

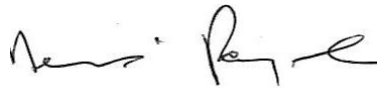
29 August 2013

The Manager
Market Announcements Platform
Australian Securities Exchange

Appendix 4E and Annual Report for year ending 30 June 2013

The company encloses its Appendix 4E (Preliminary Final Report), together with its full Annual Report for the year ending 30 June 2013 including all Financial Reports and Notes to the accounts, for immediate release.

Yours faithfully



Dennis Payne
Secretary

WORLD REACH LIMITED
ABN 39 010 568 804

Appendix 4E
Preliminary Final Report
Year ended 30 June 2013

1. Reporting periods

Current reporting period Year ended 30 June 2013
Previous corresponding period Year ended 30 June 2012

2. Results for announcement to the market

2. Results for announcement to the market

		\$A	
2.1	Revenue from ordinary activities	Up 8.34%	to 14,073,087
2.2	Loss from ordinary activities after tax attributable to members	Loss of 600,573 for FY 2013	Loss of 249,179 for FY 2012
2.3	Net loss for the period attributable to members	Loss of 600,573 for FY 2013	Loss of 249,179 for FY 2012
2.4	Dividends (distributions)	Amount per security	Franked amount per security
	Final dividend	NIL ¢	NIL ¢
	Interim dividend	NIL ¢	NIL ¢
	Previous corresponding period:		
	Final dividend	NIL ¢	NIL ¢
	Interim dividend	NIL ¢	NIL ¢
2.5	Record date for determining entitlements to the dividend	N/A	
2.6	EXPLANATION		
	Refer to item 14 – Commentary on results for the year.		

3, 4 & 5. Statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows

Refer to the attached financial statements together with notes for the year ended 30 June 2013.

6. Individual and total dividend or distribution payments

Dividend or distribution payments:	Amount	Date on which each dividend or distribution is payable	Amount per security of foreign sourced dividend or distribution (if known)
N/A	N/A	N/A	N.A
Total			

7. Dividend or distribution reinvestment plans

N/A

8. Statement of accumulated losses and movements

Refer to the attached financial statements together with notes for the year ended 30 June 2013.

9. Net tangible assets/(liabilities) per security

	30 June 2013 Cents per share	30 June 2012 Cents per share
Net tangible assets / (deficiency of assets) per security	(0.1934) ¢	(0.1537) ¢

10. Details of entities over which control has been gained or lost during the period:

10.1 Name of the entity.

N/A

10.2 The date of the gain or loss of control.

N/A

10.3 Where material to an understanding of the report – the contribution of such entities to the reporting entity's profit from ordinary activities during the period and the profit or loss of such entities during the whole of the previous corresponding period.

Current period

**Previous
corresponding
Period**

\$

N/A

\$

N/A

11. Details of associates and joint venture

Name of entity	% Holding	Aggregate Share of profit (losses)		Contribution to net profit	
		Current period	Previous corresponding period	Current period	Previous corresponding period
N/A					

12. Other significant information

N/A

13. Foreign entities

N/A

14. Commentary on results for the year

During the year the Group's operations were the design, development, manufacture and global sales and distribution of its extensive range of satellite communication terminals, accessories and data airtime services.

A summary of the results for the year follows:

	2013 (\$000)	2012 (\$000)
Revenue	\$ 14,073	\$ 12,990
Deduct:		
Cost of goods sold, research & development, administrative marketing and corporate expenses	\$(13,201)	\$(11,979)
Operating profit before amortisation, depreciation, interest and tax	\$ 872	\$ 1,011
Deduct:		
Amortisation	\$ (972)	\$ (812)
Depreciation	\$ (79)	\$ (94)
Interest	\$ (422)	\$ (354)
Operating loss	\$ (601)	\$ (249)
Net loss for year	\$ (601)	\$ (249)

The Group reported a loss of \$651,807 for the six months ended 31 December 2012 and anticipated a substantial improvement in trading in the second half of the financial year, to provide an offset to the first half result.

The first half of FY13 was significantly impacted by Telstra delaying their intended December 2012 quarter purchases until March quarter 2013 and the difficult nature of the European and North American markets negatively affecting margins on several major sales.

Although the Group achieved a modest profit in the second half of FY13 on the back of a substantial growth in sales revenue, the profitability was not as high as anticipated due to the following:

- Approximately \$1m of anticipated sales were not achieved. Three major sales items worth \$0.7m were delayed until FY14 with the balance of the shortfall being forecast orders that did not eventuate.

14. Commentary on results for the year (continued)

- The sudden resurgence of the US dollar, from 1.0368 AU dollars at the end of April 2013 to 0.9275 at 30 June 2013, had a negative impact on bottom line profit due to the loan from Inmarsat PLC being in US dollars. The US dollar movement in the loan had a net negative impact on profit of approximately \$130,000 in the two months.

As a result of these factors the FY13 second half profit of \$51,234, only partially offsets the first half year loss, giving a total loss for FY13 of \$600,573 but with a positive EBITDA of \$872,543.

Amortisation of capitalised development costs increased year on year by \$160,197 with a full year of amortisation on the Iridium 9575 docking units developed and launched in April 2012.

Financing costs also increased year on year, by \$67,858 reflecting the additional capital raised mainly to finance the latest Iridium development project, due for completion in December quarter 2013.

A detailed budget for FY14 has been prepared and the Group is confident of significant additional sales over FY13. The expected results are particularly supported by:

- A new product being developed for sale to Iridium Communications Inc. which is due to be released in December quarter 2013 and has a contracted minimum level of sales for the first twelve months of US\$3M.
- The emerging performances of SatPhone Shop and Short Burst Data airtime services sold in Australia expected to continue and contribute in excess of \$1.8M to FY14 revenue.
- The expected continuation of business with Telstra and MCN China.
- New markets, especially through the launch of Inmarsat services and products into Japan through NTT DoCoMo and JSat Mobile.

On 27 May 2013 the Company issued a profit guidance estimating a loss for FY13 of up to \$550,000. The Company regrets the unforeseen circumstances outlined above that affected the result in FY13 but remains confident of the outlook for FY14.

15. Audit

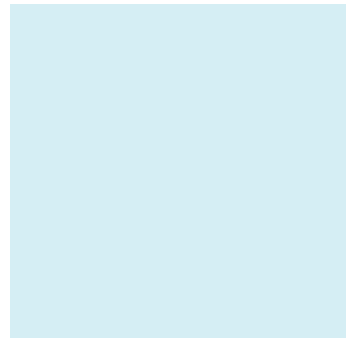
The financial statements for the year ended 30 June 2013 have been audited. The auditors opinion includes an emphasis of matter regarding going concern.

Signed by Chairman:



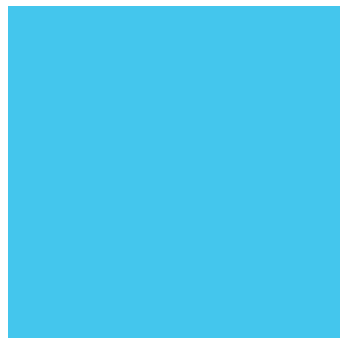
Mr Trevor Moyle

Date: 29 August 2013



world reach

Annual Report 2013



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DIRECTORATE

NON-EXECUTIVE CHAIRMAN
Mr Trevor Bruce Moyle
MANAGING DIRECTOR
Mr Michael Ian Capocchi
NON-EXECUTIVE DIRECTORS
Mr John Broadhurst Bee
Mr Carl Cheung Hung
COMPANY SECRETARY
Mr Dennis Frank Payne

REGISTERED OFFICE

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Mulgrave, Vic, 3170
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Fax: (03) 9560 9055
Email: info@worldreach.com.au

SHARE REGISTER

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Locked Bag A14
Sydney South, NSW, 1235
Ph: (02) 8280 7454
Fax: (02) 9287 0303

SOLICITORS TO THE COMPANY

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Level 9, 469 LaTrobe Street
Melbourne, Vic, 3000
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Fax: (03) 9642 0382

AUDITOR

Pitcher Partners
Level 19, 15 William Street
MELBOURNE VIC 3000
Ph: (03) 8610 5000
Fax: (03) 8610 5999

ASX OFFICE

Based in Sydney

ASX CODE

WRR

CHAIRMAN'S REPORT

As Chairman I am pleased to provide the following report on the Company for the year ended 30 June 2013.

Profit Performance and Outlook

The first half of the financial year once again proved to be a challenge for the Company with the recording of a loss of \$651,807. This trend was reversed in the second half of the financial year with a profit of \$51,234, resulting in an overall loss of \$600,573.

The challenge for the Company has been to achieve a more consistent trend of profitable trading performances. A number of initiatives have been put in place to assist in this regard including:

- Broadening the global sales distribution network into countries such as Japan, China and Russia;
- Developing leading edge products, which includes a new product being jointly developed with Iridium; and
- Improving efficiency in the production and logistics functions.

Strategy

The board has worked very closely with the company CEO during the year to develop a comprehensive strategy for the company over the next 5 years and beyond, when significant structural developments in the satellite market are expected.

I would particularly like to thank the work of company CEO, Mike Capocchi, and recently appointed board member Carl Hung on their work in producing a very soundly structured strategic plan.

The strategy document has been discussed and approved by the board, which in turn provided a sound base for setting the financial budget for the current financial year. Both documents include some very positive initiatives for the Company

Capital Management

During the year the Company welcomed an investor related to Season Group with \$650,000 in new convertible notes being issued in February 2013 and a share purchase plan for existing shareholders contributed a further \$50,000.

Season Group is a commercial partner of the Company and their closer involvement is welcomed by the Board.

These funds were used to support business expansion, particularly for:

- Working capital in the second half of the financial year when sales increased substantially; and
- Product development especially the joint development work with Iridium.

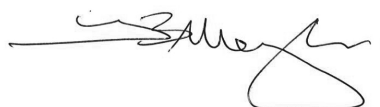
The Board has been focussing very closely on the adequacy of the company's balance sheet in meeting the strategic initiatives and business opportunities for the Company. This has resulted in approving the appointment of a specialist corporate finance advisor to work with the company CEO to develop and execute on strategies to put the Company on a sound financial footing.

New Director

The introduction of a new investor has resulted in the President of Season Group, Carl Hung, being accepted as a new board member. Carl not only represents a close partner of the Company but also brings valuable experience in areas such as production management, supply chain logistics and business dealings in Asia.

Appreciation to Staff and Board

Finally I would like to express my gratitude to the leadership of the Company CEO, Mike Capocchi, and his executive team for their tireless pursuit of opportunities available to the Company.



Mr Trevor Moyle
Chairman

DIRECTORS' REPORT

Your Directors present their report on the company and its controlled entities for the financial year ended 30 June 2013.

DIRECTORS

The persons who have been a Director of the Company since the start of the financial year to the date of this report are:

Michael Ian Capocchi	
John Broadhurst Bee	
Trevor Bruce Moyle	(appointed 13/08/2012)
Carl Cheung Hung	(appointed 21/02/2013)
Dennis Frank Payne	(appointed 14/06/2012, (resigned 13/08/2012)

The qualifications, experience and special responsibilities of each of the directors who held office during the year are:

Trevor Bruce Moyle – Chairman

Age: 64

Mr Moyle has over 30 years senior executive and corporate advisory experience in equity capital markets, banking, structured finance, venture capital, corporate strategy, M&As and funds management. His roles as an advisor have been augmented by roles as a board member and chairman of a number of companies.

His executive experience has been gained at finance houses such as ANZ Securities Ltd, Oxley Corporate Finance Ltd, Cranleigh, Pratt & Co Financial Services Ltd, ANZ Capital Markets Ltd and Westpac.

Over the past ten years Mr Moyle has been primarily operating as an independent advisor working directly with his client base, which has included some executive board roles.

Mr Moyle's board experience has included chairmanship of a range of companies, complemented by a number of roles on board sub committees.

John Broadhurst Bee – Non Executive Director

Age: 69

Mr Bee is a Melbourne based management consultant specialising in revenue growth.

He has an MBA from Stanford University and following careers with McKinsey & Co and Egon Zehnder International established his own consulting practice.

Other experience includes Head of Marketing at a large financial institution and a senior sales role with IBM. Mr Bee's marketing and business development expertise has been gained from over thirty years experience in these senior executive positions.

Michael Ian Capocchi – Managing Director

Age: 42

Mr Capocchi joined World Reach Limited as the General Manager of the Beam Communications subsidiary in 2003.

Mr Capocchi has had over 15 years experience in the ICT industry and has held several senior management positions.

Mr Capocchi was appointed as the Managing Director of World Reach Limited in March 2008.

Prior to joining World Reach, Mr Capocchi was the Regional Sales Director for Iridium Satellite LLC, directly managing the sales, distribution and channel management strategies for the Asia-Pacific region.

Mr Capocchi has also held senior management positions as the Sales and Marketing Director of Pacific Internet responsible for establishing the Australian operations of the company and with Optus Communications and Myer Stores Limited.

Mr Capocchi is an integral part of the World Reach business, managing the day to day operation of the company as well as the Beam Communications subsidiary.

Mr Carl Cheung Hung – Non Executive Director (appointed 21 February 2013)

Age: 29

Mr Hung is President and COO of Season Group International Inc, a global Electronic Manufacturing Services provider. He has helped grow the company from USD15 million in 2002 to USD119 million in 2012, expanding the company's footprint from China, Canada and Malaysia to include the USA and UK.

Season Group have been the preferred contract manufacturer for Beam Communications Pty Ltd (a subsidiary of World Reach Limited) for several years and has been instrumental in rationalising Beam's manufacturing and supply processes.

Mr Hung has a Bachelor of Commerce degree from the University of British Columbia and an Executive Masters of Business Administration from University of Western Ontario's (UWO) Richard Ivey School of Business. He is a Six Sigma Black Belt certified by SGS.

Mr Dennis Frank Payne – Non Executive Director (resigned 13 August 2012)

Age: 64

Mr Payne, the current company secretary, was a board member for a brief period from 14 June 2012 until his resignation on 13 August 2012.

DIRECTORS' REPORT (continued)

DIRECTORS (continued)

Indemnification of Directors and Officers

During the year, the economic entity has paid premiums in respect of an insurance contract to indemnify directors and officers against liabilities that may arise from their position as directors or officers of the economic entity. Directors and officers indemnified include the economic entity secretary to the board, all directors and all executive officers participating in the management of the economic entity.

Further disclosure required under section 300(9) of the Corporations Law is prohibited under the terms of the contract.

Directorships of Other Listed Companies

No Director of World Reach Ltd has been a Director of any other listed companies in the three years immediately before the end of the financial year.

COMPANY SECRETARY

Dennis Frank Payne has held the position of Company Secretary since 2010. Mr Payne joined the Company in 2005 and also has served since that date as Chief Financial Officer.

Prior to joining World Reach Limited Mr Payne held senior financial and commercial roles at Cadbury Schweppes and Optus Communications. He has a Bachelor of Economics and is a qualified CPA.

PRINCIPAL ACTIVITIES

The activities of the company and its controlled entities during year were the development and marketing of a range of satellite based communication products and services.

DIRECTORS' REPORT (continued)

OPERATING RESULTS AND REVIEW OF ACTIVITIES

The Consolidated Group reports a total comprehensive loss of \$600,573 for the year on total revenue of \$14,073,087 (2012: total comprehensive loss of \$249,179 on revenue of \$12,990,312).

A summary of the result for the year is as follows:

	2013 \$000	2012 \$000
Revenue	14,073	12,990
<u>Deduct</u>		
Cost of goods sold, research & development, administrative marketing and corporate expenses	13,201	11,979
Operating profit before amortisation, depreciation, interest and tax	872	1,011
<u>Deduct</u>		
Amortisation	972	812
Depreciation	79	94
Interest	422	354
Operating profit / (loss)	(601)	(249)
Net profit / (loss) for year	(601)	(249)
Total profit and other comprehensive income for the year	(601)	(249)

The Group reported a loss of \$651,807 for the six months ended 31 December 2012 and anticipated a substantial improvement in trading in the second half of the financial year, to provide an offset to the first half result.

The first half of FY13 was significantly impacted by Telstra delaying their intended December 2012 quarter purchases until March quarter 2013 and the difficult nature of the European and North American markets negatively affecting margins on several major sales.

Although the Group achieved a modest profit in the second half of FY13 on the back of a substantial growth in sales revenue, the profitability was not as high as anticipated due to the following:

- Approximately \$1m of anticipated sales were not achieved. Three major sales items worth \$0.7m were delayed until FY14 with the balance of the shortfall being forecast orders that did not eventuate.
- The sudden resurgence of the US dollar, from 1.0368 AU dollars at the end of April 2013 to 0.9275 at 30 June 2013, had a negative impact on bottom line profit due to the loan from Inmarsat PLC being in US dollars. The US dollar movement in the loan had a net negative impact on profit of approximately \$130,000 in the two months.

As a result of these factors the FY13 second half profit of \$51,234, only partially offsets the first half year loss, giving a total loss for FY13 of \$600,573 but with a positive EBITDA of \$872,543.

Amortisation of capitalised development costs increased year on year by \$160,197 with a full year of amortisation on the Iridium 9575 docking units developed and launched in April 2012.

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A detailed budget for FY14 has been prepared and the Group is confident of significant additional sales over FY13. The expected results are particularly supported by:

- A new product being developed for sale to Iridium Communications Inc. which is due to be released in December quarter 2013 and has a contracted minimum level of sales for the first twelve months of US\$3M.
- The emerging performances of SatPhone Shop and Short Burst Data airtime services sold in Australia expected to continue and contribute in excess of \$1.8M to FY14 revenue.
- The expected continuation of business with Telstra and MCN China.
- New markets, especially through the launch of Inmarsat services and products into Japan through NTT DoCoMo and JSat Mobile.

The Group is three years into a loan arrangement with Inmarsat PLC under which Inmarsat lent the Group USD3.18M to develop the initial "ISatDock" suite of products. The balance at 30 June 2013 was \$1,365,842 (USD\$1,266,818). During the current year the company repaid a further \$632,779 (excluding realised and unrealised exchange differences) including a payment in stock as allowed in the loan agreement, of \$211,172. The estimated amount to be repaid dependent upon sales in the 12 months from 30 June 2013 is \$504,563. Loan repayments are based on percentages of sales to ensure that cash generated from sales of relevant products is sufficient to cover repayments.

World Reach Limited is currently progressing discussions with a potential investor with the view to securing a capital injection within the next six months to provide additional working capital and greater flexibility for the company with its financing arrangements. The Group has engaged the services of a corporate investment adviser to assist in this process.

On 27 May 2013 the Company issued a profit guidance estimating a loss for FY13 of up to \$550,000. The Company regrets the unforeseen circumstances outlined above that affected the result in FY13 but remains confident of the outlook for FY14.

DIRECTORS' REPORT (continued)

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Consolidated Group during the financial year.

DIVIDENDS PROPOSED OR RECOMMENDED

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

ENVIRONMENTAL ISSUES

The economic entity's operations are not regulated by any significant environmental regulation under any Commonwealth, State or Territory laws.

FUTURE DEVELOPMENTS

The company will continue the development of the Satellite Communications Services businesses.

SHARES ISSUED ON THE EXERCISE OF OPTIONS

No ordinary shares of the Company were issued during the year ended 30 June 2013 on the exercise of options.

DIRECTORS' INTERESTS

At the date of this report, the relevant interests of the directors in the securities of the Company are detailed in Note 16 of the financial statements.

SHARES UNDER OPTION

At the date of this report, the unissued ordinary shares of the Company under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number Under Option
23.12.08	31.12.13	\$0.6500	75,500
15.05.09	01.07.14	\$0.6500	435,000
30.09.09	30.09.14	\$0.6500	117,000
01.01.11	01.01.16	\$0.6500	75,000
01.02.12	01.02.17	\$0.4500	75,000
26.07.12	26.07.14	\$0.7000	178,572
26.07.12	01.07.17	\$0.6500	800,000
12.12.12	01.07.17	\$0.6500	200,000
			1,956,072

DIRECTORS' MEETINGS

During the year ended 30 June 2013 the company held 17 meetings of Directors (including Audit Committee meetings). Attendances by each Director during the year were:

Director	Directors meetings		Committees	
	Attended	Maximum Possible Attended	Attended	Maximum Possible Attended
T Moyle	15	15	2	2
M Capocchi	15	15	0	0
J Bee	15	15	2	2
C Hung	7	7	0	0
D Payne	1	1	0	0

DIRECTORS' REPORT (continued)

REMUNERATION REPORT (Audited)

This report details the nature and amount of remuneration for each director of World Reach Limited, and for the executives receiving the highest remuneration.

Remuneration Policy

The Company is committed to remunerating its executive directors and senior executives in a manner that is market competitive, consistent with best practice and supports the interests of shareholders. The Company aims to align the interests of executive directors and senior executives with those of shareholders by remunerating through performance and long-term incentive plans in addition to fixed remuneration.

The remuneration of Non-executive Directors is determined by the Board having regard to the level of fees paid to non-executive directors by other companies of similar size and stature and in aggregate must not exceed the maximum annual amount approved by the Company's shareholders, currently \$500,000 as determined at the General Meeting held on 3 August 2007.

Senior executives' remuneration consists of the following elements:

- fixed salary;
- short-term incentive bonus where applicable based on performance;
- long-term incentive share option scheme; and
- other benefits including superannuation.

Fixed Salary

The salary of senior executives is determined from a review of the market and reflects core performance requirements and expectations. In addition, the Company considers the following:

- The scope of the individual's role;
- The individual's level of skill and experience;
- The Company's legal and industrial obligations;
- Labour market conditions; and
- The size and complexity of the Company's business.

Performance Bonus

The purpose of the performance bonus is to reward an individual's actual achievement of performance objectives and for materially improved company performance. Consequently, performance-based remuneration is paid where a clear contribution to successful outcomes for the company is demonstrated and the individual attains and excels against pre-agreed key performance indicators during a performance cycle.

The Managing Director has a performance bonus potential of 10% of the Group net profit for the financial year, subject to the achievement of a minimum net profit of \$250,000. For FY13 the minimum target level was not attained and therefore 100% of the potential performance bonus was forfeited.

No other key management executive has a contractual performance bonus entitlement.

Long-term Incentives

The Company's Share Option Incentive Plan in which executive directors and senior executives may participate was approved by shareholders on 25 November 2011 and authorises the Directors to issue up to 10% of the issued shares. The Company ensures that the payment of equity-based executive remuneration is made in accordance with thresholds set in plans approved by shareholders.

No options were issued in FY13 under the Share Option Incentive Plan.

Other Benefits

Senior executives are entitled to statutory superannuation and other bonus payments subject to the discretion of the Board.

Employment Contracts

Employment Contracts of Senior Executives

The employment contract of the Managing Director is set out in a formal contract of employment which has a 3 year term expiring on 30 June 2015. It can only be terminated by the company in the event of specified breaches by the employee or on payment of all amounts becoming due under the contract.

All other executives are permanent employees.

DIRECTORS' REPORT (continued)

REMUNERATION REPORT (continued)

(a) Names and positions held of consolidated group Key Management Personnel in office at any time during the financial year are:

Directors

Mr M Capocchi	Executive Managing Director
Mr J Bee	Non Executive Director
Mr T Moyle	Non Executive Chairman (appointed 13 August 2012)
Mr C Hung	Non Executive Director (appointed 21 February 2013)

(b) Details of remuneration for the year

The remuneration for each director and each of the other key management personnel of the consolidated group receiving the highest remuneration during the year was as follows:

2013	Short-term employee benefits				Post-employment benefits	Other long-term benefits	Termination benefits	Share-based payments	Total	Performance related %	Remuneration consisting of options %
	Cash salary & fees \$	Cash bonus & Commissions \$	Motor vehicle & other allowances \$	Employee benefits payable [b] \$	Super-annuation \$	Employee benefits payable \$	Eligible termination benefits \$	Options [a] \$			
Directors											
Mr T Moyle	33,333	-	-	-	-	-	-	4,034	37,367	0.00%	10.80%
Mr M Capocchi	317,140	-	22,000	4,470	30,710	5,030	-	27,662	407,012	0.00%	6.80%
Mr J Bee	40,000	-	-	-	-	-	-	9,221	49,221	0.00%	18.73%
Mr C Hung	-	-	-	-	-	-	-	-	-	0.00%	0.00%
Mr D Payne	169,320	-	-	(1,480)	15,240	2,700	-	-	185,780	0.00%	0.00%
Total	559,793	-	22,000	2,990	45,950	7,730	-	40,917	679,380		

2012	Short-term employee benefits				Post-employment benefits	Other long-term benefits	Termination benefits	Share-based payments	Total	Performance related %	Remuneration consisting of options %
	Cash salary & fees \$	Cash bonus & Commissions \$	Motor vehicle & other allowances \$	Employee benefits payable [b] \$	Super-annuation \$	Employee benefits payable \$	Eligible termination benefits \$	Options [a] \$			
Directors											
Mr M Capocchi	311,900	-	15,000	1,660	28,200	3,550	-	220	360,530	0.00%	0.06%
Mr J Bee	10,000	-	-	-	-	-	-	-	10,000	0.00%	0.00%
Mr D Payne	168,000	-	-	(1,910)	15,240	2,190	-	1,300	184,820	0.00%	0.70%
Mr A P Bigum [c]	18,750	-	-	-	-	-	-	-	18,750	0.00%	0.00%
Mr J G McCormack [c]	24,167	-	-	-	-	-	-	-	24,167	0.00%	0.00%
Total	532,817	-	15,000	(250)	43,440	5,740	-	1,520	598,267		

[a] Option based compensation relates to the value of options issued to date and brought to account pro-rata to the time period from the date of issue to the date of vesting.

[b] Employee benefits payable represents net increase in benefits payable charged to the consolidated statement of profit or loss and other comprehensive income in the current year.

[c] Resigned during the 2012 financial year.

DIRECTORS' REPORT (continued)

REMUNERATION REPORT (continued)

(c) (i) Options granted as part of remuneration for the year

2013	Grant date	Granted number	Value per option at grant date \$	Value of options granted during the year \$	Value of options exercised during year \$	Value of options lapsed during year \$	Total \$
Directors							
Mr T Moyle	12.12.12	200,000	0.0858	17,153	-	-	17,153
Mr M Capocchi	26.07.12	600,000	0.1365	81,900	-	(240,700)	(158,800)
Mr J Bee	26.07.12	200,000	0.1365	27,300	-	-	27,300
Mr C Hung	-	-	-	-	-	-	-
Mr D Payne	-	-	-	-	-	-	-

2012	Grant date	Granted number	Value per option at grant date \$	Value of options granted during the year \$	Value of options exercised during year \$	Value of options lapsed during year \$	Total \$
Directors							
Mr A P Bigum	-	-	-	-	-	(7,800)	(7,800)
Mr M Capocchi	-	-	-	-	-	(39,200)	(39,200)
Mr J G McCormack	-	-	-	-	-	(13,000)	(13,000)
Mr J Bee	-	-	-	-	-	-	-
Mr D Payne	01.02.12	10,000	0.1300	1,300	-	-	-

(c) (ii) Options granted and/or vested during the year

Terms & conditions for each grant								
2013	Vested No.	Granted No.	Grant date	Value per option at grant date \$	Exercise price \$	Expiry date	First exercise date	Last exercise date
Directors								
Mr T Moyle	-	200,000	12.12.12	0.0858	0.6500	01.07.17	01.07.14	01.07.17
Mr M Capocchi	-	600,000	26.07.12	0.1365	0.6500	01.07.17	01.07.14	01.07.17
Mr J Bee	-	200,000	26.07.12	0.1365	0.6500	01.07.17	01.07.14	01.07.17
Mr C Hung	-	-	-	-	-	-	-	-
Mr D Payne	-	-	-	-	-	-	-	-
Total	-	-						

Terms & conditions for each grant								
2012	Vested No.	Granted No.	Grant date	Value per option at grant date \$	Exercise price \$	Expiry date	First exercise date	Last exercise date
Directors								
Mr A P Bigum	-	-	-	-	-	-	-	-
Mr M Capocchi	-	-	-	-	-	-	-	-
Mr J G McCormack	-	-	-	-	-	-	-	-
Mr J Bee	-	-	-	-	-	-	-	-
Mr D Payne	10,000	10,000	01.02.12	0.1300	0.4500	01.02.17	01.02.12	01.02.17
Total	10,000	10,000						

For further details relating to options, refer to Note 17 of the financial statements.

Options granted during the year were determined after consideration of performance contributions associated with each key management person at the recommendation of the Board of Directors.

(d) Shares issued on exercise of remuneration options

No options were exercised by key management personnel during the financial year ended 30 June 2013 and comparative year ended 30 June 2012.

(e) Voting and comments made at the Company's 2012 Annual General Meeting (AGM)

At the Company's most recent AGM, resolutions to adopt the prior year remuneration report was put to the vote and at least 75% of 'yes' votes were cast for adoption of that report. No comments were made on the remuneration report that were considered at the AGM.

DIRECTORS' REPORT (continued)

NON AUDIT SERVICES

No non audit services were undertaken by the external auditors during the year ended 30 June 2013.

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration is attached and forms part of the Directors' Report.

Signed in accordance with a resolution of the Board of Directors dated 29 August 2013.

A handwritten signature in black ink, appearing to read 'T Moyle', with a large, stylized loop at the end.

Mr Trevor Moyle
Chairman

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of World Reach Limited

In relation to the independent audit for the period ended 30 June 2013, to the best of my knowledge and belief there have been:

- (i) No contraventions of the auditor independence requirements of the Corporations Act 2001; and
- (ii) No contraventions of any applicable code of professional conduct.



D A KNOWLES
Partner
29 August 2013



PITCHER PARTNERS
Melbourne

CORPORATE GOVERNANCE

The Directors of World Reach Limited are committed to protecting and enhancing shareholder value and conducting the company's business ethically and in accordance with the highest standards of corporate governance.

The Directors support and have substantially implemented the Corporate Governance Principles and Recommendations as revised by the Australian Securities Exchange (ASX) Corporate Governance Council in 2007 and 2010.

In line with these recommendations and the requirements of the ASX Listing Rule 4.10.3 and in the spirit of good disclosure we now report on our compliance with each of the Principles and Recommendations.

Principle 1: Companies should establish and disclose the respective roles and responsibilities of the board and management

The Company has adopted a Board Charter which details the functions and responsibilities of the Board of Directors. A copy of the Board Charter is on the Company's website.

The employment contract between the Company and the Chief Executive Officer and the letters of engagement for the Chief Financial Officer and senior executives detail the terms of their employment, job specifications and responsibilities.

The Role of the Board of Directors

The World Reach Board is responsible to its shareholders for the protection and enhancement of long term shareholder value.

To fulfil this role the Board is responsible for:

- setting of objectives, goals and corporate direction;
- adopting and monitoring progress of a strategic plan;
- adopting an annual budget and constant monitoring of financial performance;
- ensuring adequate internal financial, accounting and managerial controls exist and are appropriately monitored for compliance;
- developing, publishing, reviewing, implementing and monitoring corporate governance policy, the committee system, the company's constitution, codes of conduct, corporate management and legislative compliance;

- ensuring significant business risks are identified and appropriately managed;
- ensuring the Company maintains, at all times, the highest standard of business, financial and ethical behaviour;
- selecting and recommending new Directors, including the Managing Director, to shareholders;
- setting compensation arrangements for executive Directors and executive management after receiving recommendations from the Audit Committee;
- occupational health and safety issues and ensuring an appropriate system of management is implemented;
- reporting to shareholders; and
- approving decisions concerning the capital of the company, including capital restructures and significant changes to major financing arrangements.

Functions of Senior Executives

The Chief Executive Officer reports to the Board and is responsible for the operation and administration of the Company including the implementation of the Company's strategies, plans, policies and control programmes. He is supported by a management team whose responsibilities are delineated by formal authority delegations who meet regularly to co-ordinate activities and to review and monitor performance.

Evaluating the Performance of Senior Executives

Arrangements put in place by the Board to monitor the performance of the Group's key executives include:

- regular monthly reporting submitted to the Board and attendance at all Board Meetings by the Chief Executive Officer and Chief Financial Officer;
- a review by the Board of the Group's financial performance and revised forecast results on a monthly and annual basis at Board meetings at which reports are presented by the key executives; and
- an evaluation of the detailed presentations made by the Chief Executive Officer and his direct reports during business planning / strategy meetings which are at least bi-annual.

Principle 2: Companies should have a Board of an effective composition, size and commitment to adequately discharge its responsibilities and duties

Board Processes

The board recognises that its responsibilities should accord with the following general principles:

CORPORATE GOVERNANCE (continued)

- the Board should be made up of a majority of Independent Directors;
- The Board should encourage gender diversity for Directors subject to skill and experience;
- the Chairman of the Board should be an Independent Director;
- the roles of Chairman and Chief Executive Officer should not be exercised by the same person;
- the Board should meet on a monthly basis;
- all available information in connection with items to be discussed at a meeting of the Board shall be provided to each Director prior to that meeting; and
- Directors are entitled to seek independent professional advice.

To assist in the execution of its responsibilities the Board has established an Audit Committee with a formalised charter and operating principles. Activities which may be conducted by separate committees in a larger company such as Directors Nomination, Risk Management and Remuneration are dealt with by the full Board as a separate and specific agenda item in accordance with the principles and policies set down in the Company's corporate governance programme.

Chairman's Appointment and Responsibilities

The Chairman is appointed by the board from the non-executive directors. The Chairman:

- provides appropriate leadership to the board and the Company;
- ensures membership of the board is balanced and appropriate for the Company's needs;
- facilitates board discussions to ensure the core issues facing the organisation are addressed;
- maintains a regular dialogue and mentor relationship with the Chief Executive Officer;
- monitors board performance; and
- guides and promotes the on-going effectiveness and development of the board and individual directors.

Conduct of Board Business

The Board normally holds monthly formal board meetings and will also meet whenever necessary to carry out its responsibilities. In the year ended 30 June 2013, the Board and/or its committees met 17 times.

When conducting Board business, Directors have a duty to question, request information, raise any issue of concern, and fully canvas all aspects of any issue confronting the Company and vote on any resolution according to their own judgment.

Directors keep confidential board discussions, deliberations and decisions that are not publicly known.

Conflicts of Interest

Directors are required to continually monitor and disclose any potential conflicts of interest that may arise. Directors must:

- disclose to the Board any actual or potential conflicts of interest that may exist as soon as the situation arises;
- take necessary and reasonable steps to resolve any conflict of interest within an appropriate period, if required by the Board or deemed appropriate by that director; and
- comply with the Corporations Act requirements about disclosing interests and restrictions on voting.

Directors should discuss with the Chairman any other proposed Board or executive appointments they are considering undertaking and advise the Company of their appointments to other companies as soon as possible after the appointment is made.

The same requirement exists for related party transactions including financial transactions with the Company. Related party transactions are reported in writing to the Company Secretary and where appropriate, raised for consideration at the next board meeting.

Directors Independence

At the date on which the Directors' report is made out, the Company has a 4 member Board consisting of three non-executive Directors. Two of the three non-executive Directors are considered by the Board to be independent of management in terms of the ASX Corporate Governance Council's definition of independent Directors in that they do not have any business interest or other relationship that could materially interfere with the exercise of their judgment and ability to act in the best interests of the Company.

In the interest of clear disclosure:

- Mr Carl Hung, a non-executive Director, is also the President of Season Group. The Company has subcontracted manufacturing on an arms length basis to Season Group.
- Mr John Bee, an independent non-executive Director, holds an interest at the date of this report in 6% of the Company's issued shares through JBB Superannuation Fund of which he is a member and is thereby defined as a substantial shareholder. The Directors consider that the size and type of this holding is not material when considering the ability of Mr Bee to act as an independent Director.
- Mr Trevor Moyle, an independent non-executive Director is the Chairman of the Board.

CORPORATE GOVERNANCE (continued)

The names, qualifications and experience of each Director of the Company are detailed in the Directors Report in the Annual Report.

Appointment of Directors

The Company has not established a nomination committee for recommending the appointment of Directors.

The Board considers that as a 4 member Board of a small Company the selection and appointment of Directors is such an important task that it should be the responsibility of the entire Board to consider the nominations process. The structure of the Board is reviewed annually as to qualifications, skills, experience and diversity to ensure the Board has an appropriate mix. In a 4 member Board the highest requirement is for appropriate skill. Where a vacancy exists or there is a need for particular skills, the Board will determine the selection criteria and identify and appoint a suitable candidate. External advisors may be used in this process. Directors appointed by the Board must stand for re-election at the next meeting of shareholders.

There are no maximum terms set for non-executive director appointments. The Board does not agree with the setting of arbitrary limits on the tenure of non-executive directors. Instead, the tenure of directors is dependent on their ability to meet performance criteria with performance being formally reviewed on an annual basis.

The Company's election of Directors Policy is posted on the Company's website.

Retirement of Directors

One-third of the directors are required to retire by rotation at each Annual General Meeting (AGM). The directors to retire at each AGM are those who have been longest in office since their last election. Where directors have served for equal periods, they may agree amongst themselves or determine by lot who will retire. A director must retire at the third AGM since last elected or re-elected.

A director appointed as an additional or casual director by the Board will hold office until the next AGM when the director may be re-elected. This re-election will be in addition to any rotational retirements.

A Chief Executive Officer, if also a director, is not subject to retirement by rotation and is not to be taken into account in determining the rotation of retirement of directors.

Evaluation of Directors Performance

The Board has adopted a self-evaluation process to measure its own performance and the performance of its Committees.

On an annual basis, the Chairman facilitates a discussion and evaluation of the Board's performance in accordance with this process. This includes discussions about the Board's role, processes, performance and other relevant issues.

Each director's performance is reviewed by the Chairman and Board prior to the director standing for re-election.

If the contribution of a non-executive director appears to a majority of directors to be less than adequate or to be harmful to the good working of the Board, they may request the Chairman to inform that director accordingly and ask that person to consider his or her position on the Board. If the director takes no action in response, a circulated minute signed by a majority of directors will authorise the Company Secretary to inform the shareholders that the Board will not support the re-election of the director at the general meeting where they are next due to offer themselves for re-election.

Access to Information

Directors are encouraged to access members of the senior management team at any time to request relevant information in accordance with protocols adopted by the Board.

Where directors perceive an irregularity in a Company related matter, they are entitled to seek independent advice at the Company's expense.

Directors must ensure that the costs are reasonable and must inform the Chairman before the advice is sought. The advice must be made available to the rest of the Board.

Independent Professional Advice

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.

CORPORATE GOVERNANCE (continued)

Principle 3: Companies should actively promote ethical and responsible decision making

Interest of Stakeholders

The Company's objective is to maintain and further develop its business to increase shareholder value while also adding value for customers, employees and other stakeholders. To ensure this occurs, the Group conducts its business within the Code of Ethics, documented and outlined in the code of conduct section of this statement, and the Group's core values which are to:

- act with integrity and fairness;
- create a safe, challenging and fun workplace;
- encourage a corporate culture which embraces diversity;
- recognise the needs of the community;
- protect the environment;
- commercially competitive;
- foster a performance driven culture; and
- encourage innovation and technical leadership.

Code of Conduct

As part of the Board's commitment to the highest standard of personal and corporate behaviour, the company adopts a code of conduct to guide executives, management and employees in carrying out their duties and responsibilities. The code of conduct covers such matters as:

- Responsibilities to shareholders;
- Compliance with laws and regulations;
- Relations with customers and suppliers;
- Ethical responsibilities including responsibility for reporting and investigating unethical practices;
- Employment practices including a fair and open approach to all forms of diversity; and
- Responsibilities to the environment and the community.

Diversity

The Board at this time has not established an explicit policy on diversity or measureable objectives for achieving gender diversity. Because of the size of the Company (staff of 27 at the date of this report) the Board feels that it is not appropriate to have objectives on diversity that stand alone. Rather, the Board recognising the positive benefits for the organisation of increased diversity, especially gender, has sought to integrate diversity objectives within the existing policies and procedures of the Company.

Since the inception of the Company the Board has taken measures to establish a corporate culture in which the principles of diversity are embedded. By promoting and supporting transparent recruiting processes, flexible work practices, an enlightened code of conduct, equal employment opportunity policies and clear reporting of outcomes, the Board feels that the objectives of diversity will be achieved. The results of recruiting and the composition of staff are reported by the Chief Executive Officer and reviewed at monthly Board meetings.

At the date of this report the Company has a total staffing level of 27 employees of which 22% (6 employees) are women. The senior executive team is made up of 6 managers including one female. At this time there are no women on the Board which comprises 4 members.

Share Trading Policy

The Company's Director and Employee Share Trading Policy aims to:

- protect stakeholders' interests at all times;
- ensure that directors and employees do not use any information they possess for their personal advantage, or to their clients' or the Company's detriment; and
- ensure that directors and employees comply with insider trading legislation of the various jurisdictions in which transactions may take place.

Purchase or Sale of Company's shares and/or options over such shares by Directors, Executives and Staff of the Company should only occur in circumstances where the market is considered to be fully informed of the Company's activities. This policy requires that the relevant person notify the Company Secretary of their intention to trade in the Company's shares and/or options over such shares prior to the transaction and that the Company Secretary be required to discuss the proposed trading intentions with the Chairman. The Board recognises that it is the individual responsibility of each Director to carry this policy through.

Breaches of this policy may lead to disciplinary action being taken, including dismissal in serious cases.

The Company's Employee Share Trading Policy is available on the Company's website.

CORPORATE GOVERNANCE (continued)

Principle 4: Companies should have a structure to independently verify and safeguard the integrity of their financial reporting

Audit Committee

The Board has established an Audit Committee to consider certain issues and functions in further detail. The chairman of the Audit Committee reports on any matters of substance at the next full board meeting.

The Audit Committee has its own terms of reference, approved by the Board and reviewed annually, with additional review when appropriate.

The members of the Committee at the date of this report are:

- Mr T Moyle (Chairman)
- Mr J Bee

Details of the qualifications, experience and attendance at Committee Meetings by each Committee Member is including in the Directors Report.

The ASX Corporate Governance Council has made recommendations for the composition of the Audit Committee:

- the Committee should consist only of non-executive Directors;
- it should have a majority of Independent Directors;
- it should be chaired by an independent Director who is not Chairman of the Board;
- the Committee should have at least 3 members.

While recognising these recommendations, the Board is restricted by having only four Board members. The Board has appointed two Independent Directors to make up the Committee. The Board considers these two to be independent of management in terms of the ASX Corporate Governance Council's definition of independent Directors in that they do not have any business interest or other relationship that could materially interfere with the exercise of their judgment and ability to act in the best interests of the Company. The most financially qualified of the two Directors, Mr T Moyle, who is Chairman of the Board, has been appointed Chairman of the Committee. The Board considers that such a two member Committee can properly and efficiently discharge its responsibilities given the small size of the Company.

The Committee assists the Board to discharge its corporate governance responsibilities, in regard to the business' relationship with, and the independence of, the external auditors. It especially:

- recommends appointment of external auditors and fees;

- ensures reliability and integrity of disclosure in the financial statements and external related financial communications, although ultimate responsibility rests with the full Board;
- reviews compliance with statutory responsibilities;
- reviews budgets and accounting policy;
- ensures maintenance of an effective framework of business risk management including compliance and internal controls and monitoring of the internal audit function;
- reviews adequacy of the Company's insurance programme, including directors' and officers' professional indemnity and other liability insurance cover;
- undertakes any special investigations required by the Board.

The Committee provides a forum for the effective communication between the Board and external auditors. The Committee reviews:

- The annual and half-year financial report prior to their approval by the Board;
- The effectiveness of management information systems and systems of internal control; and
- The efficiency and effectiveness of external audit functions, including reviewing the respective audit plans.

The Committee invites the CEO, the CFO, the Company's fourth Director and the external auditors to attend Committee meetings where appropriate. The Committee also meets with and receives regular reports from the external auditors concerning any matters which arise in connection with the performance of their respective roles, including the adequacy of internal controls.

The Company's Audit Committee met twice during the course of the financial year ended 30 June 2013.

The Company's Audit Committee has a formal charter setting out the Committee's role and responsibilities. The charter is posted on the Company's website.

CORPORATE GOVERNANCE (continued)

Auditor independence

Best practice in financial and audit governance is evolving rapidly and the independence of the external auditor is particularly important to shareholders and the Board. To ensure that the Company's practices are up to date, the Board has adopted a Charter of Audit Independence that is reviewed regularly to keep it in line with emerging practices domestically and internationally.

The key points covered by the Charter include:

- rotation of the senior audit partner every five years;
- annual confirmation by the auditor that it has satisfied all professional regulations relating to auditor independence;
- half yearly reporting on the levels of audit and non-audit fees; and
- specific exclusion of the audit firm from work which may give rise to a conflict.

Principle 5: Companies should promote timely and balanced disclosure of all material matters concerning the company

Communication with Shareholders

The Company is committed to increasing the transparency and quality of its communication and to be regarded by our shareholders as an outstanding corporate citizen. Our approach to communication with shareholders and financial markets is set out in the Company's Shareholder Communication Strategy document.

Information is communicated to shareholders through the distribution of the Annual Report and other communications as required. All significant information is posted on the Company's website as soon as it is disclosed to the ASX. All investors will have equal and timely access to information on the Company's financial position, performance, ownership and governance.

The guiding principle of the policy is that the Company must immediately notify the market via an announcement to the ASX of any information concerning the company that a reasonable person would expect to have a 'material' effect on the price or value of the company's securities.

The Board must ensure that company announcements:

- are made in a timely manner;
- are factual;
- do not omit material information;
- are expressed in a clear and objective manner that allows investors to assess the impact of the information when making investment decisions.

The Company's Policy in regard to materiality disclosure and continuous disclosure is available on the Company's website.

Principle 6: Companies should respect the rights of shareholders and facilitate the exercise of those rights

The Company ensures that shareholders are informed of all major developments affecting the Group immediately by ASX announcements and commentary on operations in quarterly reports.

All ASX announcements and quarterly reports are posted on the ASX website for the Company and on the Company's website.

All shareholders receive copies of the shareholders notices by email or post and a copy of the annual report is distributed to all shareholders who elect to receive it (hardcopy in the mail or by electronic means) and is available on the Company's website.

Meetings

All shareholders are encouraged to attend and participate in shareholder meetings. All directors, senior managers, Auditors and the Company Secretary attend these meetings and respond to shareholder questions in relation to specific agenda items and general business. The Annual General Meeting features an extensive presentation by the CEO which is also released as an ASX announcement for shareholders who cannot attend the meeting.

Website

The Company has established a corporate website and is continuously upgrading the appearance and content of the website so that investors and others can be fully informed with the latest information on the Group's activities, press releases and ASX announcements.

The Company's shareholder communication strategy is posted on the Company's website.

Principle 7: Companies should establish a sound system of risk oversight and management and internal control

Risk Management

Due to the importance of this function, the Board is responsible for ensuring appropriate measures are in place in order to manage risk in line with the Company's risk strategy. An external consultant has assisted the Board in this process.

CORPORATE GOVERNANCE (continued)

The Audit Committee assists the Board in fulfilling its responsibilities in this regard by reviewing the financial and reporting aspects of the Group's risk management and control framework.

The Company has implemented a risk management program that enables the business to identify and assess risks, respond appropriately and monitor risks and controls.

The Company is exposed to risk from operations (employee health and safety, environmental, insurance, litigation, disaster, business continuity etc), compliance issues and financial risks (interest rate, foreign currency, credit and liquidity). To mitigate these risks, the Company has established risk and assurance policies and procedures, which aim to:

- assist management to discharge its corporate and legal responsibilities; and
- assure management and the Board that the framework is effective.

Responsibility for control and risk management is delegated to the appropriate levels of management within the Group with the Managing Director having ultimate responsibility to the Board for risk management and control.

Areas of significant business risk to the Group are detailed in the Business Plan presented to the Board by the Managing Director at the start of each year.

The Board reviews and approves the parameters under which significant business risks will be managed before adopting the Business Plan.

Risk parameters and compliance information are reported monthly to the Board by the Managing Director and CFO.

The Board has required management to implement internal control systems to manage the Company's material business risks and to report to it on whether risks are being effectively managed.

Arrangements put in place by the Board to monitor risk management include:

- review of risk areas at monthly Board meetings;
- regular monthly reporting to the Board in respect of operations, the financial position of the group and new contracts;
- reports by the chairman of the Audit Committee;
- attendance and reports by the Managing Director, CFO and the Group's management team at Board meetings;
- any director may request that operational and project audits be undertaken either internally or by external consultants.

The Board has adopted reporting procedures which allow it:

- to monitor the Group's compliance with the continuous disclosure requirements of the ASX; and
- to assess the effectiveness of its risk management and control framework.

The Company's Risk Management Policy is posted on the Company's website.

Financial Reporting

The Board receives regular reports about the financial condition and operational results of the Company and its controlled entities. The Managing Director and CFO periodically provide formal statements to the Board that in all material aspects the company's financial statements present a true and fair view of the Company's financial condition and operational results.

The Managing Director and the CFO provide formal statements to the Board in accordance with section 295A of the Corporations Act 2001 at each reporting date that, with regard to risk management and internal compliance and control systems;

- i. the statements made with respect to the integrity of financial statements and notes thereto is founded on a sound system of risk management and internal control systems which, in all material respects, implement the policies adopted by the Board of Directors;
- ii. the risk management and internal control systems are operating effectively and efficiently in all material respects in relation to financial reporting risks.

Principle 8: Listed entities should ensure that the level and composition of remuneration is sufficient and reasonable and that its relationship to performance is clear

Remuneration

The Board considers that, due to its small size, all members of the Board should be involved in determining remuneration levels. Accordingly it has not established a separate remuneration committee. Instead time is set aside at two Board meetings each year specifically to address the matters usually considered by a remuneration committee. Executive Directors absent themselves during discussion of their remuneration.

At these two meetings the Board reviews the following:

- the Company's remuneration, recruitment, retention and termination policies and procedures for senior executives

CORPORATE GOVERNANCE (continued)

- senior executives remuneration and incentives
- superannuation arrangements
- remuneration framework for Directors
- remuneration by gender.

The remuneration of Non-executive Directors is determined by the Board having regard to the level of fees paid to non-executive directors by other companies of similar size and stature.

The aggregate amount payable to the Company's Non-executive Directors must not exceed the maximum annual amount approved by the Company's shareholders, currently \$500,000 as determined at the General Meeting held on 3 August 2007.

The Company is committed to remunerating its Executive Directors and senior executives in a manner that motivates senior executives to pursue the long-term growth and success of the Company and is consistent with best practice. The Company aims to align the interests of Executive Directors and senior executives with those of shareholders through short-term and long-term incentive plans which demonstrate a clear relationship between performance and remuneration.

Consequently, Executive Directors and senior executives' remuneration consists of the following elements:

- fixed salary;
- short-term incentive bonus based on performance;
- long-term incentive share/option scheme; and
- other benefits including superannuation.

Fixed Salary

The salary of Executive Directors and senior executives is determined from a review of the market and reflects core performance requirements and expectations. In addition, the Company considers the following:

- the scope of the individual's role;
- the individual's level of skill and experience;
- the Company's legal and industrial obligations;
- labour market conditions; and
- the size and complexity of the Company's business.

Performance Bonus

The purpose of the performance bonus is to reward actual achievement by the individual of performance objectives and for materially improved company performance. Consequently, performance-based remuneration is paid where a clear contribution to successful outcomes for the company is demonstrated and the individual attains and excels against pre-agreed key performance indicators during a performance cycle.

Long-Term Incentives

The Company has a share option scheme in which senior executives may participate. The Share Option Incentive Plan was approved by shareholders on 25 November 2011 and authorises the Directors to issue options up to 10% of the shares issued by the Company. The number of shares and options issued under the scheme is reasonable in relation to the existing capitalisation of the Company and all payments under the scheme are made in accordance with thresholds set in plans approved by shareholders. Any issue of Options to Executive and Non Executive Directors must be approved by Shareholders.

Other Benefits

Senior executives are entitled to statutory superannuation and other bonus payments subject to the discretion of the Board.

Termination Payments

Senior executives may be entitled to a payment upon termination of employment from the Company. Where so entitled, the termination payment has been agreed in the senior executive's contract of employment and it is not payable where termination of employment is for misconduct.

The Company's Remuneration Policy is available on the Company's website.

Website Information

The Company has established a website at www.worldreach.com.au. Information lodged on this website in a specific corporate governance section includes:

- Board Charter
- Audit Committee Charter
- Risk Management Policy
- Materiality Disclosure Policy
- Remuneration Policy
- Election of Directors Policy
- Whistle Blower Policy
- Share Trading Policy
- CEO and CFO Declarations
- Continuous Disclosure Policy
- Shareholder Communication
- Code of Conduct
- Audit Independence Charter

The ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations can be viewed on the ASX website: www.asx.com.au.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2013**

		Year ended	
		30 June 2013	30 June 2012
	Note	\$	\$
Revenue	2(a)	14,073,087	12,990,312
Changes in inventories of raw materials, finished goods and work in progress		(1,241,624)	1,356,388
Raw materials, consumables and other costs of sale	2(b)	(8,362,596)	(9,292,602)
Employee benefits expense		(1,993,141)	(2,291,394)
Depreciation expense	7(a)	(79,045)	(94,086)
Amortisation expense	8(a)	(971,861)	(811,664)
Finance costs expense	2(c)	(422,210)	(354,352)
Auditor remuneration expense	18	(100,004)	(97,296)
Accounting, share registry and secretarial expense		(84,475)	(94,397)
Consultancy and contractor expense		(331,413)	(191,963)
Legal, insurance and patent expense		(147,122)	(129,175)
Other expenses	2(d)	(940,169)	(1,238,950)
Loss before income tax		(600,573)	(249,179)
Income tax expense / (benefit)	3(a)	-	-
Loss for the year		(600,573)	(249,179)
Other comprehensive income		-	-
Total loss and other comprehensive income for the year		<u>(600,573)</u>	<u>(249,179)</u>
Loss and total comprehensive income are both fully attributable to owners of the Company			
Basic earnings per share (cents)	20	(5.13)	(2.17)
Diluted earnings per share (cents)	20	(5.13)	(2.17)

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

WORLD REACH LIMITED AND CONTROLLED ENTITIES
ABN 39 010 568 804

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013

		30 June 2013	30 June 2012
	Note	\$	\$
Current assets			
Cash and cash equivalents	4	1,322,921	712,884
Inventories	5	2,400,803	3,642,427
Trade and other receivables	6	2,136,915	1,634,175
Total current assets		5,860,639	5,989,486
Non-current assets			
Plant and equipment	7	156,381	217,602
Intangible assets	8	1,702,883	1,709,140
Total non-current assets		1,859,264	1,926,742
Total assets		7,719,903	7,916,228
Current liabilities			
Trade and other payables	9	3,086,122	2,771,308
Other financial liabilities	10	1,403,647	1,738,801
Short-term provisions	11	367,092	361,161
Total current liabilities		4,856,861	4,871,270
Non-current liabilities			
Other financial liabilities	10	3,390,482	3,070,442
Long-term provisions	11	34,719	27,018
Total non-current liabilities		3,425,201	3,097,460
Total liabilities		8,282,062	7,968,730
Net assets / (deficiency of net assets)		(562,159)	(52,502)
Equity			
Issued capital	12	1,377,091	1,327,091
Reserves		108,852	308,636
Accumulated losses		(2,048,102)	(1,688,229)
Total equity		(562,159)	(52,502)

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

WORLD REACH LIMITED AND CONTROLLED ENTITIES
ABN 39 010 568 804

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013

	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2011	19,869,935	358,666	(21,213,985)	(985,384)
Total loss and comprehensive income for the year	-	-	(249,179)	(249,179)
Transactions with owners in their capacity as owners and other transfers:				
- Remuneration based option payments	-	9,970	-	9,970
- Adjustment for employee share options lapsed	-	(60,000)	60,000	-
- Contributions of equity, net of transaction costs	1,172,091	-	-	1,172,091
- Capital reduction for discontinued businesses	(19,714,935)	-	19,714,935	-
Balance at 30 June 2012	1,327,091	308,636	(1,688,229)	(52,502)
Balance at 1 July 2012	1,327,091	308,636	(1,688,229)	(52,502)
Total loss and comprehensive income for the year	-	-	(600,573)	(600,573)
Transactions with owners in their capacity as owners and other transfers:				-
- Remuneration based option payments	-	40,917	-	40,917
- Adjustment for employee share options lapsed	-	(240,700)	240,700	-
- Contributions of equity, net of transaction costs	50,000	-	-	50,000
Balance at 30 June 2013	1,377,091	108,852	(2,048,102)	(562,159)

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2013

	Note	Year ended	
		30 June 2013	30 June 2012
		\$	\$
Cash flow from operating activities			
Receipts from customers		14,669,070	13,876,591
Payments to suppliers and employees		(12,788,886)	(13,746,107)
Interest received		19,234	32,610
Interest and finance charges paid		(367,573)	(354,352)
Export market development grant receipts		158,752	126,400
Net cash provided by / (used in) operating activities	15(a)	1,690,596	(64,858)
Cash flow from investing activities			
Purchases of plant and equipment	7(a)	(17,824)	(21,643)
Development costs capitalised	8(a)	(965,604)	(632,925)
Net cash used in investing activities		(983,428)	(654,568)
Cash flow from financing activities			
Proceeds - convertible notes		650,000	625,000
Net loan payments		(704,854)	(797,611)
Proceeds on share purchase plan / share placement		50,000	697,091
Net cash provided by / (used in) financing activities		(4,855)	524,480
Net increase / (decrease) in cash and cash equivalents		702,313	(194,947)
Cash and cash equivalents at beginning of year		(254,508)	(59,561)
Cash and cash equivalents at end of financial year	15(b)	447,805	(254,508)

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1. Summary of significant accounting policies

(i) Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report covers the consolidated group of World Reach Limited and controlled entities. World Reach Limited is a for-profit listed public company, incorporated and domiciled in Australia.

The financial report of World Reach Limited and controlled entities also complies with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The financial report was authorised for issue by the directors as at the date of the directors' report.

Reporting Basis and Conventions

Other than cash flow information, the financial report has been prepared on an accruals basis and is based on historical costs modified where applicable by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

(ii) Going concern

The Financial Report has been prepared on a going concern basis which assumes that the Group will be able to generate sufficient positive cash flows to meet its financial obligations, realise its assets and extinguish its liabilities in the normal course of business.

The trading results for the year ended 30 June 2013 and the financial position of the Group at that date are summarised as follows:

	30 June 2013	30 June 2012
	\$	\$
Revenue	14,073,087	12,990,312
EBITDA	872,543	1,010,923
Loss for the year	(600,573)	(249,179)
Cash generated / (used in) operating activities	1,690,596	(64,858)
Net assets / (deficiency)	(562,159)	(52,502)
Net current assets	1,003,778	1,118,216

The adoption of the going concern basis for the preparation of the Financial Report has been made after consideration of the following matters:

- The Group is forecasting growth in its trading operations for the 30 June 2014 financial year with an improvement in sales and profitability and achievement of positive operating cash flows. The forecasts are based on the continuance of existing global economic conditions and an average AUD-USD exchange rate of parity. An average rate below parity will enhance the profit and cash position when stated in AUD. The trading forecasts include sales of existing products at levels achieved in the past year and significant additional sales from:
 - A new product being developed for sale to Iridium Communications Inc. which is due to be released in December quarter 2013 and has a contracted minimum level of sales for the first twelve months of US\$3M.
 - The emerging performances of SatPhone Shop and Short Burst Data airtime services sold in Australia expected to continue and contribute in excess of \$1.8M to FY14 revenue.
 - New markets, especially through the launch of Inmarsat services and products into Japan through NTT DoCoMo and JSat Mobile.
- The Group recognises that any material variation in global economic conditions, exchange rates or the level of acceptance of the new Iridium product will affect revenues and have a consequential effect on profit and cash flow.
- The Group is currently progressing discussions with a potential investor with the view to securing a capital injection within the next six months to strengthen the company's balance sheet as well as providing additional working capital to support planned growth of business activities. The Group has engaged the services of a specialist corporate adviser to assist in this process.
- The Group is three years into a loan arrangement with Inmarsat PLC under which Inmarsat lent the Group USD3.18M to develop the initial "ISatDock" suite of products. The balance at 30 June 2013 was \$1,365,842 (USD1,266,818). During the current year the company repaid a further \$632,779 (excluding realised and unrealised exchange differences) including a payment with stock in lieu of cash as allowed in the loan agreement, of \$211,172. The estimated amount to be repaid dependent upon sales in the 12 months from 30 June 2013 is \$504,563. Loan repayments are based on percentages of sales to ensure that cash generated from sales of relevant products is sufficient to cover repayments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1. Summary of significant accounting policies (continued)

(ii) Going concern (continued)

- The Group has current banking arrangements which provide for overdraft facilities of \$1,000,000 and guarantee facilities of \$150,000. Continuation of these arrangements is subject to the Group satisfying specific covenants. The Group did not meet some of the covenants which require actual performance to be within 20% of forecast KPIs in each quarter of the 30 June 2013 financial year. After the December 2012, March 2013 and June 2013 quarters the bank advised the Group that it would not waive or give up its rights however it would not be taking action at this time. On 23 August 2013, the bank confirmed banking facilities as continuing. The Group and the bank are currently renegotiating the structure of the \$1,000,000 facility into part USD overdraft, part AUD overdraft and part term loan which will suit the Group's positive cash flow and reduce interest costs. The Group expects to satisfy future covenants ensuring continuance of on-going banking facilities.
- There are secured convertible notes with a face value of \$1,750,000 at 30 June 2013 of which \$75,000 matured and were repaid in July 2013. The remaining notes do not mature until July 2015 or later.
- Part of the Group's non-current liabilities is an unsecured loan from a shareholder of \$300,000 which has a maturity date of 1 July 2015.

Whilst achievement of positive cash flows, continuation of similar current banking facilities and the continuing support of creditors and financiers are expected, future events by their nature are uncertain and may cast doubt about the Group's ability to continue as a going concern.

(iii) Accounting policies

The following is a summary of the material accounting policies adopted by the consolidated group in the preparation of the financial report. The accounting policies have been consistently applied to all years presented, unless otherwise stated. When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(a) Principles of consolidation

The consolidated accounts comprise the accounts of the company and all entities controlled by the company. A controlled entity is any entity over which World Reach Limited has the power to control the financial and operating policies so as to obtain benefits from its activities. A list of controlled entities is contained in Note 23 to the financial statements. All controlled entities have a 30 June financial year-end.

All inter-company balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those policies applied by the parent entity.

(b) Income tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by balance date.

Deferred tax is accounted for using the liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the statement of profit or loss and other comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised. Due to the consolidated group's continued tax losses, the consolidated group has not recognised deferred tax assets as at 30 June 2013. Refer Note 3(c). At each reporting date, the consolidated group re-assesses unrecognised deferred tax assets as to the extent that it has become probable that future tax profit will enable recognition.

World Reach Limited and its wholly owned Australian subsidiaries have formed a tax consolidated group under the tax consolidation regime. Each entity in the group recognises its own tax expense and deferred tax. The current tax liability of each group entity and deferred tax assets arising from tax losses are immediately assumed by the parent entity.

(c) Plant & equipment

Plant and equipment is carried at cost less any accumulated depreciation and impairment losses, where applicable.

The carrying amount of plant and equipment is reviewed at each reporting date by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1. Summary of significant accounting policies (continued)

(iii) Accounting policies (continued)

(c) Plant & equipment (continued)

Repairs and maintenance to plant and equipment is charged to the statement of profit or loss and other comprehensive income during the financial period in which it is incurred.

The depreciable amount of plant and equipment is depreciated on a straight line basis over their useful lives to the consolidated group commencing from the time the asset is held ready for use.

The straight line depreciation rates for plant and equipment were as follows for both 2012 and 2013.

Office furniture and equipment	10%
Computer and test equipment	33%
Rental equipment	20% - 33%

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

(d) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials and direct labour.

(e) Product development

Development costs are capitalised only when it is probable that the expected future economic benefits would flow to the company and can be measured reliably. Development costs have a finite life and are amortised on a systematic basis matched to future production. Expenditure during the research phase of a project is recognised as an expense when incurred.

The amortisation rate for capitalised development costs was 33% for 2013.

(f) Employee benefits

Leave entitlements

Provision is made for the company's liability for employee leave entitlements arising from services rendered by employees to balance date. Entitlements that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Sales incentives provisions

Provision is made for the company's liability under the Sales Incentive Scheme. The scheme applies to certain managers whose performance is sales related and who have a sales incentive included in their employment contract.

Superannuation

Contributions made by the company to employee superannuation funds are charged to the statement of profit or loss and other comprehensive income as expenses when incurred.

Equity - settled compensation

Share and option based employee compensation benefits are provided in accordance with the World Reach Limited Share Option Incentive Plan.

The fair value of options granted under this plan are recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised pro rata over the period during which the employees become entitled to the options. The fair value at grant date is independently determined using the Black-Scholes option pricing model. Further information relating to equity settled compensation is provided in Notes 16 and 17 to these financial statements.

(g) Financial instruments

Financial instruments in the form of trade receivables, trade payables and other financial assets and liabilities are initially measured at transaction cost on trade date when the related contractual rights or obligations arise. Realised and unrealised gains or losses arising from changes in the fair value of these assets or liabilities are included in the statement of profit or loss and other comprehensive income in the period in which they arise. At each reporting date, the group assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the statement of profit or loss and other comprehensive income. Refer Note 13 for a detailed review of the group's financial instruments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1. Summary of significant accounting policies (continued)

(iii) Accounting policies (continued)

(h) Impairment of assets

At each reporting date, the group reviews the carrying values of its tangible assets to determine whether there is an indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(i) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(j) Revenue recognition

Revenue from the sale of goods and services is recognised upon delivery of goods or performance of services to customers.

Interest revenue and rental income is recognised when it becomes receivable. Other revenue is recognised when the right to receive the revenue has been established.

(k) Foreign currency transactions and balances

Functional and presentation currency

The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency. The functional currency of each of the group's entities is measured using the currency of the primary economic environment in which that entity operates.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss and other comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge.

(l) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(m) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the asset or expense cost. Receivables and Payables are shown in the statement of financial position as inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities which are disclosed as operating cash flows.

(n) Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Accounting estimates and judgements made in relation to the recognition of deferred tax assets are indicated in Note 3(c).

(o) New accounting standards and interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Directors have not yet assessed the impact of these standards or interpretations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

	Year ended	
	30 June 2013	30 June 2012
	\$	\$
2 Loss before income tax		
(a) Revenue from continuing operations		
<i>Sales revenue</i>		
- Equipment sales	13,826,274	12,721,886
- Equipment hire	10,118	78,452
- Other	52,092	30,964
	<u>13,888,484</u>	<u>12,831,302</u>
<i>Other income</i>		
- Interest	19,234	32,610
- Other realised and unrealised foreign currency net gain	6,617	-
- Export market development grant	158,752	126,400
	<u>184,603</u>	<u>159,010</u>
	<u>14,073,087</u>	<u>12,990,312</u>
(b) Cost of sales		
Opening inventories	3,642,427	2,286,039
Add: Purchases and other stock adjustments	<u>8,362,596</u>	<u>9,292,602</u>
	12,005,023	11,578,641
Closing inventories (Note 5)	<u>(2,400,803)</u>	<u>(3,642,427)</u>
	<u>9,604,220</u>	<u>7,936,214</u>
(c) Finance costs expense		
Interest expense on financial liabilities	<u>422,210</u>	<u>354,352</u>
(d) Other expenses include:		
- Unrealised foreign currency exchange loss on foreign currency secured advances	132,038	145,314
- Other realised and unrealised foreign currency exchange net loss	-	42,823
- Product development costs expensed	205,948	249,966
- Operating lease payments	195,063	129,088
3 Income tax		
(a) The components of tax expense / (benefit) comprise		
Current tax		
- Current tax expense (refer 3b below)	-	-
- Current movement in deferred tax assets	210,070	(238,906)
- Deferred tax assets not brought to account	-	-
- Utilisation of deferred tax amount from prior year tax losses not taken up	(210,070)	238,906
Income tax expense / (benefit) t'ferred to statement of profit or loss and other comprehensive income	<u>-</u>	<u>-</u>
(b) The prima facie tax benefit on loss from ordinary activities: before income tax is reconciled to the current income tax benefit as follows:		
Loss from ordinary activities	<u>(600,573)</u>	<u>(249,179)</u>
Prima facie income tax benefit on loss from ordinary activities at 30% (2012: 30%)	<u>(180,172)</u>	<u>(74,754)</u>
Add / (Less):		
Tax effect of:		
- Temporary difference deferred tax assets not taken up	100,561	313,660
- Tax loss deferred tax asset not taken up	79,611	-
- Utilisation of deferred tax amount from prior year tax losses not taken up	-	(238,906)
Income tax expense attributable to the Consolidated Group	<u>-</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

3 Income tax (continued)

- (c) Deferred tax assets of \$5,282,881 (2012: \$5,161,097) have not been recognised at 30 June 2013. This consists of amounts relating to carried forward losses of \$5,585,754 (2012: \$5,506,143) and temporary differences of \$302,873 (2012: \$345,046).

In the directors opinion there are reasonable grounds to expect sufficient future profitability so as to realise the value of deferred tax assets. However due to previous trading performances and the amount of the accumulated losses for tax purposes, it is considered conservative and prudent not to recognise deferred tax assets at this time.

The amount of deferred tax assets which may be realised in the future is dependent on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Consolidated Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

- (d) There are no franking credits available to equity holders

4 Cash and cash equivalents

	Year ended	
	30 June 2013	30 June 2012
	\$	\$
Cash at bank and in hand	1,322,921	712,884

5 Inventories

At cost:		
Raw materials	1,212,302	1,529,228
Work In Progress	70,322	56,606
Finished Goods	1,118,179	2,056,593
	<u>2,400,803</u>	<u>3,642,427</u>

6 Trade and other receivables

(a) Current

Trade receivables	1,931,975	1,490,884
Other receivables and prepayments	122,944	67,666
Rental security deposit	81,996	75,625
	<u>2,136,915</u>	<u>1,634,175</u>

(b) Ageing reconciliation

	Gross amount	Within trade terms	Past due but not impaired (days overdue)			Past due & impaired
			31 - 60	61 - 90	90+	
2013						
<u>Current</u>						
Trade receivables	1,931,975	1,007,220	686,040	54,858	183,857	-
Other receivables	122,944	122,944	-	-	-	-
Rental security deposit	81,996	81,996	-	-	-	-
	<u>2,136,915</u>	<u>1,212,160</u>	<u>686,040</u>	<u>54,858</u>	<u>183,857</u>	<u>-</u>
2012						
<u>Current</u>						
Trade receivables	1,490,884	1,028,927	390,510	38,147	33,300	-
Other receivables	67,666	67,666	-	-	-	-
Rental security deposit	75,625	75,625	-	-	-	-
	<u>1,634,175</u>	<u>1,172,218</u>	<u>390,510</u>	<u>38,147</u>	<u>33,300</u>	<u>-</u>

All trade receivables past due terms but not impaired are expected to be received in the normal course of business. In the 2013 past due total for 90+ days there is an amount of \$166,841 which is applicable to a single debtor who has been granted special extended payment terms.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

	Year ended	
	30 June 2013	30 June 2012
	\$	\$
7 Plant and equipment		
Office furniture and equipment - at cost	395,011	383,583
Less: Accumulated depreciation and impairment	(262,176)	(202,038)
	<u>132,835</u>	<u>181,545</u>
Computer and test equipment - at cost	201,652	213,765
Less: Accumulated depreciation and impairment	(186,528)	(188,501)
	<u>15,124</u>	<u>25,264</u>
Rental equipment - at cost	216,212	216,212
Less: Accumulated depreciation and impairment	(207,790)	(205,419)
	<u>8,422</u>	<u>10,793</u>
Total plant and equipment	<u>156,381</u>	<u>217,602</u>

(a) Movements in carrying amounts

Movements in the carrying amounts of each class of plant and equipment between the beginning and the end of the current financial year

	Office Furniture & Equipment	Computer & Test Equipment	Rental Equipment	Total
Balance at 1 July 2011	239,513	28,063	27,409	294,985
Additions	2,485	19,158	-	21,643
Disposals	-	-	-	-
Depreciation expense	(60,086)	(17,384)	(16,616)	(94,086)
Depreciation capitalised in Development Costs	(367)	(4,573)	-	(4,940)
Balance at 30 June 2012	<u>181,545</u>	<u>25,264</u>	<u>10,793</u>	<u>217,602</u>
Additions	11,428	6,396	-	17,824
Disposals	-	-	-	-
Depreciation expense	(60,138)	(16,536)	(2,371)	(79,045)
Balance at 30 June 2013	<u>132,835</u>	<u>15,124</u>	<u>8,422</u>	<u>156,381</u>

	Year ended	
	30 June 2013	30 June 2012
	\$	\$
8 Intangible assets		
Development costs capitalised - at cost	3,874,324	2,908,720
Accumulated amortisation and impairment	(2,171,441)	(1,199,580)
	<u>1,702,883</u>	<u>1,709,140</u>

(a) Movements in carrying amounts

Balance at the beginning of the year	1,709,140	1,887,879
Additional costs capitalised	965,604	632,925
Amortisation expense	(971,861)	(811,664)
Balance at the end of the year	<u>1,702,883</u>	<u>1,709,140</u>

9 Trade and other payables

Current

Trade payables and accruals	3,063,615	2,716,328
Deferred income	22,507	54,980
	<u>3,086,122</u>	<u>2,771,308</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

	Year ended	
	30 June 2013	30 June 2012
	\$	\$
10 Other financial liabilities		
Current		
Bank overdraft - secured	875,116	967,393
Secured advances under contract	450,360	696,161
Unsecured other loans	3,171	75,247
Secured convertible notes	75,000	-
	<u>1,403,647</u>	<u>1,738,801</u>
Non Current		
Secured convertible notes	1,675,000	1,100,000
Secured advances under contract	915,482	1,170,442
Unsecured convertible notes	500,000	500,000
Unsecured other loans	300,000	300,000
	<u>3,390,482</u>	<u>3,070,442</u>

Bank Facilities

All bank facilities are secured by first ranking Registered Mortgage Debenture over the Consolidated Group's assets including uncalled capital and called but unpaid capital.

Secured advances under contract

At balance date the Company had secured advances under a contract with Inmarsat PLC to develop and manufacture products compatible with the Inmarsat hand held satellite phone. Advances are secured by a charge over the Intellectual Property developed under the agreement, are non-interest bearing and are repaid as a percentage of product sale proceeds. During the current year the Company repaid \$632,799 excluding realised and unrealised exchange differences.

Secured convertible notes

At 30 June 2013 secured convertible notes with a face value of \$1,750,000 were outstanding on the following terms:

		Face Value	Maturity	Conv. Price
- Secured convertible notes - New issue	(a)	\$650,000	Jan 2016	\$0.25
- Secured convertible notes - Notes with maturity date extension	(b)	\$1,025,000	Jul 2015	\$0.20
- Secured convertible notes - Notes without maturity date extension		\$75,000	Jul 2013	\$0.20
- Interest rate		8%		
- Potential ordinary shares on conversion		8,100,000		

Secured by a second ranking fixed and floating charge over all the assets of the parent company.

- (a) On 6 February 2013 secured convertible notes were issued to the value of \$650,000 at a conversion price of \$0.25 per share. Under the terms of the Convertible Note Subscription Agreement, the conversion and issue of options are subject to shareholder approval, which will be sought at the upcoming AGM.
- (b) During August 2012 the company negotiated the extension of the maturity date with noteholders holding notes with a total face value of \$1,025,000 to July 2015. Note holders were issued with 435,000 options to subscribe for shares in the Company at various exercise prices.

Unsecured convertible notes

At 30 June 2013 unsecured convertible notes with a face value of \$500,000 were outstanding on the following terms:

	Face Value	Maturity	Conv. Price
- Unsecured convertible notes	\$500,000	July 2015	\$0.20
- Interest rate	8%		
- Potential ordinary shares on conversion	2,500,000		

Note holders were issued with 178,572 options to subscribe for shares in the Company at a price of \$0.70 per share.

On 6 February 2013 the company issued secured convertible notes to the value of \$650,000 at a conversion price of \$0.25 per share. Under the terms of the Convertible Note Deed the conversion price of all previously issued notes was adjusted to 80% of the price at which these new shares were issued which is \$0.20.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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	Year ended	
	30 June 2013	30 June 2012
	\$	\$
11 Provisions		
Current		
Employee benefits	347,092	341,161
Warranty costs	20,000	20,000
	<u>367,092</u>	<u>361,161</u>
Non current		
Employee benefits	<u>34,719</u>	<u>27,018</u>

(a) Movements in provisions for the year ended 30 June 2013

	Employee benefits	Warranty costs	Total
Balance at the beginning of the year	368,179	20,000	388,179
Additional provisions	253,567	33,424	286,991
Amounts used	(239,935)	(33,424)	(273,359)
Balance at the end of the year	<u>381,811</u>	<u>20,000</u>	<u>401,811</u>

12 Issued capital

	Year ended	
	30 June 2013	30 June 2012
	\$	\$
Issued and paid up capital:		
Ordinary fully paid shares	<u>1,377,091</u>	<u>1,327,091</u>

The Company has 11,711,797 ordinary shares on issue at 30 June 2013 (2012: 11,461,797 post consolidation).

During the year the company raised additional funds for working capital purposes on several occasions as reported to the market via the Australian Securities Exchange. Issues of paid up ordinary share capital were completed as follows:

	Number of shares	\$
Balance at 30 June 2011	657,906,777	19,869,935
- Share placements to investors (net of costs)	235,950,000	593,091
- Share purchase plan for existing shareholders	41,600,000	104,000
- Convertible notes converted to equity	210,714,285	475,000
- Capital reduction for discontinued business (a)	-	(19,714,935)
Balance at 30 June 2012	<u>1,146,171,062</u>	<u>1,327,091</u>
- Share consolidation 100:1 (e)	(1,134,709,265)	-
- Share purchase plan for existing shareholders	250,000	50,000
Balance at 30 June 2013	<u>11,711,797</u>	<u>1,377,091</u>

(a) Capital reduction for discontinued business

At 30 June 2012 the company reviewed the make up of issued capital and of accumulated losses. Prior to 2007 the network services and 'Stratosonde' businesses previously conducted by the company incurred significant losses and equity funds of \$19,714,935 raised to fund these businesses was lost. The company ceased these businesses in 2007 and 2008 respectively. To present the financial accounts of the company in a manner which better reflects the current business operations, and in accordance with Section 258F of the Corporations Act 2001, the lost capital attributed to the discontinued businesses has been written out of both the issued capital and the accumulated losses of the company. This capital reduction does not change the number of shares nor affect the shareholding of any shareholder.

(b) Options over issued capital

The total number of potential ordinary shares attributable to options outstanding as at 30 June 2013 is 1,956,072 (2012: 1,571,563), of which 342,500 (2012: 557,500) were issued to employees under the Company's Share Option Incentive Plan and 1,000,000 (2012: 100,000) were issued to directors following shareholder approval. Refer Note 17: Share Based Payments for details of options issued, exercised and lapsed during the financial year and the options outstanding at year end.

The balance of 613,572 (2012: 914,063) options outstanding were issued to investors in addition to subscriptions for convertible notes.

Under the terms of the Convertible Note Subscription Agreement for notes issued on 16 April 2012, note holders were issued with 178,572 options to subscribe for shares in the Company on 26 July 2012 at an exercise price of \$0.70.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

12 Issued capital (continued)

(b) Options over issued capital (continued)

On 6 February 2013 secured convertible notes were issued to the value of \$650,000 at a conversion price of \$0.25. Under the terms of the Convertible Note Subscription Agreement the noteholder will, in the future, be issued with 260,000 options to subscribe for shares in the Company at an exercise price of \$0.30. The conversion and the issue of options is subject to shareholder approval.

(c) Convertible notes

The total number of potential ordinary shares attributable to secured and unsecured convertible notes outstanding at 30 June 2012 is 10,600,000 (2012: 6,928,580). Refer Note 10 for details.

(d) Capital management

When managing capital, management's objective is to ensure the Consolidated Group continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders.

No dividends have been paid or declared in respect of ordinary shares for the 2013 or prior years.

The Consolidated Group effectively manages its capital by assessing the financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders, share issues, and convertible note issues.

(e) Share consolidation

On 3 July 2012 the issued share capital of the company was altered by consolidating every 100 shares into 1 share. Outstanding options and convertible notes were consolidated on the same basis and their exercise prices were amended in the inverse proportion to the consolidation ratio. The consolidation was approved by shareholders at a meeting on 29 June 2012.

13 Financial instruments

The Consolidated Group undertakes transactions in a range of financial instruments including:

- cash assets;
- receivables;
- payables;
- deposits;
- borrowings, including loans and convertible notes.

Activities undertaken by entities within the Consolidated Group result in exposure to a number of financial risks, including market risk (interest rate risk, foreign currency risk), credit risk and liquidity risk.

Due to the size of operation conducted by the Consolidated Group, risk management is monitored directly by the Board of Directors of the parent company with the aim of mitigation of the above risks and reduction of the volatility on the financial performance of the Group.

The risks associated with material financial instruments and the Consolidated Group's policies for minimising these risks are detailed below.

(a) Interest rate risk management

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates.

Interest rate risk for the Consolidated Group primarily arises from:

- Bank Funding - The funding is provided by the Consolidated Group's bankers at variable interest rates based upon Business Overdraft Prime Indicator rates plus a risk margin. The group diligently manages the facilities and its accompanying rate risk in its daily operations by keeping the net debt portfolio at a minimum level.
- Convertible Notes issued at an interest rate of the higher of 8% or 90 day dealer's rate plus 3%, which exposes the Consolidated Group to interest rate risk on future payments.

These risk exposures related to the financial instruments are not considered material and therefore no sensitivity analysis has been provided.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

13 Financial instruments (continued)

(a) Interest rate risk management (continued)

Financial Instrument Composition and Maturity:

The Consolidated Group's exposure to interest rate risk, and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Floating Interest	Fixed Interest	Weighted Average Interest Rate	Non-Interest bearing	TOTAL
2013					
<u>Financial asset</u>					
Cash assets	1,322,921	-	1.23%	-	1,322,921
Receivables	-	-		2,136,915	2,136,915
TOTAL	1,322,921	-		2,136,915	3,459,836
<u>Financial liability</u>					
Payables	-	-		3,086,122	3,086,122
Convertible notes	2,250,000	-	8.00%	-	2,250,000
Bank overdraft	875,116	-	10.07%	-	875,116
Sec'd advances under contract	-	-		1,365,842	1,365,842
Unsecured other loans	3,171	300,000	14.90%	-	303,171
TOTAL	3,128,287	300,000		4,451,964	7,880,250
2012					
<u>Financial asset</u>					
Cash assets	712,884	-	3.96%	-	712,884
Receivables	-	-		1,634,175	1,634,175
TOTAL	712,884	-		1,634,175	2,347,059
<u>Financial liability</u>					
Payables	-	-		2,771,308	2,771,308
Convertible notes	1,600,000	-	8.00%	-	1,600,000
Bank Overdraft	967,393	-	10.94%	-	967,393
Sec'd advances under contract	-	-		1,866,603	1,866,603
Unsecured other loans	-	300,000	14.69%	75,247	375,247
TOTAL	2,567,393	300,000		4,713,158	7,580,551

(b) Foreign currency risk management

Foreign currency risk refers to the risk that the value of a financial commitment, recognised asset or liability will fluctuate due to changes in foreign currency rates. The Consolidated Group conducts the majority of its receivable, payable and loan transactions in foreign currency, primarily in US Dollars. The Group's foreign currency exchange risk arises from the holding of foreign currency deposits, loans and transactions in normal trading operations resulting in both trade receivables and loans being held at balance date.

Foreign currency risk sensitivity:

If foreign exchange rates were to increase/decrease by 10% from rates used to determine values as at reporting date then the impact on profit and equity due to movements in unrealised foreign currency exchange gain on foreign currency secured advances are as follows:

	Foreign currency movement	Year ended	
		30 June 2013	30 June 2012
		\$	\$
Impact on profit after tax	+/- 10%	+/- 126,682	+/- 190,226
Impact on equity	+/- 10%	+/- 126,682	+/- 190,226

Due to the remaining foreign currency payable and receivable balances offsetting, a movement in the rates used to determine values at reporting date would not have a material impact on profit and therefore no further sensitivity analysis has been provided.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

13 Financial instruments (continued)

(c) Credit risk management

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause a financial loss to the Consolidated Group.

The credit risk on financial assets of the Consolidated Group that have been recognised in the statement of financial position is the carrying amount, net of any provision for doubtful debts. The Consolidated Group minimises credit risk by performing credit assessments on all new customers, continuing major customers, and where necessary, obtaining advance payments.

Ongoing credit evaluation is performed on the financial condition of customers and, where appropriate, an allowance for doubtful debts is raised.

The Consolidated Group does not have any credit risk arising from money market instruments, foreign currency contracts, cross currency and interest rate swaps.

(d) Liquidity risk management

Liquidity risk includes the risk that, as a result of the Consolidated Group's operational liquidity requirements, the group:

- will not have sufficient funds to settle a transaction on the due date;
- will be forced to sell financial assets at a value which is less than what they are worth;
- may be unable to settle or recover a financial asset at all.

To help reduce these risks the Consolidated Group:

- has a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained; and
- monitors forecast cash flows and endeavours to ensure that adequate borrowing facilities are maintained and/or maturity dates are managed appropriately.

The Consolidated Group's exposure to liquidity risk on classes of financial assets and financial liabilities, is as follows:

	< 1 Year	1 - 5 Years	Total contractual cash flows	Carrying amount
2013				
<u>Asset class</u>				
Cash and cash equivalents	1,322,921	-	1,322,921	1,322,921
Receivables	2,054,919	81,996	2,136,915	2,136,915
Payables	(3,086,122)	-	(3,086,122)	(3,086,122)
Other financial liabilities including contractual interest	(1,622,646)	(3,609,482)	(5,232,128)	(4,794,129)
Net maturities	<u>(1,330,928)</u>	<u>(3,527,486)</u>	<u>(4,858,414)</u>	<u>(4,420,414)</u>
2012				
<u>Asset class</u>				
Cash and cash equivalents	712,884	-	712,884	712,884
Receivables	1,558,550	75,625	1,634,175	1,634,175
Payables	(2,771,308)	-	(2,771,308)	(2,771,308)
Other financial liabilities including contractual interest	(1,911,801)	(3,416,442)	(5,328,243)	(4,809,243)
Net maturities	<u>(2,411,675)</u>	<u>(3,340,817)</u>	<u>(5,752,492)</u>	<u>(5,233,492)</u>

(e) Net fair values of financial assets and liabilities

Net fair values at balance date of each class of financial asset and liability do not materially differ from the carrying amounts disclosed in the statement of financial position.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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Year ended	
30 June 2013	30 June 2012
\$	\$

14 Commitments and contingencies

Operating lease commitments

Future minimum rentals payable under non-cancellable operating leases contracted for but not capitalised in the financial statements are as follows:

Not later than one year	154,878	148,262
Later than one year but not later than five years	77,986	232,864
Later than five years	-	-
	<u>232,864</u>	<u>381,126</u>

The Consolidated Group and parent entity renegotiated a 5 year non-cancellable commercial rental property lease at Mulgrave in December 2009. The new lease expires in December 2014. There is an option to renew the lease for a further 5 year period.

Capital expenditure commitments

Capital expenditure projects

Not longer than 1 year	464,150	-
Longer than 1 year and not longer than 5 years	-	-
Longer than 5 years	-	-
	<u>464,150</u>	<u>-</u>

Capital commitments relate to product development projects being undertaken by World Reach Limited's subsidiary Beam Communications Pty Ltd

Superannuation commitments

World Reach Ltd makes superannuation contributions to prescribed superannuation funds on behalf of employees and executive directors, as required by the Superannuation Guarantee legislation. The principal types of benefits are death, permanent disability and superannuation benefits upon retirement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

15 Notes to the statement of cash flows

(a) Reconciliation of loss after income tax benefit to net cash flow from operating activities

	Year ended	
	30 June 2013	30 June 2012
	\$	\$
Loss after tax	(600,573)	(249,179)
<i>Non Cash flows in loss:</i>		
Depreciation	79,045	99,026
Amortisation	971,861	811,664
Unrealised foreign currency net losses / (gains)	132,017	145,314
Share options expensed	-	9,970
<i>Changes in assets and liabilities:</i>		
Increase in trade and other payables	314,814	470,589
Increase / (decrease) in employee provisions	13,632	26,612
(Increase) in trade and other receivables	(502,740)	(22,466)
Decrease / (Increase) in inventory	1,241,624	(1,356,388)
Net cash from operating activities	1,649,680	(64,858)

(b) Reconciliation of cash

Cash at the end of the financial year as shown in the consolidated statement of cash flows is reconciled to items in the consolidated statement of financial position as follows:

Cash and cash equivalents (Note 4)	1,322,921	712,884
Bank overdraft (Note 10)	(875,116)	(967,393)
	<u>447,805</u>	<u>(254,508)</u>

(c) Non cash operating, financing and investing activities

Non cash operating, financing and investing activities undertaken by the Consolidated Group during the year are disclosed in Note 17.

(d) Facilities

The Consolidated Group has in place an overdraft facility with the National Australia Bank with a limit of \$1,000,000. During the year the requirement by the bank for a \$500,000 term deposit security for the facility was removed.

Bank guarantee facilities of the Consolidated Group total \$150,000 of which \$100,000 has been allocated to a subsidiary company and \$50,000 to the parent. Both were fully utilised at 30 June 2013.

The Consolidated Group's banking facilities are subject to the Group satisfying quarterly covenants set by the bank. The Group did not meet some of the covenants which require actual performance to be within 20% of forecast KPIs in each quarter of the 30 June 2013 financial year. After the December 2012, March 2013 and June 2013 quarters the bank advised the Group that it would not waive or give up its rights however it would not be taking action at this time. Taking all factors into account, the bank reconfirmed similar banking facilities as continuing on 23 August 2013.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

16 Key management personnel disclosures

(a) Compensation by category

	Year ended	
	30 June 2013	30 June 2012
	\$	\$
Short-term employee benefits	584,783	547,567
Post-employee benefits	45,950	43,440
Other long-term benefits	7,730	5,740
Termination benefits	-	-
Share-based payments	40,917	1,520
	<u>679,380</u>	<u>598,267</u>

(b) Option holdings

The number of options over ordinary shares in the Company held during the financial year by each key management person including their personally related parties is set out below.

2013	Balance 1.07.12	Granted as Rem- uneration	Issued as Equity Investment	Options Exercised	Options Lapsed	Balance 30.06.13	Total Vested 30.06.13	Exer- cisable 30.06.13	Unexer- cisable 30.06.13
Directors *									
T Moyle	-	200,000	-	-	-	200,000	-	-	200,000
M Capocchi	511,875	600,000	-	-	(406,875)	705,000	105,000	105,000	600,000
J Bee	-	200,000	-	-	-	200,000	-	-	200,000
C Hung	-	-	-	-	-	-	-	-	-
D Payne	84,063	-	-	-	(6,563)	77,500	77,500	77,500	-
Total	<u>595,938</u>	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>(413,438)</u>	<u>1,182,500</u>	<u>182,500</u>	<u>182,500</u>	<u>1,000,000</u>
2012									
Directors *									
M Capocchi	529,375	-	-	-	(17,500)	511,875	511,875	511,875	-
J Bee	-	-	-	-	-	-	-	-	-
D Payne	74,063	10,000	-	-	-	84,063	84,063	84,063	-
A Bigum	114,375	-	-	-	(30,000)	84,375	84,375	84,375	-
J McCormack	78,125	-	-	-	(50,000)	28,125	28,125	28,125	-
Total	<u>795,938</u>	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>(97,500)</u>	<u>708,438</u>	<u>708,438</u>	<u>708,438</u>	<u>-</u>

* Mr Trevor Bruce Moyle was appointed director on 13 August 2012
Mr John Bee was appointed director on 4 April 2012.
Mr Carl Cheung Hung was appointed director on 21 February 2013
Mr Dennis Frank Payne was appointed director on 14 June 2012, and resigned as director on 13 August 2012.
Mr Anthony Peter Bigum resigned as director on 4 April 2012.
Mr John Gordon McCormack resigned as director on 14 June 2012

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

16 Key management personnel disclosures (continued)

(c) Share holdings

The number of shares in the Company held during the financial year by each key management person including their personally related parties are set out below.

2013	Balance 1.07.12	Received as Remuneration	Options Exercised	Net Change Other [a]	Balance 30.06.13
Directors					
Mr T Moyle	-	-	-	-	-
Mr M Capocchi	75,228	-	-	-	75,228
Mr J Bee	720,000	-	-	-	720,000
Mr C Hung	-	-	-	-	-
Mr D Payne	100,237	-	-	20,000	120,237
	895,465	-	-	20,000	915,465
2012	Balance 1.07.11	Received as Remuneration	Options Exercised	Net Change Other [a]	Balance 30.06.12
Directors					
Mr M Capocchi	-	-	-	75,228	75,228
Mr J Bee	-	-	-	720,000	720,000
Mr D Payne	100,237	-	-	-	100,237
Mr A P Bigum	128,660	-	-	(128,660)	-
Mr J G McCormack	73,233	-	-	(15,228)	58,005
	302,130	-	-	651,340	953,470

[a] Net Change Other refers to shares purchased or sold on-market or off-market at current market prices during the financial year.

(d) Convertible notes

The number of convertible notes issued during the financial year to each key management person including their personally related parties is set out below.

2013	Balance 1.07.12 No.	Notes issued		Notes Sold	Balance 30.06.13	
		No.	Total Face Value \$		No.	Total Face Value \$
Directors						
Mr T Moyle	-	-	-	-	-	-
Mr M Capocchi	14	-	-	-	14	350,000
Mr J Bee	-	-	-	-	-	-
Mr C Hung	-	26	650,000	-	26	650,000
Mr D Payne	2	-	-	-	2	50,000
	16	26	650,000	-	42	1,050,000
2012	Balance 1.07.11 No.	Notes issued		Notes Sold	Balance 30.06.12	
		No.	Total Face Value \$		No.	Total Face Value \$
Directors						
Mr M Capocchi	14	-	-	-	14	350,000
Mr J Bee	-	-	-	-	-	-
Mr D Payne	2	-	-	-	2	50,000
Mr A P Bigum	6	-	-	6	-	-
Mr J G McCormack	2	-	-	-	2	50,000
	24	-	-	6	18	450,000

Refer Note 10 - Secured convertible notes for details of the Convertible Note Agreement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

16 Key management personnel disclosures (continued)

(e) Loans and transactions (continued)

- (i) During the year ended 30 June 2013 a short term loan from Mr M Capocchi, a director of the company, related to unpaid salary and expenses, was repaid. At 30 June 2012 the loan amount outstanding to Mr Capocchi was \$68,025. (Refer Note 19)
- (ii) Mr C Hung is a director of the company, and is also the president and a director of Season Group. During the year ended 30 June 2013 the company subcontracted manufacturing on an arms length basis to Season Group, in accordance with a contract signed prior to his appointment as director. Transactions between the company and Season Group are on normal commercial terms and conditions no more favourable than those available to other parties. (Refer Note 19)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

17 Share based payments

Share options are granted at the discretion of the directors based on terms and conditions set out in the Company's Share Option Incentive Plan. The directors may at any time and from time to time determine eligible persons for the purposes of the option plan and select amongst those eligible persons participants who will be invited to participate in the option plan.

Options issued to directors pursuant to the option plan will be subject to approval of shareholders in general meeting, in compliance with the Listing Rules.

(a) The following share based payment arrangements existed at 30 June 2013:

- (i) 78,000 options were granted on 23 December 2008 to key employees with an expiry date of 31 December 2013 on the terms and conditions set out in the Company's Share Option Incentive Plan. These options were exercisable from 23 December 2008 at \$0.65 per share (Issue WRR44).
2,500 of these options lapsed or were cancelled in the periods prior to 30 June 2013.
75,500 of these options are outstanding as at 30 June 2013.
- (ii) 124,500 options were granted on 30 September 2009 to key employees with an expiry date of 30 September 2014 on the terms and conditions set out in the Company's Share Option Incentive Plan. These options were exercisable from 30 September 2009 at \$0.65 per share (Issue WRR46).
7,500 of these options lapsed or were cancelled in the periods prior to 30 June 2013.
117,000 of these options are outstanding as at 30 June 2013.
- (iii) 75,000 options were granted on 1 January 2011 to key employees with an expiry date of 1 January 2016 on the terms and conditions set out in the Company's Share Option Incentive Plan. These options were exercisable from 1 January 2011 at \$0.65 per share (Issue WRR48).
75,000 of these options are outstanding as at 30 June 2013.
- (iv) 75,000 options were granted on 1 February 2012 to key employees with an expiry date of 1 February 2017 on the terms and conditions set out in the Company's Share Option Incentive Plan. These options were exercisable from 1 February 2012 at \$0.45 per share (Issue WRR49).
75,000 of these options are outstanding as at 30 June 2013.
- (v) 800,000 options were granted on 26 July 2012 to directors with an expiry date of 1 July 2017 on the terms and conditions set out in the Company's Share Option Incentive Plan. These options vests in one-third portions on 1 July in each of 2014, 2015 and 2016 at \$0.65 per share (Issue WRR51).
800,000 of these options are outstanding as at 30 June 2013.
- (vi) 200,000 options were granted on 12 December 2012 to directors with an expiry date of 1 July 2017 on the terms and conditions set out in the Company's Share Option Incentive Plan. These options vest in one-third portions on 1 July in each of 2014, 2015 and 2016 at \$0.65 per share (Issue WRR52).
200,000 of these options are outstanding as at 30 June 2013.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

17 Share based payments (continued)

- (b) The following table illustrates the number (No.) and weighted average exercise prices (WAEP) and movements in share options issued during the year for the Company:

	30 June 2013		30 June 2012	
	No.	WAEP \$	No.	WAEP \$
Outstanding at the beginning of the financial year	657,500	1.2900	680,000	1.4000
Granted during the financial year	1,000,000	0.6500	75,000	0.4500
Lapsed during the financial year	-	-	(80,000)	1.2500
Cancelled during the financial year	(315,000)	2.0238	-	-
Exercised during the financial year	-	-	-	-
Expired during the financial year	-	-	(17,500)	2.4300
Outstanding at the end of the financial year	1,342,500	0.6388	657,500	0.0129
Exercisable at the end of the financial year	1,342,500	0.6388	657,500	0.0129

Notes to Share Based Payments

- (i) The weighted average remaining contractual life for the share options outstanding as at 30 June 2013 is 3.46 years (2012: 2.12 years)
The range of exercise prices for options outstanding at the end of the year was \$0.4500 - \$0.6500 (2012: \$0.4500 - \$0.3000)
The weighted average fair value of options granted during the year was \$0.1264 (2012: \$0.1300)
The fair value of equity-settled share options granted under the Company's Share Option Incentive Plan is estimated as at grant date using the Binomial Option Valuation model, with Black Scholes crosscheck, taking into account the terms and conditions upon which the options were granted.

The following table lists the inputs to the Binomial Option Valuation model and Black-Scholes model used for the valuation of options issued for year ended 30 June 2013.

Notes		26/07/2012	12/12/2012
Grant date			
No. of options granted		800,000	200,000
Weighted average share price at grant date (\$)		0.4000	0.3040
Option exercise price (\$)		0.6500	0.6500
Expected volatility (%)	17b(ii)	83	85
Expected life of option (years)		5.0	4.5
Dividend yield (%)	17b(iii)	-	-
Risk-free interest rate (%)		3.15	2.44

- (ii) The expected volatility of the share price representing a measure of uncertainty of return was evaluated using the data generated by The Australian Graduate School of Management Centre for Research based upon historical volatility and consideration of future volatility factors.
- (iii) The Company does not have a history of paying dividends and the valuation of options issued is based on the assumption that no dividends will be paid during the currency of the options.
- (iv) Included under employee benefits expense in the statement of profit or loss and other comprehensive income is \$40,917 (2012: \$9,970), and relates, in full, to equity-settled share options.

18 Remuneration of auditors

Remuneration of the Auditor for auditing or reviewing financial reports of the Consolidated Group

Year ended	
30 June 2013	30 June 2012
\$	\$
100,004	97,296

19 Related party transactions

- (a) Short term loan from Mr M Capocchi

-	68,025
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During the year ended 30 June 2013 a short term loan from Mr M Capocchi, a director of the company, related to unpaid salary and expenses, was repaid.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

	Year ended	
	30 June 2013	30 June 2012
	\$	\$
19 Related party transactions (continued)		
(b) Related party transactions with the Seasons Group, which is related to Mr C Hung, a director of the company.		
<i>Transactions with the Seasons Group</i>		
- Purchases	1,010,738	1,821,872
- Sales	(21,599)	(53,360)
<i>Amounts outstanding with the Seasons Group</i>		
- Receivables	16,490	35,050
- Payables	(240,901)	(308,263)
Mr C Hung is a director of the company, and is also the president and a director of Season Group. During the year ended 30 June 2013 the company subcontracted manufacturing on an arms length basis to Season Group, in accordance with a contract signed prior to his appointment as director. Transactions between the company and Season Group are on normal commercial terms and conditions no more favourable than those available to other parties.		
20 Earnings per share		
Overall operations		
Basic earnings per share	(5.13)	(2.17)
Diluted earnings per share	(5.13)	(2.17)
	No.	No.
Weighted average number of ordinary shares used in the calculation of Basic Earnings Per Share	11,711,797	11,461,797
Potential Ordinary Shares attributable to options outstanding at year end	1,956,072	1,621,563
Potential Ordinary Shares attributable to convertible notes outstanding at year end	10,600,000	8,357,143
Weighted average number of ordinary shares and potential ordinary shares used in the calculation of Dilutive Earnings per share	24,267,869	21,440,503
	\$	\$
Overall operations		
Earnings used in the calculation of Basic and Diluted Earnings Per Share	(600,573)	(249,179)
Dilutive Earnings Per Share		
Due to losses incurred during the 2012 and 2013 financial years all Potential Ordinary Shares that could potentially dilute basic earnings per share in the future were considered to be antidilutive and therefore not included in a calculation of diluted earnings per share. Accordingly basic and diluted earnings per share equate.		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

21 Segment reporting

(a) Sole operating segment

The Consolidated Group has identified its sole operating segment based upon internal reports that are reviewed and used by the Directors in assessing performance and determining the allocation of resources in respect of its satellite communications products and services.

Revenue and results are fully disclosed in the consolidated statement of profit or loss and other comprehensive income for the sole operating segment.

The consolidated statement of financial position discloses the sole operating segment assets and liabilities which are held within Australia.

(b) Revenue by geographical region

Revenue attributable to external customers is disclosed below, based upon the location of the external customer

	Year ended 30 June 2013		Year ended 30 June 2012	
	\$	%	\$	%
Sales by country				
Australia	6,797,052	48.30%	5,227,926	40.24%
Canada	738,056	5.24%	1,787,414	13.76%
United Kingdom	1,521,705	10.81%	1,529,472	11.77%
United States of America	1,133,769	8.06%	1,078,418	8.30%
Netherlands	616,753	4.38%	873,764	6.73%
Japan	1,171,736	8.33%	599,675	4.62%
Other foreign countries	2,094,016	14.88%	1,893,643	14.58%
	<u>14,073,087</u>	<u>100.00%</u>	<u>12,990,312</u>	<u>100.00%</u>

(c) Major customers

The Consolidated Group has a number of customers to whom it provides both products and services. The Consolidated Group supplies a single customer in Australia accounting for 30% of external revenue (2012: 14%), and the second largest customer, located in China for 7% of external revenue (2012: second largest was in Australia, 12%). The next most significant customer accounts for 6.5% of external revenue (2012: 11%).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

22 Parent company disclosures	Year ended	
	30 June 2013	30 June 2012
	\$	\$
(a) Statement of profit or loss and other comprehensive income		
Profit / (loss) from continuing operations	(750,002)	(414,909)
Profit / (loss) for the year attributable to owners of the Company	(750,002)	(414,909)
Other comprehensive income	-	-
Total loss and other comprehensive income for the year attributable to owners of the Company	<u>(750,002)</u>	<u>(414,909)</u>
(b) Statement of financial position		
Assets		
Current assets	193,819	626,088
Non-current assets	147,960	206,809
Total assets	<u>341,779</u>	<u>832,897</u>
Liabilities		
Current liabilities	2,258,132	2,672,865
Non-current liabilities	2,509,719	1,927,018
Total liabilities	<u>4,767,851</u>	<u>4,599,883</u>
Net assets / (deficiency of net assets)	<u>(4,426,072)</u>	<u>(3,766,986)</u>
Equity		
Issued capital	1,377,091	1,327,091
Reserves	108,852	308,636
Accumulated losses	(5,912,015)	(5,402,713)
Total equity	<u>(4,426,072)</u>	<u>(3,766,986)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

22 Parent company disclosures (continued)

(c) Guarantees

The parent company has guaranteed contractual advances and the performance under contract of a subsidiary company.

(d) Contractual commitments

Parent entity operating lease commitments are the same as consolidated entity commitments as discussed in Note 14. The parent entity has no capital expenditure commitments.

23 Controlled entities

	Incorporated	Share class	Holding	
Investments in unquoted corporations being controlled entities:			2013	2012
Beam Communications Pty Ltd	Australia	Ordinary	100%	100%
SatPhonerental Pty Ltd (previously Telenet Rentals)	Australia	Ordinary	100%	100%
SatPhone Shop Pty Ltd (previously WR Communications)	Australia	Ordinary	100%	100%
Pacarc (PNG) Limited (Dormant)	Papua New Guinea	Ordinary	100%	100%
Beam Communications USA Inc (a)	USA	Ordinary	100%	0%

- (a) On 16 October 2012, the company established a wholly owned subsidiary in the USA to assist with administration and employment matters in the USA.

24 Company details and principal place of business

World Reach Limited is a limited company incorporated in Australia.

The principal activities of the Company and subsidiaries are outlined in the Director's Report.

The address of its registered office and principal place of business is:

5 / 8 Anzed Court
Mulgrave Victoria 3170
Australia

DIRECTORS' DECLARATION

The directors of World Reach Limited declare that:

1. the financial statements and notes as set out in pages 20 to 46 are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001, and other mandatory professional reporting requirements;
 - (b) give a true and fair view of the financial position as at 30 June 2013 and of the performance for the year ended on that date of the company and consolidated group;
 - (c) the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001; and
 - (d) any other matters that are prescribed by the regulations for the purposes of this declaration in relation to the financial statements and the notes for the financial year are also satisfied.
2. In the director's opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made by the Chief Executive Officer and Chief Financial Officer to the directors in accordance with sections 295A of the Corporations Act 2001 for the financial year ending 30 June 2013.

This declaration is made in accordance with a resolution of the Board of Directors on 29 August 2013.

A handwritten signature in black ink, appearing to read 'Trevor Moyle', with a large, stylized loop at the end.

Mr Trevor Bruce Moyle
Chairman

**WORLD REACH LIMITED
ABN 39 010 568 804
AND CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
WORLD REACH LIMITED**

Report on the Financial Report

We have audited the accompanying financial report of World Reach Limited and controlled entities, which comprises the consolidated statement of financial position as at 30 June 2013, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

**WORLD REACH LIMITED
ABN 39 010 568 804
AND CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
WORLD REACH LIMITED**

Opinion

In our opinion:

- (a) the financial report of World Reach Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the consolidated financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Material uncertainty regarding going concern

Without qualification to the opinion expressed above, attention is drawn to the matters set out in Note 1 (ii) to the financial statements – Going Concern.

Whilst the directors expect the achievement of positive cash flows, continuation of similar current banking facilities and the continuing support of creditors and financiers, future events by their nature are uncertain and may cast doubt about the Group's ability to continue as a going concern.

If the going concern basis is found to no longer be appropriate the company may be unable to realise its assets and discharge its liabilities in the normal course of business.

Report on the Remuneration Report

We have audited the Remuneration Report included in the pages 7 to 9 of the directors' report for the year ended 30 June 2013. The directors of the company are responsible for the preparation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of World Reach Limited and controlled entities for the year ended 30 June 2013, complies with section 300A of the Corporations Act 2001.



D A KNOWLES

Partner

29 August 2013



PITCHER PARTNERS

Melbourne

AUSTRALIAN SECURITIES EXCHANGE INFORMATION

As at 31 July 2013.

This section includes information required by ASX Listing Rules which is not disclosed elsewhere in this Annual Report.

TWENTY LARGEST SHAREHOLDERS

	Number	% of Class
GEOFFREY ROBERT GARROTT	2,240,000	19.13%
KILLARNEY PROPERTIES P/L	1,212,245	10.35%
JOHN BEE & MARGARET BEE	720,000	6.15%
ENAK PTY LTD	692,024	5.91%
ROBERT MANSFIELD NIALI	527,200	4.50%
TABEDGE PTY LTD	357,143	3.05%
LI FAMILY	277,239	2.37%
BRIAROAKS PTY LTD	250,000	2.13%
ARTPRECIATION PTY LTD	221,968	1.90%
BARRIOS PTY LTD	190,846	1.63%
W&K ASSOCIATES PTY LTD	140,000	1.20%
ADD VALUE RESOURCES PTY LTD	122,313	1.04%
DENNIS FRANK PAYNE	120,237	1.03%
KEACO CORPORATION P/L	106,555	0.91%
HOTTON FAMILY	105,950	0.90%
CAMERON FORBES MENZIES	100,000	0.85%
TIM DON NOMINEES PTY LTD	100,000	0.85%
VALUTECH PTY LTD	91,308	0.78%
DANE W REID & GAVIN J REID	88,573	0.76%
JUDD FERGUSON	86,375	0.74%
TOTAL TOP 20:	<u>7,749,976</u>	<u>66.17%</u>
TOTAL ISSUED:	11,711,797	100.00%

HOLDERS OF EACH CLASS OF EQUITY SECURITY

The company has issued:

- 11,711,797 ordinary fully paid shares to 651 shareholders.
- 1,956,072 options to subscribe for ordinary shares to 32 option holders.
- 67 secured notes convertible into 7,725,000 shares to 11 note holders.
- 20 unsecured notes convertible into 2,500,000 shares to 5 note holders.

VOTING RIGHTS

There are 11,711,797 ordinary fully paid shares held by 651 members and these are the only class of share currently issued. The Company's Constitution provides that every member present in person, by proxy or by corporate representative or by appointed attorney shall on the show of hands have one vote. In a poll, the vote is determined pro-rata to the amount paid up, if shares are paid up to different amounts.

SUBSTANTIAL SHAREHOLDERS

	Number of Shares	% of Class
GEOFFREY ROBERT GARROTT	2,240,000	19.13%
KILLARNEY PROPERTIES P/L	1,212,245	10.35%
JOHN BEE & MARGARET BEE	720,000	6.15%
ENAK PTY LTD	692,024	5.91%

In addition to the above shareholdings:

- Garrott holds 4 secured notes convertible into 500,000 shares, 8 unsecured notes convertible into 1,000,000 shares and options to subscribe for 57,143 shares
- Killarney holds 10 secured notes convertible into 1,250,000 shares and options to subscribe for 75,000 shares

DISTRIBUTION OF SHARES

Size of Holdings	Number of Holders	Number of Shares	%
1 to 1,000	269	90,043	.77
1,001 to 5,000	179	513,362	4.38
5,001 to 10,000	75	555,724	4.75
10,001 to 100,000	112	3,569,867	30.48
100,001 and over	16	6,982,801	59.62
TOTAL	651	11,711,797	100.00

HOLDERS OF LESS THAN A MARKETABLE PARCEL OF QUOTED ORDINARY SHARES

Number of Holders	% of Total Holders	Number of Shares	% of Total Quoted
Shares			
338	51.92%	209,386	1.79%



World Reach Limited
ABN 39 010 568 804

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ABN 97 103 107 919

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