ASX ANNOUNCEMENT

3 May 2011

CORAZON MINING LTD

The Manager
Company's Announcements
Australian Securities Exchange

Drilling defines additional nickel sulphide mineralisation at Lynn Lake project in Canada

Highlights

- First hole received from drilling at the 150 nickel sulphide prospect.
- Drilling at the 150 Prospect has identified two near surface zones of sulphide mineralisation, one with widths of up to 41m down-hole. Better results at *plus 0.8% Ni equivalent*[(1)] grades include:-
  - **9.07m** @ **0.81%** Ni, **0.53%** Cu & **0.016%** Co from 14m
  - **6.00m** @ **0.64%** Ni, **0.61%** Cu & **0.016%** Co from 78m
- Results establish the 150 Prospect as a priority exploration target that has been traced for approximately 250m in drilling. Results of an additional 2 drill holes within this zone are expected in the coming weeks.
- Drilling to test extensions to defined mineralisation at the EL Deposit is ongoing, with nickel sulphides intersected.

Australian exploration company Corazon Mining Limited (ASX:CZN) ("Corazon" or "the Company") is pleased to provide the following update on its 2011 drilling campaign at the Lynn Lake nickel sulphide project in Canada.

The Company advises that the first assay results have been received from drilling at the 150 nickel sulphide prospect and the Francis Lake VMS deposit. Drilling is continuing at the EL Nickel Sulphide Deposit and is expected to be completed in May.

150 Nickel Sulphide Prospect

Drilling at the 150 Prospect included 6 holes for 1,210 metres. Sulphide mineralisation has been traced in drilling over a strike of approximately 250 metres. The style of mineralisation looks similar to that of the disseminated mineralisation which surrounds the massive sulphide (high-grade) mineralisation at the EL Deposit, located 1.2 km to the northeast.

Results for the first drill hole (CRZ005A) have confirmed these observations. This hole intersected two broad zone of mineralisation, the first being approximately 18 metres down hole in width and the second 41 metres in width. The grades of these intercepts are summarized below.

Corazon Mining Limited
ASX : CZN

"An Australian company ... developing nickel sulphides in Canada."

Capital Structure

101.86 M ordinary shares
66.57 M options

MCap ~A$10.2 M (@ 10 cps)

Board of Directors

Clive Jones
Non-Executive Chairman

Brett Smith
Managing Director

Jonathan Downes
Non-Executive Director

Adrian Byass
Non-Executive Director

Rob Orr
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- 18m @ 0.58% Ni, 0.38% Cu & 0.013% Co from 14m

  Including:
  - **9.07m @ 0.81% Ni, 0.53% Cu & 0.016% Co from 14m**

- 41m @ 0.42% Ni, 0.34% Cu & 0.011% Co from 59m

  Including:
  - **6.00m @ 0.64% Ni, 0.61% Cu & 0.016% Co from 78m**

The results of two additional holes targeting this zone of mineralisation are expected in the coming weeks.

The 150 Prospect provides the Company with an additional exploration front at Lynn Lake. The shallow nature of the defined mineralisation, as well as the significant widths and strike length of the sulphide mineralisation is very encouraging. The proximity of the 150 Prospect to the high-grade EL Deposit suggests the area has good potential for high-grade nickel sulphide mineralisation.

Francis Lake VMS deposit

The Francis Lake VMS (zinc-copper-lead-silver-gold) Deposit is located 5 km to the west of the EL Deposit and is described in previous ASX announcements (26 November 2010).

Historical drilling was thought to have defined the extents to the mineralisation at Francis Lake. Corazon has drilled one hole to test the concept of a differing plunge to the mineralisation (than that previously interpreted). This drill hole intersected mineralisation of a similar sulphide content to the main VMS body at Francis Lake. Results returned include:-

- **5.0m** @ **2.15%** Zn, **0.20%** Cu, **0.08%** Pb, **18.0g/t** Ag & **0.30g/t** Au

While these results are encouraging, they do suggest the drill hole has intersected the margin of the high-grade Francis Lake mineralisation. Highlights from past drilling within the main zone at the Francis Lake Deposit include:

- **6.5m** @ **13.8%** Zn, **0.7%** Cu, **0.9%** Pb, **22.2g/t** Ag & **3.7g/t** Au
- **1.2m** @ **10.6%** Zn, **0.2%** Cu, **6.1%** Pb, **135.1g/t** Ag & **8.7g/t** Au

The Company will use these results along with recently completed geophysics to define the potential of the VMS mineralisation in the Francis Lake area.

EL Nickel Sulphide deposit

Drilling at the EL nickel sulphide deposit has included a shallow hole targeting near surface gaps in the existing resource, and a deeper exploratory hole planned to test for extensions to the massive sulphide (high-grade) mineralisation within the EL Deposit.

Results from the shallow drill hole (CRZ001) were reported earlier this month. Drilling has defined two main zones and highlights the potential of near-surface mineralisation to facilitate opencut mining as part of the project's development strategy. This hole targeted a large gap in the drilling at the EL deposit, and is expected to contribute to an increase in the JORC resource for the EL deposit.

The Company is currently completing a 1,200 metre deep hole at the EL Deposit (Figure 1), designed to test extensions to nickel-copper-cobalt mineralisation that has only been mined to 210 metres below surface. This hole will be used as a platform for down-hole electro-magnetic (EM) geophysics; enabling the target definition of massive sulphide within the greater EL Deposit mineralised system.

This drill hole has already intersected semi-massive sulphide mineralisation. These sulphides are within 50m of mineralisation intersected by the deepest historically drilled hole within the EL (ELU227 - approximately 600m below surface - Figure 1). Due diligence sampling of ELU227 by Corazon has previously been reported as:-

- **35.81m @ 1.50% Ni & 0.47% Cu**

  Including:
  - **2.29m @ 3.50% Ni & 0.53% Cu**
  - **3.04m @ 2.66% Ni & 0.63% Cu**
  - **2.74m @ 3.48% Ni & 0.34% Cu**

The current drill hole is stalled at a depth at 767 metres with the drilling contractors having encountered problems with equipment. Whilst these issues have caused a delay, they are not expected to jeopardise the completion of the hole this month.

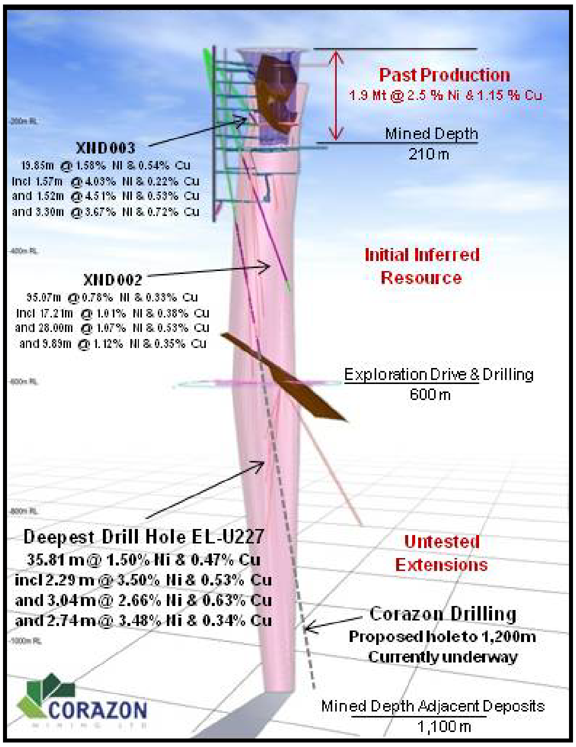

Figure 1 – Schematic of the EL Deposit infrastructure, drilling and mineralisation

About the Lynn Lake Project

Corazon has an option to acquire 100% equity in the Lynn Lake Nickel Sulphide Project in the central Canadian province of Manitoba, which hosts the historic EL Nickel Mine.

The Lynn Lake nickel camp is Canada's third largest nickel mining region, which produced 22Mt of nickel/copper/cobalt ore between 1953 and 1976. There has been minimal exploration in the region since this time.

Corazon is the largest land holder in the Lynn Lake Camp, and in addition to the EL Mine, the project area containing several drill defined base metal deposits and numerous un-tested geophysical anomalies.

The area is well serviced with mining infrastructure and support, offering rapid development potential. The Thompson Nickel Refinery is located only 320km from the project and is accessible by all weather roads. In addition there is rail access (currently under care and maintenance) to the Flin Flon zinc-copper refineries approximately 250km to the south.

The EL Nickel-Copper Sulphide Mine

The EL Mine was the highest grade deposit at Lynn Lake and produced **1.9Mt @ 2.5% nickel and 1.15% copper** (combined metal of approximately 3% nickel equivalent**(1)**). The EL Mine mineralised host rocks are a defined geological unit with good predictability down plunge. Mining was conducted to a depth of 210 metres below surface, with development to 270 metres and drilling defined mineralisation to a depth of at least 600 metres. Mining at adjacent deposits has shown that mineralisation extended to more than 1,100 metres below surface.

Corazon has defined an Exploration Target(2) for the EL Mine of between 3.5Mt and 4.6Mt, which includes the existing Inferred Resource. The target has grade ranges of between 0.8% and 1.45% nickel, 0.4 and 0.7% copper, along with 0.01% and 0.03% cobalt. At these grade ranges, the contained metal for this Exploration Target(2) equates to between 28,100t & 66,000t nickel, 14,000t & 31,400t copper and 770t to 1,730t cobalt.

This Exploration Target (2) is conceptual in nature, there has been insufficient exploration (namely drilling) to define a mineral resource and it is uncertain if further exploration will result in the determination of a mineral resource.

The nickel sulphide deposits at Lynn Lake are polymetallic with metals such as copper and cobalt easily recovered and providing extremely valuable production credits. The entire Lynn Lake Nickel Camp operated for 23 years and produced 22.2Mt at 1% Ni and 0.5% Copper. These deposits are large-tonnage/low-grade in nature and at such grades can provide a very robust mining project.

Lynn Lake VMS Deposits

The VMS deposits within Corazon's project area include Francis Lake, Eldon Lake East, Nicoba, Y Deposit, Z Deposit and Gods Lake (FL).

These deposits were mostly discovered in the 1940's and since then have only had intermittent exploration in the 1970's and 1990's. They are predominantly zinc/copper mineralisation with variable amounts of lead, silver and gold. Not all metals have been historically reported.

Further details regarding these deposits can be found in the Company announcement made on the 26 November, 2010

Ends

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

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Disclosure Statements and Important Information

Competent Person

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Andrew John Thompson, B.Sc Hons(Geol), Member AusIMM an employee of Corazon Mining Limited. Mr Thompson 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 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Thompson consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Nickel Equivalent (1)

Ni% Equiv (1) = Nickel equivalent has been estimated within the Resource Block Model and in other instances using the formula:-

Ni% Equiv = Ni%+(Cu% x (3/8.75))+(Co% x (18/8.75)) where Ni = 8.75$ US/lb Cu = 3.00 $US/lb Co = 18.00 $US/lb

Nickel equivalent grades 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.

Exploration Target (2)

This exploration target is conceptual in nature, there has been insufficient exploration (namely drilling) to define a mineral resource and it is uncertain if further exploration will result in the determination of a mineral resource. The basis for this target includes:-

- Historical mining at the deposit to a depth of 210 metres below surface
- Historical mine development to at least 270 metres below surface
- Exploration drilling to a depth of approximately 600 metres below surface
- An inferred resource has been calculated to approximately 600 metres below surface
- Good continuity and predictability of geology down-plunge
- Geological evidence for a deep-seated, explosive mineralising event.

Past exploration and mining records for the EL Mine are extensive and reflects high standards of work.