



ABN 36 098 455 460

NOTICE OF GENERAL MEETING
AND
EXPLANATORY STATEMENT
AND
PROXY FORM

For a General Meeting to be held on
Friday 26 March 2004 at 11.00am (Western Standard Time) at
The Celtic Club
48 Ord Street, West Perth

CONTENTS PAGE

DIRECTOR'S LETTER	2
TIME AND PLACE OF MEETING AND HOW TO VOTE	3
NOTICE OF GENERAL MEETING	4
EXPLANATORY STATEMENT	6
GLOSSARY	12
ANNEXURE A	
PROXY FORM	

DIRECTOR'S LETTER

20 February 2004

Dear Shareholder

RE: FORTHCOMING MEETING OF SHAREHOLDERS - ACCOMPANYING NOTICE

The Board of Optima Corporation Limited (**Optima or Company**) is delighted to announce a capital raising of up to \$2m to fund the development of the West Surfing Products (USA) activity. In December 2003, the Company acquired a 100% interest in West Surfing Products (USA) Pty Ltd (**WSP**). WSP has an exclusive licence to manufacture, market, use, sell and distribute products designed by the well known West Australian surf company "West Surfing Products" within the world's largest surf market, the United States of America (**Licence**).

The Licence allows WSP to sell, supply, use and exploit all of the Trade Marks and Logos owned by West Surfing Products, and to manufacture new products bearing the Logos and Trade Marks anywhere in the United States.

In January 2004, the Company conducted a detailed review of a number of different strategies to develop the United States market, including joint venturing and other co-funding alliances. Following this review, the Board decided that the most appropriate strategy was to participate directly and self-fund the product development in this market.

West Surfing Products was founded in Perth, Western Australia in 1982, and has evolved from its humble origins to be a key competitor in the lucrative surf market. It has become known the world over as a surf company responsible for the manufacture and distribution of lifetime guarantee wetsuits and quality surf clothing & accessories.

The change of business focus and direction to the development of the "West" surfing brand in the USA, constitutes a change to the nature (and scale) of the Company's activities, which requires Shareholder approval pursuant to ASX Listing Rule 11.1.

A Prospectus will be issued shortly which will detail the proposed capital raising.

We look forward to your attendance at the Meeting. If you are unable to attend, we encourage you to forward your proxy to the Company.

Yours faithfully



Blair Sergeant
Managing Director

TIME AND PLACE OF MEETING AND HOW TO VOTE

Venue

A General Meeting of the shareholders of Optima Corporation Limited will be held at:

**The Celtic Club
48 Ord Street
West Perth
Western Australia**

**Commencing
11.00am (Western Standard Time)
on Friday 26 March 2004**

How to Vote

You may vote by attending the Meeting in person, by proxy or authorised representative.

Voting in Person

To vote in person, attend the Meeting on the date and at the place set out above. The Meeting will commence at 11.00am (WST).

Voting by Proxy

To vote by proxy, please complete and sign the proxy form enclosed with this Notice of General Meeting as soon as possible and either:

- send the proxy by facsimile to the Company on facsimile number (International: +(61 8) 9382 1322); or
- deliver the proxy personally to the principal office of the Company at 219-221 York Street, Subiaco, Western Australia or by post to PO Box 543, West Perth, Western Australia, 6872,

so that it is received not later than 11.00am (WST) on Wednesday, 24 March 2004.

Your proxy form is enclosed.

This is an important document. Please read it carefully.

If you are unable to attend the General Meeting, please complete the form of proxy enclosed and return it in accordance with the instructions set out on that form.

NOTICE OF GENERAL MEETING

Notice is given that a General Meeting of Shareholders of Optima Corporation Limited (**Optima or Company**) will be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia at 11.00am (Western Standard Time) on Friday 26 March 2004.

AGENDA

The Explanatory Statement which accompanies and forms part of this Notice describes the matters to be considered as ordinary and special business.

Shareholders should note that Resolutions 2 and 3 inclusive are subject to and conditional upon each of Resolutions 2 and 3 and inclusive being passed. Accordingly, these Resolutions should be considered collectively as well as individually.

ORDINARY BUSINESS

Resolution 1 – Election of Director – Mr Blair Sergeant

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, Mr Blair Sergeant having been appointed as an additional director of the Company on 29 January 2004, who retires in accordance with clause 11.11 of the Company’s Constitution and being eligible and offering himself for re-election, be elected as a Director of the Company.”

Short Explanation: Clause 11.11 of the Company’s Constitution states that the directors may at any time appoint a person to be a director, either to fill a casual vacancy or as an addition to the existing directors. Mr Sergeant was appointed to the board on 29 January 2004 as an addition to the existing directors and seeks election as a director.

SPECIAL BUSINESS

Resolution 2 – Change in Nature and Scale of Activities

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to and conditional upon the due passage of Resolution 3, for the purposes of Listing Rule 11.1.2 of the Listing Rules of Australian Stock Exchange Limited and for all other purposes, approval is given to the Company to make a significant change in the nature and scale of its activities, to a company which primarily develops and markets surfing and leisure products and that may acquire established businesses in related and associated markets”.

Short Explanation: The Listing Rules require the Company to seek shareholder approval where it proposes to make a significant change to the nature or scale of its activities. Please refer to the Explanatory Statement for details.

Voting Exclusion: The Company will disregard any votes cast on this resolution by a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any associate of those persons.

Resolution 3 – Allotment and Issue of Shares and Options

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:


*“That, subject to and conditional upon the due passage of Resolution 2, for the purposes of Listing Rule 7.1 of the Listing Rules of Australian Stock Exchange Limited and for all other purposes, approval is given for the Company to allot and issue up to 10,000,000 fully paid ordinary shares in the capital of the Company (**Shares**) and up to 10,000,000 options, each to acquire a Share at an exercise price of 20 cents per Share on or before 31 December 2004 and otherwise on the terms and conditions set out in the Explanatory Statement accompanying this Notice.”*

Short Explanation: Under the Listing Rules, the Company may seek shareholder approval prior to a placement to allow it the flexibility to make future issues of securities up to the threshold of 15% of its total ordinary securities in any 12-month period. Please refer to the Explanatory Statement for details.

Voting Exclusion: The Company will disregard any votes cast on this resolution by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any associates of those persons.

Dated 20 February 2004

BY ORDER OF THE BOARD


Anthony Ho
Company Secretary

NOTES:

1. A shareholder who is entitled to attend and vote at a meeting of shareholders is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a shareholder of the Company.
2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
3. In accordance with Regulation 7.11.37 of the Corporations Act, the Directors of the Company have set a snapshot date to determine the identity of those entitled to attend and vote at the Meeting. The snapshot date is 5.00pm (WST) on Wednesday 24 March 2004.

EXPLANATORY STATEMENT

This Explanatory Statement and all attachments are important documents. They should be read carefully. If you have any questions regarding the matters set out in this Explanatory Statement or the preceding Notice, please contact the Company, your stockbroker or other professional adviser.

1. GENERAL INFORMATION

This Explanatory Statement has been prepared for the Shareholders in connection with a General Meeting of Shareholders to be held on Friday 26 March 2004.

1.1 Overview

The Company was admitted to the official list of ASX on 25 January 2002 following a capital raising of \$2,000,000. Since that time, the funds raised were directed towards the development of the Optimoney business in Australia, Malaysia, Singapore and the United Kingdom. The Optimoney system facilitates the improved planning by individuals of their cashflow, debt repayment, insurances and retirement requirements. The Company's efforts to derive a commercial return from this investment did not encounter any success and by early 2003, a decision was taken to limit any further investment in the activity. The Company therefore curtailed its activity to Australia. The Company also decided at that time to review other investment opportunities.

In December 2003, the Company acquired a 100% interest in West Surfing Products (USA) Pty Ltd (**WSP**). WSP has an exclusive license to manufacture, market, use, sell and distribute products designed by the well known West Australian surf company "West Surfing Products" within the world's largest surf market, the United States of America (**Licence**).

The Licence allows WSP to sell, supply, use and exploit all of the Trade Marks and Logos owned by West Surfing Products, and to manufacture new projects bearing the Logos and Trade Marks anywhere in the United States.

West Surfing Products was founded in Perth, Western Australia in 1982, and has evolved from its humble origins to be a key competitor in the lucrative surf market. It has become known the world over as a surf company responsible for the manufacture and distribution of lifetime guarantee wetsuits and quality surf clothing & accessories.

In January 2004, the Company conducted a detailed review of a number of different strategies to develop the United States market, including joint venturing and other co-funding alliances. Following this review, the Board decided that the most appropriate strategy was to participate directly and self-fund the product development in this market.

The change of business focus and direction of the Company to the development of the "West" surfing brand in the USA, constitutes a change to the nature (and scale) of the Company's activities, which requires Shareholder approval pursuant to ASX Listing Rule 11.1.

If Shareholders approve the proposed change of activities, the Company will be required to re-comply with the admission requirements set out in Chapters 1 and 2 of the ASX Listing Rules. As part of these admission requirements, the Company must issue a prospectus and successfully complete a capital raising at a minimum of 20 cents per Share. To this end, the Company also seeks approval from its Shareholders to raise the funds the subject of Resolution 3 contained in the Notice. These funds will allow the Company to fund the further development of the "West Surfing Products" brand in the United States market.

1.2 Company History and Significant Events

Date	Event
January 2002	The Company raised \$2,000,000 and listed on ASX.
November 2003	The Company raised \$600,000 for general working capital.
December 2003	Acquisition of WSP.
January 2004	Appointment of Blair Sergeant as Director.

1.3 The Board

In line with the change of business focus of the Company, the composition of the Board will be reviewed, with a view to better represent the present interests of the Company. Mr Blair Sergeant has been appointed Managing Director of the Company, and in accordance with the Constitution, seeks election as a Director pursuant to Resolution 1 contained in the Notice.

1.4 The Management of the Company

Blair Sergeant, Managing Director of West Surfing Products (USA) Pty Ltd and the Company

Blair graduated with a Bachelor of Business and a Post Graduate Diploma in Corporate Administration, both from Curtin University, Western Australia. He is a member of the Chartered Institute of Company Secretaries and an Associate of the Australian Society of Certified Practising Accountants. Mr Sergeant is currently a non-executive director or company secretary to a number of ASX listed and un-listed public companies.

It is anticipated that further specialist marketing personnel will be recruited in the near term.

1.5 Business objectives of the Company

The Company's principal business objective is to maximise Shareholders' returns and value through the establishment of the United States market for its rights to the "West Surfing Products" brand. The Company intends to achieve this objective by:

- recruiting experienced marketing personnel in the United States with established distributorship, retail networks and surf industry experience;
- establishing sufficient infrastructure to commence the marketing, sale and distribution of the West Surfing Products range. This includes staffing, warehouse facilities, appointment of a sales representative team, sponsorship initiatives and other appropriate marketing activities; and
- pursuing other growth opportunities within the surf and leisurewear industry. This includes the acquisition of established businesses in related and associated industries.

1.6 The Proposed Issue

The Company proposes to issue up to 10,000,000 Shares at 20 cents each and 10,000,000 free attaching Options to raise up to \$2.0m (**Proposed Issue**). The purpose of the Proposed Issue is to fund the further development of the Company's marketing of the brand "West Surfing Products" in the United States, and to satisfy one of the admission requirements set out in the ASX Listing Rules.

A Prospectus will be issued shortly for the Proposed Issue.

1.7 Proforma Balance Sheet and Capital Structure

Based on the completion of the Proposed Issue (assuming fully subscribed), the unaudited consolidated Proforma Balance Sheet of Optima Corporation Limited as at 31 December 2003 is as follows:

	Reviewed 31 Dec 2003 \$	Proforma 31 Dec 2003 \$
Current Assets		
Cash at Bank	531,407	2,456,407
Receivables	17,785	17,785
Total Current Assets	<u>549,192</u>	<u>2,474,192</u>
Non Current Assets		
Intangibles – Licence Rights	611,439	611,439
Property, Plant and Equipment	7,929	7,929
Total Non Current Assets	<u>619,368</u>	<u>619,368</u>
TOTAL ASSETS	<u>1,168,560</u>	<u>3,093,560</u>
Current Liabilities		
Payables	117,045	117,045
Non Current Liabilities		
Payables	100,000	100,000
TOTAL LIABILITIES	<u>217,045</u>	<u>217,045</u>
NET ASSETS	<u>951,515</u>	<u>2,876,515</u>
EQUITY		
Issued Capital	3,522,255	5,447,255
Accumulated losses	(2,570,740)	(2,570,740)
NET EQUITY	<u>951,515</u>	<u>2,876,515</u>

The unaudited Proforma Balance Sheet above assumes the completion of the \$2m Proposed Issue and the incurring of transaction costs estimated at \$75,000 debited against Contributed Equity.

Based on the completion of the Proposed Issue (assuming fully subscribed), the capital structure of the Company will be as follows:

Shares	Number of Shares	Issued Capital \$
Currently on issue:	56,452,501	3,522,255
• Issue of shares pursuant to the proposed issue	10,000,000	2,000,000
• Transaction costs arising from capital raising		(75,000)
Total number of Shares on issue following Proposed Issue and Pro Forma Contributed Equity	<u>66,452,501</u>	<u>\$5,447,255</u>

Options exercisable at 20 cents each before 31 December 2004	Number of Options
Currently on issue:	44,680,832
• Issue of options pursuant to the Proposed Issue	10,000,000
Total number of Options on issue following Proposed Issue	54,680,832

Indicative Timetable

The anticipated timetable for the Proposed Issue is set out below:

Lodgement of Prospectus with ASIC and ASX	27 February 2004
Opening of the Proposed Issue	5 March 2004
Closing of the Proposed Issue	24 March 2004
Date of General Meeting	26 March 2004
Re-quotation of securities anticipated to commence	31 March 2004

The dates specified above are indicative only and may vary without notice, depending on prevailing circumstances.

1.9 Conclusion

The Resolutions set out in the Notice are important and affect the future of the Company. Shareholders are therefore urged to give careful consideration to the Notice and the contents of this Explanatory Statement.

The Board believes that all of the proposed Resolutions proposed in the Notice are in the best interests of the Company and therefore should be supported by Shareholders.

2. THE RESOLUTIONS

Ordinary Business

2.1 Resolution 1 – Election of Director – Mr Blair Sergeant

Clause 11.11 of the Constitution states that the Directors may at any time appoint a person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors.

Mr Blair Sergeant was appointed to the Board on 29 January 2004 as Managing Director in order to better implement the proposed future direction of the Company. In accordance with clauses 11.11 and 11.12 of the Constitution, Mr Sergeant seeks election as a Director.

Details regarding Mr Sergeant's background are set out in Section 1.4 of this Explanatory Statement.

Special Business

2.2 Resolution 2 – Change in nature and scale of activities

The Proposed Issue and the intended use of the funds will result in a change in the nature and scale of the Company's activities from a company involved in the development of financial planning services to a company engaged in the marketing of surfing leisure wear and products in the United States. The Company's activities will also include the identification and acquisition (where appropriate) of established businesses in related and associated industries.

ASX Listing Rule 11.1, together with the current policy of ASX, provides that a change in the nature or scale of a listed entity's activities requires shareholder approval.

The Company's securities have been voluntarily suspended from quotation. If Shareholders approve the proposed change of activities, the Company will be required to re-comply with the admission requirements of ASX set out in Chapters 1 and 2 of the ASX Listing Rules. As part of these admission requirements, the Company must issue a prospectus and successfully complete a capital raising at a minimum of 20 cents per Share. To this end, the Company is proposing to undertake the Proposed Issue. Shareholders are separately asked to approve the Proposed Issue in Resolution 2. Upon completion of the Proposed Issue and following compliance by the Company of the other requirements of Chapters 1 and 2 of the ASX Listing Rules, the Company will request ASX to reinstate the Company's securities to quotation.

Alternatively, if Shareholders reject the proposed change of activities, the Company will then immediately request ASX to reinstate the Company's securities to quotation.

2.3 Resolution 3 - Allotment and issue of Shares and Options

Resolution 3 relates to Shareholder approval for the purposes of ASX Listing Rule 7.1.

Resolution 3 seeks Shareholder approval for the issue of up to 10,000,000 Shares and grant 10,000,000 Options, being the Proposed Issue. The Company will, if this approval is obtained, seek to raise funds from the public by way of a prospectus.

ASX Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue during any 12 month period any equity securities or other securities with rights of conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

One circumstance in which an issue is not taken into account in the calculation of this 15% threshold is where the issue has the prior approval of shareholders in general meeting.

The proposed issue of securities pursuant to Resolution 3 is to be approved to ensure this number of securities is not included in the calculation under ASX Listing Rule 7.1. This will also enable the Company to have the flexibility to issue equity securities in the future up to the 15% threshold without the requirement to obtain shareholder approval.

ASX Listing Rule 7.3 requires that the following information be provided to Shareholders when seeking an approval for the purposes of ASX Listing Rule 7.1:

- (a) the maximum number of securities to be issued pursuant to Resolution 3 is 10,000,000 Shares and 10,000,000 Options;
- (b) the Shares and Options the subject of Resolution 3 will be issued no later than three (3) months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (c) the Shares the subject of Resolution 3 will be issued at a price of 20 cents per Share. The Options will be issued for no consideration;
- (d) the Shares and Options issued pursuant to Resolution 3 will rank equally with the Company's then issued Shares and Options. The Options will be issued on the terms set out in Annexure A to the Explanatory Statement;
- (e) the Shares and Options issued pursuant to Resolution 3 will be allotted to successful applicants pursuant to a prospectus for the public offer of the securities by the Company. No related party or their associates will participate in the Proposed Issue;

- (f) it is intended that allotment of the Shares and Options the subject of Resolution 3 will occur on one date; and
- (g) the Company intends to use the funds raised from the issue of the Shares and Options pursuant to Resolution 3 for the following purposes:

	\$
US Office administration	125,000
Sponsorship	225,000
Advertising	350,000
Inventory	550,000
Licence fees	100,000
Expenses of the Issue	75,000
Administration – Australia	275,000
Other working capital	300,000
TOTAL	2,000,000

3. ENQUIRIES

Shareholders are invited to contact Blair Sergeant on (08) 9382 1311 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

ASIC means Australian Securities and Investments Commission.

ASX means Australian Stock Exchange Limited.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

Board means the board of directors of the Company.

Business Day has the meaning given to that term in Chapter 19 of the Listing Rules.

Company means Optima Corporation Limited (ABN 36 098 455 460).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company and **Directors** has a corresponding meaning.

Explanatory Statement means the explanatory statement to the Memorandum.

Meeting and **General Meeting** means the general meeting convened by the Notice.

Memorandum means this information memorandum.

Notice means the notice of general meeting forming part of this Memorandum.

Option means an option to acquire a Share at an exercise price of 20 cents per Share on or before 31 December 2004 and otherwise on the terms and conditions set out in Annexure A of the Explanatory Statement.

Resolution means a resolution contained in the Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of Shares.

WST means Western Standard (Perth) Time.

ANNEXURE A

TERMS AND CONDITIONS OF OPTIONS

1. Each Option shall entitle the holder the right to subscribe (in cash) for one (1) Share in the capital of the Company.
2. The Options will expire at 5.00pm WST on 31 December 2004. Subject to Clause 6 hereof, Options may be exercised at any time prior to the expiry date and Options not so exercised shall automatically expire on the expiry date.
3. Each Share allotted as a result of the exercise of any Option will, subject to the Constitution of the Company, rank in all respects pari passu with the existing Shares in the capital of the Company on issue at the date of allotment.
4. A registered owner of an Option ("Option Holder") will not be entitled to attend or vote at any meeting of the members of the Company unless they are, in addition to being an Option Holder, a member of the Company.
5. Subject to any restrictions on the transfer of Options that may be imposed by the ASX in circumstances where the Company is listed on the ASX, Options are transferable at any time prior to the expiry date.
6. Method of Exercise of Options
 - (a) The Company will provide to each Option Holder a notice that is to be completed when exercising the Options ("Notice of Exercise of Options"). Options may be exercised by the Option Holder completing the Notice of Exercise of Options and forwarding the same to the Secretary of the Company to be received prior to the expiry date. The Notice of Exercise of Options must state the number of Options exercised and the consequent number of ordinary shares in the capital of the Company to be allotted; which number of Options must be a multiple of 2,500 if only part of the Option Holder's total Options are exercised, or if the total number of Options held by an Option Holder is less than 2,500, then the total of all Options held by that Option Holder must be exercised.
 - (b) The Notice of Exercise of Options by an Option Holder must be accompanied by payment in full for the relevant number of shares being subscribed, being an amount of 20 cents (\$0.20) per Share.
 - (c) Subject to Clause 6(a) above hereof, the exercise of less than all of an Option Holder's Options will not prevent the Option Holder from exercising the whole or any part of the balance of the Option Holder's entitlement under the Option Holder's remaining Options.
 - (d) Within 14 days from the date the Option Holder properly exercises options held by the Option Holder, the Company shall issue and allot to the Option Holder that number of Shares in the capital of the Company so subscribed for by the Option Holder.
 - (e) If the Company is listed on the ASX, the Company will within three (3) business days from the date of issue and allotment of Shares pursuant to the exercise of an Option, apply to the ASX for, and use its best endeavours to obtain, Official Quotation of all such Shares, in accordance with the Corporations Act and the Listing Rules of the ASX.
 - (f) The Company will generally comply with the requirements of the Listing Rules in relation to the timetables imposed when quoted Options are due to expire. Where there shall be any inconsistency between the timetables outlined herein regarding the expiry of the Options and the timetable outlined in the Listing Rules of the ASX, the timetable outlined in the Listing Rules shall apply.
7. In the event of a reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the Option Holder will be changed to the extent necessary to comply with the Listing Rules applying to the reconstruction of capital, at the time of the reconstruction.
8. There are no participating rights or entitlements inherent in the Options to participate in any new issues of capital which may be made or offered by the Company to its shareholders from time to time prior to the expiry date unless and until the Options are exercised. The Company will ensure that during the exercise period, the record date for the purposes of determining entitlements to any new such issue, will be at least 9 business days after such new issues are announced (or such other date if required under the Listing Rules of the ASX) in order to afford the Option Holder an opportunity to exercise the Options held by the Option Holder.
9. There are no rights to change the exercise price or the number of underlying Shares.

PROXY FORM

APPOINTMENT OF PROXY
OPTIMA CORPORATION LIMITED
ABN 36 098 455 460

GENERAL MEETING

Appointment of Proxy

I/We

being a shareholder of Optima Corporation Limited entitled to attend and vote at the Meeting, hereby

Appoint

Name of proxy

or failing the person so named or, if no person is named, the Chairman of the Meeting or the Chairman's nominee, to vote in accordance with the following directions or, if no directions have been given, as the proxy sees fit at the Meeting to be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia, on Friday 26 March 2004 at 11.00am (WST) and at any adjournment thereof. If no directions are given, the Chairman will vote in favour of each resolution.

Voting on Business of the General Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Election of Director - Mr Blair Sergeant	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Change in Nature and Scale of Activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Allotment and Issue of Shares and Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

OR

If you do **not** wish to direct your proxy how to vote, please place a mark in this box.

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest. The Chairman intends to vote in favour of all of the resolutions if no directions are given.

YOU MUST EITHER MARK THE BOXES DIRECTING YOUR PROXY HOW TO VOTE OR MARK THE BOX INDICATING THAT YOU DO NOT WISH TO DIRECT YOUR PROXY HOW TO VOTE, OTHERWISE THIS APPOINTMENT OF PROXY FORM WILL BE DISREGARDED.

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____ %

Signed this _____ day of _____ 2004

By:

Individuals and joint holders

Signature
Signature
Signature

Companies (affix common seal if appropriate)

Director
Director/Company Secretary
Sole Director and Sole Company Secretary

INSTRUCTIONS FOR COMPLETING 'APPOINTMENT OF PROXY' FORM

1. A shareholder entitled to attend and vote at a meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a shareholder of the Company. In the case of joint holders, all must sign.
3. Corporate shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - 2 directors of the company;
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary – that director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

4. Completion of a Proxy Form will not prevent individual shareholders from attending the Meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Meeting.
5. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.

