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ASX Announcement

Major funding and strategic partnership for Isabel Nickel Project

Highlights

- **Project funding secured for first phase of development at the Isabel Nickel Project with experienced resource venture capitalist and project incubator InCoR Holdings Plc ('InCoR')**
- **AU\$15 million convertible loan note facility, with drawdown in three tranches of AU\$5 million**
- **Strategic partnership with InCoR and its 70% owned subsidiary InCoR Technologies Limited ('InTech') to provide technical expertise in nickel metallurgy and mining and to assess the implementation of InTech's proprietary nickel processing technology, the Starved Acid Leaching Technology (SALT), at the Isabel Nickel Project**
- **SALT is designed to economically beneficiate low grade nickel laterite (saprolite) ores that might otherwise be of low commercial value and will be in addition to planned direct shipping of ore operations.**

Axiom Mining Limited ('Axiom' or 'the Company') is pleased to announce that it has entered into a convertible note facility agreement with InCoR Holdings Plc ('InCoR') for an amount up to AU\$15 million to fund the initial phase of mine development at the Isabel Nickel Project, and agreed to enter into a strategic partnership with InCoR and its 70% owned subsidiary InCoR Technologies Limited ('InTech').

Axiom Chief Executive Officer Mr Ryan Mount said, "InCoR and InTech are experienced resource investors with exceptionally strong technical capabilities who will provide Axiom with access to leading nickel metallurgy and mining expertise, while also providing significant funding for initial mine development."

"This strategic partnership is a major step forward for Axiom to develop one of the largest nickel laterite deposits in the Pacific and gives us a proprietary position to potentially extract more value from this world-class asset much earlier than we originally thought possible."

"As part of this transaction, Axiom is to enter into an agreement to secure exclusive rights in Solomon Islands to InTech's Starved Acid Leach Technology ('SALT'), as well as a 10-year first mover world-wide advantage on nickel product sales using SALT."

SALT is an innovative technology that offers Axiom a viable low cost, environmentally attractive alternative to consider processing of ores that are not currently processed due to their sub-economic grade.

This arrangement does not change Axiom's main objective of developing a low-cost, profitable direct shipping of ore operation.

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The Chairman of InCoR Holdings Mr George Molyviatis said, “InCoR has reviewed many nickel laterite projects around the world and believes that Axiom has not only a very attractive project (at Isabel) but also an agile and dedicated management team that has developed a strong connection with its communities and stakeholders.”

“Axiom’s operating model has great potential in other locations and projects and we are pleased to partner with them going forward.”

President of InCoR Technologies and one of the inventors of SALT, Dr David Dreisinger, is world renowned in the development and implementation of hydrometallurgical recovery of base, precious and rare metals.

Dr Dreisinger said, “We have spent much time with Axiom both abroad and in Solomon Islands as well as testing the Isabel ore with SALT—we congratulate Axiom for what they have achieved to date and our team looks forward to working with Axiom in testing and applying SALT to add value to the project.”

The key terms of the Convertible Note Agreement issued to InCoR are as follows:

- Facility limit: AU\$15 million
- Commitment and availability: In three tranches as follows:
 - (i) AU\$5 million: Drawdown due on or around 9 November 2015
 - (ii) AU\$5 million: Available for drawdown on or after 20 November 2015, subject only to the provision of security by Axiom, see below
 - (iii) AU\$5 million: Available for drawdown on or after 30 April 2016, subject to executing joint venture documentation in relation to the above-mentioned strategic partnership.
- Maturity: 24 months from drawdown of the relevant tranche unless otherwise converted into Axiom ordinary shares (‘shares’)
- Security: First ranking security interest over all of Axiom’s assets in Australia and Hong Kong
- Interest: Interest shall be payable at 6% per annum on the balance outstanding of the notes, such interest is payable in advance for the first 12 months and thereafter quarterly in advance. Interest is to be satisfied by Axiom issuing shares at a fixed price of \$0.37. Shares issued to InCoR in respect of interest payable on the notes are subject to escrow for a period of six months from the date of issue.
- Conversion price: \$0.37 per share
- Conversion terms: The notes are convertible into shares at any time at the election of InCoR (or at Axiom’s election if the VWAPS per share for 20 trading days prior to the relevant conversion date exceeds \$0.80 per share) and upon conversion, such shares will rank equally with existing shares on issue in Axiom
- Such other terms and conditions as are customary for a facility of this nature.

This announcement ends the trading halt of the Company’s securities on the ASX.

Annexure 1

InCor Holdings Plc and InCor Technologies Inc key personnel

Dr. David Dreisinger, Ph.D

Dr David Dreisinger is a world leader in development and implementation of hydrometallurgical recovery of base, precious and rare metals. He started his career in nickel with INCO Limited. He was an INCO Scholar and was employed at INCO's Frood-Stobie Mine, Copper Cliff Smelter and Research.

Dr Dreisinger is a co-inventor of the Starved Acid Leaching Technology (SALT), the PLATSOL Process, the Mt. Gordon Copper process and the Sepon Copper Process.

Dr Dreisinger consults widely to the industry including on nickel projects in Australia, Brazil, Cuba, Indonesia, Finland, US, Africa and South America. Dr Dreisinger holds the position of Professor and Industrial Research Chair in Hydrometallurgy at the University of British Columbia. He has published over 250 papers and 19 granted US patents.

George Molyviatis

Founder of InCoR Holdings Mr George Molyviatis is a Greek/Swiss entrepreneur and investor. He was head of the Greek desk with Paribas in Geneva and subsequently founded Pegasus Securities to manage inward investment in Greece in the mid- to late-1990s.

In 2003, he assembled a new management team to re-launch PolyMet Mining Corp., which at that time owned a pre-feasibility stage copper-nickel project in north-eastern Minnesota and was valued in the market at less than \$2 million. Since then, the market value of PolyMet has increased to more than \$500 million and the share price to more than 100 times the 2003 level; it remains at nearly 30 times the decade-ago levels.

In 2006, Mr Molyviatis helped finance Western Goldfields, which subsequently became the cornerstone of New Gold, a significant mid-tier gold producing company. Investors in the 2006 financing have enjoyed a 20-fold increase in the value of their shares, even after recent declines in the share price of mining companies.

Mr Molyviatis arranged the construction finance that enabled Monument Mining to commence operations at its Selinsing Gold Mine in Malaysia, and subsequently arranged financing to expand that project and take on additional development-stage projects in Malaysia.

Alan Spence, MSc, P.Eng

Mr Alan Spence has had a 22-year career with INCO in international geological exploration and venture capital. During a five year period based in Sydney, he supervised early stage exploration of the Isabel project nickel laterites.

On leaving INCO, Mr Spence has been an independent consulting geologist focused on major nickel laterite deposits around the world including New Caledonia, Indonesia, Philippines, Australia, Madagascar, Cuba, Dominican Republic, Guatemala and Brazil with responsibilities ranging from exploration to feasibility studies and mining. He is currently an advisor to InTech identifying and assessing nickel laterite deposits and their potential for the application of SALT technology.

ENDS

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 a majority interest 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.