AXIOM
PROPERTIES LIMITED

13 August 2008

Dear Shareholder

INFORMATION FOR SHAREHOLDERS
PRO-RATA NON-RENOUNCEABLE RIGHTS ISSUE

As you may be aware, the Company will shortly be offering to you an opportunity to acquire more shares in the Company pursuant to a pro-rata non-renounceable rights issue to shareholders of fully paid ordinary shares ("**Shares**") on the basis of 2 New Share for every 5 Shares held by you at 5.00pm WST on 20 August 2008, at an issue price of 8 cents per Share, to raise approximately $10,875,857 ("**Rights Issue**"). This offer will be made pursuant to a Prospectus and if you wish to participate in the Rights Issue, you will need to complete the Entitlement and Acceptance Form that will accompany that Prospectus.

A copy of the Prospectus has been lodged with ASIC and ASX and will be despatched to persons holding shares as at the Record Date of 20 August 2008 July 2008.

Pursuant to the Listing Rules of the ASX Limited ("**Listing Rules**"), the Company is required to provide to you certain information before proceeding with the Rights Issue. This letter contains all the information required by Appendix 3B of the Listing Rules.

1. Up to a maximum of 135,948,213 New Shares will be issued pursuant to the Rights Issue (assuming no existing options are exercised).

2. The New Shares rank equally in all respects from the date of allotment with the existing class of quoted Shares.

3. The issue price of the New Shares will be 8 cents each.

4. The Company will apply for quotation of the New Shares issued pursuant to the Rights Issue on the official list of the ASX.

5. The funds raised by the Rights Issue will be used to fund Worldpark 01 Adelaide Construction Costs.

6. It is anticipated the securities will be entered into uncertificated holdings or dispatch of certificates on 16 September 2008.

7. The total number and class of all securities quoted on ASX (including the maximum number of Shares to be issued in the Rights Issue on an undiluted basis – ie. assuming none of the Company's options are exercised) is as follows:

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Number	Class
475,818,745	Ordinary shares

8. The following unlisted options are the securities of the Company not quoted on ASX:

Outstanding Unlisted Options:	
1.	10,000,000 Financier Options (exercisable at 10 cents each on or before 31 December 2008).
2.	140,000,000 Options (exercisable at 20 cents each on or before 15 January 2009).
3.	1,000,000 Employee Options (exercisable at 45 cents each on or before 20/12/08).
4.	8,000,000 Employee Options (exercisable at 45cents each on or before 14/12/08).
5.	2,000,000 Employee Options (exercisable at 45 cents each on or before 15/06/09).
6.	2,000,000 Options (exercisable at 65 cents each on or before 3/12/09).

9. The Company currently has no dividend policy.

10. No shareholder approval for the Rights Issue is required.

11. The Rights Issue is ***non-renounceable***.

12. The Shares in the Rights Issue will be offered on the basis of 2 New Shares for every 5 Shares held by the shareholder on 5.00pm WST on 20 August 2008.

13. The offer under the Rights Issue relates to fully paid ordinary shares in the capital of the Company.

14. The ***record date*** to determine entitlements is 20 August 2008.

15. Holdings on different registers (or subregisters) will not aggregated for calculating entitlements.

16. In determining the entitlement of shareholders, any fractional entitlement will be rounded up to the nearest whole number.

17. The Company will not be sending an offer under the Rights Issue to any security holders outside of Australia and New Zealand.

    In compliance with Listing Rule 7.7.1 of the ASX Listing Rules, the Company has decided that it is unreasonable to make the offer to security holders outside of Australia ands New Zealand having regard to each of the following:

    - the number of security holders outside of Australia and New Zealand;

    - the number and value of the securities to be offered to security holders outside of Australia and New Zealand; and the cost of complying with the legal requirements and requirements of regulatory authorities in the overseas jurisdictions.

The Company will send to each of the security holders outside of Australia and New Zealand details of the offer and advise them that the Company will not be making the offer to them.

In compliance with section 615 of the Corporations Act, the Company has appointed Southern Cross Equities Limited ("**Nominee**") as nominee for foreign holders of the Company's securities in those countries outside of Australia and New Zealand. The Company has applied to the ASIC for their approval of this nomination.

The Nominee will subscribe for and the Company will issue to the Nominee the New Shares that would otherwise have been issued to those foreign holders if the offer had been made available to them and they had accepted.

The Nominee must sell the New Shares and cause to be distributed to each of those foreign holders their proportion of the proceeds of the sale, net of expenses. Any such sale will be at such prices and otherwise in such a manner as the Nominee in its absolute discretion, determines.

18. The closing date for receipt of acceptances is 8 September 2008.

19. The Rights Issue is not underwritten.

20. Brokers will not receive a handling fee for acceptances lodged by them on behalf of security holders.

21. The Prospectus for the Rights Issue and the accompanying Entitlement and Acceptance Form will be sent to you on 25 August 2008.

22. Existing option holders may participate in the Rights Issue upon exercise of their options. On 1 August 2008, the Company sent a notice to holders of options to notify them of their right to participate in the Rights Issue upon exercise of their options.

23. The latest date for despatch of certificates or entry of the securities into your security holdings is 16 September 2008.

The above information was provided to the ASX on 1 August 2008.

If you have any queries regarding your entitlement or participation in the upcoming Rights Issue, please do not hesitate to contact the Company Secretary, Aaron Gardiner on +61 8 9321 4646.

Yours faithfully

Mr Ian Laurance AM
Chairman
Axiom Properties Limited