

Media release

68-72 Lilyfield Road, Rozelle NSW 2039
PO Box 331, Leichhardt NSW 2040
T: +61 2 9555 9922
F: +61 2 9555 9944
www.desane.com.au
ASX Code: DGH

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DETAILS OF NSW SUPREME COURT JUDGEMENT VINDICATES DESANE

Desane Properties Pty Limited, a controlled entity of Desane Group Holdings Limited (“Desane”) (ASX: DGH), says the company has been vindicated by today’s Supreme Court ruling that the proposed compulsory acquisition of its flagship 5,274m² property located at 68-72 Lilyfield Road, Rozelle by the Roads and Maritime Services (“RMS”), was of “no effect”.

In his Judgement, His Honour Justice Hammerschlag overturned the Proposed Acquisition Notice (“PAN”), finding that the RMS had no defined purpose for the acquisition of the property.

“If a land owner compulsorily to be dispossessed is entitled to know precisely what the land is needed for a public purpose, that entitlement must stem from elsewhere,” His Honour stated.

Further His Honour stated, “An authority of the State does not have open slather. If the compulsory processes under the Just Terms Act are to be invoked, they must be invoked in the mode which the grant of power imposes”.

“The proposed acquisition notice given by the second defendant to the plaintiff on 26 May 2017 is of no statutory effect, and the Court will so declare.”

Desane Chairman, Professor John Sheehan, AM, welcomed His Honour’s Judgment, declaring it a great victory for the Company and its shareholders and the wider NSW community impacted by compulsory acquisitions.

“We have always maintained that the RMS did not have any true purpose for the compulsory acquisition of our property and today we were vindicated by the Court’s Judgement,” Professor Sheehan said today.

Further, Professor Sheehan stated, “His Honour found that the RMS’ intentions were ‘ill-defined. They may never be realised’ and the PAN consequently had no effect and this landmark decision reaffirms that Government and its agencies cannot attempt to acquire private property without a proper reason and public purpose.”

Professor Sheehan said Desane would now progress its current application for a rezoning of the Rozelle site which would deliver a new mixed-use residential and commercial development, consideration of which by the Department of Planning was halted by the PAN.

Desane Properties Pty Ltd was represented in the proceedings by the Honourable Ron Merkel QC, David Pritchard, SC, and Stewart Levitt of Levitt Robinson Solicitors.

The full judgement can be viewed on Desane's website, www.desane.com.au.

Desane will continue to keep the market informed.



DESANE MEDIA CONTACT – Richard Lenarduzzi 0411 254 390

Prof. John Sheehan AM
Chairman
Desane Group Holdings Limited
(02) 9555 9922
info@desane.com.au

Jack Sciara
Company Secretary
Desane Group Holdings Limited
(02) 9555 9922
jacksciara@desane.com.au

ABOUT DESANE:

Desane Group Holdings Limited is a property investment and development business based in Sydney, with expertise in property acquisitions, investment, management, leasing, sales and development of industrial, commercial and residential properties. Desane has a disciplined “add value” property acquisition approach, which will deliver maximum shareholder value in the medium to long term.