



17 March 2006

The Manager
Company Announcement Office
Level 4
20 Bridge Street
Sydney NSW 2000

ASX Release

PLACEMENT

AXG Mining Ltd (AXG) is pleased to announce that it has reached agreement with DJ Carmichael Pty Ltd to arrange a placement of 5,000,000 shares at 6.5 cents per share and 2,500,000 options at 1.0 cent each to raise a total of \$350,000. The placement is being done on a best endeavours basis and is on the terms and conditions approved by shareholders of AXG at the AGM held in November 2005 and issued in accordance with the ASX conditions waiver, as previously announced .

Roland Berzins
Company Secretary

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