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27 October 2017

The Manager
Market Announcements Platform
Australian Securities Exchange

Managing Directors Presentation to the Annual General Meeting 2017

Enclosed is a copy of the presentation to be made to shareholders at the Annual General Meeting of the Company at 10.00am today, Friday 27 October 2017.

Yours faithfully

Dennis Payne
Company Secretary

WORLD REACH LIMITED
(ASX:WRR)

INVESTOR PRESENTATION

MICHAEL CAPOCCHI

MANAGING DIRECTOR & CEO

27TH OCTOBER 2017

WORLD REACH LIMITED

Board & Subsidiaries

SUBSIDIARIES

- Beam Communications Pty Ltd
- SatPhone Shop Pty Ltd
- SatPhoneRental Pty Ltd
- Beam Communications USA, Inc

BOARD

- Simon Wallace - Chairman
- Michael Capocchi - Managing Director & CEO
- Carl Hung - Non Executive Director
- Dennis Payne - CFO & Co Secretary
- David Dawson - Retired December 2016

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FINANCIAL RESULTS & OUTLOOK

27TH OCTOBER 2017

FINANCIAL RESULTS

Financial Results FY'17

Revenues

- Total revenues $9.8M
  - Revenue down on FY'16 due to:
    - Timing of the delivery of the remaining GO! order into Q1 FY'18
    - Lower overall sales activity that was experienced across the industry
    - Reduced demand in China for the maritime terminals

Profit

- Net Loss Before Tax ($558K) / **EBITDA profit of $129K**
  - Impacted significantly by the reduced profit from later GO! delivery
  - Lower overall sales from core business activities impacting profit

FINANCIAL OUTLOOK

Financial Outlook FY'18

Revenue Outlook

- Forecasted increase in revenues over FY'17:
  - Commence delivery of 3000 units of Thuraya WE
  - Secured additional 5000 unit Iridium GO! order for FY'18
  - The timing of such large deliveries is critical to the result

Profit Outlook

- Forecasting a return to profitability
- Several factors contributing to the improved profit outlook deliveries of:
  - Thuraya WE
  - Iridium GO!

FINANCE ACTVITIES

Update

Capital Raising

- Secured $1.94M placement with cornerstone investor
- Issue price at 20c per share
- Funds will further support new product developments
- Reduce some of the loan funds required

Bank & Loan Facilities

- Banks facilities remain in place with NAB
- Currently bank overdraft is not utilised
- Shareholder Loan facility has not been utilised to date

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BUSINESS UPDATE

IRIDIUM GO! UPDATE

BEAM OEM For Iridium GO! terminal

UPDATE

- Third order of 5K units received in August 2016
- 2500 shipped FY'17 2500
- 2500 slipped into FY'18, delivered October '17
- Continuing to see good acceptance of the product
- Further APP developers embracing the GO! for development
- **Secured 4th order 5K units, delivery FY'18**
- Continuous updates to support new operating systems
- Product enhancements to support more iridium services





BEAM'S INVOLVEMENT

- Major development project, designed, developed and manufactured by Beam in conjunction with Iridium
- Globally distributed by Iridium
- Major Investment by World Reach in product development
- Provided access to new markets, applications and opportunities

THURAYA WE DEVELOPMENT

Second Major OEM Product Development



THURAYA WE DEVELOPMENT

Worlds First Dual Mode Satellite Hotspot

COMMERCIAL AGREEMENT

- Initial contract signed April 2015
- Thuraya highly regarded satellite operator
- Beam to design & manufacture new innovative terminal
- Expands Beams portfolio of products
- Initial product introduction by Thuraya in May 2017
- Deliveries to commence Nov 2017
- Minimum contracted revenue $3.8M in first 12 months
- Initial demand for the terminal gaining momentum





WORLDS FIRST DUAL MODE SATELLITE HOTSPOT

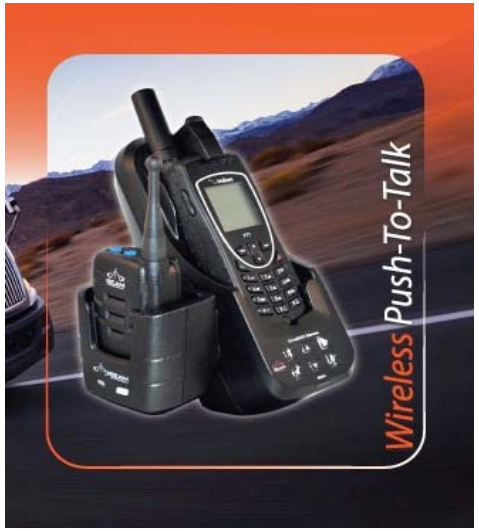
- Inbuilt LTE / Satellite access
- Speed up to 384kbps over satellite
- Thuraya has 395 cellular Roaming Partners
- Easy access to Social Media, Voice & Data Services

IRIDIUM PUSH TO TALK (PTT)

Iridium Push To Talk Service (PTT)

UPDATE

- Docking units launched in 2016
- Multiple trials over past 12 months
- Successfully deployed for Ice Truckers
- New trials underway in Canada and South America
- Corded and Wireless kits available for fixed and portable installations
- Overall take up of the service has been slower than expected
- Forecasting growth in PTT sales in FY18 following these successful trials





INMARSAT BROADBAND DEVELOPMENT

Vehicular / Maritime

PROJECT UPDATE

- Initially announced in Oct 2016
- Maritime & Land terminals being developed
- Utilising the Inmarsat BGAN radio module
- Product launch anticipated for late 2018
- New market opportunities for Beam
  - Mobile / Vehicular
  - IoT / M2M
  - Maritime
- Open up new markets for Beam
- Complimentary to existing product range





SatPhone Shop

Online Satellite Phone Business

BUSINESS UPDATE

- Sales revenues exceeded $1M in FY17
- Forecasting further growth
- New website launching December 2017
  - $100K investment in new website
  - Increased product range
  - Expanded prepaid options
  - Online real-time rental bookings
- Success from attendance at targeted shows
  - 4 x 4
  - Caravan & Camping
- Strengthening business with Telstra through online referrals





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FURTHER OPPORTUNITIES FOR GROWTH

OPPORTUNITIES FOR GROWTH

Focus on further product diversification

IRIDIUM NEXT	▪ In 2018 Iridium will release details of their developer modules that will provide new product opportunities to work with the new Iridium satellite constellation. This may also include the next generation of the GO! product.
SATELLITE MESSAGING / LONE WORKER	▪ The market for monitoring lone workers as well as providing a low cost solution for two way messaging continues to be a major opportunity for growth.
IRDIUM PTT	▪ Following the release of an RFP earlier in 2017, Beam is continuing discussions with Iridium regarding the potential development of a dedicated PTT (Push To Talk) handset.
CELLULAR	▪ Drawing on Beam's experience developing products for harsh maritime and transport environments, investigation has commenced to identify market opportunities where these skills may be used to focus on LTE and 5G opportunities

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FOCUS ON FY18 & BEYOND

FOCUS ON FY'18

Investing in the future

REVENUES	▪ Forecasting an increase in Revenues over FY'17 ▪ Driven by the new Thuraya WE product ▪ Secured another order for 5K GO!, delivery in FY'18 ▪ Implementing a new billing system to allow growth recurring revenues from reselling airtime services
PROFIT	▪ Turnaround in profitability from FY'17 ▪ Recent placement funds reduce interest cost ▪ Increased sales to drive profit growth ▪ Maintain tight expense controls
PRODUCT DEVELOPMENT	▪ Successful launch of the Thuraya WE terminal ▪ Development of the two Inmarsat terminals ▪ Working to secure new development contracts ▪ Identification of product diversification opportunities
SHAREHOLDER VALUE	▪ Returning to profitability ▪ Securing further contracted revenues ▪ Developing sustainable revenues ▪ Investment into profitable developments

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