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# Monthly Activities Report

For the period ended 31 May 2019



# Message from the CEO

The month of May saw the company announced capital raising initiatives and a number of operational and funding updates. Concurrent to it also saw the entitlements rights offer update and extension of the closing date<sup>1</sup>.

The company's negotiations and discussions with Traxy's continued for long term nickel ore offtake agreement and project finance. Traxy's also confirmed it was committed to the first shipment of ore from San Jorge.

Further drilling results<sup>2</sup> from 120 assayed holes showed continuing encouraging grades of saprolite. Similar results were shown for high iron limonite directly above the higher nickel grade saprolite. These results will assist the economics of the project and additional drill rigs are being sourced to increase drilling productivity.

The month also saw the company accelerate its mining protocols and initiatives to improve mining efficiencies on site with the addition of new mine manager at San Jorge. At the end of the month the company entered in to a voluntary suspension of its trading of its securities due to ongoing financing initiatives. These continue.

Ryan Mount, CEO

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# Solomon Islands Isabel Nickel Project

## San Jorge Mining Lease

Mining operations continue at San Jorge and for the month of May and we have seen a steady increase in the daily mining production rate per day for operating days. Earlier in the month of May, operating days were affected by continuing rain and construction activities including for water catchment dams which impacted the production rates however during the latter half of May we saw improvements in daily mining rates. Total wet metric tons (WMT) mined for the month of May is approximately 10,200 WMT nickel laterite ore mined and stockpiled.

During the month Axiom also welcomed a new mines manager, Mr. Mike James to the team. Mr. James brings over 30 years' experience in mining throughout Asia, Australia, PNG and the Pacific in Copper, gold and nickel. Mr. James experience in mine operations, planning, design and schedules have already had an impact at San Jorge with mining method improvements and efficiencies including as follows;

- Design and configuration of access haul roads and placement of access tracks to mining bench faces reducing cycle times and allowing double benches to be mined at the one time. This is allowing for a better equipment utilisation;
- Back loading of low grade gravels from mining operations has been used to sheet the roads where required which allows for operations during minor wet conditions;
- Management and planning of drainage channel placement to remove excess water from the mining floor allows for a better restart time after a rain event, and
- More efficient utilisation of the mining fleet.

During the month the World Bank funded Mines Inspector acting on behalf of the Solomon Islands inspected a number of mine and exploration sites with Axiom's San Jorge receiving a positive report. As for other areas of interest as to nickel mining in the Solomon Islands, Axiom has:

- A letter of intent for a prospecting license or Tenement D and awaiting on the Ministry of Mines to grant a Prospecting License;
- Filed a claim for judicial review in the High Court over an area known as Jejevo; no hearing date is set yet.
- Filed a claim for judicial review in the High Court over an area known as South San Jorge; with no hearing date set yet; and
- Filed a claim for judicial review in the High Court over Kolosori as to Axiom's Prospecting License Application that was deemed unsuccessful by the Solomon Islands Ministry of Mines and subsequently granted to two other Companies; currently there is a court ordered injunction over one of the companies preventing them operating under their prospecting license. The injunction was solely brought about by the landowners of Kolosori.

<sup>1</sup> ASX release dated 31 May 2019

<sup>2</sup> ASX release dated 15 May 2019

# Schedule of tenements

## AUSTRALIAN TENEMENTS

### *Cardross, Mountain Maid, OK and Mount Molloy*

Axiom currently holds prospective copper / gold tenements in North Queensland and continues to review these tenements with interest, particularly following the commencement of field geochemical and geological program during the June and December 2018 quarters.

Field work completed at Mountain Maid included core density and mine scoping along with geological mapping with continuing desk top studies of the data gathered from that program undertaken during the March quarter.

A renewal application over Cardross ML 20003 has been lodged with the Queensland Government's Department of Natural Resources



### Mining tenements held as at 31st May 2019

Country	Name and location	Tenement number	Interest held	Status	
<b>Isabel Nickel Project</b>					
Solomon Islands	San Jorge	ML01/18	80%	ML Granted	
	Tenement D		100%	(Letter of Intent issued)	
<b>West Guadalcanal Project</b>					
	West Guadalcanal	PL 01/14	Nil	Relinquished	
<b>Cardross Project, Chillagoe, Qld</b>					
Australia	Cardross	ML 20003	100%	Granted (Under Renewal)	
	Cardross	EPM 19821	100%	Granted	
	<b>Mount Molloy Project, Mareeba, Qld</b>				
	Mt Molloy copper mines	ML 4831	100%	Granted (Under Renewal)	
	<b>OK Mines Project, Chillagoe, Qld</b>				
	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

<b>EPM</b>	Exploration Permit for Minerals	<b>PL</b>	Prospecting Licence
<b>ML</b>	Mining Lease	<b>LOI</b>	Letter of Intent

# Contacts and notes

## Contact details

Axiom Mining Limited  
ARBN 119 698 770

Head Office  
Ngossi, Honiara  
(PO Box 845)  
Solomon Islands

Australian Administration Office  
Level 6, 15 Astor Terrace  
Brisbane QLD 4000 Australia

Further information  
Email: [contact@axiom-mining.com](mailto:contact@axiom-mining.com)  
Phone: +617 3319 4100  
Website: [axiom-mining.com](http://axiom-mining.com)

## **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

## About Axiom Mining Limited

Axiom Mining Limited ('the Company') 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](http://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, some of which may be outside the Company's control. 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.

Axiom is not aware of any new information or data that materially affects the information in the original market announcements and that all material assumptions and technical parameters underpinning these exploration results continue to apply and have not materially changed.

## 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 Group Exploration Manager for 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.