ASX ANNOUNCEMENT

9th August 2017

Kollakorn Expands its Technology Offering

The Directors of Kollakorn Corporation Limited (**ASX: KKL**) are pleased to announce that Kollakorn has signed a teaming agreement with **Driver Design Studio Limited** ("**DRVR**"). DRVR is a Hong Kong based company founded by three entrepreneurial Australian business men, which operates out of Thailand, Myanmar, Hong Kong and Australia.

DRVR provides a software platform that uses data, centred on transport and operational patterns, to help businesses improve the cost and efficiency of their transport fleets, deliver better customer service and gather critical data to help them grow.

While DRVR operates in the same business segment as Kollakorn, it uses different technology and offers a different, but very complementary product.

About DRVR

Like Kollakorn, DRVR's focus is on the ASEAN Region and DRVR operates principally out of Thailand. DRVR is initially focusing its business in Thailand and Myanmar but eventually will expand its focus to all of the ASEAN Region.

DRVR's key product focus within the transport solution segment includes:

- Being a market enabler for OEM automakers for Connected Vehicle solutions for both the Fleet and Consumer segments;

- Smart Transportation Communication Networks (ie marine-to-land interconnectivity);

- Predictive analytics for Freight and Passenger Travel;

- Through Gamification, making DRVR's platform the most user-friendly system available therefore ideally suiting developing markets; and

- Simplifying the process of transportation through encouraging the adoption of technology which reduces the need for human intervention such as Blockchain [*].

While DRVR is in its early stages of development (their platform has been live for 18 months), it has already made significant inroads in the ASEAN Region by securing 11 customers, 3 of which were converted to full customers from pilots, while the rest contracted directly without the need for a pilot.

DRVR has developed a product designed specifically for the ASEAN Region which has the following unique selling points:

- It is locally built and designed (can adopt any language);

- It has an amazingly user-friendly UI (Interface);

- It uses Big Data and a smart algorithms engine.

DRVR uses a telematics platform to develop a distributed software platform which can be scaled-up and allow for real time Big Data analytics. The use of Big Data analytics is centered on transport operational patterns and is used to help businesses:

- Improve the cost efficiency of their transport fleets;

- Deliver better customer service;

- Gather critical transport, customer and driver data to help companies grow.

DRVR is a **Lab of Things** ("**LoT**") platform provider which collects data from multiple sensors with an easy to use dashboard, accessible from any desktop or mobile device.

LoT is a flexible platform that uses connected devices in businesses, vehicles and beyond and enables easy, interconnection of devices and implementation of applications, deployment, monitoring and analysis of data.

DRVR's unique offering is that it provides:

- **Faster Development:** in that DRVR's development team rolls out new and improved software continually (Agile development methodology);

- **Easier Implementation:** in that DRVR makes their software so easy and intuitive that anyone can use it in minutes; and

- **More Powerful:** because DRVR uses powerful Big Data analysis to identify patterns and trends.

A further key strategic advantage is that DRVR has only a small number of competitors, but none of which have DRVR's OEM focus. Most of the competitors do however have the following disadvantages in common:

- Old and Tired Tech Platforms (most over a decade in age);

- High Cost base (development teams in Australia, South Africa or Europe);

- Technology that was designed in Europe or USA for those markets, not the ASEAN market.

The CEO of Kollakorn, David Matthews said that:

"*The directors of both DRVR and Kollakorn are very excited about this new relationship because both companies will benefit from each other's products, customers and ASEAN country concentric relationships*"

and that,

"The new relationship with DRVR was in line with Kollakorn's new business philosophy of being and "aggregator" of new, powerful and different, but related technologies".

Kollakorn and DRVR regard this Teaming Agreement as a first step in their relationship where both companies get to know each other and understand each other's technology. Assuming this initial relationship progresses successfully there could be the opportunity for a closer relationship to be developed.

Riad Tayeh

Chairman

*A "blockchain" is a distributed database that maintains a continuously growing list of ordered records called blocks. Each block contains a timestamp and a link to a previous block. By design, blockchains are inherently resistant to modification of the data. Once recorded, the data in a block cannot be altered retroactively. Blockchains are "an open, distributed ledger that can record transactions between two parties efficiently and in a verifiable and permanent way. The ledger itself can also be programmed to trigger transactions automatically."

How does this impact LoT and DRVR specifically you may ask? ie payments and proof of delivery can be revolutionised. A lot of the benefits which Blockchain brings to logistics are intangible but combined with LoT the impact can be significant. Transparency and higher security are the key new changes which become realizable.

The DRVR backend Is perfectly suited to be interoperable with Blockchain.