

Axiom Mining Limited
ARBN 119 698 770

Meeting Documentation

Notice of Extraordinary General Meeting
Explanatory Statement

Date of Meeting

12 May 2016

Time of Meeting

10:00 am

Place of Meeting

Boardroom No. 9
First Floor
Renaissance Harbour View Hotel
1 Harbour Road
Wanchai,
Hong Kong

ARBN 119 698 770

Notice of Extraordinary General Meeting

An Extraordinary General Meeting of Axiom Mining Limited ARBN 119 698 770 will be held at Boardroom No. 9, First Floor, Renaissance Harbour View Hotel, 1 Harbour Road, Wanchai, Hong Kong on 12 May 2016 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

1. Resolution 1 – Ratification of issue of 15,656,059 shares and 300,000 Options to a professional and/or sophisticated investor on 30 March 2016 and approval of the issue of Shares on the exercise of Options

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 15,656,059 fully paid Shares and 300,000 Options to a professional and/or sophisticated investor as out in section 6.1 of the Explanatory Statement and approve the Directors to issue 300,000 Shares on the exercise of those Options on the terms and conditions set out in section 6.1 of the Explanatory Statement.”

Voting exclusion statement for Resolution 1: The Company will disregard any votes cast on this Resolution by the allottee described in section 6.1 of the Explanatory Statement and any of their Associates. 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.

2. Resolution 2 – Ratification of issue of 22,222,223 Shares to a professional and/or sophisticated investor on 5 April 2016

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 22,222,223 fully paid Shares to a professional and/or sophisticated investor as out in section 6.2 of the Explanatory Statement.”

Voting exclusion statement for Resolution 2: The Company will disregard any votes cast on this Resolution by the allottee described in section 6.2 of the Explanatory Statement and any of their Associates. 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.

3. Resolution 3 – Ratification of issue of 6,416,670 Shares to professional and/or sophisticated investors on 7 April 2016

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 6,416,670 Shares to professional and/or sophisticated investors as out in section 6.3 of the Explanatory Statement.”

Voting exclusion statement for Resolution 3: The Company will disregard any votes cast on this Resolution by the allottees described in section 6.3 of the Explanatory Statement and any of their Associates. 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.

4. Resolution 4 – Approval of issue of 88,888,892 Options and approval of issue of Shares on exercise of Options

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 88,888,892 Options to professional and sophisticated investors as set out in section 6.4 of the Explanatory Statement and approve the Directors to issue 88,888,892 Shares on exercise of those Options on the terms and conditions set out in section 6.4 of the Explanatory Statement.”

Voting exclusion statement for Resolution 4: The Company will disregard any votes cast on this Resolution by the allottee described in section 6.4 of the Explanatory Statement and a person who might obtain a benefit (except a benefit solely in the capacity of a holder of Shares, if the resolution is passed) and any of their Associates. 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.

5. Resolution 5 – Approval of issue of 25,666,680 Options and approval of issue of Shares on exercise of Options

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 25,666,680 Options to professional and sophisticated investors as set out in section 6.5 of the Explanatory Statement and approve the Company to issue 25,666,680 Shares on exercise of those Options on the terms and conditions set out in section 6.5 of the Explanatory Statement.”

Voting exclusion statement for Resolution 5: The Company will disregard any votes cast on this Resolution by the allottees described in section 6.5 of the Explanatory Statement and a person who might obtain a benefit (except a benefit solely in the capacity of a holder of Shares, if the resolution is passed) and any of their Associates. 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.

6. Resolution 6 – Approval of issue of 1,111,112 Shares and 4,444,448 Options to Mr Ryan Mount and approval of the issue of Shares on the exercise of Options

“That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 1,111,112 Shares and 4,444,448 Options to Mr Ryan Mount as set out in Section 6.6 the Explanatory Statement and approve the Company to issue 4,444,448 Shares on the exercise of those Options on the terms and conditions set out in section 6.6 of the Explanatory Statement.”

Voting exclusion statement for Resolution 6: The Company will disregard any votes cast on this Resolution by Mr Ryan Mount and any of his Associates. 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.

7. Resolution 7 – Approval of issue of 555,556 Shares and 2,222,224 Options to Chancery Asset Management Pte Ltd and approval of the issue of Shares on the exercise of Options

“That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 555,556 Shares and 2,222,224 Options to Chancery Asset Management Ple Ltd as set out in Section 6.7 the Explanatory Statement and approve the Company to issue 2,222,224 Shares on the exercise of those Options on the terms and conditions set out in section 6.7 of the Explanatory Statement.”

Voting exclusion statement for Resolution 7: The Company will disregard any votes cast on this Resolution by Chancery Asset Management Pte Ltd, Mr Jeremy Gray and any of their Associates. 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 22 April 2016
By order of the Board



Robert Barraket
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 12.00 pm (Brisbane time) on 10 May 2016.

Venue

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

Boardroom No. 9, First Floor, Renaissance Harbour View Hotel, 1 Harbour Road, Wanchai, Hong Kong

Commencing at 10:00 am (Hong Kong time) on 12 May 2016.

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 (Hong Kong 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 12.00 pm (Brisbane time) on 10 May 2016. Proxy forms received later than this time will be invalid.

Hand deliveries: Boardroom Pty Ltd
Level 12,
225 George Street
Sydney NSW 2000

Postal address: Boardroom Pty Ltd
GPO Box 3993
Sydney NSW 2001

Alternatively, you can fax your proxy form so that it is received no later than 10:00 am (Brisbane time) on 10 May 2016 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**) in connection with the business to be transacted at an Extraordinary General Meeting of the Company to be held at 10:00am on Thursday, 12 May 2016 at Renaissance Harbour View Hotel, 1 Harbour Road, Wanchai, Hong Kong, 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 5.

The Board (other than Mr Mount) recommend that non-Associated shareholders vote in favour of Resolution 6.

The Board (other than Mr Gray) recommend that non-Associated shareholders vote in favour of Resolution 7.

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

2. Reasons for Resolutions

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

The relevant ASX 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) ASX Listing Rule 7.1

ASX 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) ASX Listing Rule 7.4

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

(c) ASX Listing Rule 10.11.1

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

None of the Resolutions are inter-conditional. Accordingly, if Shareholders do not approve one of these Resolutions, each other Resolution may still be approved by Shareholders.

All resolutions are ordinary resolutions, which require approval by 50% of Shareholders present at a meeting, either in person or by proxy.

3. Issue of Shares and Options to Professional and/or Sophisticated Investors (Resolutions 1 to 3)

The Company is seeking subsequent Shareholder approval under Resolutions 1 to 3 for the issue of Shares and Options to professional and/or sophisticated investors pursuant to ASX Listing Rule 7.4 so that such Shares and Options and the issue of 300,000 Shares on exercise of the 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.

As announced to the ASX on:

- 31 March 2016, the Company issued 15,656,059 Shares and 300,000 Options to a professional and/or sophisticated investor on 30 March 2016. These Shares were issued as a result of the conversion of a \$5 million convertible note on amended terms as announced to ASX on 31 March 2016. The conversion price was 31 cents per share. The Options had an exercise price of 45 cents and are exercisable on or before 30 March 2018 and were issued in consideration of services agreed to be provided by the investor;
- 5 April 2016, the Company issued 22,222,223 Shares to a professional and/or sophisticated investor on 5 April 2016. The Shares were issued at 18 cents per share raising a gross \$4 million with the funds to be used for the development of the Company's mineral interests and for general working capital; and
- 7 April 2016, the Company issued 6,416,670 Shares to a number of professional and/or sophisticated investors on 7 April 2016. The Shares were also issued at 18 cents per share raising a gross \$1.155 million with the funds also to be used for the development of the Company's mineral interests and for general working capital.

Each allottee of the Shares and Options is a professional and/or sophisticated investor (as the case may be) for the purposes of section 708(8) or 708(11) of the *Corporations Act* (as applicable) and did not acquire (or in the case of Shares to be issued by the Company on exercise of the Options, the Company understands that the relevant investors will not acquire) the Options with the purpose of selling or transferring all or any of them or granting, issuing or transferring interests in or options over them, except where disclosure to investors is not required under Sections 708 or 708A of the *Corporations Act*.

4. **Issue of Options to Sophisticated and Professional Investors (Resolutions 4 and 5)**

The Company announced on 31 March 2016 that pursuant to a placement raising a gross of \$5.155 million at a price of \$0.18 per Share referred to in the previous Section, each Share issued in the placement would have four for one attaching Options, allocated equally at exercise prices of \$0.30, \$0.40, \$0.50 and \$0.60, all with a 10 year expiry. Resolutions 4 and 5 relate to these attaching Options.

The Company is seeking Shareholder approval under Resolution 4 for the issue of 88,888,892 Options and under Resolution 5 for the issue of 25,666,680 Options to sophisticated and professional investors pursuant to ASX 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.

If Shareholders approve the issue of the Options under ASX Listing Rule 7.1, the issue of 114,555,573 Shares on exercise of the Options will be excluded from the calculation of the 15% limit under ASX Listing Rule 7.2, Exception 4.

Directors highlight that, if in due course all of these Options were exercised, an amount exceeding \$51 million would be raised to facilitate development of the Company's tenements.

On 28 March 2016 received judgment for the Solomon Islands Court of Appeal. This judgment included the company's Kolosori lease and prospecting licence being set aside. Under these circumstances the Company deemed it imperative to ensure funding was in place immediately to ensure Axiom has every opportunity to re-apply for the Kolosori tenement. As such the Company considered it reasonable to issue a number of attaching options to secure this funding.

Each proposed allottee of the Options is a sophisticated or professional investors (as the case may be) for the purposes of Section 708(8) or 708(11) of the *Corporations Act* (as applicable) and the Company understands that the investors will not acquire the Options with the purpose of selling or transferring all or any of them or granting, issuing or transferring interests in or options over them, except where disclosure to investors is not required under Sections 708 or 708A of the *Corporations Act*.

5. **Issue of Shares to Related Parties (Resolution 6 and 7)**

In the Company announcement of 31 March 2016, the Company advised that, a \$300,000 commitment had been received from two Directors to support the recent \$5 million placement. It is proposed that, subject to Shareholder approval, Mr Ryan Mount and Mr Jeremy Gray (through a related party Chancery Asset Management Ple Ltd) participate in the placement by committing \$200,000 and \$100,000 respectively on the same terms as all other participants in the placement including the four for one attaching Options. As noted in Section 4, the Options are to be allocated equally at exercise prices of \$0.30, \$0.40, \$0.50 and \$0.60, all with a 10 year expiry.

Mr Ryan Mount and Mr Jeremy Gray are for the purposes of ASX Listing Rule 19.12, related parties of the Company as they are Directors of the Company and accordingly, require Shareholder approval to participate in the placement.

If Shareholders approve the issue of Shares and Options to Mr Mount and Chancery Asset Management Plc Ltd under ASX Listing Rule 10.11, Shareholder approval under ASX Listing Rule 7.1 is not required and the issue of 6,666,672 Shares on exercise of the Options will be excluded from the calculation of the 15% limit under ASX Listing Rule 7.2, Exception 14.

6. Information for the purposes of the ASX Listing Rules

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

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

Number of securities issued	15,656,059 Shares and 300,000 Options. If Shareholders approve Resolution 1, the issue of 300,000 Shares on exercise of the Options will be excluded from the calculation of the 15% limit under ASX Listing Rule 7.1.
Issue price of securities	\$0.31 per Share. The Options were issued at nil issue price.
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 45 cents with an expiry date of 30 March 2018. The Options will not be quoted. Refer to the Annexure for additional terms and conditions of the Options. The Shares issued upon exercise of the Options will be fully paid and will rank pari passu in all respects with the Company's other Shares on issue.
Allottees	InCoR Holding Plc.
Intended use of funds raised	No funds were raised from the issue of the Shares. The Shares were issued as a result of the conversion of a \$5m convertible note as announced to ASX on 31 March 2016. No funds were raised from the issue of the Options. The Options were issued in consideration of services agreed to be provided by InCoR Holdings Plc. Any funds raised from the exercise of the Options will be used for working capital purposes.
Issue date	30 March 2016
Voting exclusion statement	Refer to the Notice of Meeting for details of the voting exclusion statement for the Resolution.

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

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

Number of securities issued	22,222,223 Shares
Issue price of securities	\$0.18 per Share.
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.
Allottees	Ack Pty Ltd
Intended use of funds raised	Funds raised will be used for the development of Solomon Islands mineral interests and for general working capital.
Issue date	5 April 2016
Voting exclusion statement	Refer to the Notice of Meeting for details of the voting exclusion statement for the Resolution.

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

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

Number of securities issued	6,416,670 Shares
Issue price of securities	\$0.18 per Share.
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.
Allottees	15 professional and/or sophisticated investors identified by the Company. The allottees under Resolution 3 were not related parties of the Company.
Intended use of funds raised	Funds raised will be used for the development of its Solomon Islands mineral interests and for general working capital.
Issue date	7 April 2016
Voting exclusion statement	Refer to the Notice of Meeting for details of the voting exclusion statement for the Resolution.

6.4

Information for the purpose of ASX Listing Rule 7.1 (Resolution 4)

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

Maximum number of securities to be issued	88,888,892 Options If Shareholders approve Resolution 4, the issue of 88,888,892 Shares on exercise of the Options will be excluded from the calculation of the 15% limit under ASX Listing Rule 7.2, Exception 4.
Issue price of securities	The Options will be issued for nil consideration
Terms of the securities	The Options have the following exercise prices, all with an expiry date of 30 March 2026: 22,222,223 Options with an exercise price of \$0.30 per Share; 22,222,223 Options with an exercise price of \$0.40 per Share; 22,222,223 Options with an exercise price of \$0.50 per Share; and 22,222,223 Options with an exercise price of \$0.60 per Share. The Options will not be quoted. Refer to the Annexure for additional terms and conditions of the Options. The Shares issued upon exercise of the Options will be fully paid and will rank pari passu in all respects with the Company's other Shares on issue.
Allottees	Ack Pty Ltd
Intended use of funds raised	No funds will be raised from the issue of the Options. Any funds raised from the exercise of the Options will be used for working capital purposes.
Issue date and date of allotment	If approved, the Options will be issued will be allotted and issued immediately after the date of the meeting, but in any event not later than the date being three months after the date of the meeting.
Voting exclusion statement	Refer to the Notice of Meeting for details of the voting exclusion statement for the Resolution.

6.5

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

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

Maximum number of securities to be issued	25,666,680 Options If Shareholders approve Resolution 5, the issue of 25,666,680 Shares on exercise of the Options will be excluded from the calculation of the 15% limit under ASX Listing Rule 7.2, Exception 4.
Issue price of securities	The Options will be issued for nil consideration
Terms of the securities	The Options have the following exercise prices, all with an expiry date of 30 March 2026: 6,416,670 Options with an exercise price of \$0.30 per Share; 6,416,670 Options with an exercise price of \$0.40 per Share; 6,416,670 Options with an exercise price of \$0.50 per Share; and 6,416,670 Options with an exercise price of \$0.60 per Share. The Options will not be quoted. Refer to the Annexure for additional terms and conditions of the Options. The Shares issued upon exercise of the Options will be fully paid and will rank pari passu in all respects with the Company's other Shares on issue.
Allottees	15 professional and/or sophisticated investors identified by the Company. The allottees are not related parties of the Company.
Intended use of funds raised	No funds will be raised from the issue of the Options. Any funds raised from the exercise of the Options will be used for working capital purposes.
Issue date and date of allotment	If approved, the Options will be issued will be allotted and issued immediately after the date of the meeting, but in any event not later than the date being three months after the date of the meeting.
Voting exclusion statement	Refer to the Notice of Meeting for details of the voting exclusion statement for the Resolution.

6.6

Information for the purpose of ASX Listing Rule 10.13 (Resolution 6)

The following information is provided for the purpose of ASX Listing Rule 10.13.

Maximum number of securities to be issued	1,111,112 Shares and 4,444,448 Options. If Shareholders approve Resolution 6, the issue of 4,444,448 Shares on exercise of the Options will be excluded from the calculation of the 15% limit under ASX Listing Rule 7.2, Exception 14.
Issue price of securities	\$0.18 per Share. The Options will be issued for nil consideration.
Terms of the securities	The Options have the following exercise prices, all with an expiry date of 30 March 2026: 1,111,112 Options with an exercise price of \$0.30 per Share; 1,111,112 Options with an exercise price of \$0.40 per Share; 1,111,112 Options with an exercise price of \$0.50 per Share; and 1,111,112 Options with an exercise price of \$0.60 per Share. The Options will not be quoted. Refer to the Annexure for additional terms and conditions of the Options. The Shares issued upon exercise of the Options will be fully paid and will rank pari passu in all respects with the Company's other Shares on issue.
Allottees	Ryan Mount
Intended use of funds raised	Funds raised from the issue of the Shares will be used for the development of Solomon Island mineral interests and for general working capital. No funds will be raised from the issue of the Options. Any funds raised from the exercise of the Options will be used for working capital purposes.
Issue date and date of allotment	If approved, the Shares and Options will be issued 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.
Voting exclusion statement	Refer to the Notice of Meeting for details of the voting exclusion statement for the Resolution.

6.7

Information for the purpose of ASX Listing Rule 10.13 (Resolution 7)

The following information is provided for the purpose of ASX Listing Rule 10.13.

Maximum number of securities to be issued	555,556 Shares and 2,222,224 Options. If Shareholders approve Resolution 7, the issue of 2,222,224 Shares on exercise of the Options will be excluded from the calculation of the 15% limit under ASX Listing Rule 7.2, Exception 14.
Issue price of securities	\$0.18 per Share. The Options will be issued for nil consideration.
Terms of the securities	The Options have the following exercise prices, all with an expiry date of 30 March 2026: 555,556 Options with an exercise price of \$0.30 per Share; 555,556 Options with an exercise price of \$0.40 per Share; 555,556 Options with an exercise price of \$0.50 per Share; and 555,556 Options with an exercise price of \$0.60 per Share. The Options will not be quoted. Refer to the Annexure for additional terms and conditions of the Options. The Shares issued upon exercise of the Options will be fully paid and will rank pari passu in all respects with the Company's other Shares on issue.
Allottees	Chancery Asset Management Ple Ltd
Intended use of funds raised	Funds raised from the issue of the Shares will be used for the development of its Solomon Islands mineral interests and for general working capital. No funds will be raised from the issue of the Options. Any funds raised from the exercise of the Options will be used for working capital purposes.
Issue date and date of allotment	If approved, the Shares and Options will be issued 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.
Voting exclusion statement	Refer to the Notice of Meeting for details of the voting exclusion statement for the Resolution.

7. Glossary

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

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

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 Depository Interest, within the meaning of the ASX Settlement Operating Rules.

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

Company means Axiom Mining Limited ABN 81 119 698 770.

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

Directors means each of the Directors of the Company being Robert Barraket, Ryan Mount and Jeremy Gray.

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

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.

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.

ANNEXURE

TERMS OF OPTIONS

1. Each Option entitles the holder the right to subscribe for one ordinary share in the capital of the Company for the relevant option exercise price.
2. Each Option which has not been exercised will expire at 5.00 pm (Sydney time) on the relevant date of expiry (**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. Each Share issued as a result of the exercise of any Option will, subject to the Articles of Association of the Company, rank equally in all respects with the then existing ordinary Shares on issue.
4. 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 Shareholder.
5. The Options are transferable.
6. An Option may only be exercised by the Optionholder by lodging an exercise notice with the Company which must be received by the Company by 5.00 pm (Sydney time) on the Expiry Date. The exercise of some Options shall not affect the Optionholder's right to exercise the other Options at a later time.
7. The Company will, as soon as practicable (and not later than 15 days) after the Company receives a valid exercise notice from the Optionholder, 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. In the case of fractions (if any), the number of Shares issued will be rounded down to the next lower whole number and the exercise price will be rounded up to the next highest cent.
8. 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.
9. 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.
10. 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.
11. 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.

12. 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 Options had been exercised before the record date for the bonus issue.
13. 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.
14. 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.



All Correspondence to:

- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** www.boardroomlimited.com.au
- ☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:00am (Hong Kong time) & 12:00pm (AEST) on Tuesday, 10 May 2016.**

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair 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 Chair 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.

Appointment of a Second Proxy

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

To appoint a second proxy you must:

- 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.
- return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark 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 securities are to be voted on any item by inserting the percentage or number that 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 for all your securities your vote on that item will be invalid.

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.

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 should 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 should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10:00am (Hong Kong time) & 12:00pm (AEST) on Tuesday, 10 May 2016.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- 👤 **In Person** Level 12, 225 George 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

ARBN 119 698 770

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 in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

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

the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Extraordinary General Meeting of the Company to be held at **Boardroom No. 9, First Floor, Renaissance Harbour View Hotel, 1 Harbour Road, Wanchai, Hong Kong on Thursday, 12 May, 2016 at 10:00am (Hong Kong time) & 12:00pm (AEST)** 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.

The Chair of the Meeting intends to vote undirected proxies in favour of each of the items of business.

STEP 2 VOTING DIRECTIONS

* 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 vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Ratification of issue of 15,656,059 Shares and 300,000 Options to a professional and/or sophisticated investor on 30 March 2016 and approval of the issue of Shares on the exercise of Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of issue of 22,222,223 Shares to a professional and/or sophisticated investor on 5 April 2016	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of issue of 6,416,670 Shares to professional and/or sophisticated investors on 7 April 2016	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of issue of 88,888,892 Options 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 25,666,680 Options and approval of issue of Shares on exercise of Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval of issue of 1,111,112 Shares and 4,444,448 Options to Mr Ryan Mount and approval of the issue of Shares on the exercise of Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval of issue of 555,556 Shares and 2,222,224 Options to Chancery Asset Management Pte Ltd and approval of the issue of Shares on the exercise of Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SHAREHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2016