

OPTIMA ACQUISITION TO FAST TRACK VMOTO'S GLOBAL EXPANSION

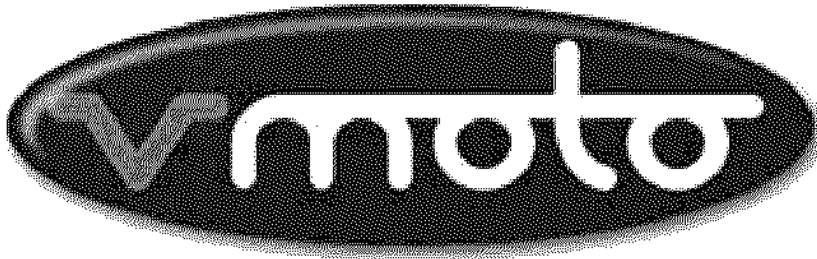
ANNOUNCEMENT

19 DECEMBER 2006

Optima Corporation Limited ("Optima" or the "Company") is pleased to announce that it has signed a formal Share Sale Agreement to acquire Freedomotor Company Limited ("FMC"), following the signing of an LOI as announced on 6 December 2006.

Highlights of the acquisition

- VMOTO'S TO BECOME A GLOBAL BRAND;
- SALES REVENUES FORECAST TO INCREASE TO \$50 MILLION FY08;
- ACQUISITION DELIVERS DISTRIBUTION RIGHTS INTO MORE THAN 50 COUNTRIES;
- PURCHASE CONSIDERATION EQUATES TO APPROXIMATELY 2.0 x CALANDER YEAR 2007 NPAT; and
- TRANSACTION TO BE FUNDED VIA A COMBINATION OF CONVERTIBLE NOTE, CASH AND DEFERRED SHARE CONSIDERATION



The effective date for the transaction is 1 January 2007 with the following terms:

1. Optima to pay the vendor of Freedomotor US\$1m in cash on 5 January 2007;
2. Optima to pay the vendor of Freedomotor US\$1.5m in cash on 3 April 2007;
3. Optima to pay further consideration to the vendor equal to Freedomotor's 2007 (calendar year) NPAT, forecast at US\$2.5m, subject to receipt of audited accounts for that calendar year ("deferred consideration") and Optima shareholder approval;
4. Deferred consideration to be satisfied through the issue of Optima shares, the issue price to be 80% of VWAP of Optima's shares during the 14 days prior to issue, expected to be approximately February 2008.

The acquisition of FMC enables the company to rapidly expand Australia's largest scooter brand to over 50 countries throughout the world and increase its product range to include all-terrain vehicles and various motorcycle categories.



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Mr Charles Chen, the current Managing Director and vendor of FMC, will join the board of Optima as part of the transaction which ensures the continued rapid growth and strong relationships within the group are consolidated. Mr Chen will also continue in his current role as the head of FMC.

Optima intends to fund the cash consideration payable of US\$2.5 million by way of convertible note and internally generated cash flow, which the board see as a significant advantage for current shareholders enabling them to participate in the immediate flow on effects of the 100% ownership without any immediate share dilution.



About Freedomotor

FMC is an international scooter/motorcycle trading and distribution company with primary operations in Shanghai. Freedomotor has more than 80 major clients located in Europe, Australia, North America, South America and South Africa.

It is one of the largest independent distributors of motorcycles and scooters based in China. FMC's turnover for FY2006 (31 December) is forecasted at US\$21 million on annual sales of approximately 28,000 units, generating NPAT of US\$1.7-\$1.8 million, of which US\$18.5 million in sales has already been achieved during the 11 months to November 2006.

The product mix offered by FMC includes; petrol/hybrid(LPG/Petrol)/electric scooters, various category motorcycles, all-terrain vehicles and hi performance off-road karts.

FMC provides new product design, research & development, modification of existing models, OEM manufacturing access, technical support, trading, distribution, purchasing & consolidation services.

As a result of this acquisition, the projected turnover for the group is forecast to increase to approximately A\$50million for the year ended 30 June 2008.

Mr Patrick Davin, executive director said. "The terms of this acquisition see Optima and its shareholders enjoy the full benefits of 100% ownership of FMC from January 1 2007. Coupled with the recently announced distribution agreement with the Sharaf Group we are very confident that the dramatic worldwide increase in the recognition of Vmoto will continue"

AUTHORISED BY:

A handwritten signature in black ink, appearing to read 'Blair Sergeant', with a long horizontal line extending to the right.

Blair Sergeant
Managing Director