

21 February 2019

Dear Shareholder

Non-renounceable entitlement offer to raise up to approximately \$4.9 million

Axiom Mining Limited ('Axiom' or 'the Company') is pleased to announce a capital raising via a non-renounceable pro-rata entitlement offer to eligible shareholders to raise approximately \$4.9 million (before offer costs) (**Entitlement Offer**).

The Entitlement Offer comprises:

- **(New shares)** 1 new Axiom Share for every 10 existing Axiom Shares held at 7.00pm (Sydney time) on Wednesday, 6 March 2019 (**Record Date**) at an offer price of \$0.10 per new Axiom Share; and
- **(Attaching Options)** 4 attaching options, exercisable at \$0.20, \$0.30, \$0.40 and \$0.50 respectively and expiring on 30 March 2027, for every 1 new Axiom Share allotted under the Entitlement Offer (**Attaching Options**).

What are Axiom Shares?

An Axiom Share is a CHESS Depository Instrument (**CDI**) which represents a beneficial interest in one fully paid ordinary share (**Share**) in the Company.

The main difference between holding a CDI and Share in the Company is that a CDI confers beneficial ownership in a Share instead of legal title. CHESS Depository Nominees Pty Ltd (**CDN**) holds legal title to the underlying Shares.

The Shares which are the subject of Axiom Shares will be registered in the name of CDN and will be held on behalf of and for the benefit of the holder of Axiom Shares. Trading in Axiom Shares is no different from trading in other CHESS approved securities.

For further information regarding CDIs, including rights attaching to CDIs, please see the Company's Prospectus dated 21 February 2019.

Eligible Shareholders

The Entitlement Offer will be open to all shareholders of the Company with a registered address in Australia or New Zealand as at the Record Date (**Eligible Shareholders**). Shareholders that are not Eligible Shareholders are **Ineligible Shareholders**.

The Company regrets that, having considered the number of shareholders with registered addresses outside Australia and New Zealand, the number and value of the shareholdings held by Ineligible Shareholders, and the costs of complying with the laws and any requirements of any regulatory

authority in each applicable jurisdiction, it will not extend the Entitlement Offer to Ineligible Shareholders.

Additional Shares

Eligible Shareholders may also apply for additional Axiom Shares (which are Axiom Shares that are not taken up by Eligible Shareholders) in excess of their entitlement. The allocation of additional Axiom Shares will be limited to the number of shortfall Axiom Shares (if any) and will be at the discretion of the Directors. Eligible Shareholders who apply for additional Axiom Shares may receive fewer additional Axiom Shares than the number applied for or none at all. Successful applicants for additional Axiom Shares will be entitled to the Attaching Options.

Use of funds

The capital raised will be used to fund the development of the Company's Nickel Project in the Solomon Islands, exploration programs and for general working capital purposes. There is no minimum amount sought to be raised under the Entitlement Offer and the new Axiom Shares and Attaching Options may be issued in respect of applications irrespective of the total level of subscriptions made.

Entitlements

Entitlements in respect of new Axiom Shares and Attaching Options will be rounded down to the nearest whole number and holdings on different registers or sub-registers will not be aggregated to calculate entitlements.

Further information

The Entitlement Offer are being made under a Prospectus dated 21 February 2019 which was lodged with ASIC on that date. Shareholder approval is not required for the issue of new Axiom Shares and Attaching Options under the Entitlement Offer. New shares issued will rank equally in all respects with the fully paid ordinary shares already on issue and the Company has applied for the quotation of the new Axiom Shares on ASX.

Further details of the Entitlement Offer, including details on the use of proceeds and the fees associated with conducting the Entitlement Offer are contained in the Prospectus. The Prospectus containing the Entitlement Offer will be sent to Eligible Shareholders on or about Monday, 11 March 2019 accompanied by personalised entitlement and acceptance forms to subscribe for new Axiom Shares under the Entitlement Offer. A copy of the Prospectus will be available on the ASX website at www.asx.com.au and the Company's website at www.axiom-mining.com.

Important dates

Event	Date
Lodgement of Prospectus and announcement of Entitlement Offer	Thursday, 21 February 2019
Existing shares quoted on an 'ex-entitlement' basis	Tuesday, 5 March 2019
Entitlement Offer record date	7pm (Sydney time) Wednesday, 6 March 2019
Entitlement Offer opens Prospectus despatched	Monday, 11 March 2019
Entitlement Offer closes	5pm (Sydney time) Monday, 25 March 2019
Announcement of shortfall (if any) under the Entitlement Offer	Thursday, 28 March 2019
Allotment date of new Axiom Shares and Attaching Options issued under the Entitlement Offer	Monday, 1 April 2019
Despatch of holding statements for new shares issued under the Entitlement Offer. Normal trading of new shares issued under the Entitlement Offer	Tuesday, 2 April 2019

The timetable is subject to change and the Company reserves the right to withdraw or vary the timetable for the Entitlement Offer without notice. In particular, the Company reserves the right to extend the closing date for the Entitlement Offer, to accept late applications whether generally or in particular cases or to withdraw the Entitlement Offer without prior notice.

On behalf of the Directors and Management I thank you for your ongoing support of the Company.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Robert Barraket', with a stylized flourish at the end.

Robert Barraket
Chairman