ORIENTAL CRYSTAL
(INTERNATIONAL) LIMITED

ACN 009 217 154
ABN 96 009 217 154

19 April 2005

AUSTRALIAN STOCK EXCHANGE LIMITED

Electronic lodgement

Dear Sir / Madam

We confirm that the 2004 Annual Report together with a Notice of Meeting and Proxy Form has been despatched to shareholders.

Yours faithfully
ORIENTAL CRYSTAL
(INTERNATIONAL) LIMITED

D McArthur

DAVID McARTHUR
Company Secretary

MP/OCRLTRS.133

Registered Office
2nd Floor, 45 Stirling Highway
Nedlands, Western Australia 6009
Telephone: (61 8) 9389 8799
Facsimile: (61 8) 9389 8327

Postal Address
PO Box 985
Nedlands
Western Australia 6909

ORIENTAL CRYSTAL (INTERNATIONAL) LIMITED
ABN 96 009 217 154

ANNUAL REPORT

31 DECEMBER 2004

ORIENTAL CRYSTAL (INTERNATIONAL) LIMITED
ABN 96 009 217 154

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ORIENTAL CRYSTAL (INTERNATIONAL) LIMITED
ABN 96 009 217 154

COMPANY DIRECTORY

DIRECTORS:	Michael Taverner Gregory Bender Anthony Crimmins
SECRETARY:	David McArthur
REGISTERED AND PRINCIPAL OFFICE:	Level 2, 45 Stirling Highway NEDLANDS WA 6009 Telephone: (08) 9389 8799 Facsimile: (08) 9389 8327
SHARE REGISTRY:	Advanced Share Registry Services Level 7, 200 Adelaide Terrace EAST PERTH WA 6004 Telephone: (08) 9221 7288 Facsimile: (08) 9221 7869
BANKERS:	National Australia Bank 110 Broadway NEDLANDS WA 6009
AUDITORS:	KPMG Central Park 152-158 St George's Terrace PERTH WA 6000
SOLICITORS:	Steinepreis Paganin Level 4, Next Building 16 Milligan Street PERTH WA 6000
DOMICILE AND COUNTRY OF INCORPORATION:	Australia

ORIENTAL CRYSTAL (INTERNATIONAL) LIMITED
ABN 96 009 217 154

DIRECTORS' REVIEW

Dear Shareholder

During the 2004 financial year your directors continued to seek possibilities for the recapitalisation of your Company.

A great deal of effort has been made to ensure that the existing shareholders of the Company would be able to realise value from their investment following the re-listing of the Company.

Unfortunately none of the possible investment opportunities discussed by your board have resulted in a recapitalisation proposal that we feel would be attractive to existing shareholders.

Thank you on behalf of the board for your continued support.

Tony Crimmins

A CRIMMINS
Director

ORIENTAL CRYSTAL (INTERNATIONAL) LIMITED
ABN 96 009 217 154

DIRECTORS' REPORT

The Directors present their report together with the financial report of Oriental Crystal (International) Limited ("the Company"), for the year ended 31 December 2004 and the auditor's report thereon.

Directors

The names and details of the Directors in office during or since the end of the financial year are:

Michael Taverner	Dr Taverner has more than 15 years' experience in managing national R&D investment organisations. He is a Director of both the Rural Industries R&D Corporation and of the Australian Poultry CRC. For six years he was Executive Director of the Pig R&D Corporation and has also served as Chairman of national R&D advisory groups for the chicken meat and egg industries. Before that, Dr Taverner worked for 17 years as a research scientist in the animal industries. Dr Taverner now also runs his own consulting business in Canberra working with clients on research, innovation and commercialisation. Appointed 12 May 2004
Anthony Crimmins	Mr Crimmins has been a technology commercialiser for the past 15 years. He started his company in 1998 to assist technology businesses flourish into sustainable companies. It is his mission to advance Australian business by facilitating the commercialisation process. His company has been working with numerous small businesses, large research organisations and individuals. Mr Crimmins has a Masters of Chemical Engineering and Business Administration giving him an understanding of technology and its business. He has worked as a general manager, business development manager, project manager and a commercialiser of technology, both product and services. Appointed 30 November 2004
Gregory Bender	Dr Bender is a private consultant who specialises in prosecting new research opportunities and taking them through the commercialisation process towards successful market outcomes. Dr Bender brings 10 years experience as a research scientist in biochemistry, molecular biology and microbiology to the company. He combines his research experience with 11 years in small to medium sized enterprises and the corporate sector. He currently manages large investments on behalf of funding bodies in research programs with major universities, CSIRO and state agencies. Return on investment occurs in the form of technology transfer to the benefit of stakeholders. Dr Bender holds a number of national coordination positions for research programs in Australia. From January 1990 to the present he has been engaged in the generation, protection and commercialisation of ideas and information from research and development activities. He has direct experience in all steps of the process from R&D, invention, IP management, process design, production scale-up, packaging, distribution, branding, sales and marketing. The past four years have been spent mainly in consultancy, project management, finance and business management. Appointed 30 November 2004

Hamish Hawthorn	Appointed 12 May 2004 Resigned 30 November 2004
Michael Vitale	Appointed 12 May 2004 Resigned 30 November 2004
Ian Burton	Resigned 12 May 2004
David McArthur	Resigned 12 May 2004
Ted Ellis	Resigned 12 May 2004

Principal activity

The Company remained inactive during the year and the Directors continue to investigate possible investment opportunities.

Results

The net loss of the Company, after income tax, for the year ended 31 December 2004 was $56,208 (2003 loss: $153,439).

Dividends

Since the end of the previous financial year no dividends have been paid or declared by the Company and the Directors of the Company recommend that no dividend be provided for the year ended 31 December 2004.

Review of operations

During the year the Company's capital was consolidated on a 10:1 basis.

Changes in the state of affairs

There were no matters that significantly affected the state of affairs of the Company during the financial year.

Events subsequent to balance date

No events of a material nature have occurred subsequent to year-end.

Likely developments

The Directors will continue to assess opportunities to re-capitalise the Company by way of a capital raising and the injection of new assets into the Company.

Shareholder approval will be sought for any such transactions.

Directors' interests

The Directors held the following interests in securities in the Company at the date of this report:

	Fully Paid Ordinary Shares	
	Direct Interest	**Relevant Interest**
Michael Taverner	-	-
Anthony Crimmins	-	-
Gregory Bender	-	-

Directors' meetings

During the year there were 2 formal meetings of the Directors, including circulating resolutions, pursuant to the Company's Constitution.

The attendance of Directors was as follows:

	Board Meeting	
	Attended	**Possible Attended**
M Taverner	2	2
G Bender	1	1
A Crimmins	1	1
H Hawthorn	1	1
M Vitale	1	1
Ian Burton	1	1
David McArthur	1	1
Ted Ellis	1	1

At the date of this report the Company does not have a separately constituted audit committee, due to its size. Regular liaison between Directors and auditors takes place.

Directors' and executives' remuneration

The Company does not pay a salary to any Directors or executives. As such no remuneration details have been included.

Directors' benefits

Since the end of the previous period no Director of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the accounts), by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

The auditor's independence declaration is set out on page 15 and forms part of the Directors' Report for the year ended 31 December 2004.

This report has been made in accordance with a resolution of Directors.

For and on behalf of the Board.

Tony Crimmins

A CRIMMINS
Director

4 March 2005
Perth, Western Australia

ORIENTAL CRYSTAL (INTERNATIONAL) LIMITED
ABN 96 009 217 154

CORPORATE GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2004

The Board of directors of Oriental Crystal (International) Limited has adopted the following set of principles for the corporate governance of the Company. These principles establish the framework of how the Board carries out its duties and obligations on behalf of the shareholders.

ASX BEST PRACTICE RECOMMENDATIONS

The ASX Listing Rules require listed companies to include in their annual report a statement disclosing the extent to which they have complied with the ASX Best Practice Recommendations in the reporting period. These recommendations are guidelines designed to produce an efficiency, quality or integrity outcome. The recommendations are not prescriptive so that if a company considers that a recommendation is inappropriate having regard to its particular circumstances, the company has the flexibility not to follow it. Where a company has not followed all the recommendations, the annual report must identify which recommendations have not been followed and give reasons for not following them.

Details have been included at the end of this statement setting out the ASX Best Practice Recommendations with which the Company has not complied in the reporting period.

Details of the Company's corporate governance practices in the relevant reporting period are set out below.

THE BOARD OF DIRECTORS

Role of the Board

The primary responsibilities of the Board are set out in a written policy and include:

- the establishment of the long term goals of the Company and strategic plans to achieve those goals;
- monitoring the achievement of these goals;
- the review of management accounts and reports to monitor the progress of the Company;
- the review and adoption of budgets for the financial performance of the Company and monitoring the results on a regular basis to assess performance;
- the review and approval of the annual and half-year financial reports;
- nominating and monitoring the external auditor;
- approving all significant business transactions;
- appointing and monitoring senior management;

- all remuneration, development and succession issues; and
- ensuring that the Company has implemented adequate systems of risk management and internal control together with appropriate monitoring of compliance activities.

The Board evaluates this policy on an ongoing basis.

Board composition

The Directors' report contains details of the directors' skill, experience and education. The Board seeks to establish a Board that consists of directors with an appropriate range of experience, skill, knowledge and vision to enable it to operate the Company's business with excellence. To maintain this, the Company's policy is that executive directors should serve at least 3 years. At the completion of the first 3 years, the position of the director is reviewed to ascertain if circumstances warrant a further term.

The Board is primarily responsible for identifying potential new directors but has the option to use an external consulting firm to identify and approach possible new candidates for directorship. The selection of the directors must be approved by the majority of the shareholders.

Retirement and re-election of directors

The Constitution of the Company requires one third of directors, other than the Managing Director, to retire from office at each Annual General Meeting. Directors who have been appointed by the Board are required to retire from office at the next Annual General Meeting and are not taken into account in determining the number of directors to retire at that Annual General Meeting. Retiring directors are eligible for re-election by shareholders.

Independence of directors

The Board has reviewed the position and association of each of the three directors in office at the date of this report and considers that all of the directors are independent. In considering whether a director is independent, the Board has regard to the independence criteria in ASX Best Practice Recommendations Principle 2 and other facts, information and circumstances that the Board considers relevant. The Board assesses the independence of new directors upon appointment and reviews their independence, and the independence of the other directors, as appropriate.

Independent professional advice

With the prior approval of the Chairperson, each director has the right to seek independent legal and other professional advice at the Company's expense concerning any aspect of the Company's operations or undertakings in order to fulfil their duties and responsibilities as directors.

Board performance review

The performance of all directors is assessed through review by the Board as a whole of a director's attendance at and involvement in Board meetings, his performance and other matters identified by the Board or other directors. Significant issues are actioned by the Board. Due to the Board's assessment of the effectiveness of these processes, the Board has not otherwise formalised measures of a director's performance.

The Company has not conducted a performance evaluation of the members of the Board during the reporting period, however the Board conducts a review of the performance of the Company against budgeted targets on an ongoing basis.

Director remuneration

Details of the Company's remuneration policies are included in the "Directors' and executives' remuneration" section of the Directors' Report.

Non-executive directors will be remunerated by cash benefits alone and will not be provided with retirement benefits (except in exceptional circumstances). Executive directors may be remunerated by both fixed remuneration and equity performance based remuneration and no termination payments will be agreed other than a reasonable period of notice of termination as detailed in the executive's employment contract.

The Company does not provide any equity-based remuneration to directors.

MANAGING BUSINESS RISK

The Company maintains policies and practices designed to identify and manage significant business risks, including:

- regular budgeting and financial reporting;
- procedures and controls to manage financial exposures and operational risks;
- the Company's business plan;
- corporate strategy guidelines and procedures to review and approve the Company's strategic plans; and
- insurance and risk management programmes which are reviewed by the Board.

The Board reviews these systems and the effectiveness of their implementation annually and considers the management of risk at its meetings. The Company's risk profile is reviewed annually. The Board may consult with the Company's external auditors on external risk matters or other appropriately qualified external consultants on risk generally, as required.

The Board receives regular reports about the financial condition and operating results of the consolidated group. The Managing Director (the Company currently does not have a Managing Director) and Chief Financial Officer annually provide a formal statement to the Board that in all material respects and to the best of their knowledge and belief:

- the Company's financial reports present a true and fair view of the Company's financial condition and operational results and are in accordance with relevant accounting standards; and
- the Company's risk management and internal control systems are sound, appropriate and operating efficiently and effectively.

Internal controls

Procedures have been established at the Board and executive management levels that are designed to safeguard the assets and interests of the Company, and to ensure the integrity of reporting. These include accounting, financial reporting and internal control policies and procedures. To achieve this, the executive directors perform the following procedures:

- ensure appropriate follow-up of significant audit findings and risk areas identified;
- review the scope of the external audit to align it with Board requirements; and
- conduct a detailed review of published accounts.

AUDIT COMMITTEE

Having regard to the number of members currently comprising the Company's Board, the Board does not consider it appropriate to delegate these responsibilities to a sub-committee of the Board, however meetings are held throughout the year between the Company Secretary, Mr David McArthur, the board and/or board members as appropriate and the Company's auditors to discuss the Company's ongoing activities and to discuss any proposed changes prior to their implementation and to seek advice in relation thereto.

The Board has not formalised any procedures for the selection, appointment or rotation of its external auditor but reviews this matter on an ongoing basis and implements changes as required.

ETHICAL STANDARDS

In pursuit of the highest ethical standards, the Company has adopted a Code of Conduct which establishes the standards of behaviour required of directors and employees in the conduct of the Company's affairs. This Code is provided to all directors and employees. The Board monitors implementation of this Code. Unethical behaviour is to be reported to the Company's Managing Director as soon as practicable.

The Code of Conduct is based on respect for the law, and acting accordingly, dealing with conflicts of interest appropriately, using the consolidated entity's assets responsibly and in the best interests of the Company, acting with integrity, being fair and honest in dealings, treating other people with dignity and being responsible for actions and accountable for the consequences.

TRADING IN THE COMPANY'S SECURITIES BY DIRECTORS AND EMPLOYEES

The Board has adopted a policy in relation to dealings in the securities of the Company which applies to all directors and employees. Under the policy, directors are prohibited from short term or "active" trading in the Company's securities and directors and employees are prohibited from dealing in the Company's securities whilst in possession of price sensitive information. The Company's Managing Director (or in his place the Chairperson) must also be notified of any proposed transaction.

This policy is provided to all directors and employees. Compliance with it is reviewed on an ongoing basis in accordance with the Company's risk management systems.

CONTINUOUS DISCLOSURE

The Company has in place a continuous disclosure policy, a copy of which is provided to all Company officers and employees who may from time to time be in the possession of undisclosed information that may be material to the price or value of the Company's securities.

The continuous disclosure policy aims to ensure timely compliance with the Company's continuous disclosure obligations under the Corporations Act 2001 (Cth) and ASX Listing Rules and ensure officers and employees of the Company understand these obligations.

The procedure adopted by the Company is essentially that any information which may need to be disclosed must be brought to the attention of the Chairperson, who in consultation with the Board (where practicable) and any other appropriate personnel, will consider the information and whether disclosure is required and prepare an appropriate announcement.

At least once in every 12 month period, the Board will review the Company's compliance with this continuous disclosure policy and update it from time to time, if necessary.

SHAREHOLDERS

The Board aims to ensure that shareholders are kept informed of all major developments affecting the Company. Information is communicated to shareholders as follows:

- as the Company is a disclosing entity, regular announcements are made to the Australian Stock Exchange in accordance with the Company's continuous disclosure policy, including quarterly cash flow reports, half-year audit reviewed accounts, year end audited accounts and an annual report;

- the Board ensures the annual report includes relevant information about the operations of the Company during the year, changes in the state of affairs and details of future developments;

- shareholders are advised in writing of key issues affecting the Company by effective use of the Company's share registry;

- any proposed major changes in the Company's affairs are submitted to a vote of shareholders, as required by the Corporations Act 2001;

- the Board encourages full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and identification of the Company's strategies and goals. All shareholders who are unable to attend these meetings are encouraged to communicate or ask questions by writing to the Company; and

- the external auditor is requested to attend the annual general meetings to answer any questions concerning the audit and the content of the auditor's report.

The Board reviews this policy and compliance with it on an ongoing basis.

ASX BEST PRACTICE RECOMMENDATIONS

Pursuant to the ASX Listing Rules, the Company advises that it does not comply with the following Best Practice Recommendations, issued by the ASX Corporate Governance Council. Reasons for the Company's non-compliance are detailed below.

Recommendation 2.3: The roles of the chairperson and chief executive officer should not be exercised by the same individual
The Company does not currently have a designated chairperson or chief executive officer, due to its dormant nature at present.

Recommendation 2.4: The Board should establish a Nomination Committee.
The functions to be performed by a nomination committee under the ASX Best Practice Recommendations are currently performed by the full Board and this is reflected in the written policy setting out the responsibilities of the Board. Having regard to the number of members currently comprising the Company's Board, the Board does not consider it appropriate to delegate these responsibilities to a sub-committee. These arrangements will be reviewed periodically by the Board to ensure that they continue to be appropriate to the Company's circumstances.

Recommendation 2.5: Provide the information indicated in "Guide to reporting on Principle 2".
One of the matters to be included in the corporate governance section of the annual report pursuant to the *Guide to reporting on Principle 2* is *"the names of members of the nomination committee and their attendance at meetings of the committee"*. As stated in the previous paragraph, the Board does not consider it appropriate for the Company to establish a nomination committee and therefore this information has not been included in the annual report or otherwise made publicly available. In all other respects, the Company has complied with the disclosure requirements contained in the *Guide to reporting on Principle 2* by the inclusion of information in this Statement, but has not otherwise made the information publicly available.

Recommendation 4.2: The Board should establish an Audit Committee.

Recommendation 4.3: Structure of the Audit Committee so that it consists of:
- *only Non-Executive Directors;*
- *a majority of Independent Directors;*
- *an independent Chairperson, who is not chairperson of the Board;*
- *at least three members.*

Recommendation 4.4: The Audit Committee should have a formal charter.
The functions to be performed by an audit committee under the ASX Best Practice Recommendations are currently performed by the full Board and this is reflected in the written policy setting out the responsibilities of the Board. Having regard to the number of members currently comprising the Company's Board, the Board does not consider it appropriate to delegate these responsibilities to a sub-committee of the Board, however meetings are held between senior management and the auditors throughout the year to discuss the Company's ongoing activities and to discuss any proposed changes prior to their implementation and to seek advice in relation thereto. In doing so, the Board also adheres to the Company's Code of Conduct and procedures to ensure independent judgement in decision making, as set out in relation to ASX Best Practice Recommendation 2.1. These arrangements will be reviewed periodically by the Board to ensure that they continue to be appropriate to the Company's circumstances.

Recommendation 4.5: Provide the information indicated in "Guide to reporting on Principle 4".
The *Guide to reporting on Principle 4* requires that the corporate governance section of the annual report include "*details of the names and qualifications of those appointed to the audit committee*". As stated in the previous paragraph, the Board does not consider it appropriate for the Company to establish an audit committee and therefore this information has not been included in the annual report. However as the Board fulfils the role of the audit committee, details of the Company's directors and their attendance at Board meetings are set out in the Company's annual report. In all other respects, the Company has complied with the disclosure requirements contained in the *Guide to reporting on Principle 4*.

Recommendation 9.2: The Board should establish a Remuneration Committee.
The functions to be performed by a remuneration committee under the ASX Best Practice Recommendations are currently performed by the full Board and this is reflected in the written policy setting out the responsibilities of the Board. Having regard to the number of members currently comprising the Company's Board, the Board does not consider it appropriate to delegate these responsibilities to a sub-committee. These arrangements will be reviewed periodically by the Board to ensure that they continue to be appropriate to the Company's circumstances.

Recommendation 9.5: Provide the information indicated in "Guide to reporting on Principle 9".
One of the matters to be included in the corporate governance section of the annual report pursuant to the *Guide to reporting on Principle 9* is "*the names of members of the remuneration committee and their attendance at meetings of the committee*". As stated in the previous paragraph, the Board does not consider it appropriate for the Company to establish a remuneration committee and therefore this information has not been included in the annual report. However as the Board fulfils the role of the remuneration committee, details of the Company's directors and their attendance at Board meetings are set out in the Company's annual report. In all other respects, the Company has complied with the disclosure requirements contained in the *Guide to reporting on Principle 9*.

KPMG

Lead Auditor's Independence Declaration under Section 307C of the Corporation Act 2001

To the directors of Oriental Crystal (International) Limited

I declare that, to the best of my knowledge and belief in relation to the audit for the financial year ended 31 December 2004, there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

JG Robinson
Partner

Perth
4 March 2005

KPMG, an Australian partnership, is a member of KPMG International, a Swiss non-operating association.

ORIENTAL CRYSTAL (INTERNATIONAL) LIMITED
ABN 96 009 217 154

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2004

	Notes	Company 2004 $	Company 2003 $
Interest income		20	-
Other income (debt forgiveness: 2004)		8,289	298
Administration fees		(5,811)	(3,967)
Professional fees		(35,706)	(136,337)
Share registry and statutory fees		(23,000)	(13,433)
Loss from ordinary activities before related income tax expense		(56,208)	(153,439)
Income tax expense relating to ordinary activities	3	-	-
Net loss attributable to members of the parent entity	11	(56,208)	(153,439)
Basic loss per share (cents per share)	4	(0.94)	(0.30)

The statement of financial performance is to be read in conjunction with the notes to the financial statements set out on pages 19 to 28.

ORIENTAL CRYSTAL (INTERNATIONAL) LIMITED
ABN 96 009 217 154

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2004

	Notes	Company 2004 $	Company 2003 $
CURRENT ASSETS			
Cash assets	6	4,107	1,726
Receivables	7	1,562	204
Other	8	6,709	6,507
TOTAL CURRENT ASSETS		12,378	8,437
TOTAL ASSETS		12,378	8,437
CURRENT LIABILITIES			
Payables	9	29,714	1,576
TOTAL CURRENT LIABILITIES		29,714	1,576
NON-CURRENT LIABILITIES			
Payables	9	589,000	556,989
TOTAL NON-CURRENT LIABILITIES		589,000	556,989
TOTAL LIABILITIES		618,714	558,565
NET DEFICIENCY		(606,336)	(550,128)
EQUITY			
Contributed equity	10	24,479,097	24,479,097
Accumulated losses	11	(25,085,433)	(25,029,225)
TOTAL EQUITY		(606,336)	(550,128)

The statement of financial position is to be read in conjunction with the notes to the financial statements set out on pages 19 to 28.

ORIENTAL CRYSTAL (INTERNATIONAL) LIMITED
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STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2004

	Notes	Company 2004 $	Company 2003 $
Cash flows from operating activities			
Interest earned		20	-
Payments to suppliers and employees		(29,650)	(153,271)
Net cash flows from/(used in) operating activities	13(b)	(29,630)	(153,271)
Cash flows from financing activities			
Loan from related entities		32,011	135,704
Net cash flows from financing activities		32,011	135,704
Net increase / (decrease) in cash held		2,381	(17,567)
Cash at the beginning of the financial year		1,726	19,293
Cash at the end of the financial year	13(a)	4,107	1,726

The statement of cash flows is to be read in conjunction with the notes to the financial statements set out on pages 19 to 28.

NOTES TO THE FINANCIAL STATEMENTS

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant policies which have been adopted in the preparation of this financial report are:

(a) Basis of preparation

The financial report is a general purpose financial report which has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

It has been prepared on the basis of historical costs and except where stated, does not take into account changing money values or fair values of non-current assets.

These accounting policies have been consistently applied and, except where there is a change in accounting policy, are consistent with those of the previous year.

(b) Basis of accounting

The financial statements are prepared on a realisation basis, rather than a going concern basis. There are no adjustments to the statement of financial position or statement of financial performance as a result of this change in accounting policy.

During the year ended 31 December 2004, the Company went into Voluntary administration until 4 May 2004, at which time the Company satisfied all the terms of a Deed of Company Arrangement and the administrator handed control of the Company back to the directors.

As at the date of this report, the Company has total assets of $12,378 and total liabilities of $618,714 giving a net deficiency of $606,336. Of this amount, $39,000 is owing to a party that has given a written undertaking that these monies will not be called until the Company is financially capable of making payment. Further funds will be advanced by this party to enable the Company to meet its ongoing administration costs as they are incurred.

Reference is made to Note 9 regarding the convertible notes over $550,000 of the Company's liabilities, included in the abovementioned $618,714 of liabilities.

The directors are seeking investment opportunities for the Company which, if successful should allow it to repay or convert the convertible notes. Should the Company not be successful or unable to negotiate with the convertible noteholders, the Company may not be able to repay the convertible notes on 10 May 2007.

(c) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office ("ATO"). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(d) Taxation

The Company adopts the income statement liability method of tax effect accounting.

Income tax expense is calculated on operating profit adjusted for permanent differences between taxable and accounting income. The tax effect of timing differences, which arise from items being brought to account in different periods for income tax and accounting purposes, is carried forward in the statement of financial position as a future income tax benefit or a provision for deferred income tax.

Future income tax benefits are not brought to account unless realisation of the asset is assured beyond reasonable doubt. Future income tax benefits relating to tax losses are only brought to account when their realisation is virtually certain. The tax effects of capital losses are not recorded unless realisation is virtually certain.

(e) Receivables

The collectibility of debts is assessed at balance date and specific provision is made for any doubtful accounts.

(f) Payables

Liabilities are recognised for amounts to be paid in the future for goods and services received.

(g) Earnings per share

Basic earnings per share ("EPS") is calculated by dividing the net profit attributable to members of the parent entity for the reporting period, after excluding any costs of servicing equity (other than ordinary shares and converting preference shares classified as ordinary shares for EPS calculation purposes), by the weighted average number of ordinary shares of the Company, adjusted for any bonus issue.

Diluted EPS is calculated by dividing the basic EPS earnings, adjusted by the after tax effect of financing costs associated with dilutive potential ordinary shares and the effect on revenues and expenses of conversion to ordinary shares associated with dilutive potential ordinary shares, by the weighted average number of ordinary shares and dilutive potential ordinary shares adjusted for any bonus issue.

	Company 2004 $	Company 2003 $
2. AUDITORS' REMUNERATION		
Amounts received, or due and receivable, by the auditors for:		
Auditing the financial statements (including half yearly reviews)	15,745	5,500
Other services	4,750	-
	20,495	5,500

	Company 2004 $	Company 2003 $
3. TAXATION		
a) Prima facie income tax expense/(benefit) calculated at 30% (2003: 30%) on the loss from ordinary activities	(16,862)	(46,032)
Tax effect of permanent differences		
Future income tax benefits not brought to account	16,862	46,032
Income tax expense attributable to operating profit	-	-

b) The Company has no franking credits available for the coming financial year.

c) **Future income tax benefit not taken to account**

The potential future income tax benefit arising from tax losses has not been recognised as an asset because recovery of tax losses is not virtually certain. Tax losses have not yet been quantified.

The potential future income tax benefit will only be obtained if:

(i) the relevant company derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised, or the benefit can be utilised by another company in the consolidated entity in accordance with Division 170 of the Income Tax Assessment Act 1997;

(ii) the relevant company and/or the consolidated entity continues to comply with the conditions for deductibility imposed by the law; and

(iii) no changes in tax legislation adversely affect the relevant company and/or the consolidated entity in realising the benefit.

4. EARNINGS PER SHARE

Classification of securities as ordinary shares

The Company has only one category of ordinary shares included in basic earnings per share.

Classification of securities as potential ordinary shares

There are currently no securities to be classified as potential ordinary shares on issue and therefore no diluted earnings per share has been shown.

	Company	
	2004	**2003**
	Number	**Number**
Weighted average number of ordinary shares used in calculation of basic earnings per share	* 5,154,593	51,545,485
Basic loss	(56,208)	(153,439)

* During the year the Company's capital was consolidated on a 10:1 basis.

No diluted earnings per share is disclosed because there are no potentially dilutive securities on issue.

5. SEGMENT INFORMATION

During the financial year the Company remained dormant.

	Company	
	2004	**2003**
	$	**$**
6. CASH ASSETS		
Cash	4,107	1,726
7. RECEIVABLES		
Current		
GST refundable	1,562	204
8. OTHER ASSETS		
Current		
Prepayments	6,709	6,507

	Company 2004 $	Company 2003 $
9. PAYABLES		
Current		
Trade creditors	29,714	1,576
Non-current		
Convertible notes – unsecured (i)	550,000	-
Loans – unsecured (ii)	39,000	556,989
	589,000	556,989

(i) On 10 May 2004, the Company issued convertible notes to a value of $550,000, which are unsecured and interest-free. They are convertible to 6,875,000 shares at a subscription price of $0.08 at the discretion of the noteholder at any time in the 3 year term of the convertible notes or automatically upon the company receiving unconditional approval for its securities to be readmitted to trading on the Australian Stock Exchange.

The convertible notes are repayable at the conclusion of their 3 year term, or at a prior date if the Company obtains the approval of the noteholder.

(ii) This is an unsecured and interest-free loan. The loan will not be called for repayment until such time that the Company will be in a position financially able to do so.

10. CONTRIBUTED EQUITY

	Company 2004 $	Company 2003 $
Issued and paid-up capital		
5,154,593 fully paid ordinary shares (December 2003: 51,545,485)	24,479,097	24,479,097

During the year, a consolidation of the Company's issued capital took place on a 10 for 1 basis.

	Company 2004 $	Company 2003 $
Movements during the year		
Balance at beginning of year	24,479,097	24,479,097
Shares issued		
- Capital consolidation on 10:1 basis	-	-
Balance at end of year	24,479,097	24,479,097

Terms and conditions

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings.

In the event of winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds of liquidation.

	Company 2004 $	Company 2003 $
11. ACCUMULATED LOSSES		
Accumulated losses at beginning of year	(25,029,225)	(24,875,786)
Net loss attributable to members of the parent entity	(56,208)	(153,439)
Accumulated losses at end of year	(25,085,433)	(25,029,225)

12. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURE

a) Interest rate risk

The Company's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out below:

	Average interest rate %	Variable interest rate $	Fixed interest rate - less than 1 year $	Non-interest bearing $	Total $
2004					
Financial Assets					
Cash	-	-	-	4,107	4,107
Receivables	-	-	-	1,562	1,562
		-	-	5,669	5,669
Financial Liabilities					
Accounts payable	-	-	-	29,714	29,714
Convertible notes	-	-	-	550,000	550,000
Loans	-	-	-	39,000	39,000
		-	-	618,714	618,714
2003					
Financial Assets					
Cash	-	-	-	1,726	1,726
Receivables	-	-	-	204	204
		-	-	1,930	1,930
Financial Liabilities					
Accounts payable	-	-	-	1,576	1,576
Loans	-	-	-	556,989	556,989
		-	-	558,565	558,565

No other financial assets or liabilities attract interest.

12. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURE (continued)

b) Net fair values of financial assets and liabilities

Financial assets and liabilities in the statement of financial position are carried at amounts which approximate their net fair values and that fair value is the amount at which the asset could be exchanged, or settled in a current transaction between willing parties after allowing for transaction costs.

	Notes	Company 2004 $	Company 2003 $
13. NOTES TO THE STATEMENT OF CASH FLOWS			
a) Reconciliation of cash			
For the purposes of the statement of cash flows, cash includes cash on hand and at bank and short term deposits at call, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related item in the statement of financial position as follows:			
Cash assets	6	4,107	1,726
b) Reconciliation of loss from ordinary activities after income tax to net cash used in operating activities			
Loss from ordinary activities after income tax		(56,208)	(153,439)
Changes in assets and liabilities:			
(Increase) in receivables		(1,358)	(173)
(Increase) in other current assets		(202)	(732)
Increase in payables		28,138	1,073
Net cash used in operating activities		(29,630)	(153,271)

14. DIRECTOR AND EXECUTIVE DISCLOSURES

(a) Remuneration of specified directors and specified executives by the consolidated entity

The Company has a Remuneration Policy which aims to provide remuneration which is fair and equitable in terms of external competitiveness. The policy is determined by the Board and administered by management at its discretion.

The policy relates individual remuneration to individual performance, the individual's position in the relevant salary market and the need for the organisation to retain and motivate the individual.

To give effect to this policy the Company reviews available information which measures the remuneration levels in the various labour markets in which it competes.

The expectation of the Company is that, for a particular grade of employee, the total fixed compensation will be at the median level of the relevant market.

There was no remuneration or other benefits paid or payable to the directors for the year ended 31 December 2004 or the year ended 31 December 2003. However, the following management, administration and consulting fees were paid or are payable in respect of the year ended 31 December 2003:

(i) The Company had an administration agreement effective from 1 July 1995 with Broadway Management (WA) Pty Ltd, a corporate administration company of which Mr D M McArthur and Mr I J Burton are directors. Under the terms of the agreement Broadway Management (WA) Pty Ltd charged the parent entity $84,000 for the year ended 31 December 2003 to provide all administration and corporate compliance services including the provision of fully maintained offices and related infrastructure. An amount of $Nil was owing at 31 December 2003 in relation to this agreement (resulting from an assignment of the debt at 31 December 2003 to Bridgevale Management), and an amount of $5,700 was owing at 31 December 2003 in relation to funds advanced to the Company during the year.

(ii) The Company had a management agreement with Bridgevale Management Pty Ltd, as trustee for the Bridgevale Trust. Mr I J Burton is a director of Bridgevale Management Pty Ltd and Mr I J Burton and Mr D M McArthur are beneficiaries of the Bridgevale Trust. Under the terms of the agreement management fees of $45,504 was charged in the year ended 31 December 2003.

14. DIRECTOR AND EXECUTIVE DISCLOSURES (continued)

(b) Equity instruments

Equity holdings and transactions

The movement during the reporting period in the number of ordinary shares in the Company held, directly, indirectly or beneficially, by each specified director, including their personally-related entities, is as follows:

	Held at 1 Jan 2004	Granted as remuneration	Other changes	Held at 31 Dec 2004
M Taverner (1)	-	-	-	-
G Bender (1)	-	-	-	-
A Crimmins (1)	-	-	-	-
H Hawthorn (1) (2)	-	-	-	-
M Vitale (1) (2)	-	-	-	-
I Burton (2) (3)	6,140,000	-	(5,526,000)	614,000
D McArthur (2) (3)	6,140,000	-	(5,526,000)	614,000
G E T Ellis (2)	-	-	-	-

(1) Opening balance held at date of appointment.
(2) Closing balance held at date of resignation.
(3) 10:1 consolidation of capital.

15. EVENTS SUBSEQUENT TO BALANCE DATE

There were no events of a material nature that occurred subsequent to year end.

16. IMPACTS OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Australian Accounting Standards Board is adopting the Standards of the International Accounting Standards Board for application to reporting periods beginning on or after 1 January 2005. Pending Accounting Standard AASB 1 "First-time Adoption of Australian Equivalents to International Financial Reporting Standards" prescribes transitional provisions for first-time adopters.

Accounting Standard AASB 1047 "Disclosing the Impacts of Adopting Australian Equivalents to International Financial Reporting Standards" requires financial reports to disclose information about the impacts of any changes in accounting policies in the transition period leading up to the adoption date.

The Company has allocated internal resources and in conjunction with its auditors, is assessing those accounting policies and key areas that are likely to be impacted by the transition to International Financial Reporting Standards (IFRS). As the Company has a 31 December year end, priority has been given to the consideration of the impact of the Australian equivalents to the IFRS and the preparation of a balance sheet in accordance with those Australian equivalent standards as at 31 December 2004. This will form the basis of accounting for Australian equivalents of IFRS in the future, and is required when the Company prepares its first fully IFRS-compliant report for the year ended 31 December 2005. As required by AASB 1047, the key accounting policies which will change and may have an impact on the financial report of the Company are set out below.

16. IMPACTS OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

Taxation

Under the Australian equivalent to IAS 12 "Income Taxes", a balance sheet approach will be adopted for calculating taxation, replacing the "statement of financial performance approach". This method recognizes deferred tax balances for all temporary differences arising between the carrying value of an asset or liability and its tax base. Whilst there will be enhanced disclosure of the composition of the deferred tax assets and liabilities it is not expected that there will be any significant impact in terms of the statement of financial position or performance.

Impairment of Assets

Under the Australian equivalent to IAS 36 "Impairment of Assets", the recoverable amount of an asset is determined as the higher of net selling price and value in use. This differs from the Company's current accounting policy, which determines recoverable amount of an asset on the basis of undiscounted cash flows. Under the new policy it is likely that the impairment of assets will be recognised sooner and the amount of write downs will be greater.

Equity-based compensation

Equity-based compensation in the form of shares and options will be recognised as expenses in the periods during which the employee provides related services.

Changes in accounting policies

Changes in accounting policies will be recognised by restating comparatives rather than making current year adjustments with note disclosure of prior year effects.

ORIENTAL CRYSTAL (INTERNATIONAL) LIMITED
ABN 96 009 217 154

DIRECTORS' DECLARATION

In the opinion of the directors of Oriental Crystal (International) Limited ("the Company"):

(a) the financial statements and notes, set out on pages 16 to 28, are in accordance with the Corporations Act 2001, including:

  (i) giving a true and fair view of the financial position of the Company as at 31 December 2004 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date; and

  (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and

(b) the directors are seeking investment opportunities for the Company which, if successful should allow it to repay or convert the convertible notes. Should the Company not be successful or unable to negotiate with the convertible noteholders, the Company may not be able to repay the convertible notes on 10 May 2007. Subject to the above, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.

For and on behalf of the Board.

Tony Crimmins

A CRIMMINS
Director

4 March 2005
Perth, Western Australia

Independent audit report to members of Oriental Crystal (International) Limited
Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for Oriental Crystal (International) Limited (the "Company"), for the year ended 31 December 2004.

The directors of the Company are responsible for the preparation and true and fair presentation of the financial report in accordance with the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members of the Company. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001*, Australian Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Company's financial position, and of their performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*.

KPMG

Audit opinion

In our opinion, the financial report of Oriental Crystal (International) Limited is in accordance with:

a) the *Corporations Act 2001*, including:

   i. giving a true and fair view of the Company's financial position as at 31 December 2004 and of its performance for the financial year ended on that date; and

   ii. complying with Accounting Standards in Australia and the Corporations Regulations 2001; and

b) other mandatory professional reporting requirements in Australia.

KPMG

KPMG

JG Robinson

JG Robinson
Partner

Perth
4 March 2005

ORIENTAL CRYSTAL (INTERNATIONAL) LIMITED
ABN 96 009 217 154

STOCK EXCHANGE INFORMATION

Additional information included in accordance with the Listing Rules of the Australian Stock Exchange Limited.

1. Statement of issued capital at 31 March 2005

(a) Distribution of fully paid ordinary shareholders

Size of Holding			Number of Shareholders	Shares Held
1	-	1,000	669	122,815
1,001	-	5,000	127	332,801
5,001	-	10,000	24	178,595
10,001	-	100,000	23	651,371
100,001	and	Over	12	3,869,011
			855	5,154,593

(b) There are no restrictions on voting rights attached to the ordinary shares. On a show of hands every member present in person shall have one vote and upon a poll, every member present or by proxy shall have one vote for every share held.

(c) At the date of this statement there existed 824 shareholders who held less than a marketable parcel of shares.

2. Substantial shareholders

The Company's register of substantial shareholders shows the following:

- Zero Nominees Pty Ltd	1,500,000 shares
- Bridgevale Management Pty Ltd	407,000 shares
- Notochord Pty Ltd	335,000 shares
- Hanscom Holdings Pty Ltd	335,000 shares

3. Shareholders

The twenty largest shareholders hold 82.89% of the total issued ordinary shares in the Company as at 31 March 2005.

4. Quotation

Securities in Oriental Crystal (International) Limited are quoted on all Australian Stock Exchanges. The shares are currently suspended from trading.

5. Audit committee

As at the date of the Directors' Report, the Company did not have an audit committee of the board of directors.

ORIENTAL CRYSTAL (INTERNATIONAL) LIMITED
ABN 96 009 217 154

Twenty Largest Fully Paid Ordinary Shareholders as at 31 March 2005

	Name	Number of Shares	% of Issued Shares
1.	Zero Nominees Pty Ltd	1,500,000	29.10
2.	Bridgevale Management Pty Ltd	407,000	7.90
3.	Notochord Pty Ltd	335,000	6.50
4.	Hanscom Holdings Pty Ltd	335,000	6.50
5.	Mrs Susan Jane McArthur	208,500	4.04
6.	DMD Holdings Pty Ltd	207,000	4.01
7.	Ian James Burton <Burton Family Super Fund A/C>	200,000	3.88
8.	Mr Peter Russell Sauerberg	150,000	2.91
9.	Mr Robert Murdoch	150,000	2.91
10.	Doulton Manor Pty Ltd	138,010	2.68
11.	Mr David Nin Koon To	129,081	2.50
12.	Binleaf Pty Limited	109,420	2.12
13.	Genteel Nominees Pty Ltd	100,000	1.94
14.	Bruce Ross Consulting Services Pty Ltd	88,786	1.72
15.	Mrs Sau King Chan	50,000	0.97
16.	ABC Investment Limited	36,500	0.71
17.	Sinoaero Ltd	33,500	0.65
18.	Jackpot Pty Ltd	32,800	0.64
19.	Sequentes Pty Ltd	32,400	0.63
20.	Mrs Carole Rowan	30,000	0.58
		4,272,997	82.89%

ORIENTAL CRYSTAL (INTERNATIONAL) LIMITED
ABN 96 009 217 154

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Oriental Crystal (International) Limited will be held at Level 2, 45 Stirling Highway, Nedlands, Western Australia on Friday, 27 May 2005 at 11.00am.

In order to determine voting entitlements, the register of shareholders will be closed at 11.00am Wednesday, 25 May 2005.

AGENDA

To consider and, if thought fit, to pass the following Resolutions.

ORDINARY BUSINESS

2004 Accounts

To receive and consider the Directors' report and statement of financial performance for the year ended 31 December 2004, the statement of financial position at that date and the Auditors' report on the accounts and Directors' declaration.

Ordinary Resolution 1: Election of Mr Michael Taverner as a Director

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

"That, having been appointed since the last Annual General Meeting, and having retired in accordance with the Company's Constitution, Mr Michael Taverner, be elected a director of the Company."

Information about Mr Taverner is contained in the Company's 2004 Annual Report.

Ordinary Resolution 2: Election of Mr Gregory Bender as a Director

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

"That, having been appointed since the last Annual General Meeting, and having retired in accordance with the Company's Constitution, Mr Gregory Bender, be elected a director of the Company."

Information about Mr Bender is contained in the Company's 2004 Annual Report.

Ordinary Resolution 3: Election of Mr Anthony Crimmins as a Director

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

"That, having been appointed since the last Annual General Meeting, and having retired in accordance with the Company's Constitution, Mr Anthony Crimmins, be elected a director of the Company."

Information about Mr Crimmins is contained in the Company's 2004 Annual Report.

The Chairperson to close the Meeting.

By order of the board

D M McARTHUR
Company Secretary

Perth, Western Australia
Dated: 11 April 2005

NOTES:

1. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person excluded from voting as proxy for a person who is entitled to vote in accordance with the directions on the proxy form, or where it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

2. In accordance with requirements of the Corporations Regulations, the Directors have set a snapshot date to determine the identity of those entitled to attend and vote at the meeting. The snapshot date is 11.00am (WST) on 25 May 2005.

PROXY FORM

APPOINTMENT OF PROXY
ORIENTAL CRYSTAL (INTERNATIONAL) LIMITED
ABN 96 009 217 154

ANNUAL GENERAL MEETING

I/We

Address

being a Member of Oriental Crystal (International) 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 Annual General Meeting to be held at Level 2, 45 Stirling Highway, Nedlands, Western Australia on Friday, 27 May 2005 at 11.00am (WST) and at any adjournment thereof.

Voting on Business of the Annual General Meeting

Ordinary		FOR	AGAINST	ABSTAIN
Resolution 1	Election of Mr M Taverner as a Director	☐	☐	☐
Resolution 2	Election of Mr G Bender as a Director	☐	☐	☐
Resolution 3	Election of Mr A Crimmins as a Director	☐	☐	☐

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 the interest. The Chairman intends to vote in favour of all of the resolutions.

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 2005

By:

Individuals and joint holders	***Companies (affix common seal if appropriate)***
Signature	Director
Signature	Director/Company Secretary
Signature	Sole Director and Sole Company Secretary

Instructions for Completing 'Appointment of Proxy' Form

1. A member entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies.

2. If a member appoints two proxies, each proxy must be appointed to represent a specified portion or number of the member's voting rights and neither proxy may vote on a show of hands.

3. If a member appoints two proxies, and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half of the votes.

4. A proxy need not be a member of the Company.

5. If a corporate representative is to attend the meeting on behalf of a corporation, a formal notice of appointment must be brought to the meeting.

6. The Proxy Form must be signed by the shareholder or the shareholder's attorney. If the shareholder is a corporation, the Proxy Form should be signed under its common seal, or by two directors (or a director and a company secretary), or if a corporation with a sole director and sole secretary by that director, with the office held printed under each signature. Alternatively, a corporation can sign by its attorney or duty authorised officer.

7. The Proxy Form and any power of attorney or authority under which it is signed must be received at the registered office of the Company not less than 48 hours prior to the appointed time of Meeting. Proxy Forms can be lodged:

   . **in person** at: Oriental Crystal (International) Limited
   Level 2, 45 Stirling Highway
   NEDLANDS WA 6009

   . **by post** to: Oriental Crystal (International) Limited
   PO Box 985
   NEDLANDS WA 6909

   . **by facsimile** on: (61 8) 9389 8327

Please advise of any change of address by completion of the section below:

My new address is ____

____