CORAZON GOLD CORP.

Management Discussion & Analysis
March 31, 2013

Corazon Gold Corp.
Form 51-102F1
Management Discussion and Analysis
For the three Month Ended March 31, 2013
Dated as at May 30, 2013

The following Management Discussion and Analysis ("MD&A") of Corazon Gold Corp. (the "Company" or "Corazon") should be read in conjunction with the audited consolidated financial statements of the Company for the year ended December 31, 2012 which have been prepared in accordance with IAS 34 of International Financial Reporting Standards ("IFRS"). This MD&A includes certain statements that may be deemed "forward looking statements". All statements in this MD&A, other than statements of historical fact, that address future exploration activities and events or developments that the Company expects, are forward looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Additional information can be found on Sedar at www.sedar.com. This MD&A is dated as of May 30, 2013.

ACQUISITION OF ICN RESOURCES

On October 18, 2012, the Company closed a plan of arrangement whereby the Company acquired all of the outstanding shares of ICN Resources Inc. ("ICN") in consideration of the Company agreeing to issue up to 51,665,740 common shares of the Company. ICN shareholders are required to deliver the certificate representing their ICN Shares, together with a completed letter of transmittal, to Corazon's transfer agent, Canadian Stock Transfer, in order to receive their shares of Corazon. To date, 47,543,464 shares of Corazon have been issued to former ICN shareholders. All outstanding ICN options and warrants are now exercisable into shares of Corazon, rather than ICN, on the same terms as provided for with respect to the existing ICN options and warrants. To date, 47,573,463 ICN shares have been converted and 4,122,277 remain to be converted.

As a result of the completion of the Transaction, the ICN Shares were delisted from the TSX Venture Exchange effective at market close on October 18, 2012, and ICN also ceased to be a reporting issuer in the Provinces of British Columbia and Alberta in accordance with applicable securities laws.

Acquisition cost:

47,543,463 Corazon common shares issued	$3,328,042
4,122,277 Corazon's commitment to issue shares	288,560
2,896,061 Replacement Warrants issued	28,150
Transaction costs	41,468
	$3,686,220

Allocation of acquisition costs:

Cash and cash equivalents	$61,614
Other current assets	93,093
Exploration and evaluation assets	3,893,645
Reclamation bond	41,086
Equipment	33,433
Accounts payable and accrued liabilities	(63,298)
Loan payable	(325,000)
Income tax payable	(48,353)
	$3,686,220

DESCRIPTION OF THE COMPANY AND ITS PROPERTIES

La Ranchera Project, Nicaragua

In February 2012, Nicaragua's Ministry of Energy and Mines granted the Company three 25-year exploration and exploitation concessions. The concessions comprise the La Ranchera project and total 28.21 square kilometres. La Ranchera is adjacent to Caza Gold Corp.'s large high-sulphidation epithermal gold project in central Nicaragua. Corazon is developing an exploration program for the property and will monitor the progress of Caza and several adjacent concessions. No conclusive exploration work has been conducted to date.

SDL Project, Nicaragua

Corazon retains two additional concessions in the Santo Domingo-La Libertad mining district. The concessions encompass 126 square kilometres of mineral rights along the east-northeast strike projection of the veins and structures which constitute the La Libertad-Santo Domingo mining districts. The two concessions, Pijibay and Pilatos, are considered prospective for hosting gold and silver mineralization due to similarities in geology and structural features that continue from the main La Libertad-Santo Domingo district, 10 to 15 kilometres to the southwest. These structural components consist of northeast-trending regional structures, and a series of north-south aerial photo and satellite lineaments that intersect with the northeast trend within Corazon's SDL concessions. These types of features control mineralization in both B2Gold Corp.'s Cerro Quiroz concession, immediately to the west of Corazon's two new concessions, and also on B2Gold's La Libertad concession, which hosts the La Libertad mine where B2Gold is developing the Jabali vein for production.

Corazon has begun preliminary exploration over this new concession area. This work has led to the identification of a felsic intrusive centre flanked by silicification and extensive siliceous sinter (paleo-hot-spring) deposits. Reconnaissance traverses over the area have identified a broad zone of subangular to rounded surficial vein material that is suspected to be sourced from bedrock on Corazon's concession and is highly anomalous in gold and silver. In total, 30 samples were collected, which returned assay values ranging from insignificant up to 35.6 grams per tonne gold and 224 g/t silver. The results can be found in the Company's website**.** No further exploration is currently planned.

Rio Coco Project, Nicaragua

In April 2012, Nicaragua's Ministry of Energy and Mines and the Autonomous Region of the Northern Atlantic granted Corazon three contiguous, 25-year exploration and exploitation concessions located in northern Nicaragua, along the Rio Coco. The three contiguous concessions, named Arcosa, Azul and Calcedonia, include 300 square kilometres of mineral rights. Each concession hosts considerable historic small-scale placer gold mining. The three concessions cover a regional play exploring for breccia-hosted gold-zinc-copper deposits similar to that found at Coco Mina, located two kilometres to the south of the new Arcosa concession, the westernmost of Corazon's new concessions. Corazon concluded the first phase of an exploration program that included a widespread stream-sediment survey, and reconnaissance traverses over areas of known gold mineralization. A total of 227 stream sediment samples were collected by Corazon's technical staff along with 19 rock samples. Of these steam sediment samples, 68 are part of the regional survey, whereas 159 samples were collected from the Barkadia prospect area. All samples were screened in the field to -10 mesh and sent to Inspectorate's preparation facility in Managua where they were dried and screened to -80 mesh. Nearly all of the samples were analyzed by both Inspectorate and ALS laboratories. In order to get the stream sediment samples out of Nicaragua, the government required that they be prepped and reduced in size owing to fears that miners were moving large quantities of gold out of the country in bulk, unprocessed samples. The Company is currently reviewing proposals for an airborne geophysical survey and LIDAR survey of the project area. Additional sampling of identifiable outcropping will be necessary once further information is gleaned from the airborne survey.

ReMac Zinc Project, BC, Canada

The Company's previous business consisted of the exploration of its 100% owned ReMac Zinc project in British Columbia. A geological evaluation of the drilling results was completed and a new digital database of these drill results combined with all historical drill program data has been completed. The Company's management has elected not to expend further funds on the development of the zinc project at this time. All resource property expenditures to December 31, 2011 were written off and the Company did not incur any resource expenditure on the property in 2012 or in Q1 2013.

Hog Ranch Property and Estill Property, Nevada, U.S.A.

The Hog Ranch property comprises 466 unpatented lode mining claims that cover approximately 9,628 acres (3,896 hectares), which contain the past-producing Hog Ranch mine site, along with a mining lease with Estill Ranches LLC ("Estill") on approximately 592 acres (239.6 hectares) of privately owned fee land. The Hog Ranch Property is a large gold-bearing hydrothermal system which is the westernmost of a series of gold deposits in northern Nevada, which include bonanza grade gold such as Sleeper, Midas and Hollister. These deposits are likely related to the Northern Nevada Rift system, a series of faults associated with 14 to 17 million year old Miocene age volcanism

The Hog Ranch claims are owned 100% by ICN (now a subsidiary Corazon), and are subject to an annual advance royalty payment of US$20,000, payable on November 15 of each year, and a production royalty to the owner in the amount of 1% of gross proceeds on the sale of minerals from the properties. The Company is also required to pay the owner a further US$250,000 in cash upon the earlier of (i) confirmation by an independent third party of a measured and indicated gold reserve of more than 1.0 million ounces, or (ii) completion of a positive bankable feasibility study which demonstrates a mine capable of producing at least 100,000 ounces of gold per annum. On November 12, 2012, the annual advance royalty of US$20,000 was paid.

The Estill private fee lands are subject to a lease payment of US$17,760 on October 1 of each year, should the total exploration expenditure on the Estill properties be less than $200,000, or US$11,840 on October 1 of each year, should the total exploration expenditure on the Estill properties be $200,000 or more. Their lands carry a sliding scale net smelter royalty ("NSR") such that precious metal production is subject to a royalty ranging from 1.8% to 3.0%, plus an additional 0.3% for every $100/oz increment of gold price above $400/oz.

In June of 2011, the Company entered into a Definitive Agreement with Pacific Rim Mining Corp. ("Pacific Rim") for the Option and Joint Venture of the Company's Hog Ranch and Estill Properties. As per the Definitive Agreement, Pacific Rim has been granted the option to acquire a 65% interest (the "Interest") in the Hog Ranch Property through the expenditure of an aggregate of US$8,000,000 in exploration work and the issuance of an aggregate of 1,000,000 common shares of Pacific Rim to the Company over a five year period. To date the Company has received 400,000 common shares of Pacific Rim in accordance with the terms of the Definitive Agreement.

During 2012, Pacific Rim conducted detailed re-mapping of the central Mine area, new rock chip and soil sampling to fill in areas without historic data, completed a remote sensing survey covering a large regional area around the project area, completed a search for historical data to update the project database and modeled the drillhole geology, geochemistry and geophysical data using 3D modeling software. Numerous structural targets, potentially hosting high grade gold mineralization ("feeders"), were identified and prioritized, and a drill program was designed and permitted. Subsequent to the end of quarter, owing to other corporate considerations, Pacific Rim terminated the Option and Joint Venture Agreement in May 2013, and Corazon, through its subsidiaries ICN Resources and Washoe Gold, regained control of the property. Corazon is seeking a sale or JV of the property at the current time

Trout Creek (JJ) Property, Nevada, USA

The Company has an option to acquire a 100% interest in certain mining claims located in Humboldt County, Nevada. To earn its interest in these claims, the Company is required to pay US$1,000,000 (US$25,000 paid) and incur work expenditures of US$1,000,000 over six years.

Gold and silver production from the property is subject to a 2% net smelter return, half of which may be purchased by the Company for US$1,000,000 at any time prior to completion of the first year of commercial production.

The Trout Creek property is located approximately 32 kilometres from the historic high grade Sleeper deposit, mined by AMAX Gold from 1986 to 1996, producing 1.66 million ounces of gold and 2.3 million ounces of silver. The Trout Creek property is a high level, epithermal Au-Ag system, hosted by Tertiary volcanic rocks. AMAX Gold explored the property from 1988 to 1989 and reported the following in annual summary reports: completion of 15 reverse circulation holes in two phases of drilling based on surface rock chip sampling and geophysical survey interpretations. AMAX reported up to 1.05 g/t Au, up to 400 ppm As, 175 ppm Sb, and 12.3 g/t Ag in surface rock chip sampling.

The AMAX drilling did not adequately test the 1.05 g/t surface gold value referred to above. The closest drill hole, GT-06, intercepted 29 metres of 0.48 g/t Au from the surface. This vertical hole terminated at 132.6 metres depth in mineralized rock, with the last 4.6 metres grading 0.37 g/t Au. With the exception of the first hole drilled by AMAX, all drill holes were vertical. All assay data reported herein is historic in nature, completed prior to National Instrument 43-101 regulation standards, and reported in summary form by AMAX. Quality control procedures are unknown, and not all assay certificates are available. This data should not be relied upon, and future surface sampling and drilling will be designed to confirm these historical data. The Company has compiled and reinterpreted the historic data, and is currently seeking a joint venture with a third party.

Prior to the acquisition of ICN, the optionor and ICN amended the letter agreement whereby the Company is required to pay US$1,000,000 (US$25,000 paid) and incur work expenditures of US$1,000,000 over six years. The Company has incurred US$60,526.

On April 14, 2013 the Company renegotiated the agreement. The new terms require that the Company pay the filing fees to BLM and the County this fall. Every May 1, management will meet with the optionors to review the status of the property. While the Company will continue working on the property, the schedule on payments and work expenditures has been suspended until further notice.

Goldfield Bonanza Property, Nevada, USA

ICN entered into a Definitive Agreement (the “Agreement”) with Lode Star Gold, Inc. (“Lode Star”), a private Nevada corporation, on March 28, 2011 to acquire an 80% interest in certain claims (the “Property”) held by Lode Star. The Property consists of 31 patented and one unpatented mill site claim, (approximately 450 acres), and forms the Goldfield Bonanza Project, located in the historic mining district of Goldfield Nevada. The Property lies directly east of the town, roughly 270 miles southeast of Reno, Nevada, and includes some of the historic past producing mines and workings.

To earn their 80% interest in the Property, ICN was required to pay to Lode Star a total of US$3,000,000 in cash, issue 3,000,000 units and complete US$5,000,000 of exploration work over a 4 year option period. Each unit consists of one common share and one full share purchase warrant, with each warrant entitling the holder to purchase one additional common share for a period of two years at an exercise price equal to 110% of the average closing market price of the Company's common shares over a five consecutive day period immediately prior to the date of issuance. As at the date of this MD&A, the Company has paid Lode Star US $200,000 and issued 2,250,000 units at a value of $932,640 ($602,500 was ascribed to the value of the common shares and $330,140 was ascribed to the warrants) as per the Agreement. If ICN completes all requirements of the Option to vest at 80% in the Property, a standard mining joint venture will be formed.

On April 12, 2013, after the acquisition of ICN by Corazon, the Company renegotiated the agreement for the Goldfield project. Under the new agreement Corazon is required to pay US$50,000 upon approval by the TSX-V, US$50,000 on or before October 7, 2013, US$300,000 on or before April 7, 2014, US$800,000 on or before April 7, 2015 and US$1,600,000 on or before April 7, 2016. The Company is also required to issue an additional 500,000 common shares in consideration to the amendments to the Option Agreement. On May 1, 2013, the TSX-V accepted for filing the amended agreement and the $50,000 payment was made and 500,000 Corazon shares were issued to Lodestar.

On April 23, 2013, Corazon announced the results of its most recent exploration program. Geologic work has identified numerous new target areas for further exploration based on analysis of additional biogeochemical survey results, detailed geographic information system (GIS) compilation of all available historic data, and a recent program of underground mapping and sampling. A map of this latest work can be found on the Company's website.

On May 23, 2013 The Company announced that it had amended the area of interest clause in its agreement with Lode Star Gold Inc. around the Lode Star properties from one mile to 1/2 mile in order to allow Corazon to acquire additional lands outside the AOI. The Company has begun acquiring and signing exploration lease agreements with an option to purchase patented land claims approximately 1.5 miles to the east of the town of Goldfield Nevada. As of March 31, 2013 the Company had 7 claims totalling 183 acres. The Company is reviewing historical data over the Goldfield Central area and may pursue further exploration if warranted.

Kings River Property, Nevada, USA

The Company entered into a letter of agreement for a purchase option on the Kings River Project from Seabridge Gold Inc. ("SEA"). This project consists of 84 unpatented mineral claims, located in Humboldt County, Nevada. The terms of the letter agreement with SEA allow the Company, or a subsidiary, to acquire 100% of the claims over a 12 month period, subject to a retained 1.5% NSR on gold and silver reserved for the benefit of SEA. The total consideration is issuance of 250,000 ICN shares and a final US $100,000 cash payment over the term of the agreement. The issuance of the 250,000 common shares was completed by ICN prior its acquisition by the Company.

By December 31, 2012 the Company was required to make a $100,000 payment in order to meet the 2012 requirements. On November 13, 2012, the payment was extended until May 30, 2013 and on April 10, 2013 this payment was renegotiated with SEA and postponed until November 30, 2013. In consideration of the last amendment the Company granted an additional 0.5% NSR to SEA for a total of a 2% NSR.

The King's River Project consists of an untested epithermal volcanic system, occurring along a splay of the Northern Nevada Rift. Tertiary volcanic rocks of a Miocene flow-dome complex crop out along the range front fault zone. Sub-volcanic rhyodacite intrudes breccia bodies formed in the pre-Tertiary basement rocks that are hydrothermally altered, quartz veined, and contain anomalous gold and silver mineralization. Geophysics, geochemical sampling, and geological mapping will be used to target areas and structures concealed by shallow alluvial cover where bimodal volcanic rocks similar to those found at Sleeper exist.

Soil sampling and geological mapping was conducted late in 2011, and an additional 40 claims were staked to enlarge the range front target area. ICN is currently seeking a Joint Venture partner for the project.

Silver Cliff Property, Colorado, USA

The Silver Cliff Property, located in an historic silver district in Custer County, Colorado, is under option from a third party and originally consisted of 35 unpatented mineral claims. The terms of the letter agreement allow the Company to acquire a 100% undivided interest the Property. Under the letter agreement, the optionors are entitled to a bonus in connection with the Company achieving certain project milestones, and they are also entitled to a net smelter returns royalty from the Property ranging from ½% to 2% depending on the underlying status of additional property the Company acquires, if any, within a defined area of interest in the district.

The Silver Cliff project (the “Property) lies within the Hardscrabble mining district, an historic silver district, where high grade silver production came from numerous mines during the period 1878 to 1894. Silver production was derived from both shear-vein zones in Tertiary volcanic units as well as high grade (up to 700 opt Ag) breccia pipes hosted in pre-Cambrian rocks located within and adjacent to a Tertiary caldera or volcanic center. Lower grade halos are reported to exist surrounding the high grade pipes and vein zones.

Earlier this year, Corazon staked, and has now filed on, 74 unpatented mining claims covering the remaining locatable ground in the Hardscrabble district (the “District”), approximately 1,100 acres (450 hectares). The Company has conducted initial reconnaissance surface rock sampling, collected a 20 kg sample on surface at the Kate Deposit for metallurgical testing, and compiled historic data sourced from the University of Wyoming archives. On January 17, 2013 the Company amended the underlying letter agreement and on January 25, 2013 the Company paid a further US $30,000 and issued 250,000 shares to the optionors. Under the amended agreement the remaining shares issuances and cash payments terms were extended by one year.

Rockland-Pine Grove Property and AWA Property, Nevada, USA

After careful consideration the Company decided to terminate the agreements and write off the properties as of December 31, 2012.

Capitalized exploration expenses for the three months ended March 31, 2013 and March 31, 2012

	March 31, 2013	March 31, 2012
Exploration		
Assay and laboratory	$ 16,869	$ 3,930
Consultants	8,209	93,471
Corporate social responsibility	8,328	63,750
Drilling	2,363	142,558
Land/Legal	94,083	-
General expenses	62,592	2,267
Other labour costs	103,392	139,655
Project administration and supervision	53,819	-
Salaries	44,972	63,540
Surveying and mapping	20,102	4,479
Travel and meals	7,838	18,072
Total exploration Costs	$ 422,567	$ 531,722

Exploration and evaluation expenses related to the Santo Domingo project as of March 31, 2012 were written off as a component of the impairment of mineral properties during that period.

SELECTED FINANCIAL INFORMATION

For the periods ended March 31, 2013 and March 31, 2012

	March 31, 2013	March 31, 2012
Financial results		
Total revenue	$Nil	$Nil
Loss for the period	$336,446	$1,022,886
Basic and diluted (income) loss per share	$0.04	$0.17
Impairment of mineral property	$1,198,152	$6,133,926
Balance sheet data	**March 31, 2013**	December 31, 2012
Current assets	$946,789	$1,836,210
Non-current assets	$5,453,083	$5,007,775
Total assets	$6,399,872	$6,843,985
Current liabilities	$349,058	$501,253
Shareholders' equity	$6,050,814	$6,342,732

RESULTS OF OPERATIONS

Corazon is a mineral exploration company which has elected under IFRS to capitalize exploration and evaluation expenditures. Corporate and administration expenses, as well as any exploration expenditures incurred prior to obtaining the legal right to explore, are charged to the statement of earnings when incurred. The exploration properties acquired by the Company are still in the early exploration and development stage. No revenues have been reported for the periods ended March 31, 2013 and the period ended March 31, 2012.

	Period ended March 31, 2013	Period ended March 31, 2012
Administrative expenses		
Consulting fees	$ 45,767	$ 15,000
Corporate development	1,119	91,054
Depreciation	19,992	22,819
Legal fees and expenses	11,300	155,055
Office	95,781	47,203
Property examination costs	2,056	51,603
Regulatory fees	13,631	116,377
Salaries and benefits	117,460	103,755
Share-based payments	16,837	187,511
Travel and accommodation	13,868	2,523
	337,811	3,172,547
Other expense (income)		
Foreign exchange loss (gain)	(1,365)	(864)
Interest income	-	(27,241)
Impairment of exploration and evaluation assets	-	508,038
	(1,365)	479,933
Loss for the period	**$ 336,446**	**$ 1,022,886**

The net loss decreased from $1,022,886 in March 31, 2012 to $336,446 in March 31, 2013 due to decreases in non-cash items such as impairment of mineral properties and share-based payments. There was also an overall decrease in operating expenses during the the first quarter of 2013.

SELECTED QUARTERLY FINANCIAL RESULTS

Selected financial information for each of the eight quarters ended March 31, 2013 is as follows:

	March 31, 2013	Dec 31, 2012	Sept 30 2012	June 30 2012	March 31 2012	Dec 31 2011	Sept 30 2011	June 30 2011
Financial results								
Net Revenue	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil
Net loss (income) for the period	$336,446	$923,887	$662,271	$1,102,552	$1,022,886	$7,241,544	$482,167	$565,408
Basic and diluted loss per share	$0.04	$0.02	$0.01	$0.02	$0.17	$0.16	$0.03	$0.01
Statement of financial position								
Cash and cash equivalents	$794,267	$1,657,808	$2,497,506	$3,688,494	$4,443,613	$5,390,658	$6,723,255	$7,957,701
Exploration and evaluation assets	$5,200,172	$4,737,298	$687,136	$425,613	$72,172	-	$5,833,173	$4,552,616
Total assets	$6,399,872	$6,843,985	$3,861,049	$4,447,139	$5,389,044	$6,259,795	$12,993,836	$12,822,993
Total liabilities	$349,058	$501,253	$262,756	$251,281	$205,112	$280,434	$182,666	$130,164
Shareholders' equity	$6,050,814	$6,342,732	$3,598,293	$4,195,858	$5,183,932	$5,979,361	$12,811,170	$12,692,829

Three month ended March 31, 2013

The Company reported an operating loss for the three months ended March 31, 2013 of $336,446 compared to $1,022,886 for the three month ended March 31, 2012.

LIQUIDITY AND CAPITAL RESOURCES

The Company has no significant revenues and no expectation of revenues in the near term. In order to manage risk, the Company closely monitors its cash requirements and expenditures. At March 31, 2013 and December 31, 2012 the Company's working capital and deficit were as follows:

		March 31, 2013		December 31, 2012
Working capital	$	**597,731**	$	**1,334,957**
Deficit		**(13,772,205)**		**(13,435,759)**

The Company has a working capital of $597,731. Management believes that at this point the Company has enough working capital to meet its current activities over the next six months and is looking to close a capital financing during the third quarter of 2013.

BASIS OF PRESENTATION - INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The annual consolidated financial statements of the Company comply with IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The consolidated financial statements are presented in Canadian dollars unless otherwise noted.

CHANGES IN ACCOUNTING STANDARDS NOT YET ADOPTED

Accounting standards effective January 1, 2015

IFRS 9 – Financial instruments

IFRS 9 was issued in November 2009 and will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective on January 1, 2015. Early adoption is permitted and the standard is to be applied retrospectively.

RISKS AND UNCERTAINTIES

Resource exploration is a speculative business and involves a high degree of risk. There is a probability that the expenditures made by the Company in exploring its properties will not result in discoveries of commercial quantities of minerals. A high level of ongoing expenditures is required to locate and estimate ore reserves, which are the basis to further the development of a property. Capital expenditures to support the commercial production stage are also very substantial.

The following sets out the principal risks (non inclusive) faced by the Company.

Exploration risk. There can be no assurance that economic concentrations of minerals will be determined to exist on the Company's property holdings within existing investors' investment horizons or at all. The failure to establish such economic concentrations could have a material adverse outcome on the Company and its securities. The Company's planned programs and budgets for exploration work are subject to revision at any time to take into account results to date. The revision, reduction or curtailment of exploration programs and budgets could have a material adverse outcome on the Company and its securities.

Market risks. The Company's securities trade on public markets and the trading value thereof is determined by the evaluations, perceptions and sentiments of both individual investors and the investment community taken as a whole. Such evaluations, perceptions and sentiments are subject to change, both in short term time horizons and longer term time horizons. An adverse change in investor evaluations, perceptions and sentiments could have a material adverse outcome on the Company and its securities.

Commodity price risks. The Company's exploration projects seek gold and precious metals. While gold has recently been the subject of significant price increases from levels prevalent earlier in the decade, there can be no assurance that such price levels will continue, or that investors' evaluations, perceptions, beliefs and sentiments will continue to favour these target commodities. An adverse change in these commodities' prices, or in investors' beliefs about trends in those prices, could have a material adverse outcome on the Company and its securities.

Financing risks. Exploration and development of mineral deposits is an expensive process, and frequently the greater the level of interim stage success the more expensive it can become. The Company has no producing properties and generates no operating revenues; therefore, for the foreseeable future, it will be dependent upon selling equity in the capital markets to provide financing for its continuing substantial exploration budgets. While the Company has been successful in obtaining financing from the capital markets for its projects in recent years, there can be no assurance that the capital markets will remain favourable in the future, and/or that the Company will be able to raise the financing needed to continue its exploration programs on favourable terms, or at all. Restrictions on the Company's ability to finance could have a material adverse outcome on the Company and its securities.

Share Price Volatility and Price Fluctuations. In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies, particularly junior mineral exploration companies like the Company, have experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that these price fluctuations and volatility will not continue to occur.

Key personnel risks. The Company's exploration efforts are dependent to a large degree on the skills and experience of certain of its key personnel. The Company does not maintain "key man" insurance policies on these individuals. Should the availability of these persons' skills and experience be in any way reduced or curtailed, this could have a material adverse outcome on the Company and its securities.

Competition. Significant and increasing competition exists for the limited number of mineral property acquisition opportunities available. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than the Company, the Company may be unable to acquire additional attractive mineral properties on terms it considers acceptable.

Foreign Countries and Regulatory Requirements. Currently, the Company's properties are located in Nicaragua and the United States of America. Consequently, the Company is subject to certain risks associated with foreign ownership, including currency fluctuations, inflation, and political risk. Both mineral exploration and mining activities and production activities in foreign countries may be affected in varying degrees by political stability and government regulations relating to the mining industry. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to community rights, restrictions on production, price controls, export controls, restriction of earnings, taxation laws, expropriation of property, environmental legislation, water use, labour standards and workplace safety. The Company maintains the majority of its funds in Canada and only forwards sufficient funds to meet current obligations.

Environmental and Other Regulatory Requirements. The current or future operations of the Company, including development activities and the commencement of production on its properties, require permits from various governmental authorities and such operations are and will be subject to laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs, and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that approvals and permits required to commence production on its properties will be obtained on a timely basis, or at all. Additional permits and studies, which may include environmental impact studies conducted before permits can be obtained, may be necessary prior to operation of the properties in which the Company has interests and there can be no assurance that the Company will be able to obtain or maintain all necessary permits that may be required to commence construction, development or operation of mining facilities at these properties on terms which enable operations to be conducted at economically justifiable costs.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or extraction operations may be required to compensate those suffering loss or damage by reason of such activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or abandonment or delays in development of new mineral exploration properties.

To the best of the Company's knowledge, it is currently operating in compliance with all applicable environmental regulations.

History of Net Losses; Accumulated Deficit; Lack of Revenue from Operations. The Company has incurred net losses to date. Its deficit as of March 31, 2013 was $13,772,205. The Company is an exploration company. The Company has not yet determined that economic resources exist and/or that commercial development is feasible and/or warranted on any of its properties. Even if the Company commences development of certain of its properties, the Company may continue to incur losses. There is no certainty that the Company will produce revenue, operate profitably or provide a return on investment in the future.

Uninsurable risks. The Company and its subsidiaries may become subject to liability for pollution, fire, explosion, against which it cannot insure or against which it may elect not to insure. Such events could result in substantial damage to property and personal injury. The payment of any such liabilities may have a material, adverse effect on the Company's financial position.

FINANCIAL INSTRUMENTS

IFRS 7 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents	$749,567	-	-	$749,567
Marketable securites	22,000	-	-	22,000
Loans and receivables				
Other receivable	36,496	-	-	36,496
Reclamation deposits	47,160	-	-	47,160

Management of Financial Risk:

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with major banks in Canada and Nicaragua. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. The Company's secondary exposure to risk is on its other receivables and the loan receivable. This risk is minimal for other receivables as they consist primarily of refundable input taxes. The credit risk associated with loan receivable is viewed as reasonable due to loan being secured by shares having a fair value in excess of the carrying value.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding (see note 1).

All of the contractual maturities of the Company's non-derivative financial liabilities are within one year of the financial statement end date.

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company's Nicaraguan subsidiary is exposed to currency risk as it incurs expenditures that are denominated in the Nicaraguan Cordoba while its functional currency is the United States dollar. The parent company is exposed to currency risk as it holds cash balances that are denominated in United States dollars while its functional currency is the Canadian dollar. The Company does not hedge its exposure to fluctuations in foreign exchange rates.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises from the interest rate impact on its cash equivalents and loan receivable. Because the cash equivalents are held on deposit at financial institutions and may be withdrawn at any time, the Company's exposure to interest rate risk is not significant.

Capital Management

The Company's objectives when managing capital are to:

- ensure there are adequate capital resources to safeguard the Company's ability to continue as a going concern in order to pursue the acquisition and exploration of resource properties;
- to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk;
- to maintain investor, creditor and market confidence to sustain future development of the business; and
- to provide returns to shareholders.

The properties in which the Company currently has an interest are in the exploration stage and as such, the Company is dependent on external financing to fund its activities. The Company has no external capital requirements or restrictions.

OUTSTANDING SHARE DATA

Common shares, options, warrants and convertible securities outstanding as at the date of this report:

Security	Common Shares on Exercise
Common Shares	108,290,016[1]
Options	4,700,000[2]
Warrants	1,750,000[3]

(1) Includes 47,543,464 out of an aggregate of 51,665,740 common shares of the Company to be issued in connection with the acquisition of ICN.

(2) Only the options previously issued by Corazon still outstanding

(3) 1,750,000 warrants of the Company in connection with the acquisition of ICN

CONTRACTUAL OBLIGATIONS

The Company has entered into a 3 year premises lease for its Vancouver head office which requires the Company to pay $74,152, and $37,074 per year from 2013 and 2014, respectively.

LEGAL CLAIMS AND CONTINGENT LIABILITIES

At May 30, 2013, there were no material legal claims or contingent liabilities outstanding against the Company.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

OTHER INFORMATION

Additional information on the Company is available on SEDAR at www.SEDAR.COM