
NOTICE OF ANNUAL GENERAL MEETING

The following documents were sent to shareholders today in relation to the Annual General Meeting of Collaborate Corporation Limited (ASX:CL8) (**Collaborate** or the **Company**) to be held on Thursday, 19 November 2020 at 3:00 pm (AEDT):

1. Notice of Meeting (including Explanatory Memorandum)
2. Proxy Form
3. Letter to Shareholders (who have not elected to receive notices by email).

In accordance with temporary modifications to the *Corporations Act 2001* (Cth) under the Corporations (Coronavirus Economic Response) Determination (No 3) 2020, the Company will not be sending hard copies of the Notice of Meeting to Shareholders. The Notice of Meeting can be viewed and downloaded from the Company's website at <https://collaboratecorp.com/investor-relations/asx-announcements/>.

Shareholders will be able to submit their proxy vote online or by form in accordance with the instructions on the Proxy Form.

Authorised by:

Chris Noone
CEO and Director
Collaborate Corporation Limited

For more information please contact:

Chris Noone
CEO and Director
Collaborate Corporation Limited
E: shareholder@collaboratecorp.com

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 providing innovative mobility solutions for consumers and the automotive industry. Collaborate operates www.DriveMyCar.com.au Australia's leading peer-to-peer car rental business, and www.Carly.co, Australia's first flexible car subscription service, supported by our proprietary PeerPass trust and reputation platform.

Collaborate

CORPORATION LIMITED

COLLABORATE CORPORATION LIMITED

ABN 60 066 153 982

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY MEMORANDUM

PROXY FORM

Date of Meeting

Thursday, 19 November 2020

Time of Meeting

3:00 pm (AEDT)

Place of Meeting

Work Club Sydney Barangaroo,
G, 201 Kent Street, Sydney NSW 2000

ANNUAL REPORT

The 2020 Annual Report is available from the Company's website via the following link:
https://collaboratecorp.com/wp-content/uploads/2020/08/310820_CL8-Annual-Report-FY20.pdf

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. YOU ARE ADVISED TO READ THIS DOCUMENT IN ITS ENTIRETY AND SEEK INDEPENDENT ADVICE BEFORE DECIDING HOW TO VOTE ON THE RESOLUTIONS.

If you are in doubt how to deal with this document or how to vote on the Resolutions, please consult your financial or other professional adviser.

Should you have any questions regarding the matters in this document please do not hesitate to contact the Company Secretary via email at shareholder@collaboratecorp.com.

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of Collaborate Corporation Limited (**Company** or **Collaborate**) is to be held on Thursday, 19 November 2020 at Work Club Sydney Barangaroo, G, 201 Kent Street, Sydney NSW 2000, commencing at 3:00 pm (AEDT).

The Explanatory Memorandum that accompanies and forms part of this Notice describes the matters to be considered at this meeting.

BUSINESS

Financial and Other Reports – Year Ended 30 June 2020 (no resolution required)

To receive and consider the Financial Report, the declaration of Directors, the Remuneration Report and the Directors' Report and of the Auditor for the year ended 30 June 2020.

Resolution 1 – Non-Binding Resolution to Adopt Remuneration Report

To consider and, if thought fit, to pass with or without amendment the following resolution as a **non-binding resolution**:

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given to adopt the Remuneration Report as set out in the Annual Report for the year ended 30 June 2020.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Resolution 2 – Re-election of Director – Mr Adrian Bunter

To consider, and if thought fit, to pass with or without amendment the following resolution as an **ordinary resolution**:

“That Mr Adrian Bunter, being a director of the Company who retires by rotation in accordance with Clause 13.2 of the Company's Constitution and for all other purposes, and being eligible and offering himself for re-election, be re-elected as a director of the Company.”

Resolution 3 – Election of Director – Mr Robbie Blau

To consider, and if thought fit, to pass with or without amendment the following resolution as an **ordinary resolution**:

“That Mr Blau, being a director of the Company who, having been appointed on 10 December 2019, retires in accordance with Clause 13.4 of the Company's Constitution, Listing Rule 14.4 and for all other purposes, and being eligible, is elected as a Director.”

Resolution 4 – Change of Company Name

To consider and, if thought fit, to pass with or without amendment the following resolution as a **special resolution**:

“That, for the purposes of section 157(1)(a) of the Corporations Act and for all other purposes, approval is given for the name of the Company to be changed to “Carly Holdings Limited”.”

Resolution 5 – Approval of Issue of Tranche 1 Executive Options to Director – Mr Chris Noone

To consider and, if thought fit, to pass with or without amendment the following resolution as an **ordinary resolution**:

“That, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of

13,500,000 Tranche 1 Executive Options to Mr Chris Noone (a Director) (or his nominee) (on a pre-Consolidation basis) on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Chris Noone (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

(a) the proxy is either:

- a. a member of the Key Management Personnel; or
- b. a Closely Related Party of such a member.

(b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Resolution 6 – Approval of Issue of Tranche 2 Executive Options to Director – Mr Chris Noone

To consider and, if thought fit, to pass with or without amendment the following resolution as an **ordinary resolution**:

"That, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 13,500,000 Tranche 2 Executive Options to Mr Chris Noone (a Director) (or his nominee) (on a pre-Consolidation basis) on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Chris Noone (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

(a) the proxy is either:

- a. a member of the Key Management Personnel; or
- b. a Closely Related Party of such a member.

(b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Resolution 7 – Approval of Issue of Tranche 3 Executive Options to Director – Mr Chris Noone

To consider and, if thought fit, to pass with or without amendment the following resolution as an **ordinary resolution**:

"That, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 13,500,000 Tranche 3 Executive Options to Mr Chris Noone (a Director) (or his nominee) (on a pre-Consolidation basis) on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Chris Noone (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) the proxy is either:
 - a. a member of the Key Management Personnel; or
 - b. a Closely Related Party of such a member.
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Resolution 8 – Approval of 7.1A Mandate

To consider and, if thought fit, to pass with or without amendment the following resolution as a **special resolution**:

"That, for the purpose of ASX Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Memorandum."

Resolution 9 – Consolidation of Capital

To consider and, if thought fit, to pass with or without amendment the following resolution as a **special resolution**:

"That, for the purposes of section 254H of the Corporations Act and for all other purposes, approval is given for the consolidation of the Company's issued capital on the following basis:

- (a) every 25 Shares be consolidated into 1 Share;
- (b) every 25 Options be consolidated into 1 Option and the exercise price of each Option to be amended in inverse proportion to this ratio in accordance with Listing Rule 7.22.1,

and, where this consolidation results in a fraction of a Share or Option being held by a Shareholder or Optionholder (as applicable), the Directors be authorised to round that fraction down to the nearest whole Share or Option."

EXPLANATORY MEMORANDUM

The Explanatory Memorandum is incorporated in and comprises part of this Notice. Shareholders are referred to the Glossary in the Explanatory Memorandum which contains definitions of capitalised terms used both in this Notice and the Explanatory Memorandum.

ACTIONS TO BE TAKEN BY SHAREHOLDERS

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

If Shareholders have questions about the Meeting and voting arrangements, please email the Company Secretary at shareholder@collaboratecorp.com.

VOTING BY PROXY

The Proxy Form provides further details on appointing proxies and lodging proxy votes. Proxy votes (together with any authority under which the Proxy Form was signed or a certified copy of the authority) must be received before 3:00 pm (AEDT) on Tuesday, 17 November 2020.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

VOTING ENTITLEMENTS

For the purposes of section 1074E(2) of the Corporations Act and regulation 7.11.37 of the Corporations Regulations 2001, the Company has determined that members holding ordinary shares as set out in the Company's share register at 7:00 pm (AEDT) on Tuesday, 17 November 2020 will be entitled to attend and vote at the Annual General Meeting.

CORPORATE REPRESENTATIVE

Any corporate Shareholder who has appointed a person to act as its corporate representative at the meeting should provide that person with an original (or certified copy) certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company in advance of the meeting or handed in at the meeting when registering as a corporate representative. The appointment must comply with section 250D of the Corporations Act.

ATTORNEYS

If an attorney is to attend the meeting on behalf of a Shareholder, a properly executed original (or originally certified copy) of an appropriate power of attorney must be received by the Company by the deadline for the receipt of Proxy Forms, being no later than 3:00 pm (AEDT) on Tuesday, 17 November 2020. Previously lodged powers of attorney will be disregarded by the Company.

QUESTIONS

Shareholders are encouraged to submit questions in respect of the items of business as well as general questions in respect of the Company and its operations in advance of the Meeting by email to the Company Secretary at shareholder@collaboratecorp.com.

DATED THIS 20TH OF OCTOBER 2020

BY ORDER OF THE BOARD



Karen Logan
Company Secretary

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared to provide Shareholders with material information to enable them to make an informed decision on the business to be conducted at the Annual General Meeting of Collaborate Corporation Limited (**Company** or **Collaborate**).

The Directors recommend Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Financial Statements and Report

Under the Corporations Act, the directors of the Company must table the Financial Report, the Directors' Report and the Auditor's Report for Collaborate for the year ended 30 June 2020 (**2020 Annual Report**) at the Meeting. These reports, together with the declaration of Directors, are set out in the 2020 Annual Report. Shareholders who elected to receive a printed copy of annual reports should have received the 2020 Annual Report with this Notice of Annual General Meeting.

In accordance with section 314 (1AA)(c) of the Corporations Act, the Company advises the 2020 Annual Report is available from the Company's website: https://collaboratecorp.com/wp-content/uploads/2020/08/310820_CL8-Annual-Report-FY20.pdf.

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the 2020 Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2020.

There is no requirement for Shareholders to approve the 2020 Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the 2020 Annual Report which is available online;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the Auditor questions about:
 - (i) the conduct of the audit;
 - (ii) the preparation and content of the Auditor's Report;
 - (iii) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
 - (iv) the independence of the Auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Auditor about:

- (a) the content of the Auditor's Report; and
- (b) the conduct of the audit of the Annual Report,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

1. Resolution 1 – Adoption of Remuneration Report

1.1 General

Under the Corporations Act, the Company is required to include, in the Directors' Report, a detailed Remuneration Report setting out the prescribed information in relation to the remuneration of directors and executives of Collaborate and the Company's remuneration practices.

Shareholders will be given reasonable opportunity at the meeting to ask questions and make comments on the Remuneration Report.

Under section 250R(2) of the Corporations Act, the Remuneration Report is required to be submitted for adoption by a resolution of Shareholders at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing remuneration practices and policies.

1.2 Voting consequences

Under the Corporations Act, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general

meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

1.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

1.4 Voting Intention

The Chair of the meeting intends to vote all available proxies in favour of the Resolution.

2. Resolution 2 – Re-election of Director – Mr Adrian Bunter

2.1 General

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Mr Bunter, who has served as a director since 19 February 2014 and was last re-elected at the Company's 2018 Annual General Meeting held on 19 November 2018 retires by rotation in accordance with the Company's Constitution and, being eligible, offers himself for re-election.

Adrian has over 25 years' experience in accounting, finance and a broad range of corporate advisory roles covering mergers and acquisitions, divestments of businesses, debt/equity raisings and strategy development and execution. Adrian is an executive director of Venture Advisory, a specialist telecommunications, media and technology financial advisory firm operating out of Australia and AsiaPac. Adrian is a Chartered Accountant, a Senior Associate of Finsia and has completed a Bachelor of Business and a Graduate Diploma in Applied Finance. Adrian is a member of the Executive Committee of Australia's leading angel investing group, Sydney Angels. Mr Bunter is a non-executive director of 8common Limited and several other private technology companies.

2.2 Independence

The Board has considered Mr Bunter's independence and considers that he is not an independent director.

2.3 Board Recommendation

The Board has reviewed Mr Bunter's performance since his appointment to the Board and considers that Mr Bunter's skills and experience will continue to enhance the Board's ability to perform its role. The Board (other than Mr Bunter) recommends Shareholders vote in favour of the Resolution.

2.4 Voting Intention

The Chair of the Meeting intends to vote undirected proxies in favour of the Resolution.

3. Resolution 3 – Election of Director – Mr Robbie Blau

3.1 General

Listing Rule 14.4 and Clause 13.4 of the Constitution provide that, a director appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-election) past the next annual general meeting of the entity.

Mr Blau, who was appointed as a non-executive director by the Board on 10 December 2019, retires in accordance with the Clause 13.4 of Company's Constitution and Listing Rule 14.4 and, being eligible, offers himself for election.

Mr Blau was appointed to the Board of Directors by SG Fleet Management Pty Limited (**SG Fleet**) following their strategic investment of \$2.2 million via placement and conversion of options in November 2019 (announced to ASX on 14 November 2019). Mr Blau has significant experience in the fleet management and leasing industry. He has been CEO of SG Fleet Group since July 2006 and was appointed to the SG Fleet Group Board as an Executive Director in January 2014. Mr Blau has overall responsibility for the strategic development of SG Fleet Group and manages its relationships with financial services partners. Mr Blau practised as a commercial attorney and has held several senior executive roles in South Africa and Australia. Mr Blau holds a Bachelor of Commerce (Accounting and Law) and a Bachelor of Laws (Cum Laude) from the University of the Witwatersrand, as well as a Higher Diploma in Tax Law from Johannesburg University.

The Company has undertaken the appropriate searches from government authorities and no exceptions were noted. Having reviewed the Board skills matrix, the Board has determined that Mr Blau possesses the required broad-based skills to help drive the Company's performance.

3.2 Independence

The Board has considered Mr Blau's independence and considers that he is not an independent director by virtue of the fact that he has been appointed to the Board as nominee of SG Fleet.

3.3 Board Recommendation

The Board has reviewed Mr Blau's performance since his appointment to the Board and considers that Mr Blau's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board (other than Mr Blau) recommends Shareholders vote in favour of the Resolution.

3.4 Voting Intention

The Chair of the Meeting intends to vote undirected proxies in favour of the Resolution.

4. Resolution 4 – Change of Company Name

The new name proposed to be adopted under Resolution 4 is 'Carly Holdings Limited'. The Directors believe that this new name more accurately reflects the core operations of the business. The new name should enhance the link between the core operations of the business and the parent company's identity.

Section 157(1)(a) of the Corporations Act requires the members to pass a special resolution to change the Company's name. Accordingly, Shareholder approval is sought pursuant to this resolution. As this Resolution is a special resolution, it requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney, or in the case of a corporate Shareholder, by corporate representative).

The change of name will take effect from when ASIC alters the details of the Company's registration.

The Company's ASX listing code "CL8" will remain unchanged.

4.1 Board Recommendation

The Board recommends Shareholders vote in favour of the Resolution.

4.2 Voting Intention

The Chair of the Meeting intends to vote undirected proxies in favour of the Resolution.

5. Resolutions 5, 6 and 7 – Approval of issue of Executive Options to Director – Chris Noone

5.1 General

The Company is seeking Shareholder approval to issue a total of 40,500,000 Executive Options (on a pre-Consolidation basis) to Mr Noone, CEO and Executive Director, as a long-term incentive under the terms of his executive services agreement dated 7 August 2014 (the **Issue**).

The following information is provided to assist Shareholders in assessing Resolutions 5, 6 and 7 for the purposes of ASX Listing Rule 10.11.

5.2 Chapter 2E

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provision (set out in Sections 210 to 216); or
- (b) prior shareholder approval is obtained to the giving of the financial benefit (in accordance with Sections 217 to 227).

The issue of Executive Options constitutes giving a financial benefit and Mr Noone is a related party of the Company by virtue of being a Director. The Directors of the Company (excluding Mr Noone as he has a material personal interest in Resolutions 5, 6 and 7) consider that Shareholder approval is not required for the purposes of Chapter 2E of the Corporations Act because the issue of Executive Options the subject of Resolutions 5, 6 and 7 was reached as part of the remuneration package for Mr Noone, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

5.3 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in ASX Listing Rule 10.12 applies, a company must not issue or agree to issue equity securities to:

- 10.11.1 a related party
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and has nominated a director to the board of the company pursuant to a relevant agreement that gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rule 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The Issue falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Collaborate's shareholders under Listing Rule 10.11.

Resolutions 5, 6 and 7 seek the required shareholder approval to the Issue under and for the purposes of Listing Rule 10.11.

If Resolutions 5, 6 and 7 are passed, the Company will be able to proceed with the issue of Executive Options and incentivise Mr Noone in a manner which is linked to value accretion for Shareholders.

If Resolutions 5, 6 and 7 are not passed, the Company will not be able to proceed with the issue of Executive Options and then, subject to the achievement of the performance hurdles described above, Mr Noone will receive a cash payment equivalent in value to the long-term incentive that would have been granted had shareholder approval been obtained.

Approval pursuant to Listing Rule 7.1 is not required in order to issue Executive Options to Mr Noone (or his nominee) under Resolutions 5, 6 and 7 as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of Executive Options to Mr Noone (or his nominee) will not be included in the 15% calculation of the Company's annual placement capacity pursuant to Listing Rule 7.1.

5.4 Material Terms of the Executive Services Agreement

The material terms of Mr Noone's Executive Services Agreement are as follows:

Name:	Chris Noone
Title:	Chief Executive Officer and Executive Director
Agreement commenced:	7 August 2014
Term of agreement:	To continue indefinitely until terminated in accordance with the agreement.
Probationary period:	Three months
Base salary:	\$225,000 per annum, plus statutory superannuation effective from 1 July 2017
Short term incentive:	Up to \$225,000 per annum effective from 1 July 2020, subject to achievement of financial and non-financial key performance indicators (Previous STI since 1 July 2017: \$80,000)
Long term incentive:	Subject to any relevant performance or other conditions, restrictions or requirements of the Board, the Corporations Act or the ASX Listing Rules, the Company may grant shares or options for the benefit of the executive as a long-term incentive.
Termination:	Three months by either party.

The Executive Services Agreement otherwise contains provisions standard for an agreement of employment including in relation to annual, long service and personal leave, confidentiality and other general provisions.

5.5 Executive Options

Resolutions 5, 6 and 7 seek Shareholders' approval pursuant to Listing Rule 10.11 for the issue of 40,500,000 Executive Options (on a pre-Consolidation basis) as follows:

Director	Number of Tranche 1 Executive Options	Number of Tranche 2 Executive Options	Number of Tranche 2 Executive Options	Total Number of Executive Options
Mr Chris Noone	13,500,000	13,500,000	13,500,000	40,500,000

If Mr Noone's Executive Services Agreement is terminated without cause, all vested, unvested and unexercised Executive Options will lapse unless determined by the Board in its absolute discretion. If Mr Noone's executive services agreement is terminated with cause, all vested, unvested and unexercised Executive Options will lapse.

(a) Terms of the Executive Options

Each Executive Option entitles the holder to subscribe for one Share as follows:

Executive Options Tranche	Exercise Price	Vesting Date	Expiry Date	Number of Options
Tranche 1	\$0.015	Immediately	5 years from the date of issue	3,375,000
Tranche 1	\$0.015	12 months from date of issue	5 years from the date of issue	3,375,000
Tranche 1	\$0.015	24 months from date of issue	5 years from the date of issue	3,375,000
Tranche 1	\$0.015	36 months from date of issue	5 years from the date of issue	3,375,000
Tranche 2	\$0.015	Immediately	5 years from the date of issue	3,375,000
Tranche 2	\$0.015	12 months from date of issue	5 years from the date of issue	3,375,000
Tranche 2	\$0.015	24 months from date of issue	5 years from the date of issue	3,375,000
Tranche 2	\$0.015	36 months from date of issue	5 years from the date of issue	3,375,000
Tranche 3	\$0.015	Immediately	5 years from the date of issue	3,375,000
Tranche 3	\$0.015	12 months from date of issue	5 years from the date of issue	3,375,000
Tranche 3	\$0.015	24 months from date of issue	5 years from the date of issue	3,375,000
Tranche 3	\$0.015	36 months from date of issue	5 years from the date of issue	3,375,000

The Executive Options will have a cashless exercise mechanism and will vest upon achievement of performance conditions linked to growth in the market price of CL8 shares. Refer to Schedule 1 for the entire terms and conditions of the Tranche 1, Tranche 2 and Tranche 3 Executive Options.

(b) Performance period

The performance period will be five years commencing on 1 July 2020 and ending on 30 June 2025.

(c) Performance conditions

If the Company meets the share price performance hurdles set out in the table below during the performance period, Mr Noone may exercise the Executive Options, once vested.

The Board will determine after the end of each year whether the Company has met the performance criteria. The proportion of Executive Options that vest will be determined as follows:

Executive Options Tranche	Number of Executive Options	Performance condition
Tranche 1	13,500,000	None
Tranche 2	13,500,000	Volume weighted average market price (VWAP) of \$0.025 for CL8 Shares as traded on ASX for a continuous 20-day period
Tranche 3	13,500,000	VWAP of \$0.03 for CL8 Shares as traded on ASX for a continuous 20-day period

(d) Fair Value of Executive Options

The Black Scholes Pricing Model has been used to value the Tranche A Executive Options, with the following assumptions:

- (i) the risk free rate of interest of 0.355% is the Australian Government 5 year bond rate;
- (ii) the underlying security spot price of \$0.008 used for the purposes of this valuation is based on the Share price of the Company as at 1 October 2020;

- (iii) the estimated volatility used in the valuation is 70%;
- (iv) for the purposes of the valuation, no future dividend payments have been forecast; and
- (v) for the purposes of the valuation it is assumed that the Executive Options will be issued on 1 October 2020.

A hybrid barrier up and in trinomial option pricing model has been used to value the Tranche B and Tranche C Executive Options on the basis that those options have market based vesting conditions attached, with the following assumptions:

- (vi) VWAP barrier of \$0.025 for Tranche B and \$0.030 for Tranche C;
- (vii) the risk free rate of interest of 0.355% is the Australian Government 5 year bond rate;
- (viii) the underlying security spot price of \$0.008 used for the purposes of this valuation is based on the Share price of the Company as at 1 October 2020;
- (ix) the estimated volatility used in the valuation is 70%;
- (x) for the purposes of the valuation, no future dividend payments have been forecast; and
- (xi) for the purposes of the valuation it is assumed that the Executive Options will be issued on 1 October 2020.

Based on the above, the total of the fair value of the Executive Options at 1 October 2020 is as follows:

Director	Fair Value of Tranche 1 Executive Options	Fair Value of Tranche 2 Executive Options	Fair Value of Tranche 3 Executive Options	Total Fair Value of Executive Options
Mr Chris Noone	\$45,900	\$44,550	\$43,200	\$133,650

5.6 Specific information required by Listing Rule 10.13

Listing Rule 10.13 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval for the issue of Executive Options:

- (a) The Executive Options will be issued to Mr Chris Noone (or his nominee), who falls within the category set out in Listing Rule 10.11.1 as Mr Noone is a related party of the Company by virtue of being a Director.
- (b) A total of 40,500,000 Executive Options (on a pre-Consolidation basis) will be issued to Mr Noone (or his nominees).
- (c) Refer to Schedule 1 for the entire terms and conditions of the Tranche 1, Tranche 2 and Tranche 3 Executive Options.
- (d) The Company will issue the Executive Options no later than one month after the date of the Meeting or such longer period of time as ASX may in its discretion allow, and it is anticipated that the issue will occur on one date.
- (e) The Executive Options will be issued for nil cash consideration. Accordingly, no funds will be raised. However, the Executive Options may raise funds if they are exercised by Mr Noone (or his nominee) and the cashless exercise option is not utilised. The Executive Options may raise funds if they are exercised by Mr Noone as follows:

Director	Amount raised if Tranche 1 Executive Options are exercised	Amount raised if Tranche 2 Executive Options are exercised	Amount raised if Tranche 3 Executive Options are exercised	Amount raised if All Executive Options are exercised
Mr Chris Noone	\$172,500	\$172,500	\$172,500	\$517,500

No decision has been made on how funds raised from the exercise of Executive Options will be used. The Board will consider the circumstances of the Company at the time the funds are raised.

- (f) The primary purpose of the issue of the Executive Options to Mr Noone (or his nominee) is to provide a performance linked long-term incentive component in his remuneration packages to motivate and reward his performance in his role as CEO and Executive Director, and to ensure that this incentive is linked to value accretion for Shareholders.
- (g) The remuneration and emoluments from the Company to Mr Noone proposed for the current financial year on an annualised basis and actual for the previous two completed financial years are as follows:

	Proposed in Current Financial Year 2021		2020		2019	
	Salary and Fees \$	Options \$	Salary and Fees \$	Options \$	Salary and Fees \$	Options \$
Mr Chris Noone ¹	277,852	133,650 ²	244,095	-	268,275	-

1. Mr Noone may receive up to an additional \$225,000 per annum in short term cash incentives subject to performance criteria being satisfied.
2. If the Executive Options are issued, the total remuneration package of Mr Chris Noone will increase by \$133,650, being the value of the Executive Options (based on the Black Scholes methodology for Tranche 1 and a hybrid barrier up and in trinomial option pricing model for Tranches 2 and 3). The value of \$133,650 will be apportioned over the vesting and five year performance period.

(h) A summary of the material terms of Mr Noone's Executive Services Agreement is set out in Section 5.4 above.

(i) A voting exclusion statement has been included for each Resolution.

5.7 Board Recommendation

Mr Noone declines to make a recommendation to Shareholders in relation to Resolutions 5, 6 and 7 due to Mr Noone's material personal interest in the outcome of those Resolutions on the basis that Mr Noone is to be granted Executive Options in the Company should Resolutions 5, 6 and 7 be passed. The Directors (other than Mr Noone) believe that Resolution 5, 6 and 7 provides a cost-effective and efficient incentive for the Company to provide, as opposed to alternative forms of incentives and recommend that Shareholders vote in favour of those Resolutions.

5.8 Voting Intention

The Chairman of the meeting intends to vote all available proxies in favour of Resolutions 5, 6 and 7.

6. Resolution 8 – Approval of 7.1A Mandate

6.1 Background

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

Resolution 8 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If Resolution 8 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 8 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

6.2 Specific Information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information is provided below in relation to Resolution 8:

(a) Period for which the 7.1A Mandate is valid

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

(b) Minimum Price

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15

trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in (i) above, the date on which the Equity Securities are issued.

(c) Use of funds raised under the 7.1A Mandate

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate towards driving the continuing growth of the Carly vehicle subscription business and DriveMyCar rental business through continued marketing initiatives, technology platform development and pursuit of business development opportunities to grow the available fleet size to meet the demand for vehicles and for general working capital.

(d) Risk of Economic and Voting Dilution

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 8 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue as at 8 October 2020.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

Variable "A"	Number of Shares issued and funds raised under the Additional 10% Placement Capacity and dilution effect	Dilution		
		\$0.004 Issue Price at half the current market price	\$0.008 Issue Price at current market price	\$0.016 Issue Price at double the current market price
Current Variable A 1,151,752,495 Shares	Shares issued	115,175,250	115,175,250	115,175,250
	Funds raised	\$460,701	\$921,402	\$1,842,804
	Dilution	10%	10%	10%
50% increase in current Variable A 1,727,628,743 Shares	Shares issued	172,762,874	172,762,874	172,762,874
	Funds raised	\$691,051	\$1,382,103	\$2,764,206
	Dilution	10%	10%	10%
100% increase in current Variable A 2,303,504,991 Shares	Shares issued	230,350,499	230,350,499	230,350,499
	Funds raised	\$921,402	\$1,842,804	\$3,685,608
	Dilution	10%	10%	10%

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 1,151,752,495 Shares on issue.
2. The issue price set out above is the closing market price of the Shares on the ASX on 8 October 2020.
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. [If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.]
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.

7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(e) Allocation policy under the 7.1A Mandate

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the dilutionary effect of the proposed issue of the Equity Securities on existing Shareholders at the time of proposed issue of Equity Securities;
- (v) the circumstances of the Company, including, but not limited to, the financial situation and solvency of the Company;
- (vi) prevailing market conditions; and
- (vii) advice from professional advisers, including corporate, financial and broking advisers (if applicable).

(f) Previous approval under ASX Listing Rule 7.1A

- (i) The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its Annual General Meeting held on 21 November 2019 (**Previous Approval**).
- (ii) During the 12 month period preceding the date of the Meeting, being on and from 19 November 2019, the Company has not issued any Equity Securities pursuant to the Previous Approval.

6.3 Voting Exclusion

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

6.4 Board recommendation

The Board recommends Shareholders vote in favour of the Resolution.

6.5 Voting intention

The Chair of the meeting intends to vote all undirected proxies in favour of the Resolution.

7. Resolution 9 – Consolidation of Capital

7.1 Background

Resolution 9 seeks Shareholder approval for the Company to undertake a consolidation of:

- (a) the number of Shares on issue on the basis that every 25 Shares be consolidated into 1 Shares;
 - (b) the number of Options on issue on the basis of every 25 Options be consolidated into 1 Option and the exercise price of such Options will be amended in inverse proportion to this ratio in accordance with Listing Rule 7.22.1,
- (together, the **Consolidation**).

The purpose of the Consolidation is to implement a more appropriate capital structure for the Company going forward and to enable the Company to satisfy Chapters 1 and 2 of the Listing Rules and obtain re-quotations of the Shares on ASX.

This section of the Explanatory Memorandum provides the information required by Listing Rule 7.20 to be provided to Shareholders in relation to the Consolidation.

7.2 Legal requirements

Section 254H of the Corporations Act enables a company to convert all or any of its securities into a smaller number of securities by a resolution passed at a general meeting. The conversion proposed by Resolution 10 is permitted under section 254H of the Corporations Act.

The Listing Rules also require that the number of Options on issue be consolidated in the same ratio as the ordinary capital and the exercise price amended in inverse proportion to that ratio.

7.3 Fractional entitlements and taxation

Not all Shareholders and Optionholders will hold that number of Shares and Options which can be evenly divided by 25. Where a fractional entitlement occurs, the Directors will round that fraction down to the nearest whole Share and Option.

It is not considered that any taxation consequences will exist for Shareholders and Optionholders arising from the Consolidation. However, Shareholders and Optionholders are advised to seek their own tax advice on the effect of the Consolidation and neither the Company nor the Directors (or the Company's advisers) accept any responsibility for the individual taxation consequences arising from the Consolidation.

7.4 Holding certificates and option certificates

From the date two business days after the Effective Date of the Consolidation (as set out in the timetable below):

- (a) all holding statements for Shares will cease to have any effect, except as evidence of entitlement to a certain number of Shares on a post-Consolidation basis;
- (b) all certificates for unlisted Options (if any) will cease to have any effect, except as evidence of entitlement to a certain number of Options on a post-Consolidation basis;
- (c) after the Consolidation becomes effective, the Company will arrange for new holding statements for Shares to be issued to Shareholders, and to the extent required, new certificates for unlisted Options to be issued to Optionholders; and
- (d) it is the responsibility of each Shareholder or Optionholder to check the number of Shares or Options held prior to disposal or exercise (as the case may be).

7.5 Effect on capital structure

The effect which the Consolidation will have on the capital structure of the Company is as follows:

	Number of Shares	Number of Options ²
Balance at the date of the Meeting	1,151,752,495	208,721,924
Maximum number to be issued pursuant to entitlement issue offer ¹	383,917,498	76,783,500
To be issued pursuant to Resolutions 8 and 9	-	40,500,000
Pre Consolidation	1,535,669,993	326,005,424
Post Consolidation	61,426,799	13,040,214

The effect which the Consolidation will have on the exercise price of options on issue is as follows:

Type of Option ²	Current Exercise Price (\$)	Number of Options	New Exercise Price (\$)	New Number of Options	Expiry Date
Executive A Options	0.0198	883,333	0.50	35,333	28-Nov-20
Executive B Options	0.0298	883,333	0.75	35,333	28-Nov-20
Officer A Options	0.0494	7,000,000	1.24	280,000	23-Nov-20
Officer B Options	0.0792	10,500,000	1.98	420,000	23-Nov-20
Unquoted Options	0.015	173,217,106	0.38	6,928,684	18-Dec-20
Employee Options	0.0211	1,940,111	0.53	77,604	03-Sep-21
Employee Options	0.0163	260,031	0.41	10,401	01-Feb-22
Employee Options	0.0125	1,000,000	0.31	40,000	07-May-22
Employee Options	0.015	1,000,000	0.38	40,000	07-May-22
Employee Options	0.01	1,750,541	0.25	70,021	02-Sep-22
Employee Options	0.02	349,508	0.50	13,980	01-Jan-23
Employee Options	0.01	1,500,000	0.25	60,000	16-Mar-23
Employee Options	0.01	3,000,000	0.25	120,000	11-May-23
Employee Options	0.01	5,437,961	0.25	217,518	01-Sep-23

Type of Option²	Current Exercise Price (\$)	Number of Options	New Exercise Price (\$)	New Number of Options	Expiry Date
Unquoted Options to be offered pursuant to entitlement issue offer ¹	0.015	76,783,500	0.38	3,071,340	31-Oct-22
Executive Options to be issued pursuant to Resolutions 6, 7 and 8	0.015	<u>40,500,000</u>	0.38	<u>1,620,000</u>	5 years from the date of issue
Total		<u>326,005,424</u>		<u>13,040,214</u>	

Note:

1. Pursuant to prospectus dated 14 September 2020 and released to ASX on that day.
2. All options on issue are unquoted.

7.6 Timetable for the Consolidation

If approved by the Shareholders, the proposed Consolidation will take effect on 20 November 2020. The following is an indicative timetable (subject to change) of the key events:

Key Event	Indicative Date
Annual General Meeting	19 November 2020
Notification to the ASX that the change of company name and Consolidation are approved	19 November 2020
Effective Date	20 November 2020
Last day for trading in pre-consolidated securities	23 November 2020
Trading in the consolidated securities on a deferred settlement basis commences (if agreed by ASX)	24 November 2020
Record date (last day to register transfers on a pre-Consolidation basis)	25 November 2020
First day for the Company to update its register and send holding statements to security holders reflecting the change in the number of securities they hold.	26 November 2020
Last day for the Company to update its register and to send holding statements to security holders reflecting the change in the number of securities they hold and to notify ASX that this has occurred.	2 December 2020
Deferred settlement trading ends	3 December 2020
Normal trading starts	4 December 2020

7.7 Board recommendation

The Board recommends Shareholders vote in favour of the Resolution.

7.8 Voting intention

The Chairman of the meeting intends to vote all undirected proxies in favour of the Resolution.

GLOSSARY

\$ means an Australian dollar.

7.1A Mandate has the meaning given in Section 6.1.

Annual General Meeting means the annual general meeting the subject of this Notice.

Annual Report has the same meaning as Financial Report.

AEDT means Australian Eastern Daylight Time.

ASX means ASX Limited (ACN 008 624 691) and where the context permits the Australian Securities Exchange operated by ASX Limited.

ASX Listing Rules and **Listing Rules** mean the official listing rules of ASX.

Auditor means the Company's auditor from time to time, at the date of the Notice, being HLB Mann Judd (WA Partnership).

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of directors of the Company.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company or **Collaborate** means Collaborate Corporation Limited (ACN 066 153 982).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a Director of the Company and **Directors** means the directors of the Company.

Directors' Report means the annual directors' report prepared under Chapter 2M of the Corporations Act.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Memorandum means this explanatory memorandum accompanying the Notice of Annual General Meeting.

Financial Report means the annual financial report of the Company and its controlled entities prepared under Chapter 2M of the Corporations Act.

Group means the Company and its subsidiaries.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Meeting means the meeting of Shareholders convened by the Notice of Annual General Meeting.

Notice or Notice of Meeting means the notice of annual general meeting accompanying this Explanatory Memorandum.

Option means an option which entitles the holder to subscribe for one Share.

Optionholder means an option holder of the Company.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Proxy Form means a proxy form attached to the Notice.

Remuneration Report means the remuneration report as contained in the Directors' report section of the Company's annual financial report.

Schedule means a schedule to the Explanatory Memorandum.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

Executive Option means an Option with the terms and conditions set out in Schedule 1.

Variable A means "A" as set out in the formula in ASX Listing Rule 7.1A.2.

SCHEDULE 1

Terms and Conditions of Executive Options

The terms and conditions of the Executive Options (**Options**) are as follows:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.015 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on that date which is five (5) years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date

(d) **Milestones**

The Options will have the following milestones attached to them (**Milestones**):

Executive Options Tranche	Number of Executive Options	Performance condition
Tranche 1	13,500,000	None
Tranche 2	13,500,000	Volume weighted average market price (VWAP) of \$0.025 for CL8 Shares as traded on ASX for a continuous 20-day period
Tranche 3	13,500,000	VWAP of \$0.03 for CL8 Shares as traded on ASX for a continuous 20-day period

(e) **Vesting**

Upon satisfaction of the relevant milestones set out in paragraph (d), the Options may be exercised by the Optionholder once vested as follows:

Executive Options Tranche	Vesting Date	Number of Options
Tranche 1	Immediately	3,375,000
Tranche 1	12 months from date of issue	3,375,000
Tranche 1	24 months from date of issue	3,375,000
Tranche 1	36 months from date of issue	3,375,000
Tranche 2	Immediately	3,375,000
Tranche 2	12 months from date of issue	3,375,000
Tranche 2	24 months from date of issue	3,375,000
Tranche 2	36 months from date of issue	3,375,000
Tranche 3	Immediately	3,375,000
Tranche 3	12 months from date of issue	3,375,000
Tranche 3	24 months from date of issue	3,375,000
Tranche 3	36 months from date of issue	3,375,000

(f) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(g) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(h) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (h)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(i) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities law.

(n) **Cashless exercise**

In lieu of paying the aggregate Exercise Price under paragraph (b), the Optionholder may elect to receive, without payment of cash or other consideration, upon surrender of the applicable portion of exercisable Options to the Company, a number of Shares determined in accordance with the following formula (a **Cashless Exercise**):

$$A = [B \times (C - D)] / C$$

where:

A = the number of Shares (rounded down to the nearest whole number) to be issued to the Optionholder pursuant to this paragraph (m);

B = the number of Shares otherwise issuable upon the exercise of the Option or portion of the Options being exercised;

C = the Market Value of one Share determined as of the date of delivery to the Company Secretary of the Notice of Exercise; and

D = the Exercise Price.

For the purposes of this paragraph (n), **Market Value** means, at any given date, the volume weighted average price per Share traded on the ASX over the five (5) trading days immediately preceding that given date.

Proxy Voting Form

If you are attending the meeting
in person, please bring this with you
for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **3.00pm (AEDT) on Tuesday, 17 November 2020**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBCHAT: <https://automicgroup.com.au/>

PHONE: 1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

20 October 2020

Dear Shareholder

NOTICE OF ANNUAL GENERAL MEETING

Collaborate Corporation Limited (ACN 066 153 982) (the **Company** or **Collaborate**) is convening its Annual General Meeting on Thursday, 19 November 2020 at 3:00 pm (AEDT).

In accordance with temporary modifications to the *Corporations Act 2001* (Cth) under the Corporations (Coronavirus Economic Response) Determination (No 3) 2020, the Company will not be sending hard copies of the Notice of Meeting to Shareholders. The Notice of Meeting can be viewed and downloaded from the Company's website at <https://collaboratecorp.com/investor-relations/asx-announcements/>.

As you have not elected to receive notices by email, a copy of your personalised Proxy Form is enclosed for your convenience. Shareholders are encouraged to submit their proxy vote online or by form in accordance with the instructions on the Proxy Form.

The Company strongly encourages Shareholders to lodge a directed proxy form prior to the meeting. Your proxy vote must be received by 3:00 pm (AEDT) on Tuesday, 17 November 2020. Any proxy vote received after that time will not be valid for the meeting.

The Notice of Meeting should be read in its entirety. If you are in doubt as to how you should vote, you should seek advice from your professional advisers prior to voting. If you have questions about the Meeting and voting arrangements, please email the Company Secretary at shareholder@collaboratecorp.com.

Yours faithfully

COLLABORATE CORPORATION LIMITED



Chris Noone
CEO and Executive Director