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A.B.N. 61 003 184 932

The Manager Companies
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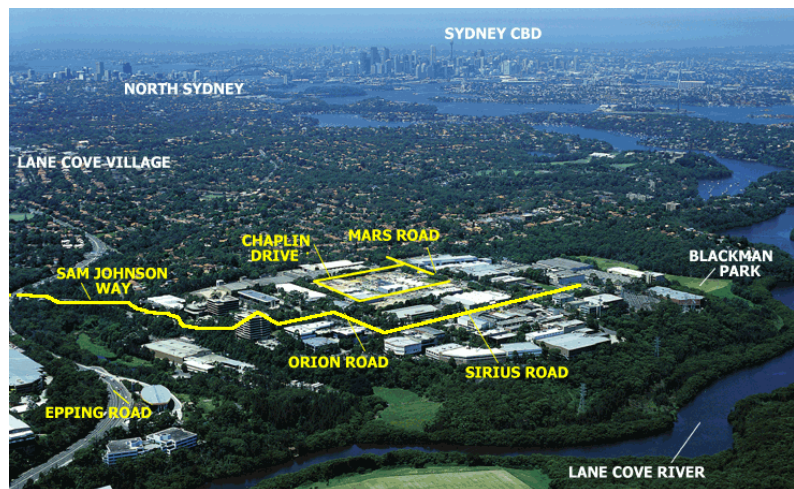
ANNOUNCEMENT

Four Major Tenants Sign up \$8M Leases with Desane

Desane Properties Pty Ltd, a controlled entity of Desane Group Holdings Limited, is pleased to announce that over the past six weeks, it has negotiated four major long term leases with existing and new tenants.

The lease agreements will contribute to Desane's increasing industrial and commercial property rent-roll, approximately **\$8 million in gross rental income over the initial four years of the leases.**

The four leases cover approximately **8,000m² of office and high clearance warehousing** and have been negotiated at an average rent of \$230 per square metre gross. The tenancies are located in the Lane Cove West industrial precinct and the inner Sydney suburb of Rozelle.



In the foreground, the Lane Cove West industrial precinct.

The Managing Director of Desane Properties, Mr Phil Montrone, said he was pleased with the outcome of the negotiations and finalisation of the new leases, as it allows Desane to progress to the **next growth phase of its industrial property portfolio acquisition.**

The finalisation of these leases means that **100% of Desane's property portfolio is leased** to national and international tenants on a long term basis. Desane's industrial property portfolio is 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 the four major leases stands to show the capacity of Desane's management team in securing major tenants. The leases were negotiated by Desane, with the assistance of Nick McDonald of DTZ Properties, Monty Govender of Balmoral Partners and David Bolt of Hartigan Bolt.

Yours faithfully,
DESANE GROUP HOLDINGS LIMITED

PHIL MONTRONE
Managing Director