



AXIOM PROPERTIES LTD

ABN 40 009 063 834

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM TO SHAREHOLDERS

Date of Meeting

Wednesday, 25 November 2015

Time of Meeting

10:00am ACDT

Place of Meeting

Level 3, Stafford House
25 Leigh Street
ADELAIDE SA 5000

A Proxy Form is enclosed

Please read this Notice and Explanatory Memorandum carefully.

If you are unable to attend the Annual General Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.

AXIOM PROPERTIES LTD

ABN 40 009 063 834

NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Axiom Properties Ltd ABN 40 009 063 834 ("Company") will be held at 10:00am (ACDT) on Wednesday 25 November 2015 at Level 3, Stafford House, 25 Leigh Street, Adelaide South Australia for the purpose of transacting the following business referred to in this Notice of Meeting.

AGENDA

ITEMS OF BUSINESS

Financial Reports

To receive and consider the financial statements of the Company for the year ended 30 June 2015, together with the Directors' Report and the Auditor's Report as set out in the Annual Report.

1. Resolution 1 – Non Binding Resolution to adopt Remuneration Report

To consider and, if thought fit, pass the following as an **ordinary resolution**:

"That the Remuneration Report as set out in the Annual Report for the year ended 30 June 2015 be adopted."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Memorandum for further details on the consequences of voting on this Resolution.

The Company will disregard any votes cast on Resolution 1 by or on behalf of a Restricted Voter¹. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- (b) it is not cast on behalf of a Restricted Voter.

Further, the Company will not disregard a vote cast by the Chair of the meeting as a proxy, if the appointment of the Chair expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 1. Shareholders may also choose to direct the Chair to vote against Resolution 1 or to abstain from voting.

2. Resolution 2 – Approval of the Axiom Properties Limited Performance Rights Plan

To consider and, if thought fit, pass the following as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.2 Exception 9(b) and for all other purposes, approval is given for the Company to establish and maintain the Performance Rights Plan on the terms and conditions summarised in the Explanatory Memorandum and the grant of Performance Rights and the issue of Shares under the Performance Rights Plan."

¹ Restricted Voter" means Key Management Personnel and their Closely Related Parties as defined in the glossary.

The entity will disregard any votes cast on Resolution 2 by any director who is eligible to participate in the performance rights plan and any associate of that director. However, the entity need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

In addition, in accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on resolution 2 if:

- (a) the proxy is either a member of the KMP or a closely related party of a member of the KMP; and
- (b) the appointment does not specify the way the proxy is to vote on that resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chairman of the meeting; and
- (b) the appointment expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

3. Resolution 3 – Grant of Performance Rights to Mr Ben Laurance

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, subject to the passing of Resolution 2, pursuant to and in accordance with Listing Rule 10.14 and for all other purposes, the Directors be and are hereby authorised to grant up to 6,000,000 Performance Rights for no consideration under the Performance Rights Plan, to Mr Ben Laurance or his nominee, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."

The entity will disregard any votes cast on Resolution 3 by any director who is eligible to participate in the performance rights plan and any associate of that director. However, the entity need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

The Company will in accordance with section 224 of the Corporations Act disregard any votes cast on Resolution 3 by Mr Ben Laurance and any associate of Mr Ben Laurance. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution; and
- (b) it is not cast on behalf of Mr Ben Laurance or an associate of Mr Ben Laurance.

In addition, in accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on resolution 3 if:

- (a) the proxy is either a member of the KMP or a closely related party of a member of the KMP; and
- (b) the appointment does not specify the way the proxy is to vote on that resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chairman of the meeting; and
- (d) the appointment expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

4. Resolution 4 – Grant of Performance Rights to Mr Ian Laurance AM

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, subject to the passing of Resolution 2, pursuant to and in accordance with Listing Rule 10.14 and for all other purposes, the Directors be and are hereby authorised to grant up to 3,000,000 Performance Rights for no consideration under the Performance Rights Plan, to Mr Ian Laurance or his nominee, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."

The entity will disregard any votes cast on Resolution 4 by any director who is eligible to participate in the performance rights plan and any associate of that director. However, the entity need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

The Company will in accordance with section 224 of the Corporations Act disregard any votes cast on Resolution 4 by Mr Ian Laurance and any associate of Mr Ian Laurance. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution; and
- (b) it is not cast on behalf of Mr Ian Laurance or an associate of Mr Ian Laurance.

In addition, in accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on resolution 4 if:

- (a) the proxy is either a member of the KMP or a closely related party of a member of the KMP; and
- (b) the appointment does not specify the way the proxy is to vote on that resolution.

However, the above prohibition does not apply if:

- (e) the proxy is the Chairman of the meeting; and
- (f) the appointment expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

5. Resolution 5 – Grant of Performance Rights to Mr John Howe

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, subject to the passing of Resolution 2, pursuant to and in accordance with Listing Rule 10.14 and for all other purposes, the Directors be and are hereby authorised to grant up to 2,000,000 Performance Rights for no consideration under the Performance Rights Plan, to Mr John Howe or his nominee, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."

The entity will disregard any votes cast on Resolution 5 by any director who is eligible to participate in the performance rights plan and any associate of that director. However, the entity need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

The Company will in accordance with section 224 of the Corporations Act disregard any votes cast on Resolution 5 by Mr John Howe and any associate of Mr John Howe. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution; and
- (b) it is not cast on behalf of Mr John Howe or an associate of Mr John Howe.

In addition, in accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on resolution 5 if:

- (a) the proxy is either a member of the KMP or a closely related party of a member of the KMP; and
- (b) the appointment does not specify the way the proxy is to vote on that resolution.

However, the above prohibition does not apply if:

- (g) the proxy is the Chairman of the meeting; and
- (h) the appointment expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

6. Resolution 6 – Re-election of Mr John Howe as a Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That Mr John Howe, who retires in accordance with clause 13.2 of the Constitution and, being eligible for re-election, be re-elected as a Director."

OTHER BUSINESS

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

For the purposes of this Notice, the Explanatory Memorandum and Resolutions 1 to 6, the following definitions apply:

"**Accounting Standards**" has the meaning given to that term in the Corporations Act;

"**Annual Report**" means the annual report of the Company for the year ended 30 June 2015;

"**ASX**" means ASX Ltd ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Ltd;

"**Board**" means the board of Directors;

"**ACDT**" means Australian Central Daylight Time.

"**Closely Related Party**" has the meaning given to that term in the Corporations Act;

"**Company**" means Axiom Properties Limited ABN 40 009 063 834;

"**Constitution**" means the Company's constitution, as amended from time to time;

"**Corporations Act**" means *Corporations Act 2001* (Cth);

"**Directors**" means the Directors of the Company;

"**Eligible Participant**" means a Director, Senior Employee and any other person determined by the Board.

"**Explanatory Memorandum**" means this Explanatory Memorandum accompanying the Notice;

"**For Cause**" means serious misconduct, breach of law, breach of a material term of the Participants employment agreement, consultancy agreement or contract for services (as applicable), fraud, lack of honesty or lack of good faith.

"**Invitation**" means an invitation to an Eligible Participant to apply for the grant of Performance Rights under the Plan Rules.

"**Key Management Personnel**" has the meaning given to that term in the Accounting Standards;

"**Listing Rules**" means the Listing Rules of the ASX;

"**Measurement Date**" means the date at which the Performance Conditions are to be measured to determine whether that Performance Right becomes vested and therefore exercisable;

"**Meeting**" means the annual general meeting the subject of the Notice;

"**Notice**" means this Notice of Meeting;

"**Performance Conditions**" means conditions relating to the performance of the Company and subsidiaries of the Company for the purpose of determining the number of Performance Rights that will become vested (resulting in the issue of Plan Shares);

"**Performance Period**" means the period set out in the offer for the purpose of determining the extent (if any) to which the Performance Conditions have been met;

"**Performance Right**" means a right granted under the PRP to acquire Plan Shares on terms, and subject to conditions, set out in the PRP;

"**Plan Share**" means a Share held by a Participant upon the vesting of a Performance Right.

"**PRP**" or "**Performance Rights Plan**" means the performance rights plan titled "Axiom Properties Ltd Performance Rights Plan" the subject of Resolution 2, details of which are summarised in the Explanatory Memorandum;

"**Resolution**" means a resolution contained in this Notice;

"**Share**" means a fully paid ordinary share in the capital of the Company;

"**Shareholder**" means the holder of a Share;

"**Trading Day**" has the meaning in the Listing Rules; and

"**VWAP**" means volume weighted average price.

By order of the Board

A handwritten signature in blue ink, appearing to be 'P. Santinon', with a stylized flourish at the end.

Paul Santinon
Company Secretary
Dated: 20 October 2015

How to vote

Shareholders can vote by either:

- attending the meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the proxy form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post or by facsimile.

Voting in person (or by attorney)

Shareholders, or their attorneys, who plan to attend the meeting are asked to arrive at the venue no later than 20 minutes prior to the time designated for the meeting, if possible, so that their holding may be checked against the Share register and attendance recorded. Attorneys should bring with them an original or certified copy of the power of attorney under which they have been authorised to attend and vote at the meeting.

Voting by a Corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the meeting evidence of his or her appointment, including any authority under which it is signed.

Voting by proxy

- A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (ie where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a Shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy, the proxy may only vote on Resolution 1, 2, 3, 4 & 5 if the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
- Should any Resolution, other than those specified in this Notice, be proposed at the meeting, a proxy may vote on that Resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- Shareholders who return their proxy forms with a direction how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the meeting as their proxy to vote on their behalf. If a proxy form is returned but the nominated proxy does not attend the meeting, the Chairman of the meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chairman of the meeting, the secretary or any Director that do not contain a direction how to vote will be used where possible to support each of the resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed resolutions. These rules are explained in this Notice.
- To be effective, proxies must be lodged by 10:00am (ACDT) Monday 23 November 2015. Proxies lodged after this time will be invalid.

- Proxies may be lodged using any of the following methods:

- by returning a completed proxy form in person to:

Computershare Investor Services Pty Limited
Level 5, 115 Grenfell Street
ADELAIDE SA 5000

or

by post to:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3000

or

- by faxing a completed proxy form to 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia). The proxy form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the power of attorney, or the power itself, must be received by the Company at the above address, or by facsimile, and by 10:00am (ACDT) on Monday 23 November 2015. If facsimile transmission is used, the power of attorney must be certified.

Custodian voting - for Intermediary Online subscribers (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

Shareholders who are entitled to vote

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001, the Board has determined that a person's entitlement to vote at the Meeting will be the entitlement of that person set out in the Register of Shareholders as at 7:00pm ACDT on 23 November 2015.

AXIOM PROPERTIES LTD

ABN 40 009 063 834

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Meeting.

FINANCIAL REPORTS

The first item of the Notice of Meeting deals with the presentation of the consolidated annual financial report of the Company for the financial year ended 30 June 2015 together with the Directors' declaration and report in relation to that financial year and the auditor's report on those financial statements. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Meeting to ask questions and make comments on the accounts and on the business, operations and management of the Company.

The Chairman will also provide Shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- the conduct of the audit;
- the preparation and content of the independent audit report;
- the accounting policies adopted by the Company in relation to the preparation of accounts; and
- the independence of the auditor in relation to the conduct of the audit.

RESOLUTION 1 - ADOPTION OF REMUNERATION REPORT

In accordance with section 250R(2) of the Corporations Act the Company is required to present to its Shareholders the Remuneration Report as disclosed in the Company's 2015 Annual Report. The vote on the Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's Annual Report and is also available on the Company's website (www.axiompl.com.au).

However, if at least 25% of the votes cast are against adoption of the Remuneration Report at the 2015 AGM, and then again at the 2016 AGM, the Company will be required to put a resolution to the 2016 AGM, to approve calling an extraordinary general meeting (**spill resolution**). If more than 50% of Shareholders vote in favour of the spill resolution, the Company must convene an extraordinary general meeting (**spill meeting**) within 90 days of the 2016 AGM. All of the Directors who were in office when the 2016 Directors' Report was approved, other than the Managing Director, will (if desired) need to stand for re-election at the spill meeting.

The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to Directors, sets out remuneration details for each Director and any service agreements and sets out the details of any share based compensation.

Voting

Note that a voting exclusion applies to Resolution 1, 2, 3, 4 & 5 in the terms set out in the Notice of Meeting. In particular, the directors and other Restricted Voters may not cast a vote as proxy, unless the appointment gives a direction on how to vote or the proxy is given to the Chair and expressly authorises the Chair to exercise your proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. The Chair will use any such proxies to vote in favour of the Resolution.

Shareholders are urged to carefully read the proxy form and provide a direction to the proxy on how to vote on this Resolution.

RESOLUTION 2 - APPROVAL OF THE AXIOM PROPERTIES LIMITED PERFORMANCE RIGHTS PLAN

Resolution 2 seeks Shareholder approval of a new employee incentive plan, being the Axiom Properties Limited Performance Rights Plan ("PRP").

The aim of the PRP is to assist in the reward, retention and motivation of Eligible Participants and, if applicable, attract new employees and / or officers to the Company.

The Plan allows the grant of Performance Rights ("Performance Rights") to Eligible Participants. A Performance Right is a right to acquire a Share (being a "Plan Share"), subject to the satisfaction of any service and performance conditions set down in the invitation.

A summary of the rules for the PRP ("Plan Rules") is set out below. The Plan Rules set out the general terms of the PRP.

In the future, it is proposed that grants of Performance Rights under the Plan will be considered annually, following announcement of Axiom's full-year financial results. The Board will have discretion to make grants at other times including on the commencement of employment by an Eligible Participant. The terms of any future offers may vary. Any future issues under the PRP to a Director will only be made if the required shareholder approval is obtained.

Summary of Plan Rules

The following is a summary of the Plan Rules.

Overview

The Plan allows Axiom to grant Performance Rights to invited Eligible Participants. On satisfaction of any performance and service conditions contained in the Invitation to an Eligible Participant, Performance Rights will vest and the Company will issue or transfer an equivalent number of Plan Shares to that Participant.

Who is eligible to participate?

Participation in the PRP is by invitation only. That is, only those Eligible Participants invited by the Board to apply will be able to participate. An Eligible Participant includes a Director of Axiom, Senior Employee's and any other person determined by the Board.

Operation of the Plan

The Plan is designed to provide participating Eligible Participants with an increased incentive to make a contribution to the long term sustainable performance of Axiom.

The grant of Performance Rights to Eligible Participants ("Participants") entitles Participants to be issued or transferred an equivalent number of Plan Shares upon the vesting of Performance Rights.

Consideration for Performance Rights and Plan Shares

Participants are not required to pay consideration for the acquisition of Performance Rights granted under the Plan or Plan Shares issued or transferred to them upon the vesting of Performance Rights.

Performance or vesting conditions

Vesting of Performance Rights under the Plan will be subject to vesting conditions as determined by the Board of Axiom and specified in the Participants' invitations, which may include service and performance conditions.

Vesting timeframes

If Performance Rights have not lapsed and the performance conditions have been satisfied, Performance Rights will vest in accordance with the timeframes set out in the Participants' invitations.

Lapsing of Performance Rights

Unvested Performance Rights will lapse:

- if the Participants employment or provision of services to the Company is terminated by the Company For Cause, unless otherwise determined by the Board;
- if the vesting conditions set down in the Participant's invitation have not been met at the vesting date;
- the vesting conditions set down in the Participant's invitation have not been met and the Board determines that the vesting conditions cannot be met by the vesting date; or
- the expiry date for the Performance Rights as determined by the Board and set out in a Participants Invitation.

Cessation of employment

In the event that an Eligible Participant who holds Performance Rights ceases to be a Senior Employee or Director of the Company other than For Cause, then that Eligible Participants Performance Rights remain unvested (but not lapse).

Transfer of Performance Rights and/or Plan Shares

A Participant is not entitled to assign, transfer, sell, encumber, hedge or otherwise deal with Performance Right or Plan Shares except in accordance with the Plan Rules and that Participants Invitation, unless otherwise determined by the Board.

Rights attaching to Plan Shares acquired on exercise of the Performance Rights

Plan Shares acquired on exercise of the Performance Rights will rank pari passu with all existing Shares from the date of allocation and will be entitled in full to those dividends or other distributions which have a record date for determining entitlements after the date of issue.

Quotation of Performance Rights and Plan Shares acquired on exercise of the Performance Rights

Performance Rights granted under the Plan will not be quoted on the ASX. Axiom will make application to the ASX for official quotation of Plan Shares issued on Performance Rights becoming vested.

Trust

The Board may use a trust or other mechanism for the purpose of holding Plan Shares for Participants under the Plan and/or delivery of Plan Shares to Participants upon vesting of the Performance Rights.

Limitation on issue

The maximum number of Performance Rights which may be granted under the Plan must not exceed (assuming all outstanding Performance Rights vest), when aggregated with any Shares issued during the previous 5 years pursuant to any other employee Share scheme operated by the Company, cannot exceed five percent (5%) of the total issued capital of the Company at the time of the grant of the Performance Rights, excluding unregulated offers.

Disposal restrictions

The Board may determine prior to an Invitation being made whether there will be any restrictions on the disposal of, the granting (or purporting to grant) of any Security Interest in or over, or otherwise on dealing with (or purporting to dispose or deal with), Plan Shares held by any Participants.

Variation to the Plan Rules

The Board may alter the Plan Rules or their application in accordance with the Listing Rules and the Axiom Constitution and otherwise in accordance with the terms of the Plan Rules.

Other information

A copy of the Plan Rules may be requested from the Company Secretary. No Performance Rights have been granted under the PRP at the date of this Notice.

ASX Listing Rule 7.1

Listing Rule 7.1 provides a formula that limits the number of Equity Securities Axiom may issue without Shareholder approval to 15% of each class of securities within any 12-month period.

Exception 9 of Listing Rule 7.2 provides that the 15% restriction in Listing Rule 7.1 will not apply to an issue of Performance Rights or Plan Shares issued on the vesting of Performance Rights under the PRP where the issue of securities under the PRP has been approved by a Resolution of Shareholders made during the previous 3 years.

Resolution 2 provides for Shareholder approval for future issues of Plan Shares under the Plan for the purposes of Exception 9 of Listing Rule 7.2. Accordingly, if Resolution 2 is passed, any Shares issued under the Plan will be excluded from the calculation of the maximum number of new securities that can be issued by Axiom in any 12-month period (currently 15% of securities previously on issue) for a period of 3 years from the date of this approval. This will give the Board the flexibility to issue Plan Shares on the terms set out in the PRP during the next 3 years.

RESOLUTIONS 3 - 5 - GRANT OF PERFORMANCE RIGHTS TO THE DIRECTORS

For the purpose of ASX Listing Rule 10.14 approval is sought for the grant of Performance Rights under the PRP, to the following Directors of Axiom:

- 6,000,000 Performance Rights to Mr Ben Laurance
- 3,000,000 Performance Rights to Mr Ian Laurance AM
- 2,000,000 Performance Rights to Mr John Howe

and in consequence of the vesting of the above Performance Rights, the issue of Plan Shares in Axiom subject to the terms and conditions of the Invitation.

Under the ASX Listing Rules, an issue of securities to a Director is required to be approved by Shareholders. This requirement does not apply in respect of securities purchased on-market.

ASX Listing Rule 10.15 requires this Notice of Meeting to include the following information in relation to the Performance Rights that may be granted to Mr Ben Laurance, Mr Ian Laurance AM and Mr John Howe under the terms of the Invitation and the PRP.

The Board is proposing to grant the respective Performance Rights to Mr Ben Laurance, Mr Ian Laurance AM and Mr John Howe to align long term incentives for these Directors with the delivery of key performance measures.

The Performance Rights proposed to be granted to the respective Directors has been determined by the Board to account for each Director's long term service, loyalty and dedication as well as each Director's relevant experience, expertise, seniority within the Company and ability to contribute to the Company meeting its key performance measures.

Terms & Conditions of the grant of Performance Rights and Maximum number of Shares

Each vested Performance Right will automatically be converted to one ordinary Share. Accordingly, the maximum number of Plan Shares that may be acquired for which Shareholder approval under Resolutions 3-5 is sought is:

- 6,000,000 Plan Shares to Mr Ben Laurance
- 3,000,000 Plan Shares to Mr Ian Laurance AM
- 2,000,000 Plan Shares to Mr John Howe

The number of Performance Rights which will vest in accordance with the rules of the Axiom Performance Rights Plan and an Invitation is dependent on the vesting conditions which can be summarised as follows:

Vesting Conditions

Service

Continuous employment with Axiom for the 2-year period from Grant Date to First Exercise Date.

Performance: Financial and Non-financial

The Board will consider performance measures both financial and non-financial in determining whether Performance Rights granted to Mr Ben Laurance, Mr Ian Laurance AM and Mr John Howe meet the Vesting Conditions. Performance measures considered may include, but are not limited to:

- Growth in net tangible assets;
- Total return to shareholders;
- Positive cashflow; and
- Identification and crystallisation of new project and business opportunities.

If the Measures are not achieved by the Expiry Date, the Performance Rights will immediately lapse: there will be no retesting.

The Performance Rights which vest subject to this Vesting Condition will also need to meet the Service Condition in order to be exercisable.

The Measure Period for this Vesting Condition is the period from Grant Date to Expiry Date.

Disposal restrictions

The Board has determined that Plan Shares issued pursuant to the vesting of Performance Rights will be restricted from trade on ASX for 3 years from the date of issue.

Expiry Date

The Expiry Date for Performance Rights the subject of Resolutions 3-5 is 3 years from Grant Date.

Consideration

Mr Ben Laurance, Mr Ian Laurance AM and Mr John Howe will be offered these Performance Rights, at grant, for nil consideration. Plan Shares issued upon the vesting of Performance Rights are issued for nil consideration.

Rights

The Performance Rights will be granted under, and subject to, the rules of the Axiom Performance Rights Plan.

Performance Rights do not carry any dividend or voting rights prior to vesting.

Other Information

- Plan Shares issued pursuant to the vesting of Performance Rights will rank equally with Shares then on issue.
- The persons entitled to participate in the PRP referred to in Listing Rule 10.14 are Ben Laurance, Ian Laurance and John Howe.
- No previous grants of Performance Rights to have been made under the PRP.
- There is no loan scheme in relation to the Performance Rights.
- The Board does not consider that there are any opportunity costs or benefits forgone by the Company as a result of the proposed grant of the Performance Rights to the respective Directors.
- If Shareholder approval is obtained, it is anticipated that the relevant Performance Rights will be granted to Mr Ben Laurance, Mr Ian Laurance AM and Mr John Howe shortly after the meeting. No Performance Rights will be granted pursuant to this approval more than 12 months after the date of the Meeting.
- If shareholder approval is obtained, details of the Performance Rights granted to Mr Ben Laurance, Mr Ian Laurance AM and Mr John Howe will be provided in the Remuneration Report for the years ended 30 June 2016 to 2018 (as required).
- A voting exclusion statement for Resolutions 3 - 5 is set out in the Notice.
- Shareholder approval for Resolutions 3 - 5 is being sought for the purpose of Listing Rule 10.14. Therefore, Shareholder approval is not required under Listing Rule 7.1.

No Chapter 2E approval

Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties by a public company. The issue of Performance Rights to Ben Laurance, Ian Laurance AM and John Howe under Resolutions 3-5 constitute the giving of a financial benefit to a related party of the Company.

It is the view of the Directors that the proposed issue of Performance Rights pursuant to Resolutions 3 - 5 fall within the exception under section 211 of the Corporations Act (reasonable remuneration) given the circumstances of the Company and the positions held by Ben Laurance, Ian Laurance AM and John Howe. Accordingly, the Directors have determined not to seek shareholder approval under section 208 of the Corporations Act for the issue of the Performance Rights to Ben Laurance, Ian Laurance AM and John Howe.

Director's recommendation

The Directors other than Mr Ben Laurance (who have no interest in the outcome of Resolution 3) recommend that Shareholders vote in favour of Resolution 3 as they believe the granting of these Performance Rights to Mr Ben Laurance will align his rewards with the long-term creation of value for Shareholders.

The Directors other than Mr Ian Laurance AM (who have no interest in the outcome of Resolution 4) recommend that Shareholders vote in favour of Resolution 4 as they believe the granting of these Performance Rights to Mr Ian Laurance AM will align his rewards with the long-term creation of value for Shareholders.

The Directors other than Mr John Howe (who have no interest in the outcome of Resolution 5) recommend that Shareholders vote in favour of Resolution 5 as they believe the granting of these Performance Rights to Mr John Howe will align his rewards with the long-term creation of value for Shareholders.

RESOLUTION 6 - RE-ELECTION OF MR JOHN HOWE AS A DIRECTOR

Pursuant to Clause 13.2 of the Constitution, Mr John Howe, being a Director, retires by way of rotation and, being eligible, offers himself for re-election as a Director.

Mr Howe has over 30 years of business experience in the development and construction industry. He established a national and international reputation across a range of sectors including property, integrated tourism resorts, theme parks, special events and tall buildings.

As the former Executive Chairman of Weathered Howe Pty Ltd, Mr Howe is a recognised industry leader with memberships in many Queensland associations and industry-based councils. Currently Mr Howe is the Chairman of iEDM, one of Australia's leaders in the delivery of Tourism, Leisure and Events Projects. Mr Howe holds the Degree of Bachelor of Engineering (Civil), is a member of the Institution of Engineers Australia and is currently the honorary Professor of Integrated Engineering at Griffith University and previously an Adjunct Professor at the Mirvac School of Sustainable Development at Bond University.

Mr Howe is a member of the Group's Audit Committee, Remuneration Committee and Nomination Committee.

Axiom Properties Limited

ABN 40 009 063 834



┌ 000001 000 AXI
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 556 161
(outside Australia) +61 3 9415 4000

Proxy Form

XX

For your vote to be effective it must be received by 10:00am (ACDT) Monday 23 November 2015

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- Review your securityholding
- Update your securityholding

Your secure access information is:

SRN/HIN: I9999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Axiom Properties Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Axiom Properties Limited to be held at Level 3, Stafford House, 25 Leigh Street, Adelaide South Australia on Wednesday 25 November 2015 at 10:00am (ACDT) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on **Item 1, 2, 3, 4 & 5** (except where I/we have indicated a different voting intention below) even though **Item 1, 2, 3, 4 & 5** are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on **Item 1, 2, 3, 4 & 5** by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY BUSINESS

| | For | Against | Abstain |
|--|--------------------------|--------------------------|--------------------------|
| 1 Adoption of the Remuneration Report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 Approval of the Axiom Properties Limited Performance Rights Plan | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 Grant of Performance Rights to Mr Ben Laurance | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4 Grant of Performance Rights to Mr Ian Laurance AM | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5 Grant of Performance Rights to Mr John Howe | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6 Re-election of Mr John Howe as a Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

/ /

AXI

999999A

Computershare +