



**Axiom ASX Announcement
5 October 2006**

AXIOM RAISES \$13M IN STRATEGIC PLACEMENT

The Directors of Axiom Properties Ltd are pleased to announce the completion of a 15% placement in the Company to raise the gross sum of \$13,083,900 via the issue of 43.613m shares at 30 cents each.

The money raised will be used to take advantage of new development opportunities that will flow from the recently executed Strategic Alliance Agreement with major shareholder Pivot Group. "This raising gives Axiom the equity to pursue opportunities that are currently in Pivot's pipeline", Executive Director Ben Laurance said. "Pivot is currently incubating over \$1 billion worth of developments around Australia, which it is obliged to offer Axiom under the Strategic Alliance Agreement", he said.

The lead participant in the placement was the listed diversified property group, Charter Hall Group (CHC), which has a market capitalization in excess of \$500 million and funds under management of in excess of \$1 billion. Charter Hall will emerge with 16.7m shares or 4.99% of the expanded capital. Charter Hall and Pivot Group have also entered into a Strategic Alliance Agreement over Pivot's property development pipeline. This alliance will give Charter Hall a second right to participate in Pivot's projects, which may occur in joint venture with Axiom.

The placement was arranged by Southern Cross Equities, who also brought some institutional support to the register by placing approx 15m shares to specialist small cap fund manager, Paradise Investment Management. The balance of the raising went to other high net worth clients of Southern Cross and Bell Potter Securities, both of which are strong supporters of the Company.

The Directors also propose subject to obtaining shareholder approval at the Company's annual general meeting in November, placing a further 1 million shares at 30 cents to Mr Michael Blakiston (a Director). Mr Blakiston was not able to participate in the recent placement due to the need to obtain prior shareholder approval for him to do so.

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For more information, please contact:

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