

ASX CODE

AXI

ISSUED CAPITAL

Ordinary Shares
440.7 M

CONTACT

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ASX ANNOUNCEMENT

18 November 2013

ISSUE OF PERFORMANCE RIGHTS

Adelaide, Australia, Monday 18 November 2013: Axiom Properties Limited (ASX:AXI) lodges the attached Appendix 3B.

Axiom Properties Limited ("Axiom" or "Company") advises that the Directors have resolved to issue 5,500,000 Performance Rights ("Performance Rights") to the following employees of Axiom under the Performance Share Rights Plan adopted by the Board on 24 June 2010 and subsequently approved by Shareholders of the Company at an Annual General Meeting on 26 November 2010. These Rights represent the final instalment of shares to be issued under the current Plan.

Issued to:	Employee	Number Issued
Leanne Rouvray as trustee for the Rouvray Family Trust	Paul Rouvray	4,500,000
PLS & BAJ Pty Ltd as trustee for the Jamison Santinon Family Trust	Paul Santinon	1,000,000

Performance Rights are issued to recognise the efforts of employees of the Company and as an incentive to achieve the long term objectives of the Company and improve the performance of the Company, as well as a key incentive used to retain and attract key executives.

The Performance Rights do not carry the right to vote, receive dividends or generally participate in other corporate actions. Once the Performance Rights have been exercised, the shares will rank equally in all respects with existing fully paid ordinary shares.

The ability to exercise the Performance Rights is dependent on the attainment of certain Performance Hurdles as at set test dates. The key determinants of these Hurdles are predominantly linked to recognise the key employees' efforts in helping to achieve the Company's stated goals of building a strong asset base, strong cashflow and improving the Company's NTA.

The principal terms of the Performance Rights are outlined in the attached Appendix 3B.

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:

Paul Santinon
Company Secretary
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Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

Axiom Properties Limited

ABN

40 009 063 834

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Performance rights under the Performance Rights Plan approved by Shareholders of Axiom Properties Limited (" Company ") on 26 November 2010 |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 5,500,000 |

+ See chapter 19 for defined terms.

3 Principal terms of the ⁺securities (eg, if options, exercise price and expiry date; if partly paid ⁺securities, the amount outstanding and due dates for payment; if ⁺convertible securities, the conversion price and dates for conversion)	The principal terms of the Performance Rights are: 1. Each vested Performance Right shall confer the right to be issued one fully paid ordinary share, ranking pari passu with existing fully paid ordinary shares, in the capital of the Company. 2. The maximum number of Performance Rights which are capable of becoming exercisable (if Performance Hurdles are met) is 5,500,000. 3. The ability to exercise the rights depends on the following Performance Hurdles being met: (a) Tranche 1 – already met; (b) Tranche 2 – must be an employee of the Company at 30 June 2014; (c) Tranche 3 – must be an employee of the Company at 30 June 2015. (d) Tranche 4 – must be an employee of the Company at 30 June 2016. 4. No amount shall be payable on the exercise of Performance Rights. 5. The last exercise dates for the Performance Rights are as follows: (a) Tranche 1 (1,500,000) – 18 November 2015 (b) Tranche 2 (1,500,000) – 30 June 2016 (c) Tranche 3 (2,000,000) – 30 June 2017 (d) Tranche 4 (500,000) – 30 June 2018
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⁺ See chapter 19 for defined terms.

4	Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	No. Prior to vesting, the Performance Rights do not carry a right to vote, receive dividends or generally participate in other corporate actions. Once the Performance Rights have been exercised, the shares will rank equally in all respects with existing fully paid ordinary shares.
5	Issue price or consideration	Nil
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The Performance Rights are issued under the Performance Rights Plan adopted by the Board of the Company on 24 June 2010 and subsequently approved by Shareholders of the Company on 26 November 2010, an incentive plan which applies to employees of Axiom.
6a	Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the ⁺securities the subject of this Appendix 3B</i>, and comply with section 6i	No
6b	The date the security holder resolution under rule 7.1A was passed	N/A
6c	Number of ⁺ securities issued without security holder approval under rule 7.1	N/A

⁺ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	N/A
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A
6f	Number of securities issued under an exception in rule 7.2	N/A
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/A
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	N/A

+ See chapter 19 for defined terms.

		Number	+Class
8	Number and +class of all +securities quoted on ASX (<i>including</i> the securities in section 2 if applicable)	440,740,643	Fully paid ordinary shares

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (<i>including</i> the securities in section 2 if applicable)	5,500,000	Performance Rights

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	
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+ See chapter 19 for defined terms.

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the ⁺ securities will be offered	N/A
14	⁺ Class of ⁺ securities to which the offer relates	N/A
15	⁺ Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A

⁺ See chapter 19 for defined terms.

20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	N/A
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	N/A

⁺ See chapter 19 for defined terms.

30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	⁺ Despatch date	N/A

⁺ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) ☐ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought	N/A				
39	Class of +securities for which quotation is sought	N/A				
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	N/A				
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)					
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50%; padding: 5px;">Number</th> <th style="width: 50%; padding: 5px;">+Class</th> </tr> <tr> <td style="height: 100px; vertical-align: top; padding: 5px;">N/A</td> <td style="height: 100px; vertical-align: top; padding: 5px;">N/A</td> </tr> </table>	Number	+Class	N/A	N/A
Number	+Class					
N/A	N/A					

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Date: 18 November 2013.....

(Director)

Print name: Ben Laurance

+ See chapter 19 for defined terms.