



axiom
Build. Share. Protect.

Quarterly Activities Report

For the period ended 31 December 2017



Message from the CEO

The quarter was a mixture of optimism, practical development and continuing negotiation with the relevant authorities involved in the decision making process for our Isabel Nickel Project. On the one hand we were heartened by the election of Mr Rick Hou as Prime Minister but the reality of a new government and cabinet restructure means in certain situations that ongoing negotiations must be looked at through different administrative and political eyes. This has caused a delay to our operational aspirations.

Certainly not an insurmountable issue but coupled with the spirit of Christmas that emerges every December, and the wheels of business and politics that accordingly slow down, it meant that we are not quite at the stage we hoped to be.

We however are confident that the new government structure bodes well for both our company and the national economy. Prime Minister Hou is a highly respected administrator in the Solomon Islands and internationally, having served in several important roles within the United Nations as well as his many years serving the peoples of the Solomon Islands as the Governor of the Central Bank.

In recent weeks positive sentiments were expressed by government decision makers as to the Isabel Nickel Project and our development plans. We are closely following this continuing change in perception and with the departure of Sumitomo from the country, we are very much

poised to bring great value to our shareholders, stakeholders and the country's economy.

We are optimistic that the required permits will be granted and we have reviewed our development plans for this world class project.

A number of internal studies were refreshed with consideration to availability and pricing of materials and construction contractors. We also updated our environmental studies and again tested the international appetite for the market of nickel ore.

We were pleased at the standard of work completed and some of these studies will be on-going towards the anticipated mine construction.

In parallel we rationalised our work force with a shifting of resources from our corporate office to our operations team in the Solomon Islands. We welcomed Clinton Rivers to the team who takes on the newly created role of Group Exploration Manager and Brent Hofman, currently Group Finance Manager, was promoted taking on an additional role as the company's Local Agent, dealing with Australian corporate regulatory matters.

I look forward to updating you on our progress during this quarter.

Ryan Mount, CEO

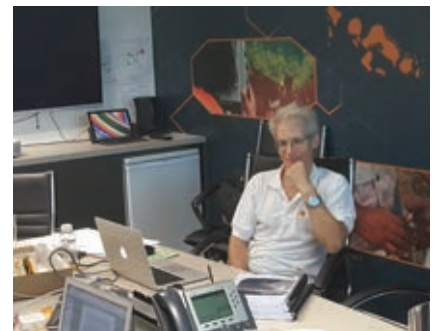
Shareholder Briefing Sessions

Brisbane

Friday 27 April 2018
Christie Corporate Centre
Level 1, 320 Adelaide Street
Brisbane

Sydney

Monday 30 April 2018
Christie Corporate Centre
Level 2, 3 Spring Street
Sydney



*Mine Development Planning
December 2017*

Cover Photo; San Jorge campsite

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Nickel Market

Nickel Update

We have witnessed a sharp increase in recent months in the price of nickel on the London Metals Exchange reaching a high of just under US\$14,000 / tonne.

Global demand for nickel is expected to outstrip supply for a third year running in 2018, as demand from the stainless steel industry expands and production of nickel-containing batteries grows.

Global demand for nickel is seen increasing to 2.259 million tonnes in 2018, compared with supply at 2.206 million tonnes, with latest annual forecasts resulting in a deficit for refined nickel of 53,000 tonnes next year. China's nickel demand in stainless steel is estimated to increase by almost 9% to more than 1.5 million tonnes in 2018, along with strong demand from Korea, Taiwan and China with nickel consumption growth of 25% year on year in batteries used for electric vehicles (EVs).

It is estimated that more than 10 million EVs will be sold per year by 2025 and battery demand will very likely be a transformational demand event for primary nickel demand in the next decade as EV batteries are emerging as a new market demand for the metal.

Other factors contributing to this deficiency in the supply of nickel are as a result in part due to the moratorium on new mining projects in the Philippines and Indonesia.

Axiom sees the improved markets for nickel as extremely positive news as it continues to focus on the Isabel Nickel Project and its engagement with the Solomon Island Government with the licence approval process.

London Metal Exchange Nickel Price Chart
12 Months to January 2018



Corporate Summary

Key Management Appointments

We are pleased to announce the appointment of Clinton Rivers as Group Exploration Manager.

Mr Rivers has over 25 years global experience leading teams in the tropics exploring for gold, bauxite and in particular nickel and cobalt laterites. The majority of his career has been spent developing nickel laterites within the nickel division of BHP Billiton. He has undertaken project development work from exploration through to feasibility studies, resource modelling and ore supply.

Mr Rivers' experience in nickel has involved work in Australia, Cuba, Indonesia, Philippines, New Caledonia and Colombia. He also has experience in gold and copper exploration in Australia, Solomon Islands and Papua New Guinea. He has a Bachelor of Science with 1st Class Honours in Geology from the Australian National University and is a member of the AusIMM.

Axiom is also pleased to announce the promotion of Brent Hofman to Local Agent (Australian company secretary).

Mr Hofman has 20 years' experience in financial reporting and corporate management with a focus on the natural resources industry including the last three years as the Group Finance Manager of Axiom based in Brisbane.

Prior to joining Axiom, Brent worked in the business services and corporate division of PwC and for ten years was the Finance Manager of a dual listed (NASDAQ/ASX) oil and gas production company. Brent has a Bachelor of Law, a Bachelor of Commerce, is a member of the Institute of Chartered Accountants and is a Justice of the Peace (Queensland, Australia).

Community Update

Axiom's approach in the Solomon Islands revolves around its core values of Build. Share. Protect.

These values are epitomised with our genuine approach to sustainable development and evidenced by our long and meaningful engagement with those communities where our operations lie.

During the quarter the Company spent considerable time ensuring that our key stakeholders, the landowners, are prepared for the outcomes of development of a significant nickel mine. This includes such initiatives as ensuring the community is well informed, that structures and frameworks are put in place providing for fair disbursement of benefits of the project and working in partnership as to developing appropriate environmental protocols.



Ceremony in Honiara by the Isabel community, December 2017



Solomon Islands

Isabel Nickel Project

Tenements	Ownership	Location	Area
San Jorge (PL 01/15)	80% Axiom Mining Limited 20% interest held by landowning tribes	San Jorge Island, Isabel Province	36 km ²
Kolosori	Nil - reapplication submitted	Santa Isabel Island, Isabel Province	42km ²

San Jorge Exploration and Development

Whilst awaiting the approvals, Axiom has been active in advancing the development of the project with exploration, planning, site upgrades and on-going environmental and social studies taking place.

An exceptional team of experts are working efficiently within the bounds of current licencing constraints to advance our position and also satisfy any questions and request from the Ministry of Mines in anticipation of licence approvals.



Channel sampling along road cutting

Kolosori

Field activities remain suspended whilst the Company awaits the outcomes of the approval process for its Prospecting Licence application. The Company continues to monitor and refresh its project analysis to ensure prompt readiness for efficient project development.



Logging of drill core

West Guadalcanal

In May 2017, Axiom was granted a renewal of its West Guadalcanal Prospecting Licence (PL 01/14) for a further 2 years by the Solomon Islands Government.

The area is considered highly prospective for epithermal gold-silver and porphyry copper-gold mineralisation.

Axiom is conducting limited surface exploration on the tenement with the aim of developing a more intensive medium term exploration program designed to identify potential gold and copper deposits.

Since the Solomon Islands gained Independence in 1978 there have been a number of owners, operators and joint venturers of the project including Niugini Mining (discovered Lihir Island gold mine), BHP and more recently Xstrata Copper (now Glencore).

Exploration undertaken by previous operators was interrupted by civil unrest and global decisions to restrict spending on exploration in such regions during commodity downturns.

In 2014, Axiom conducted significant exploration and formed the view that the project is a highly prospective area for gold, silver and copper including hosting:

- A carbonate base metal and gold epithermal corridor which is greater than 10km long and hosting at least three exploration targets.
- A porphyry copper gold hydrothermal footprint encompassing an area of 10km².

Following the initial phases of the proposed program Axiom will extend exploration activity when appropriate.



A copper bearing breccia gossan found in West Guadalcanal. This weathered gossan contains the remains of a quartz-massive sulphide-breccia including pyrite and copper bearing primary mineral chalcopyrite and chalcocite. Covellite a copper bearing secondary minerals formed by weathering is also present. The presence of these gossans at surface gives an indication of potential mineralisation. Prospect scale exploration sampling and mapping is ongoing to assist in defining areas of interest for more extensive exploration.

Australian tenements

Queensland

Cardross and Mountain Maid

Axiom continues to review its position in respect of these tenements particularly with recent copper and gold price increases.

A renewal application over Cardross ML 20003 has been lodged with the Department of Natural Resources and Mines Queensland for a further 3 year period and is being processed.

Mt Molloy and OK Mines

Minimal activity was undertaken on these projects during the quarter.

A renewal application over Mt Molloy ML 4831 has been lodged with the Department of Natural Resources and Mines Queensland for a further 11 years and is being processed.

Schedule of tenements

Mining tenements held as at 31 December 2017				
Country	Name and location	Tenement number	Interest held	Status
Solomon Islands	Isabel Nickel Project			
	San Jorge	PL 01/15	80%	Granted
	Kolosori		80%	PL under application
	West Guadalcanal Project			
	West Guadalcanal	PL 01/14	100%	Granted
Australia	Cardross Project, Chillagoe, Qld			
	Cardross	ML 20003	100%	Granted (Under Renewal)
	Cardross	EPM 19821	100%	Granted
	Mount Molloy Project, Mareeba, Qld			
	Mt Molloy copper mines	ML 4831	100%	Granted (Under Renewal)
	OK Mines Project, Chillagoe, Qld			
	OK North	ML 4805	100%	Granted
	OK South	ML 4806	100%	Granted
	OK Extended	ML 4809	100%	Granted
	OK Extended No. 2	ML 4813	100%	Granted
	OK	ML 5038	100%	Granted
Schedule of tenements abbreviations				
EPM	Queensland	Exploration Permit for Minerals	PL	Solomon Islands
ML	Queensland	Mining Lease		Prospecting Licence

Contacts and notes

Contact details

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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. The Company also owns all majority holdings in 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.

Competent Person's Statement

The information in this announcement that relates to Exploration Results is based on information compiled by Mr Clinton Rivers, who is a member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Rivers has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Mr Rivers is an employee of Axiom Mining Limited and consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

BUILD

SUSTAINABLE MINING PROJECTS

SHARE

THE BENEFITS FROM OUR
OPERATIONS AMONGST
ALL STAKEHOLDERS

PROTECT

THE WELLBEING OF OUR PEOPLE
& LOCAL COMMUNITIES THROUGH
SAFE & ENVIRONMENTALLY
RESPONSIBLE OPERATIONS