



World Reach Limited

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24 February 2011

The Manager

Company Announcements Platform

Australian Securities Exchange

Employee Share Option Plan

Issue of New Options

The company advises that it has issued new options to employees under the Employees Share Option Plan as follows:

Issue Date	1 January 2011
No. of Options	7,500,000
Exercise Price	\$0.0065
Expiry Date	1 January 2016

The total number of options presently outstanding under the Employee Share Option Plan after the above issues is 50,000,000.

An Appendix 3B Notice to update this adjustment is attached.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Dennis Payne".

Dennis Payne
Company Secretary

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

Issue and Cancellation of Options

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

WORLD REACH LIMITED

ABN

39 010 568 804

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued or cancelled | - Options issued under the Employee Option Plan. |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | - Employee Options to subscribe for 7,500,000 shares issued. |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | - New options are exercisable at \$0.0065 on or before 1 January 2016. |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4	Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Options are not quoted.	
5	Issue price or consideration	Nil	
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	To provide incentive and to adequately reward Company staff.	
7	Dates of entering ⁺ securities into uncertificated holdings or despatch of certificates	N/A	
8	Number and ⁺ class of all ⁺ securities quoted on ASX (including the securities in clause 2 if applicable)	Number	⁺ Class
		657,906,777	Ordinary shares

⁺ See chapter 19 for defined terms.

9 Number and ⁺class of all ⁺securities not quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th><th>⁺Class</th></tr> </thead> <tbody> <tr> <td>58</td><td>Notes maturing on 1 July 2013 convertible into 322,222,190 shares.</td></tr> <tr> <td>18,000,000</td><td>Options issued to Directors following shareholder approval.</td></tr> <tr> <td>50,000,000</td><td>Options issued under the Employee Option Plan</td></tr> <tr> <td>91,406,250</td><td>Options issued to Convertible Note Holders</td></tr> </tbody> </table>	Number	⁺ Class	58	Notes maturing on 1 July 2013 convertible into 322,222,190 shares.	18,000,000	Options issued to Directors following shareholder approval.	50,000,000	Options issued under the Employee Option Plan	91,406,250	Options issued to Convertible Note Holders
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50,000,000	Options issued under the Employee Option Plan										
91,406,250	Options issued to Convertible Note Holders										
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A										

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	
12 Is the issue renounceable or non-renounceable?	
13 Ratio in which the ⁺securities will be offered	
14 ⁺Class of ⁺securities to which the offer relates	
15 ⁺Record date to determine entitlements	
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17 Policy for deciding entitlements in relation to fractions	

⁺ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

- | | | |
|----|--|--|
| 18 | Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents

<small>Note: Security holders must be told how their entitlements are to be dealt with.

Cross reference: rule 7.7.</small> | |
| 19 | Closing date for receipt of acceptances or renunciations | |
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders | |
| 25 | If the issue is contingent on ⁺ security holders' approval, the date of the meeting | |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | |
| 28 | Date rights trading will begin (if applicable) | |
| 29 | Date rights trading will end (if applicable) | |

⁺ See chapter 19 for defined terms.

30	How do +security holders sell their entitlements <i>in full</i> through a broker?	
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	
33	+Despatch date	

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) ☐ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories

1 - 1,000

1,001 - 5,000

5,001 - 10,000

10,001 - 100,000

100,001 and over

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

- 37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

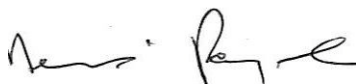
- 38 Number of securities for which +quotation is sought
- 39 Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?
- If the additional securities do not rank equally, please state:
- the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
-
- 41 Reason for request for quotation now
- Example: In the case of restricted securities, end of restriction period
- (if issued upon conversion of another security, clearly identify that other security)
-
- 42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)
- | Number | +Class |
|--------|--------|
| | |

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 24 February 2011
Company secretary

Print name: Dennis Payne

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+ See chapter 19 for defined terms.