

ASX CODE

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19 November 2018

ASX ANNOUNCEMENT

UPDATE ON ACTIVITIES – GLENLEA ESTATE, MT BARKER

- **Company completes construction of first Stage**
- **Stage 1 titles issued by Land Titles Office**
- **Settlements on contracted allotments expected**
- **Solar initiatives offered with first allotments future proof against uncertain energy costs**
- **Update on sales activity / deal struck with Rivergum Homes**

Adelaide, Australia, Monday 19 November 2018: Axiom Properties Limited (ASX:AXI) is pleased to provide this update in relation to the Company's 50% Joint Venture (JV) interest in the residential subdivision in Mt Barker, South Australia known as Glenlea Estate.

The Company advises that construction of the first stage of the development was completed last month, comprising 73 lots of the 600-lot master planned estate. The initial pre-sales campaign generated strong interest for the land lots, generating 22 sales out of the 46 released lots forming Stage 1a.

Titling of the first allotments occurred on 13 November and Purchasers of the Stage 1a lots have been notified, and settlements are expected to commence within 14 days from issue of titles. At this stage, the Company is not aware of any expected purchaser defaults and are therefore optimistic of successfully settling all pre-sale purchases. Funds received from Stage 1a allotment settlements will be used to pay down existing finance with BankSA.

Each home in Glenlea will be fitted with a grid-connected Solar PV System with inverter technology. As part of the sales for the first lots contracted, the Company has agreed to fund the Solar PV System with inverter technology as well as a 6.4kwh Battery Storage System. This is a ground-breaking initiative for residential sub-divisions of this nature and is being designed and delivered by our locally based Ecologically Sustainability Development Partner Living Energy, Adelaide's premium solar provider.

The Company is also pleased to announce it has entered into an Appointment Deed with Rivergum Homes, 2018 HIA South Australian Professional Major Builder of the Year. Under the terms of the agreement, Axiom and its JV Partner has released House and Land Packages for sale with Rivergum Homes on 22 allotments in the already constructed Stage 1a. The precinct now on sale is known as 'Velo at Glenlea' and is currently being jointly marketed by the JV through traditional methods as well as through Rivergum's extensive customer database of prospective purchasers.

Tender submissions for Stage 1b and 1c construction comprising of 56 allotments, natural reserves as well as an additional estate entry is currently under review. The JV is expecting finance terms to be forthcoming for consideration to enable commencement of construction of the next stage in early 2019. As at date of this notice, 3 sales have already been contracted in the next Stage.

About Axiom Properties Ltd

Axiom Properties Ltd is a property development and investment business focused on developing and delivering quality property solutions. Axiom's principal objective is to create long term value for shareholders through creating a well-respected property development and investment company that consistently delivers above industry returns on capital. Axiom's current portfolio of development opportunities include a major mixed-use residential, retail and carparking complex in Sydney's Double Bay, a mixed-use hotel and office development in Adelaide's CBD and a 500-lot residential subdivision in Mt Barker in the Adelaide Hills. The end value of the current pipeline exceeds \$800m.

For more information, please contact:
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