

19 September 2018

Dear Shareholder

NON-RENOUNCEABLE ENTITLEMENT ISSUE

Collaborate Corporation Limited (ACN 066 153 982) (the **Company** or **Collaborate**) is undertaking a non-renounceable entitlement issue to shareholders of up to 77,389,732 new fully paid ordinary shares (**New Share**) at an issue price of \$0.015 each to raise up to approximately \$1,160,846, before costs (**Entitlement Issue** or **Offer**). The Company lodged a prospectus for the Offer (**Prospectus**) with ASIC and ASX on 14 September 2018.

The Offer is underwritten up to a total of \$0.6 million by existing shareholders of the Company (**Non-Related Underwriters**) and Mr Chris Noone, Mr Adrian Bunter and Ms Karen Logan, officers of Collaborate (**Officer Underwriters**). The Company must pay the Non-Related Underwriters an underwriting fee of 5% of any amount underwritten by the Non-Related Underwriters in accordance with the terms of the underwriting agreements.

The funds raised from the Offer are currently intended to be used to provide funding for customer acquisition, sales and marketing activities and marketplace growth, to support the launch of new initiatives and for working capital and general corporate purposes.

The Entitlement Issue will be offered to shareholders registered at the Record Date (as defined below) with a registered address in Australia and New Zealand (**Eligible Shareholders**) on the basis of one (1) New Share for every eight (8) Shares held.

New Shares will rank equally with all fully paid ordinary shares in the capital of the Company already on issue.

Actions required of Eligible Shareholders

There are a number of actions Eligible Shareholders may take:

- You may wish to accept all of your rights to subscribe for New Shares pursuant to the Prospectus (**Entitlement**). To take up all of your Entitlement you will need to ensure your application money for the Entitlement you wish to take up is received by Automic (**Share Registry**) by no later than 5:00pm (AWST) on 15 October 2018, by completing and returning your Entitlement and Acceptance Form together with your cheque, drawn on an Australian bank or bank draft made payable in Australian currency to "Collaborate Corporation Limited", for the amount indicated on the Entitlement and Acceptance Form OR making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form (at \$0.015 per New Share).
- You may take up all of your Entitlements and apply for Shares under the Shortfall Offer. To take up your Entitlement and apply for Shares under the Shortfall Offer you will need to ensure your application money for your Entitlement and the Shares you wish to apply for under the Shortfall Offer is received by the Share Registry by no later than 5:00pm (AWST) on 15 October 2018, by completing and returning your Entitlement and Acceptance Form (including the Shares under the Shortfall Offer that you wish to apply for) together with your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form plus the amount being applied for under the Shortfall Offer OR making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form (at \$0.015 per New Share).
- You may wish to accept part of your Entitlement. To take up part of your Entitlement you will need to ensure your application money for the Entitlement you wish to take up is

received by the Share Registry by no later than 5:00pm (AWST) on 15 October 2018, by completing and returning your Entitlement and Acceptance Form by filling in the number of New Shares you wish to accept in the space provided on the Entitlement and Acceptance Form together with your cheque, drawn on an Australian bank or bank draft made payable in Australian currency to "Collaborate Corporation Limited", for the appropriate application monies OR making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form (at \$0.015 per New Share).

- You may do nothing. If you choose to do nothing with your Entitlement, while you will continue to hold the same number of Shares, your interest in the Company will be diluted and you will receive no value for your Entitlement.

Key dates for the Offer*

Event	Proposed Date
Lodgement of Prospectus with the ASIC	14 September 2018
Lodgement of Prospectus and Appendix 3B with ASX	14 September 2018
Notice sent to Shareholders	19 September 2018
Ex date	20 September 2018
Record Date for determining Entitlements	21 September 2018
Prospectus sent out to Shareholders and the Company announces this has been completed	24 September 2018
Closing Date	15 October 2018
Shares quoted on a deferred settlement basis	16 October 2018
ASX notified of under subscriptions	17 October 2018
Issue date for Shares. Deferred settlement trading ends.	22 October 2018
Quotation of Shares issued under the Offer	23 October 2018

*All dates, other than the date of lodgement of the Prospectus with ASIC, are indicative only. The Company reserves the right to amend any of the important dates without prior notice but subject to the Corporations Act and the ASX Listing Rules.

Shares – Completion of Entitlement Issue

Following completion of the Offer and assuming full subscription, the Company will have issued approximately 77,389,732 New Shares resulting in total Shares on issue of approximately 696,507,589.

In calculating entitlements under the Entitlement Issue fractions will be rounded down to the nearest whole number.

If you require further information, please contact the Company Secretary via email at shareholder@collaboratecorp.com.

Yours faithfully
COLLABORATE CORPORATION LIMITED



Chris Noone
CEO and Executive Director