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Appendix 4D Half Yearly Report

Name of Entity: Cape Range Limited
ACN: 009 289 481
Reporting Period: Half year ended 30 June 2010
Previous corresponding Period: Half year ended 30 June 2009

Results for Announcement to the Market \$A'000

Revenues from ordinary activities	No Change	0%	to	Nil
(Loss) from ordinary activities after tax attributable to members	Up	132%	to	(916)
(Loss) for the period attributable to members	Up	132%	to	(916)
Dividends	Amount per security	Franked amount per security		
Interim dividend	NIL¢	NIL¢		
Previous corresponding period	NIL¢	NIL¢		

Results Commentary

NIL.

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Net Tangible assets per security

	Current period \$	Previous corresponding period \$
Net tangible asset backing per ordinary security	0.17	0.05

Control gained over entities having material effect

N/A

Loss of control of entities having material effect

N/A

Details of aggregate share of profits (losses) of associated and joint venture entities

N/A

This report is based on:

Accounts that have been subject to audit review



Sign here:

Date: 31 August 2010

Print name: Joe Cornelius (Managing Director)

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Cape Range Limited

ACN: 009 289 481

Half Year Financial Report for the Six Months
Ended 30 June 2010

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Corporate Information

ASX Code: CAG

Directors

Mr Wayne Johnson

Mr Joe Cornelius

Mr Sean Henbury (appointed on 4 March 2010 and resigned on 21 July 2010)

Mr Faldi Ismail (resigned on 4 March 2010)

Mr Wayne Waterworth (appointed on 21 July 2010)

Company Secretary

Mr Michael Higginson (appointed on 4 March 2010)

Mr Sean Henbury (resigned on 4 March 2010)

Registered Office

c/- FJH Solutions Pty Ltd
 21 Teddington Road
 Burswood WA 6100
 Tel: (08) 9586 2333
 Fax: (08) 9355 4580

Share Registrar

Security Transfer Registrars
 770 Canning Highway
 Applecross WA 6153
 Tel: (08) 9315 0933

Principal Place of Business

Unit 3, 28 Belmont Avenue
 Belmont WA 6104
 Tel: (08) 9479 6044
 Fax: (08) 9479 4044

Auditors

Monash Corporate & Audit Pty Ltd
 Chartered Accountants
 454 Roberts Road
 Subiaco WA 6008
 Tel: (08) 9489 1600
 Fax: (08) 9489 1611

Directors' Report

The Directors submit their report on Cape Range Limited (the "Company" or "CAG") for the half year ended 30 June 2010.

In order to comply with the provisions of the Corporations Act 2001, the Directors' Report as follows:

Directors

The Directors of the Company at any time during or since the end of the financial year are set out below.

Mr Wayne Johnson

Mr Joe Cornelius

Mr Sean Henbury (appointed on 4 March 2010 and resigned on 21 July 2010)

Mr Faldi Ismail (resigned on 4 March 2010)

Mr Wayne Waterworth (appointed on 21 July 2010)

The above named Directors held office during and since the end of the half year except for Mr Sean Henbury, Mr Faldi Ismail and Mr Wayne Waterworth.

Review and Results of Operations

The loss after tax for the half year ended 30 June 2010 attributable to the member of the Company was \$915,961 (30 June 2009: loss of \$395,947). The loss for the half year ended 30 June 2010 was mainly attributable to the review and evaluation of projects of interest to the Company.

The Company's principal activities in the course of the financial period were investment in entities and businesses involved in telecommunications and other information technology; however with the recent trend in the gold price, the Company has announced that it is currently focusing on gold projects primarily within the African continent.

On 17 February 2010 the Company announced that it had completed the final allotment of 249,125,000 ordinary shares raising a total of \$1,596,200.

On 23 February 2010 the Company announced that it had entered into an option agreement to acquire up to a 90% equity interest in the Kadoma Gold Project in Zimbabwe. The project is located 140km south west of Harare on the main road to Bulawayo. Kadoma has all the necessary infrastructure and logistics in place for mineral exploration operations.

The option, if exercised, allows CAG to acquire 51% of Sab Rock Miners (Private) Limited (SRM), an entity that has the mineral rights to gold prospects within the Kadoma area, for a consideration of US\$550,000. This project has been made available to the Company via a Deed of Assignment from both Africa Pacific (Hong Kong) Limited and SRM. As Assignor, Africa Pacific (Hong Kong) Limited would receive fully paid shares in CAG to the value of \$2 million, subject to shareholders' approval.

The agreement is subject to completion of due diligence by CAG together with approval from the appropriate regulatory bodies and shareholders.

Directors' Report

On 6 July 2010 the Company announced that it had entered into an option agreement with Ox Mining (PVT) Ltd (OXM), a Zimbabwean gold producing company. The Company has since announced that it is satisfied with its initial due diligence and intends to proceed with the acquisition of an initial 10% equity interest in OXM.

OXM has several gold projects in the vicinity of the City of Kadoma. The Inez Gold Mine is OXM's most advanced project and is located approximately 30km east of Kadoma.

CAG may acquire the first 10% equity in OXM by payment of US\$1.5 million in cash over six months. Upon completion of due diligence, CAG has an option to acquire a further 41% equity in OXM by payment of US\$2 million in cash and US\$6 million equivalent in CAG shares. The Company has up to six months to complete due diligence, if required, CAG will also commit to spending up to US\$2 million in underground development costs at the Inez Mine.

Upon completion of the above mentioned stages, CAG can elect to acquire a further 39% in OXM (ie equity holding of 90% in OXM) by payment of US\$15 per ounce in the JORC resource category. This payment is a combination of cash and CAG shares.

CAG will be required to re-comply with Chapters 1 and 2 of the ASX Listing Rules as the Company is changing the nature and scale of its business. This process requires shareholder approval and the issue by the Company of a full form Prospectus that will also allow the raising of funds through the issue of shares at a minimum issue price of \$0.20 each post compliance with Chapters 1 and 2 of the ASX listing rules. The Company will soon be releasing a Notice of Meeting which will include a detailed Information Memorandum which includes the proposed structure and timing for re-compliance.

Auditor's Independence Declaration

The auditor's independence declaration for the half year ended 30 June 2010 has been received and can be found on page 17.

Signed in accordance with a resolution of the Board of Directors made pursuant to Section 306(3) of the Corporations Act 2001.

On behalf of the Directors



Joe Cornelius
Managing Director

Perth, Western Australia

Date: 31st day of August 2010

CAPE RANGE LIMITED

Statement of Comprehensive Income

For the Six Months Ended 30 June 2010

	30 June 2010 \$	30 June 2009 \$
Continuing operations		
Other income	28,469	4,002
Impairment on investment in subsidiaries	-	(276,824)
Depreciation	(1,832)	-
ASIC fees	(1,183)	-
ASX fees	(12,232)	-
Share registry fees	(12,642)	-
Accounting fees	(57,002)	(19,671)
Audit fees	(13,064)	(37,110)
Consultants fees	(552,763)	-
Legal and professional fees	(10,234)	(18,232)
Directors fees	(148,318)	(24,036)
Occupancy expenses	(21,736)	-
Travel and accommodation fees	(104,735)	-
Other expenses	(8,689)	(24,076)
Loss before income tax benefit	(915,961)	(395,947)
Income tax benefit	-	-
Net loss for the period	(915,961)	(395,947)
Total comprehensive loss for the period attributable to the owners of the Company	(915,961)	(395,947)
Basic loss per share	(0.0013)	(0.0011)
Diluted loss per share	(0.0013)	(0.0011)

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

CAPE RANGE LIMITED

Statement of Financial Position

As at 30 June 2010

	Notes	30 June 2010 \$	31 December 2009 \$
Current Assets			
Cash and cash equivalents		1,375,374	939,372
Trade and other receivables		122,162	73,132
Total Current Assets		1,497,536	1,012,504
Non-Current Assets			
Other financial assets	6	136,986	136,986
Plant and equipment		26,818	5,383
Total Non-Current Assets		163,804	142,369
Total Assets		1,661,340	1,154,873
Non-Current Liabilities			
Trade and other payables		13,000	96,402
Secured loan	6	136,986	136,986
Total Non-Current Liabilities		149,986	233,388
Total Liabilities		149,986	233,388
Net Assets		1,511,354	921,485
Equity			
Equity	7	5,454,579	3,948,749
Reserves		54,000	54,000
Accumulated losses		(3,997,225)	(3,081,264)
Total Equity		1,511,354	921,485

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

CAPE RANGE LIMITED

Statement of Changes in Equity

For the Six Months Ended 30 June 2010

	Issued Capital \$	Share-based Payment Reserves \$	Accumulated Losses \$	Total \$
Balance as at 1 January 2009	2,635,000	-	(2,060,108)	574,892
Net loss for the period	-	-	(395,947)	(395,947)
Total comprehensive income for the year	-	-	-	-
Balance as at 30 June 2009	<u>2,635,000</u>	-	<u>(2,456,055)</u>	<u>178,945</u>
Balance as at 1 January 2010	3,948,749	54,000	(3,081,264)	921,485
Net loss for the period	-	-	(915,961)	(915,961)
Total comprehensive income for the period	-	-	-	-
New shares issues	1,505,830	-	-	1,505,830
Balance as at 30 June 2010	<u>5,454,579</u>	<u>54,000</u>	<u>(3,997,225)</u>	<u>1,511,354</u>

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

CAPE RANGE LIMITED

Statement of Cash Flows

For the Six Months Ended 30 June 2010

	Note	30 June 2010 \$	30 June 2009 \$
Cash Flows From Operating Activities			
Payments to suppliers and employees		(1,074,664)	(137,908)
Interest received		28,103	-
Net cash (used in) operating activities	5	<u>(1,046,561)</u>	<u>(137,908)</u>
Cash Flows From Investing Activities			
Payment for purchase of plant and equipment		(23,267)	-
Net cash (used in) investing activities		<u>(23,267)</u>	<u>-</u>
Cash Flows From Financing Activities			
Net proceeds from issue of shares		1,505,830	-
Net cash from financing activities		<u>1,505,830</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		436,002	(137,908)
Cash and cash equivalents at beginning of period		939,372	406,178
Cash and cash equivalents at end of period		<u>1,375,374</u>	<u>268,270</u>

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

CAPE RANGE LIMITED
Notes to the Financial Statements
For the Six Months Ended 30 June 2010

1. Reporting Entity

Cape Range Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange Limited ("ASX"). The Company's registered office is c/- FJH Solutions Pty Ltd, 21 Teddington Road, Burswood WA 6100.

2. Statement of Compliance

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 134 *Interim Financial Reporting*. The half-year financial report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report and considered together with any public announcements made by Cape Range Limited during the half year ended 30 June 2010 in accordance with the continuous disclosures obligations of the ASX listing rules.

3. Basis of Preparation

The financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The half-year financial report does not include all the types of notes normally included within the annual financial report and therefore cannot be expected to provide as full understanding of the financial position, financial performance and financing and investing activities of the Company as the year-end financial report. The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2009 annual financial report for the financial year ended 31 December 2009 and the previous corresponding half-year period, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

In the current half year, the Company has adopted all of the applicable new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. Details of the impact of the adoption of the applicable new or revised standards are set out below.

AASB 3 *Business Combinations (Revised)* and AASB 127 *Consolidated and Separate Financial Statements*

- The standard has been applied prospectively to business combinations for which the acquisition date is on or after 1 July 2009. The standard allows a choice on a transaction-by-transaction basis for the measurement of non-controlling interests either at fair value or at the non-controlling interests share of the fair value of the identifiable net assets of the acquirer. The standard changes the recognition and subsequent accounting requirements for contingent consideration. The standard requires the acquisition-related costs be accounted for separately from the business combination, generally leading to those costs being recognised as an expense in profit or loss as incurred.

CAPE RANGE LIMITED
Notes to the Financial Statements
For the Six Months Ended 30 June 2010

4. Subsidiaries

	<u>Principle Activities</u>	<u>Country of Incorporation</u>	<u>2010 %</u>	<u>Status</u>
Cape Range Wireless Inc (i)	Research & development and sale of equipment	USA	100	Under the control of Creditors' Trust
Cape Range Wireless Malaysia Sdn Bhd (i)	Research & development and sale of equipment	Malaysia	100	Under the control of Creditors' Trust
Arcadian Wireless (Hong Kong) Limited (ii)	Non-trading	Hong Kong	100	In the process of de-registration

(i) Foreign Subsidiaries

The Company's Arcadian Technology is held across three entities comprising the Company, its wholly owned American subsidiary (Cape Range Wireless Inc) and its wholly owned Malaysian subsidiary (Cape Range Wireless Malaysia Sdn Bhd) (collectively referred to as the "Foreign Subsidiaries"). The Company has transferred the shares in the Foreign Subsidiaries to the Creditors' Trust and the Company initially had six months, following reinstatement to the Australian Stock Exchange Limited, to determine whether it intends to further commercialise the Arcadian Technology, (see below). If it does retain the Technology the Company must issue an additional 15,000,000 shares to the Creditors' Trust at a deemed issue price of \$0.01 each to re-transfer the shares in the Foreign Subsidiaries from the Creditors' Trust to the Company.

On 11 January 2010 the Company announced that with the recent trend in the gold price, the Company would be focusing on gold projects primarily within the African continent. In accordance with this, the Company has entered into an option agreement to acquire up to 90% equity of the Kadoma Gold Project in Zimbabwe and has recently indicated that it intends to proceed with the acquisition of up to a 90% equity interest in Ox Mining (PVT) Ltd.

As such, the Company has considered that the Arcadian Technology is not commercially viable for the Company at this time. Final decision will be made upon the shareholders' approval at the general meeting. The Company will therefore firstly offer to transfer its right, title and interest in the Arcadian Technology to the Creditors' Trust subject to due diligence by the Trustee. Should the Trustee of Creditors' Trust refuse to accept the Arcadian Technology for any reason, the Company would be in a position to dispose of the Arcadian Technology as it considers appropriate (subject to Shareholder approval if required at that point in time).

The Directors of the Company are of the opinion that there will be no contingent liabilities for the transfer or disposal of the Foreign Subsidiaries and Arcadian Technology.

The Directors consider that Cape Range Wireless Inc and Cape Range Wireless Malaysia Sdn Bhd are under the Creditors' Trust and shall not be included in the consolidation of the Company as they are not under the Company's control during the period.

(ii) Arcadian Wireless (Hong Kong) Limited

Arcadian Wireless (Hong Kong) Limited is in the process of de-registration and no profit and loss items were noted for the six months ended 30 June 2010 and no assets and liabilities items were noted as at 30 June 2010.

CAPE RANGE LIMITED
Notes to the Financial Statements
For the Six Months Ended 30 June 2010

5. Reconciliation of operating loss after income tax to net cash (outflow) from operating activities

	30 June 2010	30 June 2009
	\$	\$
Loss for the half-year	(915,961)	(395,947)
Add: Depreciation	1,832	-
Change in operating assets and liabilities		
Decrease / (increase) in trade and other receivables	48,035	190,231
Increase / (decrease) in trade and other payables	(180,467)	67,808
Cash (outflow) from operating activities	(1,046,561)	(137,908)

6. Other Financial Assets

	30 June 2010	31 December 2009
	\$	\$
Investments in Peoples Tel	136,986	136,986
	136,986	136,986

On 31 December 2005 the Company invested \$136,986 (US\$100,000) for an interest in Peoples Telecommunications and Information Services Ltd ("Peoples Tel"). The Company retains its interests in Peoples Tel. The Directors initially had six months from the date of re-quotations of the Company's shares to assess the commercial viability of this investment. If the Company intends to retain its investment in Peoples Tel it must pay the Secured Creditor (a) \$136,986 representing the secured loan of \$136,986 in the statement of financial position as at 30 June 2010; (b) \$400,000 representing an investment premium; and (c) an amount representing the Company's pro rata share of monies incurred by the Secured Creditor in pursuing litigation in relation to Peoples Tel during the period from 11 October 2006 to the conclusion of due diligence period.

On 11 January 2010 the Company announced that with the recent trend in the gold price, the Company would be focusing on gold projects primarily within the African continent. In accordance with this, the Company has entered into an option agreement to acquire up to 90% equity of the Kadoma Gold Project in Zimbabwe and has recently indicated that it intends to proceed with the acquisition of up to a 90% equity interest in Ox Mining (PVT) Ltd.

As such, the Company has considered not to retain the Peoples Tel investment. The Secured Creditor has the right to call up the secured loan which will result in the Peoples Tel investment being forfeited to the Secured Creditor in full and final settlement of the secured loan. Final decision will be made upon the shareholders' approval at the general meeting.

No financial obligations have been included in the accounts for additional costs of retaining the investment.

The Directors of the Company are of the opinion that there will be no contingent liabilities for the transfer or disposal of Peoples Tel.

CAPE RANGE LIMITED
Notes to the Financial Statements
For the Six Months Ended 30 June 2010

7. Share Capital

	2010 No.	2010 \$	2009 No.	2009 \$
Fully paid ordinary shares	879,817,640	5,454,579	630,692,640	3,948,749
30 June 2010				
	No	\$		
Issue of ordinary shares during the period				
Balance as at 1 January 2010			630,692,640	3,948,749
249,125,000 new shares at \$0.0064 issued on 18 February 2010			249,125,000	1,596,200
Capital raising costs				(90,370)
Issued capital as at 30 June 2010			879,817,640	5,454,579

Ordinary shares

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

8. Shares Option

Unissued ordinary shares of Cape Range Limited under option as at 30 June 2010 are as follows:

	No.	Grant Date	Expiry Date	Exercise Price \$
Issued 18 February 2010	249,125,000	18/02/10	01/02/13	\$0.008
Issued 24 December 2009	62,000,000	24/12/09	31/01/13	\$0.02
Issued 24 April 2008	60,000,000	24/04/08	31/12/11	\$0.01
Issued 20 March 2008	40,000,000	20/03/08	31/12/11	\$0.01
Issued 16 January 2006	167,164	16/01/06	08/08/10	\$1.20
	411,292,164			

1:1 free attaching options each exercisable at \$0.008 and expiring 1 February 2013 were issued for issuing of 249,125,000 fully paid ordinary shares on 18 February 2010.

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

10,029,829 options with an exercise price of \$0.02 per share on or before 8 August 2010 were consolidated on a 60 for 1 basis to become 167,164 options with an exercise price of \$1.20 per share on or before 8 August 2010.

9. Dividends

No dividend has been paid or proposed in respect of the current or previous half year.

CAPE RANGE LIMITED
Notes to the Financial Statements
For the Six Months Ended 30 June 2010

10. Segment Information

The Company has adopted AASB 8 *Operating Segments* with effect from 1 January 2009. AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. The adoption of AASB 8 has not resulted in any changes to the segments that are disclosed in the annual financial statements, as the segments are consistent with the internal management reporting information that is regularly reviewed by the chief operating decision maker.

The Company engages in one business activity from which it earns revenues, being investment management, and its results are analysed as a whole by the chief operating decision maker. Consequently revenue, profit and net assets for the operating segment are the amounts reflected in the half year review report.

11. Related Party Transactions

During the period, the Company has paid \$23,668, \$125,000, \$Nil and \$Nil (30 June 2009: \$Nil, \$Nil, \$20,000 and \$3,636), directors' fees to Wayne Johnson, Joe Cornelius, Faldi Ismail and Sean Henbury, respectively. In addition, \$47,664 (30 June 2009: \$19,670) accounting and secretarial fees was paid to FJH Solutions Pty Ltd, a related company of Sean Henbury for the half year ended 30 June 2010.

12. Commitments for Expenditures

Operating leases

Lease arrangements

The Company entered into an office lease on 1 October 2009. The lease is non-cancellable operating lease expiring in one year. Leases generally provide the Company with a right of renewal at which time all terms are re-negotiated.

	30 June 2010	31 December 2009
	\$	\$
Operating lease commitments		
Not later than 1 year	28,080	36,360
Later than 1 year and not later than 5 years	-	9,360
	28,080	45,720

13. Contingent Liabilities

No contingent liabilities were noted for the Company for the six months ended 30 June 2010.

14. Subsequent Events

OX Mining Project

On 6 July 2010 the Company announced that it had entered into an Option Agreement with Ox Mining (PVT) Ltd (OXM), a Zimbabwean gold producing company. The Company has since announced that it is satisfied with its due diligence in relation to this project and will proceed with the acquisition of up to a 90% equity interest in OXM.

OXM has several gold projects in the vicinity of the City of Kadoma. The Inez Gold Mine is OXM's most advanced project and is located approximately 30km east of Kadoma.

CAG may acquire the first 10% equity in OXM by payment of US\$1.5 million in cash over six months. Upon completion of due diligence, CAG has an option to acquire a further 41% equity in OXM by payment of US\$2 million in cash and US\$6 million equivalent in CAG shares. The Company has up to six months to complete due diligence, if required, CAG will also commit to spending up to US\$2 million in underground development costs at the Inez Mine.

CAPE RANGE LIMITED
Notes to the Financial Statements
For the Six Months Ended 30 June 2010

Upon completion of the above mentioned stages, CAG can elect to acquire a further 39% in OXM (ie equity holding of 90% in OXM) by payment of US\$15 per ounce in the JORC resource category. This payment is a combination of cash and CAG shares.

CAG will be required to re-comply with Chapters 1 and 2 of the ASX Listing Rules as the Company is changing the nature and scale of its business. This process requires shareholder approval and the issue by the Company of a full form Prospectus that will also allow the raising of funds through the issue of shares at a minimum issue price of \$0.20 each post compliance with Chapters 1 and 2 of the ASX listing rules. The Company will soon be releasing a Notice of Meeting which will include a detailed Information Memorandum which includes the proposed structure and timing for re-compliance.

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

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Directors' Declaration

In the Directors' opinion:

- a. the financial statements and notes set out on pages 4 to 13 are in accordance with the Corporations Act 2001, including:
- (i) giving a true and fair view of the Company's financial position as at 30 June 2010 and of its performance, as represented by the results of its operations, changes in equity and its cash flows, for the six months ended on that date;
 - (ii) complying with Accounting Standards AASB 134 *Interim Financial Reporting*, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (iii) complying with International Financial Reporting Standards as disclosed in note 2 to the financial statements.
- b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the Corporations Act 2001 for the financial period ended 30 June 2010.

On behalf of the Board



Joe Cornelius
Managing Director

Perth, Western Australia

Date: 31st day of August 2010

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

Report on the condensed half-year financial report

We have reviewed the accompanying condensed half-year financial report of Cape Range Limited (the "Company") which comprises the statement of financial position as at 30 June 2010, the statement of comprehensive income, statement of changes in equity and statements of cash flows for the six months ended on that date, other selected explanatory notes and the directors' declaration for the Company.

Directors' responsibility for the condensed half-year financial report

The directors of the Company are responsible for the preparation of the condensed half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the condensed half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the condensed half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Company's financial position as at 30 June 2010 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: *Interim Financing Reporting* and the Corporations Regulations 2001. As the auditor of Cape Range Limited during the half-year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a condensed half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Cape Range Limited on 31 August 2010, would be unchanged if provided to the directors as at the date of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us to believe that the condensed half-year financial report of Cape Range Limited is not in accordance with the Corporation Act 2001 including;

- a) giving a true and fair view of the Company's financial position as at 30 June 2010 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134: *Interim Financing Reporting* and the Corporations Regulations 2001.

Monash Corporate & Audit Pty Ltd

Monash Corporate & Audit Pty Ltd
Registered Audit Company



Sharon Leong
Director

Perth

31st August 2010



AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

In accordance with section 307C of the Corporations Act 2001, I provide the following declaration of independence to the Directors of Cape Range Limited.

As lead auditor for the review of Cape Range Limited and for the half year ended 30 June 2010, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- any applicable code of professional conduct in relation to the review.

This declaration is in respect of Cape Range Limited and the entities it controlled during the half year.

Monash Corporate & Audit Pty Ltd

Monash Corporate & Audit Pty Ltd
Registered Audit Company

Sharon Leong
Director

Perth

31st August 2010

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