

17 August 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 Six Silverwater Strata Industrial Units**

The Directors of the Sydney based industrial property company, Desane Group Holdings Limited, have announced the sale of six industrial strata units in the Sydney suburb of Silverwater.

The six industrial units are part of a complex of nine. Desane is negotiating the sale of the remaining three units in the complex. In late April 2005, Desane appointed industrial property real estate agents Taylor Nicholas to undertake a sale marketing campaign.

The Managing Director of Desane, Mr Phil Montrone said:

“When we commenced marketing this complex, we set out to achieve an average sale price of \$2,200 to \$2,400 per square metre. The \$2,300 per square metres price achieved in the sale of the initial six strata units confirms that we were right on the mark with the price expectation. Three of the strata units have been sold to owner occupiers. The other three have been sold to investors. Now that the vendor duty has been removed from investment properties, we expect the sale of the remaining three units to be achieved in the short term.”

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

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 owns and manages. All of the properties are fully leased to long term quality national and international tenants.



*Silverwater Complex*

Yours faithfully,  
**DESANE GROUP HOLDINGS LIMITED**

Handwritten signature of John Bartholomew.

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