
90% QUARTERLY GROWTH, 100% UTILISATION OF SUBARU IMPREZAS AND REDUCED INSURANCE COSTS

Collaborate Corporation Limited (ASX:CL8 or the **Company**) is pleased to provide a business update for the March Quarter to 28 March for its DriveMyCar business unit.

Following record results in January and February and strong interim performance for March 2017 announced on 20 March, DriveMyCar has increased booking growth yet again and delivered the highest monthly and quarterly revenue and booking results ever achieved and secured bookings for all 101 Subaru Imprezas.

Key March 2017 Quarter (as of 28 March 2017) highlights include:

- + **90% increase in Net Rental Days Booked for the March 2017 Quarter to over 20,000 days** vs the full December 2016 Quarter.
- + **77% increase in Net Rental Days Booked in March** vs previous record month of February 2017
- + **13% increase in Gross Revenue for the March 2017 Quarter** vs full December 2016 Quarter with a significant proportion of revenue from the record bookings to be realised in the June 2017 Quarter.
- + **100% of the 101 Subaru Impreza's have been booked** within 13 days of launch.
- + **265% increase in Net Rental Days Booked for UberX rentals** for the March 2017 Quarter vs the full December 2016 Quarter.
- + Approximately **\$40,000 Claims Experience Discount** to be received in the June 2017 Quarter as result of low insurance claims.
- + **35% reduction in insurance costs** from new motor fleet insurance policy when compared with FY16 and expected to deliver more than a **10% increase in Gross Profit** in the June 2017 Quarter and beyond.

DriveMyCar has continued to improve on strong interim results for the March 2017 Quarter announced on 20 March with growth increasing further in the latter part of the month. The growth is evident across the entire business. In particular demand for rideshare rentals has been exceptionally strong and **overall utilisation of vehicles has increased, with all of the 101 Subaru Imprezas having been booked.**

Gross Revenue in the March 2017 Quarter (to date) has grown by 13% compared to the December 2016 Quarter, which has traditionally been the strongest quarter. However, **a more significant 90% increase has been seen in Net Rental Days Booked** which captures all days in a booking including those days that are realised in the current month and those days that will be realised in future months. **Total Net Rental Days Booked in the March 2017 Quarter exceeds 20,000 days.** As booking growth accelerated throughout March and with many of the bookings for periods of more than 30 days, a significant proportion of revenue from these Net Rental Days Booked will be realised in the June 2017 Quarter. Based on confirmed bookings as at 28 March, the forward revenues that will be realised in April 2017 already exceeds the revenue for the full month of April 2016.

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Rideshare rentals for UberX drivers grew at an increasing rate in March contributing to a **265% increase in Net Rental Days Booked for rideshare rentals** in the March 2017 Quarter compared to the December 2016 Quarter. Rideshare rentals contributed 27% of Gross Revenue in the March 2017 Quarter, up from 18% in the December 2016 Quarter.

DriveMyCar has delivered another outstanding result in the operation of its insurance policy. The ratio of claims to premium paid has decreased for the second year in a row resulting in the **maximum possible Claims Experience Discount of approximately \$40,000** being earned for the period ending 21 March 2017. The discount will be received by DriveMyCar in the June 2017 Quarter.

The continuing reduction in the claims ratio has been driven by the PeerPass verification platform and robust procedures which govern operation of the DriveMyCar marketplace. As a result of the below industry average claims ratio and business growth, DriveMyCar has negotiated a **35% reduction in the cost of its insurance policy** which is forecast to translate to a **10% improvement in Gross Profit** commencing in the June 2017 Quarter.

Chris Noone, Collaborate Corporation CEO commented "We have seen our strategy to focus on key supply and demand drivers deliver outstanding results in the March Quarter. The full revenue benefit from these bookings will continue to be recognised in the June Quarter. The excellent insurance claims history delivered is a result of robust processes and the PeerPass verification platform and provides ample evidence of the value and scalability of the platform we have developed. With a higher revenue trajectory and lower costs, we look forward to reporting very strong results in the next quarter and beyond. The DriveMyCar business is accelerating!"

Complete results for the full March 2017 Quarter will be provided in the Appendix 4C - March 2017 Quarterly to be released in April 2017.

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 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.