

27 April 2005

A.B.N. 61 003 184 932

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

Dear Sir/Madam,

PRESS RELEASE

Sale of Silverwater Industrial Strata Complex

The Directors of Sydney based Desane Group Holdings Limited have today announced that the NSW Land Titles Office has granted approval to subdivide the existing Derby Street Silverwater industrial complex into nine Strata units.

Desane has decided to dispose the newly created industrial Strata complex and have today appointed the industrial real estate agent specialist, Taylor Nicholas, to undertake the marketing and sale campaign.

Desane expects the sale of the nine industrial units to achieve a net sale value, after costs, of approximately \$4.5 million, equating to an average price per square metre between \$2,200 to \$2,400.

The Managing Director of Desane, Mr Phil Montrone, said:

“The decision to sell the industrial complex once the Strata approval had been obtained, is based on the fact that there are virtually no properties of this type available for sale on the market in the Silverwater industrial precinct.”

Desane will use the net proceeds it raises from the sale to fund further industrial property acquisitions.

In January 2004, Desane purchased an 8,000 square metre industrial complex, located in the Lane Cove industrial precinct, from Tower Asset Management for \$7.8 million. In December 2004 Desane purchased a 4,000 square metre industrial building in the Sydney suburb of Lidcombe for \$3 million. This was followed by the purchase, in April 2005, of its third industrial property in the Sydney suburb of Lane Cove from PMP Limited for \$2.9 million.

Desane has no vacancy in the 60,000 square metres of industrial properties it own and manages. All of the properties are fully leased to long term quality national and international tenants

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 and or manages more than \$65 million of industrial and commercial properties in the Sydney region – our medium term objective is to increase our property holdings to \$100 million.