

19 April 2006

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

Dear Sir/Madam,

PRESS RELEASE

Desane Exits Silverwater Industrial Complex

The Sydney based industrial property group, Desane Group Holdings Limited, has today announced that it has sold the last industrial strata unit it held in the nine-unit complex in the Sydney suburb of Silverwater.

Desane has sold the 480 square metre industrial unit for \$930,000, reflecting an 8% net return to the purchaser. Of the nine industrial units in the complex, three have been sold to owner occupiers and six units have been sold to investors. The units vary in size, from 180 square metres to 480 square metres.

The average sale price achieved across the nine strata units is \$2,250 per square metre. The overall sale price reflects Desane's initial target value of \$4.5 million for the entire complex.

The Managing Director, Mr Phil Montrone, said,

"The joint effort of the Parramatta offices of the leading industrial property agents, Taylor Nicholas and CB Richard Ellis, combined with the quality of the property on offer, has resulted in our Company's overall price projection being achieved."

The net proceeds achieved from the sale of this property will be used by Desane as working capital.

For further information, please contact Mr Phil Montrone on (02) 9569-0344.

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 \$42 million 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.