

16 September 2020

Dear Shareholder

## NON-RENOUCEABLE 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 383,917,498 new fully paid ordinary shares (**New Share**) at an issue price of \$0.009 each, together with free attaching options on a one-for-five basis, with an exercise price of \$0.015 per option and expiry date of 31 October 2022 (**New Option**) to raise up to approximately \$3,455,257, before costs (**Entitlement Issue** or **Offer**). The Company lodged a prospectus for the Offer (**Prospectus**) with ASIC and ASX on 14 September 2020.

The Offer is partially underwritten up to \$2,080,000 by existing shareholders of the Company namely SG Fleet Management Pty Ltd and Willoughby Capital Pty Ltd as trustee for the Willoughby Capital Trust (**Willoughby Capital**), a related party of director Stephen Abolakian, alongside directors of the Company namely Adrian Bunter and Chris Noone and Chief Operating Officer, Ben Hershman (**Underwriters**). No fees are payable to the Underwriters for the underwriting commitments. In relation to Willoughby Capital, the \$850,000 Financing Facility provided by Willoughby Capital to the Company, together with accrued interest of \$125,782, to 30 October 2020 will be used to offset its underwriting commitments under the Entitlement Issue.

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

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 three (3) Shares held (together with one (1) free attaching New Options for every five (5) New Shares subscribed for and issued).

New Shares will rank equally with all fully paid ordinary shares in the capital of the Company already on issue. All Shares issued on conversion of the New Options will rank equally with the Shares on issue at the date of the Prospectus. Following completion of the Offer and based on the number of Shares currently on issue, the Company will have issued approximately 383,917,498 New Shares and 76,783,500 New Options resulting in total Shares on issue of approximately 1,535,669,993 and total Options of approximately 285,505,424.

Collaborate announces the record date of 5:00 pm (AEST) on 18 September 2020 for the purposes of determining shareholders entitled to participate in the Entitlement Issue (**Entitlement Record Date**). A prospectus containing full details of the Entitlement Issue was lodged with ASIC on 14 September 2020 and Eligible Shareholders will be sent letters on 22 September 2020 containing details of how to access the prospectus online. The Prospectus is available on the ASX website (company announcements section, ASX code: CL8).

**Ineligible Shareholders**

A Shareholder registered at the Entitlement Record Date who has a registered address outside Australia and New Zealand (**Ineligible Shareholder**) will not be eligible to participate in the Entitlement Issue.

You are not eligible to participate in the Entitlement Issue and you will not be sent a copy of the Prospectus. This decision has been made pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules after taking into consideration the costs of complying with legal and regulatory requirements in jurisdictions outside of Australia and New Zealand, the number of Ineligible Shareholders and the number and value of New Shares to which they would otherwise be entitled.

If you require further information, please contact the Company Secretary via email at [shareholder@collaboratecorp.com](mailto:shareholder@collaboratecorp.com).

Yours faithfully

**COLLABORATE CORPORATION LIMITED**



Chris Noone  
*CEO and Executive Director*