

ASX release

29 May 2015

LETTER TO SHAREHOLDERS

Please find attached a copy of the reminder letter, which is being mailed to eligible shareholders, regarding the Desane Dividend Reinvestment Plan.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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ABOUT DESANE:

*Desane Group Holdings Limited is a significant Sydney based landlord. The areas we specialise in are property investment, property services and property management. Desane owns **\$54.5 million** of properties and other assets and manages a further **\$4.6 million** of industrial and commercial properties in the Sydney region. For more information, please visit our website at www.desane.com.au*

29 May 2015

«Name__Address_1»
«Name__Address_2»
«Name__Address_3»
«Name__Address_4»
«Name__Address_5»
«Name__Address_6»

SRN/HIN «Holder_Identifier»

Dear Shareholder,

Shareholder Update – Dividend Reinvestment Plan

On 7 May 2015, the Board of Desane Group Holdings Limited (“**Desane**”) announced a special fully franked dividend of 15 cents per share and the Desane Dividend Reinvestment Plan (“**DRP**”) for all eligible shareholders (i.e. shareholders with a registered address in Australia or New Zealand). By now, you should have received a **DRP** package from Computershare Investor Services Pty Ltd, containing a **DRP** letter, **DRP** election form and a **DRP** information booklet.

In accordance with the **DRP** Rules, the Board has determined that any shares issued pursuant to the **DRP** will be issued at the volume weighted average market price of Desane shares, during the five trading days subsequent to and inclusive of the ex-dividend date (see table below). **The issue price of shares under the **DRP** is subject to a price cap of 75 cents per share.**

What you need to do to participate in the **DRP**?

1. Log on to Computershare’s Investor Centre at:

www.computershare.com.au/easyupdate/dgh

to register your **Dividend Reinvestment Plan Election** online. You will need your SRN or HIN, which can be found at the top of this letter and your postcode, to register online.

OR

2. Complete the **Dividend Reinvestment Plan Election Form** you previously received, as per to the instructions on the form and return it to the share registry **before 5.00 pm, Wednesday, 17 June 2015** at:

Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne Victoria 3001 Australia

Your election to participate in the **DRP** must be received by Computershare Investor Services Pty Limited no later than **5:00pm, Wednesday, 17 June 2015, which is the **DRP Election Date** for the special dividend payment.**

The timetable for the Special Dividend and **DRP is as follows:**

Ex-dividend trading commences	Thursday, 11 June 2015
Record date for special dividend	Monday, 15 June 2015
Last date for receipt of DRP election forms for the special dividend	Wednesday, 17 June 2015
Payment date and issue of shareholding statements	Tuesday, 30 June 2015

The Board encourages shareholders to carefully read the **DRP** information booklet in full and to consult their professional taxation or financial adviser if they require advice regarding the Special Dividend or the **DRP**. Participation in the **DRP** is voluntary and subject to Desane's **DRP** rules. Please note the **DRP** information booklet can also be found on the Desane website at <http://www.desane.com.au/investors/>.

The **DRP** is being underwritten by Taylor Collison Limited stockbrokers up to \$2.7 million. The purpose of the underwriting is to ensure the Company is able to capitalise on future investment opportunities.

Yours faithfully,
DESANE GROUP HOLDINGS LIMITED



JOHN BARTHOLOMEW
Company Secretary