ASX ANNOUNCEMENT 18 August 2017

CORAZON MINING LIMITED

HANKING AUSTRALIA MAKES STRATEGIC INVESTMENT IN CORAZON

KEY POINTS

- **Corazon has undertaken a Placement to raise approximately $1.8 million**
- **Placement priced at 1.4cps - a 16.7% premium to last close of 1.2cps**
- **Placement includes a strategic investment of $1.68m by Hanking Australia Investments Pty Ltd, a specialist resources investment vehicle**
- **Hanking Australia becomes a substantial shareholder of Corazon and its nominee, Managing Director Dr Mark Yumin Qiu, will join the Corazon board**
- **Hanking Australia is the Australian investment arm of major Hong Kong listed mining company China Hanking Holdings Limited and provides**
    - **Committed support for the rapid advancement of Corazon's Projects and**
    - **Potential for future project funding and off-take opportunities**
- **Placement proceeds will be used predominantly to accelerate exploration at the high-grade Cobalt Ridge prospect in NSW**
- **A drill rig is on site at Cobalt Ridge, preparing to commence the next phase of drilling**

Corazon Mining Limited (ASX: CZN) ("Corazon" or "the Company") is pleased to announce it has completed a placement of approximately 127.4 million fully paid ordinary shares ("Shares") at 1.4 cents per share to raise approximately $1.8 million ("Placement").

As part of the Placement, Corazon has entered in to a Subscription Agreement ("Agreement") with Hanking Australia Investments Pty Ltd ("Hanking"), a specialist resources investment vehicle, for a $1.68 million investment in Corazon.

Hanking Agreement

The Company is delighted to establish the Agreement and welcomes Hanking as a shareholder. Hanking is an Australian-focused and headquartered resources investment vehicle, and a wholly-owned subsidiary of major Hong Kong Stock Exchange-listed mining group - China Hanking Holdings Limited ("China Hanking") (HKSE: 03788).

Pursuant to the Agreement:

- Hanking will subscribe for 120 million Placement shares for $1.68 million for 11.55% of Corazon;
- Hanking will be issued 85 million options, convertible to Corazon shares at $0.03, exercisable within two years from their date of issue ("Options"); and
- Dr Mark Yumin Qiu will join the Board of Corazon as a Non-executive Director.

In addition to the Hanking subscription, Corazon has received commitments from institutional and sophisticated professional investors to raise approximately $103,000 via the issue of 7.4 million Shares, also at an issue price of $0.014 per share.

The Placement Shares and Options will be issued pursuant to the Company's current capacity 134,913,999 under ASX Listing Rules 7.1 and 89,942,666 under 7.1A.

Corazon considers the investment by Hanking as the most compelling and beneficial capital raising option for the Company and its shareholders.

Use of Funds

The Placement proceeds will be used primarily to fund ongoing exploration at the Mt Gilmore Project, focusing largely on the Cobalt Ridge prospect - an advanced, drill defined, high-grade, cobalt dominant sulphide deposit. Corazon's work will include drilling and detailed metallurgical test work with a focus on producing battery-grade cobalt for use in the emerging rechargeable battery sector.

The Company is about to commence its next phase of drilling at Cobalt Ridge, and the drill rig is now on-site. This program will include resource definition drilling, the testing of extensions to defined mineralisation, as well as the initial drilling of new zones of cobalt mineralisation.

Hanking Rationale for Corazon Investment

Hanking considers that the new energy market is growing rapidly and that cobalt and nickel are critical components for high-quality and high-energy density batteries. China currently imports over 90% of the cobalt concentrates for its cobalt refinery industry. Importantly, it considers Corazon's high-grade cobalt sulfide project as potentially beneficial. While Hanking already owns one of the world's largest laterite nickel resources in Indonesia, the investment in Corazon marks a strategic step in securing scarce high-grade cobalt resources in the ever-growing energy storage focused world.

About Hanking

China Hanking is a mining company listed on the Hong Kong Stock Exchange (HKSE: 03788). It has mining operations in China, Indonesia and Australia and is diversified across three major business segments - gold, iron ore and nickel.

In April 2017, China Hanking sold the Southern Cross Operations gold mine in Western Australia for $330 million. Part proceeds from this transaction were used to establish a resources investment vehicle - Hanking Australia Investments Pty Ltd.

Dr. Mark Yumin Qiu has a PhD in Economic Geology from the University of Western Australia and has a strong track record in project generation and development in the resources industry.

Dr. Qiu was previously General Manager, Project Generation and Acquisition and Head of Exploration and Business Development at Sino Gold. In this role Dr. Qiu played a key role in the development of the business, from its formation to its $100 million IPO on ASX in 2002 and its $2.5 billion sale to Eldorado Gold Corporation in 2009. At Sino Gold, he led the team that discovered the White Mountain gold deposit and brought it into production within four years.

Most recently in 2013, Dr Qiu led the acquisition of the Southern Cross Operations at Marvel Loch in WA. After its successful exploration and development into production in 2015, the Project was sold for $330 million in February 2017.

Other positions currently held by Dr Qui include:

- Executive Director and Vice President – China Hanking Holdings Limited (HKSE: 03788)
- Managing Director and CEO – Hanking Australia Investments Pty Ltd
- Non-Executive Director – Primary Gold Limited (ASX:PGO)

Dr. Qiu Yumin, the Executive Director of China Hanking and President and Chief Executive Officer of Hanking Australia Investment expressed that, "*Since the AUD$330 million sale of Southern Cross gold operation in February 2017, the Company has been searching for high quality mining projects including new energy metals such as cobalt, which has a large market demand growth potential. While Corazon's projects are still at the exploration stage, it has a unique high-grade sulfide cobalt project in a stable jurisdiction favorable for mining investment, we are confident we can utilise our strength and experience to create values for all shareholders through investment in discovery, mine development and operations*".

Mt Gilmore Project Earn-in Agreement

Corazon is also pleased to advise that it has issued 12.5 million shares to Providence Gold and Minerals Pty Ltd ("Providence") pursuant to Corazon's Earn-in Agreement with Providence in respect of the Mt Gilmore Project. Under this Agreement, Corazon has the exclusive right to earn up to an 80% interest in the Project (ASX announcement, 16 June 2016).

END.

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

Brett Smith
Managing Director
Corazon Mining Limited
P: +61 (8) 6142 6366
E: info@corazonmining.com.au

James Moses
Media & Investor Relations
Mandate Corporate
M: +61 (0) 420 991 574
E: james@mandatecorporate.com.au

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.

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.