

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

- a) Ordinary shares (**Shares**)
b) Unlisted Options (**Options**)

- 2 Number of +securities issued or to be issued (if known) or maximum number which may be issued

- a) Up to approximately 49,381,810 Shares to be issued under the entitlement offer announced to ASX on 21 February 2019.
- b) Up to approximately 197,527,240 Attaching Options to be issued under the entitlement offer announced to ASX on 21 February 2019.

The final number of securities to be issued is still to be finalised and is subject to the reconciliation of shareholder entitlements and rounding.

<p>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)</p>	<p>a) Fully paid ordinary shares</p> <p>b) 197,527,240 Options with an expiry date of 30 March 2027, comprising:</p> <ul style="list-style-type: none"> (i) 49,381,810 Options exercisable at \$0.20 (ii) 49,381,810 Options exercisable at \$0.30 (iii) 49,381,810 Options exercisable at \$0.40 (iv) 49,381,810 Options exercisable at \$0.50
<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>a) The Shares will rank pari passu with existing fully paid ordinary shares on issue.</p> <p>b) Upon the exercise of options, Shares issued will rank pari passu with existing fully paid ordinary shares on issue.</p>
<p>5 Issue price or consideration</p>	<p>a) \$0.10</p> <p>b) Issued for nil consideration but are attached to the Shares issued under the Entitlement Offer.</p>

6	Purpose of the issue (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 to fund exploration, development and mining activities in Solomon Islands and for general working capital requirements.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? 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	15 February 2018
6c	Number of +securities issued without security holder approval under rule 7.1	a) 49,381,810 Shares b) 197,527,240 Options
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	a) 49,381,810 Shares b) 197,527,240 Options

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 – 78,595,005 shares Under 7.1A – 35,465,715 shares
7	<p>+Issue dates</p> <p>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.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	<p>1 April 2019</p> <p><i>Please note these dates are indicative only, the Board reserves the right to amend or vary key dates, subject to compliance with the ASX Listing Rules</i></p>

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

Number	⁺ Class
Up to approximately 543,199,911* (Note: these figures assume that the Entitlement Offer under the Prospectus is fully subscribed and 49,381,810 shares are issued under the placement expected to settle on 1 April 2019)	Ordinary Shares (AVQ)

- 9 Number and ⁺class of all ⁺securities not quoted on ASX (including the ⁺securities in section 2 if applicable)

Number	⁺ Class
697,763	Unlisted Hong Kong Shares
	Unlisted Options:
23,030,835	Exercisable at 20 cents each Expiring 30.06.19
1,000,000	Exercisable at 16 cents each Expiring 7.05.20
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
20,000,000	Exercisable at 20 cents each expiring 30.3.27
20,000,000	Exercisable at 30 cents each expiring 30.3.27
20,000,000	Exercisable at 40 cents each expiring 30.3.27
20,000,000	Exercisable at 50 cents each expiring 30.3.27
	Unlisted Options – Entitlement Rights Issue
49,381,810	Exercisable at 20 cents each expiring 30.3.27
49,381,810	Exercisable at 30 cents each expiring 30.3.27
49,381,810	Exercisable at 40 cents each expiring 30.3.27
49,381,810	Exercisable at 50 cents each expiring 30.3.27
422,780,319	Total Unlisted Options

450,000	Unlisted Performance Rights: Vesting subject to performance conditions. Convertible Notes: (In accordance with terms of Convertible Note Agreement of 16 June 2017)
1,353,002	Convertible Notes not yet Converted
1,353,002	Total Convertible Notes

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	n/a
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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	a) 1 new share for every existing 10 shares in the Company as at 6 March 2019 (Record Date). b) 4 attaching options for every 1 new share allotted under the entitlement offer.
14	⁺ Class of ⁺ securities to which the offer relates	a) CHESS Depositary Interests (CDI) representing a unit of beneficial ownership in an ordinary fully paid share. b) CHESS Depositary Interests (CDI) representing a unit of beneficial ownership in an option.
15	⁺ Record date to determine entitlements	6 March 2019

16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	In the case of fractions (if any), the number of Shares and Options to be issued will be rounded down to the nearest whole number of Shares or Options (as the case may be)
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. 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	25 March 2019
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	11 March 2019

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	22 February 2019
28	Date rights trading will begin (if applicable)	n/a
29	Date rights trading will end (if applicable)	n/a
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 Options will be issued on or around 1 April 2019.

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

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

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39 ⁺Class of ⁺securities for which quotation is sought

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40 Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities?

If the additional ⁺securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

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41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another ⁺security, clearly identify that other ⁺security)

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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: 21 February 2019
Local Agent

Print name: Brent Hofman

+ See chapter 19 for defined terms.

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	388,752,520
Add the following: <ul style="list-style-type: none"> Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval Number of partly paid +ordinary securities that became fully paid in that 12 month period 	49,381,810 108,832,369 -
Note: <ul style="list-style-type: none"> Include only ordinary securities here – other classes of equity securities cannot be added Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed It may be useful to set out issues of securities on different dates as separate line items 	-
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	-
“A”	546,966,699

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	82,045,005
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p>Note:</p> <ul style="list-style-type: none"> • This applies to equity securities, unless specifically excluded – not just ordinary securities • Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed • It may be useful to set out issues of securities on different dates as separate line items 	3,449,999
“C”	3,449,999
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	82,045,005
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	3,449,999
Total [“A” x 0.15] – “C”	78,595,005 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ 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” <i>Note: number must be same as shown in Step 1 of Part 1</i>	546,966,699
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	54,696,670
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 <i>Notes:</i> <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • 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 • It may be useful to set out issues of securities on different dates as separate line items 	19,230,955
“E”	19,230,955

+ 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 <i>Note: number must be same as shown in Step 2</i>	54,696,670
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	19,230,955
Total [“A” x 0.10] – “E”	35,465,715 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.