

12 August 2008

The Manager, Companies
Australian Securities Exchange Ltd
Electronic Announcement System

Dear Sir,

AXIOM MINING LIMITED (ASX CODE: AVQ)
ASX Announcement

Strong Silver-Lead Assays
Nightflower Project, North Queensland

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

Yours faithfully



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Strong Silver-Lead Assays Nightflower Project, North Queensland

- ◆ Digger Lode assays produce bonanza grades of Silver and Lead
- ◆ Drill-hole NF08DD19 intersected 39 m @ 181g/t Silver, 4.4% Lead, and 1.16% Zinc including an impressive 9 m @ 506g/t Silver (>16 oz/t), 12.6% Lead, and 1.46% Zinc, which represents the best intercept ever obtained at the Digger Lode
- ◆ Economically significant copper, gold, indium, and tin values are also present
- ◆ Lode continuity along strike and down dip (to at least 400 m below surface) has been confirmed

Axiom Mining Limited advises that assay results have been received for three more of the eight diamond drill holes completed recently at the Company’s Nightflower Project near Chillagoe in North Queensland (see release of [1 July 2008](#)). Assay results for the first two holes were released on [31 July 2008](#).

Bonanza-grade silver and high base-metal values have been obtained in all recently assayed intersections at the Digger Lode. With five holes now logged in detail, split and assayed, it is clear the Digger Lode extends along strike and down dip well beyond what had previously been shown (to at least 400 m below surface, the maximum depth drilled).



Plate 1 Digger Lode core showing high-grade argenterous (silver-rich) galena with sphalerite and quartz veins, typical of recent drill cores from the main Digger Lode, assays for which are reported on the next page.

Table 1 Significant assay results from Digger Lode diamond drill holes (to date)

Hole No.	From (m)	To (m)	Interval (m)	Silver (g/t)	Lead (%)	Zinc (%)	Copper (%)	Gold (g/t)
NF08DD17	152.3	154.2	1.9	164.4	3.32	0.86	0.30	0.18
	154.2	154.9	0.7					1.41
NF08DD18	151	153	2	158.7	2.79	1.15	0.33	0.34
NF08DD19	70	109	39	181	4.4	1.16		0.32
including	93	102	9	506	12.6	1.46		0.2
including	98	102	4	769	22.4	2.23	0.5	0.61
including	105	107	2					2.5
NF08DD20	142	147	5	59.3	1.54	0.8	*	*
including	142	144	2	121	3.35	1.1	*	*
NF08DD22	275	277	2	329.5	10.5	3.99	*	*

* assays (including Indium and Tin) are still to be reported

Note: Assays for the final three diamond drill holes (of eight total) taken from the Digger Lode not reported are expected by the end of August. A JORC-compliant resource estimate will then be calculated and reported upon.

The assay results have important implications for the project and demonstrate it has significant economic potential, particularly given that it is located only 25 km from Kagara Zinc's rapidly developing mining and treatment operations, and associated infrastructure in the Chillagoe region. Kagara announced only last week that their base metal concentrator at Mungana projected to be operational by April 2009.

Axiom is poised to conduct a 2,000-metre reverse-circulation (RC) drilling program at the Ag-Pb-Zn-Cu-Au Terrace Prospect in September 2008, based on the strength of the Terrace Prospect IP anomaly 500 m south of the Digger Lode that was identified as part of the IP survey results for the area, released on **1 July 2008**.

In addition, NF08DD23, currently the deepest hole to intersect the Digger Lode (at a down-hole depth of 595.4 m) has been prepared for an EM (electromagnetic) survey to detect for presence of wide, high-grade sulphide mineralisation anticipated to be present laterally and at depth. If such an anomaly is found, this will support plans for deeper drilling. Nearby, Kagara Zinc have shown that the structurally controlled mineralised zones are continuous to depths below 1,000 m with increasing concentrations of gold, copper and molybdenum.

For further information:

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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.