

BUSINESS PERFORMANCE AND STRATEGIC FOCUS UPDATE

Collaborate Corporation Limited (ASX:CL8) (**Collaborate** or the **Company**) is pleased to report key performance metrics for April 2017 and provide an update on the group's strategic focus.

Given the sustained increases in revenue, recent exercise of 100% of the CL8O options and strategic investment from RACV, Collaborate is now entering a new stage of its development which includes further scaling its technology platform, leveraging the growing number of strategic partnerships and tactically deploying its significantly increased cash reserves.

Business Performance Highlights - DriveMyCar

Following record results in March 2017, DriveMyCar exceeded those results to achieve new monthly records in April 2017.

	Rental Transaction Value	Net Rental Days Realised
Previous Year - April 2016	\$118,525	3,082
Previous Month - March 2017	\$242,905	6,496
April 2017	\$257,480	7,263
April 2017 Growth vs April 2016	117%	136%
April 2017 Growth vs March 2017	6%	12%

Corporate Update

- + \$1,000,000 strategic investment received from RACV.
- + \$3,500,295 raised via the exercise of 100% of CL8O options. (Including \$58,504 raised from options exercised in September 2015).
- + \$500,000 in funds advanced by underwriters in February 2017 have been used to exercise options or to fulfil obligations under the underwriting agreements. Collaborate has nil debt.
- + Option underwriting fees and interest on the advances have been paid to the underwriters. Full details of the underwriting arrangements and advances were announced to ASX on 10 February 2017.

The capital structure, cash and borrowings changes are as follows:

	Ordinary Shares ASX:CL8	Listed Options ASX: CL8O	Market Capitalisation	Cash on Hand *	Borrowings*
31 March 2017	413m	172m	\$10.7m (at \$0.026)	\$0.24m	\$0.5m
12 May 2017	619m	nil	\$18.6m (at \$0.03)	\$3.83m	\$nil
Change +/-	+ 206m	(172m)	+\$7.9m	+\$3.59m	(\$0.5m)

* After 31 March 2017, the Company received net cash of \$3.84m from both the exercise of options and the investment from RACV, after the payment of underwriting costs and interest on the advances. (Note, the \$500,000 of advances received as part of the underwriting was received in February 2017).

Collaborate has \$1.76 million capacity remaining under the Flexible Equity Facility. The Company previously announced its intention to pause drawdowns from this facility in favour of raising capital via the exercise of CL8O options to minimise any ongoing dilution. Given that sufficient funds have been raised from the exercise of 100% of the CL8O options and the strategic investment received from RACV, the Company can confirm that no further drawdowns from the Flexible Equity Facility will be undertaken, other than to exploit new investment opportunities that cannot be accommodated by existing resources.

Strategic Focus

- + **RACV:** Following the announcement on 26 April 2017, a number of planning workshops have been held with RACV to identify the highest priority opportunities for collaboration. The first initiative, which will leverage DriveMyCar, is scheduled to launch in Q3 CY2017.
- + **Mobilise:** Since the announcement of Mobilise in October 2016 and following initial preparatory works, Robert Rattray, Mobilise General Manager, commenced on 27 April and is co-ordinating production, technical, marketing and sales resources as well as leveraging the strategic relationship with Aon to achieve a launch of Mobilise.com in Q3 CY2017.
- + **Handover Facility:** To cope with the current and future growth of the DriveMyCar business, a vehicle storage and handover facility has been established at Green Square in Sydney. This facility is conveniently located near the airport and Sydney CBD, in close proximity to Europcar and Budget depots, and will serve the needs of travellers and corporate customers. The ManageMyCar service will be relocated from Kings Cross to Green Square where the services available to corporate fleet owners will be expanded.
- + **Team Expansion:** In addition to the recent recruitment of a Head of Marketing for the group and General Manager for Mobilise, two additional roles have been created. A Product Manager will be recruited to evolve the functionality of the sharing economy technology platform, expand the capabilities of PeerPass and manage the integration and launch of products and offerings with RACV. A Customer Service Specialist will also be recruited to assist with the significant growth expected in onboarding of vehicles from private and corporate owners and to support the operation of the ManageMyCar service.

- + **Marketing:** Following the commencement of Katherine Cole (ex-Hotels.com) as Head of Marketing, the DriveMyCar brand and product positioning are being refreshed. All existing marketing channels have been reviewed and are being optimised to improve performance. Key marketing priorities over the coming months include: re-commencing the DriveMyCar owner marketing campaign targeting individual owners, accessing opportunities to engage the RACV customer base, preparing the Mobilise launch campaign and expanding the MyCaravan marketing campaign.
- + **PeerPass:** The appointment of the new Product Manager will provide additional resources to develop the functionality of PeerPass to improve trust in Collaborate's marketplaces and optimise the onboarding and conversion process for customers referred by strategic partners.
- + **Investor Relations:** Following the successful investor PR campaign commenced in November 2016 which contributed greatly to the 100% conversion of CL8O options, the focus for investor relations will be adjusted to emphasise the strengths arising from the increase in market capitalisation, strategic partnerships, improved traction and significant revenue growth rates. Broker presentations are under way and an updated investor presentation is being produced. Broadening the number and type of shareholders will be a key focus for the future.
- + **Operations:** Resources have been scaled up to cater for recent increases in demand and anticipated future growth. The customer support centre in Manila is now operational and the extended operational hours have had a positive impact on enquiries and bookings for DriveMyCar. Following further training the team will also commence providing extended-hours support for MyCaravan. The customer service system for online and telephone enquiries has also been upgraded with additional call handling capability and the inclusion of an integrated live chat and customer service system.

Authorised by:

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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 two core business segments: www.DriveMyCar.com.au Australia's leading peer-to-peer car rental business and www.MyCaravan.com.au Australia's leading peer-to-peer caravan rental business and will launch www.Mobilise.com in 2017, a rental marketplace for under-utilised assets. 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.