*1.5Rule 2.7, 3.10.3, 3.10.4, 3.10.5*

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

**AXIOM MINING LIMITED**

ARBN

**119 698 770**

We (the entity) give ASX the following information.

## Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

| | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | 1. Ordinary shares (**Shares**)<br>2. Listed Options (**Attaching Options**)<br>3. Listed Options (**Loyalty Bonus Options**) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1. **Shares** - Up to approximately 34,943,334 Shares to be issued under the non-renounceable entitlement offer announced to ASX on 1 March 2017 (**Entitlement Offer**).<br>2. **Attaching Options** - Up to approximately 61,150,834 Attaching Options to be issued under the Entitlement Offer.<br>3. **Loyalty Bonus Options** - Up to approximately 33,000,000 Loyalty Bonus Options to be issued under the Prospectus dated 1 March 2017 (**Prospectus**).<br><br>The final number of securities to be issued is still to be finalised and is subject to the reconciliation of shareholder entitlements and rounding. |

| | | |
|---|---|---|
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 1. **Shares** – fully paid ordinary shares<br><br>2. **Attaching Options** – Attaching Options are exercisable at $0.40 and expire on 14 December 2018.<br><br>3. **Loyalty Bonus Options** – Loyalty Bonus Options are exercisable at $0.40 and expire on 14 December 2018. |
| 4 | Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?<br><br>If the additional +securities do not rank equally, please state:<br>• the date from which they do<br>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment<br>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | 1. **Shares** - Ordinary shares issued will rank pari passu with the existing fully paid ordinary shares on issue.<br><br>2. **Attaching Options** – Upon the exercise of Attaching Options, Shares issued will rank pari passu with the existing fully paid ordinary shares on issue.<br><br>3. **Loyalty Bonus Options** – Upon the exercise of Loyalty Bonus Options, Shares issued will rank pari passu with the existing fully paid ordinary shares on issue. |
| 5 | Issue price or consideration | 1. **Shares** - $0.16<br><br>2. **Attaching Options** – issued for nil consideration but are attached to the Shares issued under the Entitlement Offer.<br><br>3. **Loyalty Bonus Options** – issued for nil consideration. |

| | | |
|---|---|---|
| 6 | Purpose of the issue<br>(If issued as consideration for the acquisition of assets, clearly identify those assets) | The Company will use the net proceeds of the Entitlement Offer and any funds raised on the exercise of the Attaching Options and Loyalty Bonus Options to fund the development of the Isabel Nickel Project and for general working capital requirements. |
| 6a | Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?<br><br>If Yes, complete sections 6b – 6h *in relation to the +securities the subject of this Appendix 3B*, and comply with section 6i | Yes |
| 6b | The date the security holder resolution under rule 7.1A was passed | 31 March 2016 |
| 6c | Number of +securities issued without security holder approval under rule 7.1 | 1. Shares – 34,943,334<br>2. Attaching Options – 61,150,834<br>3. Loyalty Bonus Options – 33,000,000 |
| 6d | Number of +securities issued with security holder approval under rule 7.1A | Nil |
| 6e | Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting) | Nil |
| 6f | Number of +securities issued under an exception in rule 7.2 | 1. Shares – 34,943,334 – Listing Rule 7.2 (Exception 1)<br>2. Attaching Options – 61,150,834 – Listing Rule 7.2 (Exception 1) |

| | | |
|---|---|---|
| 6g | If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation. | N/A |
| 6h | If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements | N/A |
| 6i | Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements | Under 7.1 – 18,325,607 shares<br>Under 7.1A – 37,987,443 shares<br><br>*[*Note – these numbers assume that all resolutions being put to shareholders at the Companys 2017 AGM on 31 March 2017 will be passed.]* |
| 7 | +Issue dates<br><br>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.<br><br>Cross reference: item 33 of Appendix 3B. | 1. 23 March 2017 – Shares and Attaching Options<br><br>2. 3 April 2017 – Loyalty Bonus Options<br><br>*Please note these dates are indicative only, the Board reserves the right to amend or vary key dates, subject to compliance with the Listing Rules.* |

8 Number and +class of all +securities quoted on ASX (*including* the +securities in section 2 if applicable)

| Number | +Class |
|---|---|
| Up to approximately 384,376,669* | **Ordinary Shares** |
| Up to approximately 100,400,834* | **Listed Options** Exercisable at 40.00 cents each expiring 14.12.18 |
| *(Note: these figures assumes that the Entitlement Offer under the Prospectus is fully subscribed and 12,500,000 shares and 6,250,000 attaching options are issued under the placement expected to settle on 3 March 2017)* | |

| Number | +Class |
|---|---|
| 697,763 | **Unlisted Hong Kong Shares** |
| | **Unlisted Options** |
| 1,333,000 | Exercisable at 30 cents each expiring 30.11.17 |
| 300,000 | Exercisable at 45 cents each expiring 30.03.18 |
| 500,000 | Exercisable at 20 cents each expiring 30.04.17 |
| 28,377,530 | Exercisable at 45 cents each expiring 31.03.17 |
| 30,305,561 | Exercisable at 30 cents each expiring 30.3.26 |
| 30,305,561 | Exercisable at 40 cents each expiring 30.3.26 |
| 30,305,561 | Exercisable at 50 cents each expiring 30.3.26 |
| 30,305,561 | Exercisable at 60 cents each Expiring 30.3.26 |
| 8,928,592 | Exercisable at 40 cents each expiring 28.7.18 |
| 800,000 | Exercisable at 30 cents each expiring 30.11.17 |
| **161,461,366** | **Total Unlisted Options** |

| | |
|---|---|
| 900,000 | **Unlisted Performance Rights**<br>Unlisted restricted performance rights to ordinary shares subject to vesting performance conditions. |

| | | |
|---|---|---|
| 10 | Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | N/A |

## Part 2 - Pro rata issue

| | | |
|---|---|---|
| 11 | Is security holder approval required? | No |
| 12 | Is the issue renounceable or non-renounceable? | Non-renounceable |
| 13 | Ratio in which the +securities will be offered | **Shares** – 1 new share for every existing 10 shares in the Company as at 6 March 2017 (**Record Date**).<br>**Attaching Options** – 7 attaching options for every 4 new shares allotted under the Entitlement Offer. |
| 14 | +Class of +securities to which the offer relates | **Shares** – CHESS Depositary Instruments (**CDI**) representing a unit of beneficial ownership in an ordinary fully paid share.<br>**Attaching Options** – CHESS Despositary Instrument representing a unit of beneficial ownership in an option. |
| 15 | +Record date to determine entitlements | 6 March 2017 |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | No |
| 17 | Policy for deciding entitlements in relation to fractions | Where fractions arise in the calculation of entitlements, the number of Shares and Attaching Options will be rounded down to the nearest whole number of Shares or Attaching Option (as the case may be). |

| | | |
|---|---|---|
| 18 | Names of countries in which the entity has security holders who will not be sent new offer documents<br><br>Note: Security holders must be told how their entitlements are to be dealt with.<br><br>Cross reference: rule 7.7. | All countries other than Australia and New Zealand, unless otherwise determined by the Directors. |
| 19 | Closing date for receipt of acceptances or renunciations | 16 March 2017 |
| 20 | Names of any underwriters | n/a |
| 21 | Amount of any underwriting fee or commission | n/a |
| 22 | Names of any brokers to the issue | n/a |
| 23 | Fee or commission payable to the broker to the issue | n/a |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders | n/a |
| 25 | If the issue is contingent on security holders' approval, the date of the meeting | n/a |
| 26 | Date entitlement and acceptance form and offer documents will be sent to persons entitled | 7 March 2017 |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | 1 March 2017 |
| 28 | Date rights trading will begin (if applicable) | n/a |
| 29 | Date rights trading will end (if | n/a |

| | | |
|---|---|---|
| | applicable) | |
| 30 | How do security holders sell their entitlements in full through a broker? | n/a |
| 31 | How do security holders sell part of their entitlements through a broker and accept for the balance? | n/a |
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | n/a |
| 33 | +Issue date | The Shares and Attaching Options will be issued on or around 23 March 2017. |

## Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of +securities
(*tick one*)

(a) ☒ +Securities described in Part 1

(b) ☐ All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### Entities that have ticked box 34(a)

### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000

10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

## Entities that have ticked box 34(b)

| | | |
|---|---|---|
| 38 | Number of +securities for which +quotation is sought | |
| 39 | +Class of +securities for which quotation is sought | |
| 40 | Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?<br><br>If the additional +securities do not rank equally, please state:<br>• the date from which they do<br>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment<br>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | |
| 41 | Reason for request for quotation now<br><br>Example: In the case of restricted securities, end of restriction period<br><br>(if issued upon conversion of another +security, clearly identify that other +security) | |

42 Number and +class of all +securities quoted on ASX (*including* the +securities in clause 38)

| Number | +Class |
|---|---|
| | |

## Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

- There is no reason why those +securities should not be granted +quotation.

- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: ........................................................ Date: 1 March 2017
(Company Secretary (Local Agent))

Print name: David Kinsman

# Appendix 3B – Annexure 1

## Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

## Part 1

| Rule 7.1 – Issues exceeding 15% of capital | |
|---|---|
| ***Step 1: Calculate "A", the base figure from which the placement capacity is calculated*** | |
| ***Insert*** number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue | 268,348,439 |
| ***Add*** the following:<br>• Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2<br>• Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval<br>• Number of partly paid +ordinary securities that became fully paid in that 12 month period<br>*Note:*<br>• *Include only ordinary securities here – other classes of equity securities cannot be added*<br>• *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed*<br>• *It may be useful to set out issues of securities on different dates as separate line items* | 34,968,334<br><br>76,557,657*<br>*[*Note – this number assumes that all resolutions being put to shareholders at the Companys 2017 AGM on 31 March 2017 will be passed.]*<br><br>- |
| ***Subtract*** the number of fully paid +ordinary securities cancelled during that 12 month period | - |
| **"A"** | 379,874,430 |

+ See chapter 19 for defined terms.

| | |
|---|---|
| ***Step 2: Calculate 15% of "A"*** | |
| **"B"** | 0.15<br>*[Note: this value cannot be changed]* |
| ***Multiply*** "A" by 0.15 | 56,981,164 |
| ***Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used*** | |
| ***Insert*** number of +equity securities issued or agreed to be issued in that 12 month period *not counting* those issued:<br>• Under an exception in rule 7.2<br>• Under rule 7.1A<br>• With security holder approval under rule 7.1 or rule 7.4<br>*Note:*<br>• *This applies to equity securities, unless specifically excluded – not just ordinary securities*<br>• *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed*<br>• *It may be useful to set out issues of securities on different dates as separate line items* | 38,655,557 |
| **"C"** | **38,655,557** |
| ***Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1*** | |
| "A" x 0.15<br>*Note: number must be same as shown in Step 2* | 56,981,164 |
| ***Subtract*** "C"<br>*Note: number must be same as shown in Step 3* | 38,655,557 |
| ***Total*** ["A" x 0.15] – "C" | 18,325,607<br>*[Note: this is the remaining placement capacity under rule 7.1]* |

+ See chapter 19 for defined terms.

## Part 2

| Rule 7.1A – Additional placement capacity for eligible entities | |
|---|---|
| **Step 1: Calculate "A", the base figure from which the placement capacity is calculated** | |
| **"A"**<br>*Note: number must be same as shown in Step 1 of Part 1* | 379,874,430 |
| ***Step 2: Calculate 10% of "A"*** | |
| **"D"** | 0.10<br>*Note: this value cannot be changed* |
| ***Multiply*** "A" by 0.10 | 37,987,443 |
| ***Step 3: Calculate "E", the amount of placement capacity under rule 7.1A that has already been used*** | |
| ***Insert*** number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A<br>*Notes:*<br>• *This applies to equity securities – not just ordinary securities*<br>• *Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed*<br>• *Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained*<br>• *It may be useful to set out issues of securities on different dates as separate line items* | - |
| **"E"** | - |

+ See chapter 19 for defined terms.

| ***Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A*** | |
|---|---|
| "A" x 0.10<br>*Note: number must be same as shown in Step 2* | 37,987,443 |
| ***Subtract*** "E"<br>*Note: number must be same as shown in Step 3* | - |
| ***Total*** ["A" x 0.10] – "E" | 37,987,443<br>*Note: this is the remaining placement capacity under rule 7.1A* |

+ See chapter 19 for defined terms.