

**CAPE RANGE LTD  
(TO BE RENAMED WOOLWICH CAPITAL LIMITED)  
ACN 009 289 481**

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**PROSPECTUS**

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For a public offer of 50,000,000 New Shares at an issue price of \$0.02 per New Share to raise a minimum of \$1,000,000, with the ability to accept oversubscriptions of up to a further 50,000,000 New Shares at an issue price of \$0.02 per New Share to raise up to a maximum of \$2,000,000 (the **Public Offer**).

This Prospectus also contains an offer of Consideration Shares to the Woolwich Shareholders (**Woolwich Offer**).

**The Public Offer is scheduled to close at 5pm (WST) on 12 February 2016 unless extended or withdrawn. Applications must be received before that time to be valid.**

**IMPORTANT INFORMATION**

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers without delay. **The New Shares offered by this Prospectus should be considered highly speculative.**

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## 1. CORPORATE DIRECTORY

### Current Directors

Wayne Johnson (Non-Executive Chairman)  
John Georgiopoulos<sup>^</sup> (Non-Executive Director)  
Michael Higginson<sup>^</sup> (Non-Executive Director)

### Registered Office

116 Alastair Street  
Lota Queensland 4179  
Telephone: +61 7 3901 0751

### Proposed Directors (upon completion of Acquisition)

Wayne Johnson (Non-Executive Chairman)  
Timothy Alford (Non-Executive Director)  
James Mitchell (Non-Executive Director)

### Share Registry\*

Advanced Share Registry Services  
110 Stirling Highway  
Nedlands WA 6009

Telephone: +61 8 9389 8033

Facsimile: +61 8 9262 3723

### Company Secretary

Mr Michael Higginson

Website: [www.advancedshare.com.au](http://www.advancedshare.com.au)

### Current ASX Code:

CAG

<sup>^</sup> Resigning upon completion of the Woolwich Acquisition.

\* This entity has been included for information purposes only. It has not been involved in the preparation of this Prospectus.

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## **2. IMPORTANT NOTICE**

### **2.1 General**

This Prospectus is dated 24 December 2015 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No person is authorised to give information or to make any representation in connection with the Offers which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by Cape Range Ltd (**CAG** or the **Company**) in connection with this Prospectus.

It is important that you read this Prospectus in its entirety and seek professional advice where necessary. The Shares which are the subject of this Prospectus should be considered highly speculative.

### **2.2 Re-compliance Prospectus**

This Prospectus is a re-compliance prospectus for the purposes of satisfying Chapters 1 and 2 of the ASX Listing Rules and to satisfy the ASX requirements for re-admission to the Official List following a change in nature and scale of the Company's activities.

### **2.3 Investment Advice**

This Prospectus does not provide investment advice and has been prepared without taking account of your financial objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional investment advice before subscribing for Shares under this Prospectus.

### **2.4 Conditional Offers**

The Offers are conditional on satisfaction of all of the Conditions detailed in Section 7.3 of this Prospectus.

In the event that all of the Conditions are not satisfied, the Offers will not proceed and no Shares will be issued pursuant to this Prospectus. If this occurs, Applicants will be reimbursed their Application monies (without interest).

### **2.5 Expiry Date**

No Shares may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

### **2.6 Forward-looking statements**

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of past and present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its Directors, Proposed Directors and management.

Although the Company believes that the expectations reflected in the forward-looking statements included in this Prospectus are reasonable, none of the Company, its Directors, the Proposed Directors, or any person named in this Prospectus, can give, or gives, any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur or that the assumptions on which those statements are based will prove to be correct or exhaustive beyond the date of its making. Investors are cautioned not to place undue reliance on these forward-looking statements.

Except to the extent required by law, the Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus.

The forward-looking statements contained in this Prospectus are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. The key risk factors of investing in the Company are set out in Section 9 of this Prospectus.

## **2.7 Privacy statement**

By completing and returning an Application Form, you will be providing personal information directly or indirectly to the Company, the Share Registry and other brokers involved in the Public Offer, Woolwich and related bodies corporate, agents, contractors and third party service providers of the foregoing (**Collecting Parties**). The Collecting Parties collect, hold and will use that information to assess your application, service your needs as a Shareholder or Optionholder and to facilitate distribution payments and corporate communications to you as a Shareholder or Optionholder.

By submitting an Application Form, you authorise the Company to disclose any personal information contained in your Application Form (**Personal Information**) to the Collecting Parties where necessary, for any purpose in connection with the Offers, including processing your application for Shares under the Offers and complying with applicable law, the ASX Listing Rules, the ASX Settlement Operating Rules and any requirements imposed by any Public Authority.

If you do not provide the information required in the Application Form, the Company may not be able to accept or process your application for Shares under the Offers.

If the Offers are successfully completed, your Personal Information may also be used from time to time and disclosed to persons inspecting the register of Shareholders, including bidders for your securities in the context of takeovers, Public Authorities, authorised securities brokers, print service providers, mail houses and the Share Registry.

Any disclosure of Personal Information made for the above purposes will be on a confidential basis and in accordance with the Privacy Act 1988 (Cth) and all other legal requirements. If obliged to do so by law or any Public Authority, Personal Information collected from you will be passed on to third parties strictly in accordance with legal requirements. Once your Personal Information is no

longer required, it will be destroyed or de-identified. As at the date of this Prospectus, the Company does not anticipate that Personal Information will be disclosed to any overseas recipient.

Subject to certain exemptions under law, you may have access to Personal Information that the Collecting Parties hold about you and seek correction of such information. Access and correction requests, and any other queries regarding this privacy statement, must be made in writing to the Share Registry at the address set out in the Corporate Directory in Section 1 of this Prospectus. A fee may be charged for access.

## **2.8 Electronic Prospectus**

If you are accessing an electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

There is no facility for your Application under the Offers to be submitted electronically or by applying online. Shares will not be issued under the electronic version of the Prospectus. The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies a complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the Application Form, it was not provided together with the Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

## **2.9 Defined terms**

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 16 of this Prospectus.

## **2.10 Time**

All references to time in this Prospectus are references to Australian Western Standard Time.

## **2.11 Photographs and Diagrams**

Photographs and diagrams used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown in them endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

## **2.12 Enquiries**

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult your broker or legal, financial or other professional adviser without delay.

Should you have any questions about the Offers or how to apply for Shares under the Offers, please call the Company Secretary on +61 7 3901 0751.

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### 3. KEY DATES

#### Indicative timetable\*

Lodgement of Prospectus with the ASIC	24 December 2015
General Meeting of the Company to approve the Woolwich Acquisition	31 December 2015
Opening Date of the Offers	14 January 2016
Closing Date of the Offers	12 February 2016
Completion of the Woolwich Acquisition and the Smile Right Acquisition^	19 February 2016
Issue of Shares under the Offers	23 February 2016
Despatch of holding statements	23 February 2016
Re-quotation of Shares (including New Shares and Consideration Shares) on ASX	1 March 2016

*\* The above dates are indicative only and may change without notice. The Company reserves the right to extend the Closing Date or close the Offers early without prior notice. The Company also reserves the right not to proceed with the Offers at any time before the issue of Shares to Applicants.*

*^ The date for the completion of the Woolwich Acquisition and the Smile Right Acquisition is only a good faith estimate by the Directors and may have to be extended.*



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#### 4. CHAIRMAN'S LETTER

Dear Investor,

On behalf of the board of Directors of Cape Range Ltd (the **Company**), I am pleased to present you with this opportunity to become a shareholder of the Company.

The Company is proposing to change its activities from a company primarily focussed on telecommunications and information technology to a specialist management and commercial loan company via the acquisition of 100% of the issued capital of Woolwich (the **Woolwich Acquisition**) and the contemporaneous acquisition by Woolwich of 100% of the issued capital of Smile Right Pty Ltd (**Smile Right Acquisition**).

Woolwich's main business model involves seeking to deliver a high yield return for investors by investing in growth companies via secured debt positions and direct equity investment. Woolwich targets investments that provide:

- (a) a 10% - 15% yield per annum;
- (b) transactional fees; and
- (c) short-term liquidity strategies.

Woolwich's niche 'high yield investments' will typically be designed to fill portfolio gaps where time and attention may be difficult for retail investors, and offer exposure to developing areas of private equity.

Woolwich's principal investment is proposed to be its 100% ownership of Smile Right. Smile Right is a specialist provider of consumer credit products for dental procedures. Smile Right's finance products are offered to patients through, and in partnership with, dental practices.

By this Prospectus, the Company is seeking to raise a minimum of \$1,000,000 under the Public Offer through the offer of 50,000,000 Shares at an issue price of \$0.02 each. Oversubscriptions of up to an additional 50,000,000 Shares at an issue price of \$0.02 each to raise up to a further \$1,000,000 will be considered.

Funds raised from the Public Offer will primarily be applied towards:

- development of Woolwich's business and investments;
- administration;
- general working capital; and
- expenses of the Offers.

Further details on the strategy are set out in Section 8 of this Prospectus. The Public Offer is subject to various conditions which are summarised in Section 7.3.

This Prospectus is issued primarily for the purpose of re-complying with the admission requirements under Chapters 1 and 2 of the ASX Listing Rules required due to the Woolwich Acquisition and the Public Offer comprising a change to the nature and scale of the Company's activities.

An investment in the Company is subject to certain risks, a non-exhaustive list of which is set out in Section 9.

I encourage you to read this Prospectus carefully and in its entirety. If you are in any doubt as to the contents of this Prospectus, you should consult your stockbroker, lawyer, accountant or other professional adviser without delay.

This Prospectus contains detailed information about the Company, Woolwich, Smile Right, the Offers and associated transactions, as well as the risks of investing in the Company.

On behalf of the Board, I am pleased to present this Prospectus to you and invite you to take part in this exciting investment opportunity.

Yours sincerely

**Mr Wayne Johnson**  
**Chairman**

## 5. INVESTMENT OVERVIEW

This Section is a summary only and is not intended to provide full information for investors intending to apply for Shares offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

Item	Summary	Further information
<b>A. Company</b>		
<b>Who is the issuer of this Prospectus?</b>	Cape Range Ltd ACN 009 289 481 (ASX Code: CAG) (to be renamed Woolwich Capital Limited).	Section 8.1
<b>Who is the Company?</b>	<p>The Company was admitted to the Official List of the ASX on 9 July 1981 and has been suspended from quotation on the ASX since 12 November 2010.</p> <p>Since the Company's suspension, it has explored a number of potential acquisitions outside of the telecommunications and information technology sector. In this regard, the Company has generally focussed on acquiring mining assets and/or information technology assets with a view to delivering value to its Shareholders. To date, the Company has not successfully acquired a new project due generally to the prevailing market conditions and/or not being satisfied with due diligence investigations in respect of those acquisitions.</p> <p>At the General Meeting to be held on 31 December 2015, the Company intends to obtain Shareholder approval to acquire Woolwich Capital Limited (<b>Woolwich</b>).</p>	Section 8.1(a)
<b>Who is Woolwich?</b>	<p>Woolwich is an Australian and Asian based financial services company which strategically deals in businesses with the aim to restructure, recapitalise and amalgamate to add value to all parties.</p> <p>Woolwich's investment strategy is to invest in companies in a diverse range of related industries that demonstrate some, if not most, of the following attributes:</p> <ul style="list-style-type: none"> <li>• A need for capital injection to realise full growth potential;</li> <li>• Companies with a good track record, existing clients, and revenues;</li> <li>• Local footprint with global potential;</li> <li>• Highly scalable with a high degree of</li> </ul>	Section 8.1

Item	Summary	Further information
	<p>leverage;</p> <ul style="list-style-type: none"> <li>Automated business model or a business model that can be automated;</li> <li>Significant upside supported by robust business plans;</li> <li>Competitive advantage in a particular market niche or sector;</li> <li>A business structure that is capable of change or expansion; and</li> <li>A track record of positive cash-flow.</li> </ul> <p>Woolwich's niche 'high yield investments' will typically be designed to fill portfolio gaps where time and attention may be difficult for retail investors, and offer exposure to developing areas of private equity.</p> <p>Upon completion of the Smile Right Acquisition (which is subject to formal agreement and a number of outstanding conditions precedent), Woolwich's principal investment will be its interest in Smile Right Pty Ltd (<b>Smile Right</b>).</p>	
<b>Who is Smile Right?</b>	<p>Smile Right is a specialist provider of consumer credit products for dental procedures. Smile Right's finance products are offered to patients through, and in partnership with, dental practices.</p> <p>Additional information on Smile Right is included in Section 8.1 of this Prospectus.</p>	Section 8.1
<b>What are the key terms of the Woolwich Acquisition?</b>	<p>As consideration to acquire all of the shares in Woolwich, the Company has agreed to issue to the Woolwich Shareholders up to 1,000,000,000 Shares, of which 750,000,000 Shares (<b>Consideration Shares</b>) will be issued at completion of the Woolwich Acquisition and 250,000,000 Shares (<b>Conditional Consideration Shares</b>) will be issued if Woolwich records EBITDA of not less than \$500,000 in the calendar year ended 31 December 2016.</p>	Section 6.1
<b>Why does the acquisition of Woolwich require the Company to re-comply with Chapters 1 and 2 of the ASX</b>	<p>The Woolwich Acquisition will constitute a significant change in the nature and scale of the Company's activities under ASX Listing Rule 11.1.</p> <p>As a result, the Company is required to re-comply with Chapters 1 and 2 of the ASX Listing Rules, being the admission requirements of the ASX, in addition to obtaining the approval of</p>	Section 6

Item	Summary	Further information
<b>Listing Rules?</b>	<p>Shareholders at the General Meeting for the Woolwich Acquisition.</p> <p>The Offers are therefore conditional on the Company receiving approval from ASX to reinstatement of the Company to Official Quotation on ASX following completion of the Woolwich Acquisition on conditions satisfactory to the Company.</p> <p>If the ASX does not provide that conditional approval, the Offers will not proceed, no Shares will be issued pursuant to the Offers and the Company will repay all application monies received pursuant to the Application Forms, without interest.</p>	
<b>C. Key Risks</b>		
<b>What are the key risks of an investment in the Company?</b>	<p><b>Re-Quotation of Shares on ASX</b></p> <p>The ASX has determined that that Acquisition constitutes a significant change in the nature and scale of the Company's activities and that the Company needs to comply with Chapters 1 and 2 of the ASX Listing Rules and provide disclosures as if it were seeking admission to the official list of the ASX.</p> <p><b><u>Risks relating to the change in nature and scale of activities</u></b></p> <p><b>Financial information</b></p> <p>The Company has not been provided with any audited accounts of Woolwich and Smile Right and this Prospectus does not contain any financial information relation to the performance or position of Woolwich or Smile Right, or any independent review or comment on any financial information of the Company, Woolwich or Smile Right. The Company advises investors that any investment in the Company is of significant risk in the absence of any such financial information.</p> <p><b>Re-Quotation of Shares on ASX</b></p> <p>The ASX has determined that the Woolwich Acquisition constitutes a significant change in the nature and scale of the Company's activities and that the Company needs to comply with Chapters 1 and 2 of the ASX Listing Rules and provide disclosures as if it were seeking admission to the official list of the ASX.</p> <p><b>The Woolwich Acquisition may not complete or</b></p>	Section 9

Item	Summary	Further information
	<p><b>may be delayed</b></p> <p>The Woolwich Acquisition is subject to certain conditions precedent (refer to Section 13.1). Any delay in satisfying these conditions may delay completion of the Woolwich Acquisition and failure to satisfy a condition may terminate the proposed Woolwich Acquisition.</p> <p>The Smile Right Acquisition is subject to formal agreement between Woolwich and the shareholder of Smile Right. If a formal agreement cannot be reached between Woolwich and the shareholder of Smile Right or the conditions to that formal agreement are unable to be satisfied or waived, Woolwich will not complete the Smile Right Acquisition and the Offers under this Prospectus will not proceed.</p> <p><b><u>Risks relating to Woolwich</u></b></p> <p><b>Limited operating history</b></p> <p>Woolwich has a limited operating history and the potential of its investment strategy is unproven. No assurances can be given that Woolwich will achieve success through the implementation of its investment strategy.</p> <p>Accordingly, there is no guarantee that the proposed investment strategies of Woolwich will successfully achieve profitable outcomes, positive cash flows and/or positive returns to shareholders.</p> <p><b>Investment risk</b></p> <p>The success and profitability of Woolwich depends upon its ability to invest in companies and other entities which will increase in value over time. There is no guarantee that this can be achieved. The value of the assets purchased for Woolwich's investment portfolio may decline, which would likely have an adverse impact on the value of the Shares.</p> <p>Woolwich invests in speculative and high risk companies and this risk will be transferred to the Shareholders in the Company upon completion of the Woolwich Acquisition.</p> <p><b>Risk exposure</b></p> <p>Woolwich's activities expose it to a variety of financial risks: market risk (including price risk and interest rate risk), credit risk and liquidity</p>	

Item	Summary	Further information
	<p>risk.</p> <p>Woolwich uses different methods to measure different types of risk to which it is exposed, but there can be no assurance given that Woolwich will be able to successfully mitigate the significant risks to which it is exposed.</p> <p><b>Investment performance</b></p> <p>Negative investment performance would adversely affect Woolwich's net asset value, profits, performance and ability to pay dividends. For example, if investment losses are incurred, dividends may decline or a nil dividend may be declared.</p> <p><b>Reliance on key management</b></p> <p>The responsibility of overseeing the day-to-day operations and the strategic management of Woolwich and its controlled entities will depend substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on Woolwich if one or more of these senior management, key personnel or employees cease their involvement or employment with Woolwich or its controlled entities.</p> <p><b><u>Risks relating to Smile Right</u></b></p> <p><b>Limited operating history</b></p> <p>Smile Right has a limited operating history and the potential of its investment strategy is unproven. No assurances can be given that Smile Right will achieve success through the implementation of its investment strategy.</p> <p>Accordingly, there is no guarantee that the proposed investment strategies of Smile Right will successfully achieve profitable outcomes, positive cash flows and/or positive returns to shareholders.</p> <p><b>Operational risks</b></p> <p>Operating risk may arise from Smile Right credit assessment and debtor control processes. There is also a risk with new products that in their establishment phase, lending criteria may require revision to achieve minimal defaults.</p> <p><b>Recovery from borrowers</b></p> <p>The cost of recovery of a defaulting debt may</p>	

Item	Summary	Further information
	<p>sometimes be greater than the potential amount recoverable, and as such, will at times require loans to be written off as bad debts. This risk is particularly large for the small cash loans industry (given the size of the loans and that they are generally unsecured), and high levels of bad debt could limit Smile Right's profitability and adversely impact on its financial position.</p> <p><b>Continuing capital requirements</b></p> <p>Smile Right may in the future require further capital investment for the operation of the business. There can be no surety of Smile Right or Woolwich or the Company being able to raise such capital on terms favourable to Smile Right and a failure to do so may result in a decline in the business. If Smile Right raises further capital in the future by issuing equity securities a resultant dilution in the shareholding of existing Shareholders may occur.</p> <p><b>Profitability</b></p> <p>Smile Right's future profitability will depend in part on management's ability to manage effectively its credit operation together with the expansion and growth of the business at all levels. The implementation of adequate infrastructure, cost management and policy is essential to ensure that the Smile Right business model is able to adapt to both an increase or decrease in revenue. An ability to control the organisational impact and cost of expansion or the unpredicted slowing of revenue growth without a corresponding management of expenses could materially affect the profitability of Smile Right.</p> <p><b>Insolvency</b></p> <p>Smile Right's loans to customers are generally made on an unsecured basis and Smile Right could become insolvent if a significant percentage of its loan book is not repaid and recovery procedures prove inadequate to recoup funds.</p> <p><b>Legislation</b></p> <p>The lending activities of Smile Right are subject to regulation. If the requirements of the applicable regulation or any future legislative requirements are not met, Smile Right could be subject to penalties.</p>	



Item	Summary			Further information
	<p>Smile Right may also be affected by changes in legislation or regulation. Litigation may also be instigated by individuals in relation to claims relating to specific transactions or Smile Right business practices generally.</p> <p>Smile Right has in place what the Proposed Directors believe to be thorough compliance practices and will continue to operate interactively with authorities. However, a change in regulatory environment could have a material adverse effect on the business operations and profitability on Smile Right.</p>			
D. Directors				
Who are the directors of the Company?	Upon completion of the Transaction, the directors of the Company will be: <ul style="list-style-type: none"><li>Wayne Johnson (Non-Executive Chairman)</li><li>Timothy Alford (Non-Executive Director)</li><li>James Mitchell (Non-Executive Director)</li></ul>			Section 10.1
What are the interests of the Proposed Directors in the Company upon completion of the Woolwich Acquisition?	Director	Shares	Options	Section 10.3 Sections 10.1 and 13
	W Johnson	2,833,200	-	
	T Alford	99,503,456	-	
	J Mitchell	-	-	
E. Key Financial Information				
How have the Company and Woolwich and Smile Right performed over the past 12 months?	The Company has not been provided with any audited accounts of Woolwich or Smile Right and this Prospectus does not contain any financial information in respect of Woolwich or Smile Right. Section 11 sets out an unaudited pro-forma balance sheet of the Company as at 30 June 2015.			Section 11
What is the financial outlook for the Merged Group?	As Woolwich and Smile Right are effectively new businesses, neither is in a position to make forecasts about potential revenue or profit.			Section 8.1
Does the Merged Group have sufficient funds for its activities?	On completion of the Offers, the Company will have sufficient funds to meet its stated objectives as set out in this Prospectus.			Section 7.5

Item	Summary	Further information
<b>F. The Offers</b>		
<b>What is the Public Offer and who is entitled to participate?</b>	<p>The Company is offering to the public 50,000,000 New Shares at an issue price of \$0.02 each to raise a minimum of \$1 million, with the ability to accept oversubscriptions of up to a further 50,000,000 New Shares at an issue price of \$0.02 each to raise a maximum of \$2 million.</p> <p>Only residents of Australia may participate in the Public Offer. The Public Offer is not underwritten.</p>	Section 7.1
<b>What is the Woolwich Offer?</b>	The Company is offering the Consideration Shares to the Woolwich Shareholders as consideration for the acquisition by the Company of 100% of the issued capital of Woolwich. The Conditional Consideration Shares are not offered under this prospectus.	Section 7.2
<b>What will the Company's capital structure look like after completion of the Transaction?</b>	<p>As at the date of this Prospectus, the Company has 51,296,812 Shares and 3,000,000 Options on issue.</p> <p>Following completion of the Offers and the Woolwich Acquisition, the Company is expected to have 901,296,812 Shares and 3,000,000 Options on issue (assuming maximum subscription under the Public Offer, completion of the Woolwich Acquisition and Smile Right Acquisition, no Options are exercised and no Shares are issued other than as contemplated by this Prospectus). The Company will issue a further 250,000,000 Shares to the Woolwich Shareholders in the event that Woolwich achieves the Milestone.</p>	Section 7.15
<b>Will I be guaranteed a minimum allocation under the Public Offer?</b>	No, the Company is not in a position to guarantee a minimum allocation of New Shares under the Public Offer.	Section 7.8(a)
<b>What are the terms of the Shares to be issued under the Offers?</b>	<p>The New Shares will be fully paid ordinary shares in the Company issued on the same terms as the Company's existing Shares.</p> <p>A summary of the material rights and liabilities attaching to the New Shares to be issued under the Offers is set out in Section 14.2.</p>	Sections 14.2
<b>Will any Shares</b>	None of the New Shares issued pursuant to the	

Item	Summary	Further information
<b>be subject to escrow?</b>	<p>Public Offer will be subject to any escrow requirement by the ASX.</p> <p>The Company understands that the Shares issued to the shareholders of Woolwich under the Woolwich Offer will be subject to escrow in accordance with the ASX Listing Rules for a period of up to 24 months from the date of reinstatement of the Shares to Official Quotation.</p> <p>The Company will announce to ASX full details (quantity and duration) of the Shares required to be held in escrow prior to the Shares commencing trading on ASX.</p>	
<b>Will New Shares be quoted?</b>	Application for quotation of all New Shares issued under the Offers will be made to ASX no later than 7 days after the date of this Prospectus.	Section 7.9
<b>What are the key dates of the Offers?</b>	The key dates of the Offers are set out in the indicative timetable in Section 3.	Section 3
<b>What is the minimum investment size under the Public Offer?</b>	Applications under the Public Offer must be for a minimum of \$2,000 worth of New Shares (100,000 New Shares) and thereafter, in multiples of \$1,000 worth of New Shares (50,000 New Shares).	Section 7.1(b)
<b>What are the conditions of the Offers?</b>	<p>The Offers are conditional on the successful completion of each other part of the Transaction, including:</p> <ul style="list-style-type: none"> <li>• completion of the Woolwich Acquisition ;</li> <li>• completion of the Smile Right Acquisition; and</li> <li>• ASX conditional approval to re-admit the Shares to Official Quotation.</li> </ul> <p>If any of these conditions are not satisfied, the Transaction (including the Offers) will not proceed.</p>	Sections 6.1, 6.2, 6.5 and 7.2
<b>G. Use of proceeds</b>		
<b>How will the proceeds of the Public Offer be used?</b>	<p>The proceeds of the Public Offer will be used for:</p> <ul style="list-style-type: none"> <li>• development of Woolwich and Smile Right's businesses;</li> <li>• administration;</li> <li>• general working capital; and</li> </ul>	Sections 7.5 and 14.6

Item	Summary	Further information
	<ul style="list-style-type: none"> <li>expenses of the Offer.</li> </ul>	
<b>H. Additional information</b>		
<b>What material contracts are the Company and Woolwich party to?</b>	<ul style="list-style-type: none"> <li>Share Sale Agreements pursuant to which the Company will acquire Woolwich.</li> <li>Share Sale Agreement pursuant to which Woolwich will acquire Smile Right.</li> <li>Smile Right Software Licensing Agreement with IP Ventures Pty Ltd. Smile Right Services Agreement with Automated Credit Solutions Pty Ltd.</li> </ul>	Section 13
<b>What are the agreements with related parties of the Company?</b>	The Company has entered into, or will prior to completion of the Woolwich Acquisition enter into, appointment letters or service agreements with each of the Directors (or their controlled entities) in relation to their roles as directors and/or management within the Merged Group.	Section 13
<b>Is there any brokerage, commission or stamp duty payable by applicants?</b>	No brokerage, commission or stamp duty is payable by Applicants on the acquisition of New Shares under the Offers.	
<b>What are the tax implications of investing in New Shares?</b>	<p>Shareholders may be subject to Australian tax on dividends and possibly capital gains tax on a future disposal of New Shares subscribed for under this Prospectus.</p> <p>The tax consequences of any investment in New Shares will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether to subscribe for New Shares offered under this Prospectus.</p>	Section 7.6
<b>Where can I find more information?</b>	<ul style="list-style-type: none"> <li>By speaking to your sharebroker, solicitor, accountant or other independent professional adviser.</li> <li>By reviewing the Company's public announcements, which are accessible from ASX's website at <a href="http://www.asx.com.au">www.asx.com.au</a> under the code "CAG".</li> <li>By contacting the Company Secretary on +61 4 2999 5000.</li> <li>By contacting the Share Registry on +61 8 9389 8033.</li> </ul>	

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## 6. TRANSACTION OVERVIEW

### 6.1 The Woolwich Acquisition

On 27 November 2015, the Company announced to ASX that it had entered into a binding heads of agreement with Woolwich pursuant to which the Company has agreed to acquire 100% of the issued capital of Woolwich by making an offer to each Woolwich shareholder to acquire all of their respective Woolwich ordinary shares (the **Woolwich Acquisition**). The Company will enter into formal share sale agreements with each Woolwich Shareholder to give effect to the Woolwich Acquisition in December 2015 (**Share Sale Agreement**).

In consideration for the Woolwich Acquisition, the Company has agreed to issue to the Woolwich Shareholders a total of 1,000,000,000 Shares, of which 750,000,000 Shares (**Consideration Shares**) will be issued upon completion and 250,000,000 Shares (**Conditional Consideration Shares**) will be issued in the event that Woolwich (and its direct subsidiaries) records EBITDA of not less than \$500,000 in the calendar year ended 31 December 2016 (**Milestone**). Investors are referred to Section 13.1 for a summary of the material terms of the Woolwich Share Sale Agreement.

Under this Prospectus, the Company offers to the Woolwich Shareholders subscription for the Consideration Shares. The Conditional Consideration Shares will be issued to the Woolwich Shareholders in early 2017 subject to achievement of the Milestone. The Conditional Consideration Shares are not offered under this Prospectus.

As with the acquisition of any business or asset that does not have a meaningful track record of revenue and profitability, there is not always a good valuation methodology available when determining the purchase price. The purchase price for the acquisition of Woolwich was determined through arm's length negotiations between the Directors of the Company and the directors of Woolwich without reference to any traditional valuation methodologies.

Completion of the Woolwich Acquisition is subject to a number of conditions, including the following which may only be waived by the Company:

- (a) the Public Offer under this Prospectus having closed and the Company having received Valid Applications of no less than \$1 million under the Public Offer;
- (b) the Company having received written confirmation from ASX that the Company will be re-admitted to the Official List and that suspension of Shares from Official Quotation will be lifted (subject to such conditions as may be prescribed by ASX, if any) – see Section 6.4 for further details; and
- (c) completion of the Smile Right Acquisition.

Refer to Section 7.3 of this Prospectus for further details of the Conditions of the Offers and Section 13.1 for further details of the conditions precedent contained in the Woolwich Share Sale Agreement.

### 6.2 The Smile Right Acquisition

Woolwich has entered into a heads of agreement pursuant to which it will have the right to acquire 100% of the issued capital of Smile Right (the **Smile Right Acquisition**) subject to formal agreement. Completion of the Smile Right

Acquisition is a condition precedent to completion of the Woolwich Acquisition and the Company expects the transactions to complete contemporaneously.

Smile Right is a specialist provider of consumer credit products for dental procedures. Smile Right's finance products are offered to patients through, and in partnership with, dental practices.

Refer to Section 8 for further detail in respect of the business of Smile Right and Section 13.2 for a summary of the Smile Right Heads of Agreement.

### 6.3 Corporate Structure

The corporate structure of the Company upon completion of the Woolwich Acquisition and the Smile Right Acquisition will be as follows:



### 6.4 Suspension and Re-admission to ASX

As the Company is primarily focussed on telecommunications and information technology, the acquisition of Woolwich, if successfully completed, will represent a significant change in the nature and scale of the Company's operations to a financial services company.

ASX has indicated that this change in the nature and scale of the Company's activities will require:

- (a) the approval of Shareholders; and
- (b) the Company to re-comply with the admission requirements set out in Chapters 1 and 2 of the ASX Listing Rules.

The Company's Shares are currently suspended and will remain suspended until the Company re-complies with the new listing requirements set out in Chapters 1 and 2 of the ASX Listing Rules. The Company's Shares will not be reinstated to Official Quotation until the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules and is re-admitted by ASX to the Official List.

Some of the key requirements of Chapters 1 and 2 of the Listing Rules are:

- (a) the Company must satisfy the shareholder spread requirements relating to the minimum number of Shareholders and the minimum value of the Shareholdings of those Shareholders;

- (b) the Company must satisfy the "assets test" as set out in Listing Rule 1.3; and
- (c) the issue price of Shares must be at least 20 cents and the exercise price of Options must be at least 20 cents.

ASX has granted the Company a waiver from the requirement in paragraph (c) above to permit the Company to issue New Shares under this Prospectus at a price of not less than \$0.02 each.

It is expected that completion of the Public Offer pursuant to this Prospectus will enable the Company to satisfy the above requirements.

Applicants should be aware that ASX will not re-admit the Shares, or admit any New Shares, to Official Quotation until the Company re-complies with Chapters 1 and 2 of the Listing Rules and is re-admitted by ASX to the Official List.

In the event that the Company does not receive conditional approval for re-admission to the Official List, the Company will not proceed with the Offers and will repay all Application monies received by it in connection with this Prospectus (without interest).

## **6.5 Shareholder Approval**

On 31 December 2015, the Company will hold a General Meeting for the purpose of obtaining the approval of Shareholders to a number of Resolutions required to implement the Transaction.

The following resolutions will be put to Shareholders for approval at the General Meeting:

- (a) the significant change of the nature and scale of the Company's activities as a result of the Woolwich Acquisition;
- (b) the issue of up to 100,000,000 New Shares pursuant to the Public Offer;
- (c) the issue of 1,000,000,000 Shares to the Woolwich Shareholders (or their nominees) pro-rata in proportion to their respective holdings of Woolwich Shares as follows:
  - (i) 750,000,000 Shares; and
  - (ii) 250,000,000 Shares in the event that Woolwich records EBITDA of not less than \$500,000 in the calendar year ended 31 December 2016;
- (d) the change of the Company's name to "Woolwich Capital Limited"; and
- (e) the election of Timothy Alford and James Mitchell to the Board.

## **6.6 Change of Name**

As soon as practicable after completion of the Woolwich Acquisition, the Company intends to change its name to "Woolwich Capital Limited" and Woolwich intends to change its name to Woolwich Capital (Australia) Limited.

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## 7. DETAILS OF THE OFFERS

### 7.1 The Public Offer

The Company is inviting applications under the Public Offer for 50,000,000 New Shares at an issue price of \$0.02 per New Share to raise a minimum of \$1,000,000.

The Company may accept oversubscriptions of up to a further \$1,000,000 through the issue of up to a further 50,000,000 New Shares at an issue price of \$0.02 each under the Public Offer. The maximum amount which may be raised under the Public Offer is therefore \$2,000,000.

The Public Offer is open to any person resident in Australia to apply for New Shares. See Section 7.11 for further details.

All New Shares to be issued under the Public Offer will be fully paid and will rank equally with all other Shares currently on issue. A high-level summary of the material rights and liabilities attaching to Shares (including the New Shares) is set out in Section 14.2.

The key terms of the Public Offer are as follows:

(a) *Minimum subscription*

The Public Offer is subject to a minimum subscription of 50,000,000 New Shares at an issue price of \$0.02 per New Share to raise \$1,000,000 (**Minimum Subscription**).

If the Minimum Subscription has not been raised within 4 months after the date of this Prospectus, the Company will not issue any New Shares and will repay all Application monies for the New Shares within the timeframe prescribed under the Corporations Act (without interest).

The Public Offer is conditional (amongst other things) on the Woolwich Acquisition becoming unconditional (see Section 7.3 below for more details), which includes raising the Minimum Subscription.

(b) *Minimum application amount*

Applications under the Public Offer must be for a minimum of \$2,000 worth of New Shares (100,000 New Shares) and thereafter, in multiples of \$1,000 worth of New Shares (50,000 New Shares).

(c) *Eligible participants*

To participate in the Public Offer, you must be a resident of Australia. See Section 7.11 for further details.

(d) *Quotation and trading*

Application for quotation of all New Shares issued under the Public Offer will be made to ASX no later than 7 days after the date of this Prospectus. See Section 7.9 for further details.

No New Share issued pursuant to the Public Offer will be subject to any escrow requirement by the ASX.



## 7.2 The Woolwich Offer

This Prospectus also includes an offer of 750,000,000 Shares to the Woolwich Shareholders (the **Consideration Shares**) pursuant to the terms of the Woolwich Share Sale Agreement as consideration for the acquisition by the Company of 100% of the issued capital of Woolwich (**Woolwich Offer**).

The balance of the consideration payable to the Woolwich Shareholders under the Woolwich Share Sale Agreement, being 250,000,000 Shares (the **Conditional Consideration Shares**), will be issued in early 2017 subject to achievement of the Milestone. The Conditional Consideration Shares are not offered under this Prospectus.

The material terms and conditions of the Woolwich Share Sale Agreement are summarised at Section 13.1 of this Prospectus.

Application for quotation of the Shares issued under the Woolwich Offer will be made to ASX no later than 7 days after the date of this Prospectus. See Section 7.9 for further details.

Only the Woolwich Shareholders (or their nominees) may accept the Woolwich Offer. A personalised Application Form in relation to the Woolwich Offer will be issued to the Woolwich Shareholders together with a copy of this Prospectus.

The Shares issued under the Woolwich Offer may be subject to escrow under the ASX Listing Rules and/or voluntary escrow restrictions. Please refer to Section 7.18 for further details.

## 7.3 Conditional Offers

Completion of the Offers is conditional upon:

- (a) completion of the Woolwich Acquisition by the Company (see Section 6.1);
- (b) completion of the Smile Right Acquisition by Woolwich (see Section 6.2);
- (c) ASX confirming that it will re-admit the Company to the Official List and terminate the suspension from Official Quotation of Shares, subject to such terms and conditions (if any) as are prescribed by ASX or the ASX Listing Rules (see Section 6.4); and
- (d) ASX granting a waiver of the ASX Listing Rules in order to allow the Contractual Rights to be issued to the Vendors outside of the period prescribed by the ASX Listing Rules by 31 December 2015,

(together, the **Conditions**).

In the event that the Conditions are not satisfied, the Offers will not proceed and no New Shares will be issued pursuant to this Prospectus. If this occurs, Applicants will be reimbursed their Application monies (without interest).

## 7.4 Purpose of the Public Offer and the Prospectus

The primary purpose of the Public Offer under this Prospectus is to raise funds to implement the Woolwich business model.

The Company intends to apply the funds raised under the Public Offer in the manner detailed in Section 7.5. The Board believes that the funds raised from the Public Offer, combined with existing funds, will provide the Company with sufficient working capital at anticipated expenditure levels to achieve the objectives of the Company as detailed in this Prospectus.

This Prospectus has also been issued to assist the Company to meet the re-admission requirements of ASX under Chapters 1 and 2 of the ASX Listing Rules (see Section 6.4).

## 7.5 Use of Funds

The Company intends to apply funds raised from the Public Offer, together with existing cash reserves, in the next two years following reinstatement of the Company to Official Quotation on ASX as follows:

Item	\$1,000,000 Minimum Subscription under Public Offer (\$)	\$2,000,000 Full Oversubscription under Public Offer (\$)
Development of the Woolwich business	150,000	350,000
Development of the Smile Right business	250,000	650,000
Licence Fees payable under Smile Right commercial agreements	200,000	200,000
Administration	50,000	100,000
Working capital	216,680	565,680
Expenses of the Offers	133,320	134,320
<b>Total</b>	<b>1,000,000</b>	<b>2,000,000</b>

In the event the Company raises between \$1,000,000 and the maximum subscription of \$2,000,000, the additional funds raised are intended to be firstly applied towards additional expenses of the Offers, secondly towards development of the Woolwich and Smart Right business and thirdly towards working capital.

The above table is a statement of current intentions as of the date of lodgement of this Prospectus with the ASIC. As with any budget, intervening events and new circumstances have the potential to affect the ultimate way funds will be applied. The Board reserves the right to alter the way funds are applied on this basis.

Actual expenditure may differ significantly from the above estimates due to a change in market conditions, the development of new opportunities and other factors (including the risk factors outlined in Section 9).

On completion of the Offer, the Board believes the Company will have sufficient working capital to achieve its objectives in the 12 month period after the Company is reinstated to trading on ASX.

## 7.6 Taxation

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor.

It is not possible to provide a comprehensive summary of the possible taxation positions of all potential applicants. As such, all potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring securities from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of applying for Shares under this Prospectus.

## **7.7 Applications**

Applications for Shares under the Offers must be made using the relevant Application Form which accompanies this Prospectus. The opening date of the Prospectus is 14 January 2016.

By completing an Application Form, you will be taken to have declared that all details and statements made by you are complete and accurate and that you have received personally the Application Form together with a complete and unaltered copy of the Prospectus.

### **Public Offer**

Application Forms in respect of the Public Offer must be accompanied by a cheque made payable to "**Cape Range Ltd**" and crossed "**Not Negotiable**", which must be mailed or delivered to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (WST) on the Closing Date**, which is currently scheduled to occur on 12 February 2016.

Applications under the Public Offer must be accompanied by payment in full in Australian currency.

Applications under the Public Offer must be for a minimum of \$2,000 worth of New Shares (100,000 New Shares) and thereafter, in multiples of \$1,000 worth of New Shares (50,000 New Shares).

If you require assistance in completing an Application Form, please contact the Company Secretary on +61 4 2999 5000.

### **Woolwich Offer**

The Woolwich Offer is made only to the Woolwich Shareholders. The Company will provide an Application Form for the Woolwich Offer to the Woolwich Shareholders. The Applicants under the Woolwich Offer are not required to provide any funds.

## **7.8 Issue of Shares and Allocation Policy**

### **(a) General**

Subject to the Minimum Subscription being achieved and the satisfaction of each of the Conditions to the Offers (see Section 7.3), the issue of Shares offered by this Prospectus will take place as soon as practicable after the Closing Date.

The allocation of New Shares under the Public Offer will be determined by the Board in consultation with the Proposed Directors.

There is no guaranteed allocation of New Shares under the Public Offer.

The Board, in consultation with the Proposed Directors, reserves the right to reject any Application or to allocate any Applicant fewer Shares than the number applied for. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus Application monies will be refunded (without interest) to the Applicant as soon as practicable after the Closing Date.

The Company's decision on the number of Shares to be allocated to an Applicant will be final.

The Woolwich Offer is only made to the Woolwich Shareholders. As such, Shares under the Woolwich Offer will only be allocated and issued to those persons or their nominees acceptable to the Company.

(b) Defects in Applications

If an Application Form is not completed correctly or if the accompanying payment is the wrong amount, the Company may, in its discretion, still treat the Application Form to be valid. The Company's decision to treat an Application as valid, or how to construe, amend or complete it, will be final.

(c) Interest

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

## **7.9 Quotation of Shares**

The Company will apply for Official Quotation of all New Shares issued under this Prospectus within 7 days after the date of this Prospectus. However, Applicants should be aware that ASX will not commence Official Quotation of any Shares until the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules and has received the approval of ASX to be re-admitted to the Official List (see Section 6.4). As such, the New Shares may not be able to be traded for some time after the close of the Public Offer.

If the New Shares are not admitted to Official Quotation by ASX before the expiration of 3 months after the date of this Prospectus, or such period as varied by the ASIC, or if ASX otherwise rejects the Company's application for re-admission to the Official List (see Section 6.4), the Company will not issue any New Shares and will repay all Application monies for the New Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the New Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

## **7.10 Clearing House Electronic Sub-Register System and Issuer Sponsorship**

The Company participates in the Clearing House Electronic Sub-register System (**CHES**). ASX Settlement Pty Ltd, a wholly owned subsidiary of ASX, operates

CHESS. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with holding statements (similar to a bank account statement) that set out the number of New Shares issued to them under this Prospectus. The holding statements will also advise holders of their Holder Identification Number (if the holder is broker sponsored) or Security Holder Reference Number (if the holder is issuer sponsored) and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Electronic sub-registers also mean ownership of Shares can be transferred without having to rely upon paper documentation. Further, monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month. Security holders may request a holding statement at any other time; however a charge may be made for such additional statements.

## **7.11 Applicants outside Australia**

This Prospectus does not, and is not intended to, constitute an offer of, or invitation to apply for, Shares in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or invitation. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Shares or otherwise permit a public offering of the Shares the subject of this Prospectus in any jurisdiction outside Australia. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed in order to participate in the Offers.

If you are outside Australia it is your responsibility to ensure compliance with all laws of any country relevant to, and obtain all necessary approvals for, the issue of the Shares pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that there has been no breach of any such laws and all relevant approvals have been obtained.

Where this Prospectus has been dispatched to persons in jurisdictions outside of Australia, in which the securities legislation or regulation requires registration or any analogous treatment, this Prospectus is provided for information purposes only. This Prospectus has not been and will not be registered under any such legislation or regulation or in any such jurisdiction.

The Offers do not and will not constitute an offer of securities in the United States of America (**US**). Furthermore, no person ordinarily resident in the US is or will become permitted to submit an Application Form. If the Company believes that any Applicant is ordinarily resident in the US, or is acting on behalf of a person or entity that is ordinarily a resident of the US, the Company will reject that Applicant's application.

## **7.12 Financial Information**

An unaudited pro-forma balance sheet of the Company following completion of the Woolwich Acquisition and other matters is set out at Section 11 of this Prospectus.

It is noted that the pro-forma balance sheet represents only the accounts of the Company at completion of the Woolwich Acquisition. Given the limited operating history of Woolwich since its incorporation on 20 May 2015 and Smile Right since its incorporation on 25 August 2014, their financial information is not presently available to the Company. Accordingly, the pro-forma balance at Section 11 of this Prospectus does not comprise the financial position of Woolwich or Smile Right.

The full financial statements for the Company for its financial years ended 30 June 2013 and 30 June 2014, which include the notes to the financial statements, can be found from the Company's ASX announcements platform on [www.asx.com.au](http://www.asx.com.au).

## **7.13 No Forecasts**

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Merged Group are inherently uncertain. Any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Notwithstanding the above statement, to the extent that there may be matters discussed in this Prospectus that are forward-looking, such statements are only predictions and actual events or results may differ materially. In addition, there are statements in this Prospectus concerning the envisaged operations of the Company following the completion of the Offers, the Woolwich Acquisition and the Smile Right Acquisition. These forward-looking statements are subject to numerous risks. For a discussion of the important risk factors which could cause actual events or results to differ materially from such forward-looking statements, refer to Section 9.

## **7.14 Dividend Policy**

The Company does not expect to declare any dividends in the foreseeable future.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Board and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Board. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

## **7.15 Capital Structure**

As at the date of this Prospectus, the Company has 51,296,812 Shares and 3,000,000 Options on issue.

The expected capital structure of the Company following completion of the Offers (assuming minimum and maximum subscription under the Public Offer) is summarised below.

	Shares	Options
<b>Minimum subscription – \$1 million</b>		
Securities currently on issue	51,296,812	3,000,000 <sup>1</sup>
Consideration Shares to be issued to Woolwich Shareholders (and their nominees)	750,000,000 <sup>2</sup>	Nil
Shares to be issued pursuant to the Public Offer	50,000,000	Nil
<b>Total</b>	<b>851,296,812</b>	<b>3,000,000</b>
<b>Maximum subscription – \$2 million</b>		
Securities currently on issue	51,296,812	3,000,000 <sup>1</sup>
Consideration Shares to be issued to Woolwich Shareholders (and their nominees)	750,000,000 <sup>2</sup>	Nil
Shares to be issued pursuant to the Public Offer	100,000,000	Nil
<b>Total</b>	<b>901,296,812</b>	<b>3,000,000</b>

**Notes:**

1. Unlisted Options exercisable at \$0.20 on or before 30 November 2016.
2. In addition to the Consideration Shares, the Company will also issue the Conditional Consideration Shares (being 250,000,000 Shares) to the Woolwich Shareholders in the event Woolwich achieves the Milestone.

## 7.16 Substantial Shareholders

As at the date of this Prospectus, the following Shareholders hold 5% or more of the total number of Shares on issue:

Shareholder	Shares	Voting Power (%)
Yong Sheng Mining Company Ltd	5,000,000	9.75
Baroda Hill Investments Ltd	2,802,200	5.46

\* Wayne Johnson is the Non-Executive Chairman of the Company.

## 7.17 Top 10 Shareholders

The top ten Shareholders in the Company as at the date of this Prospectus are as follows:

Position	Shareholder	Voting power (%)
1	Yong Sheng Mining Company Limited	9.75%
2	Baroda Hill Investments Ltd	5.46%
3	IBT Holdings Pty Ltd	4.87%
4	Seefeld Investments Pty Ltd	3.90%
5	Jojo Enterprises Pty Ltd	2.92%

6	Goldfind Holdings Pty Ltd	2.87%
7	Michael Higginson	2.73%
8	Dr P M Halley	2.53%
9	Dominet Digital Corporation Pty Ltd	1.95%
10	Del Paggio Nominees Pty Ltd	1.95%
<b>Total</b>		<b>38.93%</b>

The Company will announce to the ASX details of its top 20 Shareholders following completion of the Offers prior to the Shares being reinstated to trading on ASX.

#### **7.18 Restricted Securities**

Subject to the Company re-complying with Chapters 1 and 2 of the ASX Listing Rules and completing the Offers, the Directors and the Proposed Directors understand that the Consideration Shares to be issued to the Woolwich Shareholders may be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation.

During the period in which these Shares are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

The Company will announce to the ASX full details (quantity and duration) of the Shares required to be held in escrow prior to the Shares being reinstated to trading on ASX (which reinstatement is subject to ASX's discretion and approval).

#### **7.19 Not Underwritten**

The Offers are not underwritten.

#### **7.20 Commissions**

The Company reserves the right to pay a commission of up to 6% (exclusive of goods and services tax) on amounts subscribed through any licensed securities dealers or Australian financial services licensee in respect of any valid Application Forms under the Public Offer lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

#### **7.21 Withdrawal of Offers**

The Offers may be withdrawn at any time. In this event, the Company will return all Application monies (without interest) in accordance with applicable laws.

#### **7.22 Enquiries**

If you have any queries in relation to the Offers, please contact the Company Secretary on +61 4 2999 5000.



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## **8. COMPANY OVERVIEW**

### **8.1 Business Overview**

#### **(a) Cape Range Ltd**

The Company was admitted to the Official List of the ASX on 9 July 1981 and has been suspended from quotation on the ASX since 12 November 2010.

Since the Company's suspension, it has explored a number of potential acquisitions outside of the telecommunications and information technology sector. In this regard, the Company has generally focussed on acquiring mining assets and/or information technology assets with a view to delivering value to its Shareholders. To date, the Company has not successfully acquired a new project due generally to the prevailing market conditions and/or not being satisfied with due diligence investigations in respect of those acquisitions.

In light of the difficulties being encountered by the Company due to prevailing market conditions, the Board formed the view that Woolwich provides an opportunity and alternative sector which is likely to generate greater value for Shareholders.

#### **(b) Woolwich Executive Summary**

Woolwich is an Australian and Asian based financial services company which strategically deals in businesses with the aim to restructure, recapitalise and amalgamate to add value to all parties.

Woolwich's investment strategy is to invest in companies in a diverse range of related industries that demonstrate some, if not most, of the following attributes:

- A need for capital injection to realise full growth potential;
- Companies with a good track record, existing clients, and revenues;
- Local footprint with global potential;
- Highly scalable with a high degree of leverage;
- Automated business model or a business model that can be automated;
- Significant upside supported by robust business plans;
- Competitive advantage in a particular market niche or sector;
- A business structure that is capable of change or expansion; and
- A track record of positive cash-flow.

Woolwich's niche 'high yield investments' will typically be designed to fill portfolio gaps where time and attention may be difficult for retail investors, and offer exposure to developing areas of private equity.

Woolwich's investment objectives include exercising control over and managing entities, or the business of entities, in which it invests.

**(c) Smile Right Pty Ltd**

Woolwich intends to acquire 100% of the issued capital of Smile Right Pty Ltd (**Smile Right**).

Smile Right is a specialist provider of consumer credit products for dental procedures. Smile Right's finance products are offered to patients through, and in conjunction with, dental practices. Smile Right makes dental interventions affordable for a far greater range of patients and procedures – thereby increasing practice utilisation

**(d) Smile Right – Key Features**

**(i) Smile Right software platform**

Smile Right utilises a state-of-the-art software solution that offers greatly streamlined customer loan applications, approvals, settlements, collection and portfolio management:

- Web-based, fully online loan application, approval and execution process;
- Unique marketing methodology of credit products to patients;
- Dental practice closely involved and in control of marketing of credit products to its patients; and
- Direct settlement to dental practices.

**(ii) Funding**

- Smile Right has negotiated wholesale debt finance facilities to provide funding for dental procedures.

**(iii) Outsourced end-to-end loan portfolio management**

Smile Right has entered into the following agreements:

- A software licensing agreement over the software platform with IP Ventures Pty Ltd; and
- A services agreement with Automated Credit Solutions Pty Ltd (**ACS**) who will provide end-to-end loan portfolio management services to Smile Right on an outsourced, fee-for-transaction basis.

The execution of these agreements by Smile Right will ensure regulatory compliance and minimises fixed or up-front establishment costs associated with these key activities.

Summaries of both these agreements are included at Section 13.2 of this Prospectus

Benefits of software licensing and outsourcing arrangements include:

- Smile Right benefits from ACS experience and expertise in all aspects of end-to-end loan portfolio management;
- Software licence fees and services fees are all effectively transactional, with no fixed or up-front costs to be borne by Smile Right;
- No upfront capital cost to be borne by Smile Right in acquiring the software licence outright;
- IP Ventures Pty Ltd is responsible for cost of software maintenance and agreed scheduled enhancements – no cost to be borne by Smile Right; and
- Option for Smile Right to acquire software licence outright during license term.

**(e) Smile Right Business Platform**

The Smile Right platform employs a purpose-built licensed software platform and associated policies & procedures, with all loan portfolio management activities delivered by experienced staff and management through a transaction fee-based outsourcing contract with ACS:

- Integrated lending software platform: comprehensive end-to-end management of all loan processes.
- Policies and procedures documentation: established credit and other lending policies for establishment and operation of portfolio, ensuring compliance with legislations.
- Experienced staff and management: to deliver outsourced end-to-end loan portfolio management.

**(f) Woolwich Senior Management team**

**Mr Steve Brown**

Refer to Section 10.2 for a detailed profile of Mr Steve Brown.

**Mr Vishal Khanna**

Refer to Section 10.2 for a detailed profile of Mr Vishal Khanna.

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## **9. RISK FACTORS**

### **9.1 Introduction**

The Shares offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors consider the risk factors described below, together with information contained elsewhere in this Prospectus, and consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

This Section identifies circumstances that the Directors regard as the major risks associated with an investment in the Company and which may have a material adverse impact on the financial performance of the Company and the market price of the Shares if they were to arise.

The Board aims, and will aim, to manage these risks by carefully planning the Company's activities and implementing risk control measures. However, some of the risks identified below are highly unpredictable and the Company is limited to the extent to which they can effectively manage them.

The following risk factors are not intended to be an exhaustive list of the risk factors to which the Company and Woolwich are exposed. In addition, this Section has been prepared without taking into account investors' individual financial objectives, financial situation and particular needs. Investors should seek professional investment advice if they have any queries in relation to making an investment in the Company.

### **9.2 Risks relating to the change in nature and scale of activities and this Prospectus**

#### **(a) Financial information**

The Company has not been provided with any audited accounts of Woolwich and Smile Right and this Prospectus does not contain any financial information relation to the performance or position of Woolwich or Smile Right, or any independent review or comment on any financial information of the Company, Woolwich or Smile Right. The Company advises investors that any investment in the Company is of significant risk in the absence of any such financial information.

#### **(b) Re-Quotation of Shares on ASX**

The ASX has determined that the Woolwich Acquisition constitutes a significant change in the nature and scale of the Company's activities and that the Company needs to comply with Chapters 1 and 2 of the ASX Listing Rules and provide disclosures as if it were seeking admission to the official list of the ASX.

#### **(c) The Woolwich Acquisition and the Smile Right Acquisition may not complete or may be delayed**

The Woolwich Acquisition and the Smile Right Acquisition are subject to certain conditions precedent (refer to Section 13.1 and 13.2). Any delay in satisfying these conditions may delay completion of the Woolwich Acquisition or Smile Right Acquisition and failure to satisfy a condition may terminate the proposed Woolwich Acquisition or Smile Right Acquisition.

The Smile Right Acquisition is subject to formal agreement between Woolwich and the shareholder of Smile Right. If a formal agreement cannot be reached between Woolwich and the shareholder of Smile Right, Woolwich will not complete the Smile Right Acquisition and the Offers under this Prospectus will not proceed.

### **9.3 Risks relating to Woolwich**

#### **(a) Limited operating history**

Woolwich has a limited operating history and the potential of its investment strategy is unproven. No assurances can be given that Woolwich will achieve success through the implementation of its investment strategy.

Accordingly, there is no guarantee that the proposed investment strategies of Woolwich will successfully achieve profitable outcomes, positive cash flows and/or positive returns to shareholders.

#### **(b) Investment risk**

The success and profitability of Woolwich depends upon its ability to invest in companies and other entities which will increase in value over time. There is no guarantee that this can be achieved. The value of the assets purchased for Woolwich's investment portfolio may decline, which would likely have an adverse impact on the value of the Shares.

Woolwich invests in speculative and high risk companies and this risk will be transferred to the Shareholders in the Company upon completion of the Woolwich Acquisition.

#### **(c) Risk exposure**

Woolwich's activities expose it to a variety of financial risks: market risk (including price risk and interest rate risk), credit risk and liquidity risk.

Woolwich uses different methods to measure different types of risk to which it is exposed, but there can be no assurance given that Woolwich will be able to successfully mitigate the significant risks to which it is exposed.

#### **(d) Investment performance**

Negative investment performance would adversely affect Woolwich's net asset value, profits, performance and ability to pay dividends. For example, if investment losses are incurred, dividends may decline or a nil dividend may be declared.

#### **(e) Reliance on key management**

The responsibility of overseeing the day-to-day operations and the strategic management of Woolwich and its controlled entities will depend substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on Woolwich if one or more of these senior management, key personnel or employees cease their involvement or employment with Woolwich or its controlled entities.

## **9.4 Risks relating to Smile Right**

### **(a) Limited operating history**

Smile Right has a limited operating history and the potential of its investment strategy is unproven. No assurances can be given that Smile Right will achieve success through the implementation of its investment strategy.

There is no guarantee that the proposed investment strategies of Smile Right will successfully achieve profitable outcomes, positive cash flows and/or positive returns to shareholders.

### **(b) Operational risks**

Operating risk may arise from Smile Right credit assessment and debtor control processes. There is also a risk with new products that in their establishment phase, lending criteria may require revision to achieve minimal defaults.

### **(c) Recovery from borrowers**

The cost of recovery of a defaulting debt may sometimes be greater than the potential amount recoverable, and as such, will at times require loans to be written off as bad debts. This risk is particularly large for the small cash loans industry (given the size of the loans and that they are generally unsecured), and high levels of bad debt could limit Smile Right's profitability and adversely impact on its financial position.

### **(d) Continuing capital requirements**

Smile Right may in the future require further capital investment for the operation of the business. There can be no surety of Smile Right or Woolwich or the Company being able to raise such capital on terms favourable to Smile Right and a failure to do so may result in a decline in the business. If Smile Right raises further capital in the future by issuing equity securities a resultant dilution in the shareholding of existing Shareholders may occur.

### **(e) Profitability**

Smile Right's future profitability will depend in part on management's ability to manage effectively its credit operation together with the expansion and growth of the business at all levels. The implementation of adequate infrastructure, cost management and policy is essential to ensure that the Smile Right business model is able to adapt to both an increase or decrease in revenue. An ability to control the organisational impact and cost of expansion or the unpredicted slowing of revenue growth without a corresponding management of expenses could materially affect the profitability of Smile Right.

**(f) Insolvency**

Smile Right's loans to customers are generally made on an unsecured basis and Smile Right could become insolvent if a significant percentage of its loan book is not repaid and recovery procedures prove inadequate to recoup funds.

**(g) Legislation**

The lending activities of Smile Right are subject to regulation. If the requirements of the applicable regulation or any future legislative requirements are not met, Smile Right could be subject to penalties.

Smile Right may also be affected by changes in legislation or regulation. Litigation may also be instigated by individuals in relation to claims relating to specific transactions or Smile Right business practices generally.

Smile Right has in place what the Proposed Directors believe to be thorough compliance practices and will continue to operate interactively with authorities. However, a change in regulatory environment could have a material adverse effect on the business operations and profitability on Smile Right.

**9.5 General Risks**

**(a) Share Market**

There are general risks associated with any investment and the share market. The price of the Company's Shares on the ASX may rise and fall depending on a range of factors beyond the Company's control and which are unrelated to the Company's financial performance. These factors may include movements on international stock markets, interest rates and exchange rates, together with domestic and international economic conditions, inflation rates, investor perceptions, changes in government policy, commodity supply and demand, government taxation and royalties, war, global hostilities and acts of terrorism.

There is no assurance that the price of the Shares will increase following completion of the Woolwich Acquisition and the Company's re-quotation on ASX, even if the Company's revenues increase.

**(b) Additional requirements for capital**

The continued operations of the Company are dependent on its ability to obtain financing through debt and equity financing, or generating sufficient cash flows from future operations. There is a risk that the Company may not be able to access capital from debt or equity markets for future acquisitions or developments, which could have a material adverse impact on the Company's business and financial condition.

**(c) Government policies and legislation**

The Company's businesses and performance are affected generally by the fiscal or other policies (including taxation) that are adopted by government both in Australia and in the other jurisdictions in which the Company operates. Any change in regulation or policy may adversely

affect the performance or financial position of the Company, either on a short-term or long-term basis. The Company may also be adversely affected by the pace or extent of such change.

(d) **General economic conditions**

The Company's business is affected by general economic conditions. A deterioration in economic conditions could lead to reductions in personal and business spending and other potential revenues which could be expected to have a corresponding adverse impact on the Company's operating and financial performance.

(e) **Market risk and interest rate volatility**

From time to time, the Company may borrow money and accordingly will be subject to interest rates which may be fixed or floating. A change in interest rates would be expected to result in a change in the interest cost to the Company and, hence, may affect its financial performance.

(f) **Liquidity risk**

There is no guarantee that there will be an ongoing liquid market for the Company's Shares. Accordingly, there is a risk that, should the market for the Company's Shares become illiquid, Shareholders will be unable to realise their investment in the Company.

(g) **Risk of Shareholder dilution**

In the future, the Company may elect to issue Shares to engage in fundraisings and also to fund, or raise proceeds, for acquisitions the Company may decide to make. While the Company will be subject to the constraints of the Listing Rules regarding the percentage of its capital it is able to issue within a 12 month period (other than where exceptions apply), Shareholders may be diluted as a result of such issues of Shares and fundraisings.

## **9.6 This investment is highly speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above risk factors, and others not specifically referred to above, may materially affect the future financial performance of the Company and the value of the Shares offered under this Prospectus.

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares. The Company does not expect to declare any dividends during the first two years following completion of the Woolwich Acquisition and Smile Right Acquisition.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.



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## 10. BOARD, MANAGEMENT AND INTERESTS

### 10.1 Directors

As at the date of this Prospectus, the Board comprises of:

- (a) Wayne Johnson – Non-Executive Chairman;
- (b) Michael Higginson – Non-Executive Director; and
- (c) John Georgiopoulos – Non-Executive Director.

Following completion of the Transaction, it is proposed that Timothy Alford and James Mitchell will be elected to the Board and that Michael Higginson and John Georgiopoulos will resign as Directors of the Company.

It is proposed that upon completion of the Transaction, the Company's Board will consist of the following Directors:

- (a) Wayne Johnson – non-executive chairman;
- (b) Timothy Alford – non-executive director; and
- (c) James Mitchell – non-executive director,

(the **Proposed Directors**).

The profiles of each of the Proposed Directors are as follows:

#### **Wayne Johnson**

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 Nobleman 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.

#### **Mr Timothy Alford**

Mr Alford is Executive Chairman of Woolwich Capital Limited and is based between Singapore and Sydney. Mr Alford has over ten years experience in investment banking and corporate finance in both Australia and Asia. He has advised on a large number of transactions covering all aspects of investment banking, including mergers and acquisitions, initial public offerings, structured finance and debt and equity raisings.

Mr Alford is currently the managing partner of Fernshaw Securities, which is an advisory firm in Australia and Singapore. He holds directorships in ECB Resources, Asia Infrastructure and BUKA Resources Pte Ltd (Singapore).

#### **Mr James Mitchell**

Mr Mitchell is based in Sydney and has accumulated over 30 years' expertise in corporate finance. He has experience in significant senior management roles in project development, financing, strategic marketing and public affairs. He was formally chairman of Allanbank International and has worked with The Australia Council, Beyond International Limited and was Vice Chairman of the Committee for Economic Development of Australia.

Mr Mitchell is currently an Executive Director of Fernshaw Securities and has expertise in mergers and acquisitions, private equity and developmental capital.

### **10.2 Senior Management Team**

#### **Mr Steve Brown – Chief Technologist**

Mr Brown has extensive technical experience in software design, development and project management. Formally trained as a software programmer, he has had a diverse career encompassing many aspects of the IT industry and has been actively involved in the hardware and software sectors of the computer industry, specializing in system architecture and business automation.

Mr Brown's background has included founding several high technology companies, managing technology, internal systems and outsourcing divisions for several corporations and consulting to technology start-up organizations particularly in the technical systems development of e-commerce, electronic payment and point of sale applications.

#### **Mr Vishai Khanna – Chief Financial Officer**

Mr Khanna has over ten years of experience in accounts and finance in various listed and private companies. Mr Khanna has extensive experience in system implementation and process improvements. Mr Khanna is an Associate Member of CPA Australia and Indian Institute of Chartered Accountants. He holds a Bachelor of Commerce (Accounting, Finance & Systems) and a Master of Commerce.

### **10.3 Personal Interests of Directors and Proposed Directors**

#### **(a) Interests in Shares**

Directors are not required under the Company's Constitution to hold any Shares to be eligible to act as a director. As at the date of this Prospectus, the Directors hold a relevant interest in Securities as follows:

<b>Director</b>	<b>Shares</b>	<b>Options</b>
Wayne Johnson	2,833,200 <sup>1</sup>	-
Michael Higginson	1,490,000	-
John Georgiopoulos	876,452 <sup>2</sup>	-

#### **Notes:**

1. Consisting of:

- (a) 2,802,200 Shares held by Baroda Hill Investments Limited in which Mr Johnson is a director; and
  - (b) 31,000 Shares held by Ibarra Investments Limited in which Mr Johnson is a director.
2. Consisting of:
- (a) 853,815 Shares held by Rockdale Capital Pty Ltd in which Mr Georgiopoulos has a relevant interest; and
  - (b) 22,637 Shares held by Vigon Pty Ltd in which Mr Georgiopoulos has a relevant interest.

Following completion of the Woolwich Acquisition, the Smile Right Acquisition and the Offers, the Proposed Directors will have relevant interests in Securities as follows:

Director	Shares	Options
Wayne Johnson <sup>1</sup>	2,833,200	-
Timothy Alford <sup>2</sup>	99,503,456	-
James Mitchell	-	-

**Notes:**

- 1. Consisting of:
  - (a) 2,802,200 Shares held by Baroda Hill Investments Limited in which Mr Johnson is a director; and
  - (b) 31,000 Shares held by Ibarra Investments Limited in which Mr Johnson is a director.
- 2. Shares to be issued to nominee entities controlled by Mr Alford upon completion of the Woolwich Acquisition, consisting of:
  - (a) 99,475,035 Shares to be held by Somerset House Holdings Pty Limited in which Mr Alford is a director; and
  - (b) 28,421 Shares to be held by Kings Road Holdings Pty Ltd in which Mr Alford is a director.

**(b) Remuneration**

The Company's Constitution provides that the remuneration of non-executive Directors will be not more than the aggregate fixed sum determined by a general meeting. The Constitution provides that the aggregate annual remuneration for Non-Executive Directors shall be no more than \$150,000.

It is proposed that, after completion of the Transaction:

- (i) Wayne Johnson, in his capacity as non-executive chairman of the Company, will receive fees of \$50,000 per annum;
- (ii) Timothy Alford, in his capacity as non-executive director of the Company, will receive fees of \$35,000 per annum; and
- (iii) James Mitchell, in his capacity as non-executive director of the Company, will receive director's fees of \$35,000 per annum.

## 10.4 Deeds of indemnity, insurance and access

The Company has entered into, or intends shortly after completion of the Transaction to enter into, a deed of indemnity, insurance and access with each

of its Directors and the Proposed Directors upon their appointment. Under these deeds, the Company agrees to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of the Company.

## Statement of Financial Position

As at 30 June 2015

	Notes	30 June 2015	Pro Forma
		\$	\$
<b>Current Assets</b>			
Cash and cash equivalents	2 & 3	37,002	2,287,002
Trade and other receivables		13,074	13,074
<b>Total Current Assets</b>		<u>50,076</u>	<u>2,300,076</u>
<b>Non-Current Assets</b>			
Investment in Woolwich	1	-	15,000,000
<b>Total Non-Current Assets</b>		<u>-</u>	<u>15,000,000</u>
<b>Total Assets</b>		<u>50,076</u>	<u>17,300,076</u>
<b>Current Liabilities</b>			
Trade and other payables	3	269,516	519,516
<b>Total Current Liabilities</b>		<u>269,516</u>	<u>519,516</u>
<b>Total Liabilities</b>		<u>269,516</u>	<u>519,516</u>
<b>Net Liabilities</b>		<u>(219,440)</u>	<u>16,780,560</u>
<b>Equity</b>			
Equity	1 & 2	8,262,733	25,262,733
Reserves		48,090	48,090
Accumulated losses		(8,530,263)	(8,530,263)
<b>Total Equity</b>		<u>(219,440)</u>	<u>16,780,560</u>

1. Issue of 750,000,000 Shares (at a deemed issue price of \$0.02 each) for Woolwich Acquisition
2. Issue of 100,000,000 Shares (at an issue price of \$0.02 each) pursuant to the Prospectus
3. Receipt of loan of \$250,000 from Woolwich under the terms of the Woolwich Share Purchase Agreement.

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## 12. CORPORATE GOVERNANCE

### 12.1 ASX Corporate Governance Council Principles and Recommendations

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted *The Corporate Governance Principles and Recommendations (3rd Edition)* as published by ASX Corporate Governance Council (**Recommendations**).

The Board seeks, where appropriate, to provide accountability levels that meet or exceed the ASX Corporate Governance Council's Principles and Recommendations.

### 12.2 Board of Directors

The Board is responsible for corporate governance of the Company. The Proposed Board will develop strategies for the Company, review strategic objectives and monitor performance against those objectives. The goals of the corporate governance processes are to:

- (a) maintain and increase Shareholder value;
- (b) ensure a prudential and ethical basis for the Company's conduct and activities; and
- (c) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Proposed Board will assume the following responsibilities:

- (a) developing initiatives for profit and asset growth;
- (b) reviewing the corporate, commercial and financial performance of the Company on a regular basis;
- (c) acting on behalf of, and being accountable to, the Shareholders; and
- (d) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.

In light of the Company's size and nature, the Proposed Board considers that the proposed composition of the Board is a cost effective and practical method of directing and managing the Company. If the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

## 12.3 Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting. However, subject thereto, the Company is committed to the following principles:

- (a) the Board is to comprise Directors with a blend of skills, experience and attributes appropriate for the Company and its business; and
- (b) the principal criterion for the appointment of new Directors is their ability to add value to the Company and its business.

Following Settlement, the Board will consist of 4 members.

Where a casual vacancy arises during the year, the Proposed Directors (**Proposed Board**) will have procedures to select the most suitable candidate with the appropriate experience and expertise to ensure a balanced and effective Board. Any Director appointed during the year to fill a casual vacancy or as an addition to the Board, holds office until the next general meeting and is then eligible for re-election by the Shareholders.

The Proposed Board have confirmed to the Company that each of them anticipate being available to perform their duties as a non-executive director or executive director without constraint from other commitments.

The Proposed Board consider an independent Director to be a non-executive director who is free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its security holders generally. The Proposed Board will consider the materiality of any given relationship on a case-by-case basis and reviews the independence of each Director in light of interests disclosed to the Board from time to time.

The Board Charter proposed to be adopted by the Proposed Board sets out guidelines of materiality for the purpose of determining independence of Directors in accordance with the Recommendations and has adopted a definition of independence that is based on that set out in the Recommendations.

The Proposed Board will consider whether there are any factors or considerations which may mean that a Director's interest, position, association or relationship might influence, or reasonably be perceived to influence, the capacity of the Director to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its Shareholders generally.

## 12.4 Board Charter

The proposed Board Charter to be adopted by the Board sets out the responsibilities of the Board in greater detail. It provides that the Board should comprise Directors with the appropriate mix of skills, experience, expertise and diversity which are relevant to the Company's businesses and the Board's responsibilities. The Board Charter allows the Board to delegate powers and responsibilities to committees established by the Board. The Board retains ultimate accountability to Shareholders in discharging its duties.

## **12.5 Identification and management of risk**

The Board intends to conduct the functions of a risk management committee and will be responsible for overseeing the risk management function. It is proposed that the Board will be responsible for ensuring the risks and opportunities are identified on a timely basis.

The Board will be responsible for overseeing the establishment of (and approving) risk management strategies, policies, procedures and systems of the Company. The Company's management is responsible for establishing the Company's risk management framework. The Company will regularly undertake reviews of its risk management procedures to ensure that it complies with its legal obligations, including assisting the Chief Executive Officer or Chief Financial Officer to provide required declarations.

## **12.6 Ethical standards**

The Proposed Directors are committed to the establishment and maintenance of appropriate ethical standards. Accordingly, the Company has adopted a Code of Conduct which sets out the way the Company conducts business. The Company will carry on business honestly and fairly, acting only in ways that reflect well on the Company and in compliance with all laws and regulations.

The Proposed Directors also propose to adopt a policy document which will outline employees' obligations of compliance with the Code of Conduct, and explains how the code interacts with the Company's other corporate governance policies.

It is proposed that responsibilities incorporated in the Code of Conduct will include protection of the Company's business, using the Company's resources in an appropriate manner, protecting confidential information and avoiding conflicts of interest.

## **12.7 Independent professional advice**

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

## **12.8 Remuneration arrangements**

The total maximum remuneration of Non-Executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of Non-Executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each Non-Executive Director. The current amount has been set at an amount not to exceed \$150,000 per annum.

Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The Proposed Board intends to review and approve the remuneration policy to enable the Company to attract and retain Directors who will create value for Shareholders having consideration to the amount considered to be



commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility.

The proposed role of the Remuneration and Nomination Committee (which will be carried out by the full Board) is to review and make recommendations to the Board on remuneration arrangements and policies related to the Directors, Chief Executive Officer and other members of senior management and to ensure that the remuneration policies and practices are consistent with the Company's strategic goals and human resources objectives. In addition, it is proposed that the Committee will be responsible for reviewing and making recommendations in relation to the composition and performance of the Board and its committees and ensuring that adequate succession plans are in place (including for the recruitment and appointment of Directors and senior management). Independent advice may be sought by the Remuneration and Nomination Committee where appropriate.

The Remuneration and Nomination Committee will meet as often as is required by its Charter or other policy approved by the Board to govern the operation of the Remuneration and Nomination Committee. Following each meeting, the Remuneration and Nomination Committee will report to the Board on any matter that should be brought to the Board's attention and on any recommendation that requires Board approval.

## **12.9 Trading policy**

The Company has adopted a Securities Trading Policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (i.e. Directors and, if applicable, any employees reporting directly to the Managing Director). The Securities Trading Policy explains the types of conduct in relation to dealings in Shares that are prohibited under the Corporations Act and to establish procedures in relation to such persons' dealing in the Shares.

Under the terms of the policy, buying or selling Shares is not be permitted at any time by any person who possesses inside information in a manner contrary to the Corporations Act or where short-term or speculative trading is involved. The policy also generally provides that written notification to the Chairman (or in the case of the Chairman, the Managing Director) must be satisfied prior to trading.

## **12.10 External audit**

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

## **12.11 Audit committee**

The Company's Audit and Risk Management Committee will be carried out by the full Board and will fulfil the Company's corporate governance and monitoring responsibilities in relation to the Company's risks associated with the integrity of the financial reporting, internal control systems and the independence of the external audit function.

The Committee will be responsible for approving the services that the Company's external auditor may provide. The external auditor:

- (a) must be independent of the Company and the Directors and senior executives. To ensure this, the Company requires a formal report from its

external auditor on an annual basis setting out the relationships that may affect its independence; and

- (b) may not provide services to the Company that may impair, or appear to impair, the external auditor's judgement or independence in respect of the Company.

## 12.12 Departures from Recommendations

Following re-admission to the Official List of ASX, the Company will be required to report any departures from the Recommendations in its annual financial report. The Company's departures from the Recommendations following completion of the Offers are set out below.

RECOMMENDATIONS (3 <sup>RD</sup> EDITION)	COMPLY	EXPLANATION
<b>Principle 1: Lay solid foundations for management and oversight</b>		
<b>Recommendation 1.5</b> A listed entity should: <p>(a) have a diversity policy which includes requirements for the Board or a relevant committee of the Board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period:</p> <p>(i) the measurable objectives for achieving gender diversity set by the Board in accordance with the entity's diversity policy and its progress towards achieving them; and</p> <p>(ii) either:</p> <p>(i) the respective proportions of men and women on the Board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(ii) if the entity is a "relevant employer" under the Workplace Gender Equality Act,</p>	<p>No</p> <p>No</p> <p>No</p>	<p>The Company acknowledges the positive outcomes that can be achieved through a diverse workforce and recognises and utilises the diverse skills and talent from its directors, officers and employees. However, due to the size of the Company and its current situation, the Company does not envisage recruiting any new staff in the near future and therefore does not currently have a diversity policy. The Board is aware of the merits of having a diverse workforce and will take this into consideration should the Company be required to add to its workforce in the future.</p>

RECOMMENDATIONS (3 <sup>RD</sup> EDITION)	COMPLY	EXPLANATION
the entity's most recent "Gender Equality Indicators", as defined in the Workplace Gender Equality Act.		

## Principle 2: Structure the Board to add value

### Recommendation 2.1

The Board of a listed entity should:

(a) have a nomination committee which:

(i) has at least three members, a majority of whom are independent Directors; and

(ii) is chaired by an independent Director,

and disclose:

(iii) the charter of the committee;

(iv) the members of the committee; and

(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or

(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address Board succession issues and to ensure that the Board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.

No

The Company does not currently have a separately constituted nomination 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.

RECOMMENDATIONS (3 <sup>RD</sup> EDITION)	COMPLY	EXPLANATION
<b>Principle 4: Safeguard integrity in financial reporting</b>		
<p><b>Recommendation 4.1</b></p> <p>The Board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <ul style="list-style-type: none"> <li>(i) has at least three members, all of whom are non-executive Directors and a majority of whom are independent Directors; and</li> <li>(ii) is chaired by an independent Director, who is not the Chair of the Board,</li> </ul> <p>and disclose:</p> <ul style="list-style-type: none"> <li>(iii) the charter of the committee;</li> <li>(iv) the relevant qualifications and experience of the members of the committee; and</li> <li>(v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	No	<p>The Company does not currently 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.</p>
<b>Principle 7: Recognise and manage risk</b>		
<p><b>Recommendation 7.1</b></p> <p>The Board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <ul style="list-style-type: none"> <li>(i) has at least three members, a majority of whom are independent Directors; and</li> <li>(ii) is chaired by an independent Director,</li> </ul> <p>and disclose:</p>	No	<p>The Company does not currently have a separately constituted risk 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.</p>

RECOMMENDATIONS (3 <sup>RD</sup> EDITION)	COMPLY	EXPLANATION
<ul style="list-style-type: none"> <li>(iii) the charter of the committee;</li> <li>(iv) the members of the committee; and</li> <li>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.</p>		
<p><b>Recommendation 7.4</b></p> <p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	No	<p>The Company has not disclosed its economic, environmental and social sustainability risks. Given the anticipated change in Company operations, the Board intends to assess its economic, environmental and social sustainability risks at a time when it can more accurately assess the relevant risks for the new proposed operations. The Board intends this recommendation to be complied with during the next financial period,</p>
<b>Principle 8: Remunerate fairly and responsibly</b>		
<p><b>Recommendation 8.1</b></p> <p>The Board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <ul style="list-style-type: none"> <li>(i) has at least three members, a majority of whom are independent Directors; and</li> <li>(ii) is chaired by an independent Director,</li> </ul> <p>and disclose:</p> <ul style="list-style-type: none"> <li>(iii) the charter of the committee;</li> <li>(iv) the members of the committee; and</li> <li>(v) as at the end of each reporting period, the</li> </ul>	No	<p>The Company does not currently have a separately constituted remuneration 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.</p>

RECOMMENDATIONS (3 <sup>RD</sup> EDITION)	COMPLY	EXPLANATION
<p>number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>		

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## 13. MATERIAL CONTRACTS

This Section sets out a summary of the material agreements to which the Company and/or Woolwich (or its subsidiaries) are party.

### 13.1 Woolwich Share Sale Agreement

The Company intends to enter into agreements with the Woolwich Shareholders pursuant to which it has agreed to acquire 100% of the issued capital in Woolwich. The key terms of the Woolwich Share Sale Agreement are as follows:

- (a) **Acquisition:** Each of the Woolwich Shareholders has agreed to sell to the Company their shares in Woolwich in consideration for the issue of the Consideration Shares to the Woolwich Shareholders (in aggregate). Completion of the Woolwich Acquisition is conditional on completion of each of the Woolwich Share Sale Agreements.
- (b) **Consideration:** In consideration for the acquisition of Woolwich, the Company will issue to the Woolwich Shareholders 750,000,000 Shares (in aggregate) to acquire their shareholding in Woolwich.
- (c) **Conditions Precedent:** The Acquisition is subject to satisfaction of certain conditions precedent, including:
  - (i) the Company obtaining all necessary shareholder approvals required by the Corporations Act and the Listing Rules in relation to the Acquisition, including, without limitation, approval for the issue of the Consideration Shares to the Woolwich Shareholders for the purposes of section 611 (item 7) of the Corporations Act and Listing Rule 7.1;
  - (ii) the Company complying with any and all requirements of ASX under Chapter 11 of the Listing Rules in relation to the Acquisition; and
  - (iii) Woolwich completing the Smile Right Acquisition,(together the **Conditions Precedent**).
- (d) **Settlement:** Settlement of the Acquisition will take place 10 Business Days after satisfaction of the Conditions Precedent (or such later date as is agreed by the parties).
- (e) **Other terms:** The Woolwich Share Sale Agreements contain other terms considered standard for agreements of this nature, including representations, warranties, pre-completion obligations and confidentiality.

### 13.2 Smile Right Heads of Agreement

Woolwich has entered into a heads of agreement pursuant to which it has agreed to acquire 100% of the issued capital in Smile Right from the sole shareholder of Smile Right, Napoleon Corp Pty Ltd (ACN 100 766 925) (**Smile Right Shareholder**) subject to formal agreement. The key terms of the Smile Right Heads of Agreement are as follows:

- (a) **Acquisition and Consideration:** The Smile Right Shareholder intends to agree to sell to Woolwich its shares in Smile Right in consideration for:

- (i) a non-refundable deposit of \$250,000 plus GST (**Deposit**); and
  - (ii) shares in the Company (to be allocated to the Smile Right Shareholder from Woolwich), which on completion of the Smile Right Acquisition and the Woolwich Acquisition, will represent 19.9% of the issued capital of the Company.
- (b) **Conditions Precedent:** The Smile Right Heads of Agreement is subject to satisfaction of certain conditions precedent, including:
  - (i) formal agreement;
  - (ii) payment of the Deposit; and
  - (iii) the Company obtaining all regulatory approvals in relation to the Acquisition.
- (c) **Settlement:** Settlement of the Smile Right Heads of Agreement will take place on the same date as Settlement of the Woolwich Acquisition.
- (d) **Other terms:** The Smile Right Heads of Agreement contains other terms considered standard for agreements of this nature, including warranties and confidentiality.

### 13.3 Loan Agreement – Buka Holdings Pte Ltd

On 30 September 2015, Woolwich entered into a loan agreement with Buka Holdings Pte Ltd (**Buka**), which the Company understands has been varied by deed of amendment, pursuant to which Woolwich agreed to loan to Buka \$2,500,000 (**Principal Sum**). The term of the loan will expire on 30 September 2016 (**Term**).

Under the loan agreement, Buka must repay the Principal Sum to Woolwich within 10 Business Days after the expiry of the Term. Interest is payable at the expiry of the Term calculated at a rate of 18% per annum. The loan is unsecured.

### 13.4 Loan Agreement – Discovery Mortgage Management (Australia) Pty Limited

On 5 October 2015, Woolwich entered into a loan agreement with Discovery Mortgage Management (Australia) Pty Limited (**Discovery**), which the Company understands has been varied by deed of amendment, pursuant to which Woolwich agreed to loan to Discovery \$500,000 (**Principal Sum**). The term of the loan will expire on 5 October 2016 (**Term**).

Under the loan agreement, Discovery must repay the Principal Sum to Woolwich within 10 Business Days after the expiry of the Term. Interest is payable at the expiry of the Term calculated at a rate of 15% per annum. The loan is unsecured.

### 13.5 Smile Right Commercial Agreements

As at the date of this Prospectus, Smile Right has rights in respect of the following key commercial agreements:

#### (a) Software Licensing Agreement with IP Ventures Pty Ltd

Smile Right has entered into a licensing agreement with IP Ventures Pty Ltd (ACN 099 927 296) (**IPV**) under which IPV has granted a license to Smile Right to use IPV's software to assist in the management of loan



agreements and payment plans, and online applications for finance, on the following terms and conditions:

- (i) **Payment:** Smile Right will pay IPV a minimum license fee of \$200,000 per annum under the agreement, which will increase with the amount of credit charges, lease charges and processing service charges under the agreement.
- (ii) **Term:** commenced on 1 June 2015 and will continue for a period of 20 years ending on 1 June 2035.
- (iii) **Termination:** IPV may terminate the agreement by notice in writing to Smile Right if an event of default occurs.

**(b) Services Agreement with Automated Credit Solutions Pty Ltd**

Smile Right entered into a servicing agreement with Automated Collection Services Pty Ltd (**ACS**) (ACN 144 738 796) under which ACS will provide end-to-end loan portfolio management services to Smile Right on an outsourced, fee-for-transaction basis, on the following terms and conditions:

- (i) **Payment:** Smile Right will pay ACS servicing fees pursuant to a pricing schedule in respect of services provided to Smile Right by ACS.
- (ii) **Term:** commenced on 30 June 2015 and will continue for a period of 3 years until 30 June 2018 (**Term**), after which it will continue indefinitely until terminated by either party.
- (iii) **Termination by Smile Right:** Smile Right may terminate the agreement immediately upon an event of default occurring.
- (iv) **Termination by ACS:** ACS may terminate the agreement:
  - (A) by giving 14 days written notice if Smile Right commits a material breach and fails to remedy that breach; or
  - (B) immediately by written notice if Smile Right becomes insolvent.

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## **14. ADDITIONAL MATERIAL INFORMATION**

### **14.1 Litigation**

As at the date of this Prospectus, neither the Company, Woolwich or Smile Right is involved in any material legal proceedings and neither the Directors nor the Proposed Directors are aware of any material legal proceedings pending or threatened against the Company, Woolwich or Smile Right.

### **14.2 Rights and liabilities attaching to Shares (including New Shares)**

The New Shares offered under this Prospectus will be fully paid ordinary shares in the issued capital of the Company and will, upon issue, rank equally with all other Shares then on issue.

The rights and liabilities attaching to Shares are regulated by the Company's Constitution, the Corporations Act, the ASX Listing Rules, the ASX Settlement Operating Rules and common law. The following is a summary of the more significant rights and obligations attaching to the Shares (including New Shares). This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Further details of the rights attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

#### **(a) General Meetings**

Shareholders are entitled to attend and vote at general meetings of the Company, in person, or by proxy, attorney or representative.

For so long as the Company remains a listed entity, Shareholders will be entitled to receive at least 28 days' prior written notice of any proposed general meeting.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution.

#### **(b) Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at a general meeting of Shareholders or a class of Shareholders:

- (i) 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
- (ii) 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 by him or her, or in respect of which he or she is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any Shares created or raised under any special arrangement as to dividend, the Board may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares. The Board may also from time to time pay to the Shareholders such interim dividends as the Board may determine.

No dividend shall carry interest as against the Company. The Board may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Board, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Board, implement a dividend reinvestment plan on such terms and conditions as the Board thinks fit and which provides for any dividend which the Board may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he or she considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the New Shares offered the Prospectus are fully paid shares, they are not subject to any calls for money by the Company and will therefore not become liable for forfeiture.

(f) **Transfer of Shares**

Generally, Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the ASX Listing Rules.

(g) **Variation of Rights**

The rights attaching to Shares may only be varied or cancelled by the sanction of a special resolution passed at a meeting of Shareholders or with the written consent of holders of three quarters of all Shares on issue. A special resolution is passed only where approved by at least 75% of all votes cast (and entitled to be cast) on the resolution at the meeting.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(h) **Alteration of Constitution**

The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting.

### **14.3 Interests of Directors and Proposed Directors**

Other than as set out in this Prospectus, no Director or Proposed Director holds, or has held within the two years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or Proposed Director:

- (a) as an inducement to become, or to qualify as, a Director; or
- (b) for services provided in connection with:
  - (i) the formation or promotion of the Company; or
  - (ii) the Offers.

### **14.4 Interests of Experts and Advisers**

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or

- (c) underwriter (but not a sub-underwriter) to any Offer or a financial services licensee named in this Prospectus as a financial services licensee involved in any Offer,

holds, or has held within the two years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
- (i) its formation or promotion; or
- (ii) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of those persons for services provided in connection with:

- (a) the formation or promotion of the Company; or
- (b) the Offers.

#### 14.5 Consents

- (a) Other than as set out below, each of the parties referred to in this Section 14.5:
- (i) does not make, or purport to make, any statement in this Prospectus, nor is any statement in this Prospectus based on any statement by the relevant party;
- (ii) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of the party; and
- (iii) did not authorise or cause the issue of all or any part of this Prospectus.
- (b) Advanced Share Registry Services has given its written consent to being named as share registry of the Company in this Prospectus. Advanced Share Registry Services has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

#### 14.6 Expenses of the Offers

The total expenses of the Offers (excluding GST) are estimated to be as follows:

Item of Expenditure	\$1,000,000 Minimum Subscription under Public Offer (\$)	\$2,000,000 Full Oversubscriptions under Public Offer (\$)
ASIC fees	2,320	2,320
ASX fees	71,000	72,000

Adviser fees	50,000	50,000
Miscellaneous	10,000	10,000
<b>TOTAL</b>	<b>\$133,320</b>	<b>\$134,320</b>

#### **14.7 Continuous disclosure obligations**

The Company is a “disclosing entity” (as defined in Section 111AC of the Corporations Act) and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will continue to be required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

Price sensitive information will be publicly released through ASX before it is disclosed to shareholders and market participants. Distribution of other information to shareholders and market participants will also be managed through disclosure to the ASX. In addition, the Company will post this information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

#### **14.8 Governing law**

The Offers and the contracts formed on return of an Application Form are governed by the laws applicable in Western Australia, Australia. Each person who applies for Shares pursuant to this Prospectus submits to the non-exclusive jurisdiction of the courts of Western Australia, Australia, and the relevant appellate courts.

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**15. DIRECTORS' AUTHORISATION**

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director and Proposed Director has consented, and as at the date of this Prospectus has not withdrawn his consent, to the lodgement of this Prospectus with the ASIC.

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**Wayne Johnson**  
**Chairman**  
**For and on behalf of**  
**Cape Range Ltd**

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## 16. GLOSSARY AND INTERPRETATION

### 16.1 Definitions

Unless the context requires otherwise, where the following terms are used in this Prospectus, they have the following meanings:

**Applicant** means a person who has submitted an Application Form.

**Application** means an application for Shares made on an Application Form.

**Application Form** means an application form attached to or accompanying this Prospectus relating to the Offers.

**ASIC** means Australian Securities & Investments Commission.

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

**ASX Listing Rules** means the official listing rules of ASX.

**ASX Settlement Operating Rules** means the operating rules of the ASX Settlement Facility (as defined in Rule 1.1.1 and Rule 1.1.2 of the ASX Settlement Operating Rules) in accordance with Rule 1.2 which govern, inter alia, the administration of the CHESS subregisters.

**Board** means the board of Directors as constituted from time to time.

**Closing Date** means the closing date of the Offers as set out in the indicative timetable in Section 3 of this Prospectus (subject to the Company reserving the right to extend the Closing Date or close the Offers early).

**Company** or **CAG** means Cape Range Ltd (ACN 009 289 481), or the Merged Group as the context requires.

**Conditions** means the conditions to the Offers set out in Section 7.3 of this Prospectus.

**Conditional Consideration Shares** means the 250,000,000 Shares to be issued to Woolwich Shareholders in the event of achievement of the Milestone.

**Consideration Shares** means the 750,000,000 Shares to be issued to Woolwich Shareholders at completion of the Woolwich Share Sale Agreement.

**Constitution** means the constitution of the Company.

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

**Directors** means the directors of the Company as at the date of this Prospectus.

**EBITDA** means earnings before interest, tax, depreciation and amortisation.

**General Meeting** means the general meeting of the Company to be held on 31 December 2015.

**Merged Group** means the Company and its subsidiaries upon completion of the Woolwich Acquisition and Smile Right Acquisition, including Woolwich and Smile Right.



**Minimum Subscription** means the Company receiving Valid Applications for 50,000,000 New Shares under the Public Offer to raise \$1,000,000.

**Milestone** means Woolwich (and its direct subsidiaries) recording EBITDA of not less than \$500,000 in the calendar year ended 31 December 2016.

**New Share** means a Share issued pursuant to this Prospectus.

**Notice of Meeting** means the Notice of General Meeting and Explanatory Statement of the Company in relation to the General Meeting.

**Offers** means the Public Offer and the Woolwich Offer.

**Official List** means the official list of ASX.

**Official Quotation** means official quotation by ASX in accordance with the ASX Listing Rules.

**Option** means an option to acquire a Share.

**Optionholder** means a holder of one or more Options.

**Prospectus** means this prospectus.

**Proposed Directors** means Wayne Johnson, Timothy Alford and James Mitchell.

**Public Authority** means any government or governmental, semi-governmental, administrative, statutory, fiscal, or judicial body, entity, authority, agency, tribunal, department, commission, office, instrumentality, agency or organisation (including any minister or delegate of any of the foregoing), any self-regulatory organisation established under statute and any recognised securities exchange (including without limitation ASX), in each case whether in Australia or elsewhere.

**Public Offer** means the offer of Shares to the public pursuant to this Prospectus, as further detailed in Section 7.1.

**Section** means a section of this Prospectus.

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

**Shareholder** means a holder of one or more Shares.

**Share Registry** means Advanced Share Registry Services.

**Smile Right** means Smile Right Pty Ltd (ACN 601 445 041).

**Smile Right Acquisition** means the acquisition of Smile Right by Woolwich on the terms of the Smile Right Heads of Agreement.

**Smile Right Heads of Agreement** means the heads of agreement as summarised in Section 13.2 **Error! Reference source not found..**

**Transaction** means the Woolwich Acquisition, the Smile Right Acquisition and the Offers.

**Valid Application** means a valid and complete application to subscribe for New Shares under the Public Offer, accompanied by the appropriate application money in full.

**Woolwich** means Woolwich Capital Limited (ACN 605 942 130), to be renamed Woolwich Capital (Australia) Limited upon completion of the Woolwich Acquisition.

**Woolwich Acquisition** means the acquisition of Woolwich by the Company on the terms of the Woolwich Share Sale Agreement.

**Woolwich Offer** means the offer of Consideration Shares to the Woolwich Shareholders as further detailed in Section 7.2.

**Woolwich Share Sale Agreement** means the share sale agreements between the Company and each Woolwich Shareholder, as summarised in Section 13.1.

**Woolwich Shareholders** means the shareholders of Woolwich.

**WST** means Western Standard Time as observed in Perth, Western Australia.

## **16.2 Interpretation**

Unless the contrary intention appears, the following rules apply in interpreting this Prospectus:

- (a) words or phrases defined in the Corporations Act have the same meaning in this Prospectus;
- (b) a reference to legislation, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (c) the singular includes the plural and vice versa;
- (d) the word "person" includes an individual, a firm, a body corporate, a partnership, a joint venture, an unincorporated body or association, or any government agency;
- (e) a reference to Australian dollars, AUD, \$ or dollars is to the lawful currency of the Commonwealth of Australia; and
- (f) a reference to time is to WST.