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## COLLABORATE TO UNDERTAKE UNDERWRITTEN RIGHTS ISSUE

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- + Existing Collaborate shareholders underwrite up to \$0.6 million of entitlement issue to be offered to eligible shareholders seeking to raise \$1.16 million.
- + \$0.58 million of funds to be advanced immediately to provide funding for growth.

Collaborate Corporation Limited (ASX:CL8) (**Collaborate** or the **Company**) is pleased to announce its proposal to undertake a partially underwritten non-renounceable pro rata entitlement offer of approximately 77,389,732 new Collaborate shares (**Shares**) to raise approximately \$1.16 million on the basis of 1 new Collaborate share for every 8 existing Collaborate shares held at an issue price of \$0.015 per new Share (**Entitlement Issue**). The Entitlement Issue is partially underwritten by existing sophisticated investors of the Company (**Underwriters**).

It is currently intended that the Company will lodge a prospectus for the Entitlement Issue with the ASIC and ASX on Friday, 14 September 2018.

Eligible shareholders will be entitled to subscribe for an additional 1 Collaborate share per 8 existing Collaborate shares held on the record date under the Entitlement Issue, at a subscription price of \$0.015 per Share. The Entitlement Issue price represents:

- + a 21.1% discount to Collaborate's closing share price on 7 September 2018, the last trading day immediately prior to this announcement;
- + a 22.6% discount to the 20-trading day VWAP of Collaborate's shares ending on 7 September 2018.

Net proceeds of the Entitlement Issue will be used to provide funding for customer acquisition, support the launch of new initiatives and for working capital and general corporate purposes.

The Underwriting Agreements will guarantee that the Company receives \$0.6 million (**Underwritten Amounts**) before costs. The Underwriting Agreements contain terms normally found in agreements of this nature, including the usual indemnification and termination provisions and provide for an underwriting fee of 5% (excluding GST) on \$550,000 of the Underwritten Amounts, being those amounts underwritten by the Unrelated Party Underwriters (as defined in Appendix 1 below).

Adrian Bunter and Noone Holdings Pty Ltd, an entity associated with Chris Noone, both directors of Collaborate, will act as some of the Underwriters of the Entitlement Issue. The names of the other Underwriters are set out in Appendix 1 below.

The Company also announces that it has executed agreements with certain Underwriters to provide a total of \$575,000 as advances on the funds committed under the Underwriting Agreements (**Advances**). The Advances have been negotiated on an arm's length basis and attract interest of 3% of the amounts drawn upon under the Advances from Unrelated

Party Underwriters (totaling \$550,000). The key terms of the Advances are set out in Appendix 2 below.

Chris Noone, CEO/ Executive Director of Collaborate, said "We appreciate the commitment shown by the shareholders who have underwritten the entitlement issue to support Collaborate's ongoing growth. Through the entitlement issue the Company seeks to extend the opportunity to all eligible shareholders to subscribe for additional shares in Collaborate at a discounted offer price of \$0.015 per share. Directors will take up their full entitlement and have further underwritten additional amounts as they believe significantly in the opportunity available to Collaborate. I encourage all shareholders to take up their rights under the offer."

**Authorised by:**

**Chris Noone**  
**CEO and Director**  
**Collaborate Corporation Limited**

**About Collaborate Corporation Limited**

Collaborate Corporation Limited is listed on the Australian Securities Exchange (ASX:CL8). It is Australia's leading listed company focused on 'collaborative consumption', 'peer-to-peer' or 'sharing economy' businesses. Collaborate currently has three core business segments: [www.DriveMyCar.com.au](http://www.DriveMyCar.com.au) Australia's leading peer-to-peer car rental business; [www.MyCaravan.com.au](http://www.MyCaravan.com.au) Australia's leading peer-to-peer caravan rental business; and [www.Mobilise.com](http://www.Mobilise.com) a rental marketplace for under-utilised assets. Through our proprietary trust and reputation platform, [www.peerpass.com.au](http://www.peerpass.com.au) we create 'trust' between individuals and make it possible for people and companies to safely transact with each other in the sharing economy.

## **APPENDIX 1**

### **Names of the Underwriters**

Hishenk Pty Ltd  
Reefpeak Pty Ltd  
Mishki Pty Ltd  
Scintilla Strategic Investments Limited

### *Officer Underwriter*

Ms Karen Logan

### *Related Parties*

Noone Holdings Pty Ltd as trustee for the C and K Noone Family A/C, an entity associated with Mr Chris Noone, CEO/ Executive Director and which Mr Noone is a director, shareholder and beneficiary  
Mr Adrian Bunter, Non-Executive Director

## **APPENDIX 2**

### **Key terms of the Advances**

#### **(a) Loans**

The Advances may be drawn upon by Collaborate as required up to a total amount of \$575,000 (**Loans**).

#### **(b) Interest**

The Loans are subject to a fixed interest payment of 3% of the amounts advanced (**Interest**) and is payable within two (2) business days of the issue date of Shares under the Entitlement Issue, once completed.

#### **(c) Repayment**

The Advances will be applied towards the respective Underwriter's payment obligations under the relevant Underwriting Agreement.

If:

- (i) the Prospectus is not lodged by the Company or the Entitlement Issue is withdrawn by the Company; or
- (ii) the Underwriting Agreement is terminated in accordance with its terms,

the Advance and Interest shall be repayable on that date which is three (3) months from the date of the letter agreement.

The Advance of \$100,000 and Interest of \$3,000 owing to Mishki Pty Ltd shall be repayable on that date which is two (2) months from the date of the letter agreement.