Rule 4.7B

Appendix 4C

Quarterly report
for entities admitted
on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001

Name of entity

AXIOM PROPERTIES LIMITED

ABN	Quarter ended ("current quarter")
40 0090 638 34	30 SEPTEMBER 2004

Consolidated statement of cash flows

Cash flows related to operating activities			Current quarter $A'000	Year to date (3 MONTHS) $A'000
1.1	Receipts from customers		3,089	3,089
1.2	Payments for	(a) staff costs	(97)	(97)
		(b) advertising and marketing	-	-
		(c) research and development	-	-
		(d) leased assets	-	-
		(e) other working capital	(900)	(900)
1.3	Dividends received		-	-
1.4	Interest and other items of a similar nature received		1	1
1.5	Interest and other costs of finance paid		(371)	(371)
1.6	Income taxes paid		-	-
1.7	Other (provide details if material)		54	54
	Net operating cash flows		1,776	1,776

+ See chapter 19 for defined terms.

		Current quarter $A'000	Year to date (3 MONTHS) $A'000
1.8	Net operating cash flows (carried forward)	**1,776**	**1,776**
	Cash flows related to investing activities		
1.9	Payment for acquisition of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c)intellectual property	-	-
	(d)physical non-current assets	(76)	(76)
	(e)other non-current assets	-	-
1.10	Proceeds from disposal of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	© intellectual property	-	-
	(d)physical non-current assets	27	27
	(e)other non-current assets	-	-
1.11	Loans to other entities	-	-
1.12	Loans repaid by other entities	-	-
1.13	Other (provide details if material)	-	-
	Net investing cash flows	(49)	(49)
1.14	**Total operating and investing cash flows**	1,727	1,727
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.	-	-
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	1,278	1,278
1.18	Repayment of borrowings	(2,596)	(2,596)
1.19	Dividends paid	-	-
1.20	Other (provide details if material)	50	50
	Net financing cash flows	(1,268)	(1,268)
	Net increase (decrease) in cash held	459	459
1.21	Cash at beginning of quarter/year to date	41	41
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	**Cash at end of quarter**	500	500

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	42
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Managing Director's remuneration for the quarter.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	9,500	9,500
3.2	Credit standby arrangements (refer Note Below)	-	-

Notes to 3.2

The consolidated entity has, since quarter end, arranged a temporary overdraft facility of $90,000 to finance working capital.

+ See chapter 19 for defined terms.

Notes to 3.2 Continued

It is anticipated that the temporary overdraft will be required until the forecast settlement of the sale of the consolidated entity's interest in the Dunsborough Lakes Village in early November 2004. The sale requires approval from shareholders at the company's Annual General Meeting. The Annual General Meeting is to be held on 10 November 2004.

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
4.1	Cash on hand and at bank	2	41
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Restricted - Other (refer note below)	498	-
	Total: cash at end of quarter (item 1.22)	500	41

Note to Line 4.4

The consolidated entity's finance facility terms require that a minimum balance of $500,000 is maintained on deposit with the financier. The consolidated entity does not have access to the account and therefore it is regarded as restricted cash.

Acquisitions and disposals of business entities

		Acquisitions *(Item 1.9(a))*	Disposals *(Item 1.10(a))*
5.1	Name of entity	N/A	N/A
5.2	Place of incorporation or registration	N/A	N/A
5.3	Consideration for acquisition or disposal	N/A	N/A
5.4	Total net assets	N/A	N/A
5.5	Nature of business	N/A	N/A

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.

2 This statement does /~~does not~~* *(delete one)* give a true and fair view of the matters disclosed.

Sign here: .... Date: 25 October 2004
(Director/~~Company secretary~~)

Print name: Peter Meagher

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.

   - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
   - 9.2 - itemised disclosure relating to acquisitions
   - 9.4 - itemised disclosure relating to disposals
   - 12.1(a) - policy for classification of cash items
   - 12.3 - disclosure of restrictions on use of cash
   - 13.1 - comparative information

3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.