



Company Announcement

19 November 2007

Avastra Ltd (ASX: AVS): Despatch of Prospectuses

Avastra is pleased to announce that it has today despatched to shareholders the Prospectus for its 1 for 10 non-renounceable entitlements offer which was lodged with ASIC and ASX on 6 November 2007.

Attached are letters sent to shareholders on 7 November 2007.

By Order of the Board.

Paul Jobbins
Company Secretary



Avastra Ltd
ACN 094 446 803

7 November 2007

Dear Shareholder

Avastra Ltd – Non-Renounceable Entitlements Offer

The Directors wish to inform you that Avastra Ltd lodged a prospectus (“Prospectus”) with the Australian Securities and Investments Commission on 6 November 2007 for a 1 for 10 non-renounceable entitlements offer of ordinary fully paid shares in Avastra Ltd. The entitlements offer is fully unwritten by ABN AMRO Morgans Corporate Limited. The maximum shares to be issued under the offer will be approximately 10,182,560, raising approximately \$5,600,000. In calculating your entitlement fractions will be rounded up to the nearest whole number.

A copy of the Prospectus has also been lodged with the Australian Stock Exchange Limited (“ASX”) and is available on the ASX website (www.asx.com.au) and Avastra Ltd’s website (www.avastra.com). A copy of the Prospectus together with the Entitlement and Acceptance Form will be mailed to all eligible shareholders on or about 19 November 2007.

The funds raised from the entitlements offer will be used to provide further capital to allow the Company to continue its strategy of acquiring and starting profitable sleep centre businesses across the United States.

Summary of Key Information

Type of offer:	Non-renounceable entitlements offer of approximately 10,182,560 ordinary fully paid shares to shareholders with registered addresses in Australia or New Zealand, only as at the Record Date.
Offer price:	\$0.55 per ordinary fully paid share.

Proposed Timetable

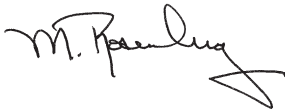
These dates are indicative only and subject to change by the Directors, in consultation with the Underwriter and ASX.

Prospectus dated and lodged:	Tuesday 6 November 2007
Record Date to determine Entitlements under the Entitlements Issue (7.00 pm Sydney time)	Thursday 15 November 2007
Prospectus and Entitlement and Acceptance Form despatched	Monday 19 November 2007
Entitlements Offer closes (5.00 pm Sydney time)	Monday 3 December 2007
Allotment and issue of New Shares under Entitlements Offer	Tuesday 11 December 2007
Expected despatch of holding statements under Entitlements Offer	Tuesday 11 December 2007
Trading of New Shares expected to commence	Wednesday 12 December 2007

Before deciding whether or not to take up all or part of your entitlement under the Entitlement Offer, eligible shareholders should read the Prospectus in full, including the risk factors, and consult their professional advisors.

If you have any queries, please contact the Avastra Ltd Information Line on 1300 855 080 or +61 3 9415 4000, between 8.30am and 5.30pm (Sydney time), Monday to Friday.

Yours sincerely,



Mitchell Rosenberg
Chairman



Avastra Ltd
ACN 094 446 803

7 November 2007

Dear Shareholder

Avastra Ltd – Non-Renounceable Rights Issue

The Directors wish to inform you that Avastra Ltd lodged a prospectus (“Prospectus”) with the Australian Securities and Investments Commission on 6 November 2007 for a 1 for 10 non-renounceable Entitlements Offer of ordinary fully paid shares in Avastra Ltd. The rights issue is fully unwritten by ABN AMRO Morgans Corporate Limited. The maximum shares to be issued under the offer will be approximately 10,182,560, raising approximately \$5,600,000.

The funds raised from the entitlements offer will be used to provide further capital to allow the Company to continue its strategy of acquiring and starting profitable sleep centre businesses across the United States.

The non-renounceable Entitlements Offer is only being extended to shareholders with registered addresses in Australia or New Zealand on the Record Date, and only those shareholders will be entitled to participate in the rights issue. Our records indicate that you are a shareholder with a registered address outside Australia or New Zealand (“Excluded Shareholder”) and therefore you are unable to participate in, and no shares are being offered to you under, the rights issue.

The Record Date for the non-renounceable Entitlements Offer is Thursday 15 November 2007 and the offer closing date is Monday 3 December 2007.

If you have any queries, please contact the Avastra Ltd Information Line on 1300 855 080 or +61 3 9415 4000, between 8.30am and 5.30pm (Sydney time), Monday to Friday.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'M. Rosenberg'.

Mitchell Rosenberg
Chairman