

17 May 2005

Mr Sean Ward
Senior Companies Advisor
Australian Stock Exchange
Level 6, 20 Bridge Street
SYDNEY NSW 2000



USCOM LTD
Ultrasonic Cardiac Output Monitors

Level 7, 10 Loftus Street
Sydney NSW 2000 Australia
Telephone: +61 2 9247 4144
Facsimile: +61 2 9247 8157
Email: uscom@uscom.com.au
ACN 091 028 090

Dear Sean,

Re: Your letter dated 17 May 2005 – Price Query

I refer to your price query request and answer your specific questions as follows:

1. The Company is not aware of any information concerning it that has not been announced which, if known, could be an explanation for the recent trading in the securities of the Company.
2. Not applicable.
3. The operating loss will be more than 15% greater than last financial year. This is in line with the cash requirement outlined in our prospectus dated 6 November 2003 and is in line with the trend information that we have provided in our quarterly Commitments Test Entity reports.
4. There is no reason to think that the Company will record any material abnormal or extraordinary for the financial year ended 30 June 2005.
5. The Company is not aware of other matters that would explain the price change in the securities of the Company.
6. The Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Yours sincerely

Paul Butler
Company Secretary