

This document is important and requires your immediate attention. If you are in doubt as to how to respond to the Altagem Offer, you should consult with your investment dealer, stockbroker, bank manager, lawyer or other professional advisor.

**HRTRACK SOFTWARE INTERNATIONAL INC.  
d.b.a. soft-Q.com**

**DIRECTORS' CIRCULAR**

**Recommending Acceptance of the Offer by**

**Altagem Resources Inc.**

**Dated September 21, 2000**

**to Purchase All of the Outstanding Common Shares and Common Shares to be  
issued upon the exercise of Special Warrants of**

**Hrtrack Software International Inc.**

**NOTICE TO U.S. SHAREHOLDERS**

The tender offer referred to herein is made for the securities of a Canadian issuer and while the offer is subject to Canadian disclosure requirements, investors should be aware that these requirements are different from those of the United States.

The enforcement by investors of civil liabilities under the United States federal securities laws may be affected adversely by the fact that Hrtrack Software International Inc. is located in Calgary, Alberta, Canada, and that all of its officers and directors are Canadian residents.

**September 21, 2000**

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## HRTRACK SOFTWARE INTERNATIONAL INC.

### DIRECTORS' CIRCULAR

This Directors' Circular is issued by the Board of Directors (the "Directors") of Hrtrack Software International Inc. ("Hrtrack" or the "Corporation") in connection with the offer dated September 21, 2000 (the "Altagem Offer") by Altagem Resources Inc. ("Altagem") to purchase all the issued and outstanding common shares (the "Hrtrack Shares"), including all of the common shares to be issued upon the exercise of outstanding special warrants (the "Hrtrack Special Warrants") of the Corporation on the basis of three (3) common shares of Altagem ("Altagem Shares") for each one (1) Hrtrack Share upon the terms and subject to the conditions set forth in the Altagem Offer and offering circular (collectively, the "Offering Circular") of Altagem dated September 21, 2000. The expiry date of the Altagem Offer is October 23, 2000, (the "Expiry Date") unless otherwise withdrawn or extended.

The terms and conditions of the Altagem Offer, the method of acceptance of the Altagem Offer and other information relating to the Altagem Offer, are set out in the Altagem Offer and the accompanying Offering Circular.

**The Offer is made only for Hrtrack Shares. Although the Offer is not made for Special Warrants, a holder of Special Warrants may participate in the Offer either by exercising his Special Warrants and tendering the Hrtrack Shares received thereby to the Offer, or by depositing his Hrtrack Special Warrants with the Depository and completing the appropriate sections of the Letter of Transmittal. By so doing, a holder of Special Warrants will be deemed to have exercised his Hrtrack Special Warrants (and deemed to have been issued Hrtrack Shares) immediately prior to Altagem taking up and paying for Hrtrack Securities pursuant to the Offer. In the case of the Special Warrants issued pursuant to the private placement offering memorandum completed by Hrtrack, the deemed exercise of such Hrtrack Special Warrants will result in the deemed receipt (and subsequent tender) of the corresponding number of Hrtrack Shares.**

Unless otherwise indicated herein, all dollar amounts set forth in this Directors' Circular are in Canadian dollars.

Reference is made to the Offering Circular for, among other things, details of the terms of the Altagem Offer, details of the conditions of the Altagem Offer and details relating to the compulsory acquisition or "squeeze-out" of Hrtrack Shares.

#### DIRECTORS' RECOMMENDATION

#### ACCEPTANCE RECOMMENDED

**THE BOARD OF DIRECTORS OF HRTRACK UNANIMOUSLY  
RECOMMENDS THAT THE ALTAGEM OFFER BE ACCEPTED AND THAT  
HOLDERS OF HRTRACK SHARES TENDER THEIR HRTRACK SHARES  
IN  
RESPONSE TO THE ALTAGEM OFFER**

Holders of Hrtrack Shares ("Hrtrack Shareholders") should consider the Altagem Offer carefully. Hrtrack Shareholders who are in doubt as to how to respond to the Altagem Offer should consult with their investment dealer, stockbroker, bank manager, lawyer or other professional advisor.

### **BACKGROUND TO THE ALTAGEM OFFER**

Representatives of Altagem and Hrtrack began negotiations about a possible business combination in early September of 1999.

On September 16, 1999, Altagem and Hrtrack entered into a Letter of Intent with respect to a business combination of the two companies by way of an acquisition by Altagem of all of the Hrtrack Shares in exchange for Altagem Shares.

Subsequent to the Letter of Intent certain securityholders of Hrtrack, including management, insiders and proposed directors, have agreed to tender to the Altagem Offer an aggregate of 4,590,375 Hrtrack Shares representing approximately 49.6% of the issued and outstanding shares of Hrtrack as at the date of this Directors' Circular.

### **REASONS FOR RECOMMENDATION**

The Board of Directors has carefully considered the Altagem Offer and has unanimously concluded that the Altagem Offer is fair and adequate for the following reasons:

1. the terms of the Altagem Offer;
2. the knowledge and views of the Board of Directors as to the alternatives available to the Corporation and its securityholders;
3. the knowledge and views of the Board of Directors as to the business, operations, financial position, financing opportunities available to, and prospects of, Hrtrack and the risks involved in achieving those prospects;
4. information relating to the business, operations, financial position, financing opportunities available to, and prospects of, Altagem and the risks involved in achieving those prospects;
5. the historical market prices, recent trading patterns and financial information relating to other companies engaged in the same business as Hrtrack;
6. information relating to financial conditions, results of operations and business of Hrtrack and Altagem, on both an historical and a prospective basis, and current economic and market conditions generally and particularly in the software industry;
7. the proposed Board of Directors of the continuing entity will be composed of mainly Hrtrack board members;
8. the combined entity's greater size base should enable it to increase its ability to compete effectively and its access to external capital;

9. the exchange of Hrtrack Shares for securities of a publicly traded entity (Altagem) will result in improved liquidity of investment for holders of Hrtrack Shares; and
10. Hrtrack Shareholders who are Canadian residents will, subject to any necessary filings required under the *Income Tax Act* (Canada), generally be able to exchange their Hrtrack Shares for Altagem Shares under the Altagem Offer on a tax deferred basis under Canadian federal income tax legislation.

**Notwithstanding the recommendation of the Board of Directors that Hrtrack Securityholders accept the Altagem Offer, Shareholders should make their own decision whether to tender their Hrtrack Shares to the Altagem Offer and should consult with their own financial or legal advisers.**

Hrtrack Shareholders wishing to accept the Altagem Offer should complete the required documents carefully. Shareholders should refer to the Offering Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery.

#### **INTENTIONS WITH RESPECT TO THE ALTAGEM OFFER**

The following directors, proposed directors and senior officers of Hrtrack and, to the knowledge of the directors and senior officers of Hrtrack after reasonable inquiry, their respective associates, any person or company holding more than 10% of the outstanding Hrtrack Shares or any person or company acting jointly or in concert with Hrtrack, have stated their intentions to accept the Altagem Offer in respect of all of the Hrtrack Shares that such persons may beneficially own.

<b>Name and Municipality</b>	<b>Position with Hrtrack</b>	<b>Number of Hrtrack Common Shares Held</b>
Kenneth Prather Calgary, AB	Chief Executive Officer and Director	1,546,875
Arlette Prather Calgary, AB	Insider	1,546,875
Milo L. (Budd) Melvin Calgary, AB	Director	334,500
Gary E. Nason Calgary, AB	Director	143,750
Brad Prather Calgary, AB	Operations Manager	380,000
Sean Nason Calgary, AB	Research & Development Manager	215,250
Jack Yee Calgary, AB	Proposed Director, Corporate Development Officer	345,000
Siegfried A. Gutsche Calgary, AB	Proposed Director	78,125

The directors, proposed directors, and officers of the Corporation have agreed to tender to the Altagem Offer all of the Hrtrack Shares which they beneficially own. The current directors and officers of the Corporation have agreed to deposit, in the aggregate 2,965,375 Hrtrack Shares representing approximately 32.0% of the issued and outstanding Hrtrack Shares.

## THE ACQUISITION AGREEMENT

No formal acquisition agreement other than the Letter of Intent has been entered into and none is contemplated.

### CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

**HOLDERS OF HRTRACK SHARES ARE ADVISED THAT THERE EXISTS IMPORTANT TAX CONSIDERATIONS RELEVANT TO A DECISION TO TENDER THEIR HRTRACK SHARES TO THE ALTAGEM OFFER WHICH NEED TO BE REVIEWED BY THEM IN CONSULTATION WITH THEIR PROFESSIONAL ADVISORS. PLEASE SEE IN THIS REGARD THE "CANADIAN FEDERAL INCOME TAX CONSIDERATIONS" SECTIONS SET OUT IN THE ALTAGEM OFFER.**

### LOCK- UP AGREEMENTS

Various Hrtrack Shareholders, holding an aggregate of 4,590,375 Hrtrack Shares, have agreed to deposit their Hrtrack Shares to the Altagem Offer.

### DIRECTORS AND SENIOR OFFICERS OF HRTRACK AND OWNERSHIP OF SECURITIES OF HRTRACK

The names of the directors and senior officers of Hrtrack and the respective numbers of Hrtrack Shares owned or over which control or direction is exercised, as at the date hereof, by each director and senior officer of Hrtrack and, to the knowledge of the directors and senior officers of Hrtrack, after reasonable enquiry, each associate of a director or senior officer of Hrtrack and any person or company acting jointly or in concert with Hrtrack, are as follows:

<b>Name and Municipality</b>	<b>Position with Hrtrack</b>	<b>Number of Hrtrack Common Shares Held</b>
Kenneth Prather Calgary, AB	Chief Executive Officer and Director	1,546,875
Arlette Prather Calgary, AB	Insider	1,546,875
Milo L. (Budd) Melvin Calgary, AB	Director	334,500
Gary E. Nason Calgary, AB	Director	143,750
Brad Prather Calgary, AB	Operations Manager	380,000
Sean Nason Calgary, AB	Research & Development Manager	215,250
Jack Yee Calgary, AB	Proposed Director, Corporate Development Officer	345,000

As of the date hereof, the directors and senior officers of Hrtrack and, to the knowledge of the directors and senior officers of Hrtrack, after reasonable enquiry, their respective associates, as a group beneficially own, directly or indirectly, or exercise control or direction over 4,512,250 Hrtrack Shares representing approximately 48.7% of the issued and outstanding Hrtrack Shares.

## **PRINCIPAL HOLDERS OF SECURITIES**

To the knowledge of the directors and senior officers of Hrtrack, after reasonable enquiry, there is no person or company who, at the date hereof, holds or owns, directly or indirectly, or exercises control or direction over, more than 10% of the outstanding Hrtrack Shares, except for Kenneth Prather who exercises control over 1,546,875 Hrtrack Shares and Arlette Prather who exercises control over 1,546,875 Hrtrack Shares each representing approximately 16.7% of the issued and outstanding Hrtrack Shares.

## **OWNERSHIP OF SECURITIES OF ALTAGEM**

To the knowledge of the directors of Hrtrack, none of the directors and/or senior officers of the Hrtrack and their associates, or any person or company holding more than 10% of the outstanding Hrtrack Shares, owns or exercises control or direction over any securities of Altagem. To the knowledge of the directors and senior officers of Hrtrack, no person or company acting jointly or in concert with Hrtrack, owns or exercises control over any securities of Altagem.

## **RELATIONSHIP BETWEEN ALTAGEM AND THE DIRECTORS AND SENIOR OFFICERS OF HRTRACK**

With the exception of Jack Yee who is a director of Altagem, none of the directors or senior officers of Hrtrack are directors or senior officers of Altagem or any of its subsidiaries. Other than as disclosed below, there are no arrangements or agreements made or proposed to be made between Altagem and any of the directors or senior officers of Hrtrack, including arrangements or agreements with respect to compensation for loss of office or as to their remaining in or retiring from office if the Altagem Offer is successful.

As disclosed in the Altagem Offer in connection with the proposed reverse takeover, Altagem has nominated and appointed, subject to completion of the proposed reverse takeover, a board of directors consisting of Ken Prather, Milo L. Melvin, Gary Nason (all of whom are current directors of Hrtrack), Jack Yee (an officer of Hrtrack), Siegfried Gutsche and Bruce K. Meyer. See "Altagem Offer - Post Reverse Takeover Directors".

Additionally, once the proposed reverse takeover is completed, management of Hrtrack will assume the management of the post reverse takeover corporation. It is intended that current management contracts which are in place will be honoured.

Current employment contracts exist for each of Kenneth Prather, Richard LeBlanc, Milo L. (Budd) Melvin, Sean Nason, Brad Prather which specify respective annual compensations of \$144,000, \$80,000, \$81,600, \$66,000 and \$66,000. It is intended such contracts will continue as obligations of the post reverse takeover entity.

## **AGREEMENTS BETWEEN HRTRACK AND THE DIRECTORS AND SENIOR OFFICERS OF HRTRACK**

There are no arrangements or agreements made or proposed to be made between Hrtrack and any of the directors or senior officers of Hrtrack pursuant to which a payment or other

benefit is to be made or given by way of compensation for loss of office or as to their remaining in or retiring from office if the Altagem Offer is successful.

**INTERESTS OF DIRECTORS, SENIOR OFFICERS AND OTHERS IN  
MATERIAL CONTRACTS WITH ALTAGEM**

Other than the Letter of Intent, none of the directors or senior officers of Hrtrack or their associates or, to the knowledge of the directors and senior officers of Hrtrack, after reasonable enquiry, any person or company who owns more than 10% of the Hrtrack Shares, has any interest in any material contract or transaction to which Altagem is a party.

**TRADING IN SECURITIES OF HRTRACK BY  
DIRECTORS AND SENIOR OFFICERS**

Neither Hrtrack nor any of the directors or senior officers of Hrtrack and to the knowledge of the directors and senior officers of Hrtrack, after reasonable enquiry, none of such person's associates nor any person holding more than 10% of the Hrtrack Shares nor any person or company acting jointly or in concert with Hrtrack has traded in securities of Hrtrack during the six month period preceding the date of the Altagem Offer.

Except as set forth below, there have been no Hrtrack Shares or shares convertible into Hrtrack common shares issued to any director or senior officer of Hrtrack during the two year period preceding the date of the Altagem Offer.

<b>Name</b>	<b>Date</b>	<b>Options Granted <sup>(1)</sup></b>	<b>Shares Issued</b>	<b>Price per Share</b>
Milo L. (Budd) Melvin	05/21/1998	---	12,500	\$0.40
Ross Weppler	06/30/1998	---	10,000	\$0.32
Milo L. (Budd) Melvin	07/31/1998	---	4,000	\$0.32
Arlette Prather	12/31/1998	---	1,546,875	\$0.0000004
Kenneth Prather	12/31/1998	---	1,546,875	\$0.0000004
Brad Prather	05/21/1998	---	200,000	\$0.001
Milo L. (Budd) Melvin	05/21/1998	---	200,000	\$0.001
Arlette Prather	05/21/1998	---	1	\$0.117
Kenneth Prather	05/21/1998	---	1	\$0.117
Sean Nason	05/21/1998	---	200,000	\$0.001
Gary Nason	04/30/1999	---	65,625	\$0.32
Milo L. (Budd) Melvin	09/30/1999	---	28,750	\$0.32
Sean Nason	10/25/1999	---	7,500	\$0.40
Milo L. (Budd) Melvin	11/04/1999	---	25,000	\$0.40
Sean Nason	01/17/2000	---	8,750	\$0.40
Gary Nason	01/17/2000	---	78,125	\$0.32
Jack Yee	02/29/2000	---	112,500	\$0.40
Milo L. (Budd) Melvin	03/24/2000	---	33,000	\$0.32

Name	Date	Options Granted <sup>(1)</sup>	Shares Issued	Price per Share
Brad Prather	03/24/2000	---	180,000	\$0.40
Sean Nason	08/18/2000	---	5,000	\$0.40

### **RESPONSES TO THE ALTAGEM OFFER**

Except as otherwise described or referred to herein, Hrtrack has not entered into any transaction, agreement in principle or signed contract or passed any board resolution in response to the Altagem Offer nor are there any negotiations underway in response to the Altagem Offer which relate to or would result in an extraordinary transaction such as a merger or reorganization involving Hrtrack or a subsidiary, the purchase, sale or transfer of a material amount of assets by Hrtrack or a subsidiary, an issuer bid for or other acquisition of securities by Hrtrack, or any material change in the present capitalization or dividend policy of Hrtrack.

### **RECENT DEVELOPMENTS**

Except as otherwise described or referred to herein or in the Offering Circular, the directors and senior officers of Hrtrack are not aware of any information that indicates any material change in the affairs, financial position or prospects of Hrtrack since June 30, 2000 the date of the last unaudited financial statements of Hrtrack.

### **ARRANGEMENTS AND AGREEMENTS WITH ALTAGEM AND INTERESTS IN MATERIAL CONTRACTS**

Except as otherwise described or referred to herein or in the Offering Circular, no arrangement, agreement, commitment or understanding has been made or is proposed to be made between Altagem, or any affiliated company as a consequence of the Altagem Offer, and any director or senior officer of the Hrtrack with respect to any matter, including any agreement, arrangement, commitment or understanding providing for or proposing any payment or other benefit to be given by way of compensation for loss of office or as to any such person remaining in or retiring from office if the Altagem Offer is successful.

### **STATUTORY RIGHTS**

Securities legislation in certain of the provinces and territories of Canada provides security holders of Hrtrack with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, if there is a misrepresentation in this Directors' Circular. However, such rights must be exercised within prescribed time limits. Shareholders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult with a lawyer.

The foregoing rights are in addition to and without derogation from any other rights a holder of Hrtrack Shares may have.

## **APPROVAL OF DIRECTORS' CIRCULAR**

The contents of this Directors' Circular have been approved and the sending or delivery thereof authorized by the Board of Hrtrack by a Directors' Resolution.

**CERTIFICATE**

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

DATED this 21<sup>st</sup> day of September, 2000.

On behalf of the Board

Signed: "Kenneth Prather"  
Kenneth Prather, Director

Signed: "Gary E. Nason"  
Gary E. Nason, Director

Signed: "Milo L. (Budd) Melvin"  
Milo L. (Budd) Melvin, Director