

ASX release

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PO Box 331, Leichhardt NSW 2040

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www.desane.com.au

26 September 2018

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.

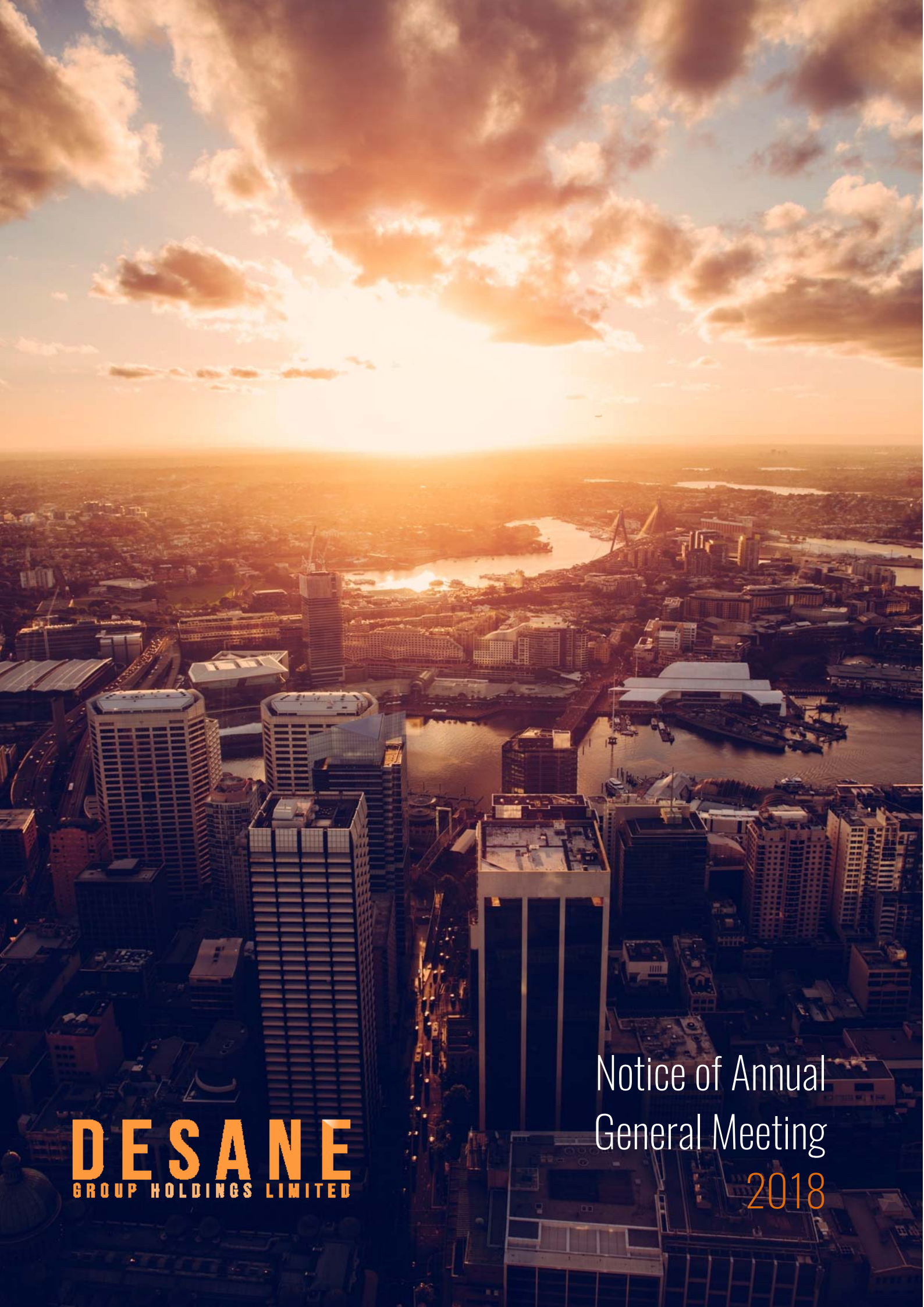
For further information, please visit www.desane.com.au or please contact:

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

Jack Sciarra
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.



DESANE
GROUP HOLDINGS LIMITED

Notice of Annual
General Meeting
2018

NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of Desane Group Holdings Limited (“the Company”) will be held at:

**Le Montage, Gallery Room
(Bay-side entrance)
38 Frazer Street, Lilyfield NSW 2040
on Friday, 2 November 2018
commencing 10:00am
(Registrations commence 9:30 am)**

LOCATION MAP



FREE PARKING

Follow Lilyfield Road and turn right at the blue “Le Montage” sign. Parking can be found at Le Montage and all along the bay walk. More parking can be found at Leichhardt Oval. Please follow parking rules.

LIGHT RAIL

The light rail departs from Central Station to Leichhardt North every 10 to 15 minutes. Timetables are subject to change.

KEY

Parking	
Light Rail Station	
Road	
Light Rail Line	
Footpath	

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

ITEMS OF BUSINESS

Item 1: Financial Statements and Reports

To receive and consider the financial statements, the Directors’ Report and the Auditor’s Report of Desane Group Holdings Limited, for the year ended 30 June 2018.

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 the Remuneration Report of Desane Group Holdings Limited for the year ended 30 June 2018 be adopted.”

Item 3: Re-election of Mr Riccardo (Rick) Montrone (executive Director)

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

“That Rick Montrone, being an 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 an executive Director of the Company.”

Invitation

After the meeting, all shareholders are invited to join the Directors for light refreshments.

The Notes and Explanatory Statements form part of this Notice and should be read in conjunction with it.

Annual Report

The Annual Report of the Company, including the financial report, Directors’ Report and the Auditor’s Report for the year ended 30 June 2018, is available on the Company’s website at desane.com.au and will be available at the AGM.

By Order of the Board,



Jack Sciarra
Company Secretary
26 September 2018

NOTES

Eligibility to attend and vote

Registered shareholders of the Company as at 7.00 pm (AEST) on Wednesday, 31 October 2018 will be entitled to vote in person or by proxy.

How to vote

A shareholder 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 shareholder 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 shareholder 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) Please note:
 - If proxy holders vote, they must vote all directed proxies as directed; and
 - any directed proxies which are not voted will automatically default to the Chairman who must vote the proxies as directed.

Proxy vote if appointment specifies a way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote a particular Item and, ***if it does:***

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and

- if the proxy has 2 or more appointments that specify different ways to vote on the Item – the proxy must not vote on a show of hands; and
- if the proxy is the Chairman of the meeting at which the Item is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the Chairman – the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular Item at a meeting of the members of the Company; and
- the appointed proxy is not the Chairman of the meeting; and
- at the meeting, a poll is duly demanded on the Item; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the Item,

the Chairman of the meeting is taken, before voting on the Item closes, to have been appointed as the proxy for the purposes of voting on the Item at the meeting.

- (e) 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 (AEST) on Wednesday, 31 October 2018.

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.

- (f) Your completed Proxy Form must be received by Desane no later than 10:00 am (AEST) on Wednesday, 31 October 2018. An original or certified copy of any power of attorney or other authority under which the form was signed must also be received by this time.

You can lodge your vote, as follows:

- By email to the Company Secretary at jacksciara@desane.com.au

OR;

- By completing the enclosed Proxy Form and posting it to Desane at the following address:

Desane Group Holdings Limited
PO Box 331
Leichhardt NSW 2040
AUSTRALIA

OR;

- By fax to: +612 9555 9944

Corporate representatives

If a representative of a corporation is to attend the Annual General Meeting, 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/>.

Attending the meeting in person

Eligible shareholders may attend the meeting and vote in person. You can register from 9:30 am (AEST) on the day of the meeting. If you attend the meeting in person, you do not need to submit a proxy form.

Please bring your personalised Proxy Form with you, as it will help you to register your attendance at the meeting. If you do not bring your proxy form with you, you can still attend the meeting but representatives from Desane will need to verify your identity.

Voting at the meeting

Voting on each of the proposed resolutions at this meeting will be conducted by a show of hands or a poll.

Conduct of the meeting

Desane is committed to ensuring that its AGM is conducted in a manner which provides those shareholders (or their proxy) who are present at the meeting, with the opportunity to participate in the business of the meeting in an orderly fashion and to ask questions about and comment on matters relevant to the business of the meeting or about the Company generally.

GCC Business & Assurance Pty Limited, Desane's external auditor, will attend the AGM and there will be an opportunity for shareholders to ask questions relevant to the audit.

EXPLANATORY STATEMENT

Introduction

The Directors recommend shareholders read this Explanatory Statement carefully and in full before making any decision in relation to the Items of Business.

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

The Chairman intends to vote undirected proxies on, and in favour of, all the proposed Items.

The Chairman's decision on the validity of a vote cast by a proxy or vote cast in person is conclusive.

Item 1: Financial Statements and Reports

The Company's 2018 Annual Report comprising the audited 2018 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 2018 Annual Report has also been despatched to shareholders who have requested a hardcopy or email notification.

The Company's 2018 Annual Report is placed before shareholders for consideration and discussion.

Shareholders will be given a reasonable opportunity at the AGM to ask questions of the Company's external auditor, GCC Business & Assurance Pty Limited relevant to:

- the conduct of the audit;
- the preparation and content of the Auditor's Report; and
- the independence of the auditor in relation to the conduct of the audit.

No voting is required for this Item.

Item 2: Adoption of Remuneration Report

As required by 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 year ended 30 June 2018 is included in the 2018 Annual Report, which is available on the Company's website, www.desane.com.au.

Shareholders should be aware that the vote on this Item is advisory only and is not binding on the Board. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

If 25% or more of the votes cast on this Item are against adoption of the remuneration report, the Company will be required to consider, and report to shareholders on, what action (if any) has been taken to address shareholder concerns at next year's annual general meeting.

Recommendation

The Board unanimously recommends that shareholders vote in favour of Item 2.

Proxy Voting Exclusions

Desane 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 (including the Chairman) who is entitled to vote in accordance with the directions on the proxy form.

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

If you appoint the Chairman as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member) – you **do not** need to direct your proxy to vote on this Item. However, if you do not direct the Chairman how to vote, ***you must mark the acknowledgement on the Proxy Form to expressly authorise the Chairman to exercise his/her discretion in exercising your proxy*** even though this Item is connected directly or indirectly with the remuneration of Key Management Personnel.

If you appoint any other person as your proxy – you do not need to direct your proxy how to vote on this Item and you **do not** need to mark any further acknowledgements on the Proxy Form.

Item 3: Re-election of Mr Riccardo (Rick) Montrone (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.

Mr R. Montrone retires by rotation in accordance with the Company’s Constitution and, being eligible, offers himself for re-election.

Mr R Montrone, who was appointed as Director in 2015, has 15 years experience in property investment, acquisitions, developments, management, leasing and sales. Mr Montrone is a licensed real estate agent and an Associate member of the Australian Property Institute.

Mr R. Montrone is a member of Desane’s Finance & Operations Committee, Risk Management & Audit Committee and Environmental & Occupational Health & Safety Committee.

The Directors unanimously support the re-election of Mr R. Montrone as a director of the Company and recommend that shareholders vote in favour of this Item. Mr R. Montrone will abstain.

Please note that the Chairman intends to vote all undirected proxies in favour of adopting Item 3.

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.
- ASX** means ASX Limited and the market operated by it, the Australian Securities Exchange, as applicable.
- 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.
- Chairman** means a person elected by the Directors as chairperson of the Board.
- Closely related party** is defined in the *Corporations Act 2001* (Cth) and includes a spouse, dependent and certain other close family members, as well as any companies controlled by a key management personnel.
- 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).
- Desane** means Desane Group Holdings Limited ABN 61 003 184 932.
- Directors** means each of the Directors of the Company, being the Chairman, Prof. John Sheehan, together with Messrs Phil Montrone, John Bartholomew and Rick Montrone.
- Dollar or \$** means the lawful currency of the Commonwealth of Australia.
- Eligible shareholders** means registered shareholders of the Company as at 7.00 pm (AESDT) on Wednesday, 31 October 2018.
- Item** means Items of Business to be considered at the Annual General Meeting.
- Notice of Meeting** means the notice of meeting that accompanies this Explanatory Statement.
- Registry** means Desane’s share registry, Computershare Investor Services Pty Limited (P: 1300 556 161).
- Resolutions** means the Items set out in the Notice of Meeting and **Resolution** means any of them.
- 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: I999999999

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded before 10.00 am (AEDT) on Wednesday, 31 October 2018.

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 Le Montage, Gallery Room (bay-side entrance), 38 Frazer Street, Lilyfield, NSW, on Friday, 2 November 2018 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

Voting Directions

◆ 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.

Items of Business

	For	Against	Abstain
Item 2 Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3 Re-election of Rick Montrone as 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, who need not be a shareholder of the Company, 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" form prior to admission. An Appointment of Corporate Representative form can be obtained from our Company's website at <http://desane.com.au/investor-information/>.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

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: To sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation with the registry, please attached a certified copy 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 Proxy Form with you to assist registration.

CORPORATE REPRESENTATIVE

If a representative of a corporation is to attend the Annual General Meeting, 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/>.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received by Desane **no later than 10.00 am, Wednesday, 31 October 2018**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

DOCUMENTS MAY BE LODGED AS FOLLOWS:

By email to:	The Company Secretary: jacksciara@desane.com.au
By mail to:	Desane Group Holdings Limited PO Box 331 Leichhardt NSW 2040 Australia
By fax to:	+612 9555 9944