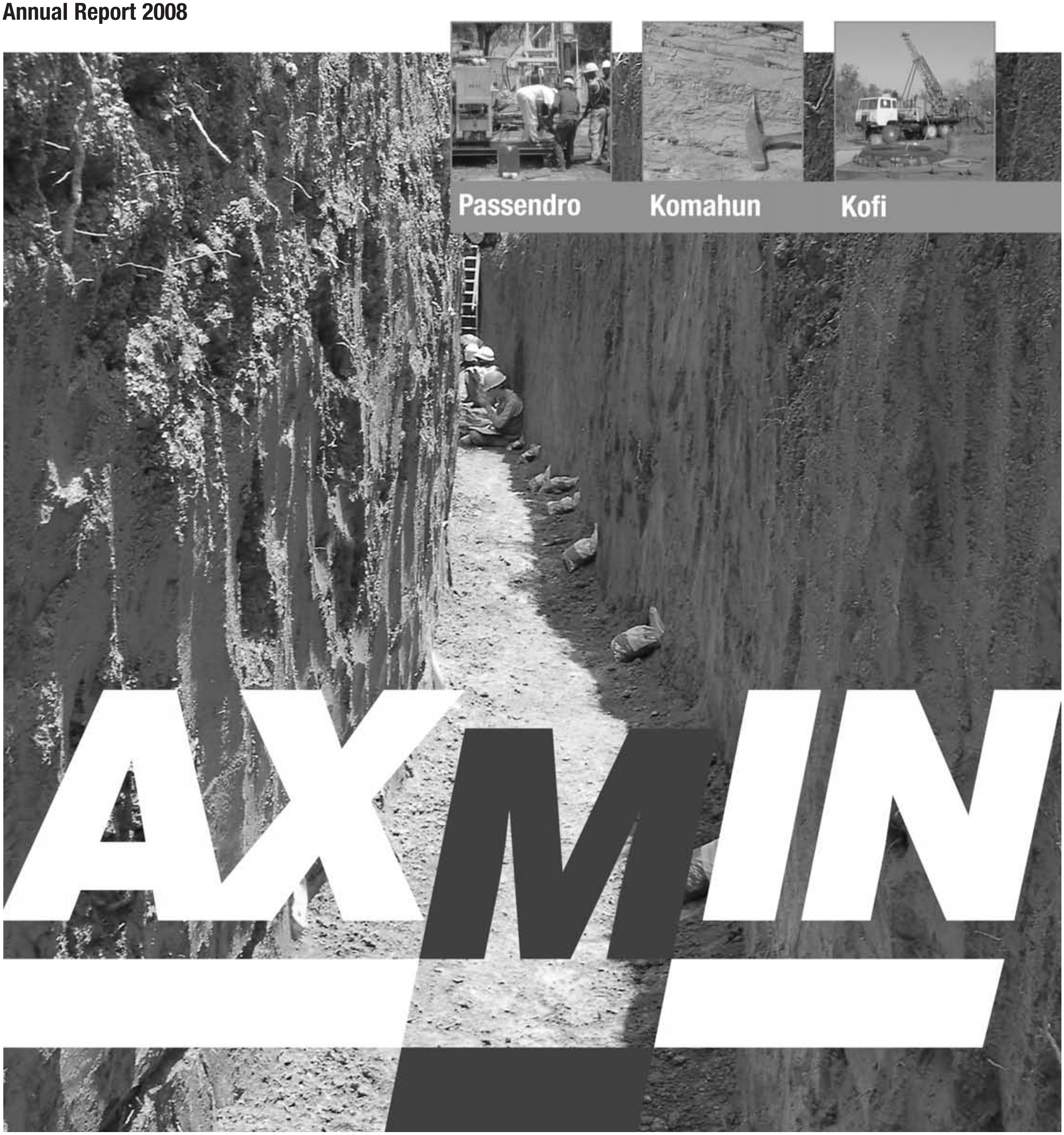
Positioned for Production

AXMIN

Annual Report 2008



Letter to Shareholders

We started 2008 with high expectations for AXMIN on the heels of announcing our positive Bankable Feasibility Study ("BFS") at the Passendro Gold Project, initiating the permitting process shortly thereafter. Little did we know, later that year the Company would be faced with one of the worst economic crisis since the Great Depression. Like our peers, we experienced a significant decline in our share price, which was further compounded by the uncertainty that the Government of the Central African Republic ("CAR") placed on the permitting process.

As of the writing of this letter, we have put into place measures to position the Company to get back on track, namely:

- We have kept our focus on ***controlling costs*** implementing a reduction of exploration and discretionary expenditures late last year to ensure corporate functionality during the current economic climate by preserving our cash.

- In light of the current economic climate the Company commissioned a ***reduced mining scenario*** study at Passendro, the results of which were announced in March 2009. By reducing the project throughput to an average of 1.3 million tonnes per annum (average 100,000 ounces per annum) the initial capital cost (excluding working capital of US$2.1 million) is reduced 35% to US$127 million, project payback remains at just over two years and the life of the project nearly doubles to 11.5 years. The study concludes that the re-configured project remains economically robust and forms an attractive option to that described in the BFS.

- We are ***progressing permitting negotiations*** with the government of CAR in order to obtain all the necessary permits and mutually agreed adjustments to fiscal conditions allowing us to proceed with the timely development of the project. In November of 2008, an important milestone was achieved with the approval of the Environmental and Social Impact Assessment ("ESIA"), an essential component of the Mining Licence application process.

- We advanced our project pipeline moving the Komahun project to the next level with the announcement of a ***positive scoping study*** in March 2009. We were encouraged that the conservative baseline starting point indicates potential for development of an underground gold mine with target production levels of at least 50,000 ounces per annum. In addition, economics for the project could be substantially enhanced by future exploration success that could increase resources and mine life.

- In March this year, we ***engaged a strategic*** advisor to undertake a formal review of the options available to the Company. The review will encompass a thorough analysis and evaluation of the prospects and alternatives as the best means to enhance shareholder value.

Despite the current global financial turbulence and uncertainty concerning the timing of any potential recovery, we remain positive on the gold price and believe that it has only underscored gold's status as a safe haven; consider that it has been one of only a few investment classes which have gained in value this year. As 2009 unfolds, we believe that our multi-step program initiated over the past six months will allow AXMIN to benefit from this trend.

Lastly, we would like to thank all of our employees for their hard work during this difficult period, and we would also like to acknowledge our Board's consistent and diligent oversight of our strategy and the strong leadership it has provided. Also at this time we would like to thank Dr. Michael Martineau, one of the original AXMIN founders who will be stepping down from the Board this year, for his expert guidance over the years. We are pleased to welcome our new director, Francois Jaclot and look forward to his future contributions to the Board.

We thank you for your patience and continued support as we work towards returning value to you, our shareholders.

"Signed"	*"Signed"*
Jean Claude Gandur Chairman & Director	**Mario Caron** President, Chief Executive Officer & Director

April 24, 2009

Overview of Operations

Operational Highlights - 2008 & 1Q 2009

Exploration and Development

Central African Republic - Passendro Gold Project

- March 2009 - Reduced scale study (100,000 ounces per annum) forms attractive alternative to BFS in current economic climate
- November 2008 - ESIA approval from CAR Government, another essential component of the Mining Licence application
- April 2008 - Bankable Feasibility Study demonstrates robust economics at 200,000 ounces per annum with 2.5 year payback
- March 2008 - Resource update includes a 17% increase in measured and indicated resource ounces

Sierra Leone - Komahun Gold Project

- March 2009 - Positive Scoping Study demonstrates potential for at least 50,000 ounces per annum in underground mine
- September 2008 - Mineral resource update includes a significant increase in mineral resource ounces and grade

Mali - Kofi Gold Project

- July 2008 - Resource and exploration drilling intersects high grades at Kofi SW Zone C and Betea; new targets outlined
- March 2008 - Metallurgical testing indicates a 91% recovery for all ore types

Other Projects

- November 2008 - Mineral Deposits Limited agrees to spend US$2.5 million on AXMIN's Senegal Permits to earn a 51% interest
- July 2008 - AXMIN sells its interest in Cape Three Points licences, Ghana for 3.0 million shares in Noble Resources Limited and a 1.5% royalty

Global Resources / Reserve

Category/Project	Tonnes *(Mt)*	Grade *(g/t Au)*	Gold Content *(oz Au)*	Stage
Passendro - CAR				
Indicated	23.2	2.4	1,795,000	Permitting
Inferred	`16.7	1.9	1,009,000	
Proven [1]	1.8	2.6	150,591	
Probable [1]	14.9	2.4	1,126,006	
Komahun - SL				
Indicated	0.4	9.1	110,000	Scoping
Inferred	3.1	4.3	435,000	Study
Kofi - Mali				
Indicated	3.6	2.5	293,000	Resource
Inferred	5.3	2.2	368,000	Definition
Total				
Indicated	**27.2**	**2.5**	**2,198,000**	
Inferred	**25.1**	**1.9**	**1,812,000**	
Reserve [1]	**16.8**	**2.4**	**1,276,597**	

All resources & reserve are NI 43-101 compliant; Based on 100% ownership

1 Proven & Probable reserve included in the Measured & Indicated resources

Passendro Gold Project - CAR

A positive BFS for the Passendro Gold Project (“Passendro”) was delivered in April 2008 following extensive work programs that commenced in late 2006, and completed early in 2008. The study demonstrates that Passendro is economically very robust at a gold price of US$750/oz with an initial mine life of 5.9 years at a throughput rate of 3 million tonnes per annum (“mtpa”) producing an average of 223,000 ounces per annum for the first three years, and 203,000 ounces per annum over the life of mine. The average cash cost for the first three years is US$343/oz Au and the life of mine average is US$379/oz Au (including royalties and taxes).

The BFS was based on an in-situ mineral resource estimate that was released in March 2008 and consists of drilling completed to the end of June 2007, at which time the database was handed to independent consultants SRK Consulting (UK) Ltd. (“SRK”). SRK undertook geological modelling and resource estimation of the seven gold mineralised deposits that together comprise Passendro, namely Main Zone, French Camp, Katsia, Bacanga Head, Baceta, Barbacoa and Ngetepe. The work demonstrated a 17% increase in measured and indicated resources over that of the estimate used in the 2006 pre-feasibility study. The Company also announced the Mining Reserve estimate, prepared by SRK, which was calculated on seven discrete engineered pits optimized at a gold price of US$650 per ounce, using the Whittle process.

Shortly thereafter, AXMIN submitted both the BFS and the draft ESIA to the CAR government initiating the permitting process. During the negotiations the government indicated a desire to review some of the conditions of the Mining Convention that was agreed upon and signed on January 27, 2006. It is understood that this request coincides with the modernisation of the CAR’s mining code with the assistance of the World Bank. In November 2008, the Company received the ESIA approval, a major milestone in the permitting process and an essential component of the Mining Licence application, which is ongoing.

Late in 2008 the Company considered it prudent to re-evaluate the Passendro project on a reduced scale scenario given the current economic climate, the results were announced in March 2009. By reducing the project throughput to an average of about 1.3 mtpa (average 100,000 oz, per annum) the initial capital cost (excluding working capital of US$2.1 million) is reduced by some 35% to US$127 million, project payback remains at just over two years and the life of the project nearly doubles to 11.5 years. Meanwhile the total cash operating cost increases by approximately 14% to US$431/oz, while Net Present Value (“NPV”, 5% discount rate) and Internal Rate of Return (“IRR”) at a US$750/oz gold price remain very attractive at US$135 million and 27% respectively. At US$900/oz the NPV and IRR increase to US$244 million and 41% respectively.

Highlights of both studies are featured below, it is concluded that the re-configured project forms an attractive option to that described in the BFS and as such AXMIN will consider accordingly.

	April 2008 (BFS)	March 2009 (Study)
Mine Throughput	3 mtpa	1.3 mtpa
Mine Life	5.9 years	11.5 years
Development & Construction	24 months	12 months*
Strip Ratio	8.4:1	7.5:1
Average Annual Gold Production (Life of Mine)	203,000 ozs	100,000 ozs
Base Case US$750/oz Au & US$80/bbl oil		
Total Capital Cost	US$196 million	US$127 million
Cash Operating Costs (including royalties)	US$379/oz Au	US$431/oz Au
IRR (after tax & royalties)	29.4%	26.7%
NPV (after tax, 5% discount)	US$164 million	US$135 million
Payback Period	2.2 years	2.3 years
Average Metallurgical Recovery	94%	94%
Gravity Recovery	40%	40%

Note: Financial analysis is based on 100% ownership

* 12 month construction timeline includes soft start

The Company is completing a National Instrument 43-101 mineral resource update at Passendro during the second quarter of 2009. This update will integrate the drilling completed subsequent to the mineral resource estimate that was used in the BFS, and includes some 16,500 metres of core, of which nearly 14,000 metres was completed along the 4.5 km long Main Zone structure. The results and interpretation from the drilling suggests that the indicated resources could increase and may importantly simplify subsequent pit designs.

An increase in Indicated Resource could lead to better economics, giving potential for an increase in mine life, or production, or profile and as such an addendum to the BFS incorporating the resource update and the reduced throughput scenario would be undertaken as soon as the Mining Licence is awarded.

Komahun Gold Project - Sierra Leone

In September 2008, the Company announced the updated mineral resource estimate at the Komahun Gold Project ("Komahun") that utilized all drilling from 2007 and first half of 2008. The increase in both global resources and in particular the grade at Komahun indicated that the project had the potential for future development as an underground mining operation and as such the Company initiated a Scoping Study.

In March 2009, AXMIN announced the positive results of the Scoping Study ("Study") that used a base case of a 6 year, 350,000 tonne per annum ("tpa") throughput (50,000 ounces per annum production profile), with a gold price of US$750/oz, and utilising the existing indicated and inferred mineral resources. The Study indicates that at a gold price of US$750/oz, the project has a NPV at a 5% discount rate of US$11 million and at US$900/oz gold the NPV figure increases substantially to US$48 million. This does not take into consideration the positive impact on NPV that resource increases will have on the project economics and mine life. The Scoping Study's main objective was to facilitate exploration planning, while project sensitivities were completed to provide guidance on the upside potential in the event of resource expansion from exploration below the current resource level. Highlights of the Study are presented below.

Base case US$750/oz Au

Mine Throughput	350,000 tpa
Mine Life	6 years
Capital Cost	US$69 million
Cash Operating Cost (including royalties)	US$459/oz Au
Average Annual Gold Production (Life of Mine)	50,000 ozs

	NPV (after tax, 5% discount rate)	**IRR** (after tax & royalties)
US$750/oz Au	US$11 million	10%
US$900/oz Au	US$48 million	25%

Note: All financial analysis is based on 100% ownership

Kofi Gold Project - Mali

The Company's infill and resource delineation drilling during the first half of 2008 was successful in delineating higher grade structures at both the Kofi SW Structure and Betea zones and it is expected that the results will have a positive impact on the projects resource prospects. In particular, the drilling succeeded in demonstrating that gold mineralisation in the Kofi SW Zone C continues to identify high grades over impressive widths in addition to discovering additional parallel blind zones at depth, which is similar to the neighbouring Loulo mine of Randgold Resources. Highlights include:

Kofi SW Zone C

- Selective infill RC drilling further strengthens the geological model, assays include 6.0 g/t Au over 28 metres, 4.8 g/t Au over 34 metres, 5.3 g/t Au over 14 metres and 3.4 g/t Au over 20 metres
- Exploration identifies a new zone, 2 km west of Zone C, the zone has potential strike length of over 500 metres, with drill results including 3.6 g/t Au over 19 metres

Kofi SW Zone A

- Selective infill and extension drilling (3 RC holes) completed, results include 5.3 g/t Au over 7 metres

Betea

- Infill RC drilling includes 3.2 g/t Au over 30 metres, 22.4 g/t Au over 8 metres and 2.2 g/t Au over 12 metres
- Gold mineralised lenses have been traced for 2,600 metres strike length; drilling identifies new zone 400 metres northwest of Beata with a potential 600 metre strike length

In addition, the Company announced the results of preliminary metallurgical testwork which indicated gold recoveries averaging 91% for the oxide, transition and sulphide mineralisation at Kofi. Metallurgical samples were taken from core samples at three resource centres, Kofi SW Zones B, C and Betea which account for the majority of the current mineral resources at the project.

For a comprehensive description of the properties in which the Company holds interests refer to the disclosures in note 4 of the Company's consolidated financial statements for the year ended December 31, 2008. For additional information filed by the Company with the provincial securities regulatory authorities in Canada you can go to the SEDAR website at www.sedar.com or the Company's website at www.axmininc.com.

Management's Discussion and Analysis

This Management's Discussion and Analysis ("MD&A") provides a discussion and analysis of the financial condition and results of operations to enable a reader to assess material changes in the financial condition and results of operations as at and for the years ended December 31, 2008 and 2007. The MD&A should be read in conjunction with the audited consolidated financial statements and notes thereto ("Statements") of AXMIN Inc. ("AXMIN" or the "Company") as at and for the year ended December 31, 2008, as well as the audited Statements of the Company as at and for the year ended December 31, 2007 including notes thereto. The Company's Consolidated Financial Statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles ("Canadian GAAP").

All amounts included in the MD&A are in thousands of United States dollars, unless otherwise specified. This report is dated as of April 21, 2009. Readers are encouraged to read the Company's other public filings, which can be reviewed on the SEDAR website (www.sedar.com).

Overview

AXMIN Inc. ("AXMIN", the "Company") is an international mineral exploration and development company with an exploration portfolio in the mineral belts of central and west Africa. The Company's mineral properties include various permits in the countries of Central African Republic (the "CAR"), Sierra Leone, Mali and Senegal. A significant portion of the Company's exploration and development costs relate to its Passendro Gold Project (the "Passendro") situated on a portion of the Bambari property in the CAR. The Company holds its interest in this property through its wholly owned CAR registered subsidiary, Aurafrique S.A.R.L. ("Aurafrique"), which holds prospecting and exploration permits for the property.

The Company is currently in the process of obtaining the required permits, licences and state approvals for Passendro.

Exploration and Development Properties

AXMIN has interests in the following mineral exploration properties as noted below:

- CAR: the Bambari, Bakala, Bogoin II and Pouloubou exploration permits;
- Sierra Leone: the Nimini Hills, Gori Hills, Makong and Matotaka exploration permits;
- Mali: the Kofi North, Netekoto-Kenieti, Walia West, Walia and Kenieti-Dianisse exploration permits (collectively referred to as the "Kofi Gold Project"); and
- Senegal: the Sonkounkou, Sabodala NW and Heremakono exploration permits (collectively referred to as the "Senegal Permits").

CAR - Passendro Gold Project

On March 17, 2009, in light of current project finance and economic conditions, the Company announced the results of a Study which considered a reduced production profile at Passendro. The Study proposes that the re-configured project produces similar economics at a lower capital cost compared to the Bankable Feasibility Study ("BFS") that was announced in April 2008. By reducing the scale of the project to 1.3 million tonnes per annum ("tpa"), this Study noted the following:

	Study, March 2009	BFS, April 2008	Change
Initial capital cost (US$ Millions)	**127**	196	(69)
Capital cost (US$/oz)	**151**	183	(32)
Average annual gold production (oz)	**100,000**	203,000	(103,000)
Project payback (years)	**2.3**	2.2	(0.1)
Tonnes per annum	**1,300,000**	3,000,000	(1,700,000)
Mine Life (years)	**11.5**	5.9	5.6
Cash costs (including royalties)(US$/oz)	**431**	379	(52)
Based on $750/gold ounce			
Net Present Value ("NPV"), after tax, 5% discount (US$ Millions)	**135**	164	(29)
Internal Rate of Return ("IRR") (%)	**27**	29	(2)
Based on $900/gold ounce			
NPV (US$ Millions)	**244**	311	(67)
IRR (%)	**41**	47	(6)

On November 6, 2008, the Company announced that Aurafrique had received the "Certificat de Conformité" ("ESIA") from the Ministry of Water, Forests, Fishing and Hunting responsible for the Environment for Passendro. The Certificat de Conformité is renewable on an annual basis until such time as the Regulations for the new Environmental Code are adopted by the CAR Government. The approval of the ESIA is an essential component of the mining licence application.

On August 29, 2008, the Company was informed that an Amending Decree was published, amending Article 2 of the Bambari 1 and 2 permits located in the CAR. These permits were last renewed on June 29, 2007 and expire on June 29, 2010. Prior to the Amending Decree the Bambari 1 and 2 permits were valid for gold, silver, copper, nickel, lead, zinc and iron. The Amending Decree amends the mineral rights of these permits to gold only. Passendro is not affected by the Amending Decree. The government of CAR has not given a justification for the Amending Decree and the Company is pursuing its options in restoring the full rights of its permits.

On May 6, 2008, the Company announced that prior to the submission of the Mining Licence application for Passendro and during its ongoing discussions with the State of the CAR, the government has indicated its desire to review some of the conditions of the Mining Convention that was agreed upon and signed on January 27, 2006. It is understood that this request coincides with the modernisation of the CAR's mining code with the assistance of the World Bank. Amongst other things the State has indicated that it would be willing to consider exchanging its 10% free carried interest in the corporation which holds Passendro for cash consideration and an enhanced royalty. AXMIN is mindful of the need for the government to increase its revenue from the resource industry and is therefore willing to discuss proposals provided they are not detrimental to the economic viability of Passendro.

On April 2, 2008, the Company reported the results of its BFS for Passendro. The first three years of production provides an average annual production of 223,000 ounces with an average cash cost of US$343/oz. The base case, using a gold price of US$750 per ounce, gives an IRR of 29.4% and a NPV at a 5% discount of US$164 million. The BFS was led by SENET (PTY) Ltd. of South Africa and included a multidisciplinary team of independent consultants.

The highlights of the BFS are as follows:

Mine throughput		3 mtpa
Mine life (on current reserves)		5.9 years
Development and construction		24 months
Strip ratio		8.4:1
Average annual gold production	(life of mine)	203,000 ounces
Base Case Economics (US$750/oz Au)		
Total capital cost		US$196 million
Cash operating costs	(including royalties, and fuel costs based on an oil price of US$80 per barrel)	US$379/oz Au
IRR	(after tax and royalties)	29.4%
NPV	(after tax, 5% discount)	US$164 million
Payback period		2.2 years
Metallurgical recovery	(oxide, sulphide & transition)	94%
Gravity recovery		40%

Note: All financial analysis is based on 100% ownership

On March 27, 2008, the Company announced a revised mineral resource estimate at Passendro. The in-situ Mineral Resource estimate was prepared by independent consultants SRK Consulting (UK) Ltd. ("SRK") and is based on results from drilling up to June 2007 presenting a 17% increase in the measured and indicated resource, inferred mineral resources remained essentially unchanged. The estimates have been prepared under the guidelines of National Instrument 43-101 and accompanying documents 43-101.F1 and 43-101.CF.

Resource category	Tonnes *(million)*	Grade *(g/t Au)*	Contained gold *(oz)*
Measured	2.6	2.4	197,000
Indicated	20.6	2.4	1,598,000
Measured and Indicated	**23.2**	**2.4**	**1,795,000**
Inferred	**16.7**	**1.9**	**1,009,000**

The Mining Reserve estimate, prepared by SRK, was calculated on seven discrete engineered pits optimized at a gold price of US$650 per ounce using the whittle process utilizing current operating costs and royalties and pit slopes varying from 38 to 46 degrees. Contained within the engineered pits is an additional inferred resource of 1.04 Mt grading 2.12 g/t Au containing 71,000 ounces of gold, with additional work it is expected that these resources will be added to the overall reserves.

Reserve category	Tonnes *(million)*	Grade *(g/t Au)*	Contained gold *(oz)*
Proven	1.83	2.56	150,591
Probable	14.94	2.35	1,126,006
Total Reserve	**16.77**	**2.37**	**1,276,597**

Note: Proven and probable reserve is derived from measured and indicated resources

At December 31, 2008, due to the decline in the business climate, the limitations of raising capital in the markets and the uncertainty of the recoverability of exploration and development costs associated with the Bogoin II, Pouloubou and other ancillary properties, $1,019 of these costs were written down. These projects are not directly related to the Passendro project and retain their own individual licences that are currently in good standing. The ability of the Company to raise capital in the near future will in all likelihood, dictate the decision to pursue these properties.

Sierra Leone - Komahun Gold Project
On March 12, 2009, the Company announced the results of a Preliminary Economic Assessment or Scoping Study (the "Scoping Study") for its Komahun Gold Project ("Komahun"), Nimini Hills Joint Venture located in east-central Sierra Leone. The Scoping Study demonstrated that the Komahun has potential for development as an underground gold mine with target production levels of about 50,000 ounces per annum, with an estimated 6 year mine life. In addition, economics for the project could be substantially enhanced by future exploration success that is targeting the immediate vertical extensions to the orebody which remain open beyond the currently known depth of 350 metres beneath surface.

The Scoping Study indicates that at a gold price of US$750/oz, Komahun has a NPV of US$11 million (at a 5% discount rate) and at US$900/oz gold the NPV figure increases substantially to US$48 million. This does not take into consideration the positive impact on NPV that resource increases will have on the project. The Scoping Study (+/-25 to 30% contingency) has provided guidance for planned exploration that justifies expansion of drill testing to depths of approximately 500 metres beneath surface with the objective of increasing resources and mine life.

On September 18, 2008, the Company reported a significant increase in mineral resource ounces and grade at Komahun. The mineral resource estimate has utilized all drilling to date totalling 168 core holes, for a total of 22,370 metres. The bulk of the resource lies within the central 300 metres strike length of the Komahun structure where modelling has been taken to depths of up to 400 metres from surface. Preliminary metallurgical testwork on the sulphide and oxide mineralization suggests that recovery levels in excess of 90% may be achievable.

The in situ mineral resource estimate at a plus 1.8 g/t Au cut off was undertaken by SRK using robust three dimensional interpretations with grade interpolation carried out using Ordinary Kriging. The cut off grade reflects modelling parameters suitable for underground mining. The estimates have been prepared under the guidelines of National Instrument 43-101 and accompanying documents 43-101.F1 and 43-101.CP.

Category	Tonnes *(million)*	Grade *(g/t Au)*	Contained gold *(oz)*
Indicated Mineral Resource	0.37	9.1	110,000
Inferred Mineral Resource	3.10	4.3	435,000

Komahun lies within the Nimini Hills licences which are held under a joint venture agreement with AFCAN Barbados Limited, a subsidiary of Eldorado Gold Corporation (ELD-TSX; EGO-ASX). Under the terms of the joint venture, Eldorado has elected not to participate in ongoing exploration expenditures. As a consequence AXMIN may increase its level of ownership in the project from 60% to 80% by completing a bankable feasibility study.

Mali - Kofi Gold Project
On July 23 and May 1, 2008, the Company announced exploration results from its ongoing resource definition and exploration drilling program at its Kofi Gold Project in Mali. High grade intersections were reported at both Kofi SW Zone C including 6.0 g/t Au over 27.6 metres, 4.0 g/t Au over 20 metres, 3.4 g/t Au over 19.5 metres and 3.0 g/t Au over 12.9 metres and Betea prospect including 3.2 g/t Au over 30 metres and 22.4 g/t Au over 8 metres. In addition, reconnaissance drilling has discovered a parallel new structure to the west of Zone C and at a vertical depth of between 130-250 metres results of which include 1.5 g/t Au over 13.0 metres. This new structure could represent the first indications of a separate lens of similar style to that of the Zone C and further drilling is planned to better understand the geometry.

On March 5, 2008, the Company announced preliminary metallurgical results for all potential ore types (sulphide, oxide and transition) at the Kofi Gold Project. Metallurgical samples taken from core samples at Kofi SW Zone C and B and Betea prospects averaged 91% recovery.

At year end, as part of its ongoing assessment of evaluating the carrying value of its mineral properties, the Company assessed an impairment charge of US$2.5 million on the Mali asset. Since no scoping study has been completed at this time, the fair value methods used to determine the valuation included: cost per oz compared to peers and recent acquisitions in the junior mining industry. Management believes that the Kofi Gold Project remains an asset of prime importance to AXMIN's project pipeline.

Senegal Permits

On November 3, 2008, the Company concluded a joint venture with Sabodala Mining Company SARL, a wholly owned subsidiary of Mineral Deposits Limited ("MDL") whereby MDL may earn a 51% interest in AXMIN's wholly owned gold exploration permits, Sounkounko, Heremokono and Sabodala NW located in the Birimian belt of Eastern Senegal.

The terms of the joint venture with MDL include:

(a) MDL must spend a total of US$2.5 million over three years to earn a 51% interest in each permit, with a minimum expenditure of US$0.5 million in year one, US$0.8 million in year two and US$1.2 million in year three. There is a minimum expenditure of US$0.8 million before it may contemplate withdrawing from the JV.

(b) Following earn-in, AXMIN may elect to maintain its 49% interest by funding future expenditure on a pro-rata basis, or it may elect to dilute further to 20% in return for MDL spending a further US$3.5 million over an additional three year period. At this stage AXMIN may elect to participate or transfer its residual interest to MDL in return for a 1.5% royalty.

The Company had previously entered into a joint venture with Harmony Gold Mining Company Limited ("Harmony"). As of November 30, 2007, Harmony had spent US$1.5 million and due to a change in exploration strategy, decided to terminate the project. Pursuant to the joint venture agreement, Harmony did not retain any interest in the permit and all permit rights were returned to the Company. Due to the uncertainty of the recoverability of exploration and development costs, $354 was written off in 2008. Subsequent expenditures of $188 associated with MDL's joint venture agreement have been capitalized.

Ghana

Effective June 27, 2008, AXMIN transferred its entire interest in the Cape Three Points property in Ghana to Noble Mineral Resources Limited ("Noble") for proceeds of 3,000,000 common shares, representing 2.17% of the total issued common shares of Noble. In addition, AXMIN retains a 1.5% royalty on any future gross smelter returns from ore mined from the Cape Three Points Licence area. This transaction was part of Noble's IPO on the Australian Securities Exchange ("ASX") which was priced at A$0.20 per common share and shares started trading on June 27, 2008. In accordance with the regulations of the ASX the common shares of Noble held by AXMIN are subject to a 24 months escrow period commencing on June 27, 2008. A gain of $575 was recognized on receipt of the shares. Subsequently, these shares were written down to reflect the fair value.

For a fuller description of the above properties and any other properties in which the Company holds interests refer to the disclosures in note 4 of the Company's audited consolidated financial statements for the year ended December 31, 2008 and other filings made on the SEDAR website (www.sedar.com).

Outlook

The Company recently announced a reduced scale Study of Passendro's BFS, which suggested similar economics at a lower capital cost. The Company continues to progress its negotiations with the government of CAR in order to obtain all the necessary permits including the Mining Licence and any mutually agreed adjustments to fiscal conditions such that the Company may proceed with the development of the project. An important milestone was achieved with the approval of the ESIA which is a major component of the Mining Licence application. In parallel, the Company is continuing its efforts to ensure that all of its rights are recognized with respect to the Bambari 1 and 2 exploration permits, the mining area that will include the Topa Iron Project.

On March 19, 2009, the Company announced that it has decided to undertake a formal review of the Company's strategic alternatives to enhance shareholder value. As such, the Company has retained Paradigm Capital Inc. to provide advice. In addition, at year end the Company implemented a reduction of exploration and marketing expenditure to preserve corporate functionality during Passendro's licence negotiation process and until the current global market conditions stabilize.

Results of Operations

The results of operations are summarized in the following tables which have been prepared in accordance with Canadian GAAP.

In thousands of US dollars, except per share amounts	**2008 4th quarter**	**2008 3rd quarter**	**2008 2nd quarter**	**2008 1st quarter**
Statements of operations and deficit				
Net loss for the period	(4,760)	(1,153)	(1,372)	(1,334)
Net loss per share	(0.0170)	(0.0047)	(0.0061)	(0.0053)
Balance sheets				
Working capital	1,228	1,147	5,852	1,129
Total assets	85,461	87,298	89,458	78,702
Statements of cash flows				
Investments in exploration and development	(2,066)	(3,739)	(6,345)	(7,234)
Cash flow from financing activities	3,213	–	11,866	796

	2007 4th quarter	2007 3rd quarter	2007 2nd quarter	2007 1st quarter
Statements of operations and deficit				
Net (loss) profit for the period	(4,309)	(794)	220	(1,047)
Net (loss) profit per share	(0.0201)	(0.0037)	0.0010	(0.0049)
Balance sheets				
Working capital	8,264	17,077	23,669	28,958
Total assets	79,216	80,899	81,277	80,337
Statements of cash flows				
Investments in exploration and development	(7,659)	(6,274)	(6,037)	(5,203)
Cash inflow from financing activities	649	–	14	693

Year ended December 31, 2008

The net loss for the year ended December 31, 2008 was US$8.6 million compared to US$5.9 million in 2007, an increase of US$2.7 million. This increase is explained by an increase in administration expenses and a drop in interest income as the Company's average cash balance was significantly lower in 2008 compared to 2007. This decrease in interest income is offset by decreases in stock compensation expense.

Administration expenses in 2008 were US$3.1 million compared to US$2.1 million in 2007. The principal reason for this increase was the expensing of one-time termination costs from the Company's reduction of exploration personnel, the establishment of a corporate office in Toronto and the addition of Toronto-based executive officers.

A review of the carrying values of the Company's exploration and development property assets led to a write-down of US$3.9 million in 2008 compared to US$3.5 million in 2007. The write-down of exploration and development costs reflects the Company's policy of continually assessing the economic viability of its projects and where necessary, writing them down to their fair value.

There were no revenues in either period as the Company did not have any operations in production.

During the year ended December 31, 2008, the Company capitalized exploration and development for a total of US$19.4 million (of which US$12.7 million related to the Bambari-Bakala Permits) compared to US$26.6 million (of which US$18.5 million related to the Bambari-Bakala Permits) during the year ended December 31, 2007. As at December 31, 2008 the Company's cumulative capitalized carrying value of exploration and development expenditures was US$83.2 million compared to the December 31, 2007 balance of US$67.7 million.

Liquidity and Capital Resources

The recent financial crisis has rendered the task of obtaining project financing a difficult one. Management has been informed by its various advisors in the investment banking sector that project financing may be difficult, which in turn, could cause delays in the ramp up of Passendro. Management has reviewed and modified all expenditure programs in order to narrow the Company's focus and preserve resources.

The Company's main sources of funding are equity markets, outstanding options and its cash balances. As at December 31, 2008, the Company had cash resources of US$2.0 million compared to the December 31, 2007 balance of US$11.1 million. All of these amounts are retained as cash on deposit, thus minimizing the credit risk. The decrease in cash resources is mostly due to investments in exploration and development.

On April 21, 2009, the Company announced it had closed a non-brokered private placement with its major shareholder, AOG, of 25,000,000 Units at a price of C$0.10 per unit for total gross proceeds of $US2.0 million. Each Unit consists of one common share plus one common share purchase warrant. Each whole common share purchase warrant entitles the holder to purchase one additional common share of AXMIN at a price of C$0.14 expiring on April 21, 2012.

During the year ended December 31 2008, 900,000 stock options were exercised at Cdn$0.71 each and 200,000 stock options were exercised at Cdn$0.74 each, for total proceeds of US$0.8 million, and as a result the Company issued 1,100,000 common shares of the Company to the stock option holders.

On November 7, 2008, the Company announced a non-brokered private placement of up to 26,666,667 Units in the Company at a price of Cdn$0.15 per unit, for total proceeds of up to C$4 million (US$3.2 million). Each Unit consists of one common share plus one common share purchase warrant, which entitles the holder to purchase one additional common share of the Company at a price of Cdn$0.20 for a period of twenty four months following the close of the Placement. Common shares acquired under the Placement are subject to a four month hold period from the date of closing of the Placement.

During June 2008, AXMIN closed a non-brokered private placement totalling 30,000,000 Units at a price of Cdn$0.40 per Unit, total proceeds of C$12 million (US$11.8 million). Each Unit consists of one common share plus one-half of one common share purchase warrant. Each whole common share purchase warrant entitles the holder to purchase one additional common share of AXMIN at a price of Cdn$0.57 expiring 24 months after the date of closing of each tranche. Securities acquired under the placement are subject to a four-month hold period.

Post completion of the above placements, AOG held 146,674,904 common shares in the Company plus 59,066,667 common share purchase warrants in the Company, representing approximately 49.3% of AXMIN's issued and outstanding common shares.

As at December 31, 2008, the Company had working capital of US$1.2 million compared to the December 31, 2007 amount of US$8.3 million. The decrease in working capital in 2008 mostly relates to the investment in exploration and development, decrease in trade payables and the loss for the period.

Contractual Obligations

The Company has entered into agreements to lease premises for various periods until October 31, 2013. The annual rent of premises consist of minimum rent plus realty taxes, maintenance and utilities.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Related Parties

During the years ended December 31, 2008 and 2007, the Company received:

(a) $192 (2007: $43) in legal services provided by a partnership related to a director of the Company, of which $47 was related to the share offerings of the Company. At December 31, 2008, $29 (2007 - $15) was due to this partnership.

(b) $57 (2007: $57) in management services from a company related to the Chairman of the Company. At December 31, 2008, $57 (2007: $57) was due to this company.

International Financial Reporting Standards

In February 2008, the Canadian Accounting Standards Board (AcSB) confirmed that Canadian Generally Accepted Accounting ("GAAP") principles would cease for publicly accountable enterprises and the International Financial Reporting Standards ("IFRS") would become the new basis of accounting. The effective date of transition is January 1, 2011 whereby the Company plans to report its 2011 interim and annual financial statements under IFRS guidelines. The financial reporting in 2011 will also include the restatement of the 2010 figures in compliance with IFRS guidelines for comparative purposes.

Management has put into place a conversion plan that includes; i) education and awareness ii) identifying major differences between current Canadian GAAP and IFRS iii) impact on systems and processes. At the date of this report, the education and awareness phase is completed while the other segments of the plan are at the early stages. The impact of the changeover from Canadian GAAP to IFRS cannot be reasonably estimated at this time.

Risk Factors

Due to the nature of the Company's business and present stage of exploration and development of its mineral properties, the Company is subject to various financial, operational and political risks.

The risks and uncertainties described below are those the Company currently believes to be material but they are not the only ones faced by the Company. If any of the following risks, or any other risks and uncertainties that the Company has not yet identified or that it currently considers not to be material, actually occur or become material risks, the Company's business, prospects, financial condition, results of operations and cash flows could be materially and adversely affected.

Mining Industry

The exploration for and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of a mineral deposit may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration programs planned by the Company or its joint venture partners will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices, which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot accurately be predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

Mining operations generally involve a high degree of risk. Such operations are subject to all the hazards and risks normally encountered in the exploration for, and development and production of gold, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas which may result in environmental pollution and consequent liability.

No Production Revenues; History of Losses

AXMIN does not currently operate a mine on any of its properties. There is no certainty that the expenditures made by AXMIN towards the search and evaluation of mineral deposits will result in discoveries of commercial quantities of ore.

To date, the Company has not recorded any revenues from mining operations nor has the Company commenced commercial production on any of its properties. There can be no assurance that significant additional losses will not occur in the near future or that the Company will be profitable in the future. The Company's operating expenses and capital expenditures may increase in subsequent years as consultants, personnel and equipment associated with advancing exploration, development and commercial production of its properties are added. The amounts and timing of expenditures will depend on the progress of ongoing exploration and development, the results of consultants' analysis and recommendations, the rate at which operating losses are incurred, the execution of any joint venture agreements with strategic partners, the Company's acquisition of additional properties and other factors, many of which are beyond the Company's control.

The Company does not expect to receive revenues from operations in the foreseeable future. The Company expects to continue to incur losses unless and until such time as its properties enter into commercial production and generate sufficient revenues to fund its continuing operations. The development of the Company's properties will require the commitment of substantial resources to conduct the time-consuming exploration and development of properties. There can be no assurance that the Company will generate any revenues or achieve profitability.

There can be no assurance that the Company's exploration programs will result in locating commercially exploitable mineral ores or that the Company's properties will be successfully developed. Further, there can be no assurance that the underlying assumed levels of expenses will prove to be accurate.

Uncertainty in the Estimation of Mineral Reserves and Resources

There is a degree of uncertainty to the calculation of mineral reserves and mineral resources and corresponding grades being mined or dedicated to future production. Until mineral reserves or mineral resources are actually mined and processed the quantity of mineral resources and mineral reserve grades must be considered as estimates only. In addition, the quantity of mineral reserves and mineral resources may vary depending on, among other things, metal prices. Any material change in quantity of mineral reserves, mineral resources, grade or stripping ratio may affect the economic viability of the properties. In addition, there can be no assurance that gold recoveries or other metal recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.

Fluctuation in gold and other base or precious metals prices, results of drilling, metallurgical testing and production and the evaluation of mine plans subsequent to the date of any estimate may require revision of such estimate. The volume and grade of reserves mined and processed and recovery rates may not be the same as currently anticipated. Any material reductions in estimates of mineral reserves and mineral resources, or of AXMIN's ability to extract these mineral reserves, could have a material adverse effect on AXMIN's results of operations and financial condition.

Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Nature of Mineral Exploration

Other than with respect to the properties that comprise Passendro in the CAR none of the properties in which AXMIN has an interest contain a known body of commercial ore. Passendro is situated on a portion of the Bambari property and is contained within the Bambari permits. The exploration and development of mineral deposits involve significant financial risks over a significant period of time which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which are explored are ultimately developed into producing mines. Major expenditures may be required to establish reserves by drilling and to construct mining and processing facilities at a site. It is impossible to ensure that the proposed exploration programs on the properties in which AXMIN has an interest will result in a profitable commercial mining operation.

AXMIN's exploration and, if such exploration is successful, development of its properties will be subject to all of the hazards and risks normally incident to gold exploration and development, any of which could result in damage to life or property, environmental damage and possible legal liability for any or all damage. AXMIN's activities may be subject to prolonged disruptions due to weather conditions, depending on the location of operations in which AXMIN has interests. Hazards, such as unusual or unexpected formations, rock bursts pressures, cave-ins, flooding or other conditions may be encountered in the drilling and removal of material. The nature of these risks is such that liabilities could exceed any insurance policy limits or could be excluded from any insurance coverage. There are also risks against which AXMIN could not insure or against which it may elect not to insure. The potential costs which could be associated with any liabilities not covered by insurance or in excess of insurance coverage or in compliance with applicable laws and regulations may cause substantial delays and require significant capital outlays.

Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as its size and grade, proximity to infrastructure, financing costs and governmental regulations, including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of gold and environmental protection. The effect of these factors cannot be accurately predicted, but the combination of these factors may result in AXMIN not receiving an adequate return on investment capital.

Uncertainty Relating to Inferred Mineral Resources
Inferred mineral resources cannot be converted into mineral reserves as the ability to assess geological continuity is not sufficient to demonstrate economic viability. Due to the uncertainty which may attach to inferred mineral resources, there is no assurance that inferred mineral resources will be upgraded to resources with sufficient geological continuity to constitute proven and probable mineral reserves as a result of continued exploration.

Joint Venture Strategy
AXMIN's business strategy includes continuing to seek new joint venture opportunities. In pursuit of such opportunities, AXMIN may fail to select appropriate joint venture partners or negotiate acceptable arrangements, including arrangements to finance such opportunities or, where necessary, integrate the acquired businesses and their personnel into AXMIN's operations. AXMIN cannot assure that it can complete any business arrangement that it pursues, or is pursuing, on favourable terms, or that any business arrangements completed will ultimately benefit AXMIN's business.

Additional Funding Requirements
If AXMIN's exploration and feasibility programs are successful, additional funds over and above those currently held by the Company will be required for further exploration to prove economic orebodies and to bring such orebodies to production. The further exploration and development of AXMIN's properties will depend upon AXMIN's ability to obtain financing through the joint venturing of projects, equity financing, debt financing or other means. There is no assurance that AXMIN will be successful in obtaining the required financing or obtaining such financing on acceptable terms. The location of AXMIN's properties in developing countries may make it more difficult for AXMIN to obtain debt financing from senior lenders. Failure to obtain additional financing on a timely basis or on acceptable terms could have a material adverse effect on AXMIN's financial condition, results of operations and liquidity and could cause AXMIN to forfeit all or parts of its interest in some or all of its properties or joint ventures and reduce or terminate its operations.

Necessary Personnel and Equipment May Not Be Available
Due to market conditions, the availability, timeliness of such availability and cost of suitable personnel and equipment with which AXMIN requires to carry on its business currently and is reasonably expected to require to carry on its business in the future is uncertain. There is no certainty that such personnel and equipment will be available in a timely fashion, if at all, and that the costs of such personnel and equipment will not be prohibitively expensive.

Political Risk
AXMIN currently conducts its exploration activities in the African countries of the CAR, Mali, Sierra Leone and Senegal. A significant portion of the Company's mineral properties are located in the CAR and as such the success of the Company will be influenced by a number of factors including the legal and political risks associated with that country. There have been recent news reports of a deteriorated security situation in the north-eastern sector of the CAR. To date, AXMIN's operations have not been materially affected by these activities. The Company's management is continuing to monitor this situation.

There is no assurance that future political and economic conditions in the CAR, Mali, Sierra Leone, and Senegal will not result in their respective governments adopting different policies respecting foreign development and ownership of mineral resources. Any such changes in policy may result in changes in laws affecting ownership of assets, mining policies, monetary policies, taxation, rates of exchange, environmental protection, labour relations, repatriation of income and return of capital, which may affect both AXMIN's ability to undertake exploration and development activities in respect of present and future properties in the manner currently contemplated, as well as its ability to continue to explore, develop and operate those properties in respect of which it has obtained exploration rights to date. The possibility that future governments of these and other African countries may adopt substantially different policies, which might extend to expropriation of assets, cannot be ruled out. The Company's projects may be subject to the effects of political changes, war and civil conflict, changes in government policy, lack of law enforcement and labour unrest and the creation of new laws. The effect of unrest and instability on political, social or economic conditions in the countries in which the Company carries on its business could result in the impairment of the exploration, development and mining operations at those projects. Any such changes are beyond the control of the Company and may adversely affect its business.

Insurance and Uninsured Risks

AXMIN's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to AXMIN's properties or the properties of others, delays in development or mining, monetary losses and possible legal liability.

Although AXMIN maintains insurance to protect against certain risks in such amounts as it considers reasonable, its insurance will not cover all the potential risks associated with its operations. AXMIN may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to AXMIN or to other companies in the mining industry on acceptable terms. AXMIN might also become subject to liability for pollution or other hazards which may not be insured against or which AXMIN may elect not to insure against because of premium costs or other reasons. Losses from these events may cause AXMIN to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Government Regulation

AXMIN's mineral exploration and planned development activities are subject to various laws governing prospecting, mining, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters. Although AXMIN's exploration and development activities are currently carried out in material compliance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development.

Many of the mineral rights and interests of AXMIN are subject to government approvals, licences and permits. Such approvals, licences and permits are, as a practical matter, subject to the discretion of the applicable governments or governmental officials. No assurance can be given that AXMIN will be successful in maintaining any or all of the various approvals, licences and permits in full force and effect without modification or revocation. To the extent such approvals are required and not obtained AXMIN may be curtailed or prohibited from continuing or proceeding with planned exploration or development of mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws and regulations governing operations or more stringent implementation thereof could have a substantial adverse impact on AXMIN and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Contractual Arrangements
AXMIN has entered into and may in the future enter into, contractual arrangements to acquire interests in mineral resource properties with governments or governmental agencies which contain time-sensitive performance requirements. The foundation of certain of these agreements may be based on recent political conditions and legislation and not supported by precedent or custom. As such, the contractual arrangements may be subject to cancellation or unilateral modification. Furthermore, AXMIN will be dependent on the receipt of government approvals or permits to explore and develop its properties. Any change in government or legislation may affect the status of AXMIN's contractual arrangements or its ability to meet its contractual obligations and may result in the loss of its interests in mineral properties. In some cases, infrastructure has been put in place by AXMIN on the basis of verbal or preliminary governmental approval, which may or may not be confirmed by government order. In addition, there is a possibility that AXMIN's agreements with governments and governmental agencies or joint venture partners may be unenforceable against these parties.

Commodity Prices
The development and success of any project of the Company will be primarily dependent on the future price of gold and other metals. Commodity prices are subject to significant fluctuation and are affected by a number of factors which are beyond the control of the Company. Such factors include, but are not limited to, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, and political and economic conditions. The price of gold and other metals has fluctuated widely in recent years, and future price declines could cause any future development of and commercial production from the Company's properties to be impracticable. Depending on the price of gold and other metals, projected cash flow from planned mining operations may not be sufficient and the Company could be forced to discontinue any development and may lose its interest in, or may be forced to sell, some of its properties. Future production from the Company's mining properties is dependent on gold and other metal prices that are adequate to make these properties economic.

Furthermore, reserve calculations and life-of-mine plans using significantly lower gold and other metal prices could result in material write-downs of the Company's investment in mining properties and increased amortization, reclamation and closure charges.

In addition to adversely affecting the Company's possible future reserve estimates and its financial condition, declining commodity prices may impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Competition
The mineral exploration business is competitive in all of its phases. AXMIN competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources than AXMIN, in the search for and the acquisition of attractive mineral properties. AXMIN's ability to acquire properties in the future will depend not only on its ability to develop its present properties, but also in its ability to select and acquire suitable producing properties or prospects for mineral exploration or development.

There is no assurance that AXMIN will be able to compete successfully with others in acquiring such properties or prospects.

Currency Risk
AXMIN's costs are incurred in Canadian dollars, United States dollars, British pounds sterling, Euros and also in the currencies of the CAR, Mali, Sierra Leone and Senegal. There is no guarantee that these other currencies will be convertible into Canadian and United States dollars in the future and foreign currency fluctuations may adversely affect AXMIN's financial position and operating results. AXMIN currently does not undertake currency hedging activities.

Title Matters
Title to AXMIN's properties may be challenged or impugned. No assurances can be given that applicable governments will not revoke or significantly alter the conditions of the applicable exploration authorizations of AXMIN and that such exploration authorizations will not be challenged or impugned by third parties. While AXMIN has applied for rights to explore various properties and may also do so in the future, there is no certainty that such rights will be granted or granted on terms satisfactory to AXMIN. Local mining legislation of certain countries in which AXMIN operates requires AXMIN to grant to the government an interest in AXMIN's property rights. In addition, the properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects.

Conflict of Interest
Certain of AXMIN's directors are directors or officers of, or have significant shareholdings in, other mineral resource companies and, to the extent that such other companies may have participated in ventures in which AXMIN may participate, the directors of AXMIN may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. Such other companies may also compete with AXMIN for the acquisition of mineral property rights.

Repatriation of Earnings
Currently, there are no significant legal restrictions on the repatriation from the CAR, Mali, Sierra Leone, and Senegal of earnings to foreign entities with the exception of restrictions of legal capital (equity) until after dissolution. However, there can be no assurance that restrictions on repatriation of earnings from such countries will not be imposed in the future.

Management; Dependence on Key Personnel
Investors will be relying on the good faith, experience and judgment of AXMIN's management and advisors in supervising and providing for the effective management of the business and the operations of AXMIN and in selecting and developing new investment and expansion opportunities. AXMIN may need to recruit additional qualified personnel to supplement existing management. AXMIN is currently dependent on a relatively small number of key personnel, the loss of any one of whom could have an adverse effect on the Company.

Environmental Risks and Hazards
All phases of AXMIN's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect AXMIN's operations. Environmental hazards may exist on the properties on which AXMIN holds interests which are unknown to AXMIN at present and which have been caused by previous or existing owners or operators of the properties. Reclamation costs are uncertain and planned expenditures may differ from the actual expenditures required.

Enforceability of Civil Liabilities
Certain of AXMIN's directors and officers reside outside of Canada. All of the assets of such persons are, and substantially all of the properties of AXMIN are, located outside of Canada. It may not be possible for investors to effect service of process within Canada upon such persons and it may also not be possible to enforce against AXMIN and/or such persons judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable securities laws in Canada.

Concentration of Share Ownership
As at the date of this report, AOG holds approximately 49.3% of the common shares issued by the Company. AOG is able to exercise significant influence over all matters requiring shareholder approval, including the election of directors and approval of significant corporate transactions. AOG's shareholding excludes shares in AXMIN held by the Company's Chairman, Jean Claude Gandur, who is a senior officer and director of an affiliate of AOG.

Future Sales of Shares by Existing Shareholders
Sales of a large number of common shares of the Company in the public markets, or the potential for such sales, could decrease the trading price of the common shares of the Company and could impair AXMIN's ability to raise capital through future sales of common shares of the Company.

Estimation of Asset Carrying Values
The Company undertakes a periodic evaluation of its portfolio of exploration projects and other assets. The recoverability of the Company's carrying values of its properties are assessed by comparing carrying values to estimated future net cash flows from each property.

Factors which may affect carrying values include, but are not limited to, metal and reagent prices, capital cost estimates, mining, processing and other operating costs, grade and metallurgical characteristics of ore, mine design and timing of production. In the event of a prolonged period of depressed metal prices the Company may be required to take additional material write-downs of its exploration and development properties.

Health Issues
HIV/AIDS, malaria and other diseases represent a serious threat to maintaining a skilled workforce in the mining industry of central and west Africa. As such, HIV/AIDS is a major healthcare challenge faced by AXMIN's operations. There can be no assurance that AXMIN will not incur the loss of its contractors, members of its workforce or workforce hours or incur increased medical costs, which may have a material adverse effect on AXMIN's operations.

Increased Labour Costs
Wages and related labour costs account for a large portion of AXMIN's costs. Accordingly, AXMIN's costs may be materially affected by increases in wages and related labour costs.

Compliance with Health and Safety Regulations
AXMIN operates in the mining industry, which is a hazardous industry. While management believes that AXMIN is in material compliance with all health and safety regulations, the adoption and enforcement of more stringent regulations in the future could adversely affect operational flexibility and costs.

Requirement for Permits and Licences
The operations of AXMIN require licences, permits and in some cases renewals of existing licences and permits from various governmental authorities. Management believes that AXMIN currently holds or has applied for all necessary licences and permits to carry on the activities that it is currently conducting under applicable laws and regulations in respect of its properties, and also believes that AXMIN is complying in all material respects with the terms of such licences and permits. However, AXMIN's ability to obtain, sustain or renew such licences and permits on acceptable terms is subject to changes in regulations and policies and to the discretion of the applicable governmental authorities.

Dividend Policy
No dividends have been paid to date on the shares. AXMIN anticipates that for the foreseeable future it will retain any future earnings and other cash resources for the operation and development of its business. Payment of any future dividends will be at the discretion of AXMIN's Board of Directors after taking into account many factors, including AXMIN's operating results, financial condition and current and anticipated cash needs.

Share Capital
As at the date of this report the outstanding common shares and other securities of the Company comprise:

Securities	Common shares on exercise
Common shares	297,279,901
Stock options	7,015,000
Common share purchase warrants	66,666,667
Fully diluted share capital	370,961,568

Contingencies
In the ordinary course of business activities, the Company is subject to various claims, including those related to income and other taxes at its foreign subsidiaries. Management believes that adequate provisions are recorded in the accounts where required and when estimable. However, there can be no assurance that the Company will not incur additional expenses.

Forward-Looking Statements

This report contains “forward-looking information” which may include, but is not limited to, statements with respect to the future financial or operating performances of AXMIN, its subsidiaries and their respective projects, the future price of gold, base metals and other commodities, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation of mining operations, environmental risks, reclamation and rehabilitation expenses, title disputes or claims, limitations of insurance coverage and the timing and possible outcome of pending litigation and regulatory matters. Often, but not always, forward-looking information statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes”, or variations (including negative variations) of such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “might”, or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of AXMIN and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, those factors discussed in the section entitled “Risk Factors” in this report. Although AXMIN has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this report based on the opinions and estimates of management, and AXMIN disclaims any obligation to update any forward-looking statements, whether as a result of new information, estimates or opinions, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Additional Information

Additional information relating to the Company may be obtained from the SEDAR website (www.sedar.com) and the Company’s website (www.axmininc.com).

On behalf of the Board of Directors

“Signed”

Mario Caron
President, Chief Executive Officer & Director

April 21, 2009

Management's Report on the Consolidated Financial Statements and Auditors' Report

The accompanying consolidated financial statements of AXMIN Inc. have been prepared by and are the responsibility of the Company's management. The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in Canada and contain estimates based on management's judgment. Management maintains a system of internal controls adequate to provide reasonable assurance that transactions are authorized, assets are safeguarded and records are maintained.

The Audit Committee of the Board of Directors comprises of three directors, none of whom are an officer or employee of the Company. The Audit Committee meets with management and the Company's auditors, Ernst & Young LLP, to review the consolidated financial statements before they are presented to the Board of Directors for approval.

The Company's independent auditors, Ernst & Young LLP, have conducted an audit in accordance with generally accepted auditing standards in Canada and their report follows.

"Signed"

Mario Caron
President, Chief Executive
Officer and Director

"Signed"

Alex Dann
Vice President Finance and
Chief Financial Officer

Auditors' Report

To the Shareholders of AXMIN Inc.

We have audited the consolidated balance sheets of AXMIN Inc. as at December 31, 2008 and 2007 and the consolidated statements of operations and deficit, comprehensive loss, shareholders' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2008 and 2007 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Ernst & Young LLP

Chartered Accountants,
Licenced Public Accountants
Toronto, Canada
April 21, 2009

Consolidated Balance Sheets

As at December 31
(Nature of operations and going concern - Note 1)
(All tabular amounts expressed in thousands of United States dollars)

	2008	2007
Assets		
Current assets		
Cash and cash equivalents	**1,994**	11,121
Accounts receivable	**59**	131
Prepaid expenses and deposits	**64**	212
	2,117	11,464
Exploration and development costs *(Note 4)*	**83,205**	67,694
Other assets	**139**	58
	85,461	79,216
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued liabilities	**803**	3,156
Amounts due to related parties *(Note 7)*	**86**	44
	889	3,200
Commitments and contingencies *(Notes 4 and 8)*		
Shareholders' equity *(Note 5)*		
Share capital	**102,655**	88,760
Warrants	**2,364**	–
Contributed surplus	**5,382**	4,466
Deficit	**(25,829)**	(17,210)
	84,572	76,016
	85,461	79,216

See accompanying notes to the consolidated financial statements.

Approved by the Board of Directors

"Signed"

Jean Claude Gandur
Chairman and Director

"Signed"

Mario Caron
President, Chief Executive Officer and Director

Consolidated Statements of Operations and Deficit

For the year ended December 31
(expressed in thousands of United States dollars except number of shares and per share amounts)

	2008	2007
Expenses		
Administration	**3,085**	2,145
Write-down of exploration and development *(Note 4)*	**3,873**	3,472
Write-down of investments *(Note 4)*	**575**	–
Stock-based compensation *(Note 5)*	**1,300**	2,436
	8,833	8,053
Other income		
Loss (gain) on foreign exchange	**487**	(1,115)
Gain on sale of interest rights *(Note 4)*	**(575)**	–
Interest income	**(126)**	(1,008)
	(214)	(2,123)
Net loss and other comprehensive loss for the year	**(8,619)**	(5,930)
Deficit, beginning of year	**(17,210)**	(11,280)
Deficit, end of year	**(25,829)**	(17,210)
Net loss per share (basic and diluted)	**0.0365**	0.0278
Weighted average number of common shares outstanding	**235,908,368**	213,436,657

Consolidated Statements of Comprehensive Loss

For the year ended December 31
(expressed in thousands of United States dollars)

	2008	2007
Loss for the year	**(8,619)**	(5,930)
Other comprehensive loss	**–**	–
	(8,619)	(5,930)

See accompanying notes to the consolidated financial statements.

Consolidated Statements of Shareholders' Equity

For the year ended December 31

(All tabular amounts stated in thousands of United States dollars, except number of shares and per share amounts)

		2008		2007
	Number	**Amount *($)***	Number	Amount *($)*
Share Capital				
Authorized: Unlimited common shares				
Issued: common shares				
Balance at beginning of year	**214,513,234**	**88,760**	210,721,234	87,225
Shares issued on financing *(note 5)*	**56,666,667**	**12,714**	–	–
Exercise of stock options	**1,100,000**	**797**	3,792,000	1,356
Stock based compensation expense	**–**	**384**	–	179
Balance at end of year	**272,279,901**	**102,655**	214,513,234	88,760
Warrants				
Balance at beginning of year	**–**	**–**	–	–
Warrants issued on financing *(note 5)*	**41,666,667**	**2,364**	–	–
Balance at end of year	**41,666,667**	**2,364**	–	–
Contributed Surplus				
Balance at beginning of year		**4,466**		2,209
Stock based compensation expense		**1,300**		2,436
Exercise of stock options		**(384)**		(179)
Balance at end of year		**5,382**		4,466
Deficit				
Balance at beginning of year		**(17,210)**		(11,280)
Net loss for the year		**(8,619)**		(5,930)
Balance at end of year		**(25,829)**		(17,210)
Shareholders' equity at end of year		**84,572**		76,016

See accompanying notes to the consolidated financial statements.

Consolidated Statements of Cash Flows

For the year ended December 31
(All tabular amounts stated in thousands of United States dollars)

	2008	2007
Operating activities		
Net loss for the year	**(8,619)**	(5,930)
Write-down of exploration and development costs	**3,873**	3,472
Stock-based compensation expense	**1,300**	2,436
Unrealized foreign exchange gain on cash and cash equivalents	**(16)**	(1,198)
Change in non-cash working capital	**(2,091)**	(65)
Net cash outflow from operating activities	**(5,553)**	(1,285)
Investing activities		
Other assets	**(81)**	–
Exploration and development costs	**(19,384)**	(25,173)
Net cash outflow from investing activities	**(19,465)**	(25,173)
Financing activities		
Issuance of units *(Note 5)*	**15,970**	1,382
Cost of unit issuances	**(95)**	(26)
Net cash inflow from financing activities	**15,875**	1,356
Effect of foreign exchange on cash and cash equivalents	**16**	1,198
Change in cash and cash equivalents	**(9,127)**	(23,904)
Cash and cash equivalents, beginning of year	**11,121**	35,025
Cash and cash equivalents, end of year	**1,994**	11,121
Supplemental cash flow information		
Interest paid	**–**	1
Tax paid (recovered)	**(85)**	156

See accompanying notes to the consolidated financial statements.

Notes to the Consolidated Financial Statements

December 31, 2008
(All tabular amounts expressed in thousands of United States dollars except number of shares and per share amounts)

1. Nature of operations and going concern

AXMIN Inc. ("AXMIN", the "Company") is an international mineral exploration company with an exploration portfolio in the mineral belts of central and west Africa. A significant portion of the Company's exploration and development costs relate to its Passendro Gold Project (the "Project") situated on a portion of the Bambari property in the Central African Republic (the "CAR"). The Company holds its interest in this property through its wholly owned CAR registered subsidiary, Aurafrique S.A.R.L. ("Aurafrique"), which holds prospecting and exploration permits for the property.

The Company is in its development stage. Aside from the properties that comprise the Passendro Gold Project, it has not yet determined whether other properties in its exploration portfolio contain resources that are economically recoverable. The recoverability of the amounts shown for exploration and development costs is dependent upon the existence of economically recoverable resources, the ability of the Company to obtain all necessary permits and raise financing to complete the exploration and development, and future profitable production or proceeds from the disposition of such properties. In addition, the Company's properties may be subject to sovereign risk, including political and economic uncertainty, changes in existing government regulations to mining which may withhold the receipt of required permits or impede the Company's ability to acquire the necessary surface rights as well as currency fluctuations and local inflation. These risks may adversely affect the investment in the properties and may result in the impairment or loss of all or part of the Company's investment.

These consolidated financial statements have been prepared on the basis that the Company is a "going concern", which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. As at December 31, 2008, the Company had no source of operating cash flows and does not have sufficient cash to fund the development of its properties. It will require additional financing, which if not raised, would result in the curtailment of activities.

To date, the Company has raised funds principally through the issuance of shares. In the foreseeable future the Company will likely remain dependent on the issuance of shares to raise funds to explore and develop its properties, and on the availability of project finance for the development of the Company's properties. Management expects that it will be able to fund its immediate cash requirements and that additional financing will be available and may be sourced in sufficient time to allow the Company to continue its planned and future exploration and development activities. However, there can be no assurance that it will be successful.

There can be no assurances that the Company's activities will be successful or sufficient funds can be raised in a timely manner. As a result, there is significant doubt regarding the "going concern" assumption and accordingly, the use of accounting principles applicable to a going concern. These consolidated financial statements do not include any adjustments related to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. If the "going concern" assumption was not appropriate for these consolidated financial statements, then adjustments to the carrying values of the assets and liabilities, expenses and balance sheet classifications, which could be material, would be necessary.

2. New accounting standards

Effective January 1, 2008, the Company adopted Canadian Institute of Chartered Accountants ("CICA") Handbook Section 1400 Assessing Going Concern, Handbook Section 1535 Capital Disclosures and Handbook Section 3862 Financial Instruments - Disclosures and Handbook Section 3863 Financial Instruments - Presentation. These standards were adopted on a prospective basis and as such, prior periods have not been restated.

Assessing Going Concern (Section 1400)
Section 1400 has been amended to include requirements for management to assess and disclose an entity's ability to continue as a going concern. The standard is effective for interim and annual financial statements for years beginning on/after January 1, 2008. The resulting disclosures from implementation are presented in Note 1.

Capital Disclosures (Section 1535)
Section 1535 specifies the disclosure of the Company's objectives, policies and processes for managing capital; quantitative data about what the Company regards as capital; whether the Company has complied with any capital requirements and the consequences, if any, of non-compliance and how the Company is meeting its objectives for managing capital. The resulting disclosures from implementation are presented in Note 9.

Financial Instruments - Disclosures and Presentation (Section 3862 and 3863)
The new Sections 3862 and 3863 replace Handbook Section 3861 Financial Instruments - Disclosure and Presentation, revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks. The adoption of these standards did not have any material impact on the Company's results of operations or financial position and the required disclosures are presented in Note 11.

New Accounting Pronouncements not yet adopted

Goodwill and Intangible Assets (Section 3064)
The CICA issued accounting Section 3064 "Goodwill and Intangible Assets" which replaces Section 3062 "Goodwill and Other Intangible Assets", Section 3450 - Research and Development and EIC 27 - Revenues and Expenditures during the Pre-operating period. The new standard provides guidance on the recognition, measurement, presentation and disclosure of goodwill and intangible assets. This standard is effective for interim and annual financial statements for fiscal years beginning on or after October 1, 2008. The Company believes that this standard will have no significant impact on the financial statements.

Business Combinations (Section 1535), Consolidated Financial Statements (Section 1601) and Non-controlling Interests (Section 1602)
These sections replace the former Section 1581, Business Combinations and Section 1600, Consolidated Financial Statements and establish a new section for accounting for a non-controlling interest in a subsidiary. These sections provide the Canadian equivalent to FASB Statements No. 141 (R) Business Combinations and No. 160 Non-controlling interests in Consolidated Financial Statements. CICA 1582 is effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. Section 1601 and 1602 apply to interim and annual consolidated financial statements relating to years beginning on or after January 1, 2011. The Company is currently assessing the impact of these new accounting standards on its financial statements.

International Financial Reporting Standards ("IFRS")
The Canadian Accounting Standards Board has announced its decision to replace Canadian GAAP with IFRS for all Canadian Publicly Accountable Enterprises (PAEs). The effective changeover date is January 1, 2011, at which time IFRS will take effect. Following this timeline, the Company will issue its first set of interim financial statements prepared under IFRS in the first quarter of 2011. The Company is currently assessing the impact of transition to IFRS on its consolidated financial statements.

3. Basis of presentation and significant accounting policies

Basis of Presentation
The consolidated financial statements have been prepared in accordance with Canadian GAAP. All amounts are in US dollars unless otherwise indicated. The reporting currency of the Company is US dollars.

Basis of Consolidation
The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany transactions have been eliminated.

Use of estimates
The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses and other income during the reported period. Accordingly, actual results could differ from those estimates and these differences may be material. Significant areas where management's judgment is applied include recoverability of exploration and development costs, benefits of future income tax assets, stock compensation valuation assumptions and determinations as to whether costs are expensed or capitalized.

Translation of foreign currencies
The functional and operating currency of the Company is the United States Dollar. Monetary assets and liabilities denominated in foreign currencies are translated into US dollars at year-end rates of exchange. Non-monetary assets and liabilities denominated in foreign currencies are translated at historical rates of exchange. Gains and losses on translation of monetary assets and liabilities are reflected in earnings in the period in which they arise.

Financial statements of the Company's integrated foreign operations are translated into United States dollars using the temporal method. Under this method, monetary assets and liabilities denominated in foreign currencies are translated at period end rates of exchange with the resultant gains or losses recognized in the consolidated statement of operations, while nonmonetary items are translated at historical rates of exchange. Expenses are translated using average rates of exchange approximating those in effect when the transactions occur. Exchange gains or losses related to expenditures on project activities arising from the translation are capitalized in exploration and development costs.

Exploration and development costs
The costs relating to the acquisition, exploration and development of mineral properties are capitalized by property until the commencement of commercial production. If commercially profitable ore reserves are developed, capitalized costs of the related project will be reclassified as mining assets and amortized using the unit-of-production method over the estimated ore reserves. If it is determined that capitalized acquisition, exploration and development costs are not recoverable over the estimated life of the property, or the project is sold or abandoned, the project is written down to its net realizable value. The amounts shown as exploration and development costs do not necessarily represent present or future values.

Income taxes
The Company uses the liability method of accounting for income taxes. Under this method, current income taxes are recognized for the estimated income taxes payable for the current year. Future income tax assets and liabilities are recognized for temporary differences between the tax and accounting bases of assets and liabilities and are measured using the substantively enacted tax rates and laws that will be in effect when the differences are expected to reverse. A valuation allowance is recognized to the extent the recoverability of future income tax assets are not considered more likely than not to be realized.

Stock-based compensation
The Company accounts for stock options using the fair value method of accounting. Under this method the Company recognizes a compensation expense based on the fair value of the options granted using the Black-Scholes model. The fair value of the options is recognized over the vesting period of the options granted as compensation expense and contributed surplus. The contributed surplus balance is reduced as the options are exercised and credited to share capital.

Warrants
The warrants are valued based on allocating the proceeds of the issuance between the common share and the common share purchase warrant components by fair valuing each component separately and determining the proceeds to be allocated based on a pro-rata basis. The fair value of warrants is calculated using the Black-Scholes option pricing model and is recognized as warrants. On the exercise of warrants, the related amounts in warrants will be credited to common share capital.

Loss per share
Loss per share has been calculated based on the weighted average number of common shares outstanding during the period. Diluted per share amounts are calculated using the treasury stock method whereby proceeds deemed to be received on the exercise of options and warrants in the per share calculation are assumed to be used to acquire common shares. The effect of potential issuances of shares under options and warrants would be anti-dilutive, and accordingly basic and diluted loss per share are the same.

Cash and cash equivalents
Cash and cash equivalents consists of cash on deposit. Cash and cash equivalents were $1,994 as at December 31, 2008 (2007 - US$11,121) which have a weighted average interest rate of 0.3% (2007 - 2.8%).

4. Exploration and development costs

(US$ '000)	**Bambari (CAR)**	**Kofi (Mali)**	**Nimini (Sierra Leone)**	**Others**	**Total**
Balance - December 31, 2006	31,751	5,770	2,757	4,298	44,576
Exploration costs	18,489	4,036	3,425	640	26,590
Write-downs	–	–	–	(3,472)	(3,472)
Balance - December 31, 2007	50,240	9,806	6,182	1,466	67,694
Exploration costs	12,302	3,216	2,842	1,024	19,384
Write-downs	–	(2,500)	–	(1,373)	(3,873)
Balance - December 31, 2008	**62,542**	**10,522**	**9,024**	**1,117**	**83,205**

Central African Republic ("CAR")
AXMIN holds a 100% interest in the Bakala, Bambari, Bogoin II and Pouloubou properties through its two wholly owned CAR registered subsidiaries, which hold prospecting and exploration permits for the properties. Of these project areas, the Bambari-Bakala properties have been the subject of substantial exploration by AXMIN since the discovery of the Passendro Gold Project. The Passendro Gold Project is situated on a portion of the Bambari property and is contained within the Bambari permits. In early 2009, the Sosso Polipo permit was not renewed and the carrying value associated with the property is $nil at December 31, 2008.

The Bambari property is subject to a 2% net smelter royalty ("NSR") payable to United Reef Limited ("URL") from the date of commencement of first commercial production. Payment of the NSR will commence once all capital expenditures have been recovered by the Company. Commencing one year from the date of commencement of first commercial production and until such time as all capital expenditures have been recovered URL will annually receive advance royalty payments of C$100,000. Such advance royalty payments shall be deductible from payments of the NSR. The Company has the right to purchase part or all of the 2% NSR at a rate of C$500,000, payable in cash or shares, for each 0.5% royalty interest during the initial five years of production from the Bambari property.

In January 2006, the Company signed a Mining Convention with the State of the CAR (the "State") covering exploration, development and mining activities on the Company's Bambari permit. The Mining Convention is valid for a period of 25 years from the date of signing, extendable by mutual consent. The key terms include:

(a) a 2.25% royalty on the proceeds from the sale of gold;
(b) 10% free carried interest for the State with an option to acquire an additional participating interest of 10% at market value;
(c) exemption from:
  (i) taxes (including value added tax ("VAT")) and duties on fuel used in the mining operations;
  (ii) VAT on imported capital equipment, consumables and any mining contract; and
  (iii) duties on imported capital equipment and consumables during the development phase and for a period of five years thereafter;
(d) exoneration from withholding tax on dividends, capital repayments and interest; and
(e) a five year tax holiday from the date of first commercial production, following which the corporate tax rate will be 30%.

At December 31, 2008, due to the decline in the business climate, the limitations of raising capital in the markets and the uncertainty of the recoverability of exploration and development costs associated with the Bogoin II, Pouloubou and other ancillary properties, $1,019 of these costs were written down. These projects are not directly related to the Passendro project and retain their own individual licences that are currently in good standing. The ability of the Company to raise capital in the near future will in all likelihood, dictate the decision to pursue these properties.

The Company currently has valid exploration permits for Bambari I and II (includes the Passendro project) which will expire on June 29, 2010. During the year, the following events occurred in respect to the Bambari permits and the Passendro project:

(a) On November 6, 2008, The Company announced it had received the "Certificat de Conformité" ("ESIA") from the Ministry of Water, Forests, Fishing and Hunting responsible for the Environment for Passendro;
(b) On August 29, 2008, The Company was informed of an Amending Decree which amended the mineral rights of its Bambari permits from gold, silver, copper, nickel, lead, zinc and iron to gold only;
(c) On May 6, 2008, the Company announced that the government of CAR had indicated its desire to review some of the conditions of the Mining Convention that was previously agreed upon and signed on January 27, 2006; and
(d) On April 2, 2008, the Company reported the results of its Bankable Feasibility Study for Passendro.

The Company is currently in the process of obtaining the required permits, mining licence and state approvals for the Passendro Project.

Mali
The Kofi North, Netekoto-Kenieti, Walia West, Walia and Kenieti-Dianisse permits are collectively referred to as the "Kofi Gold Project".

AXMIN holds:

(a) an 81.25% interest in the Kofi North permits (prior to the 10% free carried interest of the government of Mali) from joint venture partners African Selection Mining Corporation ("ASMC") and Société Financière et d'Exploration de l'Or au Mali ("SOFOM");
(b) an 87.50% interest in the Netekoto-Kenieti permits (prior to the 10% free carried interest of the government of Mali) from joint venture partner ASMC;
(c) a 94.44% interest in the Walia West permits (prior to the 10% free carried interest of the government of Mali) from joint venture partner SOFOM;
(d) a 94.44% interest in the Walia permits (prior to the 10% free carried interest of the government of Mali) from joint venture partner l'Agence Générale de Contact et de Relations Internationales ("AGCRI"); and
(e) a 94.44% interest in the Kenieti-Dianisse permit (prior to the 10% free carried interest of the government of Mali) from joint venture partner Dianisse SARL ("Dianisse").

In the case of the Kofi North, Netekoto-Kenieti and Walia West permits AXMIN may increase its level of interest to 100% (prior to government dilution) by buying out the interests of the other parties on submission of a Bankable Feasibility Study ("BFS") on an independently evaluated net present value of the proven and probable reserves using a discount rate of 15%. In the case of the Walia and Kenieti-Dianisse permits AXMIN may increase its level of interest to 100% (prior to government dilution) by buying out the interest of AGCRI and Dianisse on submission of a BFS for US$2 per pro-rata ounce of proven and probable gold reserves.

At year end, as part of its ongoing assessment of evaluating the carrying value of it's mineral properties, the Company assessed an impairment charge of US$2.5 million on the Mali asset. Since no scoping study has been completed at this time, the fair value methods used to determine the valuation included: cost per oz compared to peers and recent acquisitions in the junior mining industry. Management believes that the Kofi Gold Project remains an asset of prime importance to AXMIN's project pipeline.

Sierra Leone

In March 2004, AXMIN elected to exercise an option whereby AXMIN may earn a 60% interest in the Nimini Hills project owned by AFCAN Barbados Limited ("AFCAN"), a subsidiary of Eldorado Gold Corporation, by expenditure of US$2.25 million over a three-year period. Thereafter, AFCAN has the right to participate on a pro-rata basis or if it elects not to, then AXMIN can earn an additional 20% by producing a BFS. The monies spent on AFCAN's behalf to earn this additional 20% will be recovered by AXMIN from AFCAN's share of future production. During the year ended December 31, 2006 AXMIN's cumulative expenditure on the Nimini Hills project exceeded US$2.3 million and hence AXMIN earned a 60% interest in the project.

Senegal

On November 3, 2008, the Company concluded a joint venture with Sabodala Mining Company SARL, a wholly owned subsidiary of Mineral Deposits Limited ("MDL") whereby MDL may earn a 51% interest in AXMIN's wholly owned gold exploration permits, Sounkounko, Heremokono and Sabodala NW located in the Birimian belt of Eastern Senegal.

The terms of the joint venture agreement with MDL include:

(a) MDL must spend a total of US$2.5 million over three years to earn a 51% interest in each permit, with a minimum expenditure of US$0.5 million in year one, US$0.8 million in year two and US$1.2 million in year three. There is a minimum expenditure of US$0.8 million before it may contemplate withdrawing from the joint venture.

(b) Following earn-in, AXMIN may elect to maintain its 49% interest by funding future expenditure on a pro-rata basis, or it may elect to dilute further to 20% in return for MDL spending a further US$3.5 million over an additional three-year period. At this stage AXMIN may elect to participate or transfer its residual interest to MDL in return for a 1.5% royalty.

The Company had previously entered into a joint venture with Harmony Gold Mining Company Limited ("Harmony"). As of November 30, 2007, Harmony had spent US$1.5 million and due to a change in exploration strategy, decided to terminate the project. Pursuant to the joint venture agreement, Harmony did not retain any interest in the permit and all permit rights were returned to the Company. Due to the uncertainty of the recoverability of exploration and development costs, $354 was written off in 2008. Subsequent expenditures of $188 associated with MDL's joint venture agreement have been capitalized.

Ghana

During the year ended December 31, 2007, the Company entered into an agreement with Ausgold Ghana Limited ("Ausgold") whereby the Company agreed to transfer its entire interest and rights under the agreement with Consolidated Minerals Limited ("Consmin") to Ausgold in exchange for payment, by January 31, 2008, of US$0.55 million upon the closing of an initial public offering ("IPO") of the ordinary shares of Noble Mineral Resources Limited ("Noble"), a company to which Ausgold intended to vest its entire interest in the Cape Three Points property upon the closing of an IPO of the ordinary shares of Noble. Furthermore, AXMIN agreed for such payment to be made by the issuance of marketable fully paid ordinary shares of Noble, subject to any regulatory requirements. Subsequent to December 31, 2007 such payment date was extended, by mutual consent, to June 30, 2008.

Effective June 27, 2008, AXMIN transferred its entire interest in the Cape Three Points property to Noble for proceeds of 3,000,000 common shares, representing 2.17% of the total issued common shares of Noble. In addition, AXMIN retains a 1.5% royalty on any future gross smelter returns from ore mined from the Cape Three Points Licence area at that time. This transaction was part of Noble's IPO on the Australian Securities Exchange ("ASX") which was priced at A$0.20 per common share and shares started trading on June 27, 2008. In accordance with the regulations of the ASX the common shares of Noble held by AXMIN are subject to a 24 months escrow period commencing on June 27, 2008. A gain of $575 was recognized on receipt of the shares. Subsequently, these shares were written down to reflect the estimated realizable value at year-end.

5. Share capital

During the year the Company closed:

(a) A non-brokered private placement in June 2008 totalling 30,000,000 Units at a price of C$0.40 per Unit, for total gross proceeds of C$12 million (US$11.8 million). Each Unit consists of one common share plus one-half of one common share purchase warrant. Each whole common share purchase warrant entitles the holder to purchase one additional common share of AXMIN at a price of C$0.57 expiring 24 months after the date of closing of each tranche. The aggregate increase in the share capital as a result of this transaction was 30,000,000 common shares at a fair value of C$10.4 million (US$10.3 million) and 15,000,000 warrants at a fair value of C$1.6 million (US$1.5 million).
Unit issuance costs amounted to C$0.1 million (US$95).

A relative fair value calculation was used to present the carrying value of the warrants. The fair value of the warrants issued was estimated using a Black-Scholes pricing model with the following assumptions:

Risk free interest rate	3.1%
Expected life in years	2 years
Expected volatility	63.8%
Dividends per share	0.0%

(b) A non-brokered private placement in November 2008 of up to 26,666,667 Units in the Company at a price of C$0.15 per Unit, for total gross proceeds of C$4 million (US$3.2 million). Each Unit consists of one common share plus one common share purchase warrant, which entitles the holder to purchase one additional common share of the Company at a price of C$0.20 for a period of twenty four months following the close of the placement. The aggregate increase in the share capital as a result of this transaction was 26,666,667 common shares at a fair value of C$3.0 million (US$2.4 million) and 26,666,667 warrants at a fair value of C$1.0 million (US$0.8 million).

A relative fair value calculation was used to present the carrying value of the warrants. The fair value of the warrants issued was estimated using a Black-Scholes pricing model with the following assumptions:

Risk free interest rate	1.9%
Expected life in years	2 years
Expected volatility	96.3%
Dividends per share	0.0%

After completion of the private placements, the Company's major shareholder, AOG Holdings BV ("AOG"), held 121,674,904 (2007: 88,102,631) common shares and 34,066,667 (2007: Nil) common share purchase warrants, representing approximately 44.7% (2007: 41.0%) of AXMIN's issued and outstanding common shares on a non-dilutive basis.

Stock Options
The Incentive Stock Option Plan (the "Plan') authorizes the Directors to grant options to purchase shares of the Company to directors, officers, employees and consultants. The majority of options granted vest over 2 years and expire 5 years from the date of issuance. The Plan allows for the maximum number of common shares issuable under the Plan to equal 10% of the issued and outstanding common shares of the Company at any point in time, and that options once exercised would be re-endorsed into the pool of ungranted options.

As at December 31, 2008, 19.2 million (2007: 10 million) options are available for issuance under the Plan. As at December 31, 2008, common share stock options held by directors, officers, employees and consultants are as follows:

	Outstanding			**Exercisable**	
Range of exercise prices *(C$)*	Number of options	Weighted average exercise price *(C$)*	Weighted average remaining contractual life	Number of options	Weighted average exercise price *(C$)*
0.15 to 0.30	900,000	0.15	4.78	225,000	0.15
0.31 to 0.70	1,080,000	0.61	1.91	955,000	0.63
0.71 to 1.00	6,015,000	0.89	3.36	6,015,000	0.89
	7,995,000	0.77	3.26	7,195,000	0.84

During the years ended 2008 and 2007, director, officer, employee and consultant's stock options were granted, exercised and cancelled as follows:

	Number of options	Weighted Average Exercise Price *(C$)*
Balance as at December 31, 2006	7,970,000	0.64
Options granted	6,100,000	0.92
Options expired	(60,000)	0.71
Options exercised	(2,617,500)	0.33
Balance as at December 31, 2007	11,392,500	0.86
Options granted	1,150,000	0.22
Options expired/cancelled	(3,447,500)	0.87
Options exercised	(1,100,000)	0.72
Balance as at December 31, 2008	**7,995,000**	**0.77**

The Company used the Black-Scholes option pricing model to estimate the fair value of the options granted during the years ended December, 31 2008 and 2007 using the following assumptions:

	2008	2007
Assumptions:		
Weighted average risk free rate	**2.86%**	4.0%
Annualized volatility	**81.3%**	89.7%
Weighted average expected life	**5 years**	5 years
Expected dividend yield	**0.0%**	0.0%

6. Income taxes

Significant items causing the Company's effective tax rate to differ from the combined Canadian federal and provincial statutory tax rate of approximately 33.5% (2007 - 36.1%) are as follows:

	2008	2007
Net loss for the year before income tax	**(8,619)**	(5,930)
Statutory tax rate	**33.5%**	36.1%
Expected tax recovery	**(2,887)**	(2,142)
Foreign tax rate difference	**531**	798
Foreign exchange	**1,359**	(3,357)
Stock option expense	**436**	880
Share issue costs	**(32)**	(11)
Expiry of losses	**44**	51
Reduction in future income tax rate	**(63)**	186
Provision to return	**29**	–
Change in valuation allowance	**583**	3,595
	–	–

Future income tax balances

The tax effect of temporary differences that give rise to future income tax assets approximate the following:

Future income taxes	2008	2007
Non capital losses	**1,611**	1,490
Exploration and development costs	**3,774**	2,466
Share issue costs and other	**282**	551
Unrealised foreign exchange losses	**2,218**	2,795
Subtotal:	**7,885**	7,302
Less: valuation allowance	**(7,885)**	(7,302)
Net future income tax asset	**–**	–

The Company has non-capital loss carry forwards in Canada of approximately US$5,556 for which it has applied a valuation allowance on the basis the Company does not expect to generate taxable income in the foreseeable future. The tax losses may be used to reduce income in future years and expire as follows:

Non capital loss carry forwards	2008	2007
2008	**–**	162
2009	**494**	613
2010	**500**	620
2014	**479**	593
2015	**901**	1,118
2026	**1,128**	1,399
2027	**437**	630
2028	**1,617**	–
	5,556	5,135

7. Related parties

During the years ended December 31, 2008 and 2007, the Company received:

(a) $192 (2007: $43) in legal services provided by a partnership related to a director of the Company, of which $47 was related to the share offerings of the Company. At December 31, 2008, $29 (2007 - $15) was due to this partnership.

(b) $57 (2007: $57) in management services from Addax and Oryx Group Limited, a company related to the Chairman of the Company. At December 31, 2008, $57 (2007: $57) was due to this company.

8. Commitments and contingencies

The following is a summary of rental lease commitments for various periods due for the next 5 years and thereafter. The annual rent payments consist of minimum rent plus realty taxes, maintenance and utilities.

	2008	2007
Less than 1 year	**100**	24
1 - 3 years	**196**	41
4 - 5 years	**171**	–
Total	**467**	65

In the ordinary course of business activities, the Company is subject to various claims, including those related to income and other taxes at its foreign subsidiaries. Management believes that adequate provisions are recorded in the accounts where required and when estimable. However, there can be no assurance that the Company will not incur additional expenses.

9. Segmented information

The Company operates in one industry segment: mineral exploration and development. The Company conducts its exploration activities in CAR, Sierra Leone, Mali and Senegal. Note 4 to the financial statements sets out details of capitalized exploration and development by country.

10. Capital management

The Company manages its cash and cash equivalents, common shares, stock options, and warrants as capital. The policy of the Board of Directors of the Company is to maintain a strong capital base so as to sustain future development of the business and maintain investor, creditor and market confidence. To meet these objectives the Company monitors its financial position on an ongoing basis. The Company does not currently have debt outstanding and so it is not subject to externally imposed capital requirements other than the requirement to maintain sufficient cash balances to fund continuing operations.

11. Financial instruments and risk management

The recorded amounts for cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities and amounts due to related parties approximate fair values based on the short-term nature of those instruments. The Company has classified its financial instruments as follows: cash and cash equivalents and investment in Noble as held-for-trading; accounts receivable as loans and receivables; accounts payable and accrued liabilities, and amounts due to related parties as other financial liabilities.

(a) Credit risk
Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations.

(i) Cash
The Company minimizes its exposure to credit risk by keeping the majority of its cash as cash on deposit with a major Canadian chartered bank. Management expects the credit risk to be minimal.

(ii) Receivables
Management does not expect these counterparties to fail to meet their obligations. The Company does not have receivables that it considers impaired or otherwise uncollectible.

(b) Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. The Company's objective is to maintain sufficient liquid resources to meet operational requirements. As at December 31, 2008, the Company had cash and cash equivalents of $1,994 (2007 - $11,121). Substantially all of the Company's financial liabilities mature within 6 months.

(c) Market risk

(i) Foreign currency risk
The functional currency of the Company is the United States dollar. The Company's operations expose it to significant fluctuations in foreign exchange rates. The Company's main source of funds are denominated in the Canadian dollar and has monetary assets and liabilities denominated in the Canadian dollar, British Pound and the CFA Franc. A significant change in the currency exchange rates between the US dollar and foreign currencies could have an effect on the Company's net loss.

The global financial crisis has led to dramatic volatility in the foreign currency markets. As the Company maintains certain of its cash and cash equivalents in the Canadian dollar and is thus susceptible to market volatility as cash balances are revalued to the functional currency of the Company. The rate published by the Bank of Canada at the close of December 31, 2008 was 1.218 Canadian dollars to 1 US dollar. Based on the balances at December 31, 2008, earnings will increase or decrease by 0.1 million dollars given a 5% increase or decrease, respectively, in the US dollar to Canadian dollar exchange rate.

(ii) Interest rate risk
The Company has no interest-bearing debt or short-term investments.

12. Subsequent events

(a) On March 19, 2009, the Company announced that its Board of Directors has decided to undertake a formal review of the Company's strategic alternatives in order to enhance shareholder value. The strategic review will encompass a thorough analysis and evaluation of the prospects and options available to AXMIN, including the potential sale of the Company or its assets, the acquisition by AXMIN of another company or business, a business combination, merger or amalgamation, or any other alternative that may be identified.

(b) On April 21, 2009, the Company announced it had closed a non-brokered private placement with its major shareholder, AOG, of 25,000,000 Units at a price of C$0.10 per unit for total gross proceeds of $US2 million. Each Unit consists of one common share plus one common share purchase warrant. Each whole common share purchase warrant entitles the holder to purchase one additional common share of AXMIN at a price of C$0.14 expiring on April, 21 2012.

13. Reclassification of Comparative Figures

Certain comparative figures have been reclassified to conform to the current year's presentation.

Corporate Biographies

Jean Claude Gandur
Chairman & Director

Mr. Gandur is the Chairman of the Advisory Board of The Addax & Oryx Group Limited, an integrated African oil business, and President, CEO and a director of Addax Petroleum Corporation (TSX listed company, symbol AXC). He became the Chairman of SAMAX Gold Inc. in 1996 and of AXMIN in 2002. SAMAX Gold Inc. was sold to Ashanti Goldfields Company Limited in 1998. Prior to founding The Addax & Oryx Group in 1987, Mr. Gandur worked with a number of major commodity trading houses such as Philipp Brothers, Sigmoil Resources N.V. and Kaines SA. For 10 years Mr. Gandur was the honourary consul for the Republic of Congo in Geneva (Switzerland) and has been awarded the position of diplomat by Senegal. In addition he has received the decorations of Grand Officer of the Lion Order of Senegal and Commander of the National Order of Benin.

Dr. Michael Martineau
Deputy Chairman & Director

Dr. Martineau co-founded AXMIN in 1999. Currently he is also Non-Executive Chairman of Eurasia Mining PLC, a Director of Golden Star Resources Ltd. and a Director of First Quantum Minerals Ltd. Dr. Martineau founded SAMAX Resources Limited ("SAMAX") in 1989 and this was listed on the Toronto Stock Exchange as SAMAX Gold Inc. in 1996 when he became President and CEO. Prior to SAMAX, Dr. Martineau held various management positions with several senior mining companies.

Mario Caron
President, Chief Executive Officer & Director

Mr. Caron joined AXMIN in January 2008 as President and CEO and is also a Director of the Company. Most recently he was President and CEO of Tiberon Minerals Ltd., a former Toronto listed company developing a large tungsten fluorite deposit in Vietnam. Mr. Caron's African experience includes being Vice President of Defiance Mining Corporation, which held the Tasiast gold project in Mauritania, and President and CEO of Eden Roc Mineral Corp., a gold producer in Côte d'Ivoire. He holds a Bachelor of Engineering, Mining from McGill University in Montréal (Canada) and is fluent in English and French.

Alex Dann
Vice President Finance & Chief Financial Officer

Mr. Dann is a Chartered Accountant with over 15 years of experience leading the financial operations and strategic planning for multinational companies primarily in the mining sector. Mr. Dann has held senior roles with Falconbridge, Rio Algom Ltd., and most recently as CFO of Goldbelt Resources Ltd. which was sold to Wega Mining ASA in late 2007. Prior to joining Goldbelt, Mr. Dann headed the Finance group for an automotive parts supplier that included Magna International Inc. as one of the primary partners. Mr. Dann graduated from Laval University in Quebec City in 1991.

Dr. Jonathan Forster
Head of Exploration

Dr. Forster co-founded AXMIN in 1999. He was appointed CEO in 2001 and held that office until the end of 2007 when he resigned as CEO and was appointed Head of Exploration. Previously Dr. Forster was Group Exploration Manager for SAMAX Gold Inc. having joined SAMAX in 1992. Prior to that, Dr. Forster worked for several mining and mineral exploration companies and for three years was a Senior Resource Analyst at a firm of London (United Kingdom) stockbrokers. Dr. Forster is AXMIN's in-house qualified person, being a Fellow of the Institute of Materials, Minerals & Mining ("IMMM") in the United Kingdom. As of April 17, 2009 Dr Forster has resigned as Head of Exploration of AXMIN.

Robert Jackson
President, Chief Executive Officer & Director of Tiomin Resources Inc.

Mr. Jackson is a Professional Engineer in Ontario (Canada) and a Chartered Financial Analyst. He holds an MBA from the University of Western Ontario (Canada), an MSc in Mining Engineering from Queen's University (Canada) and a BSc in Mining Engineering from the Camborne School of Mines (United Kingdom). Mr. Jackson has over 15 years of experience in the securities business and prior to that he was employed as a Mining Engineer with Falconbridge Limited. Currently Mr. Jackson is President, CEO and a Director of Tiomin Resources Inc., a Director of Freegold Ventures Limited and a Director of Radiant Resources Inc. Mr. Jackson was appointed a Director of AXMIN in 1999.

François Jaclot
Chief Executive Officer of The Addax & Oryx Group Limited

Mr. Jaclot joined the AXMIN board in December 2008. Mr. Jaclot is the Chief Executive Officer of The Addax & Oryx Group Limited since December 2008. Previously, Mr. Jaclot has occupied general management and Chief Financial Officer positions in several international industrial companies (Lafarge, Suez, InBev). Aside from his positions with AOG, Mr. Jaclot serves as a board member of several companies in the real estate and energy sectors. Mr. Jaclot is a member of AXMIN's Audit Committee.

Robert Shirriff
Counsel to Fasken Martineau DuMoulin LLP, Barristers & Solicitors of Toronto, Ontario, Canada

Mr. Shirriff has over 47 years of experience in the field of commercial and corporate law and has acted for a number of corporations operating in Canada and internationally. He became a Director of SAMAX Gold Inc. in 1996. Mr. Shirriff was appointed a Director of AXMIN in 1999.

Anthony Walsh
President & Chief Executive Officer of Sabina Silver Corporation

Mr. Walsh graduated from Queen's University (Canada) in 1973 and became a member of The Canadian Institute of Chartered Accountants in 1976. Mr. Walsh has over 20 years of experience in the field of mining. Currently, Mr Walsh is the President and CEO of Sabina Silver Corporation. Prior to joining Miramar Mining Corporation in 1995, he was the Senior Vice-President and CFO of a computer leasing company from 1993 to 1995 and the CFO and Senior Vice-President, Finance of International Corona Mines Ltd., a major North American gold producer, from 1989 to 1992. Miramar Mining Corporation was sold to Newmont Mining Corporation in 2007. From 1985 to 1989 Mr. Walsh was Vice-President, Finance of International Corona Mines Ltd., and from 1973 to 1985 he held various positions at Deloitte, Haskins & Sells, a firm of Chartered Accountants. Mr. Walsh was appointed a Director of AXMIN in 2004. Currently Mr. Walsh is also a Director of Queensland Minerals Ltd. and a Director of Stornoway Diamonds Corporation.

Shirley Kozel
Corporate Secretary

Ms Kozel has over 20 years of corporate secretarial experience. She previously acted as corporate secretary with four senior mining companies, being Corona Corporation, Campbell Resources, Hudson Bay Mining and Smelting and Anglo American Corporation of Canada, listed on North American and European stock exchanges.

Corporate Information

Officers

Jean Claude Gandur [4]
Chairman

Michael Martineau [4,5]
Deputy Chairman

Mario Caron [4]
President & Chief Executive Officer

Alex Dann
Vice President Finance &
Chief Financial Officer

Jonathan Forster[6]
Head of Exploration

Shirley Kozel
Corporate Secretary

Directors

Mario Caron [4]

Jean Claude Gandur [4]

Robert Jackson [1,2,3,5]

François Jaclot [1,2]

Michael Martineau [4,5]

Robert Shirriff [2,3]

Anthony Walsh [1,3]

Senior Management

Charles Carron Brown
General Manager, Passendro Gold Project

Judith Webster [4]
Manager - Investor Relations

1 Audit Committee
2 Compensation Committee
3 Corporate Governance Committee
4 Disclosure Policy Committee
5 Health & Safety Committee
6 AXMIN Appoints Francois Auclair as VP Exploration following the resignation of Dr Forster (April 17, 2009 release).

Registered Office

Toronto Dominion Bank Tower
Suite 4200
Toronto-Dominion Centre
66 Wellington Street West
Toronto, Ontario, Canada
M5K 1N6

Auditors

Ernst & Young LLP
Toronto, Ontario, Canada

Legal Counsel

Fasken Martineau DuMoulin LLP
Toronto, Ontario, Canada

Investor and Analyst Inquiries

Judith Webster
Manager - Investor Relations

AXMIN Inc.
120 Adelaide Street West
Suite 2105
Toronto, Ontario, Canada
M5H 1T1

Tel: +1 416 368 0993 (North America)

E-mail: ir@axmininc.com

Transfer Agent

Computershare Investor Services Inc.
Toronto, Ontario, Canada
Tel: +1 800 564 6253 (North America - Toll Free)
Tel: +1 514 982 7555 (International)
E-mail: service@computershare.com

Stock Listing

TSX Venture Exchange (TSX Venture)
Symbol: AXM

Common Shares Outstanding

(As at December 31, 2008)
272.3 million

Principal Bankers

Canadian Imperial Bank of Commerce
Toronto, Ontario, Canada

Barclays Bank PLC
St Helier, Jersey, Channel Islands

Annual and Special Meeting

The Annual and Special Meeting of Shareholders will be held at 10:00 am (ET) on Tuesday, June 2, 2009 at The Toronto Board of Trade - MacDonald Room, 77 Adelaide Street West, Toronto, Ontario, M5X 1C1, Canada

For further information regarding AXMIN visit our website at **www.axmininc.com**

Design: Goodhoofd Inc. *Production:* Walter J. Mishko & Co. Inc.