

20 March 2017

ASX Announcement

Corporate Update

Highlights

- Phase 1 of drill program on San Jorge complete
- San Jorge Mining Lease and Kolosori Prospecting Licence applications
- Sumitomo subject to contempt of court claim in High Court of Solomon Islands
- Shareholder briefings: April in Sydney and Brisbane

Exploration and development of San Jorge tenement

Axiom has completed phase 1 of the drill program at San Jorge. Remaining assay results will be the subject of an announcement to be released shortly.

The Company will now pursue the next stage of development planning towards a direct shipping of ore mine operation.

Supplementary exploration activities continue - further drill operations are expected to occur in parallel to any mine operations and upon the grant of a mining lease.

Licence approval status and associated court actions

Last year, after five years of intense litigation, the Court of Appeal delivered its verdict as to the Isabel Nickel Project with parties involved including Axiom, landowners, the Solomon Islands Government and SMM Solomon Limited (Sumitomo).

Subsequent to this, Axiom now has a prospecting licence application before the government for the Kolosori deposit and a mining lease application for the San Jorge deposit. Together these two deposits make up the Isabel Nickel Project.

The government announced it was planning to tender the Isabel Nickel Project in September 2016. This did not occur.

Axiom is now pursuing its pending licence applications over the Isabel Nickel Project with continued strong support from its landowning partners who are key decision makers in the licencing process.

The Company is confident of its position as the most appropriate developer of this project from both a technical and ethical perspective, and more particularly due to its strong support in the local community.

Associated court action and deceptive media publications

A number of articles appearing in the national newspapers of the Solomon Islands over recent periods have contained false, misleading and defamatory information about Axiom and its stakeholders. Some of these articles have found their way into international outlets.

After investigations into the source of the articles, Sumitomo admitted that requests to newspaper editors for publication of these statements had been issued via fictitious email accounts originating from a long term employee of Sumitomo and including the use of Sumitomo computers.

At the time these articles were published there was a High Court ordered injunction in place which included “preventing Sumitomo from interfering in any of Axiom’s lawful business interests”. This injunction was stamped with the Penal Code of Solomon Islands meaning any breach could potentially be a criminal offence.

Axiom has filed a contempt of court claim against Sumitomo with a hearing before the High Court on 20 March 2017.

Sumitomo has denied their long term employee was acting under instructions of its management and also denies it is in breach of the injunction and contempt of court.

In the interests of its shareholders and stakeholders, Axiom will protect its integrity and rights as well as dispel misinformation particularly when distributed by those with counter intentions to the Company. Axiom may also seek compensation where appropriate.

Axiom’s primary focus remains the development of the world class Isabel Nickel Project. However it has become apparent that to avoid undue interference the Company has been forced to take strong action.

West Guadalcanal Prospecting Licence renewal

The Company is awaiting the re-issue of the licence for this highly prospective gold and copper project. We anticipate this to be re-issued shortly.

Shareholder information sessions

Following on from the constructive and well received shareholder information sessions in April 2016 the Company will again this year conduct two shareholder information sessions:

- Sydney, 27 April
- Brisbane, 28 April

Time and venues to be announced.

Rights Issue and ASIC Stop Order

As announced on 9th March, 2017 the recent Rights Issue has been suspended under an ASIC Stop Order. ASIC has requested clarification on aspects relating to the prospectus and operational matters in the Solomon Islands. The Company is responding to ASIC to clarify the position and is hopeful in having the Stop Order removed shortly enabling the recommencement of the Rights Issue.

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.