

ASX CODE

AXI

ISSUED CAPITAL

Ordinary Shares
427.1 M

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27 October 2017

ASX ANNOUNCEMENT

APPENDIX 4C – QUARTERLY CASH FLOW REPORT – SEPTEMBER 2017

Adelaide, Australia, Friday 27 October 2017: Axiom Properties Limited (ASX:AXI) lodges the attached Appendix 4C Quarterly report for entities admitted on the basis of commitments for the quarter ended 30 September 2017.

Commentary is provided as follows:

- The Company held cash reserves of \$12.004 million at 30 September 2017.
- The Company's cash reserves for the September quarter increased by \$10.021 million as follows:
 - Net operating cash outflows for the September quarter were \$590,391.
 - Net investing cash inflows for the September quarter were \$22.099 million.
 - Net financing cash outflows for the September quarter were \$11.488 million.

The Company continued to invest in the development of its Mt Barker land sub-division during the quarter and generally in its property portfolio including its Double Bay project in Sydney and Currie Street project in Adelaide.

As previously announced on 5 September 2017, the settlement of Churchill South retail centre occurred during the quarter. Axiom received net proceeds of \$10.639 million after paying senior debt and all settlement costs.

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.

For more information, please contact:

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Company Secretary
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Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Axiom Properties Limited

ABN

40 009 063 834

Quarter ended ("current quarter")

30 September 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,245	1,245
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs		
(c) advertising and marketing		
(d) leased assets		
(e) staff costs	(398)	(398)
(f) administration and corporate costs	(960)	(960)
1.3 Dividends received (see note 3)		
1.4 Interest received	27	27
1.5 Interest and other costs of finance paid	(434)	(434)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (Payments for Development Costs)	(70)	(70)
1.9 Net cash from / (used in) operating activities	(590)	(590)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) businesses (see item 10)		
(c) investments	(251)	(251)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	(d) intellectual property		
	(e) other non-current assets		
	Proceeds from disposal of:		
	(a) property, plant and equipment	22,350	22,350
	(b) businesses (see item 10)		
	(c) investments		
2.3	(d) intellectual property		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	22,099	22,099

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares		
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options		
3.5	Proceeds from borrowings	82	82
3.6	Repayment of borrowings	(11,570)	(11,570)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	(11,488)	(11,488)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	1,983	1,983
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(590)	(590)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	22,099	22,099
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(11,488)	(11,488)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of quarter	12,004	12,004

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,504	3,504
5.2	Call deposits	8,500	8,500
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	12,004	12,004

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

178

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

8. Financing facilities available

Add notes as necessary for an understanding of the position

8.1 Loan facilities

8.2 Credit standby arrangements

8.3 Other (please specify)

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
49,980	49,980

Description	Amount (\$A'000)	Lender	Interest Rate	Secured / Unsecured
Churchill Centre North ⁽¹⁾	49,980	BankSA	90 day BBSW	Secured
Churchill Centre North (SWAP)	25,000	BankSA	2.36%	Secured
(1) The Company's total financing facilities are \$49.980m, of which \$25m is hedged under a swap agreement secured against Churchill Centre North, of which Axiom has a 50% interest (i.e. exposure limited to only half of that facility).				

9. Estimated cash outflows for next quarter

\$A'000

9.1 Research and development

9.2 Product manufacturing and operating costs

9.3 Advertising and marketing

9.4 Leased assets

9.5 Staff costs

9.6 Administration and corporate costs

9.7 Other (Development Costs, Interest and Finance Costs)

9.8 Total estimated cash outflows

(337)

(425)

(306)

(982)

(2,050)

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)

Acquisitions

Disposals

10.1 Name of entity

10.2 Place of incorporation or registration

10.3 Consideration for acquisition or disposal

10.4 Total net assets

10.5 Nature of business

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:  Date: 27 October 2017
(Director/Company secretary)

Print name: Paul Santinon

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.