



1 August 2008

Dear Option holder

On 1 August 2008 Axiom Properties Limited ("**Company**") announced that the Company will be conducting a pro-rata non-renounceable rights issue to shareholders of 2 new shares for every 5 shares held on the Record Date at an issue price of 8 cents per new share to raise up to approximately \$10,875,857 ("**Rights Issue**").

The Record Date for determining entitlements under the Rights Issue is 20 August 2008.

You will need to check that your options are currently exercisable under the terms of your granted options before you can participate in the Rights Issue.

To exercise your options and thereby participate in the Rights Issue you will need to deliver to the registered office of the Company the following:

1. a notice in writing to the directors of the Company specifying the number of options to be exercised;
2. your option certificate covering that number of options; and
3. payment for the exercise price for those options by way of a cheque made payable to the Company.

Each share allotted as a result of the exercise of an option will rank pari passu with all other issued ordinary shares of the Company.

Option Exercise Notices and funds must be received by no later than 5.00 p.m. (Western Standard Time) on 18 August 2008.

For further information please contact the Company Secretary, Aaron Gardiner on +61 8 9321 4646.

Yours faithfully

Mr Ian Laurance AM
Chairman
Axiom Properties Limited