CORAZON GOLD CORP

(Formerly ReMac Zinc Corp.)

Management Discussion and Analysis

December 31, 2010

Dated March 22, 2011

This discussion and analysis should be read in conjunction with the audited consolidated financial statements and related notes thereto for the years ended December 31, 2010 and 2009, which have been prepared in accordance with Canadian generally accepted accounting principles. All amounts in the consolidated financial statements and this discussion and analysis are expressed in Canadian dollars, unless otherwise indicated.

FORWARD LOOKING INFORMATION

This management discussion and analysis ("MD&A") contains certain forward-looking statements and information relating to Corazon Gold Corp. (formerly ReMac Zinc Corp.) ("the Company") that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration and development of the Company's exploration properties. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

DESCRIPTION OF THE CORPORATION

The Company's previous business consisted of the exploration of its 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 determined not to expend further funds on the development of the zinc project at this time. See ReMac Zinc Corp. Acquisition of 0887398 BC Ltd. and 0887406 BC Ltd. for further discussion of the Company's business.

DIRECTOR APPOINTMENTS AND RESIGNATIONS

On December 31 2010, Alec Peck, CFO of the Company, was appointed as a director of the Company. In connection with the closing of the transaction on January 14, 2011, Steve Bastable, Darryl Yea and Alec Peck resigned as directors of the Company, and Rosalie Moore, Dr. Carl Herring, Patrick Brauckmann and John King Burns were appointed as directors. The Board of Directors is now comprised of Rosalie Moore, Dr Carl Herring, Patrick Brauckmann, John King Burns and J. Stephen Barley.

REMAC ZINC CORP. ACQUISITION OF 0887398 BC Ltd. AND 0887406 BC Ltd.

On January 14, 2011, ReMac Zinc Corp ("ReMac") completed the acquisition of all of the issued and outstanding shares of 0887398 B.C. Ltd. ("0887398") on the basis of one share for each share of 0887398 pursuant to a share exchange agreement dated October 6, 2010 among 0887398, its shareholders, 0887406 B.C. Ltd. ("0887406") and its subsidiary Corazon Exploraciones, S.A. ("Corazon"). 0887398 owned 99.9% of the issued and outstanding shares of Corazon and 0887406 owned the remaining 0.1% of the issued and outstanding shares of Corazon. On January 14, 2011 ReMac acquired all of the issued and outstanding shares of 0887398 in exchange for the issuance of an aggregate 23,446,318 common shares of the Company on the basis of one share for each share of

0887398. In addition, 0887406 has agreed to transfer its ownership in Corazon to ReMac pursuant to the terms of a share purchase agreement between ReMac and 0887406. As a result 0887398 and 0887406 became wholly-owned subsidiaries of ReMac and ReMac holds indirectly 100% of the issued and outstanding shares of Corazon. The shareholders of 0887398 hold a controlling interest in ReMac and therefore the transaction was accounted for as a reverse takeover, with 0887398 being the deemed acquirer of the net assets of the Company.

Concurrently with the completion of the transaction, ReMac completed a financing involving the issuance of 12,875,000 common shares at a price of $0.20 per common share and 7,437,500 common shares at a price of $0.40 per common share for aggregate gross proceeds of $5,550,000 and net proceeds of $5,349,696. ReMac issued 1,250,000 common shares as finder's fee in connection with the acquisition.

On January 18, 2011, ReMac changed its name to Corazon Gold Corp. and the common shares began trading under the symbol CGW as a Tier 2 Issuer on the TSX-V.

Upon the completion of the transaction, the Company will be engaged in the exploration and development of gold properties located in the Concession and has granted a 2% net smelter returns royalty to certain shareholders of the Company. The Concession lies in the Canton of Santo Domingo, in the eastern section of the La Libertad-Santo Domingo mining district, state of Chontales, central Nicaragua. The Concession totals 650 hectares and is situated 177 kilometres northeast of the major Pacific port and capital city of Managua, Nicaragua.

The Company has completed initial geological mapping over a significant portion of the 650 hectare property. The property is located 10 kilometres east of B2 Gold's La Libertad mine, Nicaragua's largest open pit mine. This work identified multiple epithermal quartz veins , with more than 15 kilometres of cumulative strike, and provided the basis for delineation of targets for the initial drilling program.

The Company has now undertaken a 3,000 metre drilling program at the Santo Domingo project in central Nicaragua. The Company has completed a total of 5 holes for an aggregate of 622 metres. Testing is underway on the El Tigre and Amparo zones. Samples from the initial 5 holes are now being prepared for assay. There is no certainty that this current drilling program will result in the discovery of an economic mineral resource.

SELECTED ANNUAL FINANCIAL RESULTS

Fiscal years ended December 31, 2010, 2009 and 2008 in $000's except per share amounts:

	2010	2009	2008
			As restated
Financial results			
Total revenue	**Nil**	Nil	Nil
(Income) loss for year	**197**	(170)	6,114
Basic and diluted (income) loss per share	**0.06**	(0.05)	1.74
Expenditures on resource properties	**1**	7	127

Balance sheet data			
Cash and cash equivalents	**46**	210	91
Cash held in trust	**4,603**	-	-
Term deposit	**265**	300	-
Total assets	**5,001**	528	396
Shareholders' equity	**4,918**	512	335

	Years Ended December 31, **2010**	2009
Expenses		
Audit and accounting	**50**	33
Director fees	**21**	-
Filing fees	**13**	9
Insurance	**14**	17
Investor relations	**-**	3
Legal	**13**	10
Management fees and consulting	**63**	64
Office and sundry	**8**	2
Rent	**7**	4
Stock based compensation expense	**-**	7
Transfer agent	**11**	13
Travel and accommodation	**-**	1
Foreign exchange (gain) loss	**-**	-
	198	162
Other (income) expenses		
Impairment loss	**1**	7
Mineral interest recovery	**-**	(326)
Interest income	**(2)**	(13)
(Income) loss for the year	**197**	(170)

RESULTS OF OPERATIONS

The Company recorded a loss of $196,751 for the year ended December 31, 2010 as compared to realizing income of $169,921 for the previous year. The income recognized for the year ended December 31, 2009 was mainly attributed to the refundable B.C. mining exploration tax credits of $326,239 received during the 2009 fiscal year.

Net operating loss has increased to $197,748 from $161,970 in the previous year. The main reason for the increase is due to the increase in professional fees, which is indirectly related to the transaction described under ReMac Zinc Corp. acquisition section. In addition, directors fees of $20,644 (2009 - $Nil) were accrued as payable to the two non-managing directors of the Company.

As an exploration stage company, the Company has not generated any revenue and losses are expected to continue. Net loss is also impacted by the recognition of stock based compensation which is a non-cash expense and will vary depending on the options granted and vested in a given accounting period.

RESOURCE PROPERTIES

The ReMac Zinc project consists of 40 contiguous mineral claims comprising 3,943.82 hectares (the "ReMac Zinc property") which is 100% owned by ReMac. The ReMac Zinc property is situated 25 kilometres southeast of Teck's lead-zinc smelter complex in Trail, BC, and 15 kilometres north of Teck's Pend d'Oreille zinc mine and concentrator in Metalline Falls, Washington, USA.

Currently the Company is maintaining ownership in the ReMac Zinc property but does not have an exploration program planned in the near future. The Company is assessing the viability of continued ownership in the ReMac Zinc property.

The expenditures incurred during the exploration program during the 2010 and 2009 year ends are as follows:

ReMac Properties	**2010**	2009
Deferred Exploration:		
Assaying and assay storage	$ -	$ 4,458
Engineering and consulting	-	275
Permits and fees	**1,004**	1,004
Travel and accommodation	-	900
Total deferred exploration for the year	**1,004**	6,637
Impairment loss	**(1,004)**	(6,637)
Deferred exploration for the year	-	-
Balance – beginning of year	-	-
Balance – end of year	$ -	$ -

The Company has not been actively developing the ReMac Property and has recorded an impairment loss of $1,004 during the year ended December 31 2010 and $6,637 during the year ended December 31, 2009 reflecting the total amount recorded as acquisition and exploration expenditures for the ReMac Property.

SELECTED QUARTERLY FINANCIAL RESULTS

In $000's except per share amounts, for the fiscal quarters ended:

	Dec. 31, 2010	Sept. 30, 2010	June 30, 2010	March 31, 2010	Dec. 31, 2009	Sept. 30, 2009	June 30, 2009	March 31, 2009
Financial results								
Net Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net loss (income) for the period, excluding impairment loss	73	50	40	33	(17)	(253)	50	44
Impairment loss	-	-	1	-	1	1	5	-
Basic and diluted loss (income) per share	0.03	0.01	0.01	0.01	(0.01)	(0.07)	0.02	0.01
Expenditures on resources properties	-	-	1	-	1	1	5	-

FOURTH QUARTER RESULTS

The Company reported an operating loss for the three months ended December 31, 2010 of $72,895 compared to income of $16,753 for the three months ended December 31, 2009. The Company recognized income during the 2009 fourth quarter as a result of receiving a B.C. mining exploration tax credit of $45,516.

The increase in the loss during the 2010 fourth quarter compared to 2009 is mainly attributed to costs including indirect professional fees incurred for the transaction described under the ReMac Zinc Corp. Acquisition section. In addition, director's fees of $20,644 ($2009 - Nil) were accrued as payable to the two non-managing directors of the Company.

LIQUIDITY AND CAPITAL RESOURCES

Working capital and deficit as at the years ended December 31, 2010 and 2009 are as follows:

		2010		2009
Working capital	$	**4,843,676**	$	507,399
Deficit		**(7,145,529)**		(6,948,778)

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP") applicable to a going-concern, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The Company for the year ended December 31, 2010 incurred a loss of $196,751 and had working capital of $4,843,676.

On January 14, 2011 the Company completed a non-brokered private placement for gross proceeds of $5,550,000 and net proceeds of $5,349,696. As a result the Company's current financial position and forecast cash flow requirements for the next year are expected to be sufficient to meet its resource property requirements and corporate requirements.

RELATED PARTY TRANSACTIONS

During the year ended December 31, 2010, the Company incurred:

a) Consulting fees totaling $28,188 (2009 - $28,000) were paid to the Chief Financial Officer of the Company. The balance owing at December 31, 2010 and 2009 to the Chief Financial Officer is $nil.

b) Consulting fees totaling $30,000 (2009 - $30,000) were paid to a Company controlled by the President of the Company. The balance owing at December 31, 2010 and 2009 is $nil.

c) Rent and management fees totaling $14,065 (2009- $10,779) were paid to a company with common management. The balance owing at December 31, 2010 is $4,290 (2009 - $1,559).

d) Director fees totalling $20,644 (2009 - $nil) were accrued for two non-managing directors of the Company.

CHANGES IN ACCOUNTING POLICIES

Future Accounting Policies

The Canadian Institute of Chartered Accountants (“CICA”) issued three new accounting standards in January 2009: Section 1582 – Business Combinations, Section 1601 – Consolidated Financial Statements and Section 1602 – Non-Controlling Interests, these sections are harmonized with International Financial Reporting Standards. Section 1582 specifies a number of changes, including: an expanded definition of a business combination, a requirement to measure all business acquisitions at fair value, a requirement to measure non-controlling interests at fair value, and a requirement to recognize acquisition-related costs as expenses. Section 1601 establishes the standards for preparing consolidated financial statements. Section 1602 specifies that non-controlling interests be treated as a separate component of equity, not as a liability or other item outside of equity. These Standards will be applicable to the Company for annual and interim accounting periods beginning on January 1, 2011.

International Financial Reporting Standards (“IFRS”)

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008 the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes, for the quarter ended March 31, 2011, of amounts reported by the Company for the quarter ended March 31, 2010.

International Financial Reporting Standards (“IFRS”) Implementation Plan

The Company completed the IFRS implementation plan to prepare for this transition, and the analysis of the key areas where changes to current accounting policies were required. Upon completion of the acquisition transaction, the company has reviewed the applicable IFRS accounting issues and is currently reviewing certain accounting policies.

The Company's initial key areas of assessment included:

- Exploration and development expenditures
- Property and equipment (measurement and valuation);
- Stock-based compensation;
- Accounting for income taxes
- First-time adoption of International Financial Reporting Standards (IFRS 1).

IFRS 1, First-time Adoption of IFRS
IFRS 1 provides entities adopting IFRS for the first time with a number of optional exemptions and mandatory exceptions, in certain areas, to the general requirement for full retrospective applications of IFRS. The purpose of the options is to provide relief to companies and simplify the conversion process by not requiring them to recreate information that may not exist or may not have been collected at the inception of the transaction. We have analyzed the various exemptions available and are working towards implementing those most appropriate in our circumstances.

Mineral Properties, Exploration and Development Costs
IFRS currently allows exploration and evaluation expenses to be either capitalized or expensed. The Company expects to continue to capitalize its exploration and evaluation expenses.

Impairment of Mineral Properties
Canadian GAAP provides for a 2 step test with no impairment being required if the undiscounted future expected cash flows relating to an asset are higher than the carrying value of that asset. Under IFRS, the undiscounted cash flows are not considered and an impairment is recorded when the recoverable amount (defined as the higher of 'value in use' and 'fair value less costs to sell') is below the asset's carrying value.

The Company will be required to adopt the discounted future cash flow approach with respect to impairment analysis of its mineral properties. Impairment under this approach may generate a greater likelihood of write-down in the future.

Write-down to net realizable value can be reversed under IFRS if the conditions of impairment cease to exist. This difference in approach between Canadian GAAP and IFRS could result in potentially significant volatility in earnings.

Asset Retirement Obligations
IFRS defines asset retirement obligations ("ARO") as legal or constructive obligations. Under IFRS, ARO is calculated using a current pre-tax discount rate (which reflects current market assessment of the time value of money and the risk specific to the liability) and is revised every reporting period to reflect changes in assumptions or discount rates. Under Canadian GAAP, ARO is calculated using a current credit-adjusted, risk-free rate for upward revisions and the original credit-adjusted, risk-free rate for downward revisions. The original liability is not adjusted for changes in current discount rate. The change in calculation of ARO and the discounting process will likely generate some changes in the other value of ARO on transition.

Stock Based Compensation
Under IFRS, each instalment is to be treated as a separate share option grant with graded-vesting features, forfeitures are to be estimated at the time of grant and revised if actual forfeitures are likely to differ from previous estimates and options granted to parties other than employees are measured on the date the goods or services received. The concept of employees and others providing similar

services under IFRS is a broader concept under IFRS. The Company is currently recording its stock based compensation expenses on a straight line basis over the vesting period and forfeitures as they occur. The transition to IFRS would likely result in more variability in the compensation expenses.

The Company continues to monitor IFRS standards development as issued by the International Accounting Standard Board and the regulators which may affect the timing, nature and disclosure of the Company's adoption of IFRS.

RISK 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 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 in Nicaragua. 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, Patrick Brauckmann and Robert Johansing. The Company does not maintain "key man" insurance policies on these individuals, but does hold kidnap and ransom insurance. 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 principal properties are located in Nicaragua. 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 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. The Company has not yet had any revenue from the exploration activities on its properties, nor has the Company yet determined that commercial development is 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

The Company designated its financial instruments into one of the following five categories: held-for-trading; available-for-sale; held-to-maturity; loans and receivables; and other financial liabilities. All financial instruments are initially measured at fair value. Financial instruments classified as held-for-trading or available-for-sale are subsequently measured at fair value with any change in fair value recorded in net earnings and other comprehensive income, respectively. All other financial instruments are subsequently measured at amortized cost.

All derivative financial instruments, including derivative features embedded in financial instruments or other contracts but which are not considered closely related to the host financial instrument or contract, are generally classified as held-for-trading and, therefore, must be measured at fair value with changes in fair value recording in net earnings. However, if a derivative financial instrument is designated as a hedging item in a qualifying cash flow hedging relationship, the effective portion of changes in fair value is recorded in other comprehensive income. Any change in fair value relating to the ineffective portion is recorded immediately in net earnings.

Corazon has designated its financial instruments as follows:

- Cash and cash equivalents, cash held in trust and term deposits are classified as “Held for Trade”;
- Amounts receivable and reclamation bond are classified as “Loans and Receivables”. These financial assets are recorded at values that approximate their amortized costs using the effective interest method; and

- Accounts payable and accrued liabilities and due to Redhawk Resources, Inc. are classified as "Other Financial Liabilities". These financial liabilities are recorded at values that approximate their amortized cost using the effective interest method.

Fair value

The Company's financial assets and liabilities consist of cash and cash equivalents, cash held in trust, term deposit, amounts receivable, reclamation bond, accounts payable and accrued liabilities and due to Redhawk Resources, Inc. The carrying value of these financial instruments approximates their fair value due to their short period to maturity or capacity of prompt liquidation.

The Company classifies its fair value measurements within a fair value hierarchy, which reflects the significance of the inputs used in making the measurements as defined in CICA Handbook section 3862 – Financial Instruments – Disclosures:

Level 1 - Unadjusted quoted prices at the measurement date for identical assets or liabilities in active markets.

Level 2 - Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 - Significant unobservable inputs which are supported by little or no market activity.

The following table summarizes the Company's financial instruments, and shows the level within the fair value hierarchy in which they have been classified (for financial instruments measured at fair value):

	Fair Value Hierarchy Level		December 31, 2010		December 31, 2009
Financial Assets					
Held for trading					
Cash and cash equivalents	Level 1	$	45,740	$	209,519
Cash held in trust	Level 1	$	4,602,770	$	-
Term deposit	Level 1	$	264,793	$	300,355

Management of Financial Risk:

The Company's financial instruments are exposed to certain financial risks, including credit risk, liquidity risk and market risk.

Credit risk:

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents which are held in large Canadian financial institution. The Company believes this credit risk is insignificant.

Liquidity risk:

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2010, the Company had cash and cash equivalent, cash held in trust and a term deposit balance of $4,913,303 (2009 - $509,874) to settle current liabilities of $82,831 (2009 - $15,882). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

On January 14, 2011 the Company completed a non-brokered private placement for gross proceeds of $5,550,000 and net proceeds of $5,349,696. As a result the Company's current financial position and forecast cash flow requirements for the next year are expected to be sufficient to meet its resource property requirements and corporate requirements.

Market risk:

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and commodity price risk.

(a) Interest rate risk:

The Company has cash balances and term deposit and no interest-bearing debt. The Company believes it has no significant interest rate risk.

(b) Foreign currency risk:

The Company's exploration expenditures are predominately in US dollars and Nicaraguan Cordoba and equity raised is predominately in Canadian dollars. The financial risk is the risk to the Company's operations that arises from fluctuations in foreign exchange rates and the degree of volatility of these rates.

The Company is exposed to fluctuations in foreign currency at the time payments are due on the US dollar payments due under the Concession Agreement. Currently, the Company does not use derivative instruments to reduce its exposure to foreign currency risk.

OUTSTANDING SHARE DATA

The Company has 48,522,554 common shares issued and outstanding as at March 22, 2011.

In conjunction with the closing of the acquisition transaction on January 14, 2011, all previous stock options were cancelled. Subsequently on March 2 2011, the Company granted an aggregate of 2,100,000 stock options to directors, officers and employees of the Company, subject to TSX approval. The options have a five year expiry, will fully vest over 18 months and have an exercise price of $0.75 per share.

CONTRACTUAL OBLIGATIONS

On April 15, 2010, Corazon entered into a Promise to Sell Agreement ("Concession Agreement") with the Cooperative, whereby the Cooperative has agreed to transfer 100% of its title to the Concession and six immovable properties, totaling approximately 130 acres of land, including surface rights to these properties, for US$5,500,000. Under the Concession Agreement, Corazon paid an initial payment of US$500,000 on April 15, 2010 and is required to make an additional payment of

US$2,500,000 no later than April 15, 2011 and a final payment of US$2,500,000 no later than April 15, 2012.

CRITICAL ACCOUNTING ESTIMATES

The company is a venture issuer and is not required to provide critical accounting estimates.

LEGAL CLAIMS AND CONTINGENT LIABILITIES

At March 22, 2011, there were no material legal claims or contingent liabilities outstanding.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

INVESTOR RELATIONS

Investor relations are currently managed by the President.

PROPOSED TRANSACTIONS

The Company is continuously evaluating new opportunities and while various negotiations may be ongoing at any given time, these may or may not be successful. The Company considers opportunities when it is expected to be an exceptional value to the shareholders. This includes any potential financing transactions. There are no Letters of Intent with any third parties at this time. Expenditures on any evaluations have been kept to a minimum, and any discussions may or may not result in agreement(s) for the board of directors' consideration.

SUBSEQUENT EVENTS

In addition to those stated in other part of this management discussion and analysis, on March 21, 2011, the Company entered into an agreement with Wellington West Capital Markets Inc. to sell 7.5 million common shares of the Company at a price of $0.67 per share to raise a total of $5,025,000 on a bought deal, private placement basis. The Company will grant the underwriter an option, exercisable at any time up to 48 hours prior to the closing of the offering, to purchase up to 4.5 million additional common shares at a price of $0.67 per common share for additional gross proceeds to the Company of up to $3,015.000.

OTHER INFORMATION

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