

RESULT OF STRATEGIC REVIEW
28 APRIL 2008

Consistent with the 16 November 2007 announcement of a Strategic Review of the operations of Axiom and in light of the recent turmoil in property markets around the world and in Australia, the directors of Axiom announce that the Strategic Review has now been completed, and the attached release is intended to provide some clarity and transparency to the future business model and operations of Axiom.

Firstly, the objective of the review was to further refine the strategic, financial and operational objectives of Axiom, with a view to maximizing shareholder value. The review was undertaken with regard to achieving the optimal capital structure for the company and to provide a platform for Axiom to achieve its previously stated intention of becoming an integrated national property development and investment company. During the review period, the capital markets and listed real estate markets experienced arguably the most turbulent period in recent history, and Australia's property industry participants were not immune. The directors of Axiom and the independent sub-committee responded to these changing times by re-scoping the Review to adapt to the existing environment and the anticipated future directions of the markets that Axiom operates in.

The following key outcomes of the Review add strength to the present successful operational models and are, in the view of the Board, essential to the ongoing future creation of shareholder wealth. Notwithstanding this, the Board and management do acknowledge that the current market environment is experiencing a tough time and the Company is doing what it can to manage this present malaise.

BOARD APPOINTMENT

The Review identified a need to have more independence at Board level, and based on that recommendation, the Directors are pleased to announce the appointment of Mr John Howe as Non Executive Director of the company.

Mr Howe has over 25 years of business experience in the Development and Construction industry. He founded and developed his company, Weathered Howe into a highly successful International Consulting group. He established a national and international reputation across a range of sectors including property, integrated tourism resorts, theme parks, special events and high-rise buildings.

In 2005, Mr Howe led the successful sale and integration of Weathered Howe into the 4,000 strong Hyder International Consulting Group. He now acts as an adviser to Hyder Consulting and separately acts as a special advisor to Dubai Properties on the US\$10 billion Culture Village project in Dubai. Mr Howe also acts as a specialist advisor to Limitless, the real estate development arm of Dubai World, on international and Dubai based projects.

Mr Howe is currently the Honorary Professor of Integrated Engineering at Griffith University and is an Adjunct Professor at the Mirvac School of Sustainable Development at Bond University.

Level 45, Bankwest Tower
108 St Georges Terrace
PERTH WA 6000

PO Box Z5351
PERTH WA 6831

TEL: 61 8 9321 4646
EMAIL: axiom@axiompl.com.au

FAX: 61 8 9321 8122

John brings to the Axiom Board a wealth of international project delivery experience over the last 30 years. John will provide the Axiom Board with a strong level of independence, and will oversee the delivery management of Axiom's portfolio of projects around Australia. The Board is delighted to have secured the services of someone of John's calibre, reputation and experience, and they welcome him to the Board.

Furthermore, the Managing Director, Ben Laurance, has formalised his commitment to the company by agreeing to a full time position, devoting 100% of his time to Axiom effective from 1 January 2008.

DELIVERY MANAGEMENT CAPABILITY & APPOINTMENTS

The Review identified a need to have a more robust and transparent Delivery Management capability, and under Mr Howe's guidance, the Axiom Delivery Management unit of the business has now been formally established. This business unit has made a number of strategic appointments to the team to execute on the delivery strategy. Sam Quick has been appointed as a Delivery Manager, and brings to Axiom a strong delivery capability and development management experience, having previously filled this role with Australand and Commercial and Industrial Property Pty Ltd.

Also joining the delivery team in South Australia is Ben Norman, who brings a strong level of construction and project management, after 7 years with Parsons Brinkerhoff.

FUNDS MANAGEMENT - ESTABLISHMENT OF OPPORTUNITY FUND

As previously announced, and based on the Review's recommendation, the company purchased a very credible funds management platform, which has now been established as Axiom Property Funds Limited, a wholly owned subsidiary of Axiom. The funds management business strategy was identified as the most efficient structure with which to finance the equity requirements of Axiom's growing portfolio of quality projects, and so the first Fund, the Axiom Opportunity Fund was established during the period. The Fund secured its first wholesale investor during the Review Period, and made its first investment by committing to provide the equity required for the HomeHQ Gepps Cross development.

Axiom is also pleased to announce the appointment of Leon Boyatzis to its Funds Management division. Leon has approximately 20 years experience in the financial and property sectors and is a qualified chartered accountant and a licensed property valuer. Most recently Leon worked as a senior fund manager for Multiplex Capital where he was responsible for assets totaling circa \$1billion. His diverse experience includes the management of development funds, land syndicates as well as traditional core and core plus funds in all property sectors.

Despite present market conditions, the Board remains confident that the opportunity fund model is still an appropriate investment vehicle.

BUSINESS MODEL

One of the key findings of the Review in the current environment has been a need for a greater level of transparency and clarity of real estate business models. In responding to the market's requirements, the directors provide the following explanation of the three operating units of the business.

1. Development Activities: Axiom derives the majority of its income from the development activities of the projects, such as Century City Office at 100 St George's Terrace, Port Geographe canal subdivision, WorldParks Adelaide and Melbourne and The Age site in Melbourne's CBD. Development income is considered lumpy, and the Board is conscious of building a business model that becomes less reliant on lumpy development activities, and more reliant on steadier income sources.

2. Funds Management : It is management's current expectation to generate increasing income out of its Funds Management activities. Axiom Property Funds launched its first Trust during the Period, secured its first wholesale investor, and committed to provide the equity to its first investment at HomeHQ Gepps Cross, the (estimated) \$170 million bulky goods homemaker centre at Gepps Cross in Adelaide, where Axiom has a 50% interest, with the balance being owned by Harvey Norman and Charter Hall. The income expected to be derived from the Funds Management activities include establishment fees, base management fees, acquisition fees and performance fees.

Management are acutely aware of the difficulty of attracting new funds in the current market environment, and are constantly monitoring the performance of this newly created division.

3. Delivery Management: The Axiom Delivery Management business unit provides the delivery management capability for Axiom's projects on commercial market terms, thereby providing a sustainable income stream during the projects delivery phase. Projects that are deriving, and expected to derive, this income source for the company include Port Geographe, WorldPark:01 Adelaide, Home HQ Gepps Cross and WorldPark:01 Melbourne.

OPERATIONS

The Company's projects generally continue to progress well at an operational level.

Specifically,

Port Geographe: The Port Geographe subdivision in Busselton in the South-West of WA is a canal development of 598 residential lots consisting of 16 Stages. Sales to date have been contracted on 206 lots in the first 6 Stages for total gross proceeds of \$102.8m, and due for settlement progressively over the next 9 months. Axiom retains a 40% interest in the project, in Joint Venture with Macquarie Bank, Saracen Properties and Canberra Investment Corporation.

Practical completion has been achieved on Stages 1 & 2, and the partners are well progressed with seeking clearances on those stages to trigger settlement. The project has been frustrated lately by some unexpected delays in satisfying certain conditions of subdivisions of these stages 1 & 2 for reasons outside of the Company's and its partners control, however the Company is working actively with its partners and other stakeholders to remedy any outstanding issues promptly. The Company remains confident that settlement of these first 2 stages will occur by 30 June 2008.

Construction has now commenced at Port Geographe on Stages 3 & 4. The partners have experienced a slowdown in sales over the last few months, but remain optimistic of the market picking up in the short term.

Century City Office: The company advised the market on 24 April 2008 that it has reached agreement with its partner, ISPT, to achieve an early payment of its profit entitlement after achieving outstanding success of the leasing of the office space. This resulted in the company receiving \$8.298m on 24 April 2008, having already been credited by ISPT with \$13.8m which was applied to Axiom's 50% ownership of The Age site in Melbourne. Axiom is pleased to report to shareholders that this opportunity, introduced to Axiom by its major shareholder, Pivot Group, was considered to be an outstanding result, producing a substantial return to the company, and providing the opportunity to participate once again with one of Australia's leading property fund managers in another iconic capital city development site in Melbourne (below).

The Age: Axiom has a 50% ownership of The Age site at 250 Spencer St, Melbourne, currently subject to a 3 year lease back to Fairfax Media. The 15,200 sq.m. site encompasses nearly a whole city block, and current planning advice indicates the site permits approximately 250,000 sq.m. of lettable space.

The project partners have just completed an exhaustive design competition with two of Australia's leading commercial architectural firms, and Axiom, along with its partner, ISPT continue to work with prospective tenants and other groups in masterplanning the site whilst Fairfax Media are approximately 11 months into their 3 year leaseback.

WorldPark Adelaide: The first WorldPark:01 project will be a campus style "green" business precinct earmarked for development on Adelaide's fringe CBD, with Stage 1 due for completion by mid 2009.

Axiom have contracted to purchase a 2.8 hectare site in Keswick, on the fringe of Adelaide's CBD, to develop this innovative green office park concept. Coffey International will anchor the first of three stages with a commitment to occupy 7,000sq.m. in Stage 1, out of a total 11,300 sq.m. of "new generation" office space to be known as Worldpark:01 Adelaide.

The company and its concept partner, Coffey International, continue to receive significant interest from tenants and prospective stakeholders in the WorldPark:01 concept. Forward works have commenced on the Adelaide project, and settlement on the land is expected to occur in mid May 2008. The total end value of the project, incorporating all three stages is expected to be ~\$175m.

WorldPark Melbourne: The second WorldPark will be developed in Melbourne, following Axiom's agreement to purchase a 2.82ha site on 740 Toorak Rd in Hawthorn East. Pivot Group contracted to buy the site from Leighton Holdings Ltd at the end of last year, and has offered this opportunity to Axiom under the Strategic Alliance Agreement. Axiom expects to go to Shareholders for approval of this purchase from Pivot shortly.

Coffey International has contracted to occupy 12,000 sq.m. of nett lettable area for 15 years in the stage 1 Building A. Pivot lodged an application for planning approval on 9 April 2008 to develop up to 27,000 sq.m of office space, in a 2-building, green campus style development, consistent with Axiom and Coffey's vision.

Depending on the planning approval process, the Development is due to commence construction by October/November 2008, with practical completion expected by June 2010.

The end value of the assumed 27,000 sq.m. is expected to be \$190million, and settlement of the land acquisition is expected to occur by June 2008, subject to Shareholder Approval.

HomeHQ Gepps Cross: This retail development is set to be South Australia's largest bulky goods homemaker centre, comprising 60,000 sq.m. of lettable area. Harvey Norman have agreed to anchor the development with their largest format store Australia-wide on a long term lease. Harvey Norman and Charter Hall Group will also own 50% of the total project, in joint venture with Axiom's 50% ownership.

Forward works construction has commenced, and negotiations with other major retailers are well progressed to participate in this exciting project. The partners received significant Expressions of Interest following a marketing campaign conducted prior to Christmas, and has now agreed key terms with numerous national and local retailers.

AXIOM CURRENT DEBT FACILITIES

The table below outlines Axiom's current debt facilities with respect to the following projects:

Project	Axiom Interest	Project Description	Debt	Interest Rate	Expiry	Comments
Port Geographe	40%	Residential canal subdivision, WA	\$59.6m	3% margin	June 2009	Currently seeking re-finance on more favourable terms
Century City Office	50%	Profit entitlement – Perth CBD office building	N/A	N/A	N/A	Axiom has exited this project as at 24 April 2008
Home HQ Gepps Cross	50%	Bulky Goods Homemaker Centre, Adelaide	\$56m	0.8% margin	June 2014	Letter of offer expected from major Bank. Debt to be project specific, non-recourse
WorldPark Adelaide	100%	Green Office Campus – Adelaide Fringe	\$72.5m	1.13% margin	June 2009	Letter of offer rec'd from major Bank. Debt to be project specific, non-recourse
WorldPark Melbourne	100%	Green Office Campus - Melb fringe	N/A	N/A	N/A	Currently seeking proposals from major banks on a non-recourse basis
The Age, Melbourne	50%	Mixed use development site, Melb CBD	\$23.135m	0.7% margin	June 2010	Debt is project specific, non-recourse and secured by income received by The Age leaseback

STRATEGIC ALLIANCE AGREEMENT: PIVOT GROUP

The company's major shareholder, Pivot Group, continues to incubate and de-risk development projects around Australia for the benefit of Axiom and its shareholders pursuant to the Strategic Alliance Agreement entered into between the two parties in September 2006.

Already that Alliance has delivered substantial projects to Axiom, being a profit entitlement to the Century City office project, the Coffey relationship for WorldParks in Adelaide and Melbourne, and The Age development in Melbourne. Axiom continues to closely monitor this Alliance and participate in projects created by Pivot when appropriate. Given the current market conditions, the Review identified that this Strategic Alliance Agreement was of significant value to Axiom, was the most efficient model for Axiom to follow, and the most effective use of company resources to build and participate in a portfolio of quality development projects around Australia.

The Board is very pleased to announce that this Alliance has been extended by another 2 years by mutual agreement with Pivot Group, and the Board consider this alliance and extension to be of significant value to Axiom's shareholders.

NEW PROJECTS – STRATEGIC ALLIANCE AGREEMENT

The Company has been offered another opportunity from its major shareholder, Pivot Group under the Strategic Alliance Agreement to take an assignment of a long term ground lease of a major retail site at Melbourne Airport, fronting the Tullamarine Freeway. The Axiom independent directors consider this another exciting development opportunity, and have agreed to accept this offer from Pivot, subject to valuation and to shareholder approval. The Directors expect to put this proposal to a shareholder vote shortly.

OTHER NEW PROJECTS

Axiom has also identified and is negotiating on 3 other exciting projects.

The first development is an interest in a long term ground lease on 6.3 hectares of near-city industrial land in Gepps Cross, Adelaide, an area that is in chronic undersupply of quality industrial precincts.

The second opportunity is on another long term ground lease over 22 hectares of industrial land, also in Adelaide, which is subject to several conditions being achieved. Negotiations on this project are commercially confidential, but in an effort to keep the market fully informed of the company's activities, Axiom has provided this information and will keep the market fully informed of any developments when appropriate.

The Company also advises it is negotiating a long term ground lease for a significant land holding in Adelaide's CBD to develop a mixed use retail and office project to take advantage of the growth expected in South Australia over the next few years due to a resources-led surge in investment.

The company further advises that it continues to identify and evaluate quality, new projects, but is acutely aware of delivering strong returns to its shareholders in these uncertain times. The company is seeking to limit its capital requirements through robust de-risking processes, and maximizing its return on these projects.

Ends

For further information, please contact

Ben Laurance
Managing Director

0408 955 281