



Eastland Medical
Systems LTD

22nd December, 2006

The Manager,
The Company Announcements Platform,
Australian Stock Exchange Limited,
Level 4, 20 Bridge Street,
Sydney. N.S.W. 2000.

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Dear Sir,

Notice under sections 708 & 708A of the Corporations Act 2001.

We refer to the Company's announcement of 30th November regarding Eastland Medical Systems Ltd ("Company") (ASX code: EMS) capital raising through a private placement of up to 20 million shares. The fourth and final tranche of 2 million shares were issued and are the subject of an Appendix 3B lodged with the ASX on the 22 December 2006.

The above shares were issued without disclosure to investors under Part 6D.2 of the Act. The Act restricts the on-sale of securities without disclosure, unless the sale is exempt under section 708 or 708A. By the Company giving this notice, sale of the securities noted above will fall within the exemption in section 708 (5) (b) and 708A (5) (e) of the Act.

The Company gives this notice pursuant to sections 708 (5) (b) & 708A (5) (e) of the Corporations Act 2001 (Cth) (Act).

1. The issue and sale of the Securities and the amount raised from this issue and sale, do not result from any offer received in Australia.
2. As at the date of this notice, the Company has complied with:
 - (a). the provisions of Chapter 2M of the Act as they apply to the Company; and
 - (b). Section 674 of the Act; and
3. As at the date of this notice, there is no additional information to be disclosed which is excluded information (as defined in section 708A (7) & 708A (8) of the Act).

Yours sincerely,

T.P. Strahan.
Company Secretary.

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