

ASX CODE

AXI

ISSUED CAPITAL

Ordinary Shares
442.2 M

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ASX ANNOUNCEMENT

AXIOM TO COMMENCE NEW PROJECT AT CHURCHILL SOUTH

Adelaide, Australia, Thursday 20 February 2014: Axiom Properties Limited (ASX:AXI)

Axiom pre-commits 5,500 sq.m of large format retail space at Churchill South, construction to commence

Following on from the success of the company's flagship Churchill North shopping centre in Adelaide, Axiom is pleased to announce it has launched a new development at the Company's 100% owned Churchill South development following a successful pre-leasing campaign.

The Group announced today that it has pre-committed 100% of the proposed 5,500 sq.m mixed use retail project. The major anchor tenant is to be "Savers", a recycle superstore founded in the US in 1954 and a leader and pioneer in the retail thrift industry. Savers have committed to occupy 2,920 sq.m of space on a long term lease, representing more than half the available space to be constructed. Savers have been operating successfully in the Australian market since 1997, have more than 300 stores throughout the USA and Canada, and 8 stores in Australia.

In addition, Axiom has entered into a conditional agreement with major automotive retailer Autobarn, a majority owned subsidiary of ASX-listed Metcash Limited, with in excess of 100 stores around Australia. Autobarn will sit alongside City Farmers, a leading specialty retailer of pet food, supplies and products with a current portfolio of 31 large format stores around Australia.

The Weighted Average Lease Expiry (WALE) of the proposed new Centre is forecast to be in excess of 9 years.

Construction of the centre will commence forthwith, with tenants expected to be open for trading by October this year. The site of Churchill South is located along Churchill Road, adjoining the Axiom-developed Stage One Bunnings warehouse. Churchill South is located on the Company's 3 hectares of land it occupies under a long term ground lease, approximately 300m south of the Company's Churchill North development, a major retail shopping centre comprising Adelaide's first Costco Warehouse, a full-line Coles "Super Store" supermarket, Kmart, Coles Liquor, McDonalds, Coles Petrol and approximately 50 specialty shops. Construction on Churchill North commenced in August 2013 following last year's sale of a 50% interest in the development to Southern Cross Equity Group, and the Centre is currently on target to be open for trading in May 2014. Axiom intends to own long term its 50% share of the Churchill North Centre and its 100% interest in Churchill South, thereby generating a strong, recurring cashflow through rental income for the Group.

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For further information please contact:

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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.