in 2020 (ASX announcement 9 October 2020).

This porphyry intrusion is mapped at surface over approximately 300 meters and is semi- parallel with the strike of a well-defined geophysical anomaly (an Induced Polarisation chargeability-high corridor). These coincident geochemical and geophysical features represent a significant mineralised porphyry target, kilometres in scale, making Gordonbrook Hill a priority target.

This drilling appeared to have intersected the fringe of a porphyry-related mineralised system. Overall hydrothermal alteration is moderate and locally strong. Pyrite, pyrrhotite and chalcopyrite are the primary sulphides found to be widespread in both drill holes. The geology alteration and sulphide mineralisation suggest the potential for porphyry-related skarn-style mineralisation.

The next phase of exploration at Mt Gilmore will need to include more comprehensive and detailed geophysics to test the large target area, prior to additional drilling. The Company presently considers this works a lesser priority to the activities currently being undertaken at the Lynn Lake Nickel Sulphide Project.



Figure 4 – Mt Gilmore Project location map

CORPORATE

Corazon closed the Quarter with approximately \$2,605,000 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 5.3.1, 5.3.2 and 5.3.5 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 \$119,000 as payment to related parties this reflected payments to directors including non-executive directors for fees, salaries and consulting costs for the quarter.

Item 2.1 in the Appendix 5B included expenditure of \$579,000 on Exploration Activities associated with activities at the Lynn Lake Project in Canada and the Mt Gilmore Project in Australia.

\$2m Placement

During the Quarter, Corazon announced it had raised \$2,040,671 at \$0.04/share, via a Placement from Blackstone Minerals Ltd (ASX: BSX) to advance exploration and development across its project portfolio (ASX announcement 3 March 2022).

The Placement consists of the issue of 51,016,778 ordinary fully paid shares (Placement Shares) at an issue price of \$0.04 per Placement Share, raising \$2,040,671. The Placement Shares were issued on 8 March 2022 (ASX announcement 8 March 2022), with 42,760,022 being issued under the Company's ASX Listing Rule 7.1 capacity and 8,256,756 being issued under the Company's ASX Listing Rule 7.1A capacity.

The \$0.04 issue price was a 25% premium to the closing price of \$0.032 on 2 March 2022.

Entitlement Offer

Post Quarter-end, Corazon announced its non-renounceable pro-rata entitlement offer (Entitlement Offer) had raised \$7,619,858 (before costs) to advance exploration and development across its project portfolio (ASX announcement 12 April 2022).

The Entitlement Offer was offered on the basis of one fully paid ordinary share in the capital of the Company (Share) for every one Share held, at an issue price of \$0.03 per Share, and closed at 5pm (WST) on 11 April 2022. The Company received applications for 253,996,212 new Shares under the Entitlement Offer, which raised a total of \$7,619,858 before costs.

The Entitlement Offer was not underwritten and accordingly the Company will reserve the right to place the Shortfall Shares within three months after the closing date of the Entitlement Offer. The issue of the 253,996,212 Shares pursuant to the Entitlement Offer was completed on 14 April 2022 and the Shares commenced trading on a normal settlement basis on 19 April 2022 (ASX announcement 12 April 2022).

Miriam Project – Option Agreement Details

On 26 July 2021 Corazon announced it had entered into an option agreement with Limelight Industries Pty Ltd (Vendor), pursuant to which it was granted an option to acquire up to 100% of the Miriam Project (comprising Prospecting Licence applications P15/6135 to P15/6139) on the following terms:

- Corazon was granted an exclusive option to conduct due diligence on the Miriam Project for a period of three months by paying an option fee of \$75,000 (plus GST) (Option) (ASX announcement 26 July 2021).
- Subsequent to Corazon's election to exercise the Option and the payment of a non-refundable amount of \$125,000 to the Vendor (Stage 1 Consideration), Corazon was able to complete the acquisition by paying an amount of \$400,000 to the Vendor (Stage 2 Consideration) on the earlier to occur of the date that is six months after the date of exercise of the Option and the date of grant of tenure.

Corazon exercised the Option to acquire and completed the Stage 1 Consideration on 14 October 2021 and post Quarter-end completed payment of the Stage 2 Consideration (ASX Announcement 22 April 2022).

- The Vendor will retain a net smelter return royalty of 2% and the right to mine mullock dumps (for gold mineralisation) and metal detect on the relevant area for the first three years post the grant of the relevant tenure.

This announcement has been authorised on behalf of Corazon Mining Limited by Managing Director, Mr. Brett Smith.

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

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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 mineralisation and type of deposit under consideration and to the activity that 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.

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	80%	
LYNN LAKE	P3164F	Canada	100%	
LYNN LAKE	P3165F	Canada	100%	
LYNN LAKE	P2291F	Canada	100%	
LYNN LAKE	P3534F	Canada	100%	
LYNN LAKE	MB2482	Canada	100%	
LYNN LAKE	MB3566	Canada	100%	
LYNN LAKE	MB3567	Canada	100%	
LYNN LAKE	P1045F	Canada	100%	
LYNN LAKE	MB3580	Canada	100%	
LYNN LAKE	MB3581	Canada	100	
LYNN LAKE	MB7346	Canada	100%	
LYNN LAKE	MB7349	Canada	100%	
LYNN LAKE	MB7350	Canada	100%	
LYNN LAKE	MB7025	Canada	100%	
LYNN LAKE	MB7361	Canada	100%	
LYNN LAKE	MB7362	Canada	100%	
LYNN LAKE	MB6364	Canada	100%	
LYNN LAKE	MB5175	Canada	100%	
LYNN LAKE	MB5701	Canada	100%	
LYNN LAKE	MB8734	Canada	100%	

LYNN LAKE	MB8735	Canada	100%	
LYNN LAKE	MB9218	Canada	100%	
LYNN LAKE	MB5399	Canada	100%	
LYNN LAKE	MB6360	Canada	100%	
LYNN LAKE	MB6361	Canada	100%	
LYNN LAKE	MB6362	Canada	100%	
LYNN LAKE	MB6363	Canada	100%	
LYNN LAKE	MB9453	Canada	100%	
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LYNN LAKE	M2253	Canada	100%	
LYNN LAKE	M2254	Canada	100%	
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LYNN LAKE	M2256	Canada	100%	
LYNN LAKE	ML77	Canada	100%	
LYNN LAKE	ML90	Canada	100%	