

NOTICE OF EXTRAORDINARY GENERAL MEETING
EXPLANATORY STATEMENT
and
PROXY FORM

Extraordinary General Meeting

of

Axiom Mining Limited

to be held at

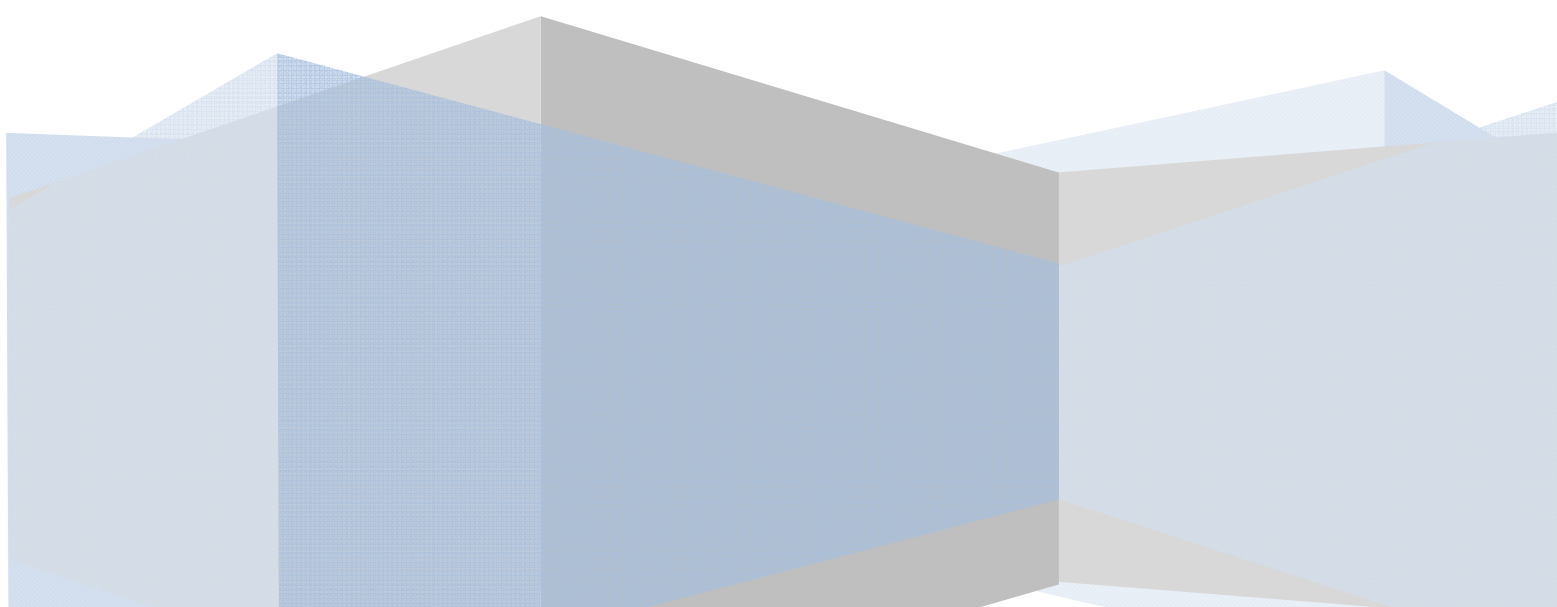
Christie Corporate

Yuan Room, Level 2

3 Spring Street, Sydney NSW 2000

Commencing at 10.00 a.m.

(Sydney time) on 19 October 2012



Notice of Extraordinary General Meeting

The Extraordinary General Meeting of Axiom Mining Limited ARBN 119 698 770 will be held at Christie Corporate, Level 2, 3 Spring Street, Sydney NSW 2000 on Friday, 19 October 2012 at 10.00 am.

The business to be considered at the Extraordinary General Meeting is set out below.

This Notice of Meeting should be read in its entirety in conjunction with the accompanying Explanatory Statement, which contains information in relation to the following Resolutions. If you are in any doubt as to how you should vote on the proposals set out in this Notice of Meeting, you should consult your financial or other professional adviser.

Business

To consider and, if thought fit, to pass the following ordinary resolutions

Resolution 1 – Ratification of issue of 21,538,461 Shares to professional and sophisticated investors

That, for the purpose of Listing Rule 7.4 and for all other purposes, the Company approves and ratifies the issue of 21,538,461 fully paid Shares in the Company to professional and sophisticated investors described in section 7.1 of the Explanatory Statement.

Voting exclusion statement for Resolution 1: The Company will disregard any votes cast on this Resolution by the professional and sophisticated investors described in section 7.1 of the Explanatory Statement having regard to Resolution 1, any of their Associates and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of Shares). However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 2 – Ratification of issue of 142,857,142 Shares and associated Options to professional and sophisticated investors and approval of issue of Shares on exercise of Options

That, for the purpose of Listing Rule 7.4 and for all other purposes, the Company approves and ratifies the issue of 142,857,142 fully paid Shares and 142,857,142 Options to professional and sophisticated investors as set out in section 7.2 of the Explanatory Statement and approves the Directors to issue 142,857,142 Shares on exercise of those Options on the terms and conditions set out in section 7.2 of the Explanatory Statement.

Voting exclusion statement for Resolution 2: The Company will disregard any votes cast on this Resolution by the professional and sophisticated investors described in section 7.2 of the Explanatory Statement having regard to Resolution 2, any of their Associates and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of Shares). However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 3 – Ratification of issue of 26,699,029 Shares and associated Options to professional and sophisticated investors and approval of issue of Shares on exercise of Options

That, for the purpose of Listing Rule 7.4 and for all other purposes, the Company approves and ratifies the issue of 26,699,029 fully paid Shares and 26,699,029 Options to professional and sophisticated investors as set out in section 7.3 of the Explanatory Statement and approves the Directors to issue 26,699,029 Shares on exercise of those Options on the terms and conditions set out in section 7.3 of the Explanatory Statement.

Voting exclusion statement for Resolution 3: The Company will disregard any votes cast on this Resolution by the professional and sophisticated investors described in section 7.3 of the Explanatory Statement having regard to Resolution

3, any of their Associates and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of Shares). However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 4 – Ratification of issue of 7,281,552 Options to professional and sophisticated investors and approval of issue of Shares on exercise of Options

That, for the purpose of Listing Rule 7.4 and for all other purposes, the Company approves and ratifies the issue of 7,281,552 Options to professional and sophisticated investors as set out in section 7.4 of the Explanatory Statement and approves the Directors to issue 7,281,552 Shares on exercise of those Options on the terms and conditions set out in section 7.4 of the Explanatory Statement.

Voting exclusion statement for Resolution 4: The Company will disregard any votes cast on this Resolution by the professional and sophisticated investors described in section 7.4 of the Explanatory Statement having regard to Resolution 4, any of their Associates and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of Shares). However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 5 – Approval of issue of 55,384,615 Shares to professional and sophisticated investors

That, for the purpose of Listing Rule 7.1 and for all other purposes, the Company approves the issue of 55,384,615 Shares to professional and sophisticated investors as set out in section 7.5 of the Explanatory Statement.

Voting exclusion statement for Resolution 5: The Company will disregard any votes cast on this Resolution by the professional and sophisticated investors described in section 7.5 of the Explanatory Statement having regard to Resolution 5, any of their Associates and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of Shares). However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 6 – Ratification of issue of 250,001 Shares to consultants

That, for the purpose of Listing Rule 7.4 and for all other purposes, the Company approves and ratifies the issue of 250,001 fully paid Shares in the Company to the consultants described in section 7.6 of the Explanatory Statement.

Voting exclusion statement for Resolution 6: The Company will disregard any votes cast on this Resolution by the consultants described in section 7.6 of the Explanatory Statement having regard to Resolution 6, any of their Associates and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of Shares). However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 7 – Ratification of issue of 6,000,000 Options to consultants

That, for the purpose of Listing Rule 7.4 and for all other purposes, the Company approves and ratifies the issue of 6,000,000 Options to consultants and approves the Directors to issue 6,000,000 Shares on exercise of those Options on the terms and conditions set out in section 7.6 of the Explanatory Statement.

Voting exclusion statement for Resolution 7: The Company will disregard any votes cast on this Resolution by the consultants described in section 7.6 of the Explanatory Statement having regard to Resolution 7, any of their Associates and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of Shares). However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 8 – Approval of issue of 43,502,613 Options to consultants

That, for the purpose of Listing Rule 7.1 and for all other purposes, the Company approves the issue of 43,502,613 Options to consultants and approves the Directors to issue 43,502,613 Shares on exercise of those Options on the terms and conditions set out in section 7.7 of the Explanatory Statement.

Voting exclusion statement for Resolution 8: The Company will disregard any votes cast on this Resolution by the consultants described in section 7.7 of the Explanatory Statement having regard to Resolution 8, any of their Associates and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of Shares). However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 9 – Ratification of issue of 100,000 Rights to an employee under the Director and Executive Performance Rights Plan and approval of issue of Shares on exercise of Rights

That, for the purpose of Listing Rule 7.4 and for all other purposes, the Company approves and ratifies the granting of 100,000 Rights under the Director and Executive Performance Rights Plan to an employee of the Company on 15 May 2012 and approves the Directors to issue 100,000 Shares on exercise of those Rights on the terms and conditions set out in section 7.8 of the Explanatory Statement.

Voting exclusion statement for Resolution 9: The Company will disregard any votes cast on this Resolution by the employee and any of their Associates and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of Shares). However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 10 – Ratification of issue of 50,000 Shares to an employee

That, for the purpose of Listing Rule 7.4 and for all other purposes, the Company approves and ratifies the issue of 50,000 fully paid Shares in the Company to an employee of the Company.

Voting exclusion statement for Resolution 10: The Company will disregard any votes cast on this Resolution by the employee, any of their Associates and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of Shares). However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 11 – Approval of issue of 7,142,857 Shares and associated Options to Mr Neil Stuart and approval of issue of Shares on exercise of Options

That, for the purpose of Listing Rule 10.11.1 and for all other purposes, the Company approves the issue of 7,142,857 fully paid Shares and 7,142,857 Options to Mr Neil Stuart on the terms and conditions set out in section 7.10 of the Explanatory Statement.

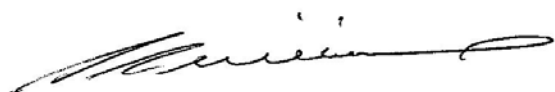
Voting exclusion statement for Resolution 11: The Company will disregard any votes cast on this Resolution by Mr Neil Stuart, any of his Associates and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of Shares). However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Other Business

To transact any other business that might be legally brought before the Extraordinary General Meeting.

Dated 2 October 2012

By order of the Board



Chairman

Proxies

The Explanatory Statement and all attachments are important documents. They should be read carefully.

If you have any questions regarding the matters set out in this Explanatory Statement or the preceding Notice of Meeting, please contact the Company, your accountant or investment adviser.

The Board has determined that for the purpose of this Extraordinary General Meeting, Shareholders will be taken to be the persons recorded on the Company's register of Shareholders by 7.00pm (Sydney time) on 15 October 2012.

Venue

The Extraordinary General Meeting of the Shareholders of Axiom Mining Limited (Axiom or Company) will be held at:

Christie Corporate
Level 2
3 Spring Street
Sydney NSW 2000

Commencing at 10.00 am (Sydney time) on Friday 19 October 2012.

How to Vote

You may vote by attending the meeting in person, by proxy or authorised representative.

Voting in Person

To vote in person attend the meeting on the date and place as set out above. The meeting will commence at 10.00 am (Sydney time).

Voting by Proxy

To vote by proxy, please complete and sign the Proxy Form enclosed with this Notice of Meeting, so that it is received no later than 10.00 am (Sydney time) on Wednesday, 17 October 2012. Proxy forms received later than this time will be invalid.

Hand deliveries:	Boardroom Pty Ltd	Postal address:	Boardroom Pty Ltd
	Level 7, 207 Kent Street		GPO Box 3993
	Sydney NSW 2000		Sydney NSW 2001

Alternatively you can fax your proxy form so that it is received no later than 10.00 am (Sydney time) on Wednesday, 17 October 2012 on the fax number listed below.

Fax Number: +61 2 9290 9655

Your Proxy Form is enclosed

This is an important document. Please read it carefully. If you are unable to attend the Extraordinary General Meeting please complete the enclosed Proxy Form and return it in accordance with the instructions set out on that form.

Explanatory Statement

1. Introduction

This Explanatory Statement has been prepared for Shareholders of Axiom Mining Limited ARBN 119 698 770 (Company or AVQ) in connection with the business to be transacted at the Extraordinary General Meeting of the Company to be held at 10.00 am on Friday, 19 October 2012 at Christie Corporate, Level 2, 3 Spring Street, Sydney NSW 2000 and contains important explanatory and other information for Shareholders in relation to the Resolutions set out in the attached Notice of Meeting.

The Directors recommend Shareholders read this Explanatory Statement carefully in full before making any decision in relation to the Resolutions.

The Directors encourage all Shareholders to attend the Extraordinary General Meeting and vote in person or by proxy to ensure that they have a say in protecting their investment in the Company.

The Directors recommend that Shareholders vote in favour of Resolutions 1 to 10.

The Directors, other than Mr Neil Stuart, recommend that non-associated Shareholders vote in favour of Resolution 11.

If you are in doubt about what to do in relation to the Resolutions, you should consult your financial or other professional adviser.

2. Issue of Shares and Options to Sophisticated and Professional Investors (Resolution 1 to 5)

The Company has identified a number of key professional and sophisticated investors who have expressed an interest in investing in the Company and who are prepared to offer funding to the Company as required.

As announced to the ASX on 28 September 2012, the Company has issued 21,538,461 Shares to these professional and sophisticated investors by way of a placement, approval for which is being sought under Resolution 1.

As announced to the ASX on 20 August 2012, the Company has issued 142,857,142 Shares and associated Options to these professional and sophisticated investors by way of a placement, approval for which is being sought under Resolution 2.

As announced to the ASX on 21 June 2012, the Company has issued Shares and Options to these professional and sophisticated investors by way of a placement of \$350,000, as follows:

- on 15 June 2012, 7,281,552 Shares were issued in respect of the placement of \$75,000 (**Tranche A Shares**);
- on 2 July 2012, 26,699,029 Shares were issued in respect of the placement of \$275,000 (**Tranche B Shares**);
- on 20 July 2012, 7,281,552 Options in connection with the Tranche A Shares were issued (**Tranche A Options**); and
- on 20 July 2012, 26,699,029 Options in connection with the Tranche B Shares were issued (**Tranche B Options**).

The Tranche B Shares were offered on the basis of one Option for each Share for which the professional and sophisticated investors subscribed. Approval for the Tranche B Shares and Tranche B Options is being sought under Resolution 3.

The issue of the Tranche A Shares to these professional and sophisticated investors was approved under Resolution 7 at the Extraordinary General Meeting of the Company held on 20 July 2012; however the Tranche A Options were not approved at that meeting. The Tranche A Shares were offered on the basis of one Option for each Share for which the professional and sophisticated investors subscribed. Approval of the issue of the Tranche A Options to these professional and sophisticated investors is being sought under Resolution 4.

The Company is seeking subsequent Shareholder approval under Resolutions 1 to 4 for the issue of Shares and Options pursuant to Listing Rule 7.4 to refresh the Company's capacity to issue up to 15% of its issued Shares, if required, in the next 12 months without the need to obtain Shareholder approval.

The Company is also seeking Shareholder approval under Resolution 5 for the issue of Shares pursuant to Listing Rule 7.1, so that such Shares are not taken into account in determining the Company's capacity to issue up to 15% of its issued Shares, if required, in the next 12 months without the need to obtain Shareholder approval.

3. Issues of Shares and Options to Consultants (Resolutions 6 to 8)

The Company has engaged a number of consultants to assist with the development of its projects in the Solomon Islands and Vietnam and to assist it to raise funding for those projects. These consultants were engaged by the Company under agreements containing confidentiality provisions and the Company believes that further disclosure of the identities of these consultants would unnecessarily prejudice both the Company's and the consultants' positions.

The Company has issued Shares and Options in lieu of payment of consultancy fees for services rendered by these consultants, approval for which is being sought under Resolutions 6 and 7.

The Shares and Options were issued to the relevant consultants on the following dates:

- on both 20 July 2012 and 30 August 2012 83,333 Shares were issued to the same consultant and on 24 September 2012 a further 83,335 Shares were issued to the same consultant;
- on 17 September 2012, 4,000,000 Options were issued to a consultant; and
- also on 17 September 2012, a further 2,000,000 Options were issued to another consultant.

The Company is seeking subsequent Shareholder approval under Resolutions 6 and 7 for the issue of Shares and Options pursuant to Listing Rule 7.4 to refresh the Company's capacity to issue up to 15% of its issued Shares, if required, in the next 12 months without the need to obtain Shareholder approval.

The Company will issue Options in lieu of payment of consultancy fees for services rendered by these consultants, approval for which is being sought under Resolution 8.

The Company is also seeking Shareholder approval under Resolution 8 for the issue of Options pursuant to Listing Rule 7.1, so that such Options and the Shares issued on exercise of those Options are not taken into account in determining the Company's capacity to issue up to 15% of its issued Shares, if required, in the next 12 months without the need to obtain Shareholder approval.

4. Issue of Rights to Employee (Resolution 9)

100,000 Rights were issued to a qualifying employee of the Company, for nil consideration under the Directors and Executives Performance Rights Plan pursuant to the Company's capacity to issue securities under Listing Rule 7.1.

The Rights were issued in recognition for work completed by the employee for the Company as part of their remuneration package.

The Company is seeking subsequent Shareholder approval under Resolution 9 for the issue of Shares pursuant to Listing Rule 7.4 to refresh the Company's capacity to issue up to 15% of its issued Shares, if required, in the next 12 months without the need to obtain Shareholder approval.

5. Issues of Shares to Employee (Resolution 10)

The Company has issued Shares to an employee to reward and better align the interests of the employee with the interests of the Company, approval for which is being sought under Resolution 10. The Shares issued to the employee form part of their remuneration package.

The Company is seeking subsequent Shareholder approval under Resolution 10 for the issue of Shares pursuant to Listing Rule 7.4 to refresh the Company's capacity to issue up to 15% of its issued Shares, if required, in the next 12 months without the need to obtain Shareholder approval.

6. Issues of Shares and Options to Mr Neil Stuart (Resolution 11)

Mr Neil Stuart is a non-executive director of the Company.

Mr Stuart participated in the capital raising announced to the ASX on 20 August 2012, by subscribing for 7,142,857 Shares and associated Options. As announced to the ASX on 31 August 2012, the Company is seeking Shareholder approval for the allotment of Shares to Mr Stuart for his participation in the placement.

7. Information for the purposes of the ASX Listing Rules

7.1 Information for the purpose of Listing Rule 7.4 (Resolution 1)

The following information is provided for the purpose of Listing Rule 7.4.

- (a) Number of securities issued or to be issued
21,538,461 Shares
- (b) Issue price of securities
\$0.013 per Share.
- (c) Terms of the securities
The Shares will be fully paid and will rank pari passu in all respects with the Company's other Shares on issue.
- (d) Allottees
Professional and sophisticated investors determined at the discretion of the Directors.
The allottees under Resolution 1 are not related parties of the Company.
- (e) Intended use of funds raised
The funds have been used for the advancement of the Company's exploration projects in Vietnam, the Solomon Islands and Australia, the Solomon Islands litigation, corporate costs, and general working capital.
- (f) Voting exclusion statement
Refer to the Notice of Meeting for details of the voting exclusion statement for the Resolution.

7.2 Information for the purpose of Listing Rule 7.4 (Resolution 2)

The following information is provided for the purpose of Listing Rule 7.4.

- (a) Number of securities issued or to be issued
100,000,000 Shares together with:
 - 1 Adjustment Share for every 2.133333 new Shares purchased (42,857,142 Adjustment Shares in aggregate); and
 - 1 Option for every new Share purchased (142,857,142 Options in aggregate).

If Shareholders approve Resolution 2, the issue of 142,857,142 Shares on exercise of the Options will be excluded from the calculation of the 15% limit under Listing Rule 7.1.

(b) Issue price of securities

\$0.01 per Share.

The Adjustment Shares and Options were issued for nil consideration.

(c) Terms of the securities

The Shares and Adjustment Shares will be fully paid and will rank pari passu in all respects with the Company's other Shares on issue.

The Options have an exercise price of \$0.01 per Share and expire on 20 December 2012. Refer to the Annexure for the terms and conditions of the Options.

The Shares to be issued on exercise of the Options will be fully paid and will rank pari passu in all respects with the Company's other Shares on issue.

(d) Allottees

Professional and sophisticated investors determined at the discretion of the Directors.

The allottees under Resolution 2 are not related parties of the Company.

(e) Intended use of funds raised

The funds have been used for the advancement of the Company's exploration projects in Vietnam, the Solomon Islands and Australia, the Solomon Islands litigation, corporate costs, and general working capital.

(f) Voting exclusion statement

Refer to the Notice of Meeting for details of the voting exclusion statement for the Resolution.

7.3 Information for the purpose of Listing Rule 7.4 (Resolution 3)

The following information is provided for the purpose of Listing Rule 7.4.

(a) Number of securities issued or to be issued

26,699,029 Shares together with 1 Option for every new Share purchased (26,699,029 Options in aggregate)

If Shareholders approve Resolution 3, the issue of 26,699,029 Shares on exercise of the Options will be excluded from the calculation of the 15% limit under Listing Rule 7.1.

(b) Issue price of securities

\$0.0103 per Share.

The Options were issued for nil consideration.

(c) Terms of the securities

The Shares will be fully paid and will rank pari passu in all respects with the Company's other Shares on issue.

The Options have an exercise price of \$0.01 per Share and expire on 20 December 2012. Refer to the Annexure for the terms and conditions of the Options.

The Shares to be issued on exercise of the Options will be fully paid and will rank pari passu in all respects with the Company's other Shares on issue.

(d) Allottees

Professional and sophisticated investors determined at the discretion of the Directors.

The allottees under Resolution 3 are not related parties of the Company.

(e) Intended use of funds raised

The funds have been used for the advancement of the Company's exploration projects in Vietnam, the Solomon Islands and Australia, the Solomon Islands litigation, corporate costs, and general working capital

(f) Voting exclusion statement

Refer to the Notice of Meeting for details of the voting exclusion statement for the Resolution.

7.4 Information for the purpose of Listing Rule 7.4 (Resolution 4)

The following information is provided for the purpose of Listing Rule 7.4.

(a) Number of securities issued or to be issued

7,281,552 Options.

If Shareholders approve Resolution 4, the issue of 7,281,552 Shares on exercise of the Options will be excluded from the calculation of the 15% limit under Listing Rule 7.1.

(b) Issue price of securities

The Options were issued for nil consideration, however, the Shares in relation to which the Options were issued (the issue of which was approved at the Extraordinary General Meeting) held on 20 July 2012 were issued at a price of \$0.0103 per Share.

(c) Terms of the securities

The Options have an exercise price of \$0.01 per Share and expire on 20 December 2012. Refer to the Annexure for the terms and conditions of the Options.

The Shares to be issued on exercise of the Options will be fully paid and will rank pari passu in all respects with the Company's other Shares on issue.

(d) Allottees

Professional and sophisticated investors determined at the discretion of the Directors.

The allottees under Resolution 4 are not related parties of the Company.

(e) Intended use of funds raised

The funds have been used for the advancement of the Company's exploration projects in Vietnam, the Solomon Islands and Australia, the Solomon Islands litigation, corporate costs, and general working capital.

(f) Voting exclusion statement

Refer to the Notice of Meeting for details of the voting exclusion statement for the Resolution.

7.5 Information for the purpose of Listing Rule 7.1 (Resolution 5)

The following information is provided for the purpose of Listing Rule 7.1.

- (a) Maximum number of securities to be issued

55,384,615 Shares Date by which securities will be issued
- (b) The Shares will be issued as soon as practicable after the meeting. In any event, the Shares will not be issued later than the date being three months after the date of the meeting.
- (c) Issue price of securities

\$0.013
- (d) Allottee

Professional and sophisticated investors determined at the discretion of the Directors.

The allottees under Resolution 5 are not related parties of the Company.
- (e) Terms of the securities

The Shares will be fully paid and will rank pari passu in all respects with the Company's other Shares on issue.
- (f) Intended use of funds raised

The funds have been used for the advancement of the Company's exploration projects in Vietnam, the Solomon Islands and Australia, the Solomon Islands litigation, corporate costs, and general working capital.
- (g) Date of allotment

The Shares will be issued on the same date on which they are allotted.
- (h) Voting exclusion statement

Refer to the Notice of Meeting for details of the voting exclusion statement for the Resolutions.

7.6 Information for the purpose of Listing Rule 7.4 (Resolutions 6 and 7)

The following information is provided for the purpose of Listing Rule 7.4.

- (a) Number of securities issued or to be issued

250,001 Shares

6,000,000 Options

If Shareholders approve Resolution 7, the issue of 6,000,000 Shares on exercise of the Options will be excluded from the calculation of the 15% limit under Listing Rule 7.1.
- (b) Issue price of securities

Nil consideration
- (c) Terms of the securities

The Shares will be fully paid and will rank pari passu in all respects with the Company's other Shares on issue.

4,000,000 Options were issued for nil consideration having an exercise price of \$0.02 per Share expiring on 30 September 2013.

2,000,000 Options were issued for nil consideration having an exercise price of \$0.02 per Share expiring on 20 December 2014.

Refer to the Annexure for the terms and conditions of the Options.

The Shares to be issued on exercise of the Options will be fully paid and will rank pari passu in all respects with the Company's other Shares on issue.

(d) Allottee

Consultants determined at the discretion of the Directors.

The allottees under Resolutions 6 and 7 are not related parties of the Company.

(e) Intended use of funds raised

No funds were raised by the issue.

(f) Voting exclusion statement

Refer to the Notice of Meeting for details of the voting exclusion statement for the Resolutions.

7.7 Information for the purpose of Listing Rule 7.1 (Resolution 8)

The following information is provided for the purpose of Listing Rule 7.1.

(a) Maximum number of securities to be issued

43,502,613 Options

If Shareholders approve Resolution 8, the issue of 43,502,613 Shares on exercise of the Options will be excluded from the calculation of the 15% limit under Listing Rule 7.1.

(b) Date by which securities will be issued

The Options will be issued as soon as practicable after the meeting. In any event, the Options will not be issued later than the date being three months after the date of the meeting.

(c) Issue price of securities

Nil consideration

(d) Allottee

Consultants determined at the discretion of the Directors.

The allottees under Resolution 8 are not related parties of the Company.

(e) Terms of the securities

24,271,844 Options will be issued for nil consideration, will have an exercise price of US\$0.01 per Share and will expire on 20 December 2012.

The remaining 19,230,769 Options will be issued for nil consideration, will have an exercise price of A\$0.02 and will expire on 30 September 2014.

Refer to the Annexure for the terms and conditions of the Options.

The Shares to be issued on exercise of the Options will be fully paid and will rank pari passu in all respects with the Company's other Shares on issue.

- (f) Intended use of funds raised

No funds were raised by the issue.

- (g) Date of allotment

The Options will be issued on the same date on which they are allotted.

- (h) Voting exclusion statement

Refer to the Notice of Meeting for details of the voting exclusion statement for the Resolutions.

7.8 Information for the purpose of Listing Rule 7.4 (Resolution 9)

The following information is provided for the purpose of Listing Rule 7.4.

- (a) Number of securities issued or to be issued

100,000 Rights

If Shareholders approve Resolution 9, the issue of 100,000 Shares on exercise of the Rights will be excluded from the calculation of the 15% limit under Listing Rule 7.1.

- (b) Date by which securities will be issued (if applicable)

The Rights were issued on 15 May 2012, were vested immediately and expire on 15 May 2013. The Rights may be exercised at any time after issue and, if exercised, will result in the issue of 1 Share for each Right exercised.

- (c) Issue price of securities

The Rights were issued for nil consideration.

The Shares will be issued at a nil exercise price.

- (d) Allottee

A qualifying employee under the Director and Executive Performance Rights Plan.

The allottee under Resolution 9 is not a related party of the Company.

- (e) Terms of the securities

The Rights were issued for nil consideration having a nil exercise price and expiring on 15 May 2013.

The Shares to be issued on exercise of the Rights will be fully paid and will rank pari passu in all respects with the Company's other Shares on issue.

- (f) Intended use of funds raised

No funds were raised by the issue.

- (g) Date of allotment (if applicable)

The Rights were issued on 15 May 2012.

The Shares issued on exercise of the Rights will be issued on the same date on which they are allotted.

- (h) Voting exclusion statement

Refer to the Notice of Meeting for details of the voting exclusion statement for the Resolution.

7.9 Information for the purpose of Listing Rule 7.4 (Resolution 10)

The following information is provided for the purpose of Listing Rule 7.4.

- (a) Number of securities issued or to be issued

50,000 Shares

- (b) Issue price of securities

Nil consideration

- (c) Terms of the securities

The Shares will be fully paid and will rank pari passu in all respects with the Company's other Shares on issue.

- (d) Allottee

A qualifying employee of the Company under the Employee Share Option Plan.

The allottee under Resolution 10 is not a related party of the Company.

- (e) Intended use of funds raised

No funds were raised by the issue.

- (f) Voting exclusion statement

Refer to the Notice of Meeting for details of the voting exclusion statement for the Resolution.

7.10 Information for the purpose of Listing Rule 10.11.1 (Resolution 11)

The following information is provided for the purpose of Listing Rule 10.11.1.

- (a) The maximum number of securities to be issued

5,000,000 Shares together with:

- 1 Adjustment Share for every 2.133333 new Shares purchased (2,142,857 Adjustment Shares in aggregate); and
- 1 Option for every new Share purchased (7,142,857 Options in aggregate).

If Shareholders approve Resolution 11, the issue of 7,142,857 Shares on exercise of the Options will be excluded from the calculation of the 15% limit under Listing Rule 7.1.

- (b) Issue price of securities

\$0.01 per Share.

The Adjustment Shares and Options were issued for nil consideration.

- (c) Terms of the securities

The Shares and Adjustment Shares will be fully paid and will rank pari passu in all respects with the Company's other Shares on issue.

The Options have an exercise price of \$0.01 per Share and expire on 20 December 2012. Refer to the Annexure for the terms and conditions of the Options.

The Shares to be issued on exercise of the Options will be fully paid and will rank pari passu in all respects with the Company's other Shares on issue.

- (d) Allottee

Mr Neil Stuart.

- (e) Issue Date and Date of Allotment

If approved, the Shares and Options will be allotted and issued immediately after the date of the meeting but in any event not later than the date being one month after the date of the meeting.

- (f) Intended use of funds raised

The funds will be used for the advancement of the Company's exploration projects in Vietnam, the Solomon Islands and Australia, the Solomon Islands litigation, corporate costs, and general working capital.

- (g) Voting exclusion statement

Refer to the Notice of Meeting for details of the voting exclusion statement for the Resolution.

8. Reasons for Resolutions

The Company is required to comply with the ASX Listing Rules with respect to all Resolutions.

The relevant Listing Rules for which each of the Resolutions is required to be passed is set out in the body of that Resolution. The effect of each relevant provision of the ASX Listing Rules is as follows.

- (a) Listing Rule 7.1

Listing Rule 7.1 requires the prior approval of Shareholders if a company proposes to issue or agrees to issue in any 12 month period equity securities exceeding 15% of its securities on issue at the commencement of the 12 month period.

- (b) Listing Rule 7.4

Listing Rule 7.4 provides that a company may approve an issue of securities made without approval under Listing Rule 7.1 subsequently to the issue of those securities provided that the issue did not breach Listing Rule 7.1.

- (c) Listing Rule 10.11.1

Listing Rule 10.11.1 requires the prior approval of Shareholders for the issue of shares to a related party, which includes a Director of the Company.

If Shareholders approve the issue of Shares and Options to Mr Stuart under Listing Rule 10.11.1, approval is not required under Listing Rule 7.1.

9. Glossary

In the Notice of Meeting and this Explanatory Statement the following defined terms have the following meanings:

Associate has the meaning given to it by Division 2 of Part 1.2 of the Corporations Act.

ASX means Australian Securities Exchange.

ASX Listing Rules means the Listing Rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of ASX Settlement Pty Ltd.

Axiom CDI means a CDI in respect of an Axiom Share.

Axiom Share means an ordinary share in the capital of the Company that is fully paid or credited as fully paid (as the case may be).

Board means the board of Directors of the Company.

Business Day has the meaning given to that term in the ASX Listing Rules.

CDI means a CHESS Depositary Interest, within the meaning of the ASX Settlement Operating Rules.

CDN means CHESS Depositary Nominees Pty Limited ARBN 75 071 345 506 or such other entity that is the Company's CHESS Depositary Nominee with respect to Axiom Shares.

Company or **Axiom** means Axiom Mining Limited ABN 81 119 698 770.

Corporations Act means the *Corporations Act 2001* (Cth).

Director and Executive Performance Rights Plan means the Director and Executive Performance Rights Plan approved by Shareholders and established at the extraordinary general meeting of the Company on 31 July 2010.

Directors means each of the Directors of the Company being Stephen Williams, Ryan Mount and Neil Stuart.

Dollar or **\$** means the lawful currency of the Commonwealth of Australia.

Employee Share Ownership Plan means the Employee Share Ownership Plan the Company released to the ASX on 7 November 2006.

Extraordinary General Meeting means the extraordinary general meeting convened by the Notice of Meeting.

Notice of Meeting means the notice of meeting that accompanies this Explanatory Statement.

Option means an option to purchase a Share.

Resolutions means the resolutions set out in the Notice of Meeting and Resolution means any of them.

Right means each right under the Director and Executive Performance Rights Plan to acquire a Share.

Share means an Axiom Share issued (or to be issued) to CDN and an Axiom CDI issued (or to be issued) by CDN in respect of such Axiom Share.

Shareholder means a registered holder of Shares in the Company.

Trading Day has the meaning given to that term in the ASX Listing Rules.

US\$ means the lawful currency of the United States of America.

Annexure

Terms and Conditions of Options

The terms and conditions of the Options granted to each subscriber referred to in Resolutions 2, 3, 4, 7, 8 and 11 are as follows:

1. Each Option entitles the holder the right to subscribe for one Share for the Exercise Price.
2. Each Option which has not been exercised will expire at 5.00pm (Sydney time) on the Expiry Date. Each Option may be exercised at any time prior to the Expiry Date and Options not so exercised shall automatically expire on such date.
3. The Exercise Price and the Expiry Date of the Options are as agreed at the issue date.
4. Each Share issued as a result of the exercise of any Option will, subject to the Constitution of the Company, rank equally in all respects with the then existing ordinary Shares on issue.
5. No Optionholder will be entitled to attend or vote at any meeting of the members of the Company unless they are, in addition to being an Optionholder, a member of the Company.
6. The Options are transferable.
7. An Option may only be exercised by the Optionholder by lodging an exercise notice with the Company. The exercise of some Options shall not affect the Optionholder's right to exercise the other Options at a later time.
8. The Company will, as soon as practicable after the Optionholder validly exercises any Options, and in accordance with the Corporations Act and the ASX Listing Rules, allot the number of Shares in the Company so subscribed for by the Optionholder.
9. An Optionholder shall have no rights to dividends in respect of the Options and shall have no interest in the Shares the subject of the Options unless and until those Options are exercised and the Shares issued.
10. If the Company reorganises its capital in any way while any Options are on issue, the number of Options will be reorganised in accordance with the ASX Listing Rules so that the Optionholder will not receive a benefit that the existing holders of Shares do not receive and in addition will be changed to the extent necessary to comply with the ASX Listing Rules applicable to the particular reorganisation of capital at the time.
11. There are no participating rights or entitlements inherent in the Options to participate in any new issues of capital which may be offered or made by the Company to its Shareholders from time to time prior to the Expiry Date unless and until the Options are exercised.
12. If there is a pro-rata issue (except a bonus issue) to the holders of the ordinary shares, the exercise price of the Options shall be reduced according to the following formula:

$$O' = O - \frac{E[P - (S + D)]}{N + 1}$$

Where:

O' = the new exercise price of each Option

O = the old exercise price of each Option

E = the number of ordinary shares into which each Option is exercisable

P = the average market price per ordinary shares (weighted by reference to volume) of the ordinary shares during the 5 Trading Days ending on the day before the ex-rights or ex-entitlements date

- S = the subscription price for an ordinary share under the pro rata issue
- D = the dividend due but not yet paid on the ordinary shares (except those to be issued under the pro rata issue)
- N = the number of ordinary shares with rights or entitlements that must be held to receive a right to one new ordinary share.

13. If there is a bonus issue to the holders of ordinary shares, the number of securities over which each Option is exercisable will be increased by the number of ordinary shares which the Optionholder would have received if the Option had been exercised before the record date for the bonus issue.
14. If and to the extent any of the preceding terms and conditions are inconsistent with the ASX Listing Rules, such rules will prevail in all respects to the extent of the inconsistency.
15. These terms and conditions are governed by the laws of the State of New South Wales and the holders of the Options unconditionally submit to the jurisdiction of the courts of that State and courts of appeal from them.

FOR ALL ENQUIRIES CALL:
(within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

FACSIMILE
+61 2 9290 9655

ALL CORRESPONDENCE TO:
Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001
Australia



Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an 'X' and make the correction on the form. Securityholders sponsored by a broker should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

YOUR VOTE IS IMPORTANT

FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECORDED BEFORE 10.00 am (Sydney Time) WEDNESDAY 17th OCTOBER 2012

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 Appointment of Proxy

Indicate here who you want to appoint as your Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chairman of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 Voting Directions to your Proxy

You can tell your Proxy how to vote

To direct your proxy how to vote, place a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

STEP 3 Sign the Form

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders must sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 48 hours before the commencement of the meeting at **10.00 am on Friday, 19th October 2012**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxies may be lodged using the reply paid envelope or:

BY MAIL - Share Registry – Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001 Australia

BY FAX - + 61 2 9290 9655

IN PERSON - Share Registry – Boardroom Pty Limited, Level 7, 207 Kent Street, Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

AXIOM MINING LIMITED

STEP 1 - Appointment of Proxy

I/We being a member/s of **Axiom Mining Limited** and entitled to attend and vote hereby appoint

<input type="checkbox"/>	the Chairman of the Meeting (mark with an 'X')	OR	<input type="text"/>
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If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy at the **Extraordinary General Meeting of Axiom Mining Limited to be held at Christie Corporate, Yuan Room, Level 2, 3 Spring Street Sydney, NSW 2000 on Friday the 19th of October 2012 at 10.00am (Sydney Time)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

<input type="checkbox"/>	If the Chairman of the Meeting is appointed as your proxy or may be appointed by default, and you do not wish to direct your proxy how to vote in respect of a resolution, please mark this box. By marking this box, you acknowledge that the Chairman of the Meeting may vote as your proxy even if he has an interest in the outcome of the resolution and votes cast by the Chairman of the Meeting for those resolutions, other than as proxy holder, will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called. The Chair intends to vote all undirected proxies in favour of the resolution.
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STEP 2 - Voting directions to your Proxy – please mark ☒ to indicate your directions

Ordinary Business

		For	Against	Abstain*
Resolution 1	Ratification of issue of 21,538,461 Shares to professional and sophisticated investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of issue of 142,857,142 Shares and associated Options to professional and sophisticated investors and approval of issue of Shares on exercise of Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of issue of 26,699,029 Shares and associated Options to professional and sophisticated investors and approval of issue of Shares on exercise of Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of issue of 7,281,552 Options to professional and sophisticated investors and approval of issue of Shares on exercise of Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of issue of 55,384,615 Shares to professional and sophisticated investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Ratification of issue of 250,001 Shares to consultants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Ratification of issue of 6,000,000 Options to consultants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval of issue of 43,502,613 Options to consultants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Ratification of issue of 100,000 Rights to an employee under the Director and Executive Performance Rights Plan and approval of issue of Shares on exercise of Rights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	Ratification of issue of 50,000 Shares to an employee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11	Approval of issue of 7,142,857 Shares and associated Options to Mr Neil Stuart and approval of issue of Shares on exercise of Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

In addition to the intentions advised above, the Chairman of the Meeting intends to vote undirected proxies in favour of each of the items of business.

*If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3 - PLEASE SIGN HERE This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director and Sole Company Secretary

Director

Director/Company Secretary

Contact Name

Contact Daytime Telephone Date / / 2012