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The Manager
Market Announcements Platform
Australian Securities Exchange

Managing Directors Presentation to the Annual General Meeting

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 4 November 2016.

Yours faithfully

A handwritten signature in black ink, appearing to read "Dennis Payne".

Dennis Payne
Company Secretary



Leading the world in innovative satellite communications

Investor Update – November 4 2016

world reach

World Reach Limited (ASX:WRR)

Presented by: Michael Capocchi,
Managing Director

Introduction

Following the release of the company's financial result and with the development of several new and exciting opportunities, this is an update for all World Reach Limited shareholders on key growth and key business activities.

Several factors reinforce our confidence for continued success in the coming year;

- launch of the Thuraya terminal late FY'17, previously announced in April 2015
- New Inmarsat product development for M2M, IoT & mobile Data applications
- Receipt of the 3rd Iridium GO! Order
- Several initiatives for growth of the SatPhone Shop online business

Financials – FY'16

Revenues FY'16

- Total revenues \$12.37M
 - Down on FY'15 due to:
 - Delayed follow up GO! orders
 - Supply issues with one of the network operator's handsets slowed docking sales
 - Lower sales in Japan and China, however additional China orders in hand for FY'17

Profit Result FY'16

- Net Profit Before Tax \$417K (EBITDA \$1.36M)
- Third consecutive year of profits

Financials – Outlook FY'17

Profit Outlook FY'17

- Forecast for FY'17 in line with profitability of FY'16
- Maintain tight expense control
- Proactively managing foreign exchange exposure where required

Revenues Outlook FY'17

- Revenues in line with FY'16 depending on timing of deliveries
- Expected growth from SatPhone Shop online business
- Launch of the new Thuraya satellite terminal currently in development (late FY'17)
- Increase in recurring revenues from resale of voice/data airtime services
- 3rd Iridium GO!® order secured

Key Activities in FY'16

A military-style armored vehicle, possibly a Humvee or similar, is shown from a side-rear perspective. It is equipped with a mounted machine gun on top. The vehicle is parked on a dirt road in a dry, hilly landscape with sparse vegetation. The background shows rolling hills under a clear sky.

Safety. Reliability. Trust.

These are the reasons thousands of customers have been putting their remote communications needs in our hands.

Key Activities in FY'16

Thuraya development project

- Beam awarded contract to develop specialised satellite voice / data terminal in April 2015
- Minimum revenue commitment of USD3M first 12 months
- Development of the Thuraya product continued through FY'16
- More than 50% of the development now completed
- Deliveries anticipated Q4 FY'17

Telstra selling Iridium GO!®

- Iridium GO!® integrated into Telstra billing and offers
- Now available on World Reach's www.satphoneshop.com online store
- \$0 upfront payment plans available via Telstra
- Gaining market share on handheld devices

Key Activities in FY'16

SatPhone Shop (World Reach online satellite phone shop)

- FY'16 sales achievement of \$874K
- Implemented Rental and Prepaid Airtime services into product mix
- Attended several Caravan Camping, Field Days, 4 x 4 shows
- Various sponsorships to enhance the SatPhoneShop brand

Finalised delivery of second major Iridium GO!® order

- Deliveries of the remainder of the second major order completed Dec '15
- Third order now received for an additional 5K terminals

Key Activities in FY'16

Launch of Iridium Push to Talk Service & Products

- Beam was appointed an Iridium Push To Talk (PTT) service launch partner
- Beam-developed specific docking units to support the Iridium PTT handset
- Sales of PTT services and docks to date have been below initial expectations, however optimistic there is still opportunities in the service
- Several trials still underway through global distribution partners



Strategic Growth Opportunities – FY'17

Beam is at the forefront of innovation for products that utilize the Iridium and Inmarsat networks.

Strategic Growth Opportunities – FY'17

SatPhone Shop



- Launch of new website in Q3, over \$60K investment
- Enabling shipping to international destinations
- Increasing product range to service captive market of travelers
 - Radios
 - EPIRB's
 - Waterproof Cases
 - Value Added Services
- Implementing Post Paid pricing plans to support Iridium GO! in Australia
- Establish a distribution network of partners for rentals and sales leads

Strategic Growth Opportunities – FY'17

Airtime Services Revenues

- To grow the current base of recurring airtime revenues from circa \$500K annually.
- Appointment of strategic distribution partners for the resale of airtime services focused specifically on the M2M, IoT system integrators and application providers
- Commenced resale of Inmarsat BGAN airtime services to Telstra for Australian M2M opportunities in the utility sector
- Telstra looking to commercialise Beam's modem and data terminal products to make more readily available to its M2M and developer channels

Strategic Growth Opportunities – FY'17

THURAYA Product Development Contract

- Strategic product development project underway
- Thuraya 3rd largest MSS player in the market, key focus Asia, Europe, Middle East and Australia
- Minimum revenue commitment of US\$3M in the first year from launch
- Secures Beam's position manufacturing product for 3 out of the 4 largest MSS players
- Half of the major milestones for project almost completed
- Launch expected Q4 FY'17

Strategic Growth Opportunities – FY'17

Inmarsat Product Development

- Beam to commence development of a new Inmarsat terminal
- The initial product will focus on M2M / IoT & Data applications:
 - Connected vehicles
 - Machine to Machine
 - Remote Telemetry
- Beam funded and branded product, further enhancing the “BEAM” brand in the M2M and data terminal market
- New incremental revenues are complimentary to existing Inmarsat portfolio
- Launch planned for December 2017
- Loan facility made available to support this development

FY18 & Beyond.....

Beyond.....

Iridium "NEXT"

- Iridium Communications Inc (NASDAQ:IRDM) will commence the deployment of a completely new satellite constellation in the coming months, to replace the currently deployed 66 satellites
- The "NEXT" service once fully deployed and commercially operational will:
 - Support more bandwidth and higher speeds for new products
 - Enable partner solutions on a scale not previously imagined
 - Provide service continuity and backwards compatibility
 - Continuing Iridium's commitment to 100% global coverage

Beyond.....

An Opportunity for BEAM with Iridium “NEXT”

- Beam has over 14 years of experience developing product for the current Iridium satellite network constellation
- All existing Beam products are forward compatible with Iridium “NEXT”
- Beam’s extensive experience in developing Beams’ own terminals and being the OEM for the Iridium GO!® holds the company in good stead to be a preferred development partner for some “NEXT” compatible products
- No commercial contracts are in place as yet with Iridium, these opportunities will arise over the coming 12-18 months.

Beyond.....

Further opportunities

- Beam will continue to foster and develop strategic partnerships with satellite network operators to enhance and compliment the current product portfolio with new and innovative products.
- Identify and target specific acquisition opportunities that will provide incremental revenues and profitability at the appropriate time that provides accretive value to shareholders
- Develop new organic businesses for which Beam can identify new markets, new products or application technologies that capitalise on the wealth of knowledge, expertise and global experience of its team



In summary

In Summary.....

- Company well positioned to maintain its revenues and profits in FY17 with growth in revenues & profit in FY'18 following the launch of two additional products
- Substantial R&D investments already made into several innovative satellite products that continue to remain competitive and still have longevity.
- Additional investment continues into the development of additional Beam products for the Iridium, Inmarsat and Thuraya satellite networks
- The SatphoneShop online business continues to show growth and a positive outlook with revenues increasing year-on-year since its launch
- New services with Telstra provide opportunities to further grow recurring revenues of satellite airtime services specifically for M2M, mobile data & IoT opportunities.
- Third Iridium GO![®] order received for 5K units, of which 50% will be delivered in FY'17

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