

Appendix 5B

Mining exploration entity and oil and gas exploration entity monthly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

AXIOM MINING LIMITED

ARBN

119 698 770

Month ended ("current month")

30 April 2019

Consolidated statement of cash flows	Current month \$A'000	Year to date (7 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(2)	(703)
(b) development	(121)	(1,964)
(c) production	(113)	(380)
(d) staff costs (all departments)	(322)	(1,753)
(e) administration and corporate costs	(26)	(663)
1.3 Dividends received (see note 3)		
1.4 Interest received	-	1
1.5 Interest and other costs of finance paid	(9)	(12)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	59
1.9 Net cash from / (used in) operating activities	(593)	(5,415)

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Consolidated statement of cash flows		Current month \$A'000	Year to date (7 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(5)	(35)
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(5)	(35)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	⁽¹⁾ 467	2,033
3.2	Proceeds from convertible notes	-	1,000
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(63)
3.5	Proceeds from borrowings	⁽²⁾ 179	⁽³⁾ 2,616
3.6	Repayment of borrowings	-	(88)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	646	5,498

(1) Proceeds received at (item 3.1) are made up as follows, \$427,000 relating to a Private Placement announced on 10 May 2019 to raise up to \$876,000 in cash contributions. The remaining balance of \$449,000 is received in May 2019, which includes \$100,000 from the Managing Director for a subscription in the Placement to be converted to shares, subject to Shareholder approval. A further \$40,000 was received in April relating to a prior placement.

(2) The net borrowings at (items 3.5) were sourced from the unsecured facility disclosed in item 8.1 (\$172,000) and an unsecured loan from a related party for (\$7,000).

(3) Year to date total of \$2.616 million includes \$2 million of subscription money that was paid to the Company from an advance in December 2018 quarter from a Director which was later converted to shares following shareholder approval at an EGM on 8 February 2019. (see ASX releases dated 5 and 8 February 2019)

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Consolidated statement of cash flows		Current month \$A'000	Year to date (7 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	212	212
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(593)	(5,415)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(5)	(35)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	646	5,498
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	260	260

5.	Reconciliation of cash and cash equivalents at the end of the month (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current month \$A'000	Previous Month \$A'000
5.1	Bank balances	133	85
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	127	127
5.5	Cash and cash equivalents at end of month (should equal item 4.6 above)	260	212

6.	Payments to directors of the entity and their associates	Current month \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	-
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

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7. Payments to related entities of the entity and their associates	Current month \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at month end \$A'000	Amount drawn at month end \$A'000
8.1 Loan facilities	(1) 344	344
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after month end, include details of those facilities as well.		

(1) A Deed of Agreement for an unsecured loan to Overseas Shipping, Trading & Investment for up to \$344,000 with a 5% interest rate. At 30 April 2019, the loan was fully drawn.

(2) For reference purposes only, the Company announced on 1 March 2019, that it has executed a terms sheet with Traxys Europe S.A. ('Traxys') for a finance facility up to US\$10.5 million (approx. AU\$14.8 million), subject to continuing due diligence and final documentation.

9. Estimated cash outflows for next month ⁽¹⁾	\$A'000
9.1 Exploration and evaluation	15
9.2 Development ^{(2) (3)}	115
9.3 Production ^{(2) (3)}	140
9.4 Staff costs (all departments)	141
9.5 Administration and corporate costs	125
9.6 Title and permitting	84
9.7 Total estimated cash outflows ⁽¹⁾	620

Notes:

(1) May expenditure is subject to availability of funding. Sources of funding include proceeds from an equity placement announced on 27 May 2019, improved supplier credit terms, potential funding from a new entitlement offer to shareholders, and net proceeds from first shipment and potential project finance facility.


(2) This includes cash outflows associated with both (a) mine development and production activities conducted in previous months and deferred until month of May and (b) activities conducted or to be conducted in May.

(3) The Company will not commit to new development costs unless funding has been secured or there are reasonable prospects of securing. Axiom has been able to continue to secure improved supplier terms of payment.

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of month	Interest at end of month
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Nil	-	-	-
10.2	Interests in mining tenements and petroleum tenements acquired or increased	Nil	-	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 

Local Agent

Date: 31 May 2019

Print name: Brent Hofman

Notes

1. The Monthly report provides a basis for informing the market how the entity's activities have been financed for the past month and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this monthly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this monthly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.