

1 March 2018

The Manager
Company Announcements Office
ASX Limited
Level 4, Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

FREELANCER LIMITED (ASX:FLN) : CANCELLATION OF EMPLOYEE SHARE PLAN SHARES

Freelancer Limited (ASX:FLN) (**Company**) advises that the attached Appendix 3C relates to the intended buy-back and cancellation of 1,920,000 fully paid ordinary shares (**ESP Shares**) in accordance with the Company's Employee Share Plan (**ESP**).

Once bought back, these shares are intended to be cancelled and accordingly the Company's number of shares on issue will be reduced to 454,915,488 shares.

There is no cash outlay by the Company for the buy-back of ESP shares as loans are made by the Company to employees to fund the original purchase of ESP shares and those loans are extinguished in full by the return and cancellation of the shares.

Yours faithfully
Freelancer Limited



Neil Katz
Company Secretary

Appendix 3C

Announcement of buy-back (except minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity

Freelancer Limited

ABN/ARSN

66 141 959 042

We (the entity) give ASX the following information.

Information about buy-back

1	Type of buy-back	Employee Share Plan buy-back
2	*Class of shares/units which is the subject of the buy-back (eg, ordinary/preference)	Ordinary shares
3	Voting rights (eg, one for one)	One for one
4	Fully paid/partly paid (and if partly paid, details of how much has been paid and how much is outstanding)	Fully paid
5	Number of shares/units in the *class on issue	456,835,488 (before the buy-back)
6	Whether shareholder/unitholder approval is required for buy-back	No
7	Reason for buy-back	Bought back in accordance with the terms of the Company's Employee Share Plan (ESP).

⁺ See chapter 19 for defined terms.

Appendix 3C

Announcement of buy-back

- 8 Any other information material to a shareholder's/unitholder's decision whether to accept the offer (*eg, details of any proposed takeover bid*)

Nil

On-market buy-back

- 9 Name of broker who will act on the company's behalf

N/A

- 10 Deleted 30/9/2001.

- 11 If the company/trust intends to buy back a maximum number of shares - that number

Note: This requires a figure to be included, not a percentage.

N/A

- 12 If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention

N/A

- 13 If the company/trust intends to buy back shares/units if conditions are met - those conditions

N/A

Employee share scheme buy-back

- 14 Number of shares proposed to be bought back

1,920,000

⁺ See chapter 19 for defined terms.

15 Price to be offered for shares

1,250,000 quoted shares at \$0.77 per share
100,000 unquoted shares at \$1.34 per share
20,000 unquoted shares at \$1.38 per share
75,000 quoted shares at \$1.40 per share
150,000 unquoted shares at \$1.55 per share
325,000 unquoted shares at \$1.59 per share,
being the prices at which the ESP shares were issued, and
satisfied by the extinguishment of corresponding loans from
the Company provided to fund the original purchase of the
ESP shares.

Appendix 3C

Announcement of buy-back

Selective buy-back

- | | | |
|----|--|-----|
| 16 | Name of person or description of class of person whose shares are proposed to be bought back | N/A |
| 17 | Number of shares proposed to be bought back | N/A |
| 18 | Price to be offered for shares | N/A |

Equal access scheme

- | | | |
|----|---|-----|
| 19 | Percentage of shares proposed to be bought back | N/A |
| 20 | Total number of shares proposed to be bought back if all offers are accepted | N/A |
| 21 | Price to be offered for shares | N/A |
| 22 | *Record date for participation in offer
<small>Cross reference: Appendix 7A, clause 9.</small> | N/A |

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

or, for trusts only:

1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust's constitution, relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here:



Date: 1 March 2018

Company Secretary

Print name:

Neil Katz

⁺ See chapter 19 for defined terms.