

1 July 2014

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RENOUNCEABLE RIGHTS ISSUE - CLEANSING NOTICE PURSUANT TO SECTION 708AA(2)(f) OF THE CORPORATIONS ACT 2001

This notice is given by World Reach Ltd (ASX: WRR) (**Company**) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Act**), as notionally modified by ASIC Class Order [08/35] (**Class Order**).

On 1 July 2014, the Company announced that it would be offering eligible shareholders the opportunity to acquire additional fully paid ordinary shares in the capital of the Company (**Shares**) via a renounceable pro-rata rights issue (**Rights Issue**) on the basis of one (1) Share for every one (1) Share held at 5.00pm (AEST) on the record date of 7 July 2014.

Shares under the Rights Issue will be offered at 15 cents (\$0.15) per Share.

SGV1 Holdings Limited and Mr Michael Capocchi, the Company's Managing Director, have undertaken to the Company that they will convert certain of the convertible notes which they hold in the Company before the Record Date. Accordingly, the maximum number of Shares which may be issued under the Rights Issue is 19,798,463 (which includes the rights available to Mr Capocchi and SGV1 Holdings Limited on conversion of their convertible notes) to raise up to \$2,969,770 (before costs). The Rights Issue will be partially underwritten by SGV1 Limited and Ample Skill Limited (**Underwriters**) to the value of \$2,400,000 (**Underwritten Amount**).

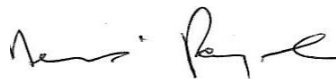
An Offer Document will be mailed to eligible shareholders on 10 July 2014 together with personalised Entitlement and Acceptance Forms. For informational purposes.

The Company hereby gives notice under section 708AA(2)(f) of the Act that:

- (a) the Company will offer the Shares under the Rights Issue for issue without disclosure to investors under Part 6D.2 of the Act, as notionally modified by the Class Order;
- (b) the Company is providing this notice under section 708AA(2)(f) of the Act, as notionally modified by the Class Order;
- (c) at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company;
- (d) at the date of this notice, the Company has complied with section 674 of the Act;
- (e) at the date of this notice, there is no information that is "excluded information" within the meaning of section 708AA(8) and section 708AA(9) of the Act; and
- (f) the potential effect that the issue of the Shares under the Rights Issue will have on the control of the Company is as follows:

- (i) If all eligible shareholders take up their entitlements under the Rights Issue, the issue of Shares under the Rights Issue will have no effect on the control of the Company and all shareholders will hold the same percentage interest in the Company, subject only to changes resulting from ineligible shareholders being unable to participate in the Rights Issue;
- (ii) If all eligible shareholders do not take up their entitlements under the Rights Issue, as is the more likely event, there will be a shortfall. Eligible shareholders who do not subscribe for their full entitlement of Shares under the Rights Issue and ineligible shareholders unable to participate in the Rights Issue will be diluted relative to those shareholders who do subscribe for some or all of their entitlement.
- (iii) Each of Ample Skill Limited and SGV1 Holdings Limited have agreed to underwrite the Offer. Further, as at the date of this Cleansing Notice, Ample Skill Limited held a relevant interest in the Company of 14.75% and SGV1 Holdings Limited, is the holder of certain convertible notes in the Company. SGV1 Holdings Limited has undertaken to the Company that, prior to the Record Date, it will convert some of its convertible notes such that, at the Record Date, SGV1 Holdings Limited will have a relevant interest in the Company of 19.36%. If eligible shareholders do not take up so much of their rights as to result in a shortfall, the Underwriters will take up that shortfall, up to the Underwritten Amount. Having regard to the number of Shares to be issued under the Rights Issue, and the number of shares held by each of the Underwriters prior to the Offer, if there is a shortfall the Underwriters may be in a position to exercise substantive control in the Company. In the event that no other eligible shareholders participate in the Offer, each Underwriter's respective maximum relevant interest in the Company will be:
 - a. SGV1 Holdings Limited – 32.12%;
 - b. Ample Skill Limited – 31.44%.

Signed for and on behalf of the Company:



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Dennis Payne
Company Secretary



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