

SECONDARY TRADING NOTICE AND DISCLOSURE UNDER LISTING RULES 7.1A.4(B) AND 3.10.5A

Collaborate Corporation Limited (**Collaborate** or the **Company**) (ASX: **CL8**) confirms that further to the ASX release on 4 May 2016, the Company has issued 5,500,000 fully paid ordinary shares (**Shares**) to Hishenk Pty Ltd (**Hishenk**), the Company’s largest shareholder (**Placement**). The Placement raises a total of \$99,000, before costs.

Disclosure under ASX Listing Rules 7.1A.4(b) and 3.10.5A

In accordance with ASX Listing Rules 7.1A.4(b) and 3.10.5A, the Company makes the following disclosures in respect of the Placement Shares:

- (a) The dilutive effect of the Placement Shares on existing shareholders is as follows:

	Shares	Dilution
Shares on issue prior to the issue of Placement Shares	364,673,748	-
Placement Shares issued under Listing Rule 7.1A	5,500,000	1.51%
Shares on issue following the issue of Placement Shares	370,173,748	

Details of the approximate percentage of issued capital following the issue of Placement Shares held by existing shareholders are as follows. This information relates specifically to the 5,500,000 Shares issued under Listing Rule 7.1A.

	%
Existing shareholders who did not subscribe for Placement Shares under Listing Rule 7.1A	85.01%
Existing shareholder who subscribed for Placement Shares under Listing Rule 7.1A	14.99%
	100.00%

- (b) The Company issued the Placement Shares to an existing shareholder as this is considered to be the most cost effective and expedient mechanism for raising funds in a timely manner while an alternative funding arrangement is being negotiated.

Collaborate is grateful for the continuing support of its long-term shareholder and the Company will continue to endeavour to afford existing shareholders the opportunity to participate in future capital raisings.

- (c) No underwriting arrangements were in place in respect of the Placement.

- (d) The Placement was managed directly by the Company so there were no brokerage or management fees incurred in connection with the issue.

Subject to shareholder approval, the Company will also issue 1,833,333 free-attaching listed CL8O Options to Hishenk.

Secondary Trading Notice Pursuant to Paragraph 708A(5)(e) of the Corporations Act 2001 ("Act")

The Act restricts the on-sale of securities issued without disclosure, unless the sale is exempt under section 708 or 708A of the Act. By giving this notice, a sale of the Shares noted above will fall within the exemption in section 708A(5) of the Act.

The Company hereby notifies ASX under paragraph 708A(5)(e) of the Act that:

- (a) the Company issued the Shares without disclosure to investors under Part 6D.2 of the Act;
- (b) as at the date of this Notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company, and section 674 of the Act; and
- (c) as at the date of this Notice, there is no information:
 - (i) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - (ii) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - a. the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - b. the rights and liabilities attaching to the relevant Shares.

Authorised by:

Karen Logan
Company Secretary
Collaborate Corporation Limited

About Collaborate Corporation Limited

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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 Australia's leading peer-to-peer car rental business; www.MyCaravan.com.au Australia's leading peer-to-peer caravan rental business and 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 we create 'trust' between individuals and make it possible for people to safely transact with each other in the sharing economy.