

11 March 2013

A.B.N. 61 003 184 932

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

ANNOUNCEMENT

Desane Submits DA for Rozelle Residential Apartments Project

The Directors of Desane Properties Pty Limited, a controlled entity of Desane Group Holdings Limited, are pleased to announce that the Company has formally lodged with the relevant local government authority, a Development Application for a proposed five storey residential apartment project comprising **29 residential apartments, 3 commercial/retail units and 46 security parking spaces.**

The property, located in Sydney's Rozelle bay precinct, has current development approval for a four storey commercial office building with two residential apartments. The Directors of Desane have formed the view that given the strength of the inner Sydney residential market, the mix of the development should be changed in favour of a larger residential floorspace component. This view has been supported by Desane's recently commissioned report, prepared by Colliers International, which highlights the **strength of the inner-western Sydney residential apartment property market.**

Taking into consideration local government planning requirements, Desane expects to obtain planning approval for this project in the next four to six months.

The project was designed by well known Sydney-based architectural firm, Mosca Pserras Architects.

Desane will continue to keep the market fully informed on the progress of this project.



Yours faithfully

JOHN BARTHOLOMEW
Company Secretary



Aerial view & artist's impression of the Rozelle bay precinct residential apartment project