

29 July 2013

A.B.N. 61 003 184 932

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

ANNOUNCEMENT
MARKET UPDATE:
Sale of Lane Cove High-Rise Residential Development

The Directors of Desane Properties Pty Limited, are pleased to announce that Desane and the co-owners of the high-rise residential development property located at 316-332 Burns Bay Road, Lane Cove, have entered into a Deed of Call Option with Linley Shores Pty Ltd for the sale of this property.

A Call Option fee of \$4 million has been paid and released by Linley Shores Pty Ltd. Linley Shores Pty Ltd will be entitled to exercise the Call Option at any time before the expiry date and enter into a contract to purchase the property for \$36 million. The Deed of Call Option expires on 23 December 2013.

This property has development approval for five high rise buildings with a total of 218 apartments and one retail shop. The five high rise buildings have been architecturally designed to take advantage of the sweeping Sydney Harbour and Lane Cove River views.

Desane has 50% ownership of this property.

Yours faithfully,
**DESANE GROUP HOLDINGS
LIMITED**



JOHN BARTHOLOMEW
Company Secretary



Images of the approved residential apartment project

