

A yellow dump truck is parked on a dirt road at a construction site. In the background, an orange excavator is visible, and the ground is reddish-brown soil. The sky is blue with light clouds.

Monthly Activities Report

For the period ended 31 December 2019



Message from the CEO

The month was again one of consolidation and ongoing discussion with sectors of the Solomon Islands Government (SIG) in a position to influence the granting of an export licence and the lifting of an interim ban on our ability to operate.

As previously advised in late October, we received a notice from the Director of Foreign Investment of the SIG, purporting to cancel our Foreign Investment Certificates for our Solomon Islands incorporated companies and in November received a further notice from the SIG imposing fines of SBD\$3.5m for each company for allegedly not having a provisional business licence and or not completing an annual survey / questionnaire. Furthermore the same notice demanded that its directors of two of Axiom's subsidiaries to surrender their passports.

Our lawyers have advised that the claims in the notices from the SIG are not valid in a law and accordingly the Company has responded making clear its position.

We continue to defend our legal rights as to the matter of the SIG's refusal to grant us an export permit and to the cancellation of our Foreign Investment Certificates. The Company has taken these matters to the High Court of the Solomon Islands.

In a High Court hearing held on the 23 January 2020, a claim for a Judicial Review and Misfeasance relating to the failure of the Mineral Board to issue an export permit was adjourned to a new hearing date set down for 1 April 2020.

Ryan Mount, CEO

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Protect**

Solomon Islands Isabel Nickel Project San Jorge Mining Lease

No additional tons were mined during the month of December 2019 due to the halt of all mining activity in October 2019.

The Company remains confident that its Foreign Investment Certificate will be re-stated and that the export permit will be eventually issued. Under this scenario the Company would anticipate an 8 to 10 week period of re-mobilization and re-commencement of mining at San Jorge prior to the first shipment of ore.

Other areas of the Isabel Nickel Project

As for other areas of interest as to nickel mining in the Solomon Islands, Axiom reports:

- It has filed a claim for judicial review in the High Court over an area known as Jejevo; no trial date is set yet; Axiom was informed after the reporting period that the Prospecting Licence of Sunshine Nickel Limited (of which Axiom is challenging) was cancelled by the SIG;
- It has filed a claim for judicial review in the High Court over an area known as South San Jorge (outside of Axiom's current Mining Lease) with no trial date set yet;
- It has filed a claim for judicial review in the High Court over Kolosori as to Axiom's prospecting licence application that was deemed unsuccessful by the Solomon Islands Ministry of Mines and subsequently granted to two other companies. Significant resources are planned to be committed to this court proceeding.

Nickel Market Update

Nickel prices in December

The Chinese demand for nickel ore is according to the London Metal Exchange (LME), still unmet and the market for stainless steel is strong.

Many analysts thought nickel would have a quiet 2019 but in fact its year turned out to be stellar. It started the year at US\$10,435.00 and as at the writing of this report was US\$12,630.00 a ton*.

The nickel price was not immune to the USA/China trade war and fell off in the first half of 2019. This changed however in the third quarter of the year which saw a jump linked to the Indonesian Government's ban on the export of nickel ore.

* Axiom does not intend to sell nickel metal. Axiom will sell nickel ore and the LME nickel price is a general indicator of price and demand of all nickel products including Axiom's nickel. **Source: LME**



Australian Tenements

Cardross, Mountain Maid, OK and Mt Molloy

Axiom currently holds prospective copper / gold tenements in North Queensland and will continue to review these tenements with interest, particularly following the commencement of field geochemical and geological program during the June and December 2018 and March 2019 quarters.

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



Tenement Interest

Isabel Nickel Project, San Jorge

Axiom is still working to finalise the relevant changes to the corporate entities for the change in the economic interest from 80% to 90% for San Jorge project.

Schedule of tenements

Mining tenements held as at 31 December 2019				
Country	Name and location	Tenement number	Interest held	Status
Solomon Islands	Isabel Nickel Project			
	San Jorge	ML01/18	90%	ML 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	Exploration Permit for Minerals	PL		Prospecting Licence
ML	Mining Lease	LO		Letter of Intent

Contacts and notes

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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

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;

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.

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SUSTAINABLE MINING
PROJECTS

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THE BENEFITS FROM OUR
OPERATIONS AMONGST ALL
STAKEHOLDERS

PROTECT

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