

14 March 2013

The Manager

Market Announcements Platform

Australian Securities Exchange Limited

Market & Business Update – March 2013

World Reach Limited (ASX:WRR) (*the Company*) provides the following market and business update which consolidates information from various recent releases to the ASX. A copy of this market and business update will be mailed to shareholders with the Share Purchase Plan details being mailed today (see separate ASX announcement):



Recent Announcements

- Major Iridium Product Development Contract Secured – expected \$3M Revenues in FY'14
- China Distribution Deal Commenced– Initial \$1M sales orders delivered by 31 May 2013
- Telstra commits to delivery of remaining \$3M of secured orders by 31 May 2013
- Japan Government Approvals attained on all Beam Inmarsat Terminals
- New strategic Investor – Season Group International Inc.

Outlook

Despite on-going uncertainty in the macroeconomic environment, and a lower than anticipated first half the company has observed continued growth momentum since December in organic new revenue from increased distribution and product penetration into strategic markets. The company has been very successful in gaining increased distribution into Japan and China through the Beam developed Inmarsat products.

The recent strategic investment by Season Group will assist the company in the rationalisation and enhancement of the company's manufacturing processes and product support as well as providing further avenues enhance China based sales opportunities.

A new product development contract secured with Iridium in December 2012 will provide a new source of product revenue to the company under contract from Iridium, this initial contract will generate in excess of USD3M in FY'14 .

The second half of the current financial year has benefited from the above mentioned items and the delivery of the Telstra committed \$3M of remaining orders. As a result, the company remains confident of reporting a net revenue growth in 2013 and the achievement of a close to break even result for the current financial year.

World Reach Corporate Overview:

World Reach Limited, is the parent company of three strategic companies focused in the global satellite communications sector; Beam Communications, SatPhoneShop & SatPhoneRental

The primary focus of the company is the design, manufacturing and global sales and distribution of satellite based equipment, applications and services for the global needs of Information Communication & Technology markets. The company aims to be one of the worlds preferred suppliers of specialized voice & data communication equipment, solutions and services,

through offering innovative product offerings and world class customer, channel and shareholder value.

The World Reach Group includes the following strategic businesses all 100% owned subsidiaries of World Reach Limited.



Beam Communications Pty Ltd , BEAM Communications, a wholly owned subsidiary of World Reach Limited, is a world leader in design, manufacture and distribution of specialised satellite communications equipment for major satellite networks. BEAM's commitment to be at the forefront of remote satellite solutions, has continued to increase its share of the global mobile satellite communications market. Recognized as a leading provider of satellite communication solutions, BEAM specializes in Voice, Data, Tracking, M2M and customized solutions.

BEAM develops innovative products and services as a certified Value Added Manufacturer for the world's leading Mobile Satellite Service providers, Inmarsat and Iridium, the two largest satellite network operators globally.

BEAM's leading edge products are deployed in a wide range of industry markets including Maritime, Transport, Government, Defence, Mining, Construction, Forestry, Emergency Services, Relief Aid, Telemetry and Rural Telephony. Supported by a dedicated team of professionals, BEAM has developed solid relationships with its peers and network of distributors worldwide.

BEAM's strategic global distribution channels include the world's largest satellite communication providers as well as strategic Telecommunications operators within specific regions. These major Telco's include, Beijing Marine Communication & Navigation Co., Singtel, and Telstra.

The engineering and product development team based in Melbourne Australia is highly regarded in the industry

for having the skills and expertise to design hardware, firmware and software to a world standard, that in recent years contributed to BEAM securing multi-million-dollar contracts with Iridium and Inmarsat to design innovative product solutions.

BEAM's products range from small compact tracking and telemetry / M2M solutions through to voice and data capable communication terminals and specialised product developments such as for remote community telephony systems and First Responder deployment kits.

<http://www.beamcommunications.com>

SatPhone Shop

SatPhone Shop Pty Ltd, was recently established to provide a consumer and enterprise online portal enabling easy access to Telstra's full suite of Satellite products. For many years Telstra has struggled to gain online market presence due to the sheer volume of products and services they offer. BEAM's long and successful association with Telstra Corporation enabled the establishment of SatPhone Shop.com as a new company under the World Reach umbrella; providing an online presence as a Satellite Dealer for Telstra. This facilitates exclusive promotion of Telstra's satellite products that can be ordered online and delivered to anywhere in Australia next day.

SatPhone Shop has already established an online presence in a very short space of time by focusing exclusively on reselling Telstra and providing a dedicated credible and responsive service to its customers.

SatPhone Shop is actively servicing a wide range of vertical markets, including mining, construction, emergency services, recreation, maritime, transport, oil and gas and recreation.

<http://www.satphoneshop.com>

SatPhone Rental

SatPhone Rental Pty Ltd, will launch in mid 2013 to provide a consumer and enterprise online portal enabling easy access to Rental of satellite equipment using the Telstra Mobile Satellite service within Australia. Due to the nature of the Australian land mass, some 84% of Australia is not covered by Terrestrial (i.e. normal telephone services) and the propensity for people to travel into these remote areas for a short or long period is very high, therefore the ability to gain access to rental products is of high importance. The value proposition is to provide next day delivery for rental phones with an easy to use online portal for making bookings, purchases of additional accessories to compliment the rental.

<http://www.satphonerental.com.au>

Key Industry Partners

World Reach through its Beam Communications subsidiary has developed strategic relationships with Inmarsat and Iridium, two of the world's largest and most successful global satellite operators.



Iridium is the only mobile voice and data satellite communications network that spans the entire globe. Iridium enables connections between people, organizations and assets to and from anywhere, in real time. Together with its ever-expanding ecosystem of partner companies, Iridium delivers an innovative and rich portfolio of reliable solutions for markets that require truly global communications. The company has a major development program underway for its next-generation network – Iridium NEXT. Iridium Communications Inc. is headquartered U.S.A and listed on the NASDAQ Global Select Market under the ticker symbol IRDM.

<http://www.iridium.com>



Inmarsat plc is the leading provider of global mobile satellite communications services. Since 1979, Inmarsat has been providing reliable voice and high-speed data communications to governments, enterprises and other organizations, with a range of services that can be used on land, at sea or in the air. The company's services are delivered through a global network of more than 400 distribution partners and service providers operating in 100 countries. Inmarsat is headquartered in the UK and listed on the London Stock Exchange (LSE:ISAT)

<http://www.inmarsat.com>

Satellite Industry Trends

The satellite industry has continued to experience strong growth for many years as the reliance on satellite communication as a means of extending the reach and availability of voice, data and messaging communications become increasingly important for all consumer, enterprise, commercial and government users. The growth in satellite communications through the increase in natural disasters, terrorist activities and an increase in the duty of care required by employers to protect the well-being and safety of workers. In the event of an emergency, terrorist attack or natural disaster typically the terrestrial communication services on land are the first to be affected and this is where the reliance on satellite communications steps in and thus the increasing demand. There are also core applications whereby satellite communication is the primary communications, this is typically where there is limited or no terrestrial coverage and satellite is the only option, covering pole to pole in the case of Iridium the ability to have one system that globally can support voice, data and messaging provides complete peace of mind for tracking, telemetry, voice and data services with one number and one terminal.

The growth of satellite communications over the years has been driven by:

- 1) the increased demand for people to be connected at all times and all places
- 2) high cost of deploying typical mobile and landline phone systems in larger areas of land mass where there is extremely low population density.

Therefore there are many opportunities in the coming years for the company to continue to be actively involved in bridging the gap between where satellite services are today and where the users expectations are due to terrestrial types of services they are now becoming more accustomed to.

The Beam subsidiary is actively working with on the development of strategic and highly innovative products to continually bridge this gap.

Yours faithfully

A handwritten signature in black ink, appearing to read "Michael Capocchi", with a stylized flourish at the end.

Michael Capocchi
Managing Director