



ASX RELEASE

16 July 2018

Emerson Walker
Adviser, ASX Listings Compliance (Perth)
ASX Compliance Pty Limited
Level 40, Central Park
152-158 St Georges Terrace
PERTH WA 6000

Dear Emerson

Cape Range Limited (CAG) – ASX price and volume query

We refer to your letter dated 16 July 2018 and respond to your questions as follows:

1. Is CAG aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?

No, the Company is not aware of any such information.

2. If the answer to question 1 is yes, is CAG relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1 or can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Not applicable.

3. Is there any other explanation that CAG may have for the recent trading in its securities?

No, the Company is not aware of any other explanation.

4. Please confirm that CAG is in compliance with the Listing Rules and, in particular, listing rule 3.1.

Cape Range Limited confirms that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

5. Please confirm that CAG's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of the Entity with delegated authority from the board to respond to ASX on disclosure matters.

The Company's response to the questions have been authorised and approved by an officer of the Company with delegated authority from the board to respond to ASX on disclosure matters.

The Company refers the market to its ASX announcement dated 10 July 2018. In that announcement, the Company advised as follows:

"The Board of Cape Range Limited (**Company**) is delighted to announce that Phase 1 of the Company's cloud based accounting software package has been completed on time and under budget. The Company will now rapidly move towards the launch of this proprietary accounting software (**Biztrak Online**)."

"The Company's Chairman, Mr Wayne Johnson, said; "the achievement of the Phase 1 deliverables is a milestone for Biztrak that was completed on time and under budget and in accordance with the deliverables detailed in the Company's Prospectus."

In Section 7.3.4 of the Company's Replacement Prospectus dated 21 September 2017 the Company stated as follows:

"In light of the emerging trend of Cloud Accounting, Biztrak is expanding its windows-based software applications to cloud-based services (**Biztrak Online**), which will allow the company to shift gears from a Software as a Product (**SaaP**) model to a Software as a Service (**SaaS**) model, where subscription fees replace licensing fees.

"The development will be carried out in three (3) phases and will take approximately two (2) years to complete, as follows:

- (i) **Phase One (approximately 6 months – First Quarter 2018):** the development of financial modules such as system management, general ledger, account receivable, account payable, cash management, multi-currency, tax management, branch accounting, standard reports, standard business forms, E-Bridge import function and license control;
- (ii) **Phase Two (approximately 12 months – Second Quarter 2018):** the development of other financial modules and distribution modules such as fixed asset, inventory control, sales order processing, purchase order processing, mobile app - sales force automation, standard reports, standard business forms and dashboard; and
- (iii) **Phase Three (approximately 6 months – Third Quarter 2018):** the integration of human resource management, customer relationship management and supply chain management, either by internal development or joint-venture with third parties, to be determined after the completion of phase one."

"Biztrak is aiming to release phase one of the Biztrak Online software during the first half of 2018."

The Company confirms that as disclosed in the Replacement Prospectus dated 21 September 2017, Biztrak's management completed the phase one development work on time and under budget. Prior to making any confirmatory ASX announcement concerning phase one, the Board engaged an independent expert to assess and confirm that all of the phase one deliverables had been achieved by Biztrak's management. Following completion of the Board's due diligence, which included the receipt and review of the independent report, the Company released its announcement to ASX dated 10 July 2018.

Yours sincerely

Michael Higginson
Director/Company Secretary