

1 April 2016

ASX Announcement

Axiom moves forward litigation-free with new funding

Highlights

- Operations commenced on San Jorge tenement, part of the world class Isabel Nickel Project
- Re-application of the project's Kolosori tenement underway
- Strategic partners confirm commitment to long term development of Isabel Nickel Project:
 - Gunvor confirms off-take and ore prepayment agreement in place
 - InCoR Holdings Plc has converted \$5 million of its Convertible Note to equity
 - Anitua collaborating with Axiom on development of San Jorge tenement
- Funding of \$5 million through private placement to progress Isabel Nickel Project.

Kolosori tenement post-Court ruling

Axiom Mining Limited ('Axiom' or 'the Company') is currently in discussions with key stakeholders in Solomon Islands to re-apply for the Prospecting Licence (PL) for the Kolosori tenement, following the recent Court of Appeal judgment.

Axiom Chief Executive Officer Mr Ryan Mount confirmed that Axiom's landowner partners have committed to continue their partnership with Axiom.

"I'm pleased that they have decided to continue to stand with us—they know that Axiom lives by our values of *Build, Share, Protect*, which are based on principles of inclusion and respect," said Mr Mount.

"Axiom will continue to honour our commitment to the landowners via our joint venture company Axiom KB."

The Company is also in discussions with the Solomon Islands Government, and is awaiting advice on the timing and procedures of the re-application process.

Mr Mount said Axiom was optimistic about regaining the PL and had plans to continue investing in the mineral-rich Solomon Islands.

"We have every reason to believe the Government will consider our application favourably, as Axiom's achievements on Isabel to date speak for themselves."

Axiom has been able to maintain strong landowner and community relations, develop the necessary remote site infrastructure and logistics, employ almost 150 locals and deliver a maiden JORC resource that defined the first five years of production—all whilst being involved in complex litigation and during a global downturn in the resources industry.

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Progress on San Jorge tenement

Following the recent Solomon Islands Court of Appeal judgment, which considered the Kolosori tenement, Axiom will also focus its operations on the San Jorge tenement.

The San Jorge tenement is part of the world class Isabel Nickel Project and its Prospecting Licence was granted in March 2015 with approval from the Solomon Islands Government and the customary landowners.

San Jorge's close proximity to the Kolosori tenement enables Axiom to rapidly re-deploy most existing project infrastructure and resources to progress work on San Jorge.

Axiom is currently undertaking preliminary exploration activities on the tenement including community consultation and environmental studies.

Axiom is confident that San Jorge offers a parallel opportunity to the excellent drilling results and resource estimates for the Kolosori tenement.*

Approximately half the historical drilling undertaken by INCO in the 1960s took place on the San Jorge tenement.

The available INCO pit and drilling data is broadly spaced at 100 to 200m, and will be used to guide the exploration and identify key target areas—Axiom expects that tighter infill drilling will help to define saprolite with deeper drilling than that completed by INCO.

**Previously announced to the ASX on 30 September 2015 and 29 December 2015*



Isabel Nickel Project aerial view

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Strategic partners' continued commitment

Following the Court of Appeal decision, Gunvor Singapore Pte Ltd ('Gunvor') has confirmed its commitment to its off-take and pre-payment agreement with Axiom, as previously announced to the ASX on 22 December 2015.

InCoR Holdings Plc converted \$5 million of its Convertible Note to equity, which allows Axiom to retain flexibility over future project financing, as announced to the ASX on 31 March 2016.

South Pacific mining services leader and major shareholder Anitua Ltd will continue collaboration with Axiom on the development of the San Jorge tenement.

Funding in place to progress Isabel Nickel Project

Axiom also announces that it has raised \$5 million net of fees via a private placement of ordinary shares (and attaching options), which provides the Company with a significant new source of funding to undertake the next phase of the development of the Isabel Nickel Project.

The placement raised \$5 million at a price of \$0.18 per share from institutional, sophisticated and professional investors, and included the introduction of a new substantial shareholder and a \$300,000 commitment from two of Axiom's directors.

Each share issued in the placement will have four for one attaching options, allocated equally at the exercise prices of \$0.30, \$0.40, \$0.50 and \$0.60, all with a 10 year expiry.

Directors' participation and the issue of the majority of the attaching options are subject to shareholder approval.

This announcement ends the voluntary suspension of Axiom's securities on the ASX.

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About Axiom Mining Limited

Axiom Mining Limited 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. This includes interests in the Isabel Nickel Project in the Solomon Islands and 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, including litigation outcomes in the Solomon Islands Court of Appeal. 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.