

1 March 2017

ASX Announcement

Capital raising transaction for up to \$6.9 million

Axiom Mining Limited ('Axiom' or 'the Company') is pleased to announce a capital raising structure to give all shareholders an opportunity to participate in the future growth plans of the Company as it continues to push towards bringing The Isabel Nickel Project into production.

Axiom CEO Mr Ryan Mount said: "We have recently made significant progress in advancing our position for the opening of mining of the world class Isabel Nickel Project on both San Jorge and Kolosori deposits – and so this funding transaction has been specifically designed to maximise the opportunity to Shareholders".

"This progress coupled with the increasingly tightening supply for nickel ore by the recent closure of nickel producers in Indonesia and the Philippines, Axiom is poised to be a significant supplier to this demand."

Highlights

- **Potential of \$6.9 million to be raised**
- **Majority of transaction to be available to shareholders:**
 - Rights Issue:
 - 1 for 10 non-renounceable @ \$0.16
 - With Attaching Options on 7 for 4 basis (for every 100 Shares issued shareholders receive 175 options)
 - To raise up to \$5.6 million
 - Record Date (to determine Eligible Shareholders): 6th March 2017
 - Loyalty Bonus Option:
 - 1 for 8 bonus issue of Options
 - For those Eligible Shareholders holding 125,000 Shares or more (excluding shares from Rights Issue)
 - Record Date (to determine Eligible Shareholders): 30th March 2017
 - Private Placement:
 - \$1.25M raised via issue of Shares at \$0.16
 - With a 1 for 2 attaching Option
- **All Options to be listed on ASX with an exercise price of \$0.40 and expiry of 14th December 2018**
- **Shareholders who maintain their full holding through both the Rights Issue and Bonus Issue record dates and subscribe for their full rights issue allocation will receive 30% of their Shareholding in Listed Options and increase their Shareholding by 10%.**

Rights Issue

The Company will undertake a 1 for 10 non-renounceable Rights Issue of ordinary shares at an issue price of \$0.16 to raise a total of up to \$5.6 million (before costs).

The shares issue price of \$0.16 is at a 13.5% discount to the latest closing price of \$0.185, and a 10.6% discount to the 30 day volume weighted average price for Axiom's shares of \$0.179.

Those shareholders who participate in the Rights Issue will also receive seven (7) Attaching Options for each four (4) shares subscribed. The Attaching Options will be on identical terms to the options attaching to the Placement Shares. They will have an exercise price of \$0.40 with an expiry date of 14 December 2018. The Company is seeking the quotation of the Attaching Options on ASX.

This Rights Issue is not underwritten, but shareholders who have fully subscribed for their Rights Issue entitlement may subscribe for any shortfall. The Company reserves the right to allot and issue any shortfall shares at its discretion.

Shareholders on the register at 7pm (ADST) on 6 March 2017 will be entitled to participate in the Rights Issue. More information regarding the Rights Issue will be set out in the prospectus, to be mailed to eligible shareholders in accordance with the timetable below.

The shares issued under the Rights Issue will rank equally in all respects with the Company's existing fully paid ordinary shares.

Existing option holders should note that in order to be able to participate in the Rights Issue they will need to exercise their options. Further details will be provided to option holders separately.

Loyalty Bonus

The Company also intends to make a Loyalty Bonus Option Issue ('Bonus Issue'). Eligible shareholders holding 125,000 or more fully paid ordinary shares in the Company at the 7pm (ADST) 30 March 2017 will be issued one (1) free loyalty bonus option ('LBO') for every eight (8) ordinary shares held.

Shares acquired in the Rights Issue will not be counted towards the shareholding for the 125,000 share threshold, nor qualify to receive the LBO.

The terms of the LBOs will be identical to those of the Attaching Options to the Placement and Rights Issue. Options will be exercisable at \$0.40 with an expiry date of 14 December 2018. The Company is seeking the quotation of the LBOs on ASX.

More information regarding the Bonus Issue will be set out in the prospectus, to be mailed to eligible shareholders in accordance with the timetable below.

Shareholder approval is not required for the Bonus Issue.

Private Placement

The Company has undertaken a private placement ('Placement') to raise between \$1 and \$2 million. To date the Placement has delivered \$1.25 million, through the issue of shares to Sophisticated and Professional Investors. This Placement of 7.81 million shares at \$0.16 will be supplemented by the issue of one (1) Attaching Options for every two (2) Placement shares subscribed. The 3.91 million Attaching Options will have an exercise price of \$0.40 with an expiry date of 14 December 2018. The Company is seeking the quotation of the Attaching Options on ASX.

The Placement shares issue price of \$0.16 is at a 13.5% discount to the latest closing price of \$0.185, and a 10.6% discount to the 30 day volume weighted average price for Axiom's shares of \$0.179.

The Placement shares will be issued under the Company's existing placement capacity and as such do not require prior shareholder approval.

The Placement shares will rank equally in all respects with the Company's existing fully paid ordinary shares.

Proceeds from all of the capital raising will provide the Company with further funding for the development of the Company's Isabel Nickel Project in the Solomon Islands and supplement general working capital.

Timetable

The indicative timetable for the Rights Issue and Bonus Issue is set out below. Please note that this timetable is indicative only. The Company reserves the right to amend this indicative timetable at any time, subject to the Corporations Act 2001 (Cth) and the ASX Listing Rules.

Event	Date
Lodgement of Prospectus and announcement of the Offers	Monday, 1 March 2017
Existing shares quoted on an 'ex-entitlement' basis	Friday, 3 March 2017
Entitlement Offer record date	Monday, 6 March 2017
Entitlement Offer opens Prospectus despatched	Tuesday, 7 March 2017
Entitlement Offer closes	Thursday, 16 March 2017
Announcement of shortfall (if any) under the Entitlement Offer	Tuesday, 21 March 2017
Allotment date of new Axiom Shares and Attaching Options issued under the Entitlement Offer	Thursday, 23 March 2017
<ul style="list-style-type: none"> Despatch of holding statements for new shares issued under the Entitlement Offer. Normal trading of new shares issued under the Entitlement Offer 	Friday, 24 March 2017
<ul style="list-style-type: none"> Annual General Meeting Loyalty Bonus Option Record Date 	Thursday, 30 March 2017
Allotment and grant of Loyalty Bonus Options (subject to quotation being approved in principle by ASX)	Monday, 3 April 2017

This announcement ends the two day Trading Halt Session State granted by the ASX on 27 February, 2017.

ENDS

About Axiom Mining Limited

Axiom Mining Limited focuses on tapping into the resource potential within the mineral-rich Pacific Rim. Through dedication to forging strong bonds and relationships with the local communities and governments where we operate, Axiom Mining has built a diversified portfolio of exploration tenements in the Asia Pacific region. This includes a majority interest in the Isabel Nickel Project in the Solomon Islands and highly prospective gold, silver and copper tenements in North Queensland, Australia. The Company is listed on the ASX. For more information on Axiom Mining, please visit www.axiom-mining.com

Disclaimer

Statements in this document that are forward-looking and involve numerous risk and uncertainties that could cause actual results to differ materially from expected results are based on the Company's current beliefs and assumptions regarding a large number of factors affecting its business, including litigation outcomes in the Solomon Islands Court of Appeal. There can be no assurance that (i) the Company has correctly measured or identified all of the factors affecting its business or their extent or likely impact; (ii) the publicly available information with respect to these factors on which the Company's analysis is based is complete or accurate; (iii) the Company's analysis is correct; or (iv) the Company's strategy, which is based in part on this analysis, will be successful.