

ASX release

28 September 2017

NOTICE OF ANNUAL GENERAL MEETING / PROXY FORM

Please find attached a copy of the Notice of Annual General Meeting and Proxy Form, which are being mailed to shareholders.

FOR FURTHER INFORMATION, PLEASE CONTACT:

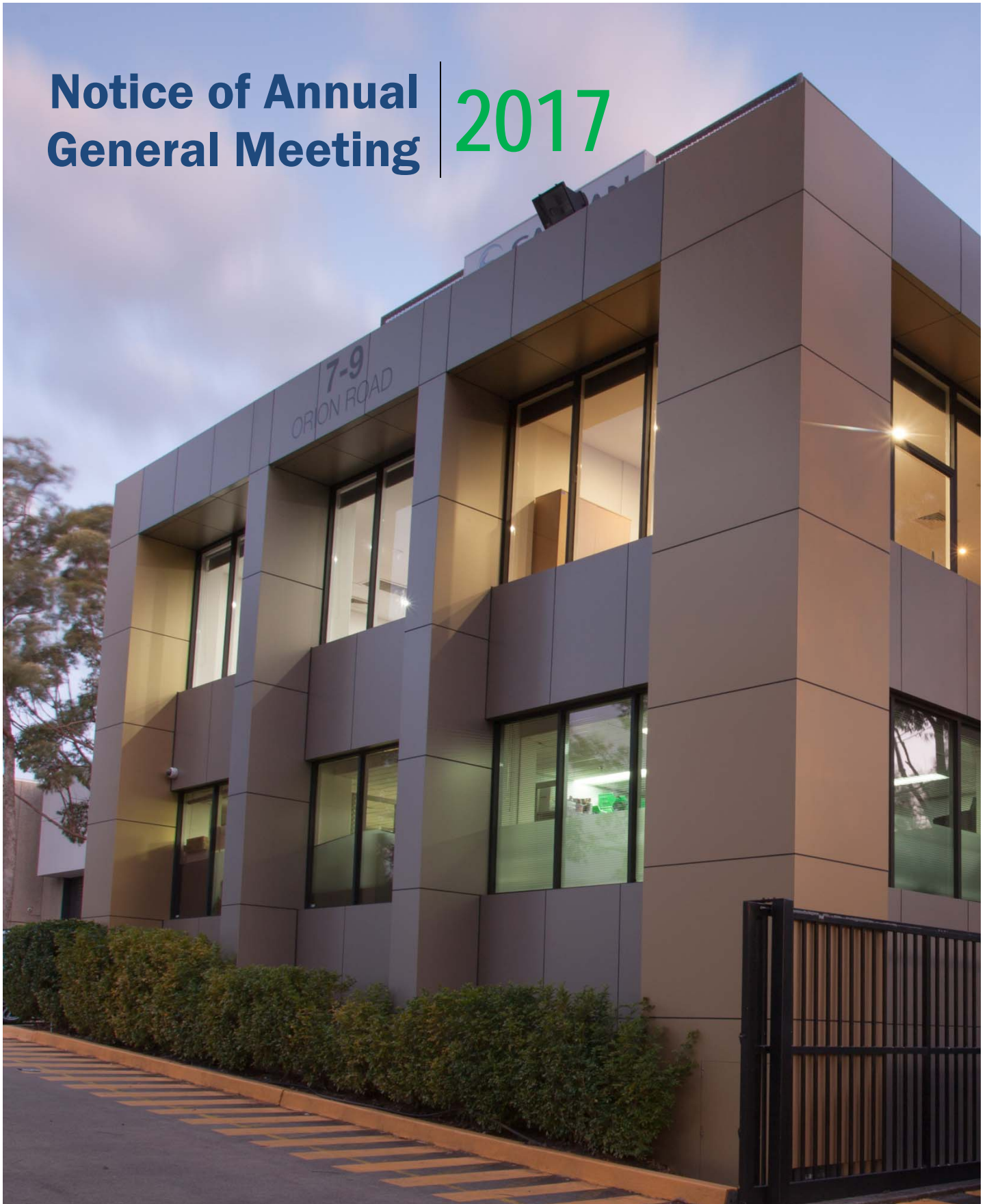
Phil Montrone OAM
Managing Director & CEO
Desane Group Holdings Limited
(02) 9555 9922
philmontrone@desane.com.au

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.

Notice of Annual General Meeting | 2017



NOTICE IS HEREBY GIVEN that the ANNUAL GENERAL MEETING of Desane Group Holdings Limited (“the Company”) will be held on:

Date: Friday, 3 November 2017
Time: 10:00 am
Venue: 68-72 Lilyfield Road
Rozelle NSW 2039

The business to be considered at the Annual General Meeting (“AGM”) is set out below.

BUSINESS

Item 1: Financial Statements and Reports

To receive and consider the financial statements of the Company and the consolidated group, for the year ended 30 June 2017 including the Directors’ Report and the Auditor’s Report.

No voting is required for this item.

Item 2: Adoption of Remuneration Report

To consider, and if thought fit, pass the following non binding resolution:

“That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report set out in the Annual Report for the Company and the consolidated group for the year ended 30 June 2017 be adopted.”

Voting exclusion statement for Item 2: The Company will disregard any votes cast on this Item by or on behalf of any member of key management personnel of the Company, details of whose remuneration are included in

the Remuneration Report or any closely related party of such member. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form.

Note: In accordance with s250R(3) of the Corporations Act, the vote on Item 2 is only advisory and will not bind the Directors.

Item 3: Re-election of Prof. John Sheehan (non-executive Director)

To consider, and if thought fit, pass the following ordinary resolution:

“That John Sheehan, being a non-executive Director of the Company who retires from office by rotation in accordance with clause 4.3(c) of the Constitution, and being eligible, offers himself for re-election, be re-elected as a non-executive Director of the Company.”

By Order of the Board,



J Sciarra
Company Secretary
22 August 2017

NOTES

Eligibility to Vote

Individual members who are registered securityholders of the company as at 7.00 pm (AESDT) on Wednesday, 1 November 2017 will be entitled to vote in person or by proxy. Each registered securityholder has one vote by either a show of hands or a poll.

Proxies

A person entitled to attend and vote at this AGM is entitled to appoint a proxy to attend and vote in their stead.

Please note the following in relation to voting by proxy:

- (a) A proxy form is included with this notice of AGM and must be completed if you wish to appoint a proxy;
- (b) If you are entitled to attend and vote at this AGM, you may appoint:
 - (i) A person (that person need not be a securityholder of the company but should be a person over the age of 18 years); or
 - (ii) Two persons as your proxy or proxies, to attend and vote for you at the meeting, if the securityholder is entitled to cast two or more votes at the same meeting.
- (c) You may appoint a maximum of two proxies and may state on the proxy form what proportion or number of your votes each proxy is being appointed to exercise. If you appoint two proxies and do not specify the proportion or number of votes each proxy may exercise, each of the proxies may exercise half of your votes.
- (d) To vote by proxy, please complete and sign the proxy form enclosed with this notice of AGM. The Company must receive your completed and signed proxy form no later than 10:00am (Sydney time) on Thursday, 2 November 2017.

If you sign under power of attorney or as a corporate representative, that power of attorney or corporate representative appointment (or a certified copy of it) must be provided.

Proxy forms received later than the date specified will be invalid.

- (e) The completed and signed proxy form (and any authority appointing a power of attorney or corporate representative) must be returned as follows:

By hand delivery:	Desane Group Holdings Limited 68-72 Lilyfield Road, Rozelle NSW2039	By post:	Desane Group Holdings Limited PO Box 331 Leichhardt NSW 2040
By fax:	+61 2 9555 9944	By email:	info@desane.com.au

If a representative of a corporation is to attend the AGM, the appropriate "Appointment of Corporate Representative" form should be completed, signed and produced prior to admission. An "Appointment of Corporate Representative" form may be obtained from our Company's website at <http://desane.com.au/investor-information/>.

Documents

The Annual Report of the Company, including the financial report, Directors' Report and the Auditor's Report for the year ended 30 June 2017, is available on the Company's website at desane.com.au and will be available at the AGM and at the registered office of the Company. Copies will be forwarded to members by post upon request.

EXPLANATORY STATEMENT

Introduction

This Explanatory Statement has been prepared for Shareholders of Desane Group Holdings Limited ABN 61 003 184 932 (“the Company”) in connection with the business to be transacted at the Annual General Meeting of the Company to be held at 10:00am on Friday, 3 November 2017 at 68-72 Lilyfield Road, Rozelle NSW 2039, and contains important explanatory and other information for Shareholders in relation to the Items set out in the attached Notice of Meeting.

The Directors recommend Shareholders read this Explanatory Statement carefully in full before making any decision in relation to the Items.

The Directors recommend that Shareholders vote in favour of Item 2.

The Board (other than Prof. Sheehan), recommend that non-associated Shareholders vote in favour of Item 3.

If you are in doubt about what to do in relation to the Items, you should consult your financial or other professional adviser.

Items 2 and 3 are not inter-conditional. Accordingly, if Shareholders do not approve one of these Items, other Items may still be approved by Shareholders.

Items 2 and 3 are ordinary resolutions, which require approval by 50% of Shareholders present at a meeting, either in person or by proxy.

Item 1: Financial Statements and Reports

The Company’s 2017 Annual Report comprising the audited 2017 financial statements, the Directors’ Report and the Auditor’s Report has been lodged with the Australian Securities Exchange (“ASX”), the Australian Securities and Investments Commission (“ASIC”) and has been made available on the Company’s website www.desane.com.au.

The 2017 Annual Report has also been despatched to securityholders who have requested a hardcopy or email notification.

The Company’s 2017 Annual Report is placed before securityholders for consideration and discussion.

No voting is required for this Item.

Item 2: Adoption of Remuneration Report

Under sections 249L and 250R of the Corporations Act, public companies are required to meet disclosure requirements in respect of Director and executive remuneration, and to include a Remuneration Report in the Director’s Report to Shareholders. The Remuneration Report for the 12 months ended 30 June 2017 is included in the 2017 Annual Report for the Company and the consolidated group.

Further, the Corporations Act requires that adoption of the Remuneration Report be included as an item on which shareholders are given the opportunity to vote at the AGM.

The vote on this item is advisory only, and will not be binding on the Board. Notwithstanding the non-binding nature of the vote, the Board will take note of the outcome of the vote when considering future remuneration matters.

Under the Corporations Act, if at least 25% of the votes cast at the AGM are against adoption of the Remuneration Report, then:

- if comments are made on the report at the AGM, the remuneration report for the Company and the consolidated group for the financial year ending 30 June 2017 will be required to include an explanation of the Board's proposed action in response or, if no action is proposed, the Board's reasons for this position; and
- if, at the Company's 2018 annual general meeting, at least 25% of the votes cast for adoption of the remuneration report for the relevant financial year are against its adoption, the Company will be required to put to shareholders a resolution proposing that a General Meeting (**Spill Meeting**) be called to consider the election of directors of the company (**Spill Resolution**). The Spill Meeting must be held within 90 days of the date of the 2018 annual general meeting. For a Spill Resolution to be passed, more than 50% of the votes cast on the resolution must be in favour of it. If a Spill Resolution is passed, all of the directors (other than any managing director) will cease to hold office immediately before the end of the Spill Meeting unless re-elected at that meeting.

Please note that the Chairman intends to vote all undirected proxies in favour of adopting the Remuneration Report.

Item 3: Re-election of Prof. John Sheehan (non-executive Director)

Clause 4.3(c) of the Constitution requires that at the annual general meeting, one third of the Directors for the time being, or, if their number is not a whole number, the whole number nearest to one third, shall retire from office, provided always that no director shall hold office for a period in excess of three years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself for re-election. A retiring director is eligible for re-election.

Prof. Sheehan retires by rotation in accordance with the Company's Constitution and, being eligible, offers himself for re-election.

Prof. Sheehan joined Desane in 1987 as a Director. In 1992 he was appointed as Chairman of the Company. Prof. Sheehan, a Life Fellow member of the Australian Property Institute (NSW division), has over 30 years experience and expertise in property compensation law, town and country planning and environmental law.

Prof. Sheehan is a member of Desane's Risk Management & Audit Committee, Chairman of the Remuneration & Nomination Committee and Chairman of the Environmental, Occupational Health & Safety Committee.

Glossary

In the Notice of Meeting and this Explanatory Statement the following defined terms have the following meanings:

Annual General Meeting or **AGM** means the annual general meeting convened by the Notice of Meeting.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given to it by Division 2 of Part 1.2 of the Corporations Act.

ASTC means ASX Settlement Pty Ltd ACN 008 504 532.

ASX means ASX Limited and the market operated by it, the Australian Securities Exchange, as applicable.

ASX Listing Rules means the Listing Rules of the ASX.

Auditor means a person appointed as an auditor of the Company who has not vacated their office.

Board means the board of Directors of the Company.

Business Day has the meaning given to that term in the ASX Listing Rules.

Chair means a person elected by the Directors as chairperson of the Board.

Company means Desane Group Holdings Limited ABN 61 003 184 932.

Constitution means the Memorandum and Articles of the Company as at the date of this Notice of Meeting.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means each of the Directors of the Company being Prof. John Sheehan and Messrs Phil Montrone, John Bartholomew and Rick Montrone.

Dollar or **\$** means the lawful currency of the Commonwealth of Australia.

Managing Director means a person appointed as managing director of the Company.

Notice of Meeting means the notice of meeting that accompanies this Explanatory Statement.

Resolutions means the items set out in the Notice of Meeting and **Resolution** means any of them.

Settlement Rules means the settlement rules of ASTC as amended or replaced from time to time.

Share means an ordinary share in the capital of the Company that is fully paid or credited as fully paid (as the case may be).

Shareholder or **Securityholder** means a registered holder of Shares in the Company.

CHANGE OF ADDRESS. If incorrect, mark this box and make the correction in the space below. Securityholders sponsored by a broker (securityholder number commences with "X") should advise your broker of any changes.

All Correspondence to:
Desane Group Holdings Limited
PO Box 331
LEICHHARDT NSW 2040 Australia
Enquiries 61 2 9555 9922
Facsimile 61 2 9555 9944
Email info@desane.com.au
Website www.desane.com.au

Name & Address 1
Name & Address 2
Name & Address 3
Name & Address 4
Name & Address 5
Name & Address 6

SECURITYHOLDER NUMBER: I9999999999

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded before 10.00 am (AEDT) on Thursday, 2 November 2017.

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Desane Group Holdings Limited (Company) and entitled to attend and vote hereby appoint:

the Chairman of the meeting **OR**

◆ PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Desane Group Holdings Limited to be held at 68-72 Lilyfield Road, Rozelle, NSW, on Friday, 3 November 2017 at 10.00 am and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Item 2 (except where I/we have indicated a different voting intention below) even though Item 2 is connected directly or indirectly with the remuneration of the Chairman and/or the remuneration of a member of key management personnel, which includes the Chairman.

The Chairman of the Meeting will vote all undirected proxies in favour of all Items of business: If you wish to appoint the Chairman of the meeting as your proxy with a direction to vote against or abstain from voting on an item you must provide a direction by marking the "Against" or "Abstain" box opposite that resolution in step 2 below.

STEP 2 Items of Business ◆ PLEASE NOTE: If you mark the Abstain box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Item 2 Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3 Re-election of John Sheehan as a non-executive director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote all available proxies in favour of each item of business.

SIGN Signature of Securityholder(s) This section MUST be completed.

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name

Contact Daytime Telephone

Date

How to complete the Proxy Form

STEP 1 - APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chairman of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the Company or you may copy this form.

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy, write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

STEP 2 - VOTING DIRECTIONS TO YOUR PROXY

All your securities will be voted in accordance with your directions. A proxy need not be a securityholder of the Company.

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box, your proxy may vote as they choose. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you mark more than one box on an item, your vote will be invalid on that item. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Proxy which is a Body Corporate: Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: Please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

ATTENDING THE MEETING

If you wish to attend the meeting, please bring this form with you to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting, you will need to provide the appropriate "**Appointment of Corporate Representative**" form prior to admission, which can be obtained from Desane Group Holdings Limited.

LODGEMENT OF A PROXY

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below **no later than 10.00 am, Thursday, 2 November 2017**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

DOCUMENTS MAY BE LODGED AS FOLLOWS:

In person to: Desane Group Holdings Limited, 68-72 Lilyfield Road, Rozelle NSW 2039 Australia
By mail to: Desane Group Holdings Limited, PO Box 331, Leichhardt NSW 2040 Australia
By email to: info@desane.com.au
By fax to: 61 2 9555 9944
