DESANE
GROUP HOLDINGS LIMITED

A.B.N. 61 003 184 932

19 April 2006

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

Dear Sir/Madam,

ANNOUNCEMENT

Desane Completes Sale of Silverwater Strata Industrial Complex

We wish to advise that Desane Properties Pty Ltd, a controlled entity of Desane Group Holdings Limited, has entered into a contract of sale for the last strata unit in the nine-unit Silverwater industrial complex.

The contract for the 480 square metre industrial strata unit has been exchanged for the sum of $930,000. Completion is anticipated to occur late May 2006. The average price of $2,250 per square metre has been achieved across the nine strata units, resulting in Desane's anticipated sale price of $4.5 million being achieved.

The net proceeds raised from the sale of this property will be used by Desane as 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 $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.

Level 1, 89 Moore St, Leichhardt NSW 2040 **PO BOX 331, LEICHHARDT NSW 2040 Australia**
Tel Int: 61 2 9569 0344 Fax Int: 61 2 9550 9363 **Email: info@desane.com.au** Website: www.desane.com.au