



AXIOM MINING LIMITED
ABN 81 119 698 770
AND CONTROLLED ENTITIES
Interim Financial Report

Date: 13 June 2014

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Appendix 4D – Interim Financial Report for the Half-Year Ended 31 March 2014

Results for Announcement to the Market

Key Information	Half-year Ended 31 March 2014 \$000	Half-year Ended 31 March 2013 \$000	% Change
Revenue from ordinary activities	27	14	93%
Loss after tax from ordinary activities attributable to members	(8,361)	(2,935)	(185%)
Net loss attributable to members	(8,361)	(2,935)	(185%)

Explanation of Key Information and Dividends

An explanation of the above figures is contained in the “Review of Operations” included within the attached directors’ report.

Net Tangible Assets per Share

	Half-year Ended 31 March 2014 Cent/Share	Half-year Ended 31 March 2013 Cent/Share
Net tangible assets per share	0.12	1.21

Directors' Report

Your directors submit the financial report of the consolidated group for the half-year ended 31 March 2014.

Directors

The names of directors who held office during or since the end of the half-year:

Mr. Ryan R Mount	Executive Director-Chief Executive Officer
Mr. Stephen Williams	Non-Executive Director and Chairman
Mr. Anthony Faillace	Non-Executive Director (resigned in February 2014)

Review of Operations

Solomon Islands

The company had completed reconnaissance evaluation of the Arosi tenement including geological mapping, stream sediment and rockchip sampling. Although zones of zinc-copper-silver mineralisation were identified, the company has been able to secure access to another exploration project that possesses far greater prospectively potential. As such the Arosi tenement was relinquished.

In January, the company acquired the West Guadalcanal project in the Solomon Islands. The potential of the project is realised through the compilation of historical data collected by past explorers and is highlighted by the large size of the main mineral trends. This historical compilation has accelerated the development of the exploration model and streamlined the planning for the follow-up exploration program. The historical results support the possibility for this geological system hosting economic grades of gold mineralisation. The company has carried out systematic and predictive surface evaluation programs on three exploration targets in this newly acquired tenement.

High Court Trial

On 14 October 2013, Axiom KB Limited appeared in the Solomon Islands High Court to commence the trial of case 258/11. By May 2014 the claimants' and respondent's cases were closed after all parties had completed giving evidence in the trial. Final submissions of the parties will be given by the end of June with the final ruling to be delivered in due course. Management remains confident of a successful outcome.

Vietnam

The company has renewed the Quang Tri mineral exploration licence for two more years. The field operations included geological mapping and trenching. Recent focus has been on an Au-in-soil anomaly in Khe Fia North which revealed a zone of quartz veined, brecciated silicified sandstone and minor siltstone

Australia

The company has identified new underexplored targets to the northeast and south of Mountain Maid prospect. A new exploration permit was granted in Queensland consolidating some of the Company's numerous tenements. In total the company now operates with four tenements covering the Mountain Maid and Cardross deposits.

Also an exploration permit covering Minnamoolka nickel laterite was granted.

Corporate

Non-renounceable Rights Issue

On 21 October 2013 the company announced a 1 for 10 Rights Issue to be offered to all eligible shareholders to raise funds. On 27 November 2013 the company announced that it had raised \$3.0m (including funds raised under a subscription shortfall facility) in its non-renounceable rights issue which had closed on 25 November 2013. The funds were used for legal costs associated with the Solomon Islands High Court litigation proceedings, ongoing exploration activities and general working capital.

Capital Raising

On 10 October 2014 the company announced that it had raised \$1.1m through a private placement of shares. The funds were used for legal costs in the Solomon Islands High Court litigation proceedings, ongoing exploration activities and for general working capital.

On 10 February 2014 the company announced that it had raised \$1.5m through the combination of a private placement and the issue a convertible note and that the company also had a further funding facility available to it under the share purchase and convertible note agreement. The funding was required for legal costs associated with the Solomon Islands High Court litigation proceedings and general working capital. On March 2014 the company received \$0.2m in connection with the agreement announced on 10 February 2014

On 27 February 2014 the company announced that it had raised \$1.3m through a private placement of shares. The funds were used for the litigation in the Solomon Islands High Court over the Isabel nickel deposits, ongoing exploration activities and general working capital.

On 8 April 2014 the company announced that it had raised \$2.5 m through a private placement, part of the funds were received in March 2014.

Rounding of Amounts

The consolidated group has applied the relief available to it in ASIC Class Order 98/100 and accordingly certain amounts in the financial report and the directors' report have been rounded off to the nearest \$1,000.

Auditor's Independence Declaration

The lead auditor's independence declaration under s 307C of the *Corporations Act 2001* is set out on page 4 for the half-year ended 31 March 2014.

This directors' report is signed in accordance with a resolution of the Board of Directors.



Director

Ryan Mount

Dated this 13 day of June 2014

**AXIOM MINING LIMITED AND CONTROLLED ENTITIES
ABN 119 698 770**

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001
TO THE DIRECTORS OF AXIOM MINING LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 March 2014 there have been:

- a. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- b. no contraventions of any applicable code of professional conduct in relation to the review.



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DREW TOWNSEND

Partner

Dated: 13 June 2014

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Consolidated Statement of Profit or Loss and Other Comprehensive Income for
the Half-Year Ended 31 March 2014

	Note	Consolidated Group	
		Half-year ended 31 March 2014	Half-year ended 31 March 2013
		\$000	\$000
Revenue		27	6
Interest income		1	8
Employee benefits expense		(1,278)	(1,561)
Depreciation and amortisation expense		(94)	(67)
Finance costs		(129)	(9)
Exploration costs		(704)	5
Legal expenses		(3,878)	(648)
Other expenses		(2,189)	(827)
Impairment loss of mineral exploration expenditure		(378)	-
Loss before income tax		(8,622)	(3,093)
Income tax expense		-	-
Loss from continuing operations		(8,622)	(3,093)
Loss for the period	2	(8,622)	(3,093)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Exchange difference on translation of foreign operations		130	189
Other comprehensive income for the period		130	189
Total comprehensive loss for the period		(8,492)	(2,904)
Net loss attributable to:			
– members of the parent entity		(8,361)	(2,935)
– non-controlling interest		(261)	(158)
		(8,622)	(3,093)
Total comprehensive loss attributable to:			
– members of the parent entity		(8,355)	(2,756)
– non-controlling interest		(137)	(148)
		(8,492)	(2,904)
Loss per share			
From continuing operations:			
– basic loss per share (cents)		(0.36)	(0.15)
– diluted loss per share (cents)		(0.33)	(0.15)

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position as at 31 March 2014

		Consolidated Group	
		As at 31 March 2014 \$000	As at 30 September 2013 \$000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,418	422
Trade and other receivables		364	588
TOTAL CURRENT ASSETS		1,782	1,010
NON-CURRENT ASSETS			
Property, plant and equipment		516	581
Mineral exploration expenditure	8	2,619	2,796
Leasehold improvement		42	44
Leasehold land		1,559	1,574
TOTAL NON-CURRENT ASSETS		4,736	4,995
TOTAL ASSETS		6,518	6,005
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		1,635	1,049
Borrowings		5	20
Capitalised lease liabilities		576	714
Provisions		81	93
TOTAL CURRENT LIABILITIES		2,297	1,876
NON-CURRENT LIABILITIES			
Capitalised lease liabilities		1,148	1,147
TOTAL NON-CURRENT LIABILITIES		1,148	1,147
TOTAL LIABILITIES		3,445	3,023
NET ASSETS		3,073	2,982
EQUITY			
Issued capital	9	68,246	62,633
Convertible notes	9	2,104	-
Reserves		288	(708)
Retained losses		(66,064)	(57,703)
Non-controlling interest		(1,501)	(1,240)
TOTAL EQUITY		3,073	2,982

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity as at 31 March 2014

Consolidated Group	Share capital	Convertible notes	Prepaid share reserve	Exchange reserve	Share based payment reserve	Asset revaluation reserve	Accumulated losses	Non-controlling interest	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Balance at 1 October 2012	52,712	-	-	(979)	388	15,114	(44,618)	(759)	21,858
Shares issued during the year	7,800	-	-	-	-	-	-	-	7,800
Shares under share option scheme	2,121	-	-	-	-	-	-	-	2,121
Equity-settled share-based settlement	-	-	-	-	29	-	-	-	29
Loss for the year	-	-	-	-	-	-	(13,168)	(482)	(13,650)
Other comprehensive loss	-	-	-	(146)	-	(15,030)	-	-	(15,176)
Transfer to accumulated losses	-	-	-	-	-	(84)	84	-	-
Balance as at 30 September 2013	62,633	-	-	(1,125)	417	-	(57,702)	(1,241)	2,982
Balance as at 1 October 2013	62,633	-	-	(1,125)	417	-	(57,702)	(1,241)	2,982
Shares issued during the year	5,480	2,104	-	-	-	-	-	-	7,584
Equity-settled share-based settlement	-	-	-	-	666	-	-	-	666
Shares issued as funding facility	119	-	-	-	-	-	-	-	119
Shares issued as payment for services	14	-	-	-	-	-	-	-	14
Loss for the year	-	-	-	-	-	-	(8,361)	(261)	(8,622)
Other comprehensive loss	-	-	-	130	-	-	-	-	130
Pre-paid share capital	-	-	200	-	-	-	-	-	200
Balance as at 31 March 2014	68,246	2,104	200	(995)	1,083	-	(66,063)	(1,502)	3,073

Consolidated Statement of Cash Flows for the Half-Year Ended 31 March 2014

	Consolidated Group	
	Half-year ended 31 March 2014	Half-year ended 31 March 2013
	\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(6,717)	(4,555)
Interest received	1	8
Sundry income	27	-
Finance costs	(5)	(9)
Net cash used in by operating activities	(6,694)	(4,556)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of non-current assets	(12)	(288)
Mineral exploration expenditure	(195)	-
Net cash used in investing activities	(207)	(288)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares and convertible notes	7,782	7,841
Payments to borrowings	(15)	(1,095)
Net cash provided by financing activities	7,767	6,746
Net increase in cash held	866	1,902
Cash and cash equivalents at beginning of period	422	809
Effects of exchange rate changes on cash and cash equivalents	130	(8)
Cash and cash equivalents at end of period	1,418	2,703

The accompanying notes form part of these financial statements.

Notes to the Financial Statements for the Half-Year Ended 31 March 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

These general purpose interim financial statements for half-year reporting period ended 31 March 2014 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting.

The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Axiom Mining Limited and its controlled entities (referred to as the "consolidated group" or "group").

As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group.

It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 September 2014, together with any public announcements made during the following half-year.

b. Significant Accounting Policies

(i) Changes in accounting policy and disclosures

Basis of consolidation

Adoption of AASB 10 resulted in change in the definition of control. Under the new definition, the group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The consolidated group has reviewed its investments in other entities to assess whether the consolidated treatment in relation to these entities is different under AASB 10 then under the previous applicable standard. No differences were found and therefore no adjustments to any of the carrying amounts in the financial statements are required as a result of the adoption of AASB 10.

(ii) New and amended standards and interpretations

The accounting policies and methods of computation adopted in the preparation of the interim financial statements are consistent with those adopted and disclosed in the annual financial statements of Axiom Mining limited for the year ended 30 September 2013, except for the adoption of new standards as of 1 October 2013. The significant new standards adopted as of 1 October 2013 are detailed below:

- AASB 11: Joint Arrangements;
- AASB 12: Disclosure of Interests in Other Entities
- AASB 13: Fair Value Measurement;
- AASB 119: Employee Benefits (revised 2011)
- AASB 2012-2: Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities.
- AASB 2012-5: Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 cycle.

The adoption of these standards has not had a material impact on the financial statement of the consolidated group. Where required, new disclosures introduced by these standards have been included in these interim financial statement.

c. Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Axiom Mining Limited) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation.

Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as “non-controlling interests”.

The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary’s net assets on liquidation at either fair value or at the non-controlling interests’ proportionate share of the subsidiary’s net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

d. Mineral exploration expenditure

In accordance with AASB 6 Exploration for and Evaluation of Mineral Resources, exploration and evaluation costs are capitalised and carried forward as an asset where:

- a) the costs are expected to be recouped through successful development and exploitation or by sale; or
- b) exploration activities in the area of interest have not as at the reporting date reached a stage of reasonable assessment to determine the recoverable reserves, but active operations are continuing.

A regular review is undertaken of each area of interest to determine the appropriateness of carrying forward costs. The assets shall be reclassified and an impairment loss shall be recognised in the income statement when the technical feasibility and commercial viability of extracting a mineral resource are demonstrated.

e. Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement regardless of whether the arrangement takes the legal form of a lease.

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

f. Going concern

The consolidated entity has recorded a net loss of \$8.6m for the half year ended 31 March 2014 (2013: \$3.1m), had net cash outflows from operations of \$6.7m for the half year ended 31 March 2014 and has no ongoing source of operating income. At 31 March 2014 the consolidated entity had net assets of \$3.1m.

The financial report has been prepared on a going concern basis which assumes the realisation of assets and extinguishment of liabilities in the normal course of business and at the amounts stated in the financial statements.

The directors believe the going concern basis is appropriate for the following reasons:

- At 31 March 2014 the consolidated entity had cash and cash equivalents of \$1.4m, thereof an amount of \$1.2m were restricted funds deposited for the purposes of the Solomon Islands High Court litigation as disclosed in Note 4.
- The directors have prepared cash flow forecasts which include a further capital raising planned for the second half of 2014 to meet all planned expenditure programs. Part of the planned capital raisings have already been realized since the end of the interim period.

Based on the above, the directors are satisfied that the consolidated entity will be able to fund its operations and continue as going concern, and it is appropriate that the financial statements have been prepared on that basis.

NOTE 2: LOSS FOR THE PERIOD

	Consolidated Group	
	Half-year ended 31 March 2014	Half-year ended 31 March 2013
	\$000	\$000
The following revenue and expense items are relevant in explaining the financial performance for the interim period:		
Write-off of capitalised exploration expenditure on areas of interest abandoned during the period	(378)	-
Net gain on the disposal of investment in controlled entity	-	-

During the period, the directors decided to abandon certain areas of interest due to the risks associated with abnormalities identified in subsurface geology and reserve distribution as a result of the seismic studies carried out during the period. Accordingly, the capitalised exploration expenditure in relation to the areas of interest abandoned was recognised as an expense during the period. The comparative amount relates to similar areas of interest abandoned during the comparative period.

NOTE 3: OPERATING SEGMENTS
(i) segment performance

	Australia \$000	Vietnam \$000	Solomon Islands \$000	Total \$000
Half-year ended 31 March 2014				
Net loss before tax from continuing operations	(36)	(60)	(2,508)	(2,604)

Half-year ended 31 March 2013

Net loss before tax from continuing operations

(107)	(37)	(1,198)	(1,342)
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(ii) segment assets

Australia \$000	Vietnam \$000	Solomon Islands \$000	Total \$000
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Net assets 31 March 2014

(829)	792	(8,475)	(8,512)
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Australia \$000	Vietnam \$000	Solomon Islands \$000	Total \$000
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Net assets 30 September 2013

(748)	856	(5,392)	(5,284)
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NOTE 4: CASH AND CASH EQUIVALENTS

Cash and cash equivalents include restricted cash balances in Norton Rose and Kemp Strang Lawyers trust accounts, amounting to \$1.2m as at 31 March 2014 (31 March 2013: Nil)

NOTE 5: CONTINGENT LIABILITIES

On 14 October 2013, Axiom KB Limited, appeared in the Solomon Islands High Court to commence the trial of case 258/11. The results of the current litigation proceeding in the Solomon Island's High Court when determined may result in a cost order against or in favour of Axiom KB Limited dependent on the results of the final ruling.

There has been no change in contingent liabilities since the last annual reporting period.

NOTE 6: EVENTS AFTER THE END OF THE INTERIM PERIOD

Other than the following, the directors are not aware of any other significant events since the end of the interim period than the below.

In April 2014 the company had raised a total of \$2.5m through a private placement.

Since the end of the interim period the company has issued a total of 275,063,463 shares.

In the Solomon Islands High Court case 258/11, Axiom KB Limited closed its case on 19 May 2014. In the coming weeks, all parties will exchange written submissions and will reconvene in court on 23 June 2014 to present closing submissions. Axiom Mining expects the Court's judgment will be handed down in respect of all issues soon after this date and remains confident of receiving a successful outcome for the company.

NOTE 7: ANALYSIS OF OTHER COMPREHENSIVE INCOME

	Consolidated Group	
	Half-year Ended 31 March 2014	Half-year ended 31 March 2013
	\$000	\$000
Analysis of items of other comprehensive income by each class of reserve:		
Exchange differences		
Exchange differences on translation of foreign operations	130	189
Income tax effect	-	-
Total other comprehensive income for the period	130	189

NOTE 8: EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated Group	
	Half-year Ended 31 March 2014	As at 30 September 2013
	\$000	\$000
Exploration and evaluation expenditure	2,619	2,796
Opening balance	2,796	23,046
Deficit on valuation of mineral exploration expenditure	-	(15,030)
Exploration cost	195	913
Exchange alignment	6	85
Impairment for Itina and Arosi projects	(378)	(6,218)
Closing balance	2,619	2,796

NOTE 9: SHARE CAPITAL

Share capital (number of shares)	2,642,924,724	2,355,067,445
Share capital (Thousand dollar value)	68,246	62,633

Convertible notes amounting to \$2.1m were approved to be converted to shares by the shareholders in the Annual General Meeting as at 31 March 2014.

Directors' Declaration

In accordance with a resolution of the directors of Axiom Mining Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 5 to 13, are in accordance with the *Corporations Act 2001*, including:
 - a. complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and
 - b. giving a true and fair view of the consolidated entity's financial position as at 31 March 2014 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Director



Ryan Mount

Dated this 13 day of June 2014

AXIOM MINING LIMITED AND CONTROLLED ENTITIES
ABN 119 698 770
INDEPENDENT AUDITOR'S REVIEW REPORT TO THE
MEMBERS OF AXIOM MINING LIMITED

Report on the Half-year Financial Report

We have reviewed the accompanying half-year financial report of Axiom Mining Limited, which comprises the consolidated statement of financial position as at 31 March 2014, the consolidated statement of profit and loss and other comprehensive income, and consolidated statement of changes in equity, the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of Axiom Mining Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of Axiom Mining Limited's financial position as at 31 March 2014 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134: Interim Financial Reporting and the *Corporations Regulations 2001*. As the auditor of Axiom Mining Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

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AXIOM MINING LIMITED AND CONTROLLED ENTITIES
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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE
MEMBERS OF AXIOM MINING LIMITED

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Axiom Mining Limited is not in accordance with the Corporations Act 2001 including:

- (i) giving a true and fair view of Axiom Mining Limited's financial position as at 31 March 2014 and of its performance for the half-year ended on that date; and
- (ii) complying with AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

Emphasis of Matter

Without modifying our conclusion, we draw attention to Note 1 in the half-year financial report which indicates that the consolidated entity incurred a net loss of \$8,621,648 and has no ongoing source of operating income for the half-year ended 31 March 2014. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report.



HALL CHADWICK

Level 40, 2 Park Street

Sydney, NSW 2000



DREW TOWNSEND

Partner

Dated: 13 June 2014