



OPTIMA
Corporation Limited

3 February 2005

Mr Nicholas Ong
Companies Adviser
Australian Stock Exchange Limited
Level 8, Exchange Plaza
2 The Esplanade
PERTH WA 6000

By fax: 9221 2020

Dear Sir,

We refer to your letter dated 2 February 2005 concerning the Company's Appendix 4C for the quarter ended 31 December 2004 and respond to it in the order of the matters raised:


1. As advised in our ASX announcements during the quarter, the Company's current focus is the marketing and development of WEST and Creatures of Leisure in the USA, where the Company acts as Licensee for these particular surf brands. The quarter ended 31 December 2004 saw a significant investment in inventory as part of the launch of those brands into the US market. It is anticipated that sales revenue will be derived in the coming quarters. The activities of the Company (and their associated costs) are such that they can be managed within the Company's cash resources.

On 29 November 2004, the Company advised ASX of the proposed acquisition of the Australian operations of West Surfing Products. A condition of this proposed acquisition required a capital raising of not less than \$10m by the Company. This condition has not been satisfied. The Company remains focussed in developing and marketing the WEST and Creatures of Leisure brands in the US market.

2. The Company does not expect to have negative operating cashflows similar to that reported in the 31 December 2004 Quarterly. The Company is currently reviewing a number of financing alternatives to further pursue its business objectives in the US.
3. The Company's actual revenues and expenses in the December 2004 quarter are generally consistent with anticipated revenues and expenses.
4. Not applicable.
5. The Company confirms that it is in compliance with ASX Listing Rule 3.1.
6. The Company confirms that it is in compliance with ASX Listing Rule 12.2.

Please do not hesitate to contact us if further information is required.

Yours sincerely,


Blair Sergeant
Managing Director

ABN 36 098 455 460

Level 1, 189 Hay Street
SUBIACO WA 6008

Telephone: +61 8 9382 1311
Facsimile: +61 8 9382 1322

**ASX**

AUSTRALIAN STOCK EXCHANGE

FAXED
2 February 2005

Mr Anthony Ho
Company Secretary
Optima Corporation Limited
First Floor, 189 Hays Street
SUBIACO WA 6008

By facsimile: 9382 1322

Dear Anthony

Optima Corporation Limited (the "Company")

I refer to the Company's Quarterly Report in the form of Appendix 4C for the period ended 31 December 2004, released to Australian Stock Exchange Limited ("ASX") on 24 January 2005 (the "Appendix 4C").

ASX notes that the Company has reported the following.

1. Receipts from customers of \$10,000.
2. Net negative operating cash flows for the quarter of (\$1,216,000).
3. Cash at end of quarter of \$1,402,000.

In light of the information contained in the Appendix 4C, please respond to each of the following questions.

1. It is possible to conclude on the basis of the information provided that if the Company were to continue to expend cash at the rate for the quarter indicated by the Appendix 4C, the Company may only have sufficient cash to fund its activities for less than two quarters. Is this the case, or are there other factors that should be taken into account in assessing the Company's position?
2. Does the Company expect that in the future it will have negative operating cash flows similar to that reported in the Appendix 4C for the quarter and, if so, what steps has it taken to ensure that it has sufficient funds in order to continue its operations at that rate?
3. To what extent have the Company's actual revenues and expenses in the quarter, as reported in the Appendix 4C, matched the Company's anticipated revenues and expenses for that reporting period?

Australian Stock Exchange Limited
ABN 98 008 624 691
Level 8
Exchange Plaza
2 The Esplanade
Perth WA 6000

GPO Box D187
Perth WA 6840

Telephone 61 08 9224 0017
Facsimile 61 08 9221 2020
Internet <http://www.asx.com.au>

4. If the Company's actual revenues and expenses are not substantially in accordance with the Company's anticipated revenues and expenses, when did the Company become aware that its revenues and expenses would not substantially match the anticipated revenues and expenses? You may wish to outline any circumstances that may have had an effect on the Company's revenues and expenses.
5. Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?
6. Please comment on the Company's compliance with listing rule 12.2, with reference to the matters discussed in the note to the rule.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and the guidance note titled "Continuous disclosure: listing rule 3.1".

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

This letter and your response will be released to the market. If you have any concerns about your response being released, please contact me immediately. Your response should be sent to me on facsimile number 08 9221 2020. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, before 5.00 p.m. W.S.T. on Friday, 4 February 2005.

If you are unable to respond by the time requested you should consider a request for a trading halt in the Company's securities.

If you have any queries regarding any of the above, please contact me on 9224 0017.

Yours sincerely,



Nicholas Ong
Companies Adviser