CAPE RANGE LIMITED

ABN: 43 009 289 481

2014 ANNUAL REPORT

For the financial year ended 31 December 2014

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Corporate Information

ASX Code: CAG

Directors

Mr Wayne Johnson (Non-Executive Chairman)

Mr Anthony Tascone (Non-Executive Director) (appointed 18 December 2014)

Mr Michael Higginson (Non-Executive Director)

Mr John Georgiopoulos (Non-Executive Director)

Company Secretary

Mr Michael Higginson

Registered Office

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Principal Place of Business

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Auditors

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Level 40
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CHAIRMAN'S LETTER

The Company presents its Annual Report for the year ended 31 December 2014.

In the twelve months covered by this report, the Directors have worked hard (on behalf of all shareholders) to source and complete a transaction designed to restore shareholder value and secure the reinstatement to trading on the ASX of the Company's securities.

Although not trading, the Company has not been immune to the difficulties that the events of the year and the changing market environment have delivered. The focus of the Directors has been on identifying, evaluating and securing a suitable business with strong business fundamentals, sound financial performance and scope for growth. The challenge being to select a business that meets these requirements, that is not too far ahead of the innovation curve and is also not too far behind it.

In this technology driven era, if a business isn't technology centric, it's highly probable that technology will play a significant role in the management, production and/or delivery of the products and services it provides. In recognition of this, the Directors focused their attention on the diligent investigation and benchmarking of developing technologies and the investigation of a significant number of business opportunities in the technology sector.

As a consequence of this investigation, on 19 January 2015, the Company announced a proposed merger with "internet of things" company Quantify Technology Pty Ltd following the signing of a binding Heads of Agreement.

Pursuant to the Heads of Agreement (as amended), Quantify will merge with Cape Range via the issue of 107,000,000 Cape Range shares and, subject to the attainment of pre-determined milestones, the issue of up to an additional 25,000,000 Cape Range Performance Shares and the payment of up to $1,500,000 in cash. Cape Range will also issue up to 10,700,000 Options, each exercisable at $0.20 and expiring 30 December 2018, to be granted to parties that hold Options in Quantify on similar terms. The transaction is subject to a number of conditions precedent, including due diligence and approval by shareholders.

Throughout the year, the Company has maintained a very low cost structure whilst pursuing its strategy with the Non-Executive Directors facilitating the Company's executive roles on a primarily under paid consultancy basis.

The Board welcomes the appointment, on 18 December 2014, of Mr Anthony Tascone as a Non-Executive Director.

The Directors are committed to delivering shareholder value as quickly and prudently as possible. The Board genuinely acknowledges and appreciates the continuing support of shareholders throughout a difficult year and I also acknowledge and thank my fellow Directors for their professionalism and contribution during the 2014 financial year.

Wayne Johnson
Non-Executive Chairman

1. DIRECTORS

The names and details of the Company's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for the entire period unless otherwise stated.

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. He has 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's hands on experience in business management and operations, often in markets undergoing significant change, is a rare attribute not held by many corporate advisors. The knowledge and skills accumulated through being at the helm of a range of successful enterprises has been at the core of his ability to drive many M & A transactions, restructures and re-capitalisations. Mr Johnson's expertise spanning a variety of industries, including telecommunications, electronic payments, financial services and the resources sector,

Mr Johnson is 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.

Anthony Tascone (Non-Executive Director) (appointed 18 December 2014)

Mr Tascone is an accredited securities advisor in Australia and most recently an institutional broker and wealth advisor.

Michael Higginson B.Bus (Non-Executive Director)

Mr Higginson holds a Bachelor of Business degree with majors in finance and corporate administration. Mr Higginson was formerly an executive officer with the Australian Securities Exchange. He has over 25 years expertise in public company administration, corporate finance and law, corporate governance, capital raisings, ASX Listing Rules and company secretarial duties.

Mr Higginson has held board, company secretarial and senior management positions with a number of resource exploration companies.

John Georgiopoulos (Non-Executive Director)

John Georgiopoulos has, over the last 30 years, accumulated extensive small business and contracting experience throughout Australia. John currently owns and operates a successful Melbourne based contracting business that provides services to both the government and private sectors. Prior to establishing his current business, John owned and operated a 23 store national chain that successfully operated in the highly competitive and high turnover retailing sector.

John is currently semi-retired and actively invests in the Australian equities market with long term shareholdings being maintained in a diversified investment portfolio.

COMPANY SECRETARY

Mr Michael Higginson has been the Company Secretary since 4 March 2010.

2. DIRECTORSHIP OF OTHER LISTED COMPANIES

Directorships of other listed companies held by the current Directors in the 3 years immediately before the end of the financial year are as follows:

Name	Company	Period of Directorship
W Johnson	MDS Financial Group Limited	December 2006 to September 2007,,April 2011 to January 2014
	Greater Bendigo Gold Limited	February 2010 to November 2012
	SmartPay Holdings Limited	October 2001 to June 2012
	Sino Australia Oil and Gas Limited	September 2012 to March 2014
A Tascone	Nil	Not applicable
M Higginson	Migme Limited (formerly Latin Gold Ltd)	31 August 2011 to 8 August 2014
J Georgiopoulos	Nil	Not applicable

3. CURRENT DIRECTORS' SHAREHOLDINGS

The following table sets out each current Director's relevant interest in shares and rights or options to acquire shares of the Company or a related body corporate as at the date of this report.

	Fully Paid Ordinary Shares	Unlisted Share Options
W Johnson Director Ibarra Investments Limited no beneficial ownership	31,000	-
Director Baroda Hill Investments no beneficial ownership	2,802,200	
A Tascone	500,000	-
M Higginson	1,490,000	-
J Georgiopoulos Director Rockdale Capital Pty Ltd	853,815	-
J Georgiopoulos Director Vigon Pty Ltd	22,637	

4. DIRECTORS' MEETINGS

The number of Directors' meetings held during the financial year and the number of meetings attended by each Director are:

	Directors' Meetings	
	No. Held	No. Attended
W Johnson	4	4
A Tascone	-	-
M Higginson	4	4
J Georgiopoulos	4	4

5. PRINCIPAL ACTIVITIES

The Company's principal activities in the course of the financial year was the search for and acquisition of a suitable business opportunity for the purposes of securing the re quotation of the Company's securities on the ASX. Please refer to Review of Operations and After Balance Sheet Date Events for details.

6. OPERATING RESULTS

The loss after tax for the year attributable to the members of the Company was $392,698 (2013: $557,760).

7. DIVIDENDS

No dividends have been declared or paid to shareholders at the date of this report.

8. REVIEW OF OPERATIONS

The loss after tax for the year ended 31 December 2014 attributable to the member of the Company was $392,698 (31 December 2013: loss of $557,760). The loss for the year ended 31 December 2014 was mainly attributable to the review and evaluation of projects of interest to the Company. This included the non-completion of the ExpressRx Limited merger.

Following the receipt of shareholder approval on 31 January 2014, on 3 February 2014 the Company allotted 13,500,000 fully paid ordinary shares for the purpose of redeeming a $675,000 convertible note.

On 25 February 2014, the Company granted 3,000,000 options, each exercisable at $0.20 and expiring 30 November 2016 to DJ Carmichael Pty Ltd and/or its nominees for services rendered pursuant to an $865,000 capital raising.

Following the receipt of shareholder approval on 17 October 2014, on 20 October 2014 the Company allotted 6,300,000 fully paid ordinary shares for the purpose of converting debt, totalling $315,000, into equity.

9. SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Apart from the events stated in the "Review of Operations", there were no other significant changes in the state of affairs throughout the financial year.

10. AFTER BALANCE SHEET DATE EVENTS

On 19 January 2015, the Company announced a proposed merger with "internet of things" company Quantify Technology Pty Ltd following the signing of a binding Heads of Agreement.

Pursuant to the Heads of Agreement (as amended), Quantify will merge with Cape Range via the issue of 107,000,000 Cape Range shares and, subject to the attainment of pre-determined milestones, the issue of up to an additional 25,000,000 Cape Range Performance Shares and the payment of up to $1,500,000 in cash. Cape Range will also issue up to 10,700,000 Options, each exercisable at $0.20 and expiring 30 December 2018, to be granted to parties that hold Options in Quantify on similar terms. The transaction is subject to a number of conditions precedent, including due diligence and approval by Cape Range shareholders.There has not been any other matter or circumstance, that has arisen since the end of the financial year, that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

11. FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

Likely developments in the operation of the Company and the expected results of those operations are included under the "Review of Operations" and "After Balance Sheet Date Events" in this Directors' Report.

12. ENVIRONMENTAL ISSUES

The Company is not subject to any significant environmental regulations under either Commonwealth or State legislation. The Board is not aware of any breach of environmental requirements as they apply to the Company.

13. REMUNERATION REPORT (Audited)

The remuneration report is set out under the following main headings:

A Principles used to determine the nature and amount of remuneration

B Details of remuneration

C Services agreements

D Share-based compensation

E Equity instruments issued on exercise of remuneration options

F Value of options to Directors

The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporations Act 2001. There were no executives of the Company up to the date of this report. The remuneration arrangements detailed in this report are for the Non-Executive Chairman and Non-Executive Directors as follows:

Wayne Johnson	Non-Executive Chairman
Anthony Tascone	Non-Executive Director (appointed 18 December 2014)
Michael Higginson	Non-Executive Director
John Georgiopoulos	Non-Executive Director

A Principles used to determine the nature and amount of remuneration

The objective of the Company's remuneration framework is to ensure reward for performance is competitive and appropriate for the results delivered and set to attract the most qualified and experienced candidates.

Remuneration levels are competitively set to attract the most qualified and experienced Directors, in the context of prevailing market conditions.

The Company embodies the following principles in its remuneration framework:

- the Board seeks independent advice on remuneration policies and practices including recommendations on remuneration packages and other terms of employment for Directors; and
- in determining remuneration, advice is sought from external consultants on current market practices for similar roles, the level of responsibility, performance and potential of the Director and performance of the Company.

In accordance with best practice corporate governance, the structure of the Non-Executive Chairman and Non-Executive remuneration is separate and distinct. Remuneration committee's responsibilities are carried out by the full Board.

Non-Executive Director/Chairman

Fees and payments to the Non-Executive Directors reflect the demands which are made on, and the responsibilities of the Director. Non-Executive Directors' fees and payments are reviewed not less than annually by the Board. The Non-Executive Chairman fees are determined based on competitive roles in the external market. The Chairman is not present at any discussions relating to the determination of the remuneration level.

The current base remuneration was last reviewed in March 2014. The Non-Executive Chairman receives a fixed fee for his services as a Director and payment for specific consultancy services provided to the Company.

The Company's Non-Executive Director's remuneration package contains the following key elements:

- primary benefits – monthly Director's fees; and
- Non-Executive Director fees are determined within an aggregate Directors' fee pool limit, which is periodically recommended for approval by shareholders.
- consultancy services where requested by the Company are paid on a commercial arm's length basis.

No retirement benefits are provided for any Directors.

The Company does not offer any variable remuneration incentive plans or bonus schemes to Executive Directors or any retirement benefits; as such there is no performance related links to the existing remuneration policies.

The following table shows the gross revenue, losses and share price of the Company at the end of the respective financial years.

	31 Dec 2009 Consolidated	31 Dec 2010 Company	31 Dec 2011 Company	31 Dec 2012 Company	31 Dec 2013 Company	31 Dec 2014 Company
Revenue ($)	112,690	37,819	5,199	8,257	79,420	28,503
Net loss ($)	1,021,156	3,262,291	794,798	485,148	557,760	392,698
Share price (cents)	0.9	0.005	-	-	-	-
Dividend ($)	-	-	-	-	-	-

B Details of remuneration

The key management personnel of the Company are the Directors. Details of the remuneration of the Directors are set out below:

	Short-term benefits			Post-employment benefits		Share based benefits		
	Fees	Salary	Annual leave provision	Superannuation	Non-monetary benefits	Equity options	Total	Percentage remuneration consisting of options for the year
2014	**$**	**$**	**$**	**$**	**$**	**$**	**$**	
Non-Executive Directors								
W Johnson (Chairman)	61,050	-	-	-	-	-	61,050	-
A Tascone	2,000	-	-	-	-	-	2,000	-
M Higginson	73,088	-	-	-	-	-	73,088	-
J Georgiopoulos	24,000	-	-	-	-	-	24,000	-
Total key management personnel compensation	**160,138**	-	-	-	-	-	**160,138**	-

	Short-term benefits			Post-employment benefits		Share based benefits		
	Fees	Salary	Annual leave provision	Superannuation	Non-monetary benefits	Equity options	Total	Percentage remuneration consisting of options for the year
2013	**$**	**$**	**$**	**$**	**$**	**$**	**$**	
Managing Director								
J Cornelius (i)	-	-	-	-	-	-	-	-
Non-Executive Directors								
W Johnson (Chairman)	73,664[1]	-	-	-	-	-	73,664[1]	-
M Higginson	80,855[2]	-	-	-	-	-	80,855[2]	-
J Georgiopoulos	28,000[3]						28,000[3]	
Total key management personnel compensation	**182,519**	-	-	-	-	-	**182,519**	-

1. $6,000 paid, $67,664 accrued.
2. $13,055 paid, $67,800 accrued.
3. $6,000 paid, $22,000 accrued.

C Services agreements

On appointment, the Non-Executive Chairman entered into a service agreement with the Company in the form of a letter of appointment. The letter outlines the broad policies and terms, including remuneration relevant to the office of Director.

Wayne Johnson

Mr Johnson entered into a service agreement with the Company on 14 September 2009. The agreement outlines the broad policies and terms, including $42,000 director's fees per annum. It was resolved in the meeting of the Directors on 18 March 2010, the remuneration to Mr Johnson increased to $50,000 per annum effective on 1 March 2010. As of January 2013, the Board resolved that fees will be paid at $2,000 per month and that commercial consultancy services relating to strategic transactions be paid.

On 3 March 2014 the Board resolved that, as at 31 December 2013, the total amount owing to Mr Johnson be reduced to $153,000 of which it was intended that $28,000 be payable in cash and subject to the receipt of shareholder approval the balance of $125,000 be paid in shares. On 20 October 2014, the Company allotted to Mr Johnson's nominee 2,500,000 fully paid ordinary shares at an issue price of $0.05 per share to extinguish the $125,000 debt.

Anthony Tascone

Mt Tascone was appointed as a Director on 18 December 2014. Mr Tascone is to be paid fees at $2,000 per month.

Michael Higginson

Mr Higginson was appointed as a Director on 16 June 2011. Since his appointment, Mr Higginson was paid fees at the rate of $3,000 per month. As of January 2013, the Board resolved that these fees be paid at $2,000 per month.

On 3 March 2014 the Board resolved that, as at 31 December 2013, the total amount owing to Mr Higginson be reduced to $120,000 of which it was intended that $50,000 be payable in cash and subject to the receipt of shareholder approval the balance of $70,000 be payable in shares. On 20 October 2014, the Company allotted to Mr Higginson's nominee 1,400,000 fully paid ordinary shares at an issue price of $0.05 per share to extinguish the $70,000 debt.

John Georgiopoulos

Mr Georgiopoulos is to be paid fees at $2,000 per month.

On 3 March 2014 the Board resolved that, as at 31 December 2013, the total amount owing to Mr Georgiopoulos be reduced to $22,000 of which it was intended that $2,000 be payable in cash and subject to the receipt of shareholder approval the balance of $20,000 be payable in shares. On 20 October 2014, the Company allotted to Mr Georgiopoulos's nominee 400,000 fully paid ordinary shares at an issue price of $0.05 per share to extinguish the $20,000 debt.

Termination benefits

The Company does not have a retirement or termination policy providing payments on retirement or termination to the Directors other than the payment of any accrued and current liabilities.

D Share-based compensation

The Company rewards Directors for their performance and aligns their remuneration with the creation of shareholder wealth by issuing share options (the "Plan"). There are no performance requirements to be met before exercise can take place. The Plan is designed to provide long-term incentives to deliver long-term shareholder returns. Participation in the Plan is at the discretion of the Board and no individual has a contractual right to participate in the Plan or to receive any guaranteed benefits.

The issue of options is not linked to performance conditions because by setting the option price at a level above the current share price at the time the options are granted, provides incentive for management to improve the Company's performance.

No options have been granted to the Directors or vested during the year.

No shares were issued in exercise of options granted in the current year and previous years.

E Equity instruments issued on exercise of remuneration options

No shares were issued during the year to Directors or key management as a result of exercising remuneration options.

F Value of options to Directors

No options were granted, exercised, vested and/or lapsed during the year to Directors as part of their remuneration.

14. SHARES UNDER OPTION

As at the date of this report there are 3,000,000 options each exercisable at $0.20 and expiring 30 November 2016 on issue.

There are no other unissued ordinary shares of Cape Range Limited under option as at the date of this report.

No options to acquire ordinary shares expired during the year.

15. PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purposes of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

16. INDEMNIFYING OFFICERS

During the financial year, the Company has not paid a premium in respect of a contract insuring all its Directors and current and former executive officers against a liability incurred as such a director or executive officer to the extent permitted by the Corporations Act 2001.

17. NON-AUDIT SERVICES

The Board of Directors, advises that no non-audit services were provided by the Company's auditors during the year. Details of the amounts paid or payable to the auditor for audit and non-audit services provided during the year are set out below:

	$
Audit services	
Hall Chadwick	32,500
Remuneration for other services	
Hall Chadwick	-

18. AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 31 December 2014 has been received and can be found on page 10.

Signed in accordance with a resolution of the Board of Directors.

Wayne Johnson

Non-Executive Chairman

Date: 29th day of March 2015

HALL CHADWICK (NSW)
Chartered Accountants and Business Advisers

CAPE RANGE LIMITED
ABN 43 009 289 481

SYDNEY

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AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF CAPE RANGE LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2014 there have been:

i. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

Hall Chadwick

Hall Chadwick
Level 40, 2 Park Street
Sydney NSW 2000

DREW TOWNSEND
Partner
Date: 27 March 2015

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Corporate governance is the system by which companies are directed and managed. It influences how the objectives of the Company are set and achieved, how risk is monitored and assessed, and how performance is optimised. Good corporate governance structures encourage companies to create value (through entrepreneurism, innovation, development and exploration) and provide accountability and control systems commensurate with risks involved.

Good corporate governance will evolve with the changing circumstances of a company and must be tailored to meet these circumstances.

The Company's Board and management are committed to a high standard of corporate governance practices, ensuring that the Company complies with the Corporations Act 2001, Australian Securities Exchange (ASX) Listing Rules, Company Constitution and other applicable laws and regulations.

However, at this stage of the Company's corporate development, implementation of the ASX Corporate Governance Principles and Recommendations, whilst wholeheartedly supported, is not practical in every instance given the modest size and simplicity of the business. The principles and recommendations and details of the current and evolving governance practices are identified in the following pages.

Principle 1: Lay solid foundations for management and oversight

The Board has the responsibility of protecting the rights and interests of shareholders and enhancement of long-term shareholder value. To fulfil this role, the Board is responsible for:

- Appointment of the Managing Director and other senior executives and the determination of their terms and conditions including remuneration and termination;
- Driving the strategic direction of the Company, ensuring appropriate resources are available to meet objectives and monitoring management's performance;
- Reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct and legal compliance;
- Approving and monitoring the progress of major capital expenditure, capital management and significant acquisitions and divestitures;
- Approving and monitoring the budget and the adequacy and integrity of financial and other reporting;
- Approving the annual, half yearly and quarterly accounts;
- Approving significant changes to the organisational structure;
- Approving the issue of any shares, options, equity instruments or other securities in the Company;
- Ensuring a high standard of corporate governance practice and regulatory compliance and promoting ethical and responsible decision making;
- Recommending to shareholders the appointment of the external auditor as and when their appointment or re-appointment is required to be approved by them; and
- Meeting with the external auditor, at their request, without management being present.

The Board intends to introduce a formal process for the performance assessment of senior executives.

Principle 2: Structure the Board to add value

The Board is currently made up of four directors, the Non-Executive Chairman being the only non-independent director. The Board considers a director to be independent where he or she is not a member of management and is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the director's ability to act in the best interests of the Company. This is compliant with the ASX Corporate Governance Councils recommendations that the majority of Directors should be independent non-executives. Despite the fact that by virtue of the Non-Executive Chairman being a substantial shareholder he is non-independent, the Board considers the current composition to be both satisfactory and realistic under the present circumstances.

Under the Company's Constitution and the Australian Securities Exchange Listing Rules, all directors are subject to shareholder re-election every three years. Mr Tascone (who was appointed on 18 December 2014) will subject to re-election at the Company's forthcoming Annual General Meeting

The full Board currently holds a number of meetings each year, plus strategy meetings and extraordinary meetings at such other times as may be necessary to address significant matters as they arise.

Standing Board meeting agenda items include the director's report, financial reports, strategic matters, governance and compliance.

Board members possess complementary business disciplines and experience aligned with the Company's objectives. The experience and qualifications of directors are noted in the Directors' Report.

Where any director has a personal interest in a matter, the director is not permitted to be present during discussions or to vote on the matter. The enforcement of this requirement ensures that the interest of shareholders, as a whole, are pursued and not jeopardised by a lack of a majority of independent directors.

Due to the size of the Company the Board has not established committees to review compensation arrangements of senior executives or to manage Board succession. The full Board approves all management remuneration including the allocation of options and involves itself in the nomination, selection and retirement of directors.

The Company will give consideration, at an appropriate juncture in the Company's development, for the creation of Nomination, Audit and Remuneration committees. The current size of the full Board permits it to act as the Nomination Committee and to regularly review membership. The Board will give consideration to appointment of specialist and independent directors when the activities and scale of operations of the Company warrants such appointments.

The Board reviews the performance of Board members on an on-going basis. The reviews are conducted by the Non-Executive Chairman and involve an exchange of views with all the members of the Board. In particular, the Board assesses the appropriate mix of skills, experience and expertise required by the Board and assesses the extent to which the required skills and experience are represented on the Board.

The Board intends to introduce a formal process of self-assessment of its collective performance, the performance of individual directors and of Board committees.

Principle 3: Promote ethical and responsible decision making

The Company actively promotes ethical and responsible decision-making. The Company has established a formal code of conduct that address practices necessary to maintain confidence in the Company's integrity. The code takes into account the Board's legal obligations and the reasonable expectations of its stakeholders.

Dealing in Company shares

The Board has formally instituted a Company requirement that limits the purchase or disposal of shares by directors, officers and employees to the period of14 days prior to and 2 days after the:

(a) release of the half yearly results announcement to the ASX;

(b) release of the final results announcement to the ASX; or

(c) release of the quarterly results announced to the ASX.

Before trading, or giving instructions for trading in the Company's securities, a director must:

(a) notify the Non-Executive Chairman, or another Director in writing of his/her intention to trade;

(b) confirm that he/she does not hold any inside information;

(c) if he/she is seeking clearance to trade in exceptional circumstances, provide full disclosure of such circumstances;

(d) have been notified in writing by the Non-Executive Chairman (such response to be provided as soon as practicable upon receipt of notification but in any event no more than 48 hours after receipt of notification) that there is no reason to preclude him/her from trading in the Company's securities as notified; and

(e) comply with any conditions on trading imposed by the Non-Executive Chairman (including, for example, any time limits applicable to the clearance).

Where the Non-Executive Chairman intends to trade in the Company's securities, he/she must notify and obtain clearance in the abovementioned manner from at least one other director before trading, or giving instructions for trading.

In the case of any other Key Management Personnel, he/she must notify and obtain clearance from the Company Secretary before trading, or giving instructions for trading.

Written notification under this Securities Trading Policy via email is acceptable.

Directors, officers and employees with any non-public sensitive information are prohibited from purchasing or disposing of Company shares, in accordance with the Corporations Act 2001.

Directors must advise the Company of any transactions conducted by them in the shares of the Company, in accordance with the Corporations Act 2001 and ASX Listing Rules.

Diversity policy

The Company values diversity and recognises the benefits it can bring to the organisation's ability to achieve its goals. However, due to the limited scope of the Company's activities, the Board has not developed a diversity policy. The Company has not yet set measurable objectives, however, these will be considered by the Board and the Board will review progress against any objectives identified on an annual basis.

Principle 4: Safeguard integrity in financial reporting

The Board has previously established an audit committee whose responsibility it was to monitor and review the effectiveness of the Company's controls in the areas of operational and balance sheet risk, legal and regulatory compliance and financial reporting.

With the change of Board, the Company presently does not have a separately constituted audit committee as it is not presently of a size, or its affairs of such complexity, to warrant such a committee. All matters capable of delegation to such a committee are presently dealt with by the full Board. The Board is responsible for the establishment and maintenance of a framework of internal control and appropriate ethical standards for the management of the Company. A charter (terms of reference) has been formulated and includes:

- reviewing and approving statutory financial reports and all other financial information distributed externally;
- monitoring the effective operation of the risk management and compliance framework;
- reviewing the effectiveness of the Company's internal control environment including compliance with applicable laws and regulations;
- the nomination of the external auditors and the review of the adequacy of the existing external audit arrangements; and
- considering whether non-audit services provided by the external auditor are consistent with maintaining the external auditor's independence.

The external auditor, Hall Chadwick has engagement terms refreshed annually and has indicated its independence to the Board.

Principles 5 & 6: Make timely and balanced disclosures and respect the rights of shareholders

The Board adopts communications strategies and practices to promote communication with shareholders, in language capable of interpretation and to encourage effective participation at General Meetings. The external auditor can attend the meeting to respond to specific questions from shareholders relating to the conduct of the audit and the preparation and content of the auditor's report.

The Company Secretary has been nominated as the person responsible for communications with the Australian Securities Exchange (ASX). This role includes responsibility for ensuring compliance with the continuous disclosure requirements in the ASX Listing Rules and overseeing and co-coordinating information disclosure to the ASX, analysts, brokers, shareholders, the media and the public.

The Board aims to ensure that shareholders are informed of all major developments affecting the Company's state of affairs.

Information is communicated to shareholders as follows:

- reports distributed to all shareholders; and
- notices of all meetings to shareholders.

The Board encourages full participation of shareholders at the General Meetings to ensure a high level of accountability and identification with the Company's strategy and goals. Important issues are presented to shareholders as single resolutions.

Shareholders are requested to vote on the appointment of directors, the granting of options and shares to directors and changes to the Constitution. Copies of the Constitution are available to any shareholder upon request.

Timely and balanced disclosure

The Board supports the Australasian Investor Relations Association "Best Practice Guidelines for Communication between Listed Entities and the Investment Community". The Board endorses a culture in favour of continuous disclosure and recognises the benefits of consistency to be achieved through a dedicated authorised spokesperson.

Material information is lodged immediately with the ASX.

Principle 7: Recognise and manage risk

The Company has identified material business risks associated with its day-to-day operations and the possible impacts on the Company as a consequence. The Company reviews its risk management policies to mitigate material risks identified from eventuating and to ensure a sound internal control system is in place. The Non-Executive Chairman is required to report to the Board if any material business risks that significantly impact on the business have arisen since the last Board meeting and if an effective internal control policy is in place and has been followed (as applicable).

As part of the Company's internal risk management policies, the Non-Executive Chairman and Company Secretary review identified risk areas and internal controls required to mitigate such risks.

In summary, the Company's internal risk management policies are designed to ensure that strategic, operational, legal, reputational and financial risks are identified, assessed, effectively and efficiently managed and monitored to enable achievement of the Company's business objectives.

Considerable importance is placed on maintaining a strong control environment. The Board actively promotes a culture of quality and integrity.

Principle 8: Remunerate fairly and responsibly

Due to the size of the Company the Board has not established committees to review compensation arrangements of senior executives or to manage Board succession. The full board approves all remuneration, including the allocation of options and involves itself in the nomination, selection and retirement of directors.

The Board is kept advised on remuneration and incentive policies and practices generally and makes specific recommendations in relation to compensation arrangements for all directors and in respect of all equity based remuneration plans.

The remuneration policy states that executive directors may participate in share option schemes with the prior approval of shareholders. Other executives may also participate in employee share option schemes, with any option issues normally being made in accordance with thresholds set in plans approved by shareholders. The Board however, considers it appropriate to retain the flexibility to issue options to executives outside of approved employee option plans in appropriate circumstances. The Company has not distinguished the structure of non-executive directors' remuneration from that of executive director due to its size.

The Board also assumes responsibility for overseeing management succession planning, including the implementation of appropriate executive development programmes and ensuring adequate arrangements are in place, so that appropriate candidates are recruited for later promotion to senior promotions.

Access to professional advice

Issues of substance are considered by the Board with external advice from its professional advisers as required. The Board's individual members can seek independent professional advice at the Company's expense in carrying out their duties.

Non-compliance with Corporate Governance Principles and Recommendations

Due to the size of the Company and the operations currently being undertaken, the Company is non-compliant with respect to having a Nomination Committee, Audit Committee, Remuneration Committee or Diversity Policy. The Board, as a whole, facilitates the performance of these responsibilities for the Company.

	Notes	Company 2014 $	Company 2013 $
Continuing operations			
Other income	7	28,503	79,420
Share registry fees		(12,924)	(13,183)
Accounting and audit fees		(42,831)	(100,531)
Consultants fees		(163,088)	(156,653)
Legal and professional fees		(74,861)	(280,045)
Directors & Management fees		-	-
Occupancy expenses		(13,685)	(30,936)
Travel and accommodation		(21,583)	(8,843)
Interest expense		(10,125)	-
Share based payment expense		(48,090)	-
Other expenses		(34,014)	(46,989)
Loss before income tax benefit	7	(392,698)	(557,760)
Income tax benefits	8	-	-
Net loss for the year		(392,698)	(557,760)
Total comprehensive income for the year and attributable to the owner of the Company		**(392,698)**	(557,760)
Basic loss per share	18	(0.009)	(0.023)
Diluted loss per share	18	(0.009)	(0.023)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

	Notes	Company 2014 $	Company 2013 $
Current Assets			
Cash and cash equivalents	9	56,187	522,800
Trade and other receivables	10	22,024	70,440
Financial assets	11	-	-
Total Current Assets		78,211	593,240
Non-Current Assets			
Plant and equipment	12	-	-
Total Non-Current Assets			-
Total Assets		78,211	593,240
Current Liabilities			
Trade and other payables	13	292,347	777,768
Borrowings	14	-	675,000
Total Current Liabilities		292,347	1,452,768
Total Liabilities		292,347	1,452,768
Net Assets		(214,136)	(859,528)
Equity			
Issued capital	15	8,262,733	7,272,733
Reserves	16	102,090	54,000
Accumulated losses		(8,578,959)	(8,186,261)
Total Equity		(214,136)	(859,528)

The above statement of financial position should be read in conjunction with the accompanying notes.

	Issued Capital $	Share-based Payment Reserves $	Accumulated Losses $	Total $
Company				
Balance as at 1 January 2014	7,272,733	54,000	(8,186,261)	(859,528)
Net loss for the year	-	-	(392,698)	(392,698)
Total comprehensive income for the year	-	-	(392,698)	(392,698)
Share based payment (grant of options)	-	48,090	-	48,090
New shares issues (net of capital raising costs)	990,000	-	-	990,000
Options lapsed transferred to retained earnings	-	(54,000)	54,000	-
Balance as at 31 December 2014	8,262,733	48,090	(8,524,959)	(214,136)
Balance as at 1 January 2013	6,656,906	54,000	(7,628,501)	(917,595)
Net loss for the year	-	-	(557,760)	(557,760)
Total comprehensive income for the year	-	-	(557,760)	(557,760)
New shares issues (net of capital raising costs)	615,827	-	-	615,827
Balance as at 31 December 2013	7,272,733	54,000	(8,186,261)	(859,528)

The above statement of changes in equity should be read in conjunction with the accompanying notes.

	Note	Company 2014 $	Company 2013 $
Cash Flows From Operating Activities			
Other income		13,970	3,497
Payments to suppliers and employees		(533,407)	(367,006)
Interest received		563	289
Interest paid		(10,125)	-
Tax refund		62,386	-
Net cash used in operating activities	9	(466,613)	(363,220)
Cash Flows From Investing Activities		-	-
Net cash used in investing activities		-	-
Cash Flows From Financing Activities			
Payments made for loan to third party		-	-
Net proceeds from issue of shares		-	115,827
Net proceeds from borrowings		-	675,000
Net cash from financing activities		-	790,827
Net decrease in cash and cash equivalents		(466,613)	427,607
Cash and cash equivalents at beginning of year	9	522,800	95,193
Cash and cash equivalents at end of year	9	56,187	522,800

The above statement of cash flows should be read in conjunction with the accompanying notes.

1. Reporting Entity

Cape Range Limited (the "Company") is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange Limited ("ASX"). The Company's registered office is 116 Alastair St, Lota, Queensland Australia.

The nature of the operations and principal activities of the Company are described in the Directors' Report.

2. Basis of Preparation

(a) Statement of compliance

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements were approved by the Board of Directors on 25 March 2015.

(b) Basis of measurement

The financial statements have been prepared on an accruals basis and is based on the historical cost basis except where stated, does not take into account changing money values or fair valuations of non-current assets.

(c) Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Company's functional currency.

3. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Company's accounting policies, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4. Adoption of New and Revised Accounting Standards

During the current year, the Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operation and effective for the current reporting period.

The adoption of these standards did not have any impact on the current period or on any prior period and is not likely to affect future periods.

5. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Company. Certain comparative amounts have been reclassified to conform with the current year's presentation.

(a) Discontinued operation

A discontinued operation is a component of the Company's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

(b) Foreign currency translation

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All exchange differences in the financial report are taken to the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

The exchange differences arising on the retranslation are taken directly to a separate component of equity.

(c) Income tax

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

- except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and deferred tax liabilities shall be offset only if:

(a) there is a legally enforceable right to set-off current tax assets against current tax liabilities; and

(b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

  (i) the same taxable entity; or

  (ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

(d) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST except:

(a) Where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

(b) Receivables and payables are stated with amounts of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Commitments or contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(e) Impairment of assets

At each reporting date, management assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, management makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less cost to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(f) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Operating Leases

The minimum lease payments made under operating leases are charged against profits in equal instalments over the accounting periods covered by the lease term where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item.

The cost of improvements to or on leasehold property is capitalised, disclosed as leasehold improvements and amortised.

(g) Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

(h) Trade and other receivables

Trade receivables, which generally have 30-90 day terms are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An allowance for doubtful debts is made when there is objective evidence that the Company will not be able to collect the debts. Bad debts are written off when identified.

(i) Investments and other financial assets

All investments are initially recognised at cost, being the fair value of the consideration given including acquisition charges associated with the investment.

Loans and non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Company has a positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification.

Amortised cost is calculated by taking into account any discount or premium on acquisition, over the period to maturity.

Investments are recognised and derecognised on trade date where the purchase of sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

Subsequent to initial recognition, investments in subsidiaries are measured at cost in the company financial statements.

Other financial assets are classified into 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis for debt instruments.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment.

Interest income is recognised by applying the effective interest rate.

Impairment of financial assets

Financial assets are assessed from indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted.

For financial asset carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of financial assets including uncollectible trade receivables is reduced by the impairment loss through the use of an allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the statement of comprehensive income.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to and event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through statement of comprehensive income to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and subsequently all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

(j) Derivative financial instruments and hedging

The Company has adopted the policy of keeping the exposure open and accordingly no foreign exchange risk exposure of the Company has been hedged.

(k) Plant and equipment

Plant and equipment are carried at cost, less accumulated depreciation and any impairment in value.

(i) Depreciation

Depreciation is calculated on a straight –line basis over the estimated useful life of the asset as follows:

Plant and equipment – over 5 to 10 years

Furniture and fixtures – over 5 to 10 years

Computers – over 4 years

The assets' residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at each financial year end.

(ii) Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The impairment losses are recognised in the statement of comprehensive income.

The recoverable amount of plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the year the item is derecognised.

(iii) Derecognition and disposal

An item of plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income in the year the asset is derecognised.

(l) Revenue recognition

Interest Revenue

Revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(m) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.

(n) Borrowings

All borrowings are initially recognised as the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing borrowings are subsequent measured at amortised cost using the effective interest method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised.

Borrowing costs are recognised as an expense when incurred, except where they are directly attributable to the acquisition or construction of qualifying assets, in which case they are capitalised as part of the cost of that asset.

(o) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(p) Share-based payment transactions

The Company issues share options to Directors of the Company. The cost of the share-based payment is measured by reference to the fair value at the date at which they are granted. An external value using an option-pricing model determines the fair value. Options granted have been valued using an option pricing model which takes into account the factors including option exercise price, the current level and volatility of the underlying share price, the risk-free interest rate, expected dividends on the underlying share, current market price of the underlying share, the expected life of the option, and any barriers associated with vesting.

The fair value of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on that date on which the relevant Directors become fully entitled to the option ('vesting date').

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects:

(i) The extent to which the vesting period has expired; and

(ii) The number of options that, in the opinion of the Directors of the Company, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for options that do not ultimately vest, except for options where vesting is conditional upon a market condition.

Where the terms of an equity-settled option are modified, as a minimum an expense is recognised as if the terms have not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

Where an equity-settled option is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the option is recognised immediately. However, if a new option is substituted for the cancelled option, and designated as a replacement option on the date that it is granted, the cancelled and new option are treated as if they were a modification of the original option, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

(q) Earnings per share

(i) Basic earnings per share

Basic earnings per share is determined by dividing net profit after income tax attributable to members of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(r) New accounting standards for application in future periods

Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the Company, together with an assessment of the potential impact of such pronouncements on the Company when adopted in future periods, are discussed below:

– AASB 9: Financial Instruments (December 2010) and AASB 2010–7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010).

  These Standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments.

  The key changes made to accounting requirements include:

  - simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
  - simplifying the requirements for embedded derivatives;
  - removing the tainting rules associated with held-to-maturity assets;
  - removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
  - allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;
  - requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and
  - requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

  These Standards are mandatorily applicable for annual reporting periods commencing on or after 1 January 2015. Although the directors anticipate that the adoption of AASB 9 and AASB 2010–7 may have a significant impact on the Company's financial instruments, it is impracticable at this stage to provide a reasonable estimate of such impact.

– AASB 2011–4: Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements (applicable for annual reporting periods beginning on or after 1 July 2013).

  This Standard makes amendments to AASB 124: Related Party Disclosures to remove the individual key management personnel disclosure requirements (including paragraphs Aus29.1 to Aus29.9.3).

  This Standard is not expected to significantly impact the Company's financial report as a whole because it is anticipated that such disclosure will be contained in the directors' report.

– AASB 2012–3: Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities (applicable for annual reporting periods commencing on or after 1 January 2014).

  This Standard provides clarifying guidance relating to the offsetting of financial instruments, which is not expected to impact the Company's financial statements.

– Interpretation 21: Levies (applicable for annual reporting periods commencing on or after 1 January 2014).

  Interpretation 21 clarifies the circumstances under which a liability to pay a levy imposed by a government should be recognised, and whether that liability should be recognised in full at a specific date or progressively over a period of time. This Interpretation is not expected to significantly impact the Company's financial statements.

– AASB 2013–3: Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets (applicable for annual reporting periods commencing on or after 1 January 2014).

  This Standard amends the disclosure requirements in AASB 136: Impairment of Assets pertaining to the use of fair value in impairment assessment and is not expected to significantly impact the Company's financial statements.

– AASB 2013–4: Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting (applicable for annual reporting periods commencing on or after 1 January 2014).

  AASB 2013–4 makes amendments to AASB 139: Financial Instruments: Recognition and Measurement to permit the continuation of hedge accounting in circumstances where a derivative, which has been designated as a hedging instrument, is novated from one counterparty to a central counterparty as a consequence of laws or regulations. This Standard is not expected to significantly impact the Company's financial statements.

- AASB 2013–5: Amendments to Australian Accounting Standards – Investment Entities (applicable for annual reporting periods commencing on or after 1 January 2014).

6. Going Concern

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The Company incurred an operating loss after tax of $392,698 (31 December 2013: $557,760) for the period and had negative net assets of $214,136 (31 December 2013: $859,528). At 31 December 2014 the Company had $56,187 (31 December 2013: $522,800) in cash.

With the Company's current cash reserves, its ability to continue paying its debts as and when they fall due is dependent upon it continuing to secure additional debt/equity funding and the ultimate establishment of profitable operations. The Directors have provided ongoing support to the Company through the deferral of the payment of their fees and expenses.

On 23 December 2013, the Company advised ASX that it had completed an $865,000 capital raising that comprised a share placement of 3,800,000 fully paid ordinary shares, at an issue price of $0.05 per share raising $190,000, and a further $675,000 pursuant to an unsecured convertible note. Following the receipt of shareholder approval on 31 January 2014, on 3 February 2014 the Company allotted 13,500,000 fully paid ordinary shares for the purpose of redeeming the $675,000 convertible note.

Following the receipt of shareholder approval on 17 October 2014, on 20 October 2014 the Company allotted 6,300,000 fully paid ordinary shares for the purpose of converting debt, totalling $315,000, into equity.

The Company is evaluating the merger with Quantify Technology Pty Ltd and is planning to secure additional funding and have its securities re-instated by the ASX following completion of the proposed merger. If the merger and reinstatement by the ASX of the Company's securities is not successful, then there is significant uncertainty whether the Company can continue as a going concern and, therefore, whether it will be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts recognised in the financial report. In the event that the Company is unable to continue as a going concern, it may be required to realise all assets at amounts different from that recorded in the statement of financial position, settle liabilities other than in the ordinary course of business and make provision for other costs which may arise as a result of cessation or curtailment of normal business procedures.

7. Revenue and Expenses

	Company 2014 $	Company 2013 $
Other income		
Interest received – Bank	563	289
Prior year directors fees written back	-	75,634
Other	27,940	3,497
	28,503	79,420
Expenses from Ordinary Activities		
Depreciation	-	20,352
ASX fees	27,640	25,367
Consultants fees	163,088	156,653
Legal and professional fees	74,861	280,045
Accounting and audit fees	42,831	100,531
Office lease & occupancy expenses	13,685	30,936
Share registry fees	12,924	13,182
Travel, meals and entertainment	21,583	8,843
Interest expense	10,125	-
Share based payment expense	48,090	-
Other expenses	6,374	1,271

8. Income Tax Benefit

	Company 2014 $	Company 2013 $
(a) Income tax benefit		
Current tax	-	-
Deferred tax	-	-
	-	-
(b) Numerical reconciliation of income tax benefit to prima facie tax payable		
Loss before income tax	(392,698)	(557,760)
Income tax benefit @30%	(117,809)	(167,328)
Income tax benefit not recognised	117,809	167,328
Income tax benefit	-	-

(c) Tax losses

The taxation benefits of tax losses brought to account will only be obtained if:

(a) assessable income is derived of a nature and of an amount sufficient to enable the benefit from the deductions to be realised;

(b) conditions for deductibility imposed by the law are complied with; and

(c) no changes in tax legislation adversely affect the realisation of the benefit from the deductions.

The Company has determined that it may not be able to use the income tax losses due to the change in beneficial ownership of the Company and potential problem with the same business test.

9. Cash and Cash Equivalents

	Company 2014 $	Company 2013 $
Cash and cash equivalents	56,187	522,800
(b) Reconciliation of loss from continuing operations after income tax to net cash flows used in operations		
Loss after income tax	(392,698)	(557,760)
Depreciation	-	20,352
Share based payment	48,090	-
Changes in net assets and liabilities	-	-
(Increase)/decrease in assets:		
Current trade and other receivables	48,416	(19,222)
Increase/(decrease) in liabilities:		
Current trade and other payables	(170,421)	193,410
Net cash (used in) operating activities	(466,613)	(363,220)

Non-cash financing and investing activities

There were no non-cash financing and investing activities during the financial year ended 31 December 2014.

10. Trade and Other Receivables

	Company 2014	Company 2013
Current	$	$
Sundry receivables	16,335	-
GST receivables	5,689	70,440
	22,024	70,440

(a) Trade receivables past due but not impaired

There were no trade receivables past due but not impaired.

(b) Fair value and credit risk

Due to the short-term nature of these receivables, their carrying amount is assumed to approximate their fair value.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above. Refer to note 21 for more information on the risk management policy of the Company and the credit quality of the Company's trade receivables.

(c) Foreign currency of trade receivables

No foreign currency trade receivables are noted for the year ended 31 December 2014 (2013: nil).

11. Financial Assets

Non-Current

(a) Investment in subsidiaries

Cape Range Wireless Malaysia Sdn Bhd (i)	-	-
Impairment	-	-
Investment in subsidiaries as at 31 December	-	-

(i) Foreign entities

On 2 July 2013, the Company received confirmation of the finalisation of the Cape Range Creditors' Trust in accordance with the trust deed. Accordingly, the Company's former subsidiaries, namely Cape Range Wireless Inc and Cape Range Wireless Malaysia Sdn Bhd (which were both under control of the Cape Range Creditors' Trust), have been wound up.

Current

(b) Investment in other companies

Investment in unlisted securities – Peoples Tel (i)	-	-
Total other financial assets	-	-

(i) On 31 December 2005 the Company invested $136,986 (US$100,000) for an interest in Peoples Telecommunications and Information Services Ltd ("Peoples Tel"). The Company determined not to retain the Peoples Tel investment. The secured creditor called up the secured loan which, resulted in the Peoples Tel investment being forfeited to the secured creditor in full and final settlement of the secured loan.

On 11 May 2013, the Company entered into a share transfer deed with Farrant Limited (the secured creditor) for the transfer of all of the shares in Peoples Tel. As a consequence of this transfer, the collateral from the security has been released.

On 2 July 2013, the Company received confirmation of the finalisation of the Cape Range Creditors' Trust in accordance with the trust deed.

12. Fixed Assets

	Computer Equipment	Furniture and Fixtures	Plant and Equipment	Total
	$	$	$	$
Company				
At 1 January 2014	--	-	-	-
Additions	-	-	-	-
Depreciation charge	-	-	-	-
At 31 December 2014	-	-	-	-
At 1 January 2013	8,924	8,216	3,212	20,352
Additions	-	-	-	-
Depreciation charge	(8,924)	(8,216)	(3,212)	(20,352)
At 31 December 2013	-	-	-	-
Cost or deemed cost	16,236	12,723	6,315	35,273
Accumulated depreciation	(16,236)	(12,723)	(6,315)	(35,273)
Net book amount at 31 December 2014	-	-	-	-
Cost or deemed cost	16,236	12,723	6,315	35,273
Accumulated depreciation	(16,236)	(12,723)	(6,315)	(35,273)
Net book amount at 31 December 2013	-	-	-	-

13. Trade and Other Payables

	Company 2014	Company 2013
	$	$
Accounts payable (i)	54,047	192,469
Accruals (ii)	238,300	585,299
	292,347	777,768

(i) Accounts payable are non-interest bearing and are predominantly settled on 30-day terms.

(ii) Accruals include $118,300 payable to Directors and management as at 31 December 2014 (2013: $324,500).

(a) Foreign currency of trade payables

No foreign currency trade payables are noted for the year ended 31 December 2014 (2013: nil).

14. Borrowings

	Company 2014 $	Company 2013 $
Current		
Convertible note (i)	-	675,000
Total current borrowings	-	675,000

(i) On 23 December 2013, the Company advised ASX that it had completed an $865,000 capital raising that comprised a share placement of 3,800,000 fully paid ordinary shares, at an issue price of $0.05 per share raising $190,000, and a further $675,000 pursuant to an unsecured convertible note. Following the receipt of shareholder approval on 31 January 2014, on 3 February 2014 the Company allotted 13,500,000 fully paid ordinary shares for the purpose of redeeming the $675,000 convertible note.

15. Issued Capital

	2014 No.	2014 $	2013 No.	2013 $
Fully paid ordinary shares	51,296,812	8,262,733	31,496,812	7,272,733

	31 December No	$
Issue of ordinary shares during the year		
Balance as at 1 January 2014	31,496,812	7,272,733
New shares issued (i)	19,800,000	990,000
Capital raising costs	-	-
Issued capital as at 31 December 2014	51,296,812	8,262,733
Issued capital as at 1 January 2013	45,393,158	6,656,906
New shares issued (ii)	10,000,000	500,000
Capital raising costs	-	-
Sub total	55,393,158	7,156,906
1 for 2 consolidation	27,696,812	7,156,906
New shares issued (iii)	3,800,000	190,000
Capital raising costs	-	(74,173)
Issued capital as at 31 December 2013	31,496,812	7,272,733

(i) On 3 February 2014 the Company allotted 13,500,000 fully paid ordinary shares at an issue price of $0.05 per share to convert a $675,000 convertible note and on 20 October 2014 the Company allotted a further 6,300,000 fully paid ordinary shares at an issue price of $0.05 per share to convert debt totalling $315,000 to equity.

(ii) On 7 August 2013, the Company allotted 10,000,000 fully paid ordinary shares at an issue price of $0.05 per share (pre 1 for 2 consolidation).

(iii) On 23 December 2013, the Company allotted 3,800,000 fully paid ordinary shares at an issue price of $0.05 per share (post 1 for 2 consolidation).

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds of winding up of the Company in proportion to the number and amounts paid on the shares held. On show of hands every shareholder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Options

As at 31 December 2014, 3,000,000 options over unissued ordinary shares each exercisable at $0.20 and expiring 30 November 2016 were on issue.

During the year 3,000,000 options where issued (2013: nil).

No option holder has any right under the options to participate in any other share issue of the Company or any other entity. The options are exercisable at any time on or before the expiry date.

During the year no options lapsed (2013: 22,645,000).

16. Reserves

	Company 2014 $	Company 2013 $
Opening balance	54,000	54,000
Issue of 3,000,000 options	48,090	-
Closing balance	102,090	54,000

Nature and Purpose of Reserves

(i) Share Based Payment Reserve

This reserve is used to record the value of options issued for other than cash. When the options are exercised the amount recorded in the Share Based Payment Reserve relevant to those options is transferred to share capital. The fair value of the options granted during the year was $48,090. This value were calculated using Black Scholes option pricing model applying the following inputs:

Share price	$0.05
Weighted average exercise price	$0.20
Weighted average life of the options	2 years and 8 months
Expected share price volatility	100%
Risk fee interest rate	2.5%

17. Segment Information

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. The adoption of AASB 8 has not resulted in any changes to the segments that are disclosed in the annual financial statements, as the segments are consistent with the internal management reporting information that is regularly reviewed by the chief operating decision maker.

The Company engages in one business activity, being project evaluation and search, and its results are analysed as a whole by the chief operating decision maker. Consequently revenue, profit and net assets for the operating segment are the amounts reflected in the annual report.

18. Earnings per Share

	Company 2014 $	Company 2013 $
Net loss attributable to the ordinary equity holders of the Company	(392,698)	(557,760)
Weighted average number of ordinary shares for basic and diluted per share	44,982,017	24,780,074
Loss per share:		
- Basic loss per share	(0.009)	(0.023)
- Diluted loss per share	(0.009)	(0.023)

19. Share Based Payments

3,000,000 share options were outstanding at the end of the year. The options were valued at $48,090. Refer Note 16 for more details.

20. Financial Risk Management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's overall risk management approach seeks to minimise potential adverse effects on the financial performance of the Company.

Risk management is carried out in accordance with policies approved by the Board of Directors

(a) Capital risk management

The Company's capital includes share capital, reserves and accumulated losses. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to achieve this, the Company may issue new shares in order to meet its financial obligations.

(b) Categories of financial instruments

	2014 $	2013 $
Financial assets		
Trade and other receivables	22,024	70,440
Cash and cash equivalents	56,187	522,800
Financial liabilities at amortised cost		
Trade and other payables	292,347	777,768
Borrowings	-	675,000

The carrying amount reflected above represents the Company's maximum exposure to credit risk for such loans and receivables.

All cash balances held at banks are held at internationally recognised institutions.

Financial assets that are neither past due and not impaired are as follows:

Cash and cash equivalents	56,187	522,800

(c) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Liquidity and interest risk tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

Company 2013	Weighted Average Interest Rate %	<6 months $	>6 - 12 months $	> 12 months $	Total Contractual Cash Flows $	Carrying Amount $
Financial assets						
Non-interest bearing	-	70,440	-	-	70,440	70,440
Cash	0.05%	522,800	-	-	522,800	522,800
		593,240	-	-	593,240	593,240
Financial liabilities						
Loan	12%	675,000	-	-	675,000	675,000
Non-interest bearing	-	777,768	-	-	777,768	777,768
		1,452,768	-	-	1,452,768	1,452,768

Company 2014	Weighted Average Interest Rate %	<6 months $	>6 - 12 months $	> 12 months $	Total Contractual Cash Flows $	Carrying Amount $
Financial assets						
Non-interest bearing	-	22,024	-	-	22,024	22,024
Cash	0.05%	56,187	-	-	56,187	56,187
		78,211	-	-	78,211	78,211
Financial liabilities						
Non-interest bearing	-	292,347	-	-	292,347	292,347
		292,347	-	-	292,347	292,347

(d) Fair value estimation

The fair value of financial assets and liabilities must be estimated for recognition and measurement or for disclosure purposes.

Based on the amendments for AASB 7 Financial Instrument Disclosures, there are three levels of fair value measurement hierarchy required for financial instruments measured at fair value. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identified assets and liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Since the Company did not have financial instruments measured at fair value, no such disclosures were noted for the year ended 31 December 2014 (2013: Nil).

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short term nature.

The Company's principle financial instruments consist of cash and deposits with banks, accounts receivable, trade payables and loans payable. The main purpose of these non-derivative financial instruments is to finance the Company's operations.

21. Related Party Disclosure

(a) Subsidiaries

The Company has no subsidiaries.

(b) Key management personnel

Disclosures relating to Directors and executives are set out in note 22.

(c) Transactions and balances with related parties

Refer to the Key Management Personnel disclosure at note 22(c) and 22(f).

22. Key Management Personnel Disclosures

(a) Key management personnel

The following persons were key management personnel of Cape Range Limited during the financial year:

(i) Directors

Wayne Johnson, Anthony Tascone (appointed 18 December 2014), Michael Higginson and John Georgiopoulos.

No other key management personnel were noted for the years ended 31 December 2013 and 2014.

(b) Key management personnel compensation

	2014 $	2013 $
Short-term employee benefits accrued	160,138	157,464
Adjustment for prior year	-	(115,000)
	160,138	42,464

(c) Material contracts

On appointment, the Non-Executive Chairman entered into a service agreement with the Company in the form of a letter of appointment. The letter outlines the broad policies and terms, including remuneration relevant to the office of Director.

Wayne Johnson

Mr Johnson entered into a service agreement with the Company on 14 September 2009. The agreement outlines the broad policies and terms, including $42,000 director's fees per annum. It was resolved in the meeting of the Directors on 18 March 2010, the remuneration to Mr Johnson increased to $50,000 per annum effective on 1 March 2010. As of January 2013, the Board resolved that fees will be paid at $2,000 per month and that commercial consultancy services relating to strategic transactions be paid.

On 3 March 2014 the Board resolved that, as at 31 December 2013, the total amount owing to Mr Johnson be reduced to $153,000 of which it was intended that $28,000 be payable in cash and subject to the receipt of shareholder approval the balance of $125,000 be paid in shares. On 20 October 2014, the Company allotted to Mr Johnson's nominee 2,500,000 fully paid ordinary shares at an issue price of $0.05 per share to extinguish the $125,000 debt.

Michael Higginson

Mr Higginson was appointed as a Director on 16 June 2011. Since his appointment, Mr Higginson was paid fees at the rate of $3,000 per month. As of January 2013, the Board resolved that these fees be paid at $2,000 per month.

On 3 March 2014 the Board resolved that, as at 31 December 2013, the total amount owing to Mr Higginson be reduced to $120,000 of which it was intended that $50,000 be payable in cash and subject to the receipt of shareholder approval the balance of $70,000 be payable in shares. On 20 October 2014, the Company allotted to Mr Higginson's nominee 1,400,000 fully paid ordinary shares at an issue price of $0.05 per share to extinguish the $70,000 debt.

John Georgiopoulos

Mr Georgiopoulos is to be paid fees at $2,000 per month.

On 3 March 2014 the Board resolved that, as at 31 December 2013, the total amount owing to Mr Georgiopoulos be reduced to $22,000 of which it was intended that $2,000 be payable in cash and subject to the receipt of shareholder approval the balance of $20,000 be payable in shares. On 20 October 2014, the Company allotted to Mr Georgiopoulos's nominee 400,000 fully paid ordinary shares at an issue price of $0.05 per share to extinguish the $20,000 debt.

(d) Equity instruments disclosures relating to key management personnel

(i) Options provided as remuneration and shares issued on exercise of such options

No option was provided to key management personnel as remuneration during the financial year. Please refer to note 15.

(ii) Option holdings

Details of options held directly, indirectly or beneficially by key management personnel and their related parties are as follows:

Directors and related Parties		Opening balance	Granted as remuneration	Options exercised	Net change other	Closing balance	Total vested and exercisable as at year end	Unvested as at year end
W Johnson	2013	120,000	-	-	(120,000)[1]	-	-	-
	2014	-	-	-	-	-	-	-
A Tascone	2013	-	-	-	-	-	-	-
	2014	-	-	-	-	-	-	-
M Higginson	2013	160,000	-	-	(160,000)[1]	-	-	-
	2014	-	-	-	-	-	-	-
J Georgiopoulos	2013	-	-	-	-	-	-	-
	2014	-	-	-	-	-	-	-
Total	**2013**	**280,000**	**-**	**-**	**(280,000)[1]**	**-**	**-**	**-**
	2014	**-**	**-**	**-**	**-**	**-**	**-**	**-**

1. Expiry of options.

(iii) Shareholdings

The number of shares in the Company held by Directors or other key management personnel, including their related parties at the end of the financial year as follows:

Directors and related Parties		Opening balance	Received during year on exercise of options	Net change other	Closing balance
W Johnson	2013	666,400	-	(333,200)[1]	333,200
	2014	333,200	-	2,500,000[2]	2,833,200
A Tascone (appointed 18 December 2014)	2013	-	-	-	-
	2014	-	-	500,000	500,000
M Higginson	2013	180,000	-	(90,000)[1]	90,000
	2014	90,000	-	1,400,000[2]	1,490,000
J Georgiopoulos	2013	1,252,904	-	(626,452)[1]	626,452
	2014	626,452	-	250,000[3]	876,452

1. 1 for 2 consolidation of the Company's share capital
2. Conversion of debt to equity, at an issue price of $0.05 per share; and
3. Conversion of $20,000 debt to equity at an issue price of $0.05 per share and sale of 150,000 shares.

(e) Loans to Directors

There were no loans made to the Directors of the Company, including their related parties during the financial year (2013: nil).

(f) Other transactions with Directors

During the year, consulting fees of $61,050 were paid at normal commercial rates to Nobleman Ventures Pty Ltd (a company associated with Mr Johnson) for the provision of corporate services and marketing and public relations personnel. This amount represents the total remuneration paid to Mr Johnson during the year as disclosed in the remuneration report.

During the year the Company paid rent of $4,800 at normal commercial rates to Mr Higginson for the provision of the Company's registered and principle office in Brisbane.

During the year the Company paid $3,495 to Ms AC Riikonen (Mr Higginson's partner) for the provision of bookkeeping, accounting and administrative functions.

The above transactions were on commercial arms-length terms.

23. Subsequent Events

On 19 January 2015, the Company announced a proposed merger with "internet of things" company Quantify Technology Pty Ltd following the signing of a binding Heads of Agreement.

Pursuant to the Heads of Agreement (as amended), Quantify will merge with Cape Range via the issue of 107,000,000 Cape Range shares and, subject to the attainment of pre-determined milestones, the issue of up to an additional 25,000,000 Cape Range Performance Shares and the payment of up to $1,500,000 in cash. Cape Range will also issue up to 10,700,000 Options, each exercisable at $0.20 and expiring 30 December 2018, to be granted to parties that hold Options in Quantify on similar terms. The transaction is subject to a number of conditions precedent, including due diligence and approval by Cape Range shareholders.

There has not been any other matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

24. Contingent Liabilities and Assets

The Company does not have any contingent liabilities.

25. Remuneration of Auditors

	2014	2013
	$	$
Auditors of the Company: Hall Chadwick		
- Audit and review of the financial report	32,500	46,200

In the opinion of the Directors:

(a) the financial statements and notes as set out on pages 15 to 37 are in accordance with the Corporations Act 2001, and:

  i. give a true and fair view of the financial position as at 31 December 2014 and of the performance for the year ended on that date of the company; and

  ii. comply with Accounting Standards;

(b) the financial report also complies with International Financial Reporting Standard as disclosed in note 2.

(c) the remuneration disclosures set out in the directors' report (as part of the Audited Remuneration Report), for the year ended 31 December 2014, comply with Section 300A of the Corporations Act 2001; and

(d) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with sections 295A of the Corporations Act 2001 for the financial year ended 31 December 2014.

On behalf of the Directors

Wayne Johnson
Non-Executive Chairman
27th day of March 2015

CAPE RANGE LIMITED
ABN 43 009 289 481

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAPE RANGE LIMITED

SYDNEY

Level 40
2 Park Street
Sydney NSW 2000
Australia

GPO Box 3555
Sydney NSW 2001

Ph: (612) 9263 2600
Fx : (612) 9263 2800

Report on the Financial Report

We have audited the accompanying financial report of Cape Range Limited, which comprises the statement of financial position as at 31 December 2014, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the company.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards, require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

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CAPE RANGE LIMITED
ABN 43 009 289 481

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAPE RANGE LIMITED

Auditor's Opinion

In our opinion:

a. the financial report of Cape Range Limited is in accordance with the Corporations Act 2001, including:
   i. giving a true and fair view of the company's financial position as at 31 December 2014 and of its performance for the year ended on that date; and
   ii. complying with Australian Accounting Standards and the Corporations Regulations 2001; and

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 6 in the financial statements which indicates that the company incurred a net loss of $392,698 for the year ended 31 December 2014 and as of that date the company's current liabilities exceeded its total assets by $214,136. These conditions along with other matters as set forth in Note 6, indicate the existence of a material uncertainty which may cast doubt about the company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 6 to 8 of the report of the directors for the year ended 31 December 2014. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, the Remuneration Report of Cape Range Limited for the year ended 31 December 2014 complies with section 300A of the Corporations Act 2001.

Hall Chadwick

Hall Chadwick
Level 40, 2 Park Street
Sydney, NSW 2000

DREW TOWNSEND
Partner
Date: 27 March 2015

Additional information, set out below, is as required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report. The information is provided as at 3 March 2015.

1. Shareholder Information

1.1 Number of Holders of Equity Securities

Ordinary Share Capital

There are 51,296,812 fully paid ordinary shares on issue, held by 1,747 individual shareholders.

Unquoted Options over Unissued Ordinary Share Capital

There are 3,000,000 unquoted options over unissued ordinary share capital on issue. Each option is exercisable at $0.20 and expires on 30 November 2016.

Voting Rights

Each member entitled to vote may vote in person or by proxy or by attorney and on a show of hands every person who is a member or a representative or a proxy of a member shall have one vote and on a poll every member present in person or by proxy or attorney or other authorised representative shall have one vote for each share held.

Subject to any rights or restrictions for the time being attached to any class or classes (at present there are none) at general meetings of shareholders or classes of shareholders:

(a) each shareholder entitled to vote, may vote in person or by proxy, attorney or representative;

(b) on a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a shareholder has one vote; and

(c) on a poll, every person present who is a shareholder or a proxy, attorney or representative of a shareholder shall, in respect of each Fully Paid Share held, or in respect of which he/she has appointed a proxy, attorney or representative, have one vote for the share, but in respect of partly paid Shares shall have a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the Share.

1.2 Distribution of Security holders

	Ordinary Shares	Options
1 to 1,000	1,045	-
1,001 to 5,000	223	-
5,001 to 10,000	136	-
10,001 to 100,000	273	-
100,001 and over	70	3
	1,749	3

The number of shareholders holding less than a marketable parcel is 1,159.

1.3 Substantial Shareholders

Yong Sheng Mining Company Ltd – 5,000,000 shares (9.75%)

Wayne Johnson and his controlled entities – 2,833,200 shares (5.52%)

1.4 Share Buy-Back

There is no current on-market buy-back scheme.

1.5 Twenty Largest Shareholders

Ordinary Shareholders	Fully paid ordinary shares Number	Percentage
YONG SHENG MINING COMPANY LTD	5,000,000	9.747
BARODA HILL INVESTMENTS LTD	2,802,200	5.463
IBT HOLDINGS PTY LTD	2,500,000	4.874
GOLDFIND HOLDINGS PTY LTD	2,474,000	4.823
SEEFELD INVESTMENTS PTY LTD	2,000,000	3.899
JOJO ENTERPRISES PTY LTD	1,500,000	2.924
A C RIIKONEN	1,400,000	2.729
DR P M HALLEY	1,300,000	2.534
DOMINET DIGITAL CORPORATION PTY LTD	1,000,000	1.949
CELTIC CAPITAL PTY LTD	1,000,000	1.949
DEL PAGGIO NOMINEES PTY LTD	1,000,000	1.949
MGL CORP PTY LTD	1,000,000	1.949
ROCKDALE CAPITAL PTY LTD	853,815	1.664
BIN LIU	800,000	1.560
FARRANT LIMITED	670,265	1.307
IBT HOLDINGS PTY LTD	660,000	1.287
CITICORP NOMINEES PTY LIMITED	612,341	1.194
B N LESH	600,000	1.170
G SPAGNOLO	600,000	1.170
CLEVELAND LODGE NO6 PTY LTD	560,000	1.092
	28,332,621	**55.233**

2. Restricted Securities

The Company has no restricted securities on issue.

3. Acquisition of Voting Shares

No issues of securities have been approved for the purposes of Item 7 of Section 611 of the Corporations Act 2001.

4. Tax Status

The Company is treated as a public company for taxation purposes.

5. Franking Credits

The Company has nil franking credits.

6. Other Information

Cape Range Limited, incorporated and domiciled in Australia, is a public listed company limited by shares.