

CAPE RANGE LTD

ABN 43 009 289 481



CAPE RANGE LIMITED

ACN 009 289 481

NOTICE OF GENERAL MEETING

TIME: 10:00 am AEST

DATE: 13 September 2017

PLACE: 29 Brookside Place
Lota, Queensland, Australia, 4179

The Independent Expert has concluded that the issue of the iFree Securities, the subject of Resolution 5 outlined in this Notice of Meeting, is FAIR AND REASONABLE to the Non-Associated Shareholders.

All Shareholders should refer to the Independent Expert's Report enclosed with this Notice of Meeting.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 4 2999 5000.

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IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Meeting will be held at 10:00 am AEST on Wednesday, 13 September 2017 at 29 Brookside Place, Lota, Queensland, Australia, 4179.

Your vote is important

The business of the Meeting affects your shareholding and your vote is important.

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5:00 pm AEST on Monday, 11 September 2017.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – CONSOLIDATION OF CAPITAL

To consider and, if thought fit, to pass, with or without amendment, the following Essential Resolution as an **ordinary resolution**:

"That, subject to and conditional upon the passing of the Essential Resolutions, pursuant to section 254H of the Corporations Act and for all other purposes, the issued capital of the Company be consolidated on the basis that every eight (8) Shares be consolidated into one (1) Share and, where this Consolidation results in a fraction of a Share being held, the Company be authorised to round that fraction up to the nearest whole Share."

Note: This Resolution is an Essential Resolution. If any one of the Essential Resolutions are not approved at the Meeting, none of them will take effect and the Biztrak Agreement and other matters contemplated by those Resolutions will not be completed.

2. RESOLUTION 2 – ISSUE OF SHARES TO RELATED PARTY – WAYNE JOHNSON

To consider and, if thought fit, to pass, with or without amendment, the following Essential Resolution as an **ordinary resolution**:

"That, subject to and conditional upon the passing of the Essential Resolutions, for the purposes of section 195(4) and section 208 of the Corporations Act and for all other purposes, approval is given for the Company to issue 700,000 Shares (on a post-Consolidation basis) to Wayne Johnson (or his nominee, being Noblemen) on the terms and conditions set out in the Explanatory Statement."

Note: This Resolution is an Essential Resolution. If any one of the Essential Resolutions are not approved at the Meeting, none of them will take effect and the Biztrak Agreement and other matters contemplated by those Resolutions will not be completed.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not an associate of Mr Johnson, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

3. RESOLUTION 3 – ISSUE OF SHARES TO RELATED PARTY – MICHAEL HIGGINSON

To consider and, if thought fit, to pass, with or without amendment, the following Essential Resolution as an **ordinary resolution**:

"That, subject to and conditional upon the passing of the Essential Resolutions, for the purposes of section 195(4) and section 208 of the

Corporations Act and for all other purposes, approval is given for the Company to issue 700,000 Shares (on a post-Consolidation basis) to Michael Higginson (or his nominee, being Anita Higginson) on the terms and conditions set out in the Explanatory Statement."

Note: This Resolution is an Essential Resolution. If any one of the Essential Resolutions are not approved at the Meeting, none of them will take effect and the Biztrak Agreement and other matters contemplated by those Resolutions will not be completed.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not an associate of Mr Higginson, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

4. RESOLUTION 4 – ISSUE OF SHARES TO RELATED PARTY – JOHN GEORGIPOULOS

To consider and, if thought fit, to pass, with or without amendment, the following Essential Resolution as an **ordinary resolution**:

"That, subject to and conditional upon the passing of the Essential Resolutions, for the purposes of section 195(4) and section 208 of the Corporations Act and for all other purposes, approval is given for the Company to issue 266,667 Shares (on a post-Consolidation basis) to John Georgiopoulos (or his nominee, being Rockdale) on the terms and conditions set out in the Explanatory Statement."

Note: This Resolution is an Essential Resolution. If any one of the Essential Resolutions are not approved at the Meeting, none of them will take effect and the Biztrak Agreement and other matters contemplated by those Resolutions will not be completed.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not an associate of Mr Georgiopoulos, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

5. RESOLUTION 5 – APPROVAL FOR ISSUING THE IFREE SECURITIES

To consider and, if thought fit, to pass, with or without amendment, the following Essential Resolution as an **ordinary resolution**:

"That, subject to and conditional upon the passing of the Essential Resolutions, for the purposes of section 611 (Item 7) of the Corporations Act and for all other purposes, Shareholders approve the issue of:

- (a) 24,000,000 Shares (on a post-Consolidation basis);
- (b) 24,000,000 Performance Rights (on a post-Consolidation basis);
- (c) 3,000,000 Shares (on a post-Consolidation basis) upon conversion of 300 Convertible Notes,

to iFree Group (International) Limited (iFree), which would result in iFree's voting power in the Company being up to 52.00% (assuming the performance milestones attaching to the Performance Rights are subsequently satisfied) and otherwise on the terms and conditions in the Explanatory Statement."

Note: This Resolution is an Essential Resolution. If any one of the Essential Resolutions are not approved at the Meeting, none of them will take effect and the Biztrak Agreement and other matters contemplated by those Resolutions will not be completed.

Voting Exclusion: No votes may be cast in favour of this Resolution by:

- (a) the person proposing to make the acquisition and their associates; or
- (b) the persons (if any) from whom the acquisition is to be made and their associates.

Accordingly, the Company will disregard any votes cast on this Resolution by iFree and any of its associates.

Expert's Report: Shareholders should carefully consider the report prepared by the Independent Expert for the purposes of the Shareholder approval required under section 611 Item 7 of the Corporations Act. The Independent Expert's Report comments on the fairness and reasonableness of the transactions the subject of this Resolution 5 to the Non-Associated Shareholders in the Company.

6. RESOLUTION 6 – ISSUE OF SECURITIES TO RELATED PARTY - RUI YUAN ONG

To consider and, if thought fit, to pass, with or without amendment, the following Essential Resolution as an **ordinary resolution**:

"That, subject to and conditional upon the passing of the Essential Resolutions, for the purposes of section 208 of the Corporations Act and for all other purposes, approval is given for the Company to issue 4,500,000 Shares and 4,500,000 Performance Rights (each on a post-Consolidation basis) to Rui Yuan Ong on the terms and conditions in the Explanatory Statement."

Note: This Resolution is an Essential Resolution. If any one of the Essential Resolutions are not approved at the Meeting, none of them will take effect and the Biztrak Agreement and other matters contemplated by those Resolutions will not be completed.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and

- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not an associate of Mr Rui Yuan Ong, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

7. RESOLUTION 7 – ELECTION OF DIRECTOR – CHIN HOCK LIM

To consider and, if thought fit, to pass, with or without amendment, the following Essential Resolution as an **ordinary resolution**:

“That, subject to and conditional upon the passing of the Essential Resolutions, for the purpose of clause 13.3 of the Constitution and for all other purposes, Chin Hock Lim, being eligible to act as a Director, be elected as a Director with effect from Settlement.”

Note: This Resolution is an Essential Resolution. If any one of the Essential Resolutions are not approved at the Meeting, none of them will take effect and the Biztrak Agreement and other matters contemplated by those Resolutions will not be completed.

8. RESOLUTION 8 – REPLACEMENT OF CONSTITUTION

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form as signed by the Chair for identification purposes.”

9. RESOLUTION 9 – ISSUE OF INCENTIVE SHARES TO RUI YUAN ONG

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, subject to and conditional upon the passing of the Essential Resolutions, for the purposes of section 195(4) and section 208 of the Corporations Act and for all other purposes, approval is given for the Company to issue 750,000 Shares (on a post Consolidation basis) to Mr Rui Yuan Ong on the terms and conditions set out in the Explanatory Statement.”

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
(i) a member of the Key Management Personnel; or
(ii) a Closely Related Party of such a member; and
(b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not an associate of Mr Ong, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
(d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

10. RESOLUTION 10 – ISSUE OF INCENTIVE SHARES TO MICHAEL HIGGINSON

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, subject to and conditional upon the passing of the Essential Resolutions, for the purposes of section 195(4) and section 208 of the Corporations Act and for all other purposes, approval is given for the Company to issue 750,000 Shares (on a post Consolidation basis) to Mr Michael Higginson (or his nominee, being Anita Higginson) on the terms and conditions set out in the Explanatory Statement.”

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not an associate of Mr Higginson, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

11. RESOLUTION 11 – ISSUE OF INCENTIVE SHARES TO WAYNE JOHNSON

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, subject to and conditional upon the passing of the Essential Resolutions, for the purposes of section 195(4) and section 208 of the Corporations Act and for all other purposes, approval is given for the Company to issue 750,000 Shares (on a post Consolidation basis) to Mr Wayne Johnson (or his nominee, being Noblemen) on the terms and conditions set out in the Explanatory Statement.”

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not an associate of Mr Johnson, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Dated: 15 August 2017

By order of the Board

Michael Higginson
Director and Company Secretary

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. PROPOSED ACQUISITION OF BIZTRAK

1.1 Background

Cape Range is a public company that was previously listed on the official list of the ASX (ASX code: CAG). Since the Company's removal from the official list on 24 March 2016, the Company has been investigating a number of options with a view of acquiring a business and/or assets to enable the recapitalisation of the Company and its re-listing on the ASX.

On 22 June 2017, the Company, Biztrak Business Solutions Sdn Bhd (**Biztrak**) and the shareholders of Biztrak (**Biztrak Shareholders**) entered into a binding heads of agreement (**Biztrak Agreement**), pursuant to which the Company agreed to acquire 100% of the fully paid ordinary shares in Biztrak (**Biztrak Shares**) from the Biztrak Shareholders (**Biztrak Acquisition**).

Biztrak is a Malaysian company involved in the provision of accounting and business intelligence software solutions.

1.2 Terms of the Biztrak Agreement

A summary of the proposed terms of the Biztrak Agreement are as follows:

- (a) **(Sale and Purchase of Biztrak Shares)**: Cape Range agrees to purchase from the Biztrak Shareholders and the Biztrak Shareholders agree to sell to Cape Range, all the Biztrak Shares, free from encumbrances for the Consideration;
- (b) **(Consideration)**: in consideration for the acquisition of Biztrak, Cape Range will issue:
 - (i) 30,000,000 Shares; and
 - (ii) 30,000,000 Performance Rights, issued on the terms and conditions set out in Schedule 2, comprising of:
 - (A) 10,000,000 Class A Performance Rights;
 - (B) 10,000,000 Class B Performance Rights; and
 - (C) 10,000,000 Class C Performance Rights,(each, on a post-Consolidation basis) to the Biztrak Shareholders in proportion to each of their respective proportions of Biztrak Shares held as set out in Section 1.7;
- (c) **(Conditions Precedent)**: completion of the Biztrak Acquisition is conditional upon the satisfaction (or waiver) of the following conditions precedent:
 - (i) ASX approving the terms of the Performance Rights that are to be issued to the Biztrak Shareholders;

- (ii) the approval of Shareholders being obtained in general meeting for the performance of the transactions contemplated by the Biztrak Agreement in accordance with the requirements of the Corporations Act, including, without limitation, approval for:
 - (A) the payment (and issue of Shares) to the Directors of Cape Range, as referred to in paragraph (v) below;
 - (B) the appointment of one Biztrak nominee to the Board of Cape Range (Resolution 7);
 - (C) to the extent required under the Corporations Act, the issue of:
 - (I) the Consideration to the Biztrak Shareholders; and
 - (II) Shares upon conversion of the \$350,000 in convertible notes which are convertible into 3,500,000 Shares (on a post-Consolidation basis);
 - (D) the consolidation of Cape Range's issued capital on an a 1 for 8 basis (**Consolidation**) (Resolution 1);
 - (iii) Cape Range complying with any requirements of the ASX including, if necessary, receiving conditional approval to have its Shares admitted to trading on the official list of the ASX and those conditions being to the reasonable satisfaction of Cape Range and Biztrak;
 - (iv) Cape Range preparing a prospectus to raise a minimum of \$4,000,000 with a maximum of \$6,000,000 at an issue price of at least \$0.20 per Share (on a post-Consolidation basis) (**Prospectus**), lodging the Prospectus with the ASIC and receiving applications together with cleared funds to meet the minimum subscription under the Prospectus;
 - (v) Cape Range paying any unpaid salaries, expenses and other entitlements of the Directors or their related parties as mutually agreed between the parties to the value of \$250,000 by the issue of Shares (on a post-Consolidation basis) at a deemed issue price of \$0.15 per Share (Resolutions 2, 3 and 4); and
 - (vi) Cape Range settling any and all of its creditors as at the date of the Biztrak Agreement through an amount of up to \$100,000 (exclusive of GST) to be paid from the proceeds of the Convertible Notes;
- (d) (**Board Changes**): on the date of completion of the Biztrak Acquisition, one nominee of Biztrak (Mr Chin Hock Lim) will immediately be appointed to the Board of Cape Range (Resolution 7) and one current director of Cape Range (Mr John Georgiopoulos) will resign.

1.3 Capital Raising

In connection with the Biztrak Acquisition, the Company is proposing to undertake a capital raising via the issue of up to 30,000,000 Shares (on a post-Consolidation basis) to raise at least \$4,500,000 (**Minimum Subscription**) and up to \$6,000,000 (**Maximum Subscription**) through an offer of Shares at an issue price of \$0.20 per Share to ensure that the Company can satisfy the requirements of Chapters 1 and 2 of the ASX Listing Rules (**Capital Raising**). The Capital Raising is intended to be undertaken pursuant to a 'full form' prospectus in accordance with Section 710 of the *Corporations Act 2001* (Cth) (**Prospectus**).

The proposed capital structure of the Company following completion of the Consolidation, Biztrak Acquisition and the Capital Raising is set out in Section 1.8 and a pro forma statement of financial position showing the effect of the Biztrak Acquisition on the Company is set out in Schedule 1.

1.4 Consolidation of capital

Subject to and conditional upon Shareholders approving the Essential Resolutions, the Company will undertake a consolidation of its issued capital on the basis of one (1) Share for every eight (8) Shares held (**Consolidation**).

Approval for the Consolidation is the subject of Resolution 1.

1.5 Appointment of Proposed Director

Subject to and conditional upon Shareholders approving the Essential Resolutions, completion of the Biztrak Acquisition and in accordance with clause 13.3 of the Constitution, it is proposed that Mr Lim be elected as a director. Following the appointment of Mr Lim, it is intended that Mr Georgiopoulos will resign as a Director.

Approval for the appointment of Mr Lim is the subject of Resolution 7.

1.6 Biztrak Business Solutions Sdn Bhd

Biztrak is a leading provider of accounting and business intelligence (**BI**) software solutions that comply with both Goods & Services Tax (**GST**) and Value-added Tax (**VAT**) regulations and the International Financial Reporting Standards (**IFRS**). The solutions cater mainly to small and medium enterprises (**SMEs**), in Malaysia, Brunei and Singapore. The Company's accounting and BI software solutions have been, and are deployed, by over 18,000 companies with more than 40,000 users in 18 countries in Asia, Europe and Africa, across industries such as retail, trading, logistics, healthcare, e-commerce, manufacturing, financial sectors, and higher education.

Biztrak distributes and supports the software solutions and related activities, hardware and networking business. Biztrak has a wholly-owned Malaysian subsidiary, Biztrak R&D Sdn. Bhd. (**BRD**), which is principally involved in software research and development (**R&D**).

(a) Biztrak's technologies

Biztrak has acquired the rights to, and further developed, a product named Biztrak MSB Accounting and Business Intelligence Solutions (**Biztrak MSB**), a desktop accounting software solution that complies with both GST/VAT regulations and IFRS and mainly caters to SMEs.

Biztrak MSB comes with an integrated series of core financial modules such as general ledger, accounts receivable, accounts payable, cash management, system manager & security, e-bridge and online wizard as its base (**Base Features**), and it can be easily expanded with additional add-on financial and distribution modules, such as inventory control, multi-currency, sales order processing, fixed assets, purchase order processing and excelink (together, the **Add-Ons**). Biztrak's software solutions have been constructed to allow for ever-expanding features, while delivering to SMEs capabilities usually found only in costlier enterprise-class packages.

A key feature of the architecture is the e-bridge middleware, which has been developed and refined by Biztrak's in-house R&D staff. E-bridge is a middleware solution in the Biztrak MSB application that facilitates the Electronic Data Interchange (**EDI**) solution to bridge the information gap between various financial and business management applications. It features the exchange of data in multiple formats and in a bi-directional manner, elasticity in communication, different batch modes structured in both an attended and unattended manner for rationalized processing of data. By providing seamless and automated integration, the e-bridge allows businesses to eliminate the need for manual data entry, and to quickly achieve EDI compliance with business partners for maximum efficiency and minimum costs.

Biztrak's rapid data migration and integration capabilities are favoured by SMEs that want quick first-time implementation and smooth add-ons. Unlike most competitors, the e-bridge is bundled, at no extra cost, as part of the software package. This suite is appealing to SMEs seeking integrated accounting and BI solutions that combine attractive price, scalability, robust architecture and constant upgrade of features and functions to achieve compliance or improved productivity. Its ease of use also contributes to a high level of customer loyalty.

Biztrak offers Biztrak MSB to its customers through various packages to cater for different company sizes and different capabilities to suit its customers' needs. Biztrak generates revenue from selling its Biztrak MSB product and related services to users, mainly SMEs, which generate revenue in the following ways:

- (i) Sale of software license:
 - (A) Software as a Service (SaaS) subscription Fee – annual subscription fee based on the usage of Biztrak MSB software with annual renewals required;
 - (B) Standard License Fee – one-off payment to purchase a perpetual license to use Biztrak MSB software based on one of the product package options described above; and
 - (C) Customised License Fee – one-off payment for customizing, personalizing or implementing the software solutions in order to perform the customer's desired functionality;
- (ii) Software Maintenance Fee – annual fee paid by users to receive periodic patches and upgrades as well as troubleshooting any issues with the software solutions;

- (iii) Implementation and Training Fee – fee-for-service revenue generated from training and coaching on the deployment and operating of Biztrak MSB; and
- (iv) Sale of Hardware – revenue source from the supply of computers, peripherals and networking equipment.

Biztrak undertakes sales and marketing of its products by the following channels:

- (v) Direct Sales – sales made through Biztrak's sales offices in Malaysia; and
- (vi) Authorised Business Partners and Dealers – sales made through the appointed business partners and dealers in the respective countries, primarily comprised of IT consultants and accountants.

(b) **Biztrak business model and growth strategy**

Biztrak's growth strategy is focused on three major drivers:

(i) **Product portfolio development and diversification:**

Expanding product lines by:

- (A) upgrading the Company's existing product i.e. window-based accounting software (Biztrak MSB); and
- (B) developing new products i.e. web-based accounting software (**Biztrak Online**) and a warehouse management system (**Biztrak WMS**).

(ii) **Expansion of sales network into overseas market:**

In order to widen Biztrak's revenue stream, to position Biztrak for strategic growth beyond the current market in the long term, Biztrak intends:

- (A) to further expand Biztrak's sales network to Australia;
- (B) to strengthen Biztrak's existing sales network in ASEAN countries; and
- (C) to seek growth opportunities in other geographical markets, such as the People's Republic of China, Saudi Arabia and the United Arab Emirates.

(iii) **Continuing research and development**

- (A) In order to increase the competitiveness of Biztrak's products in the market, Biztrak intends to devote additional resources to the research and development team by recruiting additional expertise so as to strengthen the research and development capabilities;
- (B) At the same time, Biztrak will continuously provide training programs to its research and development

team so as to keep abreast of the latest technological developments in the communication industry.

1.7 Biztrak Acquisition

Pursuant to the Biztrak Agreement in consideration for the Biztrak Acquisition the Company will issue 30,000,000 Shares (on a post-Consolidation basis) (**Consideration Shares**) and 30,000,000 Performance Rights, issued on the terms and conditions set out in Schedule 2, comprising of:

- (a) 10,000,000 Class A Performance Rights;
- (b) 10,000,000 Class B Performance Rights; and
- (c) 10,000,000 Class C Performance Rights,

(together, the **Consideration Securities**).

The Consideration Securities will be issued to the Biztrak Shareholders as follows:

Vendor	No. of Biztrak Shares held	% of total Biztrak Shares	Consideration Shares	Class A Performance Rights	Class B Performance Rights	Class C Performance Rights	% following completion of the Biztrak Acquisition and Capital Raising ¹
Rui Yuan Ong	697,500	15%	4,500,000	1,500,000	1,500,000	1,500,000	9.18%
Geok Moi Ong	232,500	5%	1,500,000	500,000	500,000	500,000	3.06%
iFree Group (International) Limited	3,720,000	80%	24,000,000	8,000,000	8,000,000	8,000,000	52.00% ²
Total	4,650,000	100%	30,000,000	10,000,000	10,000,000	10,000,000	-

Notes:

1. Assuming the performance milestones attached to the Performance Rights are subsequently achieved and the Minimum Subscription is raised pursuant to the Capital Raising.
2. Assuming that 3,000,000 Shares are issued to iFree upon conversion of the iFree Notes.

Pursuant to the Biztrak Acquisition and upon conversion of 300 Convertible Notes (**iFree Notes**) held by iFree Group (International) Limited (**iFree**), iFree will be issued:

- (a) 24,000,000 Consideration Shares;
- (b) 24,000,000 Performance Rights (comprising of 8,000,000 Class A Performance Rights, 8,000,000 Class B Performance Rights and 8,000,000 Class C Performance Rights); and
- (c) 3,000,000 Shares upon conversion of the iFree Notes,

(together, the **iFree Securities**).

The issue of the iFree Securities will result in iFree acquiring a relevant interest in 51,000,000 Shares (assuming the performance milestones attached to the Performance Rights are subsequently achieved) upon the issue of those

securities, which may result in iFree having a voting power of 52.00% in the Company (assuming that the Minimum Subscription is raised under the Capital Raising and no Shares other than those contemplated by the Biztrak Agreement and this Notice are issued and all performance milestones attaching to the Performance Rights are subsequently achieved). As such, the Company is seeking Shareholder approval pursuant to Item 7 of section 611 of the Corporations Act to allow the Company to issue the iFree Securities pursuant to Resolution 5.

1.8 Proposed capital structure

The below capital structure table of the Company assumes that the completion of the Capital Raising occurs:

	Shares \$4,500,000 Capital Raising	Shares \$6,000,000 Capital Raising	Performance Rights
Current	51,296,812	51,296,812	
Post Consolidation (1:8)	6,412,102	6,412,102	
Capital Raising ¹	22,500,000	30,000,000	
Consideration Securities	30,000,000	30,000,000	30,000,000 ²
Conversion of Convertible Notes	3,500,000	3,500,000	
Shares issued to Directors in lieu of outstanding fees ³	1,666,667	1,666,667	
Shares to be issued to Directors and the Company's CEO as an incentive payment ⁴	2,250,000	2,250,000	
Shares to be issued to brokers/promoters	1,750,000	1,750,000	
TOTAL	68,078,769	75,578,769	30,000,000

Notes:

1. Assuming Capital Raising at an issue price of \$0.20 per Share.
2. Performance Rights on the terms and conditions set out in Schedule 2. The recipients of these Performance Shares are set out in Section 1.7.
3. Resolutions 2, 3 and 4.
4. Resolutions 9, 10 and 11.

1.9 Pro-forma statement of financial position

Set out in Schedule 1 is an unaudited pro-forma balance sheet of the Company assuming that all Essential Resolutions have been passed and Settlement has occurred and showing alternatively the Minimum Subscription and Maximum Subscription under the Capital Raising. The historical and pro-forma information is presented in an abbreviated form, insofar as it does not include all of the disclosure required by the Australian Accounting Standards applicable to annual financial statements.

1.10 Indicative use of funds

Following completion of the Biztrak Acquisition, the Company expects to use its cash funds as follows:

Use of Funds	Amount (Minimum Subscription)	%	Amount (Maximum Subscription)	%
Existing cash reserves of the Company	\$200,000	4.26%	\$200,000	3.23%
Funds raised under the Capital Raising	\$4,500,000	95.74%	\$6,000,000	96.77%
TOTAL	\$4,700,000	100%	\$6,200,000	100%
Product portfolio development and diversification ¹	\$880,000	18%	\$1,250,000	20%
Expansion of sales network into overseas market ²	\$1,600,000	34%	\$2,100,000	34%
R&D ³	\$880,000	19%	\$1,225,000	20%
Expenses associated with Capital Raising	\$450,000	10%	\$525,000	8%
Working capital ⁴	\$900,000	19%	\$1,100,000	18%
TOTAL	\$4,700,000	100%	\$6,200,000	100%

Notes:

- Expanding product lines by (i) upgrading the company's existing product i.e. window-based accounting software; (ii) developing new products and line extensions i.e. web-based and cloud accounting software fully integrated warehouse management system; and (iii) strengthening the R&D team.
- To position the company for strategic growth beyond the current market in the long term by (i) strengthening Biztrak's existing sales network in ASEAN countries; (ii) further expanding Biztrak's sales network and presence in Australia; and (iii) seeking growth opportunities in other geographical markets, such as Australia and the People's Republic of China, Saudi Arabia and the United Arab Emirates.
- R&D expenses are related to the development of future products and services.
- Working capital includes the general costs associated with the management and operation of the business including administration expenses, management salaries, directors' fees, rent and other associated costs.

Where more than the Minimum Subscription but less than the Maximum Subscription is raised the additional funds, after the increase in costs of the Capital Raising, will be allocated to the other categories listed in the use of funds table.

The above table is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

Actual expenditure may differ significantly from the above estimates due to a change in market conditions, the development of new opportunities and other factors.

1.11 Board and management

In accordance with the terms of the Biztrak Agreement, and with effect from Settlement, it is proposed that Mr Georgiopoulos will resign as a Director and Mr Lim (**Proposed Director**) will be appointed as an additional director to the Board of the Company. Wayne Johnson and Michael Higginson will remain in their existing roles following Settlement.

Summaries of the background and experience of each of the Directors, Proposed Director and senior management is set out below.

Wayne Johnson **Non-Executive Chairman**

Mr Johnson has over 30 years business and financial transaction experience gained in Australia, New Zealand, Asia and North America with extensive experience in corporate advisory, governance and compliance as a result of building, managing and directing public and private companies from start up to established public corporations.

Mr Johnson is a principal of Noblemen Ventures Pty Ltd, a Sydney based corporate and investment advisory firm providing services to select public and private entities, primarily in the middle market. He also provides services as a professional director to public companies.

Michael Higginson **Non-Executive Director**

Mr Higginson has a bachelor of Business degree from the Western Australian College of Advanced Education (Edith Cowan University) in 1984 majoring in Finance and Administration.

Mr Higginson is a professional director and company secretary who has accumulated extensive knowledge and experience in public company management, corporate law, ASX compliance, financial reporting, legal and financial due diligence and corporate governance.

Chin Hock Lim (Gary) **Proposed Non-Executive Director**

Mr Lim is a Chartered Accountant who has been qualified since 1984. Since qualifying, Mr Lim has worked as a management consultant with a Top 4 accounting firm and has held chief financial officer roles in diverse sectors such as private healthcare, music & entertainment, disaster recovery, property, building & construction, charities and furniture manufacture & retail.

Mr Lim is a Fellow of the Institute of Chartered Accountants in England & Wales.

Rui Yuan Ong
Chief Executive Officer

Mr Ong has a bachelor's Degree of Commerce in Financial Accounting, Corporate Finance and Investment Finance from the University of Western Australia.

In 2012, Mr Yuan joined a listed multidisciplinary group in Malaysia, Haisan Resources Berhad, as Executive Assistant to the CEO, providing strategic and administrative support on the group's business operations and leading special projects. Mr Yuan is Biztrak's Chief Operating Officer overseeing Biztrak's operations and will be appointed CEO of the Company.

Sheow Foong See (Jessica)
Chief Executive Officer of Biztrak

Ms See holds a bachelor degree in Electronic and Computer Engineering from Universiti Putra Malaysia.

Ms See is one of the pioneers of Biztrak who has significant experience in accounting management and automation spanning over 15 years. Ms See's business development and operational management skills combined with her experience and vision position the company well with development and sales.

Chee Chong Woo
Chief Technology Officer

Mr Woo has a Masters in Business Administration (MBA), a Bachelor of Science (Honours) majoring in statistics and a Post-Graduate Diploma in Computer Science from the University of Malaya.

Mr Woo has over 30 years of experience in system development, implementation, management and providing support to business computerized systems in various industries such as trading, finance, manufacturing and software/hardware vendors.

1.12 Advantages of the proposals comprising the Essential Resolutions

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on the Essential Resolutions:

- (a) provides existing Shareholders with the opportunity to realise value for their Shares while obtaining the opportunity to create liquidity in the Shares which presently does not exist;
- (b) through the Biztrak Acquisition, following completion of the Capital Raising and listing on the ASX, a larger market capitalisation and enhanced Shareholder base should provide a more liquid stock for Shareholders;
- (c) the Board will provide experience and the required set of skills to guide the growth of the Company;
- (d) the Biztrak Acquisition provides Shareholders with exposure to an existing business with potential for growth. The Company will be well capitalised, with cash reserves following completion of the Biztrak Acquisition of not less than \$4,200,000, which will be used to fund sales and marketing

activities as well as continuing product development as set out in Section 1.10;

- (e) the Consideration for the Biztrak Acquisition is entirely in the form of Shares and Performance Rights. Accordingly, all Biztrak Shareholders retain an interest in the future of the Company;
- (f) completion of the Biztrak Acquisition will provide Shareholders with the opportunity to be involved in a Company that:
 - (i) holds proprietary technology that provides an opportunity for Shareholders to participate in expanding international operations and activities;
 - (ii) has an opportunity to develop a number of commercial pathways in order to provide value to its Shareholders; and
 - (iii) has an experienced management team with strong technical experience and know-how with a proven record of developing start up enterprises;
- (g) the issue of the Consideration Securities will enable the Company to complete the Company's obligations under the Biztrak Agreement and will not require renegotiation of its terms;
- (h) if the Biztrak Acquisition is not completed, then the Company's ability to continue as a going concern is uncertain;
- (i) RSM Corporate Australia Pty Ltd has concluded that completion of the Biztrak Acquisition is both fair and reasonable for the Non-Associated Shareholders; and
- (j) successful completion of the Biztrak Acquisition is expected to enable the Company to meet the re-listing requirements imposed by ASX on the Company, allowing the Company's Shares to trade on the ASX.

1.13 Disadvantages of the proposals comprising the Essential Resolutions

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on the Essential Resolutions:

- (a) opportunity costs associated with the Company being offered a more attractive acquisition by not completing the Biztrak Acquisition;
- (b) there is no guarantee of the value of the Company's Shares upon completion of the Biztrak Acquisition;
- (c) the Company will be acquiring a business in the accounting and business intelligence software market, which may not be consistent with the objectives of some Shareholders;
- (d) the Biztrak Acquisition and Capital Raising will result in the issue of Shares and Performance Rights to the Biztrak Shareholders and Shares to the subscribers under the Capital Raising which will have a dilutionary effect on the current holdings and voting rights of Shareholders;

- (e) there are a number of risk factors associated with the Biztrak Acquisition, including:
 - (i) competition risk;
 - (ii) reliance on key management;
 - (iii) market presence and economies of scale risks;
 - (iv) international operations and foreign exchange risks;
 - (v) product liability risks;
 - (vi) loss of customer risks;
 - (vii) risk of reputational damage;
 - (viii) risk associated with managing rapid growth;
 - (ix) software development and piracy risks; and
 - (x) data loss, theft or corruption risks.
- (f) if Shareholder approval for the Essential Resolutions is obtained, the Company will be required to bear the costs of the preparation of the documentation required to ensure compliance with the ASX Listing Rules and other statutory requirements and approvals. The total remaining associated costs required to complete the Biztrak Acquisition are estimated to be between \$450,000 and \$525,000; and
- (g) there is no guarantee with regard to the future success, achievements and/or the financial performance of the Company and the value of the Shares following completion of the Biztrak Acquisition and Capital Raising.

1.14 Independent Expert's Report

The Independent Expert's Report assesses whether the issue of the iFree Securities outlined in Resolution 5 is fair and reasonable to the Shareholders who are not associated with iFree.

The Independent Expert's Report also contains an assessment of the advantages and disadvantages of the proposed issue and allotment of the iFree Securities the subject of Resolution 5. This assessment is designed to assist all Shareholders in reaching their voting decision.

The Independent Expert has provided the Independent Expert's Report and has provided an opinion that it believes the proposal as outlined in Resolution 5 **is fair and reasonable** to the Non-Associated Shareholders. It is recommended that all Shareholders read the Independent Expert's Report in full.

The Independent Expert's Report accompanies this Notice of Meeting.

1.15 Intentions if the Biztrak Acquisition is not approved

If the Conditions Precedent to the Biztrak Agreement are not satisfied or waived, including if all of the Essential Resolutions are not passed, the Biztrak Acquisition will not proceed and the Company's ability to continue as a going concern is uncertain.

1.16 Directors' interests in the Biztrak Acquisition

None of the Company's existing Directors have an interest in the proposed Biztrak Acquisition pursuant to the Biztrak Agreement.

Shareholders should note that, subject to and conditional upon the passing of all Essential Resolutions and completion of the Biztrak Acquisition Messrs Johnson, Higginson and Georgiopoulos will receive Related Party Shares pursuant to Resolution 2, 3 and 4.

Further, Messrs Higginson and Johnson will each receive Shares as an incentive payment pursuant to Resolutions 10 and 11.

1.17 Conditionality of Essential Resolutions

All Essential Resolutions are inter-conditional, meaning that each of them will only take effect if all of them are approved by the requisite majority of Shareholders' votes at the Meeting. **If any one of Resolutions 1 to 7 (inclusive) is not approved at the Meeting, none of them will take effect and the Biztrak Acquisition and other matters contemplated by the Resolutions will not be completed pursuant to this Notice.**

1.18 Directors' recommendation and voting intention

All of the Directors are of the opinion that the Biztrak Acquisition is in the best interests of Shareholders and accordingly the Directors unanimously recommend that Shareholders vote in favour of the Essential Resolutions. The Directors' recommendations are based on the reasons outlined in Section 1.12.

Each of the Directors intends to vote all of their Shares in favour of each of the Essential Resolutions in which they are entitled to vote.

2. RESOLUTION 1 – CONSOLIDATION OF CAPITAL

2.1 Background

Resolution 1 seeks approval from Shareholders to consolidate the number of Shares on issue on a one (1) for eight (8) basis. The Consolidation is required to ensure that the Company's capital structure is appropriate for it to be able to re-comply with the admission requirements of the ASX.

If Resolution 1 is passed and the Consolidation is implemented and excluding any Shares issued pursuant to Resolutions 2 to 6 (inclusive) and Resolutions 9 to 11 inclusive, the number of Shares on issue will be reduced from 51,296,812 to 6,412,102 Shares (subject to rounding).

Resolution 1 is an ordinary resolution. However, it will only take effect if all other Essential Resolutions are passed.

2.2 Legal requirements

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

2.3 Fractional entitlements

Not all Shareholders will hold that number of Shares which can be evenly divided by eight (8). Where a fractional entitlement occurs, the Company will round that fraction up to the nearest whole Share.

2.4 Taxation

It is not considered that any taxation implications will exist for Shareholders arising from the Consolidation. However, Shareholders are advised to seek their own tax advice on the effect of the Consolidation and that the Company does not accept any responsibility for the individual taxation implications arising from the Consolidation.

2.5 Holding statements

From the date of the Consolidation, all holding statements for Shares will cease to have any effect, except as evidence of entitlement to a certain number of Shares.

After the Consolidation is effected, the Company will arrange for new holding statements for Shares to be issued to holders of those Shares.

It is the responsibility of each Shareholder to check the number of Shares held prior to disposal.

2.6 Effect on capital structure

The effect which the Consolidation will have on the Company's capital structure is set out in the table in Section 1.8.

2.7 Consolidation subject to Acquisition

If Resolution 1 is passed, the Consolidation will take effect following the Meeting.

3. RESOLUTIONS 2, 3 AND 4 – ISSUE OF SHARES TO RELATED PARTIES

3.1 Background

Resolutions 2 to 4 (inclusive) seek Shareholder approval for the issue of Shares (on a post-Consolidation basis) to Messrs Wayne Johnson (or his nominee, being Noblemen, an entity controlled by Mr Johnson), Michael Higginson (or his nominee, being his wife, [Anita Higginson](#)) and John Georgiopoulos (or his nominee, being Rockdale, an entity controlled by Mr Georgiopoulos) (together, the **Related Parties**).

The Biztrak Agreement contains a condition precedent to pay any unpaid salaries, expenses and other entitlements of Cape Range's directors or their related parties as mutually agreed between the parties to the value of \$250,000 by the issue of Shares (on a post-Consolidation basis) at a deemed issue price of \$0.15 per Share (**Condition Precedent**).

The effect of Resolutions 2 to 4 will be to allow the Company to issue Shares (on a post-Consolidation basis) to the Related Parties (or their respective nominees) in accordance with the Condition Precedent.

The issue of the Shares to the Related Parties will conserve a proportion of the Company's cash by extinguishing the specified debts on the Company's balance sheet.

In this regard, the Company has agreed to issue a total of 1,666,667 Shares (on a post-Consolidation basis) (**Related Party Shares**) to the Related Parties on the terms and conditions set out below. If Shareholder approval is not obtained pursuant to Resolution 2, 3 or 4, the Related Parties will retain their right to the payments to which they would otherwise be entitled and the Condition Precedent will not be capable of satisfaction as currently drafted and, as such, the Biztrak Agreement will not settle unless the Condition Precedent is waived.

3.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless providing the benefit falls within a prescribed exception to the general prohibition. Relevantly, there is an exception if the company first obtains the approval of its shareholders in a general meeting in circumstances where certain requirements specified in Chapter 2E in relation to the convening of that meeting have been met.

A related party is defined widely in section 228 of the Corporations Act and includes, relevantly, a director (or former director in the previous 6 months) of a public company, any entity that controls (or is reasonably likely to control) a public company, and any entity that is controlled by a person or entity which is otherwise a related party (or was a related party in the previous 6 months).

A financial benefit for the purposes of the Corporations Act has a very wide meaning. It includes the public company paying money or issuing securities to the related party. In determining whether or not a financial benefit is being given, it is necessary to look to the economic and commercial substance and effect of what the public company is doing (rather than just the legal form). Any consideration which is given for the financial benefit is to be disregarded, even if it is full or adequate.

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Related Party Shares constitutes giving a financial benefit and Messrs Wayne Johnson, Michael Higginson and John Georgiopoulos are related parties of the Company by virtue of being Directors.

It is proposed that each Related Party will be allotted and issued the following number of Shares in satisfaction of the amount owed to each of them in the following proportions:

Related Party	Total amount owing	Amount to be paid in Related Party Shares	Number of Related Party Shares (on a post-Consolidation basis)
Wayne Johnson ¹	\$100,500	\$105,000	700,000
Michael Higginson	\$119,824	\$105,000	700,000
John Georgiopoulos	\$68,600	\$40,000	266,667
TOTAL	\$288,924	\$250,000	1,666,667

Notes:

1. This does not incorporate unissued invoices that Mr Johnson is entitled to issue as at the date of this Notice.

It is the view of the Company that the exceptions set out in sections 210 to 216 of the Corporations Act do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the issue of the Related Party Shares to the Related Parties.

3.3 Shareholder approval (Chapter 2E of the Corporations Act)

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act, the following information is provided in relation to the proposed grant of Related Party Shares:

- for the purposes of Resolutions 2 to 4, the related parties are Messrs Wayne Johnson, Michael Higginson and John Georgiopoulos and they are related parties by virtue of being Directors;
- the number of Related Party Shares (being the nature of the financial benefit being provided) to be issued to the Related Parties is:

Related Party	Number of Related Party Shares to be issued (on a post-Consolidation basis)
Wayne Johnson	700,000
Michael Higginson	700,000
John Georgiopoulos	266,667
TOTAL	1,666,667

- the Related Party Shares will be fully paid ordinary shares in the capital of the Company at a deemed issue price of \$0.15 per Share (on a post-Consolidation basis) issued on the same terms and conditions as the Company's existing Shares;
- the deemed issue price of \$0.15 per Related Party Share (on a post-Consolidation basis) is based on a 50% premium to the conversion price of the Convertible Notes and a 25% discount to the issue price of the Capital Raising. As the Company has not traded on the ASX since its suspension on 12 November 2010, there is no evident market value that can be ascribed to the Related Party Shares (on a post-Consolidation basis) for valuation purposes.

- (e) the Related Party Shares will be granted for nil cash consideration, rather they will be issued in extinguishment of a debt, and accordingly no funds will be raised;
- (f) the relevant interests of the Related Parties in securities of the Company as at the date of this Notice (on a post-Consolidation basis) are as set out below:

Related Party	Number of Shares (on a post-Consolidation basis)
Wayne Johnson	354,150
Michael Higginson	186,250
John Georgiopoulos	109,557
TOTAL	649,957

- (g) the remuneration and emoluments from the Company to the Related Parties for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

Related Party	Current Financial Year	Previous Financial Year
Wayne Johnson	*\$75,000	\$56,500
Michael Higginson	*\$75,000	\$39,112
John Georgiopoulos	*\$Nil	\$24,000

*Note these are estimates based on work performed and to be performed during this Financial Year.

- (h) if Resolutions 2 to 4 are passed, a total of 1,666,667 Shares (on a post-Consolidation basis) would be issued. This will increase the number of Shares on issue from 66,412,102 to 68,078,769 (on a post-Consolidation basis) (assuming that the Minimum Subscription is raised under the Capital Raising and no Shares other than those contemplated by the Biztrak Agreement and this Notice are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 2.45%, comprising 1.03% by Wayne Johnson, 1.03% by Michael Higginson and 0.39% by John Georgiopoulos.
- (i) Wayne Johnson declines to make a recommendation to Shareholders in relation to Resolution 2 due to his material personal interest in the outcome of the Resolution on the basis that Mr Johnson (or his nominee, being Noblemen) is to be granted Related Party Shares should Resolution 2 be passed. However, in respect of Resolutions 3 and 4, Mr Johnson recommends that Shareholders vote in favour of those Resolutions for the following reasons:
- (i) in order to extinguish the specified financial liabilities from the Company's balance sheet;
 - (ii) in order to conserve a greater proportion of the Company's cash in doing so; and
 - (iii) in order to facilitate the Biztrak Acquisition.

- (j) Michael Higginson declines to make a recommendation to Shareholders in relation to Resolution 3 due to his material personal interest in the outcome of the Resolution on the basis that Mr Higginson (or his nominee, being Anita Higginson) is to be granted Related Party Shares should Resolution 3 be passed. However, in respect of Resolutions 2 and 4, Mr Higginson recommends that Shareholders vote in favour of those Resolutions for the reasons set out at 3.3(i)(i) to 3.3(i)(iii).
- (k) John Georgiopoulos declines to make a recommendation to Shareholders in relation to Resolution 4 due to his material personal interest in the outcome of the Resolution on the basis that Mr Georgiopoulos (or his nominee, being Rockdale) is to be granted Related Party Shares should Resolution 4 be passed. However, in respect of Resolutions 2 and 3, Mr Georgiopoulos recommends that Shareholders vote in favour of those Resolutions for the reasons set out at 3.3(i)(i) to 3.3(i)(iii).
- (l) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 2 to 4 inclusive.

4. RESOLUTION 5 – APPROVAL FOR ISSUING THE IFREE SECURITIES

4.1 Item 7 of section 611 of the Corporations Act

Resolution 5 seeks Shareholder approval, for the purpose of Item 7 of section 611 of the Corporations Act, to allow the Company to issue and allot:

- (a) 24,000,000 Consideration Shares;
- (b) 24,000,000 Performance Rights; and
- (c) 3,000,000 Shares pursuant to the conversion of 300 Convertible Notes,

(on a post-Consolidation basis) (together, the **iFree Securities**) to iFree which will result in iFree's voting power in the Company being a maximum of 52.00% (assuming that all Shares contemplated by the Biztrak Agreement and this Notice are issued, the Minimum Subscription is raised pursuant to the Capital Raising and the performance milestones attaching to the Performance Rights are subsequently achieved).

The iFree Securities proposed to be issued to iFree form part of the total number of Consideration Securities proposed to be issued to the Biztrak Shareholders pursuant to the Biztrak Agreement and the conversion of 300 Convertible Notes.

Resolution 5 is subject to and conditional upon the passing of all other Essential Resolutions and completion of the Biztrak Acquisition.

Section 606 of the Corporations Act – statutory prohibition

Pursuant to section 606(1) of the Corporations Act, a person must not acquire a relevant interest in issued voting shares in a listed company if the person acquiring the interest does so through a transaction in relation to securities entered into by or on behalf of the person and because of the transaction, that person's or someone else's voting power in the company increases:

- (a) from 20% or below to more than 20%; or

- (b) from a starting point that is above 20% and below 90%.

(Prohibition).

Voting power

The voting power of a person in a body corporate is determined in accordance with section 610 of the Corporations Act. The calculation of a person's voting power in a company involves determining the voting shares in the company in which the person and the person's associates have a relevant interest.

Associates

For the purposes of determining voting power under the Corporations Act, a person (**second person**) is an "associate" of the other person (**first person**) if:

- (a) (pursuant to section 11 of the Corporations Act) the primary person is a body corporate and the second person is:
- (i) a director or secretary of the body;
 - (ii) a related body corporate; or
 - (iii) a director or secretary of a related body corporate,
- (b) (pursuant to section 12(2) of the Corporations Act) the first person is a body corporate and the second person is:
- (i) a body corporate the first person controls;
 - (ii) a body corporate that controls the first person; or
 - (iii) a body corporate that is controlled by an entity that controls the person;
- (c) the second person has entered or proposed to enter into a relevant agreement with the first person for the purpose of controlling or influencing the composition of the company's board or the conduct of the company's affairs; or
- (d) the second person is a person with whom the first person is acting or proposed to act, in concert in relation to the company's affairs.

Relevant interests

Section 608(1) of the Corporations Act provides that a person has a relevant interest in securities if they:

- (a) are the holder of the securities;
- (b) have the power to exercise, or control the exercise of, a right to vote attached to the securities; or
- (c) have power to dispose of, or control the exercise of a power to dispose of, the securities.

It does not matter how remote the relevant interest is or how it arises. If two or more people can jointly exercise one of these powers, each of them is taken to have that power.

In addition, section 608(3) of the Corporations Act provides that a person has a relevant interest in securities that any of the following has:

- (a) a body corporate in which the person's voting power is above 20%;
- (b) a body corporate that the person controls.

No associates of iFree currently has or will have a relevant interest in the Company.

Reason section 611 approval is required

Item 7 of section 611 of the Corporations Act provides an exception to the Prohibition, whereby a person may acquire a relevant interest in a company's voting shares with shareholder approval.

Shareholder approval under Item 7 of section 611 of the Corporations Act is required for Resolution 5.

Relevant interest greater than 20%

Depending on the amount raised pursuant to the Capital Raising, following the issue of the Consideration Securities and the conversion of the Convertible Notes iFree will hold 51,000,000 Shares (on a post-Consolidation basis) (assuming that all Shares contemplated by the Biztrak Agreement and this Notice are issued, the Minimum Subscription is raised pursuant to the Capital Raising and the performance milestones attaching to the Performance Rights are subsequently achieved), giving iFree voting power of up to a maximum of 52.00%.

This assumes that the issue price of the Capital Raising is \$0.20 per Share (on a post-Consolidation basis), that the Company raises only \$4,500,000 pursuant to the Capital Raising and no other Shares are issued other than those contemplated by this Notice and the Biztrak Agreement.

Specific information required by section 611 (Item 7) of the Corporations Act and ASIC Regulatory Guide 74

The following information is required to be provided to Shareholders under the Corporations Act and ASIC Regulatory Guide 74 in respect of obtaining approval for Item 7 of section 611 of the Corporations Act. Shareholders are also referred to the Independent Expert's Report prepared by RSM Corporate Australia Pty Ltd accompanying this Explanatory Statement.

- (a) ***Identity of the acquirer and its associates***
 - (i) The acquirer is iFree.
 - (ii) It is proposed that iFree will be issued and allotted 24,000,000 Consideration Shares and 24,000,000 Performance Rights in accordance with the terms of the Biztrak Agreement and 3,000,000 Shares following the conversion of 300 Convertible Notes.
 - (iii) As at the date of this Notice, iFree holds no Shares.

(b) **Relevant interest and voting power**

The relevant interests of iFree (and its associates) in voting shares (on a post Consolidation basis) in the capital of the Company (both current, and following completion of the Biztrak Agreement) are set out in the table below (assuming that all Shares contemplated by the Biztrak Agreement and this Notice are issued (except the Consideration Shares and Shares to be issued upon conversion of the Convertible Notes), the Minimum Subscription is raised pursuant to the Capital Raising and the performance milestones attaching to the Performance Rights are subsequently achieved):

Relevant Issue	Shares to be issued	Total Shares on issue	Shares to be issued to iFree	Total Shares held by iFree	Voting power of iFree
Shares on issue prior to the issue of Shares to iFree	N/A	34,578,769	N/A	N/A	N/A
Issue of Consideration Shares	30,000,000	64,578,769	24,000,000	24,000,000	37.16%
Conversion of Convertible Notes	3,500,000	68,078,769	3,000,000	27,000,000	39.66%
Conversion of Class A Performance Rights	10,000,000	78,078,769	8,000,000	35,000,000	44.83%
Conversion of Class B Performance Rights	10,000,000	88,078,769	8,000,000	43,000,000	48.82%
Conversion of Class C Performance Rights	10,000,000	98,078,769	8,000,000	51,000,000	52.00%

In the event that the Maximum Subscription is raised under the Capital Raising, iFree's maximum voting power in the Company will be 48.31%.

Further details on the voting power of iFree are set out in the Independent Expert's Report prepared by RSM Corporate Australia Pty Ltd.

(c) **iFree's intentions**

Other than as disclosed elsewhere in this Explanatory Statement and following completion of the Biztrak Acquisition, the Company understands that iFree (or any of their associates):

- (i) has no present intention of making any significant changes to the business of the Company;
- (ii) has no present intention to inject further capital into the Company;
- (iii) has no present intention of making changes regarding the future employment of the present employees of the Company;

- (iv) do not intend to redeploy any fixed assets of the Company;
- (v) do not intend to transfer any property between the Company and iFree or any of their associates; and
- (vi) has no intention to change the Company's existing policies in relation to financial matters or dividends.

These intentions are based on information concerning the Company, its business and the business environment which is known to iFree and its associates at the date of this Notice.

These present intentions may change as new information becomes available, as circumstances change or in the light of all material information, facts and circumstances necessary to assess the operational, commercial, taxation and financial implications of those decisions at the relevant time.

(d) **Particulars of the proposed issue**

Particulars relating to the proposed issue of the Consideration Securities and the conversion of Convertible Notes are set out in Section 1.7 of this Explanatory Statement.

(e) **Date of proposed allotment**

The issue of the iFree Securities the subject of Resolution 5 will be issued on a date after the Meeting to be determined by the Company in accordance with the Biztrak Agreement and Corporations Act.

(f) **Reason for the proposed allotment**

The Consideration Shares and Performance Rights will be issued pursuant to the Biztrak Agreement for the reasons set out in Sections 1.2 and 1.7 of this Explanatory Statement. The conversion of the Convertible Notes will be undertaken pursuant to the terms and conditions of the Convertible Notes (refer to Schedule 3).

(g) **Interests and recommendations of Directors**

The Directors do not have an interest in the outcome of Resolution 5 and recommend that Shareholders approve Resolution 5.

5. RESOLUTION 6 – APPROVAL FOR ISSUE OF SHARES TO RELATED PARTY - RUI YUAN ONG

Resolution 6 seeks Shareholder approval for the purposes of section 208 of the Corporations Act for the issue and allotment of 4,500,000 Consideration Shares and 4,500,000 Performance Rights (together, the **Rui Yuan Ong Consideration Securities**) to Rui Yuan Ong.

Rui Yuan Ong was appointed as a director on 2 February 2017 and resigned as a director on 14 July 2017 and as such is a Related Party.

Rui Yuan Ong is also a Biztrak Shareholder and in accordance with the Biztrak Agreement will be issued and allotted the Rui Yuan Ong Consideration Securities on completion of the Biztrak Acquisition.

A summary of Chapter 2E of the Corporations Act is set out at Section 3.2 above.

The issue of the Rui Yuan Ong Consideration Securities constitutes giving a financial benefit and Rui Yuan Ong is a Related Party of the Company by virtue of being a director within the previous six months.

It is the view of the Company that the exceptions set out in sections 210 to 216 of the Corporations Act do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the issue of the Rui Yuan Ong Consideration Securities to Rui Yuan Ong.

Resolution 6 is subject to and conditional upon the passing of all Essential Resolutions and completion of the Biztrak Acquisition.

5.1 Shareholder approval (Chapter 2E of the Corporations Act)

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act, the following information is provided in relation to the proposed issue of the Rui Yuan Ong Consideration Securities:

- (a) the related party is Rui Yuan Ong who is a Related Party by virtue of being a director within the previous six months;
- (b) the Rui Yuan Ong Consideration Securities (being the nature of the financial benefit being provided) to be issued to Rui Yuan Ong is 4,500,000 Consideration Shares and 4,500,000 Performance Rights (both on a post-Consolidation basis). Based on the proposed issue price of Shares to be issued under the Capital Raising, being \$0.20 per Share, the Consideration Shares have a value of \$900,000. Due to the uncertainty with respect to satisfaction of the milestones attaching to the Performance Rights, they have not currently been ascribed a value by the Company;
- (c) the Rui Yuan Ong Consideration Securities will be issued in part consideration for the Biztrak Acquisition. As the Company has not traded on the ASX since its suspension on 12 November 2010, there is no evident market value that can be ascribed to the Consideration Shares and Performance Rights for valuation purposes;
- (d) Rui Yuan Ong will be granted the Rui Yuan Ong Consideration Securities on completion of the Biztrak Acquisition and it is anticipated the Rui Yuan Ong Consideration Securities will be issued on one date;
- (e) the Rui Yuan Ong Consideration Securities will be granted for nil cash consideration, rather they will be issued in part consideration for the Biztrak Acquisition, and accordingly no funds will be raised;
- (f) Rui Yuan Ong does not presently have an interest in securities of the Company;
- (g) Rui Yuan Ong has not previously received remuneration and emoluments from the Company;
- (h) if Resolution 6 is passed, a total of 4,500,000 Shares and 4,500,000 Performance Rights would be issued. Assuming all Essential Resolutions are passed, this will increase the number of Shares (on a post-Consolidation basis) on issue from 63,578,769 to 68,078,769 (assuming that no Shares other than those contemplated by the Biztrak Agreement

(excluding the Consideration Shares and Performance Rights to be issued to Rui Yuan Ong) are issued and only the Minimum Subscription is raised pursuant to the Capital Raising) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 6.61%.

- (i) The Directors recommend that Shareholders vote in favour of Resolution 6 in order to facilitate the Biztrak Acquisition.
- (j) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 6.

6. RESOLUTION 7 – ELECTION OF DIRECTOR – CHIN HOCK LIM

6.1 General

In accordance with the Biztrak Agreement, the Company has agreed to appoint Mr Lim (**Proposed Director**) as a director of the Company. Mr Lim's appointment will take effect on and from Settlement.

Pursuant to Resolution 7, the Proposed Director seeks election from Shareholders to be appointed as a director of the Company upon Settlement.

Clause 13.3 of the Constitution allows the Company in a general meeting by ordinary resolution to appoint any person as a director, but only where the total number of directors does not at any time exceed the maximum number specified by the Constitution.

In accordance with clause 13.3 of the Constitution, a copy of Mr Lim's notice of candidature for election is attached as Schedule 4 of the Notice.

Resolution 7 is subject to and conditional on the passing of all other Essential Resolutions.

6.2 Qualifications

The qualifications and experience of the Proposed Director are set out in Section 1.11. Board Recommendation

The Board supports the election of the Proposed Director and recommends that Shareholders vote in favour of Resolution 7.

7. RESOLUTION 8 – REPLACEMENT OF CONSTITUTION

7.1 General

A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 8 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution (**Proposed Constitution**) which is of the type required for a listed public company limited by shares updated to ensure it reflects the current provisions of the Corporations Act and ASX Listing Rules.

This will incorporate amendments to the Corporations Act and ASX Listing Rules since the current Constitution was adopted on 29 May 2009.

The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature including but not limited to:

- updating references to bodies or legislation which have been renamed (e.g. references to the Australian Settlement and Transfer Corporation Pty Ltd, ASTC Settlement Rules and ASTC Transfer); and
- expressly providing for statutory rights by mirroring these rights in provisions of the Proposed Constitution.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Statement.

A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary (+61 42 999 5000). Shareholders are invited to contact the Company if they have any queries or concerns.

8. RESOLUTIONS 9 TO 11 – ISSUE OF SHARES TO RELATED PARTIES

8.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 2,250,000 Shares (**Incentive Shares**) to Messrs Rui Yuan Ong, Michael Higginson (or his nominee, being his wife, Anita Higginson) and Wayne Johnson (or his nominee, being Nobleman, an entity controlled by Mr Johnson) (**Related Parties**) on the terms and conditions set out below.

A summary of Chapter 2E of the Corporations Act is set out in Section 3.2 above.

The issue of the Incentive Shares constitutes giving a financial benefit as Messrs Higginson and Johnson are related parties of the Company by virtue of being current directors and Mr Ong by virtue of being a director within the previous six months. Mr Ong will remain a member of the Company's executive management team as CEO.

It is the view of the Company that the exceptions set out in sections 210 to 216 of the Corporations Act do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Incentive Shares to the Related Parties.

8.2 Shareholder approval (Chapter 2E of the Corporations Act)

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act, the following information is provided in relation to the proposed issue of the Incentive Shares:

- (a) for the purposes of Resolution 9 to 11 (inclusive), the related parties are Messrs Wayne Johnson and Michael Higginson by virtue of them being current Directors and Mr Ong by virtue of being a director within the past six months;

- (b) the number of Incentive Shares (being the nature of the financial benefit being provided) to be issued are as set out in the table below:

Related Party	Number of Incentive Shares to be issued (on a post-Consolidation basis)
Wayne Johnson	750,000
Michael Higginson	750,000
Rui Yuan Ong	750,000
TOTAL	2,250,000

- (c) the Incentive Shares will be fully paid ordinary shares in the capital of the Company at a deemed issue price of \$0.15 per Share (on a post-Consolidation basis) issued on the same terms and conditions as the Company's existing Shares;
- (d) the deemed issue price of \$0.15 per Incentive Share (on a post-Consolidation basis) is based on a 50% premium to the conversion price of the Convertible Notes and a 25% discount to the issue price of the Capital Raising. As the Company has not traded on the ASX since its suspension on 12 November 2010, there is no evident market value that can be ascribed to the Incentive Shares for valuation purposes.
- (e) the Incentive Shares will be granted for nil cash consideration, rather they will be issued as an incentive to successfully complete the Biztrak Acquisition and the Company's subsequent listing on the ASX and also to provide an incentive for their future involvement and commitment, and accordingly no funds will be raised;
- (f) the relevant interests of Messrs Ong, Higginson and Johnson in securities of the Company as at the date of this Notice (on a post-Consolidation basis) are as set out below:

Related Party	Number of Shares (on a post-Consolidation basis)
Wayne Johnson	354,150
Michael Higginson	186,250
Rui Yuan Ong	Nil
TOTAL	540,400

Notes:

1. Mr Johnson is to be issued 700,000 Shares pursuant to Resolution 2.
 2. Mr Higginson is to be issued 700,000 Shares pursuant to Resolution 3.
 3. Mr Yuan is to be issued 4,500,000 Shares and 4,500,000 Performance Rights pursuant to Resolution 6.
- (g) the remuneration and emoluments from the Company to the Related Parties for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

Related Party	Current Financial Year	Previous Financial Year
Wayne Johnson	*\$75,000	\$56,500
Michael Higginson	*\$75,000	\$39,112
Rui Yuan Ong	*\$40,000	Nil

*Note these are estimates based on work performed and to be performed during this Financial Year.

- (h) if Resolutions 9 to 11 are passed, a total of 2,250,000 Shares (on a post-Consolidation basis) would be issued. This will increase the number of Shares on issue from 65,828,769 to 68,078,769 (on a post-Consolidation basis) (assuming the Minimum Subscription is raised under the Biztrak Agreement and this Notice are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 3.30%, comprising 1.10% by Wayne Johnson, 1.10% by Michael Higginson and 1.10% by Rui Yuan Ong.
- (i) Mr Higginson declines to make a recommendation to Shareholders in relation to Resolution 10 due to his material personal interest in the outcome of the Resolution on the basis that Mr Higginson (or his nominee, being Anita Higginson) is to be granted Incentive Shares should Resolution 10 be passed. However, in respect of Resolutions 9 and 11, Mr Higginson recommends that Shareholders vote in favour of those Resolutions for the following reasons:
- (i) in order to conserve a greater proportion of the Company's cash in doing so; and
 - (ii) in order to provide an incentive to Messrs Ong and Johnson to successfully complete the Biztrak Acquisition and the Company's subsequent listing on the ASX and also to provide an incentive for their future involvement and commitment.
- (j) Mr Johnson declines to make a recommendation to Shareholders in relation to Resolution 11 due to his material personal interest in the outcome of the Resolution on the basis that Mr Johnson (or his nominee, being Noblemen) is to be granted Incentive Shares should Resolution 11 be passed. However, in respect of Resolutions 9 and 10, Mr Johnson recommends that Shareholders vote in favour of those Resolutions for the reasons set out in Sections 8.2(i)(i) and 8.2(i)(ii).
- (k) In respect of Resolutions 9, 10 and 11, Mr Georgiopoulos recommends that Shareholders vote in favour of those Resolutions for the reasons set out in Sections 8.2(i)(i) and 8.2(i)(ii).

the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 9 to 11 inclusive.

GLOSSARY

\$ means Australian dollars.

AEST means Australian Eastern Standard Time as observed in Brisbane, Queensland, Australia.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Biztrak Acquisition means the acquisition by the Company of 100% of the issued share capital of Biztrak Business Solutions Sdn Bhd.

Biztrak Agreement has the meaning given in Section 1.1.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Capital Raising has the meaning given in Section 1.3 of the Explanatory Statement.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company, CAG or Cape Range means Cape Range Limited (ACN 009 289 481).

Consideration means 30,000,000 Shares and 30,000,000 Performance Rights (each on a post-Consolidation basis).

Consideration Securities has the meaning given in Section 1.7.

Consideration Shares has the meaning given in Section 1.7.

Consolidation means a 1 for 8 consolidation of the Company's share capital (as per Resolution 1).

Constitution means the Company's constitution.

Convertible Notes or **Notes** means Convertible Notes issued by the Company on 28 April 2017 at an issue price of \$1,000 per convertible note and otherwise on the terms and conditions set in Schedule 2.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Essential Resolutions means Resolutions 1 to 7 (inclusive).

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

iFree means iFree Group (International) Limited (Registration No.: C/I No.: CB-319128).

iFree Securities has the meaning given in Sections 1.7 and 4.1.

Incentive Shares has the meaning set out in Section 8.1.

Independent Expert means RSM Corporate Australia Pty Ltd ACN 050 508 024.

Independent Expert's Report means the report prepared by the Independent Expert and dated 19 July 2017 accompanying this Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Meeting means the meeting convened pursuant to this Notice.

Noblemen means Noblemen Ventures Pty Ltd (ACN 083 264 055), an entity controlled by Mr Wayne Johnson.

Non-Associated Shareholders means the holders of the Company's Shares whose votes are not to be disregarded on Resolutions 5 and 6.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Performance Rights means a Performance Right issued in accordance with the Biztrak Agreement to be issued on the terms and conditions set out in Schedule 2.

Proposed Director has the meaning given in Section 6.1.

Prospectus means a prospectus to be lodged in respect of the Capital Raising and for purposes of compliance with Chapters 1 and 2 of the ASX Listing Rules.

Proxy Form means the proxy form accompanying the Notice.

Related Party has the meaning given to that term in section 228 of the Corporations Act.

Related Party Shares has the meaning given in Section 3.1.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Schedule means a schedule to the Explanatory Statement.

Settlement means settlement of the Biztrak Acquisition in accordance with the terms and conditions of the Biztrak Agreement.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

Rockdale means Rockdale Capital Pty Ltd (ACN 114 815 388), an entity controlled by Mr John Georgiopoulos.

SCHEDULE 1 – UNAUDITED CONSOLIDATED PRO-FORMA BALANCE SHEET

	Historical Consolidated		Pro-Forma Consolidated	
	Statement of financial position		Statement of financial position	
	31 Dec 2016	31 Dec 2016		
	Company ⁽¹⁾	Biztrak ⁽²⁾	Minimum Subscription ⁽³⁾	Maximum Subscription ⁽³⁾
	\$	\$	\$	\$
CURRENT ASSETS				
Cash assets ⁴	52,803	125,446	4,478,249	5,903,249
Trade and other receivables	3,557	490,752	494,309	494,309
TOTAL CURRENT ASSETS	56,360	616,198	4,972,558	6,397,558
NON CURRENT ASSETS				
Property, plant and equipment	-	76,905	76,905	76,905
Intangible assets ⁵	-	506,957	506,957	506,957
TOTAL NON CURRENT ASSETS	-	583,862	583,862	583,862
TOTAL ASSETS	56,360	1,200,060	5,556,420	6,981,420
CURRENT LIABILITIES				
Trade and other payables	432,779	79,077	261,856	261,856
Borrowings	-	126,445	126,445	126,445
TOTAL CURRENT LIABILITIES	432,779	205,523	388,302	388,302
NON CURRENT LIABILITIES				
Borrowings	-	372,906	372,906	372,906
TOTAL NON-CURRENT LIABILITIES	-	372,906	372,906	372,906
TOTAL LIABILITIES	432,779	578,429	761,208	761,208
NET ASSETS	(376,419)	621,631	4,795,212	6,220,212
EQUITY				
Issued capital ⁶	8,362,733	1,432,200	8,781,265	10,185,574
Accumulated losses	(8,739,152)	(810,569)	(3,986,053)	(3,965,362)
TOTAL EQUITY	(376,419)	621,631	4,795,212	6,220,212

Notes:

- Column 1 represents the audited historical consolidated statement of financial position of the Company as at 31 December 2016.
- Column 2 represents the reviewed historical consolidated statement of financial position of Biztrak as at 31 December 2016.

3. Column 3 and 4 represent the pro forma consolidated statement of financial position of the Company assuming:
- (a) the acquisition of 100% of Biztrak for a consideration of 30 million shares at an issue price of \$0.20 per share. Under the reverse acquisition accounting standard requirements, the consolidated financial statements of the legal parent (the Company) are presented as a continuation of the financial statements of the main private operating entity (Biztrak). Applying the reverse acquisition accounting principles, a cost of listing of \$3,492,173 has been calculated for the Transaction;
 - (b) the Minimum Subscription of \$4,500,000 and the Maximum Subscription of \$6,000,000 respectively less estimated associated costs to be satisfied in cash for the minimum / maximum raise of \$450,000 / \$525,000. Cash costs of the Minimum / Maximum Offer have been allocated as \$268,620 / \$389,311 to contributed equity relating to the issue of Shares and \$156,380 / \$135,689 to accumulated losses;
 - (c) Events occurring subsequent to 31 December 2016 and as part of the Prospectus in the merged Entity, including:
 - (i) \$250,000 convertible note proceeds received post 31 December 2016 and converted into equity as part of the relisting at \$0.10 per share;
 - (ii) 1,666,667 shares issued to directors at an issue price of \$0.15 per share in lieu of directors fees payable as at 31 December 2016 totalling \$250,000 recorded against issued capital and a reduction in payables;
 - (iii) 2,250,000 incentive shares issued to directors and management at an issue price of \$0.15 per share totalling \$337,500 recorded against issued capital and accumulated losses;
 - (iv) 1,750,000 shares issued to brokers at an issue price of \$0.20 per share totalling \$350,000 recorded against issued capital.

1. Cash assets comprise the following:

	Minimum Subscription	Maximum Subscription
	\$	\$
Cash balance from the Company, 31 December 2016	52,803	52,803
Cash balance from Biztrak, 31 December 2016	125,446	125,446
Convertible notes proceeds	250,000	250,000
Offer proceeds	4,500,000	6,000,000
Offer costs	(450,000)	(525,000)
Cash as per pro forma statements of financial position	4,478,249	5,903,249

2. Intangible assets comprise capitalised costs associated with Biztrak's business management solutions software and intellectual property rights. It primarily relates to capitalised software source code expenditure, plus capitalised software distribution rights, intellectual property rights and computer software. All amounts are subject to amortisation with the exception of computer software, which is deemed to be work in progress.

3. Issued capital is calculated as follows:

	Minimum Subscription		Maximum Subscription	
	No. of Shares	\$	No. of Shares	\$
Number of shares currently on issue (pre-consolidation)	51,296,812	8,362,733	51,296,812	8,362,733
Number of shares currently on issue (post-consolidation)	6,412,102	8,362,733	6,412,102	8,362,733
Conversion of convertible notes to shares *	3,500,000	250,000	3,500,000	250,000
<i>Biztrak Acquisition:</i>				
Shares issued to Biztrak shareholders	30,000,000	6,000,000	30,000,000	6,000,000
Shares issued to Directors in lieu of fees	1,666,667	250,000	1,666,667	250,000
Shares issued to brokers and advisors as consideration for services	1,750,000	350,000	1,750,000	350,000
Brokers and advisors costs to issued capital		(350,000)		(350,000)
Incentive shares issued	2,250,000	337,500	2,250,000	337,500
Reverse acquisition accounting entry	-	(10,625,348)	-	(10,625,348)
Total Shares on issue post Biztrak acquisition	45,578,769		45,578,769	
<i>The Offer:</i>				
Capital Raising	22,500,000	4,500,000	30,000,000	6,000,000
Cash Offer costs attributed to equity		(293,620)		(389,311)
Total Shares issued post Biztrak acquisition and Offer	65,578,769	8,781,265	75,578,769	10,185,574

* Proceeds received prior to 31 December 2016 of \$100,000 already reflected in Issued Capital.

SCHEDULE 2 – PERFORMANCE RIGHTS

1. Rights attaching to Performance Rights

- (a) **(Performance Rights)**: Each Performance Right is a right to acquire a CAG Share.
- (b) **(General Meetings)**: A Performance Right shall confer on the holder (**Holder**) the right to receive notices of general meetings and financial reports and accounts of CAG that are circulated to Shareholders. The Holder has the right to attend general meetings of Shareholders of CAG.
- (c) **(No Voting Rights)**: A Performance Right does not entitle the Holder to vote on any resolutions proposed at a general meeting of Shareholders of CAG.
- (d) **(No Dividend Rights)**: A Performance Right does not entitle the Holder to any dividends.
- (e) **(Rights on Winding Up)**: A Performance Right does not entitle a Holder to participate in a return of capital in CAG, whether in a winding up, upon a reduction of capital or otherwise.
- (f) **(Not Transferable)**: A Performance Right is not transferable.
- (g) **(Reorganisation of Capital)**: If at any time the issued capital of CAG is reconstructed, all rights of a Holder will be changed to the extent necessary to comply with the applicable ASX Listing Rules at the time of reorganisation.
- (h) **(Application to ASX)**: A Performance Right will not be quoted on ASX. However, upon conversion of the Performance Rights, CAG must within seven (7) days after the conversion, apply for the official quotation on ASX of the CAG Shares issued upon such conversion.
- (i) **(Participation in Entitlements and Bonus Issues)**: The Holder of a Performance Right will not be entitled to participate in new issues of capital offered to holders of CAG Shares such as bonus issues and entitlement issues.
- (j) **(No Other Rights)**: A Performance Right gives the Holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

2. Conversion of Performance Rights

- (a) **(Conversion on achievement of milestone)** Subject to paragraphs (b) to (e) below:
 - (i) 10,000,000 Performance Rights will each convert into one (1) CAG Share upon CAG achieving Phase 1 of the cloud accounting system, being satisfaction of the deliverables set out in Annexure A (**Class A Performance Rights**);
 - (ii) 10,000,000 Performance Rights will convert into the number of CAG Shares referred to in the table below upon Biztrak achieving the corresponding EBITDA target:

EBITDA target	CAG Shares issued
\$375,000 - \$449,999.00	5,000,000
\$450,000 - \$524,999.99	6,000,000
\$525,000 - \$599,999.99	7,000,000
\$600,000 - \$674,999.99	8,000,000
\$675,000 - \$749,999.99	9,000,000
\$750,000+	10,000,000

during the period commencing on the date that CAG is admitted to the Official List of the ASX and ending on 31 December 2018, and such EBITDA is confirmed by the signed attestation of a registered company auditor or is properly included in the Company's audited financial statements (**Class B Performance Rights**); and

- (iii) 10,000,000 Performance Rights will convert into the number of CAG Shares referred to in the table below upon Biztrak achieving the corresponding EBITDA target:

EBITDA target	CAG Shares issued
\$500,000 - \$599,999.00	5,000,000
\$600,000 - \$699,999.99	6,000,000
\$700,000 - \$799,999.99	7,000,000
\$800,000 - \$899,999.99	8,000,000
\$900,000 - \$999,999.99	9,000,000
\$1,000,000+	10,000,000

during the financial year ended 31 December 2019, and such EBITDA is confirmed by the signed attestation of a registered company auditor or is properly included in the Company's audited financial statements (**Class C Performance Rights**),

(each, a **Milestone**).

- (b) (**Expiry Dates**): Each Milestone must be achieved on or before the dates set out below:

- (i) the Milestone applicable to the Class A Performance Rights (**Class A Milestone**) must be satisfied within 8 months following CAG being admitted to the Official List of the ASX;
- (ii) the Milestone applicable to the Class B Performance Rights (**Class B Milestone**) must be satisfied by 30 April 2019; and
- (iii) the Milestone applicable to the Class C Performance Rights (**Class C Milestone**) must be satisfied by 30 April 2020,

(each, an **Expiry Date**).

- (c) (Cumulative Satisfaction of Milestones): In the event that:
- (i) CAG exceeds the Class B Milestone, the amount by which CAG exceeds the Class B Milestone will be credited against the Class C Milestone;
 - (ii) CAG does not meet the Class B Milestone and exceeds the Class C Milestone by an amount equal to or greater than the shortfall applicable to the Class B Milestone, upon conversion of the Class C Performance Rights each Holder will be issued such number of CAG Shares as is equal to the sum of:
 - (A) the number of CAG Shares that would have been issued had the Class B Milestone been satisfied (less the number of CAG Shares issued upon conversion of the Class B Performance Rights, if any); and
 - (B) the number of CAG Shares to be issued upon achieving the Class C Milestone; and
 - (iii) CAG achieves both the Class B Milestone and Class C Milestone within the period commencing on the date that CAG is admitted to the Official List of the ASX and ending on 31 December 2018, each Class B Performance Right and Class C Performance Right shall convert into one CAG Share.
- (d) **(Compliance with law)** The conversion of the Performance Rights is subject to compliance at all times with the Corporations Act and the ASX Listing Rules.
- (e) **(No Conversion if Milestone not Achieved)**: Subject to paragraphs (c) and (d), if the relevant Milestone is not achieved by the relevant Expiry Date, all Performance Rights held by each Holder the subject of that Milestone shall automatically convert into 1 CAG Share.
- (f) **(Conversion Procedure)**: CAG will issue the Holder with a new holding statement for the CAG Shares as soon as practicable following the conversion of the Performance Rights.
- (g) **(Ranking of Shares)** The CAG Shares into which the Performance Rights will convert will rank pari passu in all respects with existing CAG Shares.

ANNEXURE TO SCHEDULE 2

Biztrak Online Business Software

FEATURES	BENEFITS
Subscription/Registration	Allow user to subscribe and register online.
Online Help	<p>Biztrak Online Accounting Software's Online Help provides guidance to the user.</p> <p>Online search allows user to type the word to locate every occurrence of a word or phrase that may be contained in a help topic</p>
Year End Closing	Allow the user to physically close the accounts for year end.
Column Sort	You can sort and re-sort table list by clicking on a particular column heading.
Drill-down Capability	You can drill-down to the original transaction in Inquiry screens, allowing you to zoom in and understand a particular issue quickly and effectively.
System Manager and Security	<p>Extensive security system allowing control of access by company, branch, function, module, screen and even specific tasks like add/delete/email/print. There's also access log and user defined auto log-out.</p> <p>You can choose to lock all transactions, specific transactions or a range of transactions with specific dates to prevent them from being accidentally modified, deleted, or tampered with.</p>
Comprehensive Reports & Statements	Support common reports and listings for business needs. Reports can be viewed on-screen and exported to PDF/Excel format.
Foreign Currency	Automatic exchange rate conversions for foreign currencies. You can maintain foreign exchange rate to more than 4 decimal places.
Tax Features	The enhanced Tax Features cater for GST, VAT, Tax Inclusive and Tax Exclusive for both Item Level and Document Level.
Multi-Language	The system is designed to be multi-language. While the system will first be implemented with English as the default; additional language like Chinese & Bahasa Malaysia can be added in stages.
System Manager	
Access Control	Controls access by company, branch, module, screen or action such as edit, delete or print.
Branch Control	Controls access by branch which allows user to retrieve P&L and Balance Sheet report by branch level.
Option to Lock Transaction	Option to lock all or selected transaction likes Sales Order, Sale Quotations and Purchase Orders to prevent any unauthorized modifications or deletions.
Audit Trail	Activate audit trail report for added security.

Timeout Support system timeout.

Credit Check Set up credit limit and credit terms check.

General Ledger

Chart of Account (COA) Provides some industry-specific templates for quick startup, ranging from barbershop to manufacturing. Choose one that closely resembles the type of industry that you are in.

Supports up to nine (9) levels of COA in line with International Financial Reporting Standards (IFRS), suitable for divisional, departmental, projects and other sub-account structures. Biztrak Online Accounting Software relational database management system eliminates the need for segmented account codes. All 9 levels can be viewed and printed in a tree-view format for clear representation of the relationship.

COA is restructurable at any time to reflect dynamic business requirements without the need to delete or re-enter existing transactions. Change your account codes, descriptions and linkages freely, without worrying about the impact on existing transactions.

Analysis Codes Up to nine (9) levels of analysis provided on top of the multi-level COA, making it easy for users to allocate expenses etc to divisions, departments or any classifications.

User can make use of analysis codes for more comprehensive report and analysis.

Accounts Receivable (Sales Invoice, Debit Note, Credit Note, Historical Records)

Party Setup Allows up to 20 alphanumeric digits for customer codes and 100 alphanumeric digits for customer names.

Sales Invoice Allow user to create Sales Invoice and keep track of sales.

Ledger Management Analyse receivables and collections by periods, customer categories, customer status, etc. Use Online Inquiry and solve any dispute over bills and payments quickly.

Depending on your preference, you can print either open-item or balance forward customer statements. You can choose to age your debtors using the usual <30, 31-60, 61-90 days, 91-120 and >120 days method or the flexible user-defined aging method.

Historical Records Maintain outstanding historical invoices or receipts to ensure smooth migration from previous system and to ensure customer brought forward balances are validated.

Apply Accounts Receivable Credits You can apply your AR Credits to specific invoices.

Accounts Payable (Vendor Invoice, Debit Note, Credit Note, Historical Records)

Party Setup Allows up to 20 alphanumeric digits for vendor codes and 100 alphanumeric digits for vendor names.

Vendor Invoices Scan actual document from vendor and attach it as reference to the vendor invoice entered.

Ledger Management Analyse your vendor into multiple categories, status and types that will assist you in managing your liabilities. Vendor Invoice–Payment Reconciliation report helps you to reconcile outstanding invoices.

You can choose to age your suppliers using the usual <30, 31-60, 61-90 days, 91-120 and >120 days method or the flexible user-defined aging method.

Historical Records Maintain historical outstanding invoices and payments to ensure ledgers are true.

Apply Accounts Payable Credits You can apply your AP Credits to specific invoices.

Cash Management (Receipt, Payment, Bank Reconciliation)

Receipt/Payment Allows the activation of overdraft limit checking for every payment processed in each bank account.

Allows receipts and payments to be applied to the relevant invoices fully or partially.

Cheque and Telegraphic Transfer No. You can create running number for Cheque and Telegraphic Transfer (TT) in each bank at Bank Information program.

Bank Reconciliation Prepare your bank reconciliation by bank account and currency. Any missing journals (deposits or withdrawals) can be entered directly through bank reconciliation program whenever detected. All date presented is updated directly to the original records for easy reference.

SCHEDULE 3 – CONVERTIBLE NOTE TERMS AND CONDITIONS

The key terms of the convertible notes to be issued are as follows:

Facility:	Unsecured Convertible Notes
Purpose:	To provide the Company with the necessary working capital to complete the acquisition of Biztrak while enabling the Company to list on the ASX.
Company:	Cape Range Ltd (ACN 009 289 481)
Face Value	\$1,000 per Note.
Amount:	350 Notes worth \$350,000.
Currency:	Australian Dollars
Term:	The term of the Notes continues until Conversion.
Security:	The Notes are unsecured.
Interest	The Notes do not entitle the Noteholder to receive any interest.
Redemption	The Notes cannot be redeemed.
Conversion	The Notes will convert into Shares at the Conversion Price on the date that the Company is admitted to the official list of the ASX.
Conversion Price	Each note will convert into Share at a deemed issued price of \$0.10 per Share.
Conversion Number	Upon Conversion, the number of Shares to be issued upon conversion of each Note is calculated by dividing the Face Value of each Note by the Conversion Price. For the avoidance of doubt each Note will convert into 10,000 Shares.
Failure to Convert	If on the Conversion Date, the Shares are not issued on Conversion, the Note remains on issue until the Noteholder received the Shares in respect of the Note.
ASX Listing	The Company must apply for all Shares issued upon Conversion to be quoted on the ASX.

SCHEDULE 4 – NOTICE OF CANDIDATURE: CHIN HOCK LIM

CHIN HOCK LIM

18 July 2017

The Company Secretary
Cape Range Limited
29 Brookside Place
Lota, Queensland, Australia 4179

Dear Sir

NOTICE OF CANDIDATURE

I, Chin Hock Lim, hereby nominate myself for the position of Director of Cape Range Limited (**Cape Range** or the **Company**) and in accordance with clause 13.3 of the Company's constitution hereby consent to my nomination and signify my candidature for election as a Director of Cape Range.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Chin Hock Lim', written over a faint, stylized graphic that resembles a signature or a logo.

Chin Hock Lim

SCHEDULE 5 – BIZTRAK AUDITED ACCOUNTS
