5 December 2007

Companies Announcements Office
ASX Limited
Exchange Plaza
2 The Esplanade
Perth WA 6000

Dear Sirs

RE: AXIOM AND EUMUNDI - SELECTIVE BUY BACK AGREEMENT

Axiom Properties Limited announces that it has entered into a selective buy-back agreement with Eumundi Group Limited under which Eumundi will put to its shareholders the proposal to purchase all of Axiom's shareholding in the company.

Axiom currently holds 14,268,989 fully paid ordinary shares in Eumundi which represents approximately 16.74% of Eumundi's total issued capital.

Under the Buy Back Agreement Eumundi has agreed to acquire all of Axioms shares in Eumundi, at $0.32 per share, equalling a total consideration of $4,566,076.48. The Buy Back Price is based on the weighted average price of Eumundi's shares over the preceding 3 months trading.

Axiom and Eumundi entered into negotiations following Axiom's unsuccessful takeover bid for Eumundi earlier this year and, both Eumundi and Axiom's board believe that the Buy Back Agreement will be mutually beneficial to the parties.

The Buy Back Agreement is subject to Eumundi shareholder approval being obtained and Eumundi anticipates finalising meeting material shortly and holding an extraordinary general meeting early next year.

Further details of the Buy-Back Agreement will be provided to Eumundi shareholders in the meeting materials that are to be dispatched to shareholders in due course.

Yours faithfully,
For and on behalf of Axiom Properties Limited

Aaron Gardiner
Company Secretary

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