

26 September 2008

A.B.N. 61 003 184 932

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

ANNOUNCEMENT

Sale of Lidcombe Industrial Property

Desane Properties Pty Limited, a controlled entity of Desane Group Holdings Limited, has completed the sale of one of its seven industrial units in the J G Evans Business Centre located in the Sydney suburb of Lidcombe.

The 350m² industrial unit was sold at the 30 June 2008 book value of \$575,000. The property was leased to Electronic Land. The entire proceeds from the sale will be applied to the Group's working capital.



Depending on market conditions, the remaining six industrial units are being considered for sale. The net proceeds from the sale of these units, when they occur, will also be used for the Group's working capital.

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 \$48.5 million of properties and other assets and manages a further \$16.5 million of industrial and commercial properties in the Sydney region. Our medium term objective is to increase our property holdings to \$100 million.