



28 January 2016

The Manager
Market Announcements Platform
Australian Securities Exchange Limited

World Reach Limited
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Company Report (Appendix 4C)

Enclosed is the Quarterly Report (Appendix 4C) for the 3 months ended 31 December 2015.

The Company's cash balance at 31 December 2015 was \$1,705,000 in funds held. The Company also retains undrawn financing facilities of \$740,000, giving a total access to cash of \$2,445,000.

The major factors in the operating cash decrease during the quarter were:

1. An inventory increase of \$580,000, including:
2. Further employing resourcing of the major product development, together with the seasonal payment of annual staff incentives resulted in a \$180,000 cash outflow.
3. Reduced debtor collections in the month of December, together with the prepayment of Creditors leading into Christmas occasioned a \$411,000 net cash outflow.

Including the above factors, net operating revenues for the period saw a net cash outflow of \$1,284,000

Investment activities amounted to an outflow of \$237,000 made up of fixed asset expenditure of \$48,000 and further product development work capitalized of \$189,000.

Expenditure on financing activities was \$412,000 being the final repayment under the Inmarsat development loan.

During the quarter, the total cash balance decreased by \$1,933,000.

Yours faithfully

A handwritten signature in black ink, appearing to read "Michael Capocchi".

Michael Capocchi
Managing Director

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000.

Name of entity

World Reach Limited

ABN

39 010 568 804

Quarter ended ("current quarter")

31 December 2015

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (6 months) \$A'000
1.1	Receipts from customers (including deposits)	2429	7349
1.2	Payments for (a) staff costs	(1065)	(1948)
	(b) advertising and marketing		
	(c) research and development		
	(d) leased assets		
	(e) other working capital		
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	-	-
1.5	Interest and other costs of finance paid	(16)	(26)
1.6	Income taxes paid	-	(12)
1.7	Other (provide details if material)		
	- Operating Purchases	(2591)	(5827)
	- Rent	(53)	(105)
	- GST (Net)	12	(27)
	- Other – Export Dev Grant (net)	-	-
Net operating cash flows		(1284)	(596)

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date (6 months) \$A'000
1.8 Net operating cash flows (carried forward)	(1284)	(596)
Cash flows related to investing activities		
1.9 Payment for acquisition of: (a) businesses (item 5) (b) equity investments (c) intellectual property (d) physical non-current assets (e) other non-current assets – product dev. capitalized.	(48) (189)	(91) (325)
1.10 Proceeds from disposal of: (a) businesses (item 5) (b) equity investments (c) intellectual property (d) physical non-current assets (e) other non-current assets	- -	- -
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other – R&D Grant	-	-
Net investing cash flows	(237)	(416)
1.14 Total operating and investing cash flows	(1521)	(1012)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc. – rights issue	-	-
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings		
1.18 Repayment of borrowings – Inmarsat loan – Other loans	(412) -	(412) -
1.19 Dividends paid		
1.20 Other – convertible notes repaid	-	-
Net financing cash flows	(412)	(412)
Net increase (decrease) in cash held	(1933)	(1424)
1.21 Cash at beginning of quarter/year to date	3638	3129
1.22 Exchange rate adjustments to item 1.20		
1.23 Cash at end of quarter	1705	1705

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	210
1.25	Aggregate amount of loans to the parties included in item 1.11	NIL
1.26	Explanation necessary for an understanding of the transactions	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

NIL

- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

NIL

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities – Bank overdrafts:	740	NIL
3.2 Credit standby arrangements	NONE	NONE

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

Reconciliation of cash

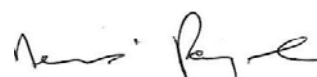
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	1705	3638
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details) – bank loan	-	-
Total: cash at end of quarter (item 1.23)		1705	3638

Acquisitions and disposals of business entities

		Acquisitions (Year to date) (Item 1.9(a))	Disposals (Year to date) (Item 1.10(a))
5.1	Name of entity		
5.2	Place of incorporation or registration		
5.3	Consideration for acquisition or disposal		
5.4	Total net assets		
5.5	Nature of business		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
 - 2 This statement does give a true and fair view of the matters disclosed.
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Dennis Payne - Company Secretary

28 January 2016.

+ See chapter 19 for defined terms.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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