

BOARD & MANAGEMENT

Wayne Zekulich
Non-Executive Chairman

Peter Gibbons
Managing Director

Darren Bromley
Executive Director / CFO
Company Secretary

Duncan Anderson
Executive Director / CTO

Danielle Lee
Executive Director

Sean Adomeit
Chief Operating Officer

CAPITAL STRUCTURE

Ordinary Shares 191.7 million
Options 2.9 million
Performance rights 15.6 million

MARKET CAPITALISATION

\$33.55 million (at \$0.175 per share as at 27 October 2021)

52 WEEK SHARE PRICE RANGE

\$0.14 - \$0.44

CASH (as at 30 Sept 2021)

\$7.94M

TOP 20 SHAREHOLDERS

72.36% as at 30 September 2021

CONTACT

T: 1800 667 366

E: investors@openn.com.au

W: openn.com.au

L1, 4 Stirling Road Claremont WA 6010

PO Box 896 Claremont WA 6910

ABN: 75 612 329 754

Quarterly Activities Report Q1 FY21

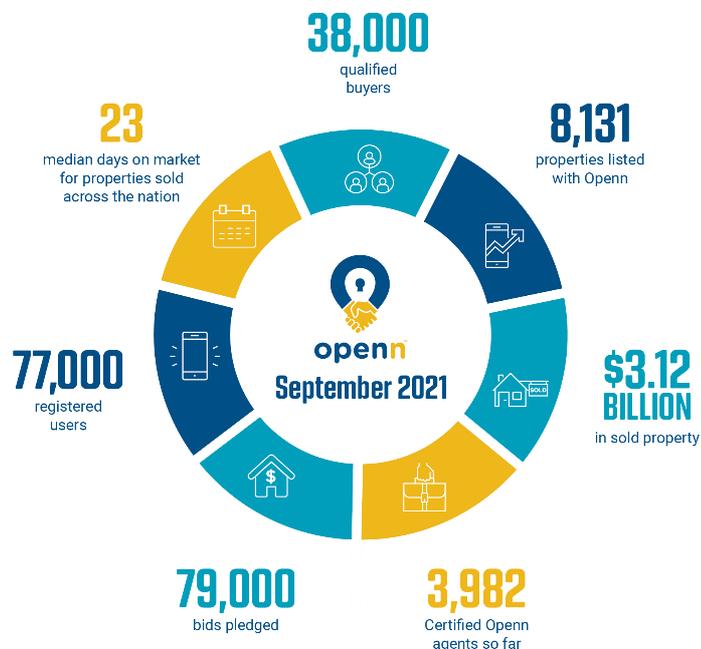
HIGHLIGHTS

- **Openn Negotiation successfully listed on the ASX on 21 July 2021 via a fully underwritten and oversubscribed initial public offering**
- **Strong growth in upload of properties on to the Openn platform**
- **Private treaty product 'Openn Offers' rapid training growth and uploads**
- **US pilot program commenced**
- **Partnerships with RE/MAX and the Professionals**
- **First National Partnership extended**
- **Strategic alliance with CoreLogic: OnTheHouse integration goes live**
- **Openn North America Inc. incorporated and appointment of North American Director of Operations**
- **Selected to participate in the REACH Canada 2022 Accelerator Program**
- **Cash of \$7.94M at 30 September 2021**



OPENN

SUCCESS TRACKER



Australian-listed property technology company ('PropTech'), Openn Negotiation Limited (ASX: OPN), ('Openn', ('Group') or 'Company'), is pleased to release its Appendix 4C and Activities Report for the three months ending 30 September 2021 ('First Quarter', or 'Q1 FY22').

ABOUT OPENN

Openn is a PropTech company offering a proprietary, cloud-based software platform to support real estate agents in selling property online with greater transparency. The Openn platform facilitates a negotiation process, featuring streamlined digital contracting and automated communication tools, which enhances a property transaction. The solution provides buyers with real-time feedback through their device on how much competition exists and where their offer price stands in the negotiation, providing greater transparency to the sales transaction process.

Our business, through its 100% owned subsidiary Openn Pty Ltd, operates the Platform which enables the sale of real estate online utilising the exclusive Openn Negotiation Process. On 30 August 2021, the Group launched 'Openn Offers' to provide another real estate sales method which follows a typical private treaty sales process, enhanced by the benefits of the Openn platform, such as increased buyer transparency, faster digital contracts and automated communication capabilities.

Openn's vision is to provide agents with the ability to use the Openn Platform to conduct any method of sale. The business currently services the Australian and New Zealand residential property markets, with an expansion into the North American market currently underway through an initial pilot program.

MANAGING DIRECTOR COMMENTS

Peter Gibbons, Managing Director of the Openn, commented: "Q1 FY22 saw a continuation of the same strong increase in market traction that Openn achieved in the previous Quarter. We're not only seeing strong growth in our primary metric of uploads of new listings onto the platform, but also in new agents training to register on the platform and first-time agents uploading properties. The platform is facilitating exceptional sales results across a broad range of property types and geographic locations, with prices regularly being achieved well above reserve.

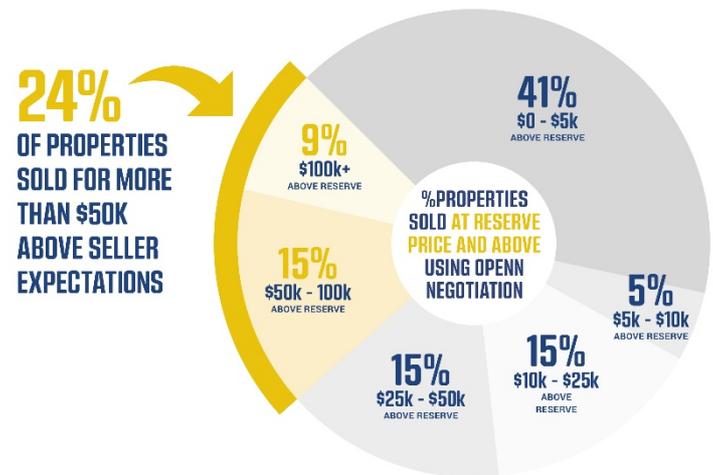


Figure 1: Reserve metrics

"The expansion of the Openn platform to now include 'Openn Offers', a seamless offer management process which aligns with the private treaty legal framework, has been very well received. The product provides agents with a tool to run a more traditional offer and acceptance negotiation online and control the level of price transparency they desire to achieve the best outcome. Openn Offers also allows the vendor to accept an offer which may not have the highest price, but more favourable terms which is demonstrated to be highly desired in some markets.

"There's multiple factors an agent considers when prescribing the ideal method of sale that a vendor should choose in taking their property to market. The platform is designed to support all market conditions, property types and agent preferences, while giving vendors confidence they're not underselling their property," Peter concluded.

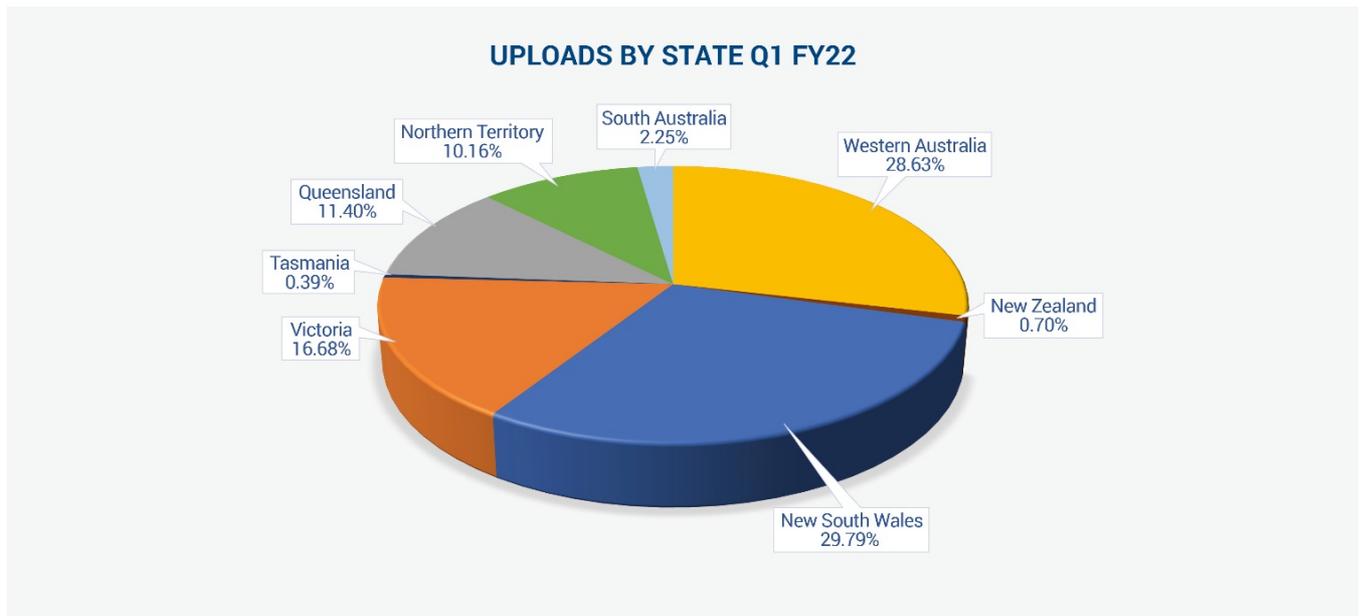


Figure 2: Number uploads on the Openn platform for the September quarter 2021.

OPERATIONS

Openn continued to develop its core technology platform and establish its network of clients to increase sales and uploads to the Openn platform throughout the year.

During Q1 FY22, Openn’s strategy by training agents and offering promotions on uploads to drive scale has continued. Additionally, the Group continued to test various models relating to the cost of uploads and the timing of payments. This practice is expected to have a short-term negative effect on revenue and cash inflows.

The study of economics relating to the effect on price has revealed the market prefers optionality in pricing. Market participants tend to favour one approach over another depending on the landscape of the market they service. The Group will continue this assessment throughout the remainder of the year and will begin to incorporate additional pricing and revenue sharing elements enabled by integration with key partners into 2022.

Rapid growth in uploads

The growth in scale relating to uploads is illustrated in *Figure 3* for the calendar years 2017 to 2021 followed by other key metrics for the same period. Q1 FY22 had a 105% growth in uploads from the corresponding period in 2020.

Market share metrics

The Company primarily measures how it is tracking against planned by focusing on the number of property uploads to the platform. Using June 2021 as the baseline, a compound monthly growth rate of 5% is required to reach the Company target of 5% market share by June 2024. This equates to a compound annual growth rate of 71% in order to reach 2,000 listings per month by June 2024.

Results for the year are tracking positively against target, as illustrated in *Figure 3*.

Current growth rates:

- Calendar year to date (compound monthly growth rate): 12%
- Fiscal year to date (compound monthly growth rate): 10%
- September year on year growth rate: 152%

For the 2021 year, 6 of 9 full months have produced record monthly results. October 2021 month to date has already exceeded the September record. The Company does expect seasonal declines, particularly in winter and over the summer holiday period.

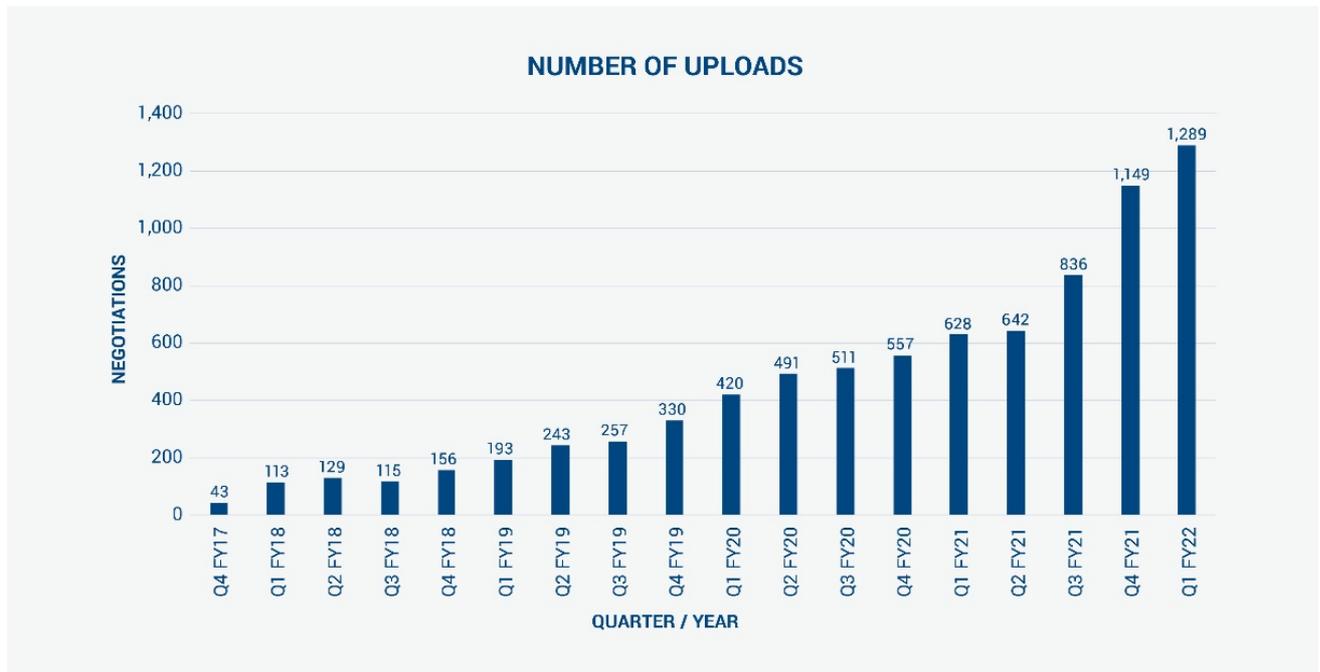


Figure 3: Property Uploads to the Openn platform during each quarter from 1 January 2017 to 30 September 2021 (Q1 FY22) across Australia and New Zealand.

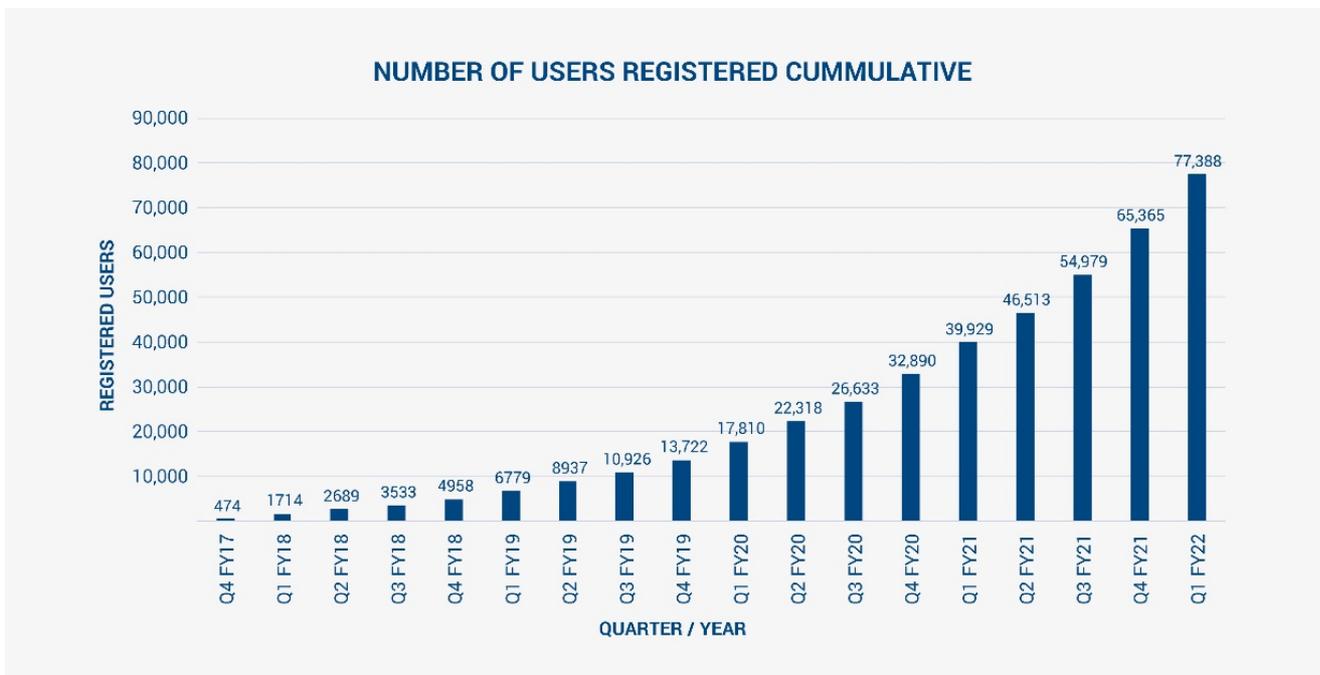


Figure 4: Number of registered users on the Openn platform up to 30 September 2021.

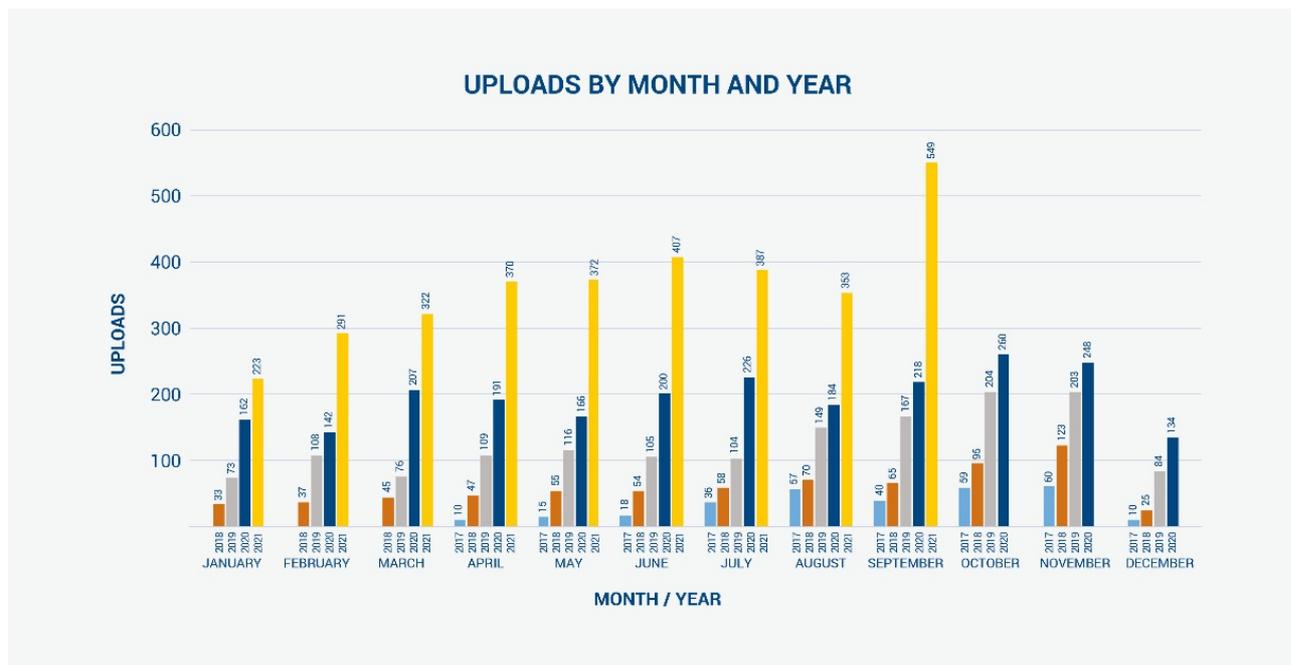


Figure 5: Number of uploads by month and year.

Openn Negotiation compared with Openn Offers - a New Private Treaty Solution

The Group will continue focusing on implementing its strategic plan for the continued development and expansion of the Openn platform.

‘Openn Offers’ was released as a trial to selected agents in May 2021. The new offering adopts a traditional private treaty sales process which is enhanced through improved transparency for buyers, streamlined digital contracting and automated communication tools.

The product officially launched in September 2021 and immediately demonstrated outstanding results contributing to a 56% increase in uploads compared to the previous month (August 2021). While the product was launched into the market at no cost for an initial promotional period to drive scale, the Group is pleased to see sustained growth in the use of the Openn Negotiation product, compared to the previous quarter.



Openn Negotiation (Online Auction)	Openn Offers (Online Private Treaty)
<ul style="list-style-type: none"> ✓ Full price transparency for buyers ✓ Highest bid wins ✓ Bidders are pre contracted ✓ No cooling off period ✓ Bids may be publicised outside the platform 	<ul style="list-style-type: none"> ✓ Agent controls price transparency ✓ Choose preferred offer (lower price with better terms) ✓ Accept any offer at any time ✓ No Auctioneer ✓ Cooling off applies where required

Figure 6: Openn Negotiation versus Openn Offers

USA Pilot and Appointments

The Group incorporated a US subsidiary, Openn North America Inc. (formerly Openn USA Inc. as announced on 6 September 2021), to run the USA and Canadian operations and made the appointment of Mr Eric Bryant as Director of Operations of Openn North America Inc. This role is a key appointment for the Group in support of the roll-out of the USA pilot program and the development of its North American market strategy.

Mr Bryant brings more than 25 years’ professional experience in the USA, with a strong focus on real estate services, strategy, and technology. He has deep experience with real estate business development and extensive



networks in the sector across the USA. Mr Bryant joins Openn from First American Data & Analytics, a wholly owned subsidiary of First American Financial Corporation (NYSE: FAF). Previously, Mr Bryant led his own national real estate technology consultancy, a role that included several years as host of the radio talk show “Keeping it Real Estate”.

Engineering work is now complete on the initial USA pilot release. Openn expects to conduct its first USA transactions under pilot conditions in calendar Q4 2021 and is targeting a commercial launch in the USA in the first half of calendar year 2022.

The Group is preparing a legal framework and broker support to conduct the first pilot transactions in Connecticut before expanding the pilot across up to four additional states prior to commercial launch.

In addition to our acceptance into the REACH Canada accelerator (see more below), the Group engaged strategic consultants with deep real-estate market experience and networks to assist with the development of our North American market entry strategy. The USA market is extremely large and can be segmented geographically, by function and by the nature of market participants. The Group understands that the transparency of the Openn platform is an important value proposition across market segments and work is underway to develop channel to market partnership agreements aligned with targeted market segments.

High level North American market metrics:

	USA	Canada
Major Listing Services	531	18
Real Estate Boards / Associations	1,108	62
Realtors (Agents)	~1.5m Active NAR ¹ members	~141,000 Active CREA ² members
Residential Sales (New & Existing 2020)	~6,400,000	~550,000

1. National Association of REALTORS®.

2. Canadian Real Estate Association

Partnerships with RE/MAX and the Professionals

During the quarter, Openn continued to build strategic relationships to enhance scale and growth of users of the platform.

The relationships included new incentive partnership programs with RE/MAX and the Professionals (the ‘Parties’) whereby they receive volume-based discounts on property upload fees which reward increased uptake by the Parties of the Openn Platform. In addition, Openn is given access to promote and educate its solutions to agents within the Parties as the preferred supplier of digital negotiation tools.

Openn’s partnership agreement with First National was also extended which has been in place with the brand since January 2019.

CoreLogic: OnTheHouse integration

The Company, through its subsidiary Openn Pty Ltd, and RP Data Pty Ltd trading as CoreLogic (‘CoreLogic’), a leading provider of online property information and data analytic services the Australian and New Zealand property markets, launched their technical integration connecting CoreLogic’s [onthehouse.com.au](https://www.onthehouse.com.au) website visitors with live property auctions on Openn.

Integration between the two platforms was a key deliverable of a strategic alliance agreement executed by both parties.



The integration will allow consumers browsing properties listed with onthefhouse.com.au to see in real time the status of any online auction running on that property with Openn, as well as the current bid throughout the campaign phase. From the onthefhouse.com.au listing, consumers can link through to Openn to join the auction as a genuine bidder or simply register their interest on the property (when made available by the agent).

REACH Canada 2022 Accelerator Program

Post the end of the quarter, Openn, through its wholly owned subsidiary, Openn North America Inc. was selected by REACH Canada Accelerator Ltd (**'REACH'**) (a Second Century Ventures company) to participate in the REACH Canada 2022 Accelerator Program.

Openn is the first company to be invited into multiple REACH programs internationally, which provides us with great confidence that the platform we have developed is genuinely transformational for the real estate sector.

Second Century Ventures (**SCV**) is a venture capital fund focused on promoting innovation in the real estate industry and helping to enable the entrepreneurial spirit of real estate thrive. SCV has been fully capitalised by the National Association of REALTORS® in the USA.

REACH helps accelerate and grow promising new technology companies in the real estate and adjacent industries through an intensive event-based program. REACH Canada leverages a community of real estate industry executives, investors, developers, mentors and entrepreneurs, along with the global REACH Accelerator network.

Likely Developments

The Openn business is established in the Australian and New Zealand markets and has demonstrated there is a market requirement for greater transparency in the traditional process of selling real estate. Openn addresses this requirement with an efficient and scalable methodology through its unique digital platform.

The Group is now progressing key initiatives with a focus on expanding core operations and pursuing growth opportunities using our technology expertise and capacity to create new and complementary products and services. The recent admission of Openn to the Australian Securities Exchange (**ASX**) provides the Group with the funding required to execute its immediate strategy as detailed below.

International Expansion

Openn has a planned two-year roadmap for the continued development and expansion of the Openn business in the real estate sector both in Australia and New Zealand, and internationally. Innovation is critical to the future growth of the Group and is demonstrated through our customer-focussed technology-driven strategy. This roadmap is guided by customer needs, a focus on agents optimising workflow and efficiency, and enhancing the buyer and seller experience by developing existing products, as well as new products or services.

The North American market is the primary focus outside existing markets in which Openn operates. A focussed pilot program is currently underway, together with detailed research and development of the platform and market entry strategy to enter the North American market.

Collaborative Arrangements

The Group will continue to develop and explore opportunities to establish collaboration arrangements, strategic alliances or joint ventures with businesses which provide complementary services to the Group's customers, such as banks/financiers, settlement agents/conveyancers, insurers, removalists and the like.

Openn 3.5 will introduce a new offer management tool called Openn Access which makes it even easier for agents to get their listings into an Openn negotiation, a new document storage solution for agents, a Suburb Insight feature for Buyers and many other small enhancements. The 3.5 release will also include invite-only access to a US release pilot, the expansion of which will be the major focus of the 3.6 release scheduled for Q3 FY22.

Core Data Services

The Group is exploring the potential to expand the Openn Business to provide data and technology services to intermediaries, banks, property developers and investors, information vendors and software developers to help them make informed decisions and offer services to their clients.

The Platform captures significant and potentially valuable market data from sale transactions. This allows for the potential development of real time lead indicators for both market depth and direction.

Complementary services

Explore third party products/services which the Openn Business may provide to customers as an authorised licensee/distributor.

CORPORATE

The Company’s successful listing on the ASX in late July 2021 came after raising the maximum \$9,000,000 before costs through the issue of 45,000,000 shares at \$0.20c per share under the fully underwritten prospectus lodged in May.

Funding

The Group is well funded to execute on its growth plans. Total cash held at 30 September 2021 is \$7.95 million.

During Q1 FY22, the Group paid significant one-off cash outflows associated with listing on the ASX:

- Costs relating to issue of shares \$450k
- Legal fees relating to IPO \$122k
- Miscellaneous costs \$23k

During Q1 FY22, Openn continued its strategy to gain scale by offering promotions and free uploads. This practice is expected to have a short-term negative effect on revenue and cash inflows.

Capital Structure

Shareholder Analysis

As at 30 September 2021 the Company had 1,370 shareholders and 191,725,964 shares on issue. The Top 20 shareholders held 72.36% of the total issued capital.

The Company has the following securities on issue as at 27 October 2021.

Security type	Number on issue/granted
Shares	
Fully-paid ordinary shares on issue	191,725,964
Options	
Options (exercisable at \$0.24, expiring 20 January 2025)	2,934,519

Performance Rights	
Class A performance rights (Equity Incentive Plan)	12,349,000
Class B performance rights (Equity Incentive Plan)	3,250,000
TOTAL	15,599,000

Restricted Securities

The following securities of the Company have been classified by ASX as “restricted securities” and are subject to restrictions on disposal in accordance with the ASX Listing Rules.

Period of restriction	Shares	Options	Class A performance rights	Class B Performance Rights
24 months from the admission	76,521,315	2,934,519	4,300,000	3,250,000
12 months from issue of security	479,631	-		-
Unrestricted	114,725,018	-	8,049,000	

REACH Share Subscription

Post quarter end, the Company entered into a binding side letter with REACH Canada Accelerator Ltd (**‘REACH’**) under which REACH affiliates will make an equity investment in Openn by subscribing for 2,060,157 fully-paid ordinary shares (**‘Shares’**) at an issue price of AUD\$0.20 per Share. The Shares will be issued under the Company’s capacity pursuant to ASX Listing Rule 7.1.

On 22 October 2021, Openn announced that it and the REACH affiliates, REACH Canada 2020 Ventures Ltd (**‘REACH Canada’**) and REACH Ventures, LLC (**‘REACH Ventures’**), had executed Share Subscription Agreements to formalise the terms of Share Subscription.

The Share Subscription represents a US\$300,000 (or approximately AU\$412,031.31 USD/AUD pursuant to the exchange rate on 7 October 2021 of US\$0.7281 to AU\$1.00) investment in the Company. Openn expects the subscription to complete in the near future.

Equity Incentive Plan

The Company has granted 15,599,000 performance rights under its Equity Incentive Plan, comprising 12,349,000 class A performance rights and 3,250,000 class B performance rights. The full terms of the performance rights can be found in the Prospectus lodged in May 2021.

Related Party Payments

In accordance with ASX listing Rule 4.7C.3, payments to related parties and their associates outlined in the Company’s Appendix 4C for the quarter of approximately \$266k relate to Directors’ salaries and superannuation payments.

Annual General Meeting

The AGM will be held at 1:00 pm on 30 November 2021 WST at Blackwall Legal Boardroom, Level 26, 140 St Georges Terrace, Perth, Western Australia 6000.

In accordance with ASX Listing Rule 4.7C.2, Openn provides the following update on its use of funds (unaudited):

Proposed use	Application of funds \$'000's	Spend to date \$'000's	Status
Investigation and transition to a subscription-based monetisation model	150.0	19.5	On Track
Development/enhancement of the Openn technology and the Openn platform	2,550.0	330.7	On track
Seller/buyer marketing campaigns to raise awareness of Openn Negotiation and Openn Offers	1,750.0	-	Study commenced
Undertaking a pilot program in the USA to develop a strategy and evaluate the expansion of our business into the USA market	1,200.0	132.8	On track
Explore exploring opportunities to provide new products or services using core data	300.0	38.9	On track
Explore complimentary services and income streams	150.0	19.5	On track
Offer, legal compliance and listing costs	677.0	677.0	Complete
Other corporate administrative costs/overheads	600.0	77.8	On track
General working capital	1,623.0	210.4	On track
TOTAL	9,000.0	1,507.6	On track

This announcement is authorised for market release by the Board of Openn Negotiation Ltd.

Darren Bromley
Director / Company Secretary / CFO

ENDS

Further information:

Peter Gibbons
Managing Director
T: 1800 667 366
investors@openn.com.au

About Openn Negotiation

Openn Negotiation Limited (ASX: OPN) is an Australian property technology ('PropTech') company offering a proprietary cloud-based software platform to support real estate agents in selling property online with greater transparency.

The Openn platform facilitates a negotiation process, featuring streamlined digital contracting and automated communication tools, which enhances a property transaction. The solution provides buyers with real-time feedback through their device on how much competition exists and where their price stands in the negotiation, resulting in an optimal sales outcome.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Openn Negotiation Limited

ABN

75 612 329 754

Quarter ended ("current quarter")

September 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	377	377
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(168)	(168)
(c) advertising and marketing	(52)	(52)
(d) leased assets	(9)	(9)
(e) staff costs	(605)	(605)
(f) administration and corporate costs	(524)	(524)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(1)	(1)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(982)	(982)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(23)	(23)
(d) investments	-	-
(e) intellectual property	(133)	(133)
(f) other non-current assets	(14)	(14)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(170)	(170)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	9,000	9,000
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(450)	(450)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(25)	(25)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	8,525	8,525

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	566	566
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(982)	(982)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(170)	(170)

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	8,525	8,525
4.5	Effect of movement in exchange rates on cash held	0	0
4.6	Cash and cash equivalents at end of period	7,939	7,939

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	7,939	566
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	7,939	566

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	266
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Quarterly cash flow report for entities subject to Listing Rule 4.7B

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

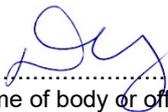
8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(982)
8.2 Cash and cash equivalents at quarter end (item 4.6)	7,939
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	7,939
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	8.08
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

27 October 2021

Date:

Authorised by: 

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.