

29 November 2007

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

Dear Sir/Madam,

Desane Group Holdings Limited Chairman's Letter to Shareholders

Please find attached the following:

- The Chairman's letter which will be posted to all shareholders who are entitled to receive a dividend cheque and who are also entitled to participate in the Share Purchase Plan.
- The Chairman's letter which will be posted to shareholders who are only entitled to participate in the Share Purchase Plan.

Yours faithfully,
DESANE GROUP HOLDINGS LIMITED



JOHN BARTHOLOMEW
Company Secretary

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 \$45 million of properties and other assets and manages a further \$17 million of industrial and commercial properties in the Sydney region. Our medium term objective is to increase our property holdings to \$100 million.

30 November 2007

Dear Shareholder,

I am pleased to enclose the unfranked 3¢ per share dividend cheque.

On 27 November 2007, the directors announced a share purchase plan ("SPP") which entitles you to acquire additional shares, up to the value of \$4,998.00. The shares under the SPP are offered to you at **2.85% discount to the volume weighted average price** and at **21% discount to the current net tangible asset per share**. No brokerage fee applies.

With this letter you will find enclosed:

- Your dividend cheque of 3¢ per share (unfranked) for shares you held as at 16 November 2007.
- The SPP offer. **This offer is only available to shareholders in Australia and New Zealand who held shares as at 28 November 2007** and is self explanatory. *If you require additional information, please ensure you obtain independent financial advice or contact Desane's Company Secretary, Mr John Bartholomew.* To facilitate your return mail, we have enclosed a self addressed envelope.
- A DVD containing Desane's presentation to shareholders at the 2007 AGM and property portfolio.

I take this opportunity to thank you for remaining loyal to Desane and look forward to rewarding you as a shareholder in an ever increasing way in the future.

If you wish to keep up-to-date with news and information of your share investment in Desane, please visit the Company's website at www.desane.com.au.

The Directors and staff of Desane wish you and your family a merry Christmas and a rewarding 2008.

Yours faithfully,
DESANE GROUP HOLDINGS LIMITED



JOHN SHEEHAN
Chairman

30 November 2007

Dear Shareholder,

I am writing to welcome you as a new shareholder of Desane Group Holdings Limited.

On 27 November 2007, the directors announced a share purchase plan ("SPP") which entitles you to acquire additional shares, up to the value of \$4,998.00. The shares under the SPP are offered to you at **2.85% discount to the volume weighted average price** and at **21% discount to the current net tangible asset per share**. No brokerage fee applies.

With this letter you will find enclosed:

- The SPP offer. **This offer is only available to shareholders in Australia and New Zealand who held shares as at 28 November 2007** and is self explanatory. *If you require additional information, please ensure you obtain independent financial advice or contact Desane's Company Secretary, Mr John Bartholomew.* To facilitate your return mail, we have enclosed a self addressed envelope.
- A DVD containing Desane's presentation to shareholders at the 2007 Annual General Meeting and property portfolio.

The Directors and I look forward to rewarding you as a shareholder in an ever increasing way in the future.

If you wish to keep up-to-date with news and information of your share investment in Desane, please visit the Company's website at www.desane.com.au.

The Directors and staff of Desane wish you and your family a merry Christmas and a rewarding 2008.

Yours faithfully,
DESANE GROUP HOLDINGS LIMITED



JOHN SHEEHAN
Chairman