CORAZON MINING LIMITED

QUARTERLY ACTIVITIES REPORT

PERIOD ENDING 30 SEPTEMBER 2020

Corazon Mining Limited (ASX: CZN) *(Corazon or Company) is a base metals explorer advancing the entire Lynn Lake Nickel Copper Cobalt Mining Centre in Canada, and the Mt Gilmore Cobalt Copper Gold Sulphide Project in N.S.W. Both are regarded as quality projects with the potential to supply strategic metals to what is forecast to be a major growth sector – the rechargeable battery industry. Corazon is an aggressive explorer and has recently discovered new, large sulphide systems at both of its projects.*

The Company is pleased to present its Quarterly Activities Report for the period ending 30 September 2020 (Quarter).

QUARTER HIGLIGHTS:

CORAZON CONFIRMS PORPHYRY POTENTIAL AT THE MT GILMORE COPPER-COBALT-GOLD PROJECT

- **Corazon has discovered mineralised diorite porphyry at the Mt Gilmore Project in N.S.W.**
- The porphyry intrusion is located coincidently with a large Cu-Au geochemical anomaly and an IP chargeability geophysical anomaly at the Gordonbrook Hill Prospect
  - This significant mineralised porphyry target is now the priority exploration focus at Mt Gilmore
- **The porphyry intrusion sits within an anomalous copper, gold, silver, cobalt and molybdenum trend in excess of 20 kilometres in length and has yet to be drill tested**
- Planning for drilling is underway including requisite government approvals and permits for drilling

DRILLING HIGHLIGHTS PROSPECTIVE NEW TREND AT LYNN LAKE NICKEL SULPHIDE PROJECT

- **Recent phase of drilling consisting of two holes totalling 1,087m at the Fraser Lake Complex (FLC), located within the Lynn Lake Project in Canada has been completed**
- Drilling highlighted the prospectivity of a new trend (the Western Contact Zone – WCZ), generating a much larger target area favourable for nickel-copper sulphide deposits
- **Equipment remains at Lynn Lake to enable the rapid start of the next phase of drilling**

NEW NICKEL-COPPER SULPHIDE TARGETS DEFINED AT LYNN LAKE

- **Preliminary results from the recently completed geophysical survey over the Lynn Lake Project – including the FLC and WCZ extensions – identifies multiple new priority nickel-copper sulphide targets**
- Due to the number of new prospective areas and the size of the geophysical dataset, interrogation of the data is on-going
- **Details of new priority drill targets and plans for the next phase of drilling are expected to be announced around the end of October**

PLACEMENT AND ENTITLEMENT OFFER

- **Corazon successfully completed a capital raising of $1.69M, consisting of a Placement to sophisticated shareholders and an Entitlement Offer to eligible shareholders, to fund ongoing exploration at Lynn Lake, and for working capital purposes.**

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LYNN LAKE NICKEL-COPPER-COBALT SULPHIDE PROJECT

Overview

The Lynn Lake Nickel-Copper-Cobalt Sulphide Project (Lynn Lake) has been described as one of the best "brown-fields" exploration plays in North America. New exploration techniques and a modern understanding of these nickel-copper-cobalt sulphide systems have resulted in Corazon's discovery of several new areas of mineralisation at Lynn Lake.

Corazon recently exercised its option to acquire 100% of the Lynn Lake Project area, and is the first company to have control of the entire Lynn Lake nickel camp since mine closure in 1976.

The Company believes the historical mining centre, with large JORC compliant resources and infrastructure, has significant redevelopment potential.

As part of Corazon's process of defining Lynn Lake's development potential, new quality resource estimations have been completed and modern metallurgy has delivered a major technical breakthrough, producing separate high-value and high-purity nickel and copper concentrates.

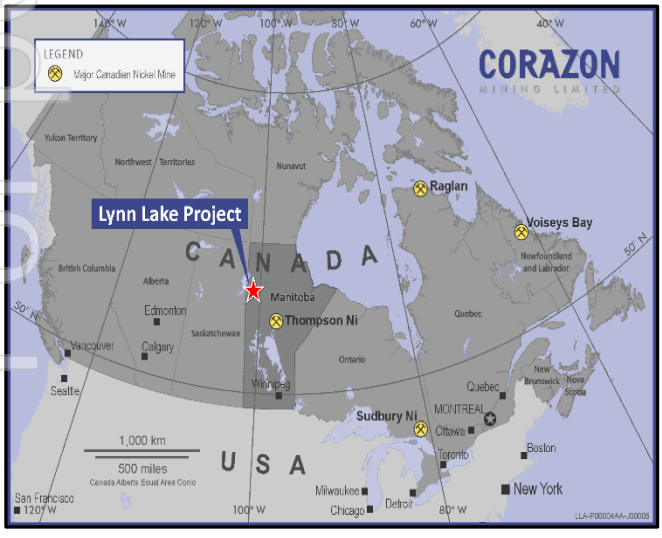


Figure 1 – Lynn Lake project location map

This work will enable the determination of value for the large historical mining centre at a time when there is an expectation of future increased demand for metals.

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Fraser Lake Complex Drilling Complete

During the Quarter, Corazon announced the completion of its most recent phase of drilling, which focused on priority targets at the Fraser Lake Complex (FLC)(ASX announcement 3 September 2020).

The FLC is located five (5) kilometres south of the Lynn Lake Mining Centre (Figure 2), where the Company is targeting significant, new nickel-sulphide discoveries.

The program entailed two-holes (FLC2020-22 and FLC2020-23) for a total of 1,087 metres. Both holes successfully intersected magmatic sulphide mineralisation, supporting the Company's exploration model.

Hole FLC2020-23 was drilled to a depth of 383 metres at the Western Contact Zone (WCZ), intersecting widespread low-levels of magmatic sulphide mineralisation (up to 10%) within favourable gabbroic units containing extensive phlogopite (mica) alteration (typically proximal to mineralisation at Lynn Lake). Magmatic sulphides within the Lynn Lake gabbros are dominated by pyrrhotite (iron), with lesser amounts of chalcopyrite (copper) and pentlandite (nickel).

The WCZ target area has been generated from the recent re-processing of geophysical data and extends the FLC prospect a further one (1) kilometre to the west, linking it to the Motruiuk Ultramafic Complex (Figure 2).

The area hosts multiple geophysical anomalies, including magnetic highs, gravity highs, IP chargeability highs and EM conductors. Corazon has identified this new area within the Lynn Lake Project as a

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potential host for gabbro-hosted nickel deposits.

Hole FLC2020-22 was designed to test a magnetic high and was drilled to a depth of 704 metres. The magnetic high is thought to possibly be the result of the gravitational accumulation of suphide at the base of the FLC gabbroic intrusion, and was successfully drilled to 704 metres (approximate target depth of ~530 metres below surface).

Hole FLC2020-22 did not intersect the basal contact of the intrusion as defined by existing geophysical surveys; as such, FLC2020-22 has been left open to facilitate re- entry and possible drilling below the current depth.

The drilling equipment will remain at Lynn Lake, to facilitate a prompt remobilisation for the commencement of the next phase of drilling.

MoblieMT Geophysical Survey

During the Quarter, the Company announced its completion of a regional aerial magneto-telluric geophysical survey (MobileMT) over much of the Lynn Lake Project area (Figure 2) (ASX announcement 3 September 2020).

Preliminary results from flight lines across the historical Lynn Lake Mining Centre have proven that this innovative new geophysical method is highly effective in identifying nickel sulphide deposits.

Corazon initially considered the use of MobileMT for nickel exploration at Lynn Lake due to the ineffectiveness of electromagnetic (EM) geophysics in the Lynn Lake environment. EM is the standard electrical survey method most widely used for the direct detection of massive magmatic sulphides

MobileMT is the next generation in passive geophysical surveys. It utilises the latest innovation in airborne electromagnetics and the most advanced airborne audio-frequency magnetics technology. The system provides a range of three-dimensional products that should be beneficial in distinguishing magmatic nickel-copper sulphides from other sulphide occurrences.

New Nickel-Copper Sulphide Targets Defined at Lynn Lake

Post Quarter-end, the Company provided an update on its exploration activities at Lynn Lake, in relation to its recently completed a 430 line-kilometre MobileMT airborne geophysical survey over a large portion of the Lynn Lake Project area (Figure 2), with the aim of defining and refining targets for the next phase of drilling (ASX Announcement 12 October 2020).

The interrogation of the geophysical data generated by the MobileMT survey is currently underway.

Final detailed results with prioritised drill targets are expected about the end of October.

Preliminary results from the MobileMT survey at Lynn Lake have identified several new areas of interest. The data for these areas is being incorporated with existing geophysical datasets, enabling the detailed definition of new priority drilling targets.

Corazon's initial assessment is that priority targets will include coincident conductive and magnetic anomalies, a combination potentially indicating high concentrations of nickel-copper magmatic sulphide.

Additional information on priority targets for the next phase of drilling will be announced in due course.

Next Steps for Lynn Lake

Mine Exploration - Resource Definition

Corazon's drilling programs have established the potential for the areas surrounding previously mined deposits to deliver near-surface tonnages. Lynn Lake currently hosts a significant resource, and the potential for additional "easy start-up" tonnages would be enormously beneficial for any new mining operation at Lynn Lake. Accordingly, defining such tonnages is a key priority for Corazon as it moves towards feasibility work.

Several other areas within the Mining Centre hold the potential for near surface mineralisation surrounding historical underground mining operations. The potential to access these areas for drilling are to be investigated over the Canadian summer months.

Mining and Mineral Processing Studies

Studies currently in progress for Lynn Lake have identified areas where it is believed processes can be improved and costs reduced. Historically, Lynn Lake was a large-tonnage low-cost mining operation.

Current mining studies are looking to reduce mining and capital development costs for a potential underground operation via the implication of modern mining practices and new technology.

Corazon's recent metallurgical testwork delivered exceptional results, and there is a strong belief that further improvements can be made. Priority focus for this work will include the scoping and testwork for pre-flotation "sorting" of low-grade disseminated mineralisation to feed grade, and onsite downstream processing options.

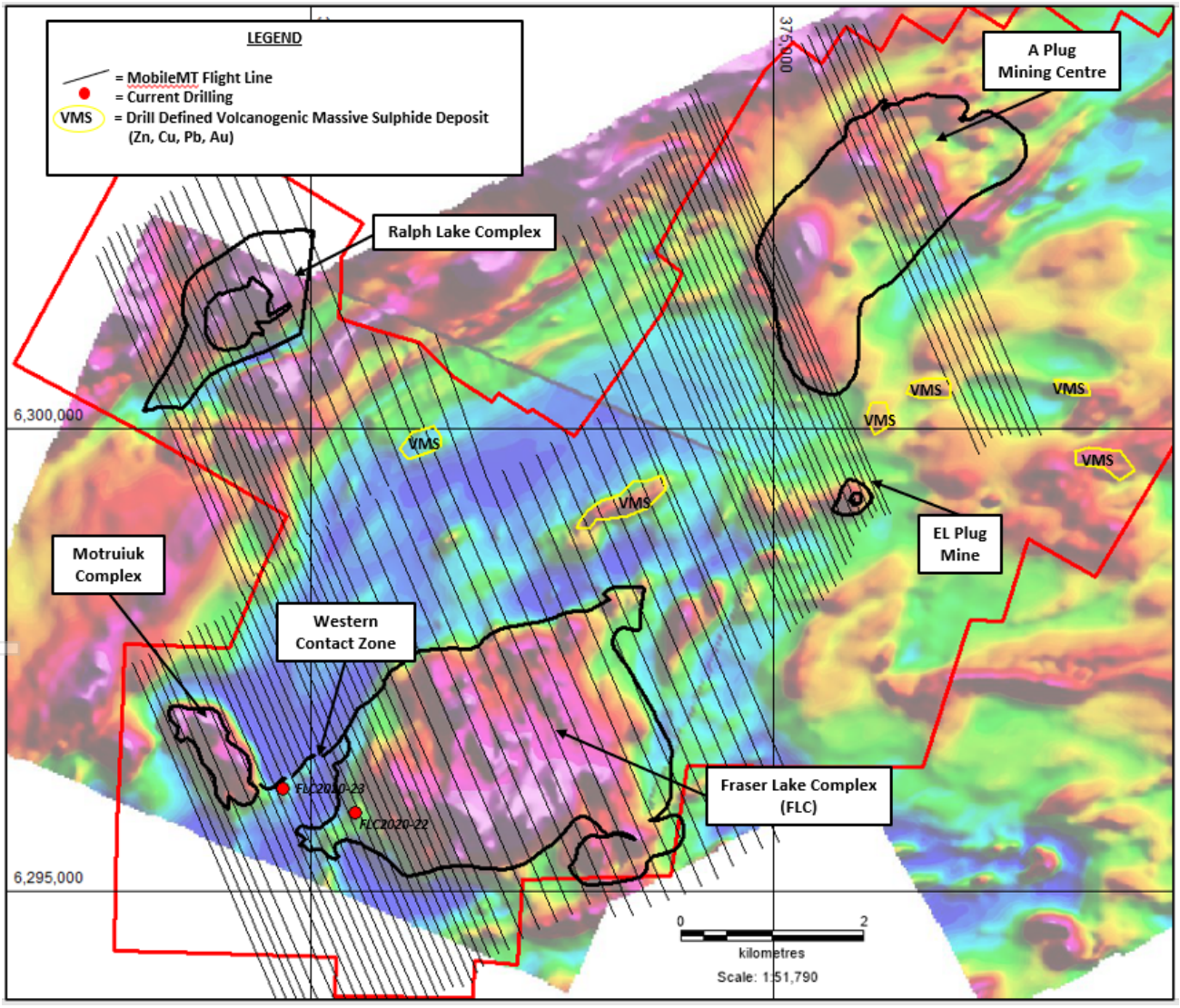


Figure 2 – Lynn Lake Project Area outline, MobileMT survey flight lines, drill holes reported and

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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 (NSW) (Figure 3). 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 22 kilometre "Mt Gilmore trend" uncovered a major copper-cobalt-silver-gold geochemical trend, potentially representing a district-scale exploration play for large intrusive related copper-cobalt-gold deposits (Figure 4). These targets are Corazon's exploration focus at Mt Gilmore.

Porphyry Potential Confirmed

Post Quarter-end, Corazon was pleased to announce that the results of its latest phase of exploration at Mt Gilmore confirm the project's porphyry potential (ASX announcement 9 October 2020).

The identification of a copper-bearing diorite porphyry intrusion at the Gordonbrook Hill Prospect (Gordonbrook Hill) has significantly advanced Mt Gilmore's prospectivity (Figure 4).

This intrusion is located coincidently on the margins of a high-grade copper and gold soil geochemical anomaly, and the surface projection of a concealed, high-value, Induced Polarisation (IP) geophysical anomaly.

These coincident geochemical and geophysical anomalies at Gordonbrook Hill represent a significant mineralised porphyry



Figure 3 – Mt Gilmore Project Location Map

target, which is now the priority target at Mt Gilmore. Detailed planning for drilling is underway, along with requisite New South Wales Government permitting and approvals for drilling.

The porphyry intrusion outcropping at the Gordonbrook Hill is approximately 300 meters long, striking northeast-southwest and is semi-parallel with the strike of Gordonbrook Hill's well-defined IP chargeability-high corridor.

The Mt Gilmore Project is centered on an anomalous copper, gold, silver, cobalt and molybdenum trend, which is in excess of 20 kilometres in length (Figure 4). The source of this metal anomalism has yet to be determined, however the model being targeted is a copper-gold intrusive related system. This style of mineralisation is prevalent on the east coast of Australia.

Mineralised Porphyry Target Rationale

Element mapping of a diorite porphyry sample from the Gordonbrook Hill Prospect has been conducted using Micro-XRF by Portable Spectral Services Pty Ltd, which has delivered highly encouraging outcomes.

The analysis shows that the diorite porphyry is rich in hornblende, indicating a favourable water-rich magma source. Pervasive potassic alteration has occurred throughout the rock and copper mineralisation presents in the form of sulphide. This association typically presents in strongly altered domains and positively correlates with prospective hydrothermal systems.

The proximity of this porphyry-subvolcanic unit with copper-gold mineralisation and IP chargeability-high anomalism highlights the potential for a near-by large copper-gold mineralisation system.

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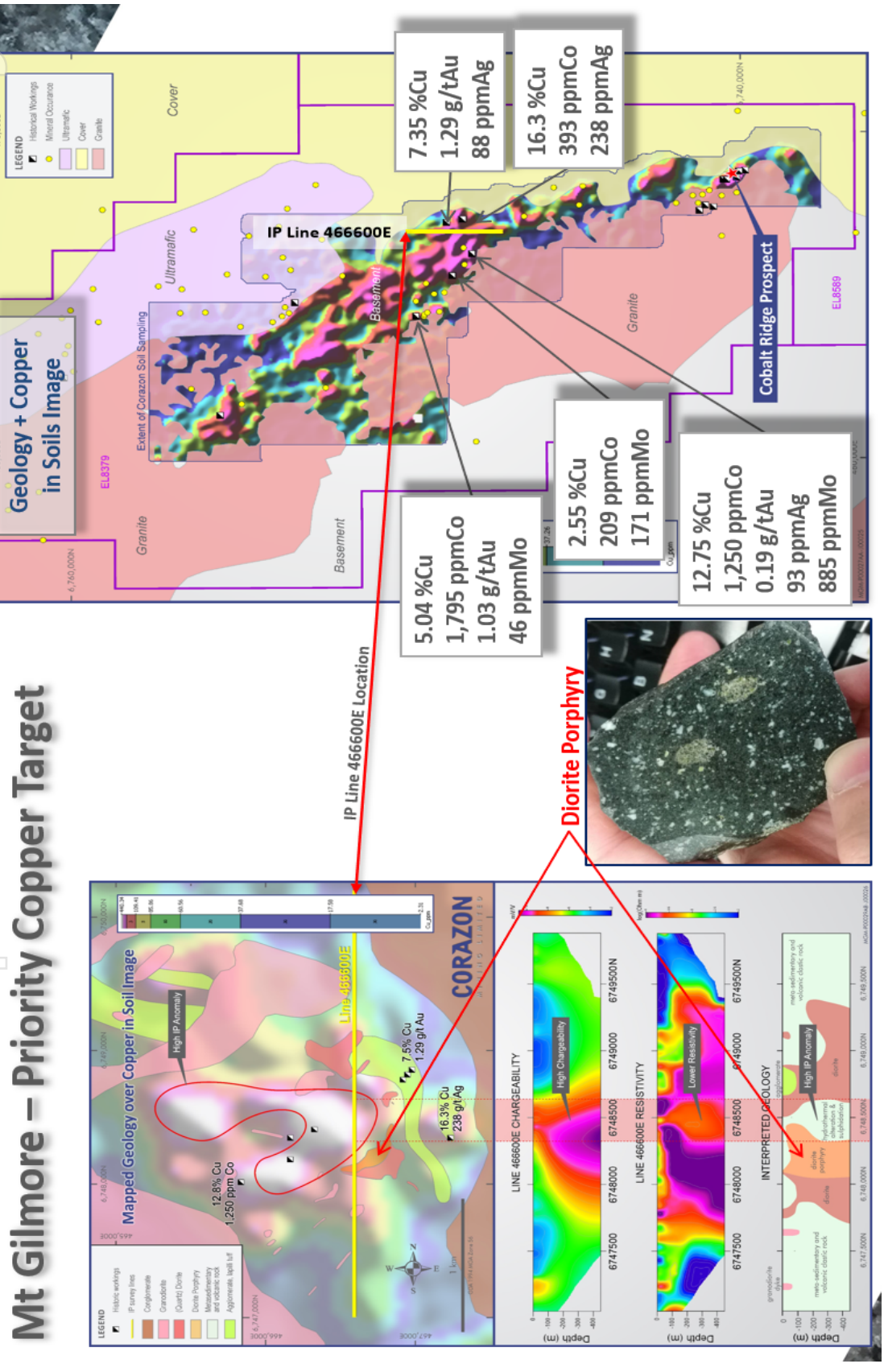


Figure 4: Mt Gilmore Project Area and Gordonbrook Hill Prospect (zoom in) Copper Soil Geochemical Images with Geology and Prospect Locations. Gordonbrook Hill IP Line 466600E Interpreted Geology Cross-Section and IP Chargeability and Resistivity Sections

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Appendix 5B Disclosure

Corazon closed the Quarter with approximately $1.013,000 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 $138,000 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 an expenditure of $662,000 on Exploration Activities, associated with geological interrogation, geophysical processing, target generation, drilling and assaying within the Lynn Lake Project in Canada.

Placement and Entitlement Offer

On 1 July 2020, the Company announced a capital raising comprising a Placement and an Entitlement Offer to eligible shareholders to raise up to $1.69 million to fund ongoing exploration at the Lynn Lake Nickel Sulphide Project in Canada, and for working capital purposes.

Corazon advised the receipt of firm commitments from sophisticated and professional investors to raise approximately $714,000 via the issue of up to 356,984,000 fully paid ordinary shares (Shares) at an issue price of $0.002 per Share. Participants will also be issued one (1) attaching option for every one (1) Share subscribed for, subject to shareholder approval.

On 7 August 2020, the Company advised that its pro-rata non-renounceable Entitlement Offer successfully raised $964,000. The Entitlement Offer offered eligible shareholders the opportunity to subscribe for one (1) fully paid ordinary share in the capital of the Company (Share) for every five (5) Shares held, at an issue price of $0.002 per Share to raise up to $963,958 before costs), together with one (1) free attaching option for every Share subscribed for and issued, (Prospectus dated 3 July 2020).

In conjunction with the completed Placement, which raised $714,000 Corazon's capital raising activities raised $1.69 million.

Issue of Placement Shares

On 10 July 2020, the Placement Shares were issued under the Company's existing placement capacity under ASX Listing Rule 7.1. The Company sought shareholder approval Shareholders on 26 August 2020, to at a General Meeting of issue the Attaching Options to participants in the Placement.

Issue of Unlisted Options

On 31 August 2020, the Company announced that, following approval granted at the General Meeting of Shareholders on 26 August 2020, it has issued the 356,984,000 unlisted options to acquire fully paid ordinary shares at an exercise price $0.0035 each on or before 30 June 2021, to participants in the Placement as per the prior Appendix 3B dated 1 July 2020.

The Company's new capital structure following the issue of the options is as follows:

- Fully paid ordinary shares (CZN): 3,253,359,145
- Listed Options (CZNO): 529,630,094
- CZN Performance Rights expiring 20 December 2023: 10,000,000
- CZN Options to acquire fully paid ordinary shares exercise price $0.007 on or before 10 July 2022: 5,000,000
- CZN Options to acquire fully paid ordinary shares exercise price $0.0035 each on or before 30 June 2021: 838,963,191

CORAZON MINING LIMITED

General Meeting of Shareholders

On 26 August 2020, the Company held a General Meeting; all resolutions put to the meeting were passed by a poll.

Notice of Annual General Meeting

Post Quarter-end on 25 September 2020, the Company announced its Annual Report for the Financial Year ending 30 June 2020. The report can be accessed via the Company's website (https://corazon.com.au/annual-report-fy-2020/).

END.

For further information visit www.corazon.com.au

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

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Competent Persons Statement

The information in this report that relates to Mineral Resources for the EL, Disco, 'N', 'O 'and 'P' deposits contained within the Lynn Lake Nickel Project is based on information compiled by Mr Stephen Hyland who is a Fellow of the Australasian Institute of Mining and Metallurgy and who has provided expert guidance on resource modelling and resource estimation. Mr Hyland is a Principal Consultant Geologist at HGMC consultants and has sufficient experience 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.

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.

The information in this report that relates to the Processing and Metallurgy for the Lynn Lake Project is based on and fairly represents information and supporting documentation compiled by Damian Connelly who is a Member of The Australasian Institute of Mining and Metallurgy and a full time employee of METS Engineering (METS). Damian Connelly has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity 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'. Damian Connelly consents to the inclusion in the report of the matters based on his 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

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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	P7698E	Canada	100%	
LYNN LAKE	P8370E	Canada	100%	
LYNN LAKE	P7699E	Canada	100%	
LYNN LAKE	P7702E	Canada	100%	
LYNN LAKE	P3163F	Canada	100%	
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%	

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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%	
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