

AVJennings®

OFFER DOCUMENT NON-RENOUNCEABLE RIGHTS ISSUE

**1 New Share for every 3 Existing Shares at \$0.67
to raise up to \$51.2 million**

AVJennings Limited

ABN 44 004 327 771

The Rights Issue closes at 5pm on 30 May 2008

This Offer Document is an important document and requires your immediate attention. It should be read in its entirety and before you decide whether to participate in the Rights Issue. If you have any questions about any part of the Offer Document you should consult your professional adviser.

ADVISER

ANZ Capital

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Key Statistics

Offer Price for New Shares	\$0.67 per share
Number of New Shares to be issued	Up to 76,470,788
Entitlement	1 New Share for every 3 Existing Shares
Rights Issue – Gross Proceeds	Up to \$51,235,428
Offer closes	5pm (Melbourne time) on 30 May 2008

Key Dates

This Offer Document, which is prepared in accordance with the Corporations Act and ASX Listing Rules, is dated 16 May 2008.

The following are key dates relating to the Offer that you need to be aware of.

Activity	Date
Announcement of Rights Issue and lodge Appendix 3B	2 May 2008
Dispatch of notices to Shareholders informing them of Rights Issue	5 May 2008
Shares trade on an "ex" Entitlement basis*	7 May 2008
Record Date for Entitlement to participate in the Rights Issue	13 May 2008
Lodgement of section 708AA notice with ASX	16 May 2008
Offer Document and Entitlement and Acceptance Form dispatched to Shareholders	16 May 2008
Closing Date for Receipt of Entitlement and Acceptance Form	5pm on 30 May 2008
ASX notified of undersubscriptions	4 June 2008
New Shares are allotted	5 June 2008
Lodgement of section 708A notice	5 June 2008
Holding Statements are dispatched to Shareholders	10 June 2008
Normal ASX trading for New Shares commences	11 June 2008

*The "ex" Entitlement date for Eligible Shareholders who hold their shares through the CDP is 9 May 2008.

These dates are indicative only and are subject to change. The Company reserves the right to amend this indicative timetable at any time and in particular, subject to the Corporations Act and ASX Listing Rules, to extend the latest date for receipt of Entitlement and Acceptance Forms, to accept late Entitlement and Acceptance Forms either generally or in particular cases, or to cancel the Rights Issue without prior notice.

Letter to Shareholders

16 May 2008

Dear Shareholder,

On behalf of the Board of AVJennings, we are pleased to provide you with the entitlement to participate in the pro-rata Non-Renounceable Rights Issue to issue up to 76,470,788 New Shares for up to \$51,235,428.

Under the Rights Issue, Eligible Shareholders of AVJennings have an Entitlement to acquire 1 New Share for every 3 Existing Shares held at the Record Date at a price of \$0.67, being a 7.5% discount to the volume weighted average share price on the ASX in the 5 trading days preceding the announcement of the Rights Issue on 2 May 2008.

Following this letter, you will find details of the offer and instructions on how to accept your Entitlement, as well as other important information for Shareholders.

The purpose of the Rights Issue is to raise up to approximately \$51.2 million before transaction costs which will be used by the Company to assist in funding new projects that the Company has recently contracted (generally on deferred terms), to acquire interests in other projects and to provide working capital.

As you know, the Company has, in recent times, significantly expanded its developments pipeline through using available equity to invest in a variety of funding structures, including outright ownership, development agreements and joint ventures. However, your Board believes that there continues to exist many attractive opportunities in the market place and this gives rise to the proposed Rights Issue.

The Rights Issue is not underwritten. Shareholders should note, however, that the largest shareholder, SC Global and its subsidiaries have notified the Company that their present intention is to take up their Entitlement in full, representing approximately \$21.9 million, indicating their confidence in AVJennings' prospects. The Company believes this amount provides sufficient capital to adequately meet the purpose of the Rights Issue should any shortfall in subscriptions occur.

All Shareholders with a registered address in Australia, New Zealand or Singapore as at the Record Date are eligible to participate in the Rights Issue.

How to Take Up the Offer

Eligible Shareholders should note the instructions on how to take up the Offer differ, dependent on how your Shares are held.

Eligible Shareholders who hold their Shares directly on the Australian registry should read and refer to the instructions and information contained within this Offer Document in its entirety and have regard to the timetable at page 2 for the timing of specific actions. A personalised Entitlement and Acceptance Form accompanies this Offer Document.

Eligible Shareholders who hold their Shares through the CDP in Singapore will receive a separate letter and personalised application form which will set out the specific instructions and processes on how to take up the Offer as it relates to you. You should read and refer to the instructions and information contained within this Offer Document **and** the separate letter in their entirety and have regard to the timing in that letter for specific actions.

If you are unsure about any aspects of the Offer or its merits, we would encourage you to consult your financial adviser.

We commend the Rights Issue to you and recommend your participation.

Yours sincerely



Simon Cheong
Chairman



Jerome Rowley
Deputy Chairman and Independent Director

Section One – *Details of the Rights Issue*

I. DETAILS OF THE RIGHTS ISSUE

I.1 The Offer

The Company is making an Offer to Eligible Shareholders of up to 76,470,788 New Shares at an issue price of \$0.67 for each New Share, by way of a pro-rata Non-Renounceable Rights Issue. The Offer Price is payable in full by Eligible Shareholders on acceptance of the Offer.

Each Eligible Shareholder is entitled to subscribe for 1 New Share for every 3 Existing Shares held on the Record Date.

The number of New Shares to which you are entitled is shown on the accompanying Entitlement and Acceptance Form. Fractional entitlements to New Shares have been rounded up to the nearest whole number of New Shares.

There is no minimum subscription under the Offer.

I.2 Eligible Shareholders

To qualify for the Rights Issue, a Shareholder or a CDP Depositor must:

- (a) be registered as a Shareholder or a CDP Depositor at the close of business on the Record Date; and
- (b) have an address in Australia, New Zealand or Singapore as recorded on the Share Registry or the CDP Register as at the Record Date.

I.3 Purpose of the Rights Issue

The purpose of the Rights Issue is to raise up to \$51,235,428 before transaction costs which will be used by the Company to assist in funding new projects that the Company has recently contracted (generally on deferred terms), to acquire interests in other projects and to provide working capital.

I.4 Underwriting

The Rights Issue is not underwritten and therefore there is no guarantee that all the projected proceeds of the Offer will be raised.

I.5 Major Shareholders

The Company has been notified by SC Global (a company associated with and controlled by interests associated with the Chairman of the Company, Mr Simon Cheong) that SC Global and its subsidiaries – which presently hold approximately 43% of the Company's shares – presently intend to take up their Entitlements in respect of their entire shareholding. The Entitlement of SC Global and its subsidiaries represents 32,620,287 New Shares or \$21,855,592. There is, however, no guarantee that SC Global and its subsidiaries will take up their full Entitlement.

I.6 Allotment of New Shares

New Shares under the Rights Issue are expected to be allotted by 5 June 2008 (subject to variation at the discretion of the Company).

I.7 ASX Quotation

Application will be made to the ASX within seven days after the date of this Offer Document for official quotation of New Shares issued under this Offer Document. If permission for quotation is not granted by ASX, the New Shares will not be allotted and Application Monies will be refunded (without interest) as soon as practicable.

Section One – *Details of the Rights Issue*

Continued.

1.8 Application Monies

Until New Shares are issued, the Company or CDP will hold the Application Monies on trust in bank accounts in Australia and Singapore. The accounts will be established and kept solely for the purpose of depositing Application Monies and retaining those funds for as long as required under the Corporations Act.

Any interest accrued on Application Monies will be retained by the Company and will not be paid to the relevant Eligible Shareholder including if the Rights Issue is cancelled or withdrawn.

1.9 Market Prices for Shares on ASX

The lowest and highest market prices of Shares on ASX during the 3 months immediately preceding the date of this Offer Document were \$0.59 and \$0.975 respectively.

The volume weighted average price for Shares on the ASX over the 5 trading days preceding the date of announcement of the Rights Issue was \$0.72. The Issue Price therefore represents a discount of approximately 7.5% to this price.

1.10 Foreign Shareholders

The New Shares being offered under this Offer Document are being offered to Eligible Shareholders with registered addresses in Australia, New Zealand and Singapore.

The Rights Issue will not be offered to Non-Eligible Foreign Shareholders (i.e. shareholders resident outside of Australia, New Zealand and Singapore). AVJennings has determined that it is not economically viable for it to make offers to Non-Eligible Foreign Shareholders due to the cost of meeting compliance requirements with securities laws in each applicable jurisdiction in which Non-Eligible Foreign Shareholders reside. The Company reserves the right in its absolute discretion to offer the Rights Issue to a Shareholder with an address in the Company register of Shareholders outside Australia, New Zealand and Singapore if the Company is satisfied that it is not precluded from lawfully issuing New Shares to that Shareholder either unconditionally or after compliance with conditions which the Board in its sole discretion regard as acceptable.

This Offer Document does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register the New Shares or otherwise permit an offering of New Shares in any jurisdiction outside of Australia, New Zealand or Singapore.

The distribution of this Offer Document outside Australia, New Zealand or Singapore may be restricted by law. If you come into possession of this Offer Document, you should observe any such restrictions and should seek your own advice on such restrictions. Any failure to comply with such restrictions may contravene applicable securities laws.

This Offer Document has not been registered as an Offer Document with the Monetary Authority of Singapore. Accordingly, this Offer Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the New Shares may not be circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than: (i) to an existing holder of Shares pursuant to Section 273(1)(cd) of the SFA; or (ii) otherwise pursuant to, and in accordance with, the conditions of an exemption under any provision of Subdivision (4) of Division 1 of Part XIII of the SFA.

1.11 Taxation Implications

Shareholders should be aware that there may be taxation implications of participating in the Offer and subscribing for New Shares. The taxation consequences of participating in the Offer and/or acquiring New Shares may vary depending on the individual circumstances of each Shareholder.

Shareholders should consult their own professional taxation advisers to obtain advice in relation to the taxation laws and regulations applicable to their personal circumstances.

Section One – *Details of the Rights Issue*

Continued.

1.12 Risks

There are a number of risks associated with an investment in the Company which may affect its financial performance, financial position, cash flows, distributions, growth prospects and Share price. The key risk factors have been summarised in section 5.

1.13 Regular Reporting and Disclosure

The Company is a disclosing entity for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations under the Corporations Act and ASX Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purposes of ASX making that information available to the market. In particular, the Company has an obligation (subject to certain limited exceptions) to notify ASX once it is, or becomes, aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Company's securities. All announcements made by the Company are available from the Company's website www.avjennings.com.au, ASX or its website www.asx.com.au.

Additionally, the Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a directors' statement and report, and an audit review or report. These reports are released to ASX and published on the Company and ASX websites.

1.14 Rights and Liabilities Attaching to New Shares

New Shares issued pursuant to this Offer Document will be fully paid ordinary shares in the capital of the Company and will rank equally with the Existing Shares including for any dividend issued after the date of this Offer Document.

The rights and liabilities attaching to Shares are set out in the Company's Constitution and are regulated by the Corporations Act, the general law, the Listing Rules and the ASTC Settlement Rules. The Constitution may only be varied by a special resolution passed by at least 75% of Shareholders present (and entitled to vote).

1.15 Disclaimer

No person is authorised to give any information or make any representation in connection with the Rights Issue or Offer described in this Offer Document, which is not contained in this Offer Document. Any information or representation not contained in this Offer Document may not be relied on as having been authorised by the Company in connection with the Rights Issue.

1.16 Financial Amounts

Money as expressed in this Offer Document is in Australian dollars unless otherwise indicated. Any discrepancies between totals in tables and sums of components in tables in this Offer Document and between those figures and figures referred to in other parts of this document are due to rounding.

Section Two – *Required Actions*

2. REQUIRED ACTIONS

2.1 Eligible Shareholders – Australia and New Zealand

If you are an Australian or New Zealand Eligible Shareholder you may either:

- take up all or part of your Entitlement in accordance with this Offer Document; or
- decline to exercise any or all of your Entitlement.

If you are an Australian or New Zealand Eligible Shareholder and wish to take up all or part of your Entitlement:

- (a) read this Offer Document in full;
- (b) consider the risks associated with the Rights Issue, as summarised in section 5, in light of your personal circumstances;
- (c) decide whether to participate in the Rights Issue;
- (d) complete the personalised Entitlement and Acceptance Form accompanying this Offer Document in accordance with the instructions set out on the form. If you have not received a personalised Entitlement and Acceptance Form please call the Offer Information Line; and
- (e) return the completed Entitlement and Acceptance Form together with payment in accordance with section 2.2 below, using the enclosed reply paid envelope or to the following address so that it is received by no later than 5.00pm (Melbourne time) on 30 May 2008 (or such other date as may be determined by the Company):

Australia & New Zealand – By mail – postal delivery

Computershare Investor Services Pty Limited
GPO Box 505
Melbourne VIC 8060

Completed Entitlement and Acceptance Forms and Application Monies will not be accepted at the Company's registered office. A reply paid envelope is enclosed for your convenience. If mailed in Australia, no postage stamp is required. If mailed from New Zealand, correct postage must be affixed. Eligible Shareholders in New Zealand should ensure that their Entitlement and Acceptance Form and Application Monies are mailed early to ensure they arrive at the postal address specified above by 5.00pm (Melbourne time) on 30 May 2008 (or such other date as may be determined by the Company).

If you have any questions about the Rights Issue, please call the Offer Information Line on 1300 651 162 at any time from 8.30am to 5.00pm (Melbourne time) Monday to Friday during the Offer Period (ending 30 May 2008, or any other date as may be determined by the Company).

2.2 Payment

The Offer Price of \$0.67 per New Share is payable in full on exercise of your Entitlement. For all Australian and New Zealand Eligible Shareholders payments must be received by 5.00pm (Melbourne time) on 30 May 2008 (or such other date as may be determined by the Company).

Shareholders should be aware of the time required to process payments by cheque, electronic funds transfer and BPAY® in choosing the appropriate Application and payment method.

Payment will only be accepted in Australian currency and must be:

- by cheque, money order or bank draft drawn on an Australian financial institution, made payable to "AVJennings Rights Issue" and crossed "Not Negotiable", or
- through the BPAY® facility according to the instructions set out on the Entitlement and Acceptance Form.

Section Two – *Required Actions*

Continued.

Cash will not be accepted. Receipts for payment will not be issued. If you provide insufficient funds to meet the Application Monies due to take up all or part of your Entitlement, you may be taken by the Company to have applied for such lower number of New Shares as your cleared Application Monies will pay for, or your Application may be rejected.

Australian Eligible Shareholders may pay through BPAY®

Payment by BPAY® should be made in accordance with the instructions set out in the Entitlement and Acceptance Form using the reference number shown on that Form and must be received by Computershare by no later than 5.00pm (Melbourne time) on 30 May 2008 (or such other date as may be determined by the Company). Applicants should be aware that their own financial institution may implement earlier cut-off times with regards to electronic payment. Applicants should therefore take this into consideration when making payment. It is the responsibility of the Applicant to ensure that funds submitted through BPAY® are received by this time.

The reference number is used to identify your holding. If you have multiple holdings you will also have multiple reference numbers. You must use the reference number shown on each Entitlement and Acceptance Form to pay for each holding separately. If you pay by BPAY® and do not pay for your full Entitlement, your remaining Entitlements will lapse.

If you make your payment by BPAY® you do not need to lodge the Entitlement and Acceptance Form.

Your completed Entitlement and Acceptance Form or BPAY® acceptance, once sent to Computershare, cannot be withdrawn.

2.3 Eligible Shareholders holding Shares through CDP

Eligible Shareholders who hold Shares through CDP should receive a separate letter, together with an Entitlement and Acceptance Form relating to the Rights Issue.

CDP Depositors should refer to that letter and form for your choices available and the respective procedure for application for your Entitlement and for details of payment.

If you have any questions about the Rights Issue, please call the CDP Hotline on +65 6535 7511 at any time from 8.30am to 5.00pm (Singapore time) Monday to Friday during the Offer Period (ending 30 May 2008, or any other date determined by the Company).

2.4 Declining all or part of your Entitlement

If you decide not to take up all or part of your Entitlement, the Rights which are unexercised will lapse and the relevant New Shares with respect to those Rights will not be allotted.

You will receive no payment for Rights not taken up or sold. If you decide not to participate in the Rights Issue, you do not need to fill out or return the accompanying Entitlement and Acceptance Form. Although you will continue to own the same number of Shares, your percentage shareholding in the Company will be diluted.

2.5 Non-Eligible Foreign Shareholders

If you are a Non-Eligible Foreign Shareholder, you may not take up any of, or do anything in relation to, your Entitlement under the Rights Issue.

Section Three – Company Operations

3. COMPANY OPERATIONS

AVJennings Limited was listed on the Australian Stock Exchange in 1994. It has a brand history which is over 75 years old. The Company's principal activities are:

- residential land development;
- both detached and attached housing development;
- apartment development; and
- contract home building.

The Company operates in Queensland, New South Wales, Victoria and South Australia. It has recently entered into a development agreement in relation to one project in Auckland, New Zealand.

The target market for developments is usually within 10 km of the development itself. Contract building usually occurs on newly developed vacant lots which are not necessarily produced by the Company.

Although brand recognition is primarily that of a home builder, increasingly the Company's business activities are that of a residential developer.

Lots Under Control or Management¹

Total Lots Under Control or Management at 31 December 2007 were 10,474, distributed as appearing in the following table. This compares to some 7,650 Lots Under Control or Management as at 30 June 2007.

Number	Land	Development Housing	Apartments	Total
Queensland	1,169	402	–	1,571
New South Wales	2,010	488	486	2,984
Victoria	3,311	463	–	3,774
South Australia	1,504	38	–	1,542
New Zealand	603	–	–	603
Total	8,597	1,391	486	10,474

1 – Lots Under Control or Management represent the number of lots estimated by AVJennings that have or will be created in projects either owned, controlled by way of option agreement or contract by AVJennings or under a formal management agreement with AVJennings.

Announcements relating to recent acquisitions can be found on the Company's website at www.avjennings.com.au.

The Company will continue to augment its land bank in circumstances where it considers that sites and developments may be acquired on favourable commercial terms.

Section Four – *Effect of the Offer on Control*

4. EFFECT OF THE OFFER ON CONTROL

The equity of existing Shareholders who do not participate in the Rights Issue will be diluted. The equity of existing Shareholders who only take up part of their Entitlement will also be diluted, but to a lesser extent.

The Company has been notified by SC Global that SC Global and its subsidiaries – which presently hold 42.7% of the Company's shares – intend to take up their Entitlement in respect of their entire shareholding. SC Global is a company associated with and controlled by interests associated with the Chairman of the Company, Mr Simon Cheong. Given the stated intention of SC Global and its subsidiaries, the potential effect the issue of the New Shares under the Rights Issue will have on the control of the Company is as follows:

- (a) If **all** members take up their Entitlements in full, then the Rights Issue will have no effect on the control of the Company.
- (b) If SC Global and its subsidiaries take up **all** of their Entitlement and the remaining shareholders take up **half** of their Entitlement, the Rights Issue will have the following effect on the control of the Company:

	Number of Shares in the current structure	% of issued Shares before issue of New Shares	Number of Shares after issue of New Shares	% of issued Shares after issue of New Shares
Total Shares on issue	229,412,364	100.0%	283,957,902	100.0%
SC Global and its subsidiaries	97,860,861	42.7%	130,481,148	46.0%
Remaining Shareholders	131,551,503	57.3%	153,476,754	54.0%

The consequences of SC Global and its subsidiaries taking up **all** of their Entitlement and the remaining shareholders taking up **half** of their Entitlement will be an increase in control by SC Global and its subsidiaries from 42.7% to 46.0%. This increase in the relevant interests of SC Global and its subsidiaries may consolidate the ability of that entity to control the affairs of the Company through its voting rights as a Shareholder.

- (c) If SC Global and its subsidiaries take up **all** of their Entitlement under the Rights Issue and **none** of the remaining shareholders take up their Entitlement under the Rights Issue, the Rights Issue will have the following effect on the control of the Company:

	Number of Shares in the current structure	% of issued Shares before issue of New Shares	Number of Shares after issue of New Shares	% of issued Shares after issue of New Shares
Total Shares on issue	229,412,364	100.0%	262,032,651	100%
SC Global and its subsidiaries	97,860,861	42.7%	130,481,148	49.8%
Remaining Shareholders	131,551,503	57.3%	131,551,503	50.2%

The consequences of SC Global and its subsidiaries taking up **all** of their Entitlement and **none** of the remaining shareholders taking up their Entitlement will be an increase in control by SC Global and its subsidiaries from 42.7% to 49.8%. This increase in the relevant interests of SC Global and its subsidiaries may consolidate the ability of that entity to control the affairs of the Company through its voting rights as a Shareholder.

Section Five – Risk Factors

5. RISK FACTORS

A decision to invest in the Company is a decision which is subject to the same type of risks which are ordinarily associated with purchasing company shares in ASX listed companies. The brief summary of risk factors set out below is not exhaustive.

Eligible Shareholders should consider these risks carefully and, if they are in any doubt, should consult their stockbroker or other professional adviser:

Economic conditions

The Company may be affected by general economic conditions and the business cycle (including, for example, interest rates, inflation, immigration levels and the labour market environment). Changes in economic conditions in the markets in which the Company operates may affect demand for housing.

Increase in interest rates

Any increase in interest rates could affect sales of land or housing product by the Company. Increased interest rates may also increase the cost of operations.

Industry risk

Both costs and timeframes for developments can be influenced by factors outside of the Company's control. To the extent that this could occur, it would generally arise from decisions of regulatory authorities in granting development approvals or levying development charges.

The Rights Issue is substantially undersubscribed

The Rights Issue is not underwritten. As a result, there may be a shortfall in the subscriptions from Shareholders. However, the largest shareholder, SC Global and its subsidiaries have notified the Company that their present intention is to take up their Entitlement in full. As such, the Company anticipates that the minimum amount raised under the Rights Issue to be approximately \$21.9 million. The Company believes this amount provides sufficient capital to adequately meet the purpose of the Rights Issue. However, to the extent that a shortfall eventuates, the rate at which the Company will be able to acquire interests in new projects will be reduced.

Law, regulatory and policy risk

Changes in government legislation, regulation and policy in jurisdictions in which the Company operates may adversely affect the operations of the Company, future earnings of the Company, asset values of land and properties held by the Company, the timing of revenues and the market value of Shares quoted on the ASX.

The Company is a foreign controlled corporation within the meaning of the Foreign Acquisitions and Takeovers Act 1975. The Company's activities are therefore subject to Foreign Investment Review Board oversight and discretionary approvals by the Government.

Section Six – Glossary

6. GLOSSARY

ANZ	Australia and New Zealand Banking Group Limited (ACN 005 357 522)
Applicant	An Eligible Shareholder who applies for New Shares under this Offer Document
Application	An application for a specified number of New Shares by an Applicant under this Offer Document
AVJennings	AVJennings Limited (ABN 44 004 327 771)
Application Monies	Funds accompanying a completed Application and Entitlement Form
ASIC	Australian Securities and Investments Commission
ASTC Settlement Rules	The operating rules of the settlement facility operated by the Australian Settlement and Transfer Corporation Pty Ltd (ABN 49 008 504 532)
ASX	ASX Limited ABN 98 008 624 691 or the financial market operated by it, as the context requires
ASX Listing Rules	The listing rules of ASX
Board	The Directors acting as a board of the Company
CDP	Central Depository (Pte) Limited
CDP Depositors	Persons (being CDP account holders or CDP depository agents) with Share(s) entered against their names in the CDP Register
CDP Hotline	+65 6535 7511 at any time from 8.30am to 5.00pm (Singapore time) Monday to Friday during the Offer Period
CDP Register	The depository register of CDP account holders or CDP depository agents maintained by the CDP
Cleansing Notice	The notice provided to the ASX on 16 May 2008 in compliance with section 708AA(2)(f) of the Corporations Act
Closing Date	The date on which the Offer closes, intended to be 30 May 2008
Company	AVJennings Limited (ABN 44 004 327 771)
Corporations Act	Corporations Act 2001 (Cth)
Eligible Shareholder	All Shareholders other than Non-Eligible Foreign Shareholders as at the Record Date
Entitlement	The number of New Shares each Eligible Shareholder is offered under the Offer as designated on their personalised Entitlement and Acceptance Form
Entitlement and Acceptance Form	The application form which is included in or accompanies this Offer Document
Existing Shares	Shares on issue at the Record Date
New Share	A Share offered and issued under this Offer Document, the terms and conditions of which are set out in this Offer Document
Non-Eligible Foreign Shareholder	A Shareholder with an address in the Company register of Shareholders outside Australia, New Zealand and Singapore, unless the Company is satisfied that it is not precluded from lawfully issuing New Shares to that Shareholder either unconditionally or after compliance with conditions which the Board in its sole discretion regards as acceptable and not unduly onerous
Offer	The offer of New Shares under this Offer Document
Offer Period	13 May 2008 to 30 May 2008, or any other date as may be determined by the Company
Offer Price	The price payable for one New Share under this Offer Document or \$0.67
Offer Document	This Offer Document
Offer Information Line	1 300 651 162 at any time from 8.30am to 5.00pm (Australian Eastern Standard Time) Monday to Friday during the Offer Period
Record Date	13 May 2008
Relevant Period	Shorter of the period during which the Existing Shares were quoted and the period of 12 months before the day on which the Offer is made
Rights Issue	The entitlement to New Shares available for issue under this Offer Document
SC Global	SC Global Developments Ltd, incorporated in Singapore
SFA	Singapore, Securities and Futures Act (Chapter 289)
Share	A fully paid ordinary share in the capital of the Company
Shareholder	A holder of Shares as recorded on the Share Registry
Share Registry	Computershare Investor Services Pty Ltd ABN 48 078 279 277

Corporate Directory

AVJennings Limited

Ground Floor
1 Lakeside Drive
Burwood East VIC 3151

Share Registry – Australia

Computershare Investor Services Pty Ltd
Yarra Falls
452 Johnston Street
Abbotsford VIC 3067

CDP – Singapore

Central Depository (Pte) Limited
4 Shenton Way #02-01
SGX Centre 2
Singapore 068807

Financial adviser

ANZ Capital
Level 17, 20 Martin Place
Sydney NSW 2000

Legal adviser

Corrs Chambers Westgarth
Level 34, 600 Bourke Street
Melbourne VIC 3000

Use a **black pen**.
 Print in **CAPITAL** letters
 inside the grey areas.

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Entitlement and Acceptance Form

IMPORTANT:

This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this form, please consult a professional adviser.

Non-Renounceable Entitlement Issue closing 5:00pm (Melbourne Time) on 30 May 2008

Non-Renounceable Entitlement Issue of 1 New Ordinary Share for every 3 Ordinary Shares registered and entitled to participate at the record date at an issue price of A\$0.67 per New Ordinary Share.

Receipt of this Entitlement and Acceptance Form by 5:00pm (Melbourne Time) on 30 May 2008 with your payment, utilising the payment options detailed overleaf, will constitute acceptance in accordance with the terms of the Offer Document dated 16 May 2008.

A Securityholder Entitlement details	
Subregister	<input style="width: 100%;" type="text"/>
Existing Ordinary Shares entitled to participate at Record Date on 13 May 2008	<input style="width: 100%;" type="text"/>
Entitlement to New Ordinary Share on a 1 for 3 basis	<input style="width: 100%;" type="text"/>
Amount payable on full acceptance at A\$0.67 per New Ordinary Share	<input style="width: 100%;" type="text"/>
Entitlement Number	<input style="width: 100%;" type="text"/>

I/We enclose my/our payment for the amount shown below being payment of A\$0.67 per New Ordinary Share. I/We hereby authorise you to register me/us as the holder(s) of the Ordinary Shares allotted to me/us, and I/we agree to be bound by the Constitution of the Company.

Do not detach form

Acceptances can only be accepted in the name printed on this form

See back of form for completion guidelines

AVJ

NRRB

037636_00QFOF



Paperclip
cheque(s)
here.
Do not
staple.

AVJennings

AVJennings Limited
 ABN 44 004 327 771

Please see overleaf for Payment Options

Ent:	Pay:
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Billor Code: _____
 Ref No: _____

B Number of New Ordinary Shares applied for

C Amount enclosed at A\$0.67 per New Ordinary Share

A\$

D Payment Details
 Drawer

Cheque Number

BSB Number

Account Number

Cheque amount

A\$

E Make your cheque or bank draft payable to "AVJennings Rights Issue"

Contact Details

Please provide your contact details in case we need to speak to you about this form

Name of contact person

Contact person's daytime telephone number

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How to complete the Entitlement and Acceptance Form

Note that photocopies will not be accepted. These instructions are cross-referenced to each section of the Entitlement and Acceptance Form.

A Shareholder Entitlement Details

Details of your Entitlement based on your Shareholding at 7:00pm (Melbourne Time) on 13 May 2008 are shown in box A on the front of this Entitlement Form.

B New Shares Accepted

You can apply to accept either all or part of your Entitlement. Enter in box B the number of New Ordinary Shares you wish to accept from your Entitlement.

Please ensure you complete Section B on the bottom of the form.

C Acceptance Monies

Enter the amount of Acceptance Monies. To calculate the amount payable, multiply the number of New Ordinary Shares applied for by \$0.67.

Please ensure you complete Section C on the bottom of the form.

D Payment Details

You can apply for shares utilising the payment options detailed below.

By making your payment using either electronic means or by cheque, bank draft or money order, you confirm that you agree to all of the terms and conditions as detailed in the Offer Document dated 16 May 2008

Your cheque, money order or bank draft must be made in Australian currency and drawn on an Australian branch of a financial institution. Such payment must be made payable to AVJennings Rights Issue and crossed "Not Negotiable". Payments not properly drawn may be rejected.

Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Acceptance Form being rejected. Paperclip (do not staple) your cheque(s) to the form where indicated. Cash will not be accepted. Receipt of payment will not be forwarded.

E Contact Details

Enter the name of a contact person and telephone number. These details will only be used in the event that the registry has a query regarding this form.

The directors reserve the right to make amendments to this form where appropriate.

Lodgement of Acceptance

If you are applying for shares and your payment is being made by BPay, you do not need to return this form. Your payment must be received by no later than 5:00pm (Melbourne Time) on 30 May 2008. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. It is the responsibility of the applicant to ensure that funds submitted through BPay are received by this time.

If you are paying by cheque, bank draft or money order your Acceptance Form must be received by Computershare Investor Services Pty Limited (CIS) Melbourne by no later than 5:00pm (Melbourne Time) on 30 May 2008. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for security holders in Australia. New Zealand holders will need to affix the appropriate postage. Return your Acceptance Form with cheque attached.

Neither CIS nor the Company accepts any responsibility if you lodge the Acceptance Form at any other address or by any other means.

Privacy Statement

Personal information is collected on this form by CIS, as registrar for securities issuers ("the issuer"), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS. You can contact CIS using the details provided on the front of this form or e-mail privacy@computershare.com.au

If you have any enquiries concerning this form or your entitlement, please contact CIS on 1300 651 162 (within Australia) or +61 3 9415 4878 (outside Australia).

This form may not be used to notify your change of address. For information please contact CIS on 1300 651 162 or visit the share registry at www.computershare.com (Issuer Sponsored Holders only).

CHES holders must contact their Controlling Participant to notify a change of address.

Payment Options:



Billers Code: _____

Ref No: _____

Telephone & Internet Banking – BPay

Call your bank, credit union or building society to make this payment from your cheque or savings account. More info: www.bpay.com.au



**AVJennings Limited
Computershare Investor
Services Pty Limited
GPO Box 505
Melbourne, Victoria 8060
AUSTRALIA**

