



Quarterly Activities Report

For the period ended 30 September 2016



Message from the CEO

The quarter saw Axiom continue to focus its attention on the active development of the San Jorge tenement in Solomon Islands. We were pleased to announce on 7 September that the Company had commenced a significant drilling program on the tenement, an area which makes up approximately 50% of the known Isabel Nickel Project.

The initial drilling program comprises approximately 2,500 metres over 200 holes. The objective of the drilling program is to validate the historical drilling by previous explorers and to identify the higher grade saprolite material at depths immediately below the limonite zone. Initial drilling and assay results are expected in November. These will provide further basis for the definition of a JORC Resource statement over the tenement.

Good progress has been made on the project on San Jorge Island – establishment of infrastructure continues, environmental and social studies (prerequisites for a mining lease) are in progress and our

drilling has been focussed on the most efficient areas for initial mining to occur.

To supplement our cash reserves, we raised \$5 million through a private placement of shares late in the quarter. We are delighted with the overwhelming support, especially from our new institutional investors, allowing us to finalise planning and commence operations on the San Jorge tenement.

Axiom is awaiting a decision from the Solomon Islands Government regarding the re-application for the prospecting licence over the Kolosori deposit on Santa Isabel Island. We continue to maintain that our steadfast approach to sustainable development, strong ties with customary landowners in Solomon Islands and the robust technical work undertaken over the past two years should give our company a competitive edge in the permitting and subsequent development of this world class deposit.

We look forward to keeping you informed of our journey as we progress confidently into the next stages of growth in Solomon Islands, where our focus remains on moving our projects to production.

A handwritten signature in black ink, appearing to read 'R. Mount', with a long horizontal flourish extending to the right.

Ryan Mount, CEO

Corporate summary

Nickel Market

The nickel laterite ore market is beginning to tighten with a resulting strengthening of both the metal and ore prices. In the Asia Pacific region the supply of nickel laterite ore is continually being constrained. In 2014, Indonesia placed a ban on the export of unprocessed ore, and now more recently the Philippines, the main destination for Asia's nickel ore demand, has shut down 55% of its nickel ore supply.

On the demand side, the world's largest consumer of nickel, China, has seen a stabilisation of its economic growth and a strong rebound in stainless steel production. These factors have now put the nickel market into deficit this year, as the demand for nickel is now outstripping annual supply. This bodes well for further increases in the price of nickel and nickel ore.

As a result Axiom has received an increase in interest for product from its Solomon Islands assets. While management continues to focus on project development and permitting in Solomon Islands, considerable time has also been spent positioning the Company to achieve the best outcome and price for the sale of its product.

Community

Axiom continues its strong engagement with the communities in the areas in which it operates, especially on San Jorge Island in the Isabel Province of the Solomon Islands. The Company spent time listening to the community desires and expectations from the potential mining on San Jorge Island in Isabel province. Axiom goes to great lengths to ensure its operations not only satisfy appropriate recognised safety and operating standards but also respect the local customs and cultures – this occurs through respectful and effective communication.

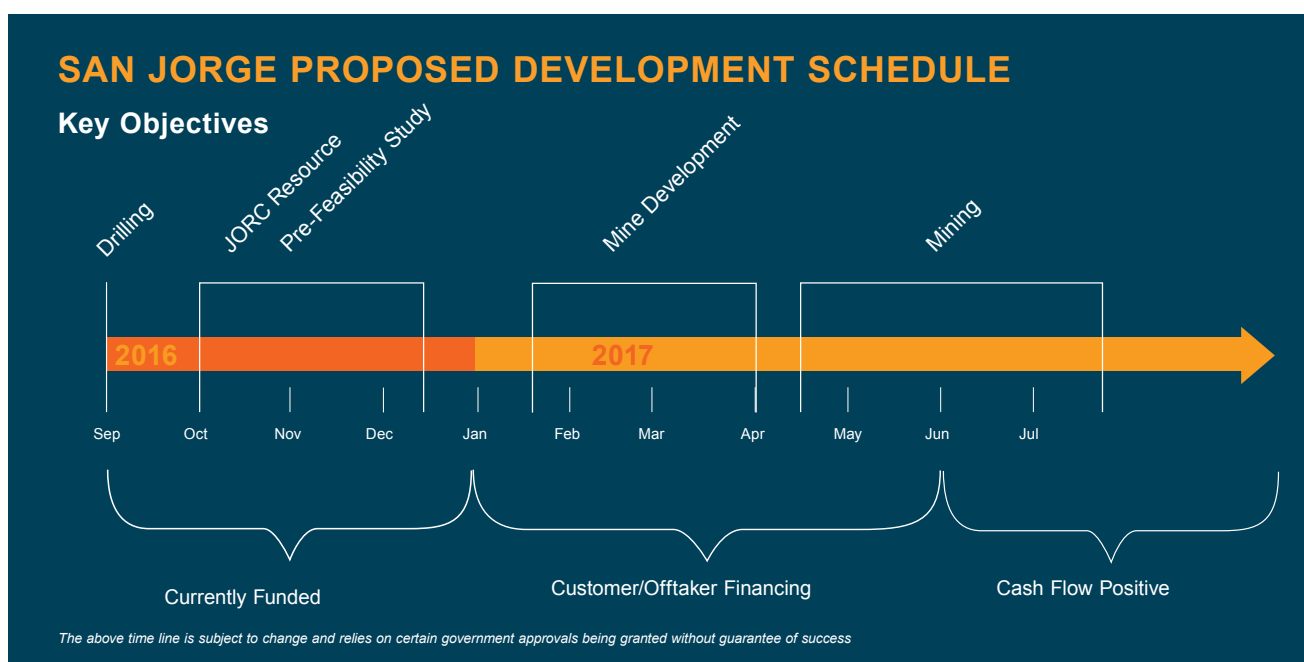
A significant section of the local community now shares in the benefit of employment at Axiom, with the Company once again being the largest employer in the local area. The income received through this employment provides a major boost to the local economy. Many of our employees and potential employees benefit from training and up-skilling from Company initiatives. This has a mutual benefit in enabling these individuals to be better prepared for future employment whilst providing Axiom with a growing base of willing and able workers as we move quickly through the various stages of mineral development of the Isabel Nickel Project.

Solomon Islands summary

Isabel Nickel Project

Tenements	Ownership	Location	Area
San Jorge (PL 01/15)	80% Axiom Mining Limited 20% interest held by landowning tribes	San Jorge Island, Isabel Province	36 km ²
Kolosori	Nil - reapplication submitted	Santa Isabel Island, Isabel Province	42km ²

Development schedule



Pre-feasibility Study

Through in-house consultants and a third party engineering firm, Axiom has been preparing a pre-feasibility study of the Isabel Nickel Project (both San Jorge and Kolosori tenements). The study, which confirms the economics of the project, will be finalised following receipt of the drilling results from the current San Jorge drilling activity.



Schedule of tenements

As at 30 September 2016

Tenements held at the end of the quarter and their location					
Country	Name and location	Tenement number	Interest held	Status	
Australia	Cardross Project, Chillagoe, Qld				
	Cardross	ML 20003	100%	Granted	
	Jessica	EPM 15593	100%	Granted	
	Cardross	EPM 19821	100%	Granted	
	Mount Molloy Project, Mareeba, Qld				
	Mt Molloy copper mines	ML 4831	100%	Granted	
	Millungera Project, Georgetown, Qld				
	Blackbull	EPM 25252	100%	Granted	
	Whitebull	EPM 25256	100%	Granted	
	Redbull	EPM 25257	100%	Granted	
	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		
Solomon Islands	Isabel Nickel Project, Santa Isabel Island and San Jorge Island				
	Kolosori		80%	Under application for PL	
	San Jorge	PL 01/15	80%	Granted	
	West Guadalcanal Project				
	West Guadalcanal	PL 01/14	100%	Application for renewal	
Schedule of tenements abbreviations					
EPM	Queensland	Exploration Permit for Minerals	PL	Solomon Islands	Prospecting Licence
MEL	Vietnam	Mineral Exploration Licence			

Contacts and notes

Contact details

Axiom Mining Limited
ARBN 119 698 770

Head Office

Solomon Post Haus
Mendana Ave, Honiara
(PO Box 845)

Administration office

Level 6, 15 Astor Terrace
Spring Hill Qld 4000
Australia

Further information

Email: contact@axiom-mining.com
Phone: +617 3319 4100
Website: axiom-mining.com

Disclaimer

Statements in this document that are forward-looking and involve numerous risks 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.

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. 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

Administration head office

Level 6, 15 Astor Terrace
Spring Hill Qld 4000
Australia

Further information

Email: contact@axiom-mining.com
Phone: +617 3319 4100

axiom-mining.com

