

Jape and Kulaluk - Part of a transcript of Darwin Radio ABC 'Mornings' hosted by Adam Steer, Thursday, February 18, 2016:

Adam Steer: . . . but first, the latest on a proposed commercial development behind Macca's Bagot Road (pause) 17 hectares. Who will be the headline tenant there? That in just a moment.

Plagued by controversy for at least a couple of years, it looks like Coconut Gove residents will soon have a massive retail centre springing up next to them. The 17ha area between Bagot Road and Dick Ward Drive . . . is about to go ahead. Axiom Properties in Adelaide have signed a 50-50 joint-venture with the Jape family for a 100 million dollar project on the site.

(Talk of the Jape family's 'long-term lease deal on the site', then Matthew Knight, managing director Knight Frank, 'locking in the two majors' (super markets) 'attractive rentals' . . . he hopes to be out with a leasing campaign 'within six weeks' and, 'by mid-year we'll have some very good traction' – RIS).

AS: What'dyou reckon, do you think it would be a great idea to have a huge commercial development behind Maccas on Bagot Road? Would it change the way that you shopped?

Fred, from Ludmilla, hello. You would be happy for a massive development there behind Maccas?

Fred: No, because that's not what was presented to the Darwin Planning Authority . . . DPA was presented with plans for a light-industrial area. When were the goal posts moved and if they've decided to change, why aren't we going through another planning consultation period?

AS: But retail is better than light-industrial isn't it?

Fred: it's not what was put forward, look, to be perfectly honest, no development there is far better. It's underneath a flight path.

AS: But the area that will be developed will not be underneath the flight path.

Fred: I can throw a stone to where they're going to be developing. I've seen so many planes veer off over that area. The light planes . . . don't follow that path, they veer off . . . as they're crossing that particular area. *(Haggling by Steer – RIS)*

Fred: my point is, that is not what was put forward. This is the problem. They've decided to go with a much larger development . . . and the noise that's created by aeroplanes . . . soon we'll be having even nastier planes from the military that are even noisier than the ones we currently have.

AS: What's the difference? I'm confused though, if there's a commercial 100 million dollar development. What's the difference (between commercial or light-industrial)

Fred: The difference is, they've changed the goal posts. I personally don't want any development there. I quite like having a walk through there occasionally and looking at the amazing diversity of birds and flora that's in that block. That's what it's about for me. I'm quite happy to go to any of the smaller shopping developments we already have in Darwin. This is the case of, they have two major roads either side, major distributors, yes they want the ease of access to a place that is quite a nice pristine area.

AS: It's full of asbestos . . .

Fred: Yep. And that's not a huge concern in terms of it being left where it is . . . not being developed, not being stirred up. The moment we start getting all the earth movers in there, yes, we'll get all the asbestos being liberated into the atmosphere.

AS: Fred, thanks for your time.

Text I: What rot. Who gives a crap if they're cleaning up all that area?

Text II: It's a shopping centre. Who gives two flying hoots if there are planes flying over head?

Text III: Hey Adam, what do the Larrakia people think about the Jape development?

Text IV: It's private land. The owners are entitled to develop it.

(AS reminds listeners we already have the Homemaker Village and Woolworths in Coconut Grove. More traffic).

AS: Margaret Clinch from the Planning Action Network . . . you wanted to clear up some of Fred's main issues on the development.

Margaret Clinch: I thought Fred spoke very well but the two major things here, one is, the DCA has not approved the use of that land as regional retail, it's been approved for light industrial but not for regional retail.

AS: but what does it matter, Margaret, the difference between light industrial and retail? I mean, it's still going to get developed either way, isn't it?

MC: I beg your pardon . . .

AS: it's still gonna get developed . . .

MC: I beg your pardon, we have a Planning Act, a planning scheme, a development consent authority and the (DCA) does the approving or not of what each piece of land is used for. This is a lease with a . . . special lot of detail about this lease and in addition . . . the Kulaluk lease is in the process of being assessed for heritage listing. All these things have not been said and when that fellow from Knight Frank says 'we have the right zoning' . . . he does not. There's been a national announcement which is full of inaccuracies and everybody's running to say 'how lovely to be able to go to the shops.'

AS: Mm

MC: There'll be all sorts of traffic problems. The advisors from RAF and the airport have submitted three times at least that it is inadvisable to put . . . even light industrial use on this particular piece of land which is right under the flight path.

AS: So it's very important, Margaret, that the (plan) meets the development conditions and these are things that we'll look into but at the end of the day, you're making an argument about principal. Well development is going ahead on the site, light industrial or retail, what's the difference?

MC: What do you mean it's going ahead? Who said so?

AS: Well, if it's already been zoned as light industrial, it can still go ahead as it is.

MC: No it cannot. Light industrial's quite different from retail. This has been five years in the making and the DCA has actually refused to agree to certain uses on that site and the idea of regional retail is quite different from light industrial.

AS: Axiom announced a one hundred million joint-venture with Jape to the ASX on Monday. Are you suggesting it is now open to a legal challenge. Would you consider taking that up Margaret Clinch?

MC: I'm sorry but are you being neutral in this or are you just saying that you're on the side of doing something even if it's not?

AS: No, no, I'm just saying that that's what the situation is. I'm just saying Axiom announced . . . to the ASX on Monday, that's all.

MC: On what basis?

AS: Well they did do that

MC: Yes, and I've got the document in front of me and it's incorrect. There is no zoning permission . . . there's no zoning on that site that permits regional retail. No matter what big noises are made, no matter what is said, in other cities, there is no approval for regional retail on that site.

AS: We will chase it up and if it's illegal, we will. Thank you very much for bringing it to our attention. In all honesty, Margaret Clinch, thank you. That's Margaret Clinch from the Planning Action committee.

AS: Ross from Millner, you've got concerns about traffic if the project goes ahead.

Ross: Yes, if you've ever tried to turn across Bagot Road, right, if you're heading in towards Darwin, towards McDonalds there, it is so dangerous. At the moment, there's not a lot of traffic but if there was a shopping centre or even light industrial, it would be horrendous there, so many accidents. I'm sure they would have to put a set of traffic lights there.

AS: So you'd have two sets of traffic lights, one on Totem Road and another very close to it?

Ross: And possibly on Dick Ward Drive as well because the same thing happens there. When you turn right heading to Nightcliff, it's hit and miss whether you can get across without being cleaned up. The other thing I'd like to say is, do we really need another retail centre like this in Darwin? I don't think so. A lot of people come from Palmerston into Casuarina and very soon, they're going to have a Gateway shopping centre there

next year, and that is going to take a lot of the trade from Casuarina Square, so there's no way a shopping centre like this is going to be viable.

AS: It's an interesting point Ross, thanks.

Show closed by saying he will contact the minister and Axiom for 'clarification in the next couple of days, so stay tuned for that'.

ASX CODE

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ASX ANNOUNCEMENT

AXIOM SECURES NEW MAJOR RETAIL OPPORTUNITY, DARWIN NT

Adelaide, Australia, Monday 15 February 2016: Axiom Properties Limited (ASX:AXI)

Axiom Properties Ltd is pleased to announce it has entered into a 50/50 Joint Venture Agreement with a prominent local Northern Territory family to develop a major retail project on Bagot Rd, Ludmilla.

Under the terms of the deal announced today, Axiom will be responsible for delivering on the expected \$100 million, multi-stage project that will incorporate a sub-regional, supermarket-based shopping centre and specialty tenancies as well as associated fast-food pad sites and convenience retail outlets. The proposed scheme also allows for some substantial large format retail.

Discussions are already well advanced with the proposed supermarket operator and discount department store. Axiom's involvement in this project comes off the back of the Company's flagship Churchill Centre shopping precinct in Adelaide's northern suburbs, a sub-regional shopping centre developed by Axiom incorporating South Australia's first Costco warehouse store, Coles Supermarket, Kmart and over 50 specialty stores and other convenience based retail.

The land enjoys a high profile location on Bagot Rd, a major arterial link between Darwin's northern suburbs and the CBD. The 17.1 hectares of land is zoned SD37 (Specific Use Zone Darwin No. 37) and is capable of incorporating in excess of 50,000 sq.m of retail areas. The land is secured under a long term lease structure with the NT Government, administered through the Gwalwa Daraniki Association.

Commenting on the Company's announcement, Axiom General Manager Paul Rouvray said, "this project presents Axiom with a really exciting opportunity to showcase its development skillset in delivering large scale retail projects." "It gives us the opportunity to build on the experience from the Churchill Centre and to add to the Company's prime retail portfolio," Mr Rouvray said.

The Project is expected to commence following satisfaction of Axiom's Due Diligence in approximately 3 months.

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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