

The Manager - Company's Announcements
Australian Securities Exchange

Drilling Proposed For Mt Gilmore Cobalt-Copper-Gold Project

- **Drilling at the high-grade Cobalt Ridge prospect on track to commence early October 2016**
- **2000m RC program to test continuity and consistency of high-grade mineralisation**
- **Fieldwork testing new areas for cobalt-copper-gold mineralisation commencing immediately, including:**
 - **Reconnaissance for cobalt mineralisation at known copper-gold prospects**
 - **Follow-up sampling at the Iron Mountain prospect, which recently returned 0.18% cobalt in a rock-chip sample**
 - **Ground magnetic survey at Iron Mountain to test the extents of the outcropping cobalt-copper-gold skarn-style mineralisation**
- **Baseline geochemical surveys to be completed prior to drilling**

Australian mineral exploration company, Corazon Mining Limited (ASX: CZN) ("Corazon" or "the Company"), is pleased to announce plans for its maiden drill program at the Mt Gilmore Cobalt-Copper-Gold Project ("Project") in north-eastern New South Wales.

Corazon has the right to earn up to an 80% interest in the Mt Gilmore Project (ASX announcement, 4 July 2016) through payment of cash and shares, plus the expenditure of \$2.2 million in-ground over three years.

The Project includes the advanced, drill-defined, high-grade Cobalt Ridge prospect, in addition to multiple promising, newly defined cobalt targets over a strike of approximately 11 kilometres.

The Company plans to commence its maiden drill program in early October, focusing predominantly on Cobalt Ridge. Drilling will be a Reverse Circulation (RC) program totalling approximately 2,000 metres with drill testing to depths to about 150 metres. The program is designed to further determine the continuity and consistency of high-grade mineralisation within the prospect area.

Previous drilling depths at Cobalt Ridge average less than 100 metres and have identified multiple parallel sub-vertical Co-Cu-Au sulphide lodes over a strike of 300 metres with widths of between 50 metres and 120 metres. The cobalt mineralisation is considered high-grade; with maximum individual 1 metre drill results including **3.38% cobalt, 3.18% copper and 4.92 g/t gold**.

Mineralisation at Cobalt Ridge remains open along strike and at depth.

CAPITAL STRUCTURE

| | |
|------------------------|---------|
| Market cap. @ A\$0.015 | A\$9.7M |
| Ordinary shares | 648.4M |
| Options | 27.5M |
| ASX: CZN | |

BOARD OF DIRECTORS

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

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In preparation for drilling at Mt Gilmore, the Company will commence environmental baseline geochemical surveys in the coming weeks.

Other prospects within the Project area, which were initially identified as copper-gold targets also appear to host strong cobalt mineralisation, boosting the Company's view on the Project's cobalt potential. Examples include encouraging cobalt results at the Iron Mountain and Hassan's Creek prospects from recent rock-chip and soil sampling programs. The Iron Mountain prospect returned rock-chip samples up to 0.18% and Hassan's Creek displayed a stronger cobalt in soil geochemical anomaly than the outcropping Cobalt Ridge mineralisation. These are priority targets for follow-up work.

Fieldwork to test new areas for cobalt-copper-gold mineralisation within the wider Mt Gilmore project area will commence immediately. This will include reconnaissance for cobalt mineralisation at known copper-gold prospects, plus follow-up sampling and ground magnetic survey at Iron Mountain to test the extents of outcropping cobalt-copper-gold skarn-style mineralisation.

Mt Gilmore Project Overview

The Mt Gilmore Project is located only 35 km from the major centre of Grafton in north-eastern New South Wales. Corazon entered into an agreement for an exclusive right to earn up to an 80% interest in the Project through payment of cash and shares, plus the expenditure of \$2.2 million in-ground (ASX announcement, 16 June 2016). The Company has subsequently successfully completed due diligence and will proceed with the agreement (ASX announcement, 4 July 2016).

The Project is located in the New England Orogen, a significant mineral province in Eastern Australia with a gold endowment of more than 35M ounces and the potential to host large copper-gold systems.

This region hosts deposits such as the Mount Morgan Cu-Au Mine (+50Mt @ 5.9 g/t Au and 0.7% Cu) and Mt Rawdon Gold Mine (50Mt @ 0.71 g/t Au).

Within the Project, a prospective 18 km trend (the Mt Gilmore Trend) has been identified, including:

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

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

The Cobalt Ridge Prospect

The high-grade nature of this cobalt mineralisation is published in historical records from shallow mining (maximum shaft depth 36.5 metres), reporting a maximum of 14.7% cobalt (Co), 14.9% copper (Cu) and up to 1.7 oz/ ton gold (Au). The richer mineralisation seemingly occurs in small lenses or pods within a broader zone of lower-grade mineralisation.

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

Between 2006 and 2008, Central West Gold N.L. drilled 25 holes for 2,880 metres, including 21 holes for 2,604 metres at Cobalt Ridge. This work defined multiple parallel sub-vertical Co-Cu-Au sulphide lodes over a strike of 300 metres and width of between 50 metres and 120 metres. Maximum individual one (1) metre drill results include **3.38% Co, 3.18% Co and 4.92 g/t Au**.

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

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

Company Overview – Corazon Mining Limited

Corazon Mining Limited (ASX:CZN) (“Corazon” or “the Company”) is a Perth based Australian mineral exploration company with projects in Canada and Australia.

The Company’s flagship project is the Lynn Lake Nickel-Copper-Cobalt Project in the province of Manitoba in Canada. The recent acquisition of the Mt Gilmore Cobalt-Copper-Gold Project (ASX announcement, 16 June 2016) in New South Wales (Australia) provides the Company with an exciting dual focus and opportunity.

Lynn Lake is a significant historic nickel-copper-cobalt mining area that ceased operation in 1976, after 24 years of continuous production. Corazon has been active in the Lynn Lake area since 2010 and has, for the first time since mine closure in 1976, consolidated the Lynn Lake Mining Centre under the ownership of one company.

The Lynn Lake Project is a development opportunity and boasts large remnant nickel-copper-cobalt resources within the historical mining centre, as well as significant drill defined resource potential from historical drilling and modern discoveries proximal to the mines. In addition to the near-mine opportunities, the exploration upside of this project is potentially enormous. Recent work by Corazon has highlighted a very large and compelling exploration target at the nearby Fraser Lake Complex (refer to Corazon’s previous ASX announcements). The Fraser Lake Complex is predominantly under cover, twice as large as Lynn Lake, and has all the geophysical and geochemical characteristics of the Lynn Lake mineralisation.

The Australian Mt Gilmore Project provides the Company with an early-stage exploration play with indicators of large scale copper-gold systems such as porphyry and skarn intrusive related deposits. The most advanced exploration project within Mt Gilmore is the Cobalt Ridge prospect, a high-grade cobalt deposit with accompanying copper and gold mineralisation. The cobalt mineralisation within the Mt Gilmore Project provides an early focus for exploration activities for the Company.

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

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Important Information

Competent Persons Statement:

The information in this report that relates to Exploration Results and Targets is based on information compiled by Mr Brett Smith, B.Sc Hons (Geol), Member AusIMM, Member AIG and an employee of Corazon Mining Limited. Mr Smith has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Smith consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.