

The Manager - Company's Announcements
 Australian Securities Exchange

QUARTERLY ACTIVITIES REPORT

PERIOD ENDING 30 JUNE 2015

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- **Transaction completed to acquire the Victory Nickel-Copper Project at Lynn Lake in Canada from Victory Nickel Inc (TSX: NI).**
 - **Corazon now controls the entire historic Lynn Lake nickel-copper mineral field, one of Canada's most prolific nickel producing regions.**
 - **Maiden JORC Resource Estimate for consolidated Lynn Lake Nickel-Copper Project:**
 - **Total Indicated and Inferred Resource of 9.4Mt @ 0.88% nickel and 0.40% copper, for 83,000t contained nickel and 37,800t contained copper.**
 - **Resource contains near-surface mineralisation suitable for open-cut mining method.**
 - **Further upside potential identified with multiple highly prospective targets and drill defined mineralisation yet to be included within the resource.**
 - **Combined project creates a significant nickel-copper asset - benefits in scale and mine-life for potential future mining operation.**
 - **Mining and processing studies underway, preparing the project for potential recommencement of mining subject to improved metal prices.**
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Corazon Mining Limited (ASX: CZN) ("Corazon" or "the Company") is pleased to present its Quarterly Activities Report for the period ending 30 June 2015. Corazon's sole focus during this quarter was on expanding and developing its Lynn Lake Nickel-Copper Sulphide Project ("Project") in the Manitoba region of Canada. The Company completed its acquisition of the Victory Nickel Project, consolidating the Lynn Lake Nickel Field for the first time since the Lynn Lake Mine closed in 1976, following 24 years of operation as a large tonnage-low cost mine.

Following the Victory acquisition, Corazon completed a JORC 2012 compliant Resource Estimate ("Resource") for the entire Lynn Lake Project area. This estimation combines and upgrades resources previously reported in both JORC 2004 and NI43-101 (Canadian) reporting standards, as well as incorporating some new areas of mineralisation defined by the previous mining operation.

Lynn Lake has an enormous metal endowment localised in a very confined area. The project has excellent prospectivity and it is expected modern geophysical techniques will be of great benefit in exploring the Lynn Lake area.

Corazon believes that bringing the Lynn Lake and Victory nickel projects together creates a significant nickel-copper asset, improves the economics of any potential mining operation and provides benefits in

CAPITAL STRUCTURE

Market cap. @ A\$0.007	\$3.09M
Ordinary shares	441.6M
Unlisted Options	30M
ASX: CZN	

BOARD OF DIRECTORS

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

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scale and possible mine life. Lynn Lake provides an excellent development opportunity leveraged to improvements in the nickel metal price.

ACQUISITION OF VICTORY NICKEL PROJECT, CANADA

Early in the quarter, Corazon completed the transaction with Victory Nickel Inc. ("Victory") to acquire the Victory Nickel-Copper Project ("Victory Project" or "the Project") – located immediately adjacent to Corazon's Lynn Lake Nickel-Copper Project, in the central Canadian province of Manitoba (ASX announcement dated 01/04/15). The acquisition consolidates the Lynn Lake Nickel-Copper Field for the first time since mine closure in 1976.

In accordance with the agreement, Corazon issued Victory 40 million Corazon shares to complete the transaction (ASX announcement dated 01/04/15). The transfers of mining titles to Corazon have been lodged with the Manitoba Government.

Other conditions to the agreement include:

- Victory to retain a 1.5% net smelter royalty on production from the Victory project area. Corazon has the right to purchase 1% of the 1.5% royalty for AUD\$1M.
- Corazon is required to spend AUD\$3.5 million on exploration and resource development within five years from execution of the agreement. Should Corazon fail to meet this expenditure requirement:
- The difference between the expenditure requirement and actual expenditure must be paid to Victory in cash or shares; or
- The project is returned to Victory.
- Within 30 days of the re-commencement of commercial ore processing at Lynn Lake, Corazon is required to make a payment of AUD\$1 million (cash and/ or shares at Corazon's discretion) to Victory.

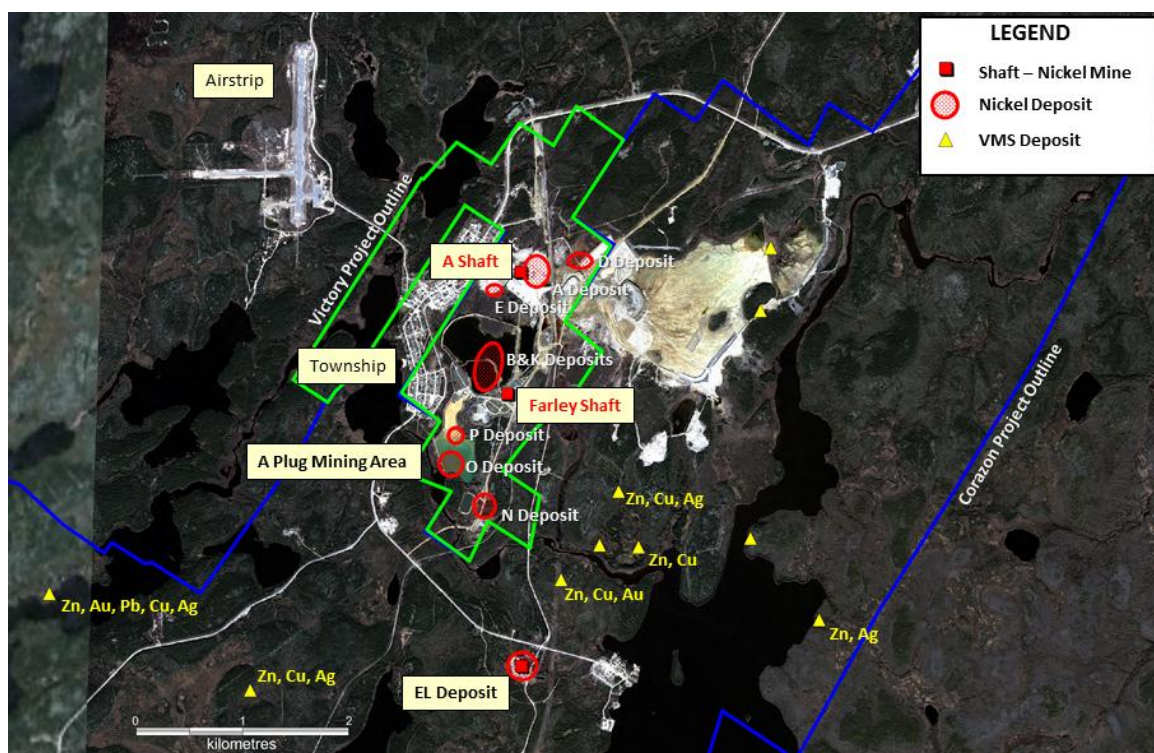


Figure 1 – Lynn Lake Claim Outline and Prospect Location

RESOURCE UPGRADE AT LYNN LAKE

During the quarter, Corazon completed a JORC 2012 compliant Resource Estimate ("Resource") for the Lynn Lake Project, in Canada. This estimation combines and upgrades resources previously reported in both JORC 2004 and NI43-101 (Canadian) reporting standards, as well as incorporating some new areas of mineralisation defined by the previous mining operation.

Perth based independent mining consultants Ravensgate have defined an Indicated and Inferred Resource of **9.4Mt @ 0.88% nickel and 0.40% copper, for 83,000 tonnes of contained nickel and 37,800 tonnes of contained copper** (refer to Table 1 for a break-down of the Resource; ASX announcement 16/04/15).

The Resource incorporates the EL, N, O and G nickel-copper sulphide deposits (Figure 2, Table 1) and is the first time a combined resource for the Lynn Lake project area has been defined in-line with Australian reporting standards.

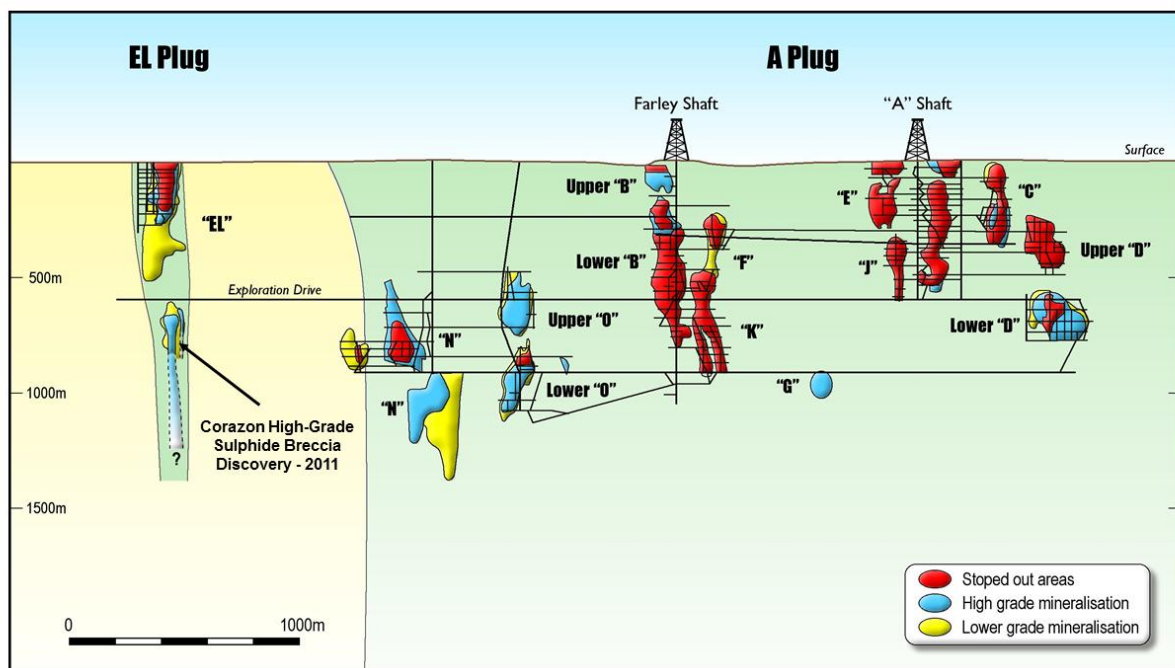


Figure 2: Lynn Lake Mining Centre long section

The Resource grade is consistent with the historical grades from the Lynn Lake Mine which operated for 24 years as a large tonnage-low cost mine, before its closure in 1976.

In defining this Resource, Corazon has utilised higher cut-off nickel grades for reporting the Project's Resource than those previously published by past Canadian operators. This is in-line with the Company's focus on determining exploitable resources rather than seeking to identify the total metal content within the project area.

Table 1: Mineral Resource for the EL, N, O and G deposits at Lynn Lake

Deposit	Lower Cut-off Grade		Tonnes	Grade		Contained Metal	
	NIEQ %	Ni %		Ni %	Cu %	Ni Tonnes	Cu Tonnes
Indicated Resource Category							
EL Upper		0.4	1,120,000	0.77	0.34	8,600	3,800
EL Lower		0.6	676,000	0.83	0.40	5,600	2,700
N	0.8		2,990,000	0.86	0.41	25,700	12,300
O	0.8		2,630,000	0.82	0.37	21,600	9,700
Indicated Sub-Total			7,420,000	0.83	0.38	61,500	28,500
Inferred Resource Category							
EL Upper		0.4	645,000	1.55	0.61	10,000	3,900
EL Lower		0.6	292,000	1.01	0.44	3,000	1,300
N	0.8		710,000	0.79	0.39	5,600	2,800
O	0.8		100,000	0.75	0.36	750	360
G	0.8		240,000	0.94	0.39	2,300	940
Inferred Sub-Total			1,990,000	1.09	0.47	21,600	9,300
Total			9,400,000	0.88	0.40	83,000	37,800

Table 1 Notes:

Nickel equivalent grades (NIEQ%) are provided as an indicator of value in a multi-metallic deposit. Lynn Lake has a long history as a nickel, copper and cobalt mining camp. It is the Company's opinion that all elements included in the metal equivalent calculation have a reasonable potential to be recovered. Past mining of these deposits on average produced a nickel concentrate, consisting of 14% nickel, 1.5% copper and 0.35% cobalt and a copper concentrate having 30% copper and 0.60% nickel. In this circuit, 85% of the nickel, 93% of the copper and 80% of the cobalt were recovered on average. .

NIEQ% = $((\text{Cu}\% \times 2 \times 22.04622) + (\text{Ni}\% \times 7.22 \times 22.04622)) / 7.22 / 22.04622$ based on metal prices of Ni = US\$7.22 /lb
 Cu = US\$2.00 /lb.

CURRENT ACTIVITIES

Corazon's upgrade of the JORC 2004 resource for the EL Deposit, the NI 43-101 resource for the Victory Project to JORC 2012 resource status will form the basis of future mining and processing work.

Corazon has inherited a large amount of legacy data with the recent acquisition. Collating and standardising this data for interrogation using modern exploration techniques are expected to identify additional area for exploration and resource definition.

Exploration: Canadian geologist Dr Larry Hulbert has been engaged by Corazon to assist in 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 and is one of North America's foremost experts on magmatic sulphide deposit exploration and discovery.

Dr. Hulbert has been actively running exploration programs in Canada for over 20 years and has been working as a Cu-Ni-PGM specialist consulting to companies engaged in exploration in Canada, USA and Mexico. 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.

Mining Studies: Canadian based Australian senior mining engineer Mr George Smith has been engaged by the Company as an independent consultant to manage the development of a Scoping Study for the Lynn Lake Nickel-Copper Project. Mr Smith has more than 20 years of underground and open-cut mining experience in Australia and Canada and was most recently the Manager of Evaluations for Barrick Gold Corporation (based in Toronto). His extensive experience in the management and mining of a large variety of mineral deposit types will be of enormous benefit to developing mining strategies at Lynn Lake.

Mineral Processing Analysis: Australian project services company Midas Mets Engineering has been contracted to provide mineral processing technical due diligence and concentrate treatment options. Processing methods have changed considerably since previous mining was undertaken at Lynn Lake in the 1970's, with modern options providing a much broader range of choices regarding the extraction and treatment of nickel and copper concentrate.

ISSUE OF SHARES

During the quarter, in accordance with the agreement to acquire the Victory Nickel Project (ASX announcement 05/11/14), Corazon issued Victory Nickel Inc. 40 million Corazon shares to complete the transaction.

CASH POSITION

Corazon is in a solid financial position, closing the June 30 2015 quarter with approximately \$1.8 million in cash. The Company's current activities are predominantly desk-top studies and are relatively low cost.

Ends

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 Mineral Resources for the A Plug deposits at the Lynn Lake project is based on information compiled by Mr Neal Leggo who is a Member of the Australian Institute of Geoscientists. Mr Leggo is a full time employee of Ravensgate and 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 Leggo consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to Exploration Results and Mineral Resources for the EL Plug deposits at the Lynn Lake project is based on information compiled by Mr Stephen Hyland who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Hyland is a full time employee of Ravensgate and 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 Hyland 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.

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
LYNN LAKE	P7700E	Canada	100% ¹	
LYNN LAKE	P7698E	Canada	100% ¹	
LYNN LAKE	P8370E	Canada	100% ¹	
LYNN LAKE	P7699E	Canada	100% ¹	
LYNN LAKE	P7702E	Canada	100% ¹	
LYNN LAKE	P3163F	Canada	100% ¹	
LYNN LAKE	P3164F	Canada	100% ¹	
LYNN LAKE	P3165F	Canada	100% ¹	
LYNN LAKE	P2291F	Canada	100% ¹	
LYNN LAKE	P3534F	Canada	100% ¹	
LYNN LAKE	MB2482	Canada	100% ¹	
LYNN LAKE	MB3566	Canada	100% ¹	
LYNN LAKE	MB3567	Canada	100% ¹	
LYNN LAKE	P1045F	Canada	100% ¹	
LYNN LAKE	MB3580	Canada	100% ¹	
LYNN LAKE	MB3581	Canada	100% ¹	
LYNN LAKE	MB7346	Canada	100% ¹	
LYNN LAKE	MB7349	Canada	100% ¹	
LYNN LAKE	MB7350	Canada	100% ¹	
LYNN LAKE	MB7025	Canada	100% ¹	
LYNN LAKE	MB7361	Canada	100% ¹	

LYNN LAKE	MB7362	Canada	100% ¹	
LYNN LAKE	MB6364	Canada	100% ¹	
LYNN LAKE	MB5175	Canada	100% ¹	
LYNN LAKE	MB5701	Canada	100% ¹	
LYNN LAKE	MB8734	Canada	100% ¹	
LYNN LAKE	MB8735	Canada	100% ¹	
LYNN LAKE	MB9218	Canada	100% ¹	
LYNN LAKE	MB5399	Canada	100% ¹	
LYNN LAKE	MB6360	Canada	100% ¹	
LYNN LAKE	MB6361	Canada	100% ¹	
LYNN LAKE	MB6362	Canada	100% ¹	
LYNN LAKE	MB6363	Canada	100% ¹	
LYNN LAKE	MB9453	Canada	100% ¹	
LYNN LAKE	MB5672	Canada	100% ¹	
LYNN LAKE	MB5669	Canada	100% ¹	
LYNN LAKE	MB10070	Canada	100% ¹	
LYNN LAKE	MB10071	Canada	100% ¹	
LYNN LAKE	MB10085	Canada	100% ¹	
LYNN LAKE	MB10086	Canada	100% ¹	
LYNN LAKE	MB10382	Canada	100% ¹	
LYNN LAKE	MB10383	Canada	100% ¹	
LYNN LAKE	MB10384	Canada	100% ¹	
LYNN LAKE	MB10387	Canada	100% ¹	
LYNN LAKE	MB10388	Canada	100% ¹	
VICTORY PROJECT	MB11328	Canada	100% ²	100% ²
VICTORY PROJECT	MB11388	Canada	100% ²	100% ²

VICTORY PROJECT	MB11389	Canada	100% ²	100% ²
VICTORY PROJECT	MB11390	Canada	100% ²	100% ²
VICTORY PROJECT	M2228	Canada	100% ²	100% ²
VICTORY PROJECT	M2229	Canada	100% ²	100% ²
VICTORY PROJECT	M2230	Canada	100% ²	100% ²
VICTORY PROJECT	M2232	Canada	100% ²	100% ²
VICTORY PROJECT	M2233	Canada	100% ²	100% ²
VICTORY PROJECT	M2234	Canada	100% ²	100% ²
VICTORY PROJECT	M2248	Canada	100% ²	100% ²
VICTORY PROJECT	M2249	Canada	100% ²	100% ²
VICTORY PROJECT	M2251	Canada	100% ²	100% ²
VICTORY PROJECT	M2252	Canada	100% ²	100% ²
VICTORY PROJECT	M2253	Canada	100% ²	100% ²
VICTORY PROJECT	M2254	Canada	100% ²	100% ²
VICTORY PROJECT	M2255	Canada	100% ²	100% ²
VICTORY PROJECT	M2256	Canada	100% ²	100% ²
VICTORY PROJECT	ML77	Canada	100% ²	100% ²
VICTORY PROJECT	ML90	Canada	100% ²	100% ²
BARRINGTON LAKE	MB9634	Canada	100% ¹	

NOTES:

1. Option to acquire up to 100% of Lynn Lake and Barrington Lake Projects; for terms of the agreement, refer to prior announcement dated 09/08/12.
2. Acquired up to 100% of the Victory Project; for terms of the agreement, refer to prior announcement dated 01/04/15.