



21 January 2008

Dr Steven Hull Remuneration Package: Announcement in conformance with ASX continuous disclosure policy of 1 May 2003

Avastra Sleep Centres Limited announced on 16 January 2008 that Dr Steven G. Hull has been appointed CEO. In accordance with ASX guidelines released 1 May 2003 regarding disclosure of CEO compensation components, the following details are provided of Dr Hull's remuneration package in connection with his appointment as CEO.

Prior to being appointed CEO, Dr Hull served as President of the Midwest Hub. Dr Hull will continue his responsibilities as President of the Midwest Hub for the foreseeable future. In relation to assuming responsibilities as CEO, Dr Hull will receive an additional US\$30,000 per annum which will supplement his current base annual salary package of US\$220,000. Dr Hull will also be eligible for a one time deferred signing bonus of US\$85,000 payable in April 2009.

All other components of Dr Hull's CEO compensation package are incentive based. With respect to stock options, Dr Hull will receive 333,333 options at the \$0.35 strike, 333,333 options at the \$0.70 strike, and 333,333 options at the \$1.05 strike from the pool previously approved by shareholders on 16 March 2007. Those options vest at earnings per share levels of \$0.04, \$0.05 and \$0.08, in one, two and three years respectively.

The remainder of Dr Hull's compensation as CEO is a biannual performance-based cash bonus dependent upon the earnings per share reported by the company in the prior six months.

Yours faithfully,

A handwritten signature in black ink that reads 'Charles King'.

Charles King
Company Secretary