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ASX Release

**DIAMOND DRILLING ENCOUNTERS FURTHER SIGNIFICANT
GOLD MINERALISATION AT WESTERN QUEEN SOUTH**

AXG Mining Limited is pleased to announce it has received positive results from two recently completed diamond drill holes at its Western Queen South Prospect - Murchison Project, Western Australia.

Intercepts include:

**21m @ 3.5 g/t Gold including 9m @ 6.4g/t Gold
11m @ 3.7 g/t Gold**

A full table of significant intercepts is presented in the attached Table 1.

The latest drill results confirm the up and down dip continuity of the multiple lodes at Western Queen South Prospect.

A 108,000 ounce resource has already been delineated at the prospect. The results from the diamond drilling together with the previously reported RC drilling results are expected to add to this resource.

Yours sincerely



Peter Jermyn
Chairman

This report, so far as it pertains to mineral resources and exploration results, is based on information compiled by and reported upon by Harjinder Kehal, who is a Member of the Australasian Institute of Mining and Metallurgy, and has more than five years experience in the field of activity being reported on.

Table 1. Significant Intercepts – Diamond Drilling

Hole ID	Azimuth	Dip	North	East	Depth From (m)	Depth To (m)	Interval (m)	Gold Grade g/t
WQSD001	126°	60°	38900	20675	189	209	21	3.5
				Including	189	196	7	2.1
				Including	201	209	9	6.4
					223	225	2	2.3
WQSD002	126°	60°	38825	20695	211	222	11	3.7
					229	235	6	2.5

Notes:

1. All gold analysis undertaken by 50gram Fire Assay
2. Samples collected over 1m intervals
3. Significant intercepts calculated using a nominal 1.0 g/t cut-off
4. No top cut has been applied