



Company Announcement

15 October 2007

Avastra Ltd (ASX: AVS): Correction to SMCC Purchase Agreement announcement

The Avastra Board wishes to advise of a correction to an announcement released to the market on 11 October 2007 relating to the binding purchase agreement of a hub business in New York and Florida.

In the fifth paragraph of the second page of the announcement, the earn-out payments during the first year due to the vendor were calculated using an example of EBIT of US\$800,000. Using this example the deferred payment should have read US\$1,080,000 rather than US\$1,020,000.

The paragraph in question should read:

“On the six month anniversary, the actual EBIT will be calculated and a payment of 1.8 times the difference of actual EBIT and \$600,000 plus 90% of the actual EBIT will be paid in cash. Therefore, if the EBIT for the period equals \$800,000 a payment of \$1,080,000 in cash will be made. On the twelfth month anniversary, the actual EBIT will be calculated and a payment of 1.8 times the difference of actual EBIT and \$600,000 plus 90% of the actual EBIT will be paid in cash. Therefore, if the EBIT for the period equals \$800,000 a payment of \$1,080,000 in cash will be made.”

By Order of the Board.

For further information contact Simon Mitchell, Executive Director, on 0404 858 485.