

7 August 2009

A.B.N. 61 003 184 932

The Manager Companies
Australian Stock Exchange (Sydney) Limited
20 Bridge Street
SYDNEY NSW 2000

ANNOUNCEMENT

Fourth Lidcombe Industrial Property Sold by Desane

Desane Properties Pty Ltd, a controlled entity of Desane Group Holdings Limited, has exchanged contracts for the sale of its fourth industrial unit at the J.G. Evans Business Centre, located in the Sydney suburb of Lidcombe.



The property was sold for its current book value of \$510,000. The property is leased to a long term tenant and has been sold to an investor at a yield of 8.25%.

As the property is unencumbered, on settlement, the entire proceeds from the sale will be applied to the Group's working capital.

Depending on market conditions, the remaining three industrial strata units are being considered for sale. The net proceeds from the sale of these units, when they occur, will also be used for the Group's working capital.

Yours faithfully,
DESANE GROUP HOLDINGS LIMITED

JOHN BARTHOLOMEW
Company Secretary

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 \$40.7 million of properties and other assets and manages a further \$18.8 million of industrial and commercial properties in the Sydney region. Our medium term objective is to increase our property holdings to \$100 million.