

8 February 2008

Nicholas Ong
Senior Adviser, Issuers
Australian Securities Exchange
Level 8 Exchange Plaza
2 The Esplanade
PERTH WA 6000

FACSIMILE: 9221 2020

Dear Nicholas

RESPONSE TO ASX QUERY - DECEMBER 2007 QUARTER APPENDIX 4C

I refer to your fax of 7 February 2008 and respond to your numbered questions as follows.

1. There are other factors that should be taken into account when considering this issue. During the first half of the quarter ended 31 December 2007, the Company encountered logistical problems transporting its product to its customers and consequently harvest tonnages and projected income for the quarter were not achieved. These problems were rectified by the beginning of December 2007. The Company is in line with and expects to exceed the budgeted figures for the current and following quarters. In addition, the Board has agreed in principle a term sheet with respect to securing a \$1 million finance facility and is considering a capital raising by way of a placement. The Company will notify ASX when these matters are finalised.
2. The Company expects that, for the quarter ending 31 March 2008, it may have a small negative operating cash flow but as noted above, the Company is examining a number of options with respect to capital raising and securing a finance facility.
3. & 4. Please refer to response 1.
5. The Company confirms that it is in compliance with the listing rules and in particular listing rule 3.1.
7. The Company considers that it is compliant with listing rule 12.2 having regard to the composition of its balance sheet, the size of its liabilities to its assets and the access to funds.

Yours sincerely

JEAN MATHIE
COMPANY SECRETARY

marine produce australia limited po box 1008 west perth wa 6872
11 / 38 colin street west perth wa 6005 telephone +61 8 9321 9200 fax +61 8 9321 9300
email admin@marineproduce.com web marineproduce.com
abn 70 091 805 480





7 February 2008

Jean Mathie
Company Secretary
Marine Produce Australia Limited
11/38 Colin Street
West Perth WA 6005

Dear Jean,

Marine Produce Australia Limited (the "Company")

I refer to the Company's Quarterly Report in the form of Appendix 4C for the period ended 31 December 2007, released to ASX Limited ("ASX") on 31 January 2008, (the "Appendix 4C").

ASX notes that the Company has reported the following.

1. Receipts from customers of \$616,631.
2. Net negative operating cash flows for the quarter of \$1,475,636
3. Cash at end of quarter of \$998,415.

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 the next quarter. 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?
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?
7. 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.

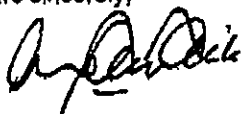
This letter and your response will be released to the market. If you have any concerns about your response being released, please contact me immediately. Your response should be sent to me on facsimile number 9221 2020. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later 5.00 p.m. W DST on Friday, 8 January 2008.

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
Senior Adviser, Issuers