



ASX RELEASE

3 March 2025

Pro Rata Rights Issue to Support New Opportunities

The Board of Cape Range Ltd (ASX:CAG) (the **Company**) is pleased to announce an opportunity for shareholders to take part in a pro rata rights issue (the **Rights Issue**).

Eligible shareholders will have the opportunity to purchase one new share in the Company for every share they currently hold, at a price of 6 cents per share. If fully subscribed, the Rights Issue will raise approximately \$5.69 million before costs. The Rights Issue will not be underwritten.

The purpose of the raising is to strengthen the Company's balance sheet, and position the Company to take advantage of opportunities to broaden its product range, acquire the rights to complementary technology, and diversify the business. The aim is to build scale and create a financially stronger business, in order to add value to shareholders.

This is the first time that the Company has raised funds since listing on the ASX in November 2017, more than seven years ago. Since listing the Company has continued to operate its technology business in Asia, focussing on enterprise software development and distribution, with customers located in Malaysia, Singapore, China and elsewhere.

Since the Covid-19 pandemic the Company's results have steadily improved, with a particular improvement in the past 12 months. In this period the Company's Malaysian-based enterprise software business moved into profitability, as shown by the Company's cash flow statements and unaudited management accounts for 2024.

However, at a corporate level, the Company has not generated positive cash flow since listing. While the latest cash flow statement shows that more than two years of cash remain (at the current level of activities), the Board considers that it is time for a new approach.

The Board has devoted substantial time and resources to consider a number of opportunities in the past 12 months. While no binding agreements have been signed, the Board has identified a potential attractive opportunity to invest some of the funds raised, shortly after the Rights Issue is concluded.

Currently the Board proposes to invest up to 20% of the funds raised in a business called Vaultavo, which provides technology for the management of digital assets. As noted, no binding agreements have been signed, and the potential investment is subject to due diligence and agreement on terms.

Vaultavo's technology allows institutions and individuals to take 100% control, security, and governance of their digital assets without being reliant on 3rd party providers. Their smartcard solution is a promising technology in the rapidly growing crypto and digital asset industry. Further details are available at vaultavo.com.

This proposed investment in Vaultavo will expand the Company's product suite in the broader fintech industry. Vaultavo's technology for the management of digital assets is complementary to

Cape Range Ltd

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the Company's software for the management of physical assets. Further, global accounting firms have already expressed interest in using and distributing Vaultavo's technology to clients who wish to manage and safeguard their digital assets. There is a similar distribution opportunity via the Company's accounting and business intelligence software clients.

Rights Issue Details

The Company is undertaking a non-renounceable rights issue offer to eligible shareholders to subscribe for one (1) new share (**New Share**) for every one (1) share held an offer price of \$0.06 (6 cents) per share, to raise up to approximately \$5.69 million before costs.

The offer price of \$0.06 per new share represents a 37% discount to the 30-day volume weighted average price and last traded price of the Company's shares of \$0.095.

The pro rata Rights Issue is non-renounceable. It will not be underwritten, and there is no minimum amount to be raised. The New Shares will be fully paid ordinary shares, will rank equally with the Company's existing issued shares and the Company will make an application to the ASX for the official quotation of the New Shares.

Eligible shareholders will have the opportunity to subscribe for additional shares above their entitlement, if they wish. The Board reserves the right to place any remaining shortfall within three months of the conclusion of the rights issue.

Eligible shareholders are shareholders with a registered address in Australia, New Zealand, Hong Kong, Singapore and Malaysia as at the Record Date of 7 March 2025.

The Rights Issue will open on 12 March 2025 and close at 5pm (AEDT) on 1 April 2025, unless extended in accordance with the Listing Rules.

The issue of New Shares under the Rights Issue will be made under Listing Rule 7.2 exception and therefore does not affect the Company's current Listing Rule 7.1 capacity. No shareholder approval is required for the Rights Issue.

Currently the Company has 94,908,301 ordinary shares on issue. For illustrative purposes only, the impact of the Rights Issue on the capital structure will be to issue an additional 94,908,301 New Shares (assuming the Rights Issue is fully subscribed), resulting in a total of 189,816,602 issued shares following the conclusion of the offer.

Further information on the Rights Issue will be contained in an Offer Booklet expected to be despatched to eligible shareholders on 12 March 2025. Eligible shareholders should read the Offer Booklet in full before deciding whether or not to subscribe for New Shares under the Rights Issue.

The following is an indicative timetable for the Rights Issue:

Indicative Rights Issue Timetable Event	Date
Rights Issue announcement	3 March 2025
Rights Issue Ex Date	6 March 2025
Record Date for determining entitlements	7 March 2025, 5.00pm (AEDT)
Dispatch of Offer Booklet and Rights Issue opens	12 March 2025
Closing date of Rights Issue (unless extended)	1 April 2025, 5.00pm (AEDT)
New Shares quoted on a deferred settlement basis	2 April 2025
Announce results of Rights Issue, lodgement of Appendix 2A and allotment and issue of New Shares under Rights Issue	4 April 2025
Quotation of New Shares under Rights Issue	7 April 2025

These dates are indicative only and may change, subject to the ASX Listing Rules.

Authorised for release by the Board

Ben Reichel
Chairman