

ASX CODE

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ASX ANNOUNCEMENT

AXIOM SECURES NEW SYDNEY OPPORTUNITY HOTEL DEVELOPMENT - RICHMOND, WESTERN SYDNEY

Axiom agrees to purchase new site in Western Sydney for hotel accommodation development

Adelaide, Australia, Friday 7 July 2017: Axiom Properties Limited (ASX:AXI) is pleased to announce it has today entered into an Agreement to purchase a freehold site on the corner of Francis and East Market Streets in Richmond, Western Sydney.

The site forms part of the Richmond Club, a leading Registered Club of NSW and community heart of the Hawkesbury Region established in 1947 which currently has over 22,000 members. The site is part of the Club's wider land holding which was declared non-core at the end of last year.

Under the terms of the conditional agreement announced today, Axiom intends to purchase the approx. 2,212 sq.m site and develop it into hotel accommodation. To that end, Axiom is in final negotiations with an integrated hotel development group to deliver on that outcome.

Once an agreement has been reached with the selected hotel operator, the planning approval process will commence, with construction expected to start on site following all consents being issued.

This opportunity gives Axiom an exposure to the fast-growing Western Sydney corridor, which is benefitting from a multi-billion-dollar government capital expenditure program on infrastructure. Settlement of the land purchase is expected to occur once all development approvals are in place and financial close for a hotel operator has been achieved.

Today's announcement represents Axiom's second development opportunity in Sydney, following the Group's selection in July last year as the Preferred Proponent, alongside its Joint Venture Partner, major national construction and development group Built., to redevelop the Cross St Carpark in Double Bay into a major mixed use project incorporating public carparking, residential, retail and a multi-screen cinema complex.

Commenting on today's announcement, Managing Director Ben Laurance said, "we are very excited to be involved in this hotel project in the fast-growing western corridor of Sydney, alongside the Richmond Club". "This project gives Axiom a toehold in the hotel and tourism sector, and was driven largely by the under-supply of quality hotel stock in the wider area".

The Richmond Club CEO, Kimberley Talbot, said "the vision of having a hotel on this site adjoining our Club is one that has been shared by the Board and our members for a long period, and is set to enhance the Club's offering to the members and the wider community". We are delighted to be selling this site to Axiom to deliver on that vision and bring the hotel to fruition".

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.

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