

30 October 2009

A.B.N. 61 003 184 932

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

ANNOUNCEMENT

Desane Completes Sale of Lidcombe Industrial Property

Desane Properties Pty Limited, a controlled entity of Desane Group Holdings Limited, has today completed the sale of a fourth unit of the seven strata industrial units in the J G Evans Business Centre located in the Sydney suburb of Lidcombe.

The 250m² strata industrial unit was sold for **\$530,000 equating to \$2,100 per m²**. The property is leased to a long term tenant and has been sold to an investor at a yield of 8%. The entire proceeds from the sale will be applied to reducing the Group's borrowings.



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

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 \$44.5 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 continue to increase our property holdings.