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## OPERATIONAL AND FUNDRAISING UPDATE

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- + Newly completed corporate deal leverages technology platform and increases potential supply.
- + Fundraising negotiations with institutional investor are progressing.
- + Collaborate has also been approached by additional investors.

Collaborate Corporation Limited (ASX:CL8) (**Collaborate** or the **Company**) is pleased to provide the following update on its operations and longer term fundraising plans.

### Business Update

The DriveMyCar business unit has signed an agreement for the licensing of its peer-to-peer car rental technology platform to facilitate the booking of vehicles managed by a third party fleet manager. The licensing agreement involves the development of some additional specific functionality for the third party client to enable them to list vehicles, process bookings, manage approvals and view reporting.

In addition, the licence allows for the third party vehicles to be made available for rent on the DriveMyCar platform when they are not otherwise utilised, thus increasing the available supply of vehicles to DriveMyCar customers.

In recognition for the provision of the development services, DriveMyCar will earn an upfront fee for functionality development and will also receive ongoing fees as a percentage of revenue for all bookings processed by the fleet manager through the system. This licensing agreement takes advantage of the investment already made in the DriveMyCar platform and delivers additional revenue without increasing cost of sales or any material additional ongoing expenses.

Chris Noone, Collaborate Corporation CEO commented "This is a new type of deal for DriveMyCar and is significant strategically. By leveraging our existing technology platform, we derive a new revenue stream but also gain access to a larger fleet of underutilised vehicles to monetise through the DriveMyCar platform.

The recently launched airport rental service at Melbourne Airport and dealer rental service for LDV light commercial vans in Sydney are progressing well and have generated positive press coverage from The Australian Financial Review and automotive industry publication, Go Auto amongst others. The ABC TV programme The Checkout (Series 4 Ep 5: The Road To Ruin 12 May 2016) presented an examination of rip-offs in the hire car industry and recommended DriveMyCar as an alternative that provides better value for consumers. Further details can be found at: <http://collaboratecorp.com/investor-relations/media/>. The media exposure is increasing demand and also attracting interest from additional corporate partners. The DriveMyCar fleet now includes vehicles provided by five corporate partners, with additional vehicles expected in the near future from newly signed partners.

## **Fundraising Update**

Further to the announcement on 4 May 2016 about ongoing fundraising activities, Collaborate advises that it has progressed negotiations with the institutional investor in relation to longer term funding for the Company. Material terms have been agreed and are subject to finalisation of legal documentation and completion of regulatory review and approval. Details of the material terms of the funding will be provided to the market if a binding agreement can be completed with the investor.

Collaborate has also been approached by additional investors and the Board is considering a number of these proposals as alternatives for longer term funding.

The Board will conclude fundraising arrangements as quickly as possible and is aiming to ensure that the Company has access to the necessary level of funding for the growth opportunities available to Collaborate, whilst also aiming to ensure dilution is minimised for the Company (and its shareholders) to capture the benefits of future increases in the share price of Collaborate.

The Company presently has 165,758,796 listed options on issue with an exercise price of \$0.02 expiring on 30 April 2017. Management expects that a number of options will be exercised and will further contribute to the future capitalisation of the Company. If all of these options are exercised, the Company will receive further funding of \$3.3 million.

### **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.Rentoid.com](http://www.Rentoid.com), one of Australia's leading peer-to-peer 'rent anything' platforms. Collaborate has a material investment in FundX, a peer-to-peer invoice discounting and SME lending platform. 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 to safely transact with each other in the sharing economy.