

July 13th, 2011

T +61 3 8561 4200

F +61 3 9560 9055

E: info@worldreach.com.au

The Manager
Company Announcements Platform
Australian Securities Exchange

Profit Guidance

The company reported a loss of \$490,606 for the six months ended 31 December 2010.

Sales improved significantly subsequent to that date due to the release of new products and the acceptance by customers of price increases in February 2011.

The company forecast that improved sales, maintenance of gross margins and containment of expenses would result in a profit for the six month ended 30 June 2011 which would be greater than the loss for the six months to 31 December 2010 and the company advised the market that it anticipated a modest profit for the full year.

Sales, margins and expense levels have been in line with forecasts throughout the last six months, however a substantial order with a margin in excess of \$150,000 which was ready for shipment well before the 30th June could not be delivered by that date due to late delivery by a third party supplier. The delivery of this final accessory has now been received and the order shipped to our customer. However the sale and profit from this transaction could not be included in the results for the 2010/2011 year and the company now anticipates it will report a loss for the full year in the range of \$125k to \$200k.

The company anticipates the continuation of sales at levels that will result in profits in the current year as demand for the company's wider range of products continues to improve, further new products are released to the market and the cost of goods sold is reduced following the successful outsourcing of the majority of manufacturing activities to China.

Yours faithfully



Michael Capocchi
Managing Director