



**axiom**

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# Monthly Activities Report

For the period ended 31, July 2019



## Message from the CEO

August has been another trying month for the company due to the Ministry of Mines (MMERE) withholding our export permit even though the company holds a mining license. This matter is crucial to the company's development and we are currently in dialogue with the appropriate authorities to redress the situation.

Accordingly, operational activities on San Jorge were scaled back for the month but we nonetheless have stockpiled a total to date of over 65,000 wet metric tons (wmt) of nickel ore to the end of July. Traxys remains committed to purchase the first two shipments and we are still receiving strong interest from other buyers for our nickel ore.

Axiom announced it had withdrawn the shareholders Entitlements Offer on 20 August 2019. The Company has coordinated with its Share Registry to refund payments to Shareholders bank accounts and despatch refund cheques on the 5 September 2019.

We however have not been idle and the company has continued to negotiate with officials of the MMERE and in that regard recently welcomed a mine inspection to our San Jorge mine site.

We are also in negotiation and due diligence with two private equity resource investors and in August were provided with a \$ 300,000.00 bridging loan, potentially leading to a far bigger financing transaction.

This a reaffirmation of both the value of our project and the confidence we maintain in resolving the issue surrounding the grant of an export permit to enable the company to become a significant contributor to the Solomon Islands economy and bring shareholder benefit to the table

Our confidence and ability are also backed by the recent turnaround in the nickel marketplace. It is the highest it's been in 12 months and our tropical laterite ore is much in demand.

Ryan Mount, CEO

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**Share.**  
**Protect.**

# Solomon Islands Isabel Nickel Project San Jorge Mining Lease

During the month of July, the Company mined an additional 26,200 wmt of nickel laterite at San Jorge. Although this was our highest mined tones in a single month our mining rate will be significantly lower in August after a decision was made to scale back operations pending the issue of an export permit.

First shipment preparation will still continue at site however on a reduced basis to enable the Company to be in position to export the nickel ore once a permit is granted. The slowdown of mining operations also enabled the opportunity for rotation of certain mining equipment and service and maintenance to be carried out in the capital, Honiara.

Axiom remains in regular contact with Traxys who confirm their commitment to take the first and second shipments of nickel ore from the San Jorge. In addition the company has continued to receive strong interest from other buyer's interest in purchasing our nickel ore.

As for other areas of interest as to nickel mining in the Solomon Islands, Axiom has:

- A letter of intent for a prospecting license or Tenement D and awaiting on the Ministry of Mines to grant a Prospecting License;
- Filed a claim for judicial review in the High Court over an area known as Jejevo; no trial date is set yet and the Company is still looking to resolve an efficient resolution for parties.
- Filed a claim for judicial review in the High Court over an area known as South San Jorge (outside of Axiom's current Mining Lease); with no trial date set yet; and
- Filed a claim for judicial review in the High Court over Kolosori as to Axiom's Prospecting License Application that was deemed unsuccessful by the Solomon Islands Ministry of Mines and subsequently granted to two other companies. Significant resources and planned to be committed to this court proceeding.

## Nickel Market Update

At the time of writing this report Nickel Soars to 5 Year High!

The international demand for nickel sulphide and laterite ore is up 65% since the beginning of the year and as at 30/08/19 the London Metal Exchange (LME) official nickel settlement price index was \* US\$17,695 a ton.

External factors still play a big role in the demand factor, the most recent of which was the Mines Minister of Papua New Guinea commenting that a nickel processing plant (Ramu) owned by the Metallurgical Corporation of China that spilled mine waste into PNG's Basamuk Bay, may face closure.

Another boost to the demand factor is the statement from the Indonesian Mines Minister indicating the country may expedite the reinstatement of the ban on unprocessed ore exports.

The tropical laterite ore produced at the Axiom San Jorge mine will be highly sought after if these external conditions come into play above and beyond the current demand for the company's ore.

\* Axiom does not intend to sell nickel metal. Axiom will sell nickel ore and the LME nickel price is a general indicator of price and demand of all nickel products including Axiom's nickel ore. **Source of LME Price: LME**



## West Guadalcanal

In May the West Guadalcanal prospecting license expired. In June Axiom reapplied for a part of an area it originally held over the highly prospective gold-silver base metal epithermal; and copper- gold porphyry mineralisation.

## Australian Tenements

### Cardross, Mountain Maid, OK and Mt Molloy

Axiom currently holds prospective copper / gold tenements in North Queensland and continues to review these tenements with interest, particularly following the commencement of field geochemical and geological program during the June and December 2018 and March 2019 quarters.

Field work completed at Mountain Maid included core density and mine scoping along with geological mapping with continuing desk top studies of the data gathered from that program undertaken during the March quarter.

A renewal application over Cardross ML 20003 has been lodged with the Queensland Government's Department of Natural Resources



## Schedule of tenements

### Mining tenements held as at 31 July 2019

Country	Name and location	Tenement number	Interest held	Status
	<b>Isabel Nickel Project</b>			
Solomon Islands	San Jorge	ML01/18	80%	ML Granted
	Tenement D		100%	(Letter of Intent issued)
	<b>Cardross Project, Chillagoe, Qld</b>			
Australia	Cardross	ML 20003	100%	Granted (Under Renewal)
	Cardross	EPM 19821	100%	Granted
	<b>Mount Molloy Project, Mareeba, Qld</b>			
	Mt Molloy copper mines	ML 4831	100%	Granted (Under Renewal)
	<b>OK Mines Project, Chillagoe, Qld</b>			
	OK North	ML 4805	100%	Granted
	OK South	ML 4806	100%	Granted
	OK Extended	ML 4809	100%	Granted
	OK Extended No. 2	ML 4813	100%	Granted
	OK	ML 5038	100%	Granted

### Schedule of tenements abbreviations

<b>EPM</b>	Exploration Permit for Minerals	<b>PL</b>	Prospecting License
<b>ML</b>	Mining Lease	<b>LOI</b>	Letter of Intent

# Contacts and notes

## Contact details

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## About Axiom Mining Limited

Axiom Mining Limited ('the Company') 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](http://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, some of which may be outside the Company's control. There can be no assurance that;

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.

Axiom is not aware of any new information or data that materially affects the information in the original market announcements and that all material assumptions and technical parameters underpinning these exploration results continue to apply and have not materially changed.

## Competent Person's Statement

The information in this announcement that relates to Exploration Results is based on information compiled by Mr Clinton Rivers who is a member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Rivers 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 Rivers is Group Exploration Manager for 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.

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SUSTAINABLE MINING PROJECTS

## **SHARE**

THE BENEFITS FROM OUR  
OPERATIONS AMONGST ALL  
STAKEHOLDERS

## **PROTECT**

THE WELLBEING OF OUR PEOPLE  
& LOCAL COMMUNITIES THROUGH  
SAFE & ENVIRONMENTALLY  
RESPONSIBLE OPERATIONS