

PLANS FOR NEXT PHASE OF DRILLING AT LYNN LAKE DRILLING EXPECTED TO COMMENCE EARLY FEBRUARY

- **Activities are underway for the next phase of drilling at the Lynn Lake Project in Manitoba, Canada**
- **This phase of drilling will target new geophysical conductors identified by the recently completed aerial MobileMT geophysical survey**
- **Geophysical conductors are located in previously untested areas of the Fraser Lake Complex, within the Lynn Lake Project, adjacent to drill-defined nickel-copper-cobalt sulphide mineralisation**
- **Drill sites have been prepared and drilling is expected to commence early February**
- **Shareholders have approved the consolidation of the Company's capital structure at the general meeting held 21 January 2021**

Corazon Mining Limited (ASX: CZN) (Corazon or Company) is pleased to announce plans for its next phase of drilling at the Lynn Lake Nickel-Copper-Cobalt Sulphide Project (Lynn Lake or Project) in Manitoba Province, Canada.

The Company advises that priority drill targets are defined and preparatory works for drilling have been completed. Drilling is expected to commence in early February.

Corazon's recently completed aerial MobileMT geophysical survey at Lynn Lake (ASX announcements 3 September, 12 October and 9 November 2020) identified multiple new electromagnetic conductor anomalies. Some of these anomalies indicative of nickel-copper-cobalt sulphide mineralisation.

The anomalies of interest are located in a new untested area immediately adjacent to drill defined nickel-copper-cobalt sulphide mineralisation within the Fraser Lake Complex (FLC), which is located five kilometres south of the Lynn Lake Mining Centre (Figure 1). The Company plans to drill-test these conductor anomalies, in its search for high-grade massive sulphide mineralisation.

Initially, the drilling will test priority geophysical conductors located on strike from the Matrix Trend within the FLC (Figure 2). The Matrix Trend is an induced polarisation (IP) high-chargeability geophysical trend that is extensively contaminated with magmatic sulphide mineralisation. Previous drilling by Corazon within the Matrix Trend has returned widespread low-level disseminated nickel-copper-cobalt mineralisation, and narrow zones (less than one metre) of semi-massive to massive nickel-copper-cobalt sulphide. It is interpreted that pulses of magma have intruded into the FLC, along the Matrix Trend, from the conductive centre to the southwest (Figure 2).

An additional priority target area for drilling is the South Pipe conductor (Figures 1 and 2). The South Pipe conductor is the most substantial, and highest priority, conductive anomaly defined by the MobileMT survey.

This new anomaly is part of two large magnetic pipe-like bodies, possibly indicative of a deep-seated intrusive pathway that appears linked to known nickel-copper-cobalt sulphide mineralisation within the FLC.

The high priority South Pipe target is located on newly acquired tenure (ASX announcement 23 November 2020). The approval of exploration permits for this area are currently pending, and the Company plans to drill this target as a priority once applications have been granted.

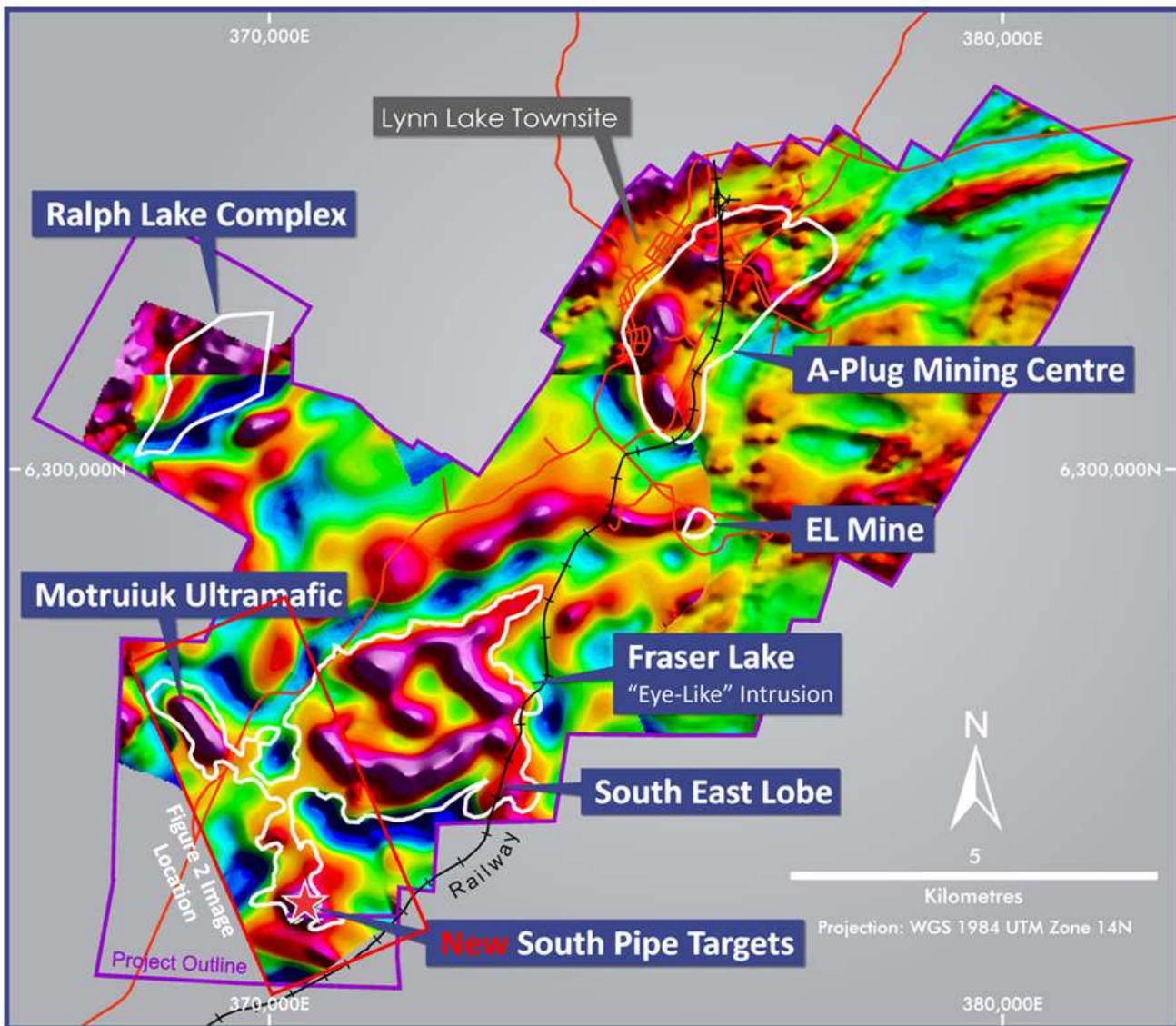


Figure 1 – Lynn Lake Project - MobileMT survey magnetic susceptibility inversion depth slice at 50m below surface - over a GeoTem total-field regional aeromagnetic image. Figure 2 shows a larger scale image of the area identified by the red insert box.

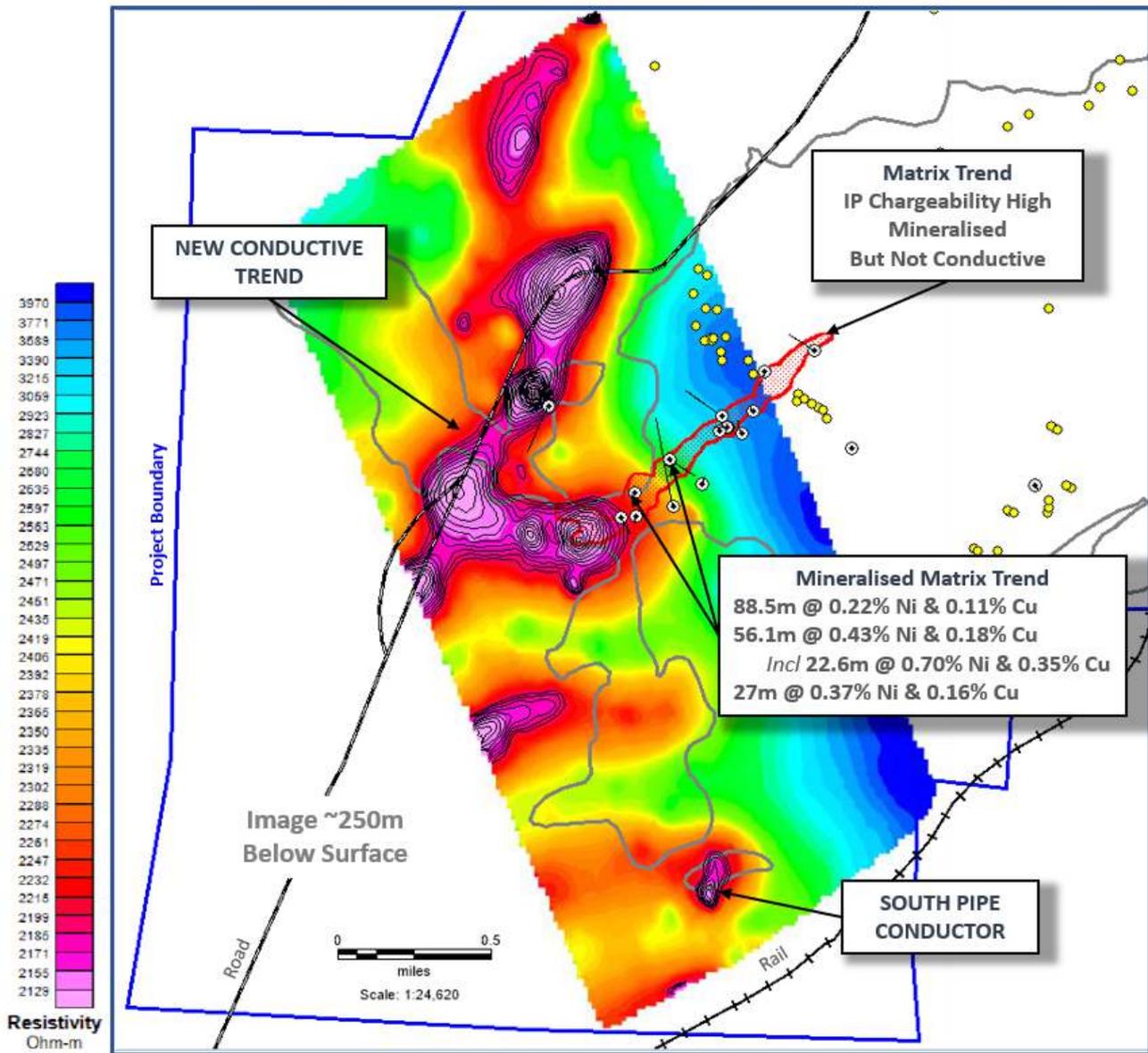


Figure 2 – A cut-out of the MobileMT resistivity image at ~250m below surface, identifying conductors of interest, historical drill hole collar locations (yellow) and Corazon drilling (black/white). This image has an inverted colour swatch, such that hot colours are more conductive than cold colours.

Lynn Lake Covid-19 Outbreak

Authorities within Lynn Lake and the Province of Manitoba have recently reported a post-Christmas outbreak of the Covid-19 Virus within the community. By all accounts, it appears the outbreak has been contained; the Provincial Government has directed resources, including the issuing of vaccinations, to Northern Manitoba.

The Company and our contractors will continue to monitor the situation in Lynn Lake. The proposed start of the drilling program has been delayed slightly, a result for the need to accommodate additional health care workers and officials within the town, as a priority to deal with the medical crisis.

Shareholders Approve Consolidation of Capital Structure

At a general meeting on 21 January 2021, Corazon shareholders approved the consolidation of the Company's issued capital on the basis of one (1) share/option for every twenty (20) shares/options currently held, reducing the number of shares on issue to approximately 162.67 million from the current number of issued shares, being approximately 3.253 billion.

The Company is now working through the consolidation process, as per the timelines stated in the ASX announcement of 17 December 2020. New Holding Statements are expected to be issued between the 28 January and 3 February 2021.

About Corazon

Corazon Mining Limited (ASX: CZN) is an Australian resource company with projects in Australia and Canada.

In Canada, Corazon has consolidated the entire historical Lynn Lake Nickel Copper Cobalt Mining Centre (Lynn Lake) in the province of Manitoba. It is the first time Lynn Lake has been under the control of one company since mine closure in 1976. Lynn Lake presents Corazon with a major development opportunity that is becoming increasingly prospective due to recent increases in the value of both nickel and cobalt metals, and their expected strong demand outlooks associated with their core use in the emerging global electric vehicle industry.

In Australia, Corazon is developing the Mt Gilmore Cobalt Copper Gold Sulphide Project (Mt Gilmore) located in New South Wales, which hosts the Cobalt Ridge Deposit - a unique high-grade cobalt-dominant sulphide deposit. Mt Gilmore is a regionally substantive hydrothermal system with extensive cobalt, copper and gold anomalism. The Company has completed definition drilling at the Cobalt Ridge Deposit and is currently identifying new areas prospective for additional Cobalt Ridge lookalike deposits.

Both Lynn Lake and Mt Gilmore place Corazon in a strong position to take advantage of the growing demand for commodities critically required for the booming rechargeable battery sector.



Figure 3 - Project Location Maps

ENDS

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

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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 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 as an expert in magmatic nickel sulphide deposits. 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.

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.