



31 January 2020

Quarterly Activities Report – Quarter ended 31 December 2019

The Directors of Cape Range Limited (the **Company**) present the Company's quarterly activities report for the 3 months ended 31 December 2019.

During the quarter, the Company completed the acquisition of a windows based Logistics IP-Warehouse Management Software and successfully developed a cloud based Logistics-Warehouse Management Software.

Pursuant to a purchase agreement, the Company acquired Xtreme Software Sdn Bhd's (**Xtreme**) windows based software, which has been upgraded and integrated with Biztrak's windows based accounting software allowing Biztrak to market and sell a fully integrated logistics and warehouse management software package into the lucrative logistics market.

The acquisition of Xtreme's windows based software extends Biztrak's portfolio of accounting software solutions into the logistics, warehouse and inventory control markets. The acquisition of the software will provide the Company with an additional and growing revenue stream by tapping into Malaysia's rapidly expanding supply chain software solutions market.

In addition to the acquisition of Xtreme's windows based warehouse management software, the Company was also engaged by GM Limited (a company based in Hong Kong) to develop a cloud based warehouse management software application.

The cash consideration, to be paid by GM Limited, for the development of the cloud based warehouse management software is A\$670,000, of which A\$200,000 has been received with the balance expected to be paid by GM Limited prior to the end of February 2020.

A significant portion of the technology acquired from Xtreme's windows based logistics-warehouse management software has been incorporated into the cloud based logistics-warehouse management software developed for GM Limited.

The development of cloud based logistics-warehouse management software coincides with increasing demand for software that provides real-time access to view and manage inventory data online via a website. The web portal is one of the most widely used platforms that enables users to access data virtually from any device on any web browser. The development of a web portal enhances the functionality and seamless experience of a cloud based logistics-warehouse management software.

GM Limited and the Company have agreed the essential terms of a joint venture whereby a newly formed Malaysian corporation has been established to acquire from Biztrak the windows based logistics-warehouse management system and acquire from GM Limited the cloud based logistics-warehouse management system.

Cape Range Limited

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The parties intend to jointly market, promote, distribute and sell the logistics-warehouse management software to the rapidly expanding supply chain software solutions market.

Biztrak stands to further benefit from the joint venture as it will provide ongoing technical support to the joint venture and will receive recurring licence fee revenues, together with customer consulting fees generated from the sale and distribution of the integrated Biztrak accounting software solutions.

Release of Restricted Securities

In accordance with the ASX Listing Rules, on 30 November 2019 46,666,667 shares and 19,000,000 performance rights were released from ASX imposed escrow.

Conversion of Performance Rights

The Company currently has on issue 20,000,000 performance rights convertible into fully paid shares upon Biztrak receiving pre-determined EBITDA targets during the period commencing 28 November 2017 and ending 31 December 2019.

The Directors have assessed the EBITDA criteria for the conversion of the 20,000,000 performance rights and subject to audit confirmation expect that not less than 15,000,000 of the performance rights will convert to equity.

Payments to related parties

During the quarter a total \$60,250 was paid to related parties for the provision of services, director fees (including superannuation) and office rent.

Authorised for release by the Board

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Director/Company Secretary

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