

12 June 2008

The Manager, Companies  
Australian Securities Exchange Ltd  
Electronic Announcement System

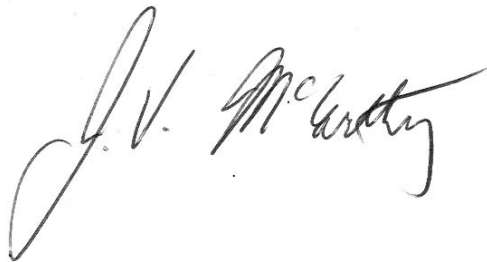
Dear Sir,

**AXIOM MINING LIMITED (ASX CODE: AVQ)  
ASX Announcement**

**Axiom Nightflower Exploration  
Drilling Underway on the Digger lode,  
North Queensland**

In accordance with Listing Rule 3.1, we attach the following.

Yours faithfully



J.V. McCarthy  
Executive Director-Geology  
Sydney, Australia

## Drilling Underway at the Nightflower Silver-Lead-Zinc Project

Axiom Mining Limited is pleased to announce that diamond drilling commenced today (12 June 2008) on the Digger Lode at its Nightflower Project 50 km north of Chillagoe, North Queensland (see figure 1).

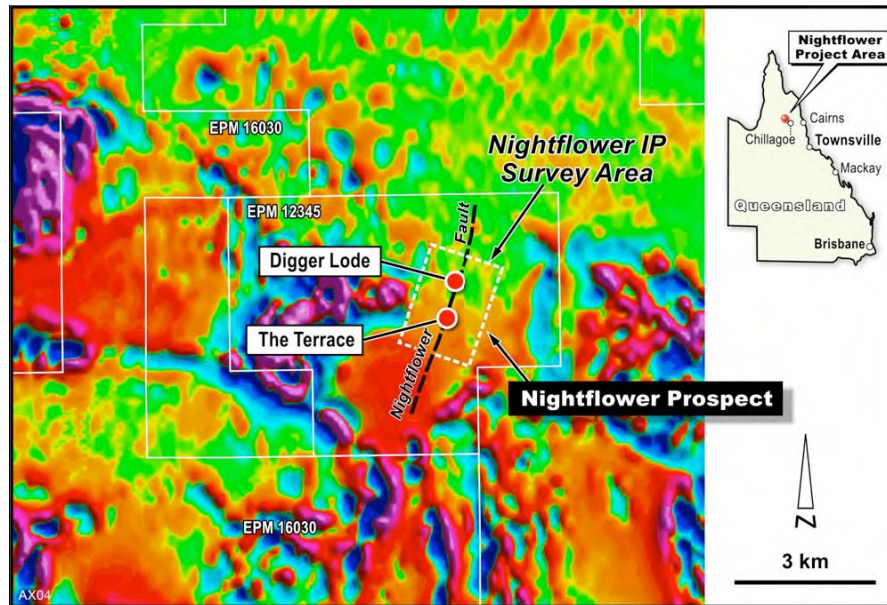


Figure 1. Nightflower tenements and prospect locations overlain on the regional aeromagnetic map.

The planned 2,000m program consists of:-

- Four infill holes aimed at upgrading the rich Silver-Lead-Zinc Digger Lode to a JORC-compliant resource category. The holes will provide lode intercepts at depths up to 200m below surface. One hole, through the middle of the lode will be drilled at larger diameter to obtain core for mineralogical, structural and metallurgical studies (see figure 2).
- Three progressively deeper holes to depths of 250m, 300m and 450m below surface will target the down-plunge extent of the Digger Lode indicated by the recent IP survey results ([see announcement of 29<sup>th</sup> May 2008](#)). The holes are also designed to intersect the interpreted mineral-receptive interface between the Hodgkinson Formation and overlying Featherbed Volcanics.
- The deeper holes will also explore for an intrusive metalliferous porphyry system that could, if present, host further mineralisation of commercial significance.

The drilling program is expected to take approximately 30 days to complete with preliminary results expected within the next 7-10 days.

Axiom has completed the 19 line-kilometre IP survey over the Digger Lode and 2km of strike length along the host Nightflower Fault and old workings. The IP has defined a strong, 800m long anomaly representing the Digger Lode.

A second similar anomaly was also detected to the south in the area of the Terrace Prospect. Both anomalies extend to at least 400m depth, and the Terrace Prospect anomaly continues to the south beyond the IP survey grid.

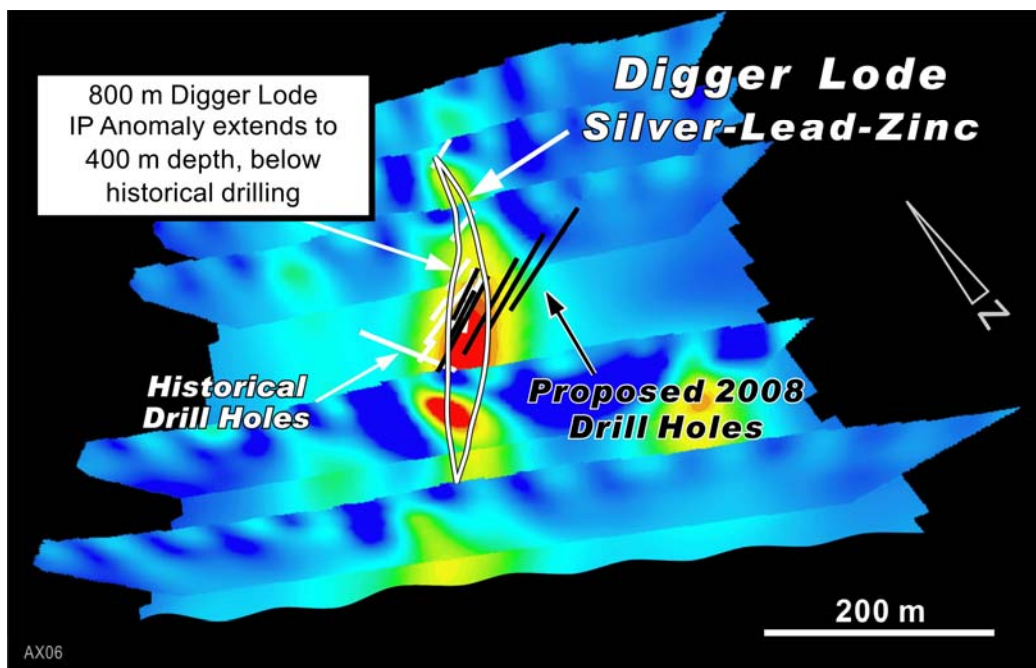


Figure 2. 3D stacked profile model of Digger Lode IP Anomaly showing historical and proposed 2008 drilling.

A 3D stacked profile model for the Digger Lode is presented in figure 2. The diagram shows the early historical drilling and the seven holes now being drilled. A full report on the detailed 3D modeling of the host Nightflower Fault zone, including the Terrace Prospect anomaly, is in progress and will be released shortly.

For further information:

Jake Gray  
Director & CEO  
Axiom Mining  
61 2 9276 1600

John (Jack) McCarthy  
Director Geology  
Axiom Mining  
61 2 9276 1600

John Weil  
Manager Special Projects  
Ozmin Resources  
61 7 4728 7900

*Geological information presented in this report is based on exploration results compiled by Mr John Weil in respect of the Queensland tenements and Mr John McCarthy for the Group. Mr Weil and Mr McCarthy are a Fellow and Member of the Australasian Institute of Mining and Metallurgy, respectively and they have sufficient experience that is relevant to the styles of mineralisation and types of deposits under consideration and to the activity, which they are undertaking to qualify as competent persons in accordance with Clause 8 of the JORC Code. Mr Weil and Mr McCarthy are full-time employees of the Company and consent to inclusion in this report of the matters based on their information in the form and context in which it appears.*

*Statements in this document that are forward-looking and involve numerous risks 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. There can be no assurance that (i) the Company has correctly measured or identified all of the factors affecting its business or the 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.*