



axiom
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Quarterly Activities Report

For the period ended 31 March 2017





Message from the CEO

We continued to strive towards our goal of developing the Isabel Nickel Project.

Phase 1 of the drill program at San Jorge is now complete. The encouraging results from this programme have been further enhanced by the discovery of widespread levels of cobalt and scandium in the limonite zone and the identification of new drill target areas.

In conjunction with further assessment of these new results, we will continue to focus on development planning towards a direct shipping of ore (DSO) operation whilst we pursue our mining lease application over the San Jorge tenement and the prospecting licence application over the Kolosori deposit.

This quarter, we also saw the concerted effort from our landowner partners lobbying Government for the advancement of our

applications. This included formal joint consultations (Axiom and landowners) with the Solomon Islands Government.

Also during the quarter, we raised further capital and announced a Rights Issue which closes on 2 May 2017. We were also pleased to be able to provide a Loyalty Bonus Offer for eligible shareholders.

This coming quarter we're optimistic to be further advanced in our permitting and licencing of the Isabel Nickel Project and in turn moving the project to the next stage of development.

Ryan Mount, CEO

Highlights from the quarter

- The Phase 1 drill program at San Jorge is now complete with assay results for all 154 holes received
- Drilling has continued to intersect encouraging grades of nickel mineralisation
- New exploration results indicate widespread cobalt and scandium enrichment
- Surface sampling identified further high grade prospectivity at San Jorge just 500m from the Phase 1 drill area
- Consultations held with the Solomon Islands Government Minerals Board, Ministries of Finance; Immigration; Environment; Labour, the Foreign Investment Division and the Central Bank of Solomon Islands
- Completion of a \$1.5M placement and commencement of an Entitlement (Rights) Issue and Loyalty Bonus Option Issue
- Key dates - closing date for Entitlement (Rights) Issue – 2 May 2017. Record date for Loyalty Bonus Options – 16 May 2017.



Solomon Islands summary

Isabel Nickel Project

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

Development progress – San Jorge

With the completion of Phase 1 of the Drill program at San Jorge in late March, the Company is now focused on government approval for its mining lease application.

Phase 1 of the drill program was designed to establish an initial area for mining, support development of an initial JORC Mineral Resource and provide for a mining lease application.

Axiom has targeted an area within the San Jorge tenement that presents optimal logistical characteristics of an initial mining DSO operation. Phase 1 of the program at San Jorge, over a limited portion of the tenement, has been successfully concluded with the 50m by 50m drill pattern complete across the initial area of focus. The drill program included selected 25m infill holes as well as sterilisation holes on the edge of the known mineralised zone to assist in determining initial mining boundaries to facilitate efficient stockpiling and mining.

Further to this Axiom is now assessing the additional areas defined by historical exploration over other areas of the tenement. This includes significant potential for saprolite mineralisation that requires modern testing – this will likely occur in parallel to mining operations.

The Company will also now pursue the next stage of development planning towards a direct shipping of ore (DSO) mine operation.

Supplementary exploration activities will continue and further drill operations are expected to occur in parallel to any mine operations and upon the grant of a mining lease.



After the end of the quarter Axiom announced the discovery of a new high-grade prospect identified with rockchip sampling uncovering grades up to 3.58% nickel found at surface.

In addition, widespread scandium and cobalt enrichment was found across most of drill results from the Phase 1 program.

Kolosori Licences

Axiom continues to pursue its pending prospecting licence application over the Isabel Nickel Project with continued strong support from landowners who are key decision makers in the licencing process.

Axiom is confident of its position as the most appropriate developer of this project from both a technical and ethical perspective, and due to its strong position within the local community.

Recent San Jorge drilling program result highlights: Saprolite zone

7.0 m @ 2.14% Ni from 8.0 m

5.4 m @ 2.00% Ni from 6.6 m

8.0 m @ 2.09% Ni from 8.0 m

7.0 m @ 1.91% Ni from 9.0 m

Limonite zone (including Nickel equivalents, Cobalt and Scandium)

2.6 m @ 2.65% NiEq, 1.18% Ni, 0.25% Co plus 70 ppm
Sc from 4.4 m

1.0 m @ 2.54% NiEq, 0.92% Ni, 0.28% Co plus 75 ppm
Sc from 3.0 m

2.0 m @ 2.42% NiEq, 1.13% Ni, 0.22% Co plus 75 ppm
Sc from 5.0 m

2.8 m @ 2.33% NiEq, 0.86% Ni, 0.25% Co plus 65 ppm
Sc from 4.5m

3.0 m @ 2.33% NiEq, 1.15% Ni, 0.20% Co plus 55 ppm
Sc from 9.0 m

Note: Assay results from the San Jorge drilling program shown above were extracted from releases in ASX announcements dated 30 November 2016, 22 December 2016, 3 February 2017 and 27 April 2017. Full tables and description of the drill program results are shown in those releases. Axiom is not aware of any new information or data that materially affects the information in the original market announcements.

San Jorge Licences

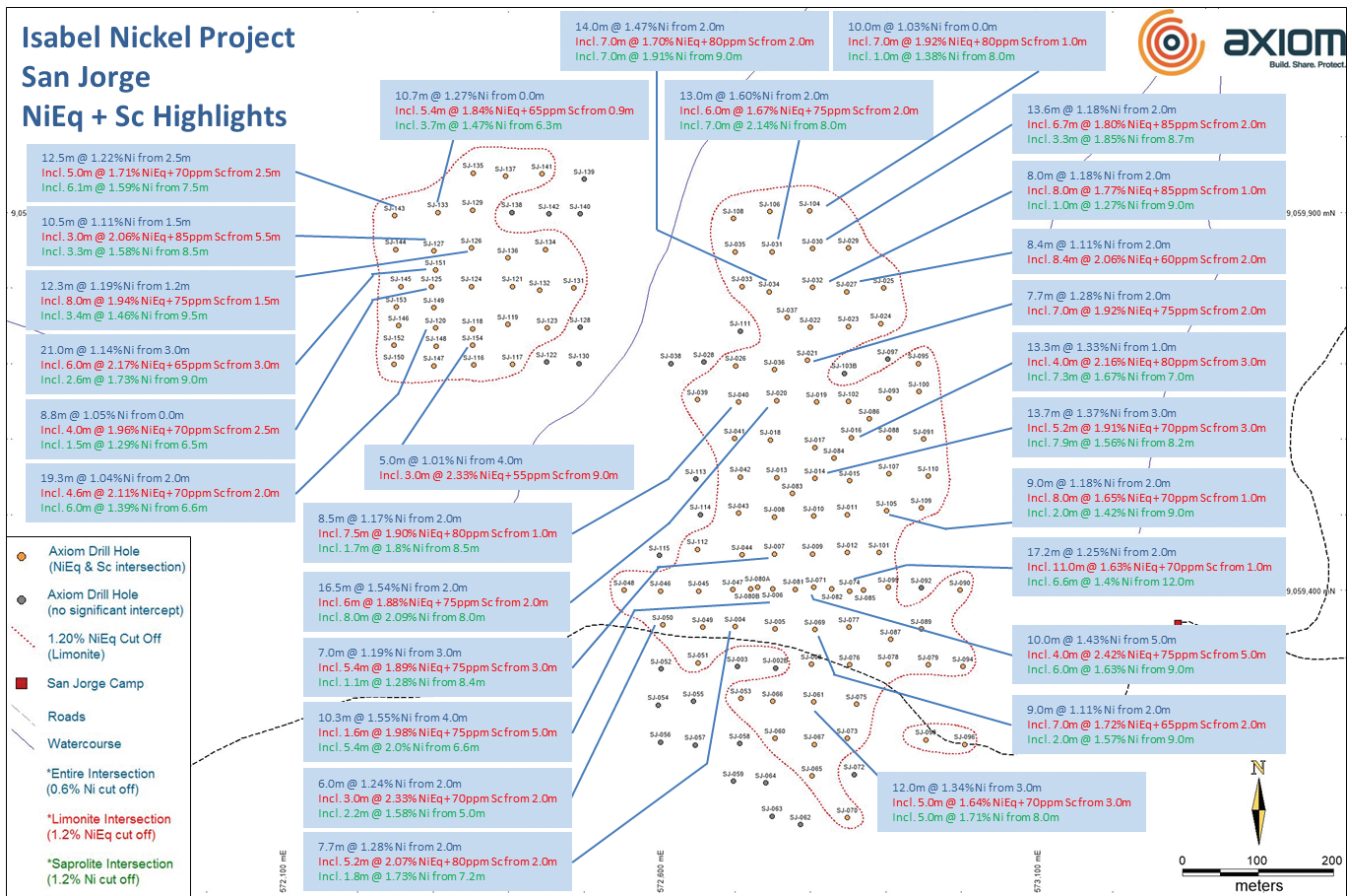
Following submission of a comprehensive formal mining lease application over the San Jorge tenement in the previous quarter the Company continued to position itself for award of the licence.

Axiom Mining, along with its landowner partners met in exclusive formal consultations with officials from various Solomon Island Government departments. The aim of the meeting was to focus on the San Jorge mining application submitted to the Government in December 2016. Numerous government departments attended these consultations such as the Minerals Board, Ministries of Finance; Immigration; Environment; Labour; the Foreign Investment Division and the Central Bank of Solomon Islands. These formal consultations were productive and well received by all parties.

The Company awaits the outcomes of the Government's consideration of the application and continues to proactively respond to all potential issues.



San Jorge drilling program highlights (including Scandium and Cobalt enrichment)



Community Update

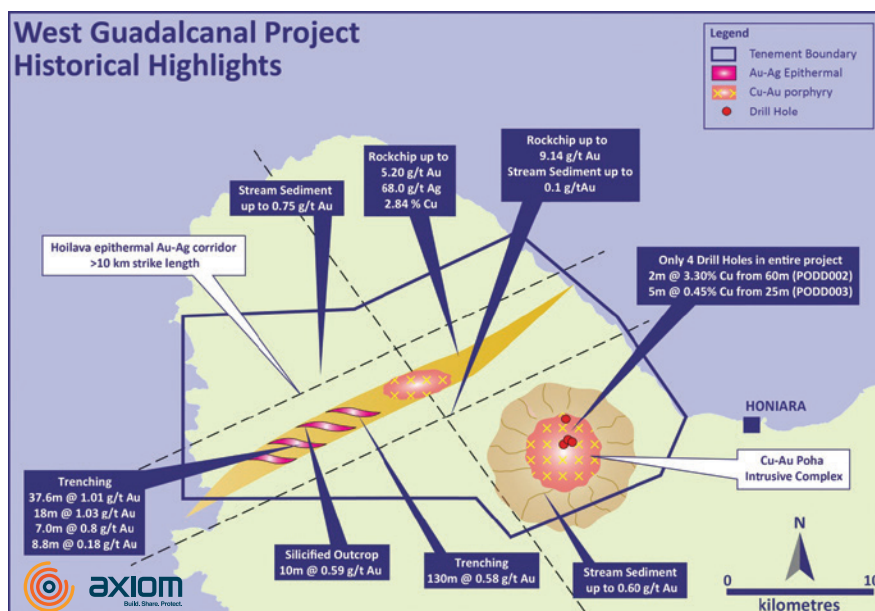
The Kolosori landowners have reached out to Axiom to express their desire to maintain and advance relationships with the company for future nickel mine development. Landowners have also taken the initiative to engage with Government for the advancement of development of their land.

Landowner engagement and involvement at San Jorge has intensified in support of Axiom Mining in the last three months – especially with the pending mining lease application including pursuing its progress through Government.

Other Solomon Projects

West Guadalcanal

The West Guadalcanal Prospecting Licence PL 01/14 held by Axiom is currently in the process of renewal by the Solomon Islands Government and the renewal is expected to be issued shortly.



Corporate

Capital Raising

On 1 March 2017 the Company announced it was undertaking a capital raising activity to give all shareholders an opportunity to participate in the future growth plans of the Company as it continues to push towards bringing the Isabel Nickel Project into production.

With the majority of the transaction available to shareholders, the key elements include:

- Private Placement - \$1.5M raised via issue of shares at \$0.16
- Rights Issue - 1 for 10 non-renounceable @ \$0.16 with Attaching Options on 7 for 4 basis, and
- Loyalty Bonus Option - 1 for 8 bonus issue of Options for those Eligible shareholders holding 125,000 shares or more (excluding shares from Rights Issue)

Shareholders who maintain their full holding through both the Rights Issue and Bonus Issue record dates and subscribe for their full rights issue allocation will receive 30% of their shareholding in Listed Options and increase their shareholding by 10%.

Applications for participation in the Rights Issue close on **2 May 2017**.

Australian tenements

Queensland

Cardross and Mountain Maid

Axiom is continuing to review its position in respect of these tenements particularly with recent gold price increases to look for opportunities to joint venture or farm out to interested third parties.

Cardross ML 20003 renewal application was lodged with the Department of Natural Resources and Mines Queensland on 31 January 2017.

Mt Molloy, OK Mines and Millungera

Minimal activity was undertaken on these projects during the quarter. Axiom is continuing to review its position in respect of these tenements.

Schedule of tenements

Tenements held at the end of the quarter and their location				
Country	Name and location	Tenement number	Interest held	Status
Solomon Islands	Isabel Nickel Project, Santa Isabel Island and San Jorge Island			
	Kolosori		80%	PL under application
	San Jorge	PL 01/15	80%	Active, Granted
	West Guadalcanal Project			
	West Guadalcanal	PL 01/14	100%	Application for renewal
Australia	Cardross Project, Chillagoe, Qld			
	Cardross	ML 20003	100%	Active, Granted
	Cardross	EPM 19821	100%	Active, Granted
	Mount Molloy Project, Mareeba, Qld			
	Mt Molloy copper mines	ML 4831	100%	Active, Granted
	Millungera Project, Georgetown, Qld			
	Blackbull	EPM 25252	100%	Active, Granted
	Whitebull	EPM 25256	100%	Active, Granted
	Redbull	EPM 25257	100%	Active, Granted
	OK Mines Project, Chillagoe, Qld			
	OK North	ML 4805	100%	Active, Granted
	OK South	ML 4806	100%	Active, Granted
	OK Extended	ML 4809	100%	Active, Granted
	OK Extended No. 2	ML 4813	100%	Active, Granted
OK	ML 5038	100%	Active, Granted	

Schedule of tenements abbreviations					
EPM	Queensland	Exploration Permit for Minerals	PL	Solomon Islands	Prospecting Licence
ML	Queensland	Mining Lease			

Contacts and notes

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About Axiom Mining Limited

Axiom Mining Limited focuses on tapping into the resource potential within the mineral-rich Pacific Rim. Through dedication to forging strong bonds and relationships with the local communities and governments where we operate, Axiom Mining has built a diversified portfolio of exploration tenements in the Asia Pacific region. The Company also owns all majority holdings in highly prospective gold silver and copper tenements in North Queensland, Australia.

The Company is listed on the ASX. For more information on Axiom Mining, please visit www.axiom-mining.com

Competent Person's Statement

The information in this announcement that relates to Exploration Results is based on information compiled by Mr. John Horton, Principal Geologist of ResEval Pty Ltd, who is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM), a Member of the Australian Institute of Geoscientists (AIG). Mr. Horton has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Horton is a consultant of Axiom Mining Limited and consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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.