

AXG Mining Ltd
(ASX: **AXC**)

ASX Announcement
29 August 2014



Mr Dale Allen
ASX Limited
Level 40
Central Park
152 – 158 St Georges Tce
Perth WA 6000

Dear Sir

Price and Volume Query

In response to your query on the price and volume change, we advise as follows

1. The Company is not aware of any information that has not been announced to the market, which could provide a reason for the recent trading. The Company has recently announced that :
 - a. it has exercised its option to acquire a 100% interest in the Mt Ridley E-W Exploration License (E63/1564) situated in the Albany-Fraser Range Province of Western Australia and that this tenement represents the second granted Exploration License in the Albany-Fraser Range province and takes the Company's holding to over 700 square kilometres;
 - b. it has agreed to appoint geologist Mr Dean Goodwin as Managing Director and Mr Robert Downey as Non-Executive Chairman effective at the next General Meeting scheduled for 8 September 2014. Mr Keith Bowker will also take over as Company Secretary. Mr Gordon Sklenka is also proposing to resign as Executive Director and Mr Roland Berzins will resign as Non – Executive Director/Company Secretary at the same General Meeting. Mr Le Page will also resign as Non-Executive Chairman and take up the role of Non-Executive Director of **AXG Mining**.
 - c. the directors have also resolved, subject to shareholder approval at this General Meeting, to place up to 250 million shares at an issue price of 0.20 cents per Share (together with a one for one free attaching option exercisable at 1.25 cents on or before 30 June 2019) to raise up to A\$500,000 before expenses of the offer. It is the intention of the Company to use the funds raised to further exploration in the Fraser range project in Western Australia, payment of creditors and for working capital purposes.
2. Not Applicable.
3. The Company is not aware of any other explanation which could provide a reason for the recent activity.
4. The Company can confirm that the Company is in compliance with the listing Rules, and in particular, Listing Rule 3.1

For and on behalf of the board

A handwritten signature in black ink, appearing to read 'Guy T. Le Page'.

Mr Guy T. Le Page. MAusIMM, FFIN.
Non-Executive Chairman

TEL: +61-8-9488-0800
CELL: +61-(0)-412-220-159
FAX: +61-8-9488-0899

Email: admin@axgmining.com.au
web: www.axgmining.com.au



ASX Compliance Pty Ltd
ABN 26 087 780 489
Level 40 Central Park
152 – 158 St Georges Terrace
Perth WA 6000

GPO Box D187
Perth WA 6840

Telephone 61 8 9224 0000
www.asx.com.au

29 August 2014

Mr Roland Berzins
Company Secretary
Suite 4, 16 Ord Street
West Perth WA 6005

Dear Roland

AXG Mining Limited (the “Entity”)

We have noted a change in the price of the Entity's securities from a close of \$0.011 on 26 August 2014 to an intra day high of \$0.019 today, 29 August 2014. We have also noted a significant increase in the volume of trading in the Entity's securities over this period.

In light of the price change and increase in volume, ASX asks you to respond separately to each of the following questions:

1. Is the Entity aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is “yes”:
 - a) Is the Entity relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in the Entity's securities would suggest to ASX that such information may have ceased to be confidential and therefore the Entity may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is “yes”, you need to contact us immediately to discuss the situation.
 - b) Can an announcement be made immediately?

Please note, if the answer to this question is “no”, you need to contact us immediately to discuss requesting a trading halt (see below).
 - c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is “no”, is there any other explanation that the Entity may have for the recent trading in its securities?
4. Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than **3:00 pm WST today, 29 August 2014**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Entity's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, the Entity's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at **dale.allen@asx.com.au** and **tradinghaltsperth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rule 3.1

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

The obligation of the Entity to disclose information under Listing Rules 3.1 and 3.1A is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

In responding to this letter, you should have regard to the Entity's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in the Entity's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically without signature]

Dale Allen

Senior Adviser, Listings Compliance (Perth)