

9 March 2015

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Mr Adrian Smythe
Manager, Listings Compliance
ASX Compliance Pty Limited
20 Bridge Street
Sydney NSW 2000
(By email)

Dear Adrian

World Reach Limited (ASX:WRR) – Price & Volume Query

I refer to your letter of 6 March 2015.

Using the numbering contained within your letter, our response is as follows:

1. *Is the Entity aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?*

No.

2. *If the answer to question 1 is “yes”, can an announcement be made immediately?*

Not applicable

3. *If the answer to question 1 is “no”, is there any other explanation that the Entity may have for the recent trading in its securities*

Noting that substantially increased trading of the Company's securities, and the increase in the Company's share price commenced around 25 February 2015, the Company believes the following to be the major reasons for the recent increase in its share price:

- (a) The Company's Half Yearly Financial Report to 31 December 2014 (H1 Report) was published on 24 February 2015. The Directors' Report and the accompanying financial tables highlighted the Company's improving sales and profit performance, with a profit before tax for the half of \$270,908, following a profit of \$439,449 for the financial year to 30 June 2014.
- (b) The H1 Report also highlighted the Company's significantly improved balance sheet, particularly after the rights issue of August 2014 which raised \$2.4m enabling the Company to retire all interest bearing debt, including all convertible notes.
- (c) On 23 February 2015 the Company announced that its Managing Director and CEO had re-located to the USA to further advance the Company's business development in North America and Europe. We believe the market should have perceived this as a positive announcement in terms of expansion of the Company's existing and prospective business offerings.
- (d) The Company notes that while the percentage increase in its share price from Thursday's closing price is ostensibly substantial, the actual price increment is relatively modest and the volume of shares traded was neither large nor unprecedented.

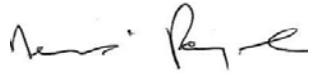
(e) The Company's Directors and management believe that the share price movements up to and on Friday 6 March 2015 to be increasingly reflective of the Company's recent performance, balance sheet profile and growth outlook.

4. *Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1*

The Company confirms it is in compliance with the Listing Rules and in particular Listing Rule 3.1.

Please do not hesitate to contact me if you have any further queries.

Yours faithfully

A handwritten signature in black ink, appearing to read "Dennis Payne". The signature is written in a cursive style with a large initial 'D' and 'P'.

Dennis Payne
Company Secretary



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6 March 2013

Mr Dennis Payne
Company Secretary & CFO
World Reach Limited
5/8 Anzed Court
Mulgrave VIC 3170

By email:

Dear Mr Payne

World Reach Limited: ASX price query

We have noted a change in the price of the Entity's securities from a close of \$0.20 yesterday to a high of \$0.275 today at the time of writing.

In light of the price increase, ASX asks you to respond separately to each of the following questions:

1. Is the Entity aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes":
 - a) Is the Entity relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in the Entity's securities would suggest to ASX that such information may have ceased to be confidential and therefore the Entity may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - b) Can an announcement be made immediately?

Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that the Entity may have for the recent trading in its securities?
4. Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than half an hour before the start of trading (ie before 9.30 a.m. AEDT on Monday, 9 March 2015). If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Entity's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, the Entity's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at adrian.smythe@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rule 3.1

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

The obligation of the Entity to disclose information under Listing Rules 3.1 and 3.1A is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

In responding to this letter, you should have regard to the Entity's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in the Entity's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically without signature]

Adrian Smythe
Manager, Listings Compliance