

18 May 2007

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

Dear Sir/Madam,

**ANNOUNCEMENT**  
**Change Over of Auditor**

We are writing to advise that in accordance with the auditor rotation requirements of the Corporations Act 2001, the external auditor of Desane Group Holdings Limited for the financial year ending 30 June 2006 and prior years, Mr Graeme Green, was required to stand down as the Company's auditor.

As approved by shareholders at the October 2006 Annual General Meeting, GCC Business & Assurance Pty Ltd, a registered auditor, will replace Mr Green as the Desane Group Holdings Limited auditor from Y2007.

Yours faithfully

**DESANE GROUP HOLDINGS LTD**



**JOHN BARTHOLOMEW**  
**Company Secretary**

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***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 \$42 million of properties and other assets and manages a further \$13 million of industrial and commercial properties in the Sydney region. Our medium term objective is to increase our property holdings to \$100 million.*