

10 August 2010

A.B.N. 61 003 184 932

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

ANNOUNCEMENT

Major Tenant Extends Lease for the Rozelle Multimedia Centre

Desane Properties Pty Ltd, a controlled entity of Desane Group Holdings Limited, is pleased to announce that Staging Connections Pty Ltd has agreed to extend their existing lease of the Rozelle Multimedia Centre until the end of January 2013.

Staging Connections, an audio visual and events management company, will continue to occupy approximately 2,430m² of office space and 2,570m² of high clearance warehousing and integrated high tech facilities. The extension of the rental agreement has been negotiated at an average of \$320 per square metre gross for the office space and \$240 per square metre gross for the high clearance warehousing and integrated high tech facilities.



Highlighted: Desane's Multimedia Facilities

The total net rent value, over the life of the lease, is approximately \$3 million.

The Managing Director of Desane Properties, Mr Phil Montrone, said that he was pleased to have reached an agreement with Staging Connections to extend the lease term. The management of Desane and Staging Connections have worked closely, over the past 10 years, to ensure that the Rozelle Multimedia Centre continues to be a state of the art facility.

The Rozelle Multimedia Centre is located in the growing Sydney "Bays Precinct", 3 kilometres from the Sydney CBD and is in close proximity of the Anzac Bridge and the Sydney Cross City Tunnel, which links the Sydney eastern suburbs to the "Bays Precinct".

Desane's property portfolio is 100% leased to national and international tenants on a long term basis. The properties are strategically placed in suburbs close to Sydney's CBD. It is Desane's view that the Australian industrial property market will improve significantly over the next three to four years, both in tenants' occupancy requirements and rental returns.

The formalisation of this lease agreement stands to show the capacity of Desane's property and asset management team to secure and retain major tenants.

Yours faithfully,
DESANE GROUP HOLDINGS LIMITED

A handwritten signature in black ink, appearing to read "John Bartholomew".

JOHN BARTHOLOMEW
Company Secretary