

Axiom Mining Limited
Notes to the interim consolidated financial statements
For the half-year ended 31 March 2019

Note 7: Contributed equity

	Consolidated	
	Half-year ended 31 March 2019 \$000	As at 30 September 2018 \$000
Issued and fully paid		
502,099,054 (2018:439,100,262) ordinary shares	126,930	121,247

	31 March 2019		30 September 2018	
	Number of shares	\$000	Number of shares	\$000
Movements in issued shares:				
Balance at 1 October	439,100,262	121,247	376,854,966	113,985
Issue of new shares				
Share placement issue	45,395,000	4,540	8,333,335	1,000
Shares issued as payment for services and interest	2,457,955	222	1,364,285	189
Shares issued to employees	-	-	700,000	94
Shares issued on conversion of convertible notes	15,136,351	961	51,847,676	5,995
Exercise of Options	9,486	4	-	-
	502,099,054	126,974	439,100,262	121,263
Less: Transaction costs arising from share issues	-	(44)	-	(16)
Balance	502,099,054	126,930	439,100,262	121,247

Note 8: Events after the end of the interim period

On 30 April 2019, the Company announced a private placement of up to 32.99 Million shares at an issue price of \$0.04 per Share with an entitlement offer to receive 1 for 1 free attached options exercisable at \$0.10 expiring on 30 April 2021.

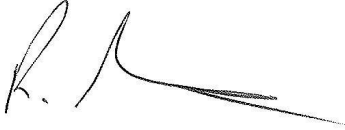
The Company also announced on 14 June 2019 that it was extending the closing date for acceptance of applications for a 1 for 5 pro rata shareholder entitlement offer announced on 17 May 2019.

In addition, the Company is seeking to raise separately from the Entitlement Offer a further private placement as announced on 31 May 2019 and 14 June 2019. Final amount, price, structure and outcome of this capital raising remained incomplete at the date of this report.

Axiom Mining Limited
Directors' declaration

In accordance with a resolution of the directors of Axiom Mining Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 5 to 14, are in accordance with the *Corporations Act 2001*, including:
 - a. complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and
 - b. giving a true and fair view of the consolidated entity's financial position as at 31 March 2019 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.



Director

Ryan Mount

Dated this 14th day of June 2019

**AXIOM MINING LIMITED
ARBN 119 698 770
AND ITS CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
AXIOM MINING LIMITED**

SYDNEY

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Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Axiom Mining Limited, which comprises the consolidated condensed statement of financial position as at 31 March 2019, the consolidated condensed statement of profit or loss and other comprehensive income, the consolidated condensed statement of changes in equity and the consolidated condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Interim Financial Report

The directors of Axiom Mining Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of Axiom Mining Limited's financial position as at 31 March 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: *Interim Financial Reporting and the Corporations Regulations 2001*. As the auditor of Axiom Mining Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Axiom Mining Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

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**AXIOM MINING LIMITED
ARBN 81 119 698 770
AND ITS CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
AXIOM MINING LIMITED**

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Axiom Mining Limited is not in accordance with the *Corporations Act 2001* including:

- (i) giving a true and fair view of Axiom Mining Limited's financial position as at 31 March 2019 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Material Uncertainty related to Going concern

We draw attention to Note 1 in the financial report which indicates that the consolidated Group had incurred a net loss of \$3,179,000 during the half-year ended 31 March 2019 and, as of that date, the current liabilities exceeded its current assets by \$6,244,000. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1 indicate the existence of a material uncertainty that may cast significant doubt about the Consolidated Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.



HALL CHADWICK
Level 40, 2 Park Street
Sydney NSW 2000



Drew Townsend
Partner
Dated: 14 June 2019