

30 April 2009  
ASX RELEASE



## **COMPLETION OF STAGE 1 OF TURKMENISTAN PROJECT**

**Further to the Company's announcement of 18 February 2009, the directors of AXG Mining are pleased to announce the completion of the acquisition of an initial 20% interest in MAPP Ltd ("MAPP") which holds the exclusive rights to undertake mineral exploration in specified areas of Turkmenistan.**

AXG has entered into an agreement to acquire up to 100% of the issued capital of MAPP. MAPP is the first foreign company to be awarded the exclusive right to carry out exploration works for minerals within Turkmenistan. Initially, MAPP has the rights to explore two areas covering a total of 18,500 square kilometres in the Koytendag and Tuvergyr (contractual territories) regions of Turkmenistan.

The acquisition of MAPP will be on a staged program, with the consideration and acquisition, via 3 tranches, dependent upon the achievement of successive milestones, plus allowance made for the payments to the vendors of MAPP in relation to Performance and Hydrocarbon bonus based on other distinct criteria.

The initial 20% shareholding in MAPP was acquired on the terms below:

- a) Cash payment of A\$500,000
- b) Issue of 10,000,000 fully paid ordinary shares in the capital of AXG
- c) Issue of 2,500,000 options.

In recognition of introducing the project to AXG and assisting in the acquisition, Silksnow Pty Ltd ("Silksnow") will receive a facilitation fee linked to the staged acquisition of MAPP. Upon acquiring the initial 20% of MAPP, Silksnow will receive 1,000,000 fully paid ordinary shares in the capital of AXG.

Although shareholder approval is not required for this initial 20% acquisition, shareholder approval will be sought for the issue of further shares and options should AXG increase its shareholding in MAPP under the agreement it has with MAPP shareholders. AXG has the right to acquire up to 100% of the issued capital of MAPP.

**AXG Mining Ltd**  
ACN 092 304 964

Suite 4 – 16 Ord Street  
West Perth WA 6005  
Ph: 08 9486 1122  
Fax: 08 9486.1011  
Email: [admin@axgmining.com.au](mailto:admin@axgmining.com.au)

The shares and options that are issued in the course of the acquisition , including those associated with the Performance, Hydrocarbon and facilitators fees, will be subject to 12 months voluntary escrow periods.

The Directors believe that MAPP's exclusive rights to mineral exploration in Turkmenistan will give the Company the opportunity to develop and grow into an international mineral explorer.

For further information, please contact the undersigned:

Mr Gordon Sklenka  
Director  
+61 (8) 9486 1122

**AXG Mining Ltd**  
ACN 092 304 964

Suite 4 – 16 Ord Street  
West Perth WA 6005  
Ph: 08 9486 1122  
Fax: 08 9486.1011  
Email: [admin@axgmining.com.au](mailto:admin@axgmining.com.au)