

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
Non-Executive Director

Sean Adomeit
Chief Executive Officer Au/NZ

Eric Bryant
Director of Operations North America

CAPITAL STRUCTURE

Ordinary Shares 213.8 million
Options 17.9 million
Performance rights 15.3 million

MARKET CAPITALISATION

\$31.0 million (at \$0.16 per share as of 29 July 2022)

52 WEEK SHARE PRICE RANGE

\$0.13 - \$0.295

CASH (as at 30 June 2022)

\$2.62M

TOP 20 SHAREHOLDERS

63.32% on 30 June 2022

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

62% Upload Growth in FY22 North America Accelerates

HIGHLIGHTS:

- **North American momentum builds with four commercial pilots signed providing access to > 210,000 realtors.**
- **62% growth in uploads to the platform year on year.**
- **Au/NZ and North American teams expanded to accelerate commercialisation opportunities**
- **Ecosystem partnership with leading property fintech – Realty Assist**
- **Funded with \$2.62M cash at 30 June 2022**
- **Additional \$3.0M placement completed post 30 June 2022 and Share Purchase Plan underway**

Australian-listed property technology company (**PropTech**), Openn Negotiation Limited (**ASX: OPN**), (**Openn** or **Company**), is pleased to release its Appendix 4C and Activities Report for the three months ending 30 June 2022 (**Q4 FY22**).

MANAGING DIRECTOR COMMENTS

Peter Gibbons, Managing Director of Openn, commented: *“As our entry into North American markets accelerates, I’m also pleased to advise YOY growth in uploads to the platform of 62% compared to FY21 from our Au/ NZ operations. These results demonstrate the growing scale and global shift toward an appetite for optimising the real estate sales process, underpinned by greater transparency which Openn is perfectly positioned to leverage.*

“While we’ve seen some easing of activity from the peak in residential real estate relative to the same time last year, the Company continues to progress well towards its 5% market share aspirations in Australia by FY24. ”

“This quarter also resulted in the completion of an oversubscribed \$3 million dollar placement lead by Euroz Hartley, with a further \$2million on offer to existing shareholders via a Share Purchase Plan (SPP), closing Friday 29 July 2022. Funds raised from these activities will be used to fund expansion into North America where demand for Openn’s products has developed faster than anticipated.

*“The team have been working hard to ensure the business is well positioned to exploit the immense opportunity that presents out of North America which boasts more than 1.8 million realtors. We have a concise go to market strategy that is reliant on executing numerous pilot agreements with stakeholders across the United States and Canada. Between pilot agreements signed with the Canadian Real Estate Association (**CREA**), Beaches Multiple Listings Service, Triangle Multiple Listing Service and Bridge Multiple Listing Service, the Company has access to some 210,500 agents and a strong breadth of localities to prove out the product market fit.”*



“As we progress into the tail end of the 2022 calendar year, key milestones in our trajectory toward executing commercial agreements will revolve around a program of live transactions occurring on the platform. Development of the application is on schedule and progressing well.

“Underpinning the strategy for an acceleration in adoption for our local markets is the evolution of the product, led by a growing and experienced product team. Central to this is the development of agent centric workflow solutions that enhance their ability to leverage the benefits of the Openn platform in attracting more buyers and offers per property (5 buyers per property and 8.5 offers per property in June 2022).

“As part of our drive on building out ecosystem partnerships to further enhance the agent value proposition, we are very excited to announce an agreement with leading property fintech, Realty Assist. The partnership forms part of a larger strategy for collaboration with aligned PropTech groups where integrations result in new revenue streams and access to an enriched data asset via greater visibility of high intent buyer and vendor actions.

“Collectively, the Openn team is intently concentrated on delivering key milestones over the coming quarter which set the business up for significant revenue generation”.

OPERATIONS

Australia and New Zealand

The Company is focussed on the mid to long term profitability of the business and is in a transitional phase in order to target sustained engagement from customers, repeat revenues and increased yield per transaction via ecosystem partners. Underpinning the evolution involves an intensive focus on operational efficiency to optimise toward investments which amplify the platforms unique value proposition and leverages the richness of user intent signals.

As a result, listings to the platform have eased slightly relative to the same period last year (-4% Q4 FY22 vs Q4 FY21). Despite this, the Company is on track in its progress toward leveraging aligned partnerships that unlock significant top of funnel lead flow at substantially lower cost than traditional means and remains confident in delivering to target. While the competitive landscape for digital transactions increases, the Openn platform is well positioned in tightening market conditions as demonstrated through its 6-year track record of clearance rate performance holding steady at 80%.

The businesses data capabilities have evolved substantially during Q4 FY22 with the development of a data warehouse as a step toward implementation of a Customer Data Platform (CDP), enhancing customer segmentation and journey mapping capabilities. The software enables the business to build comprehensive customer profiles to support initiatives which monetise buyer side intent signals. In addition, the CDP enhances the sophistication of the sales function by providing an evidence-based approach to the platforms ability to help agents excel in their market.

We are excited by the potential of two senior appointments to the sales and marketing function who have a track record of executing growth strategies at scale within the PropTech sector.

Statistics to the end of Q4 FY22:	Number
Total number of users registered on the platform	107,031
Total number of certified agents	4,869
Total properties uploaded to the platform	12,102
Total value of property sold	\$4.95bn

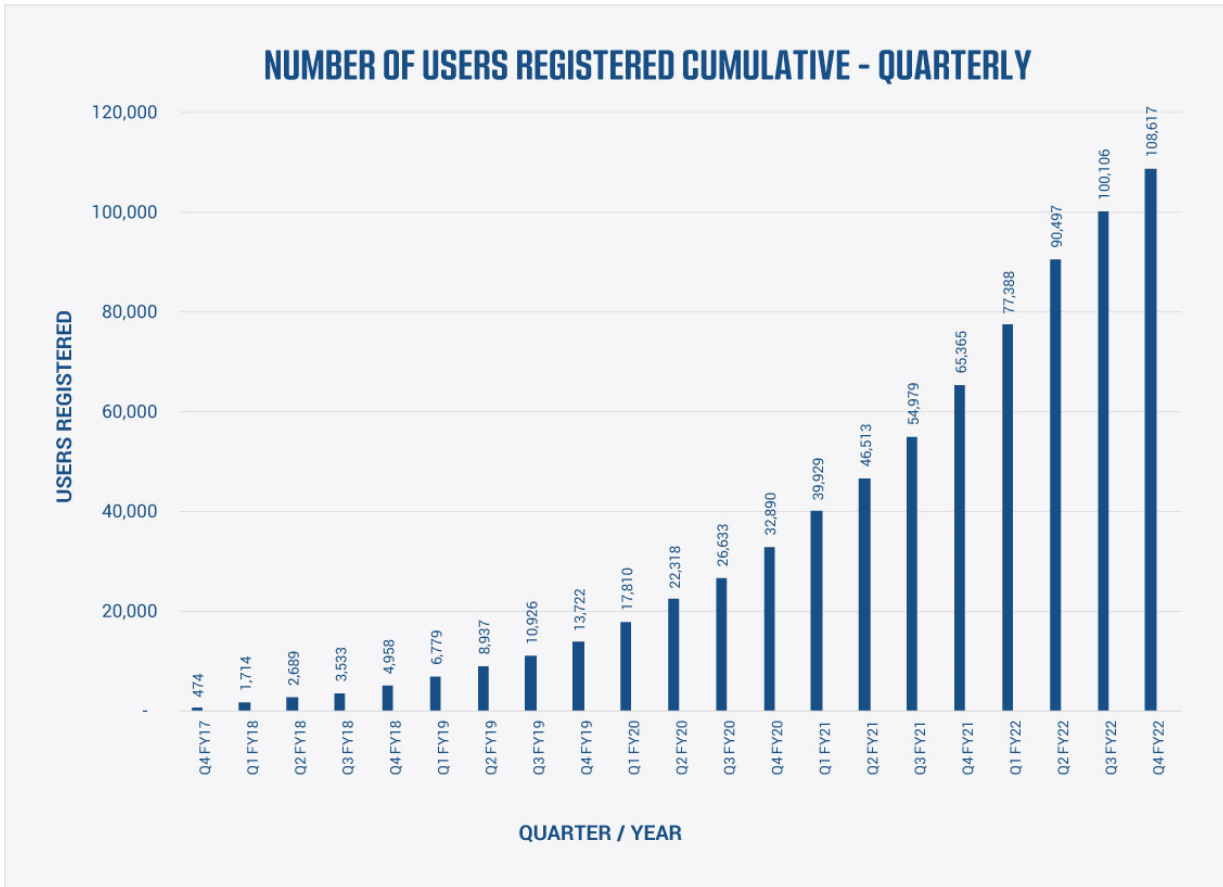


Figure 1:

Figure 1: Number of registered users on the Openn platform up to 30 June 2022

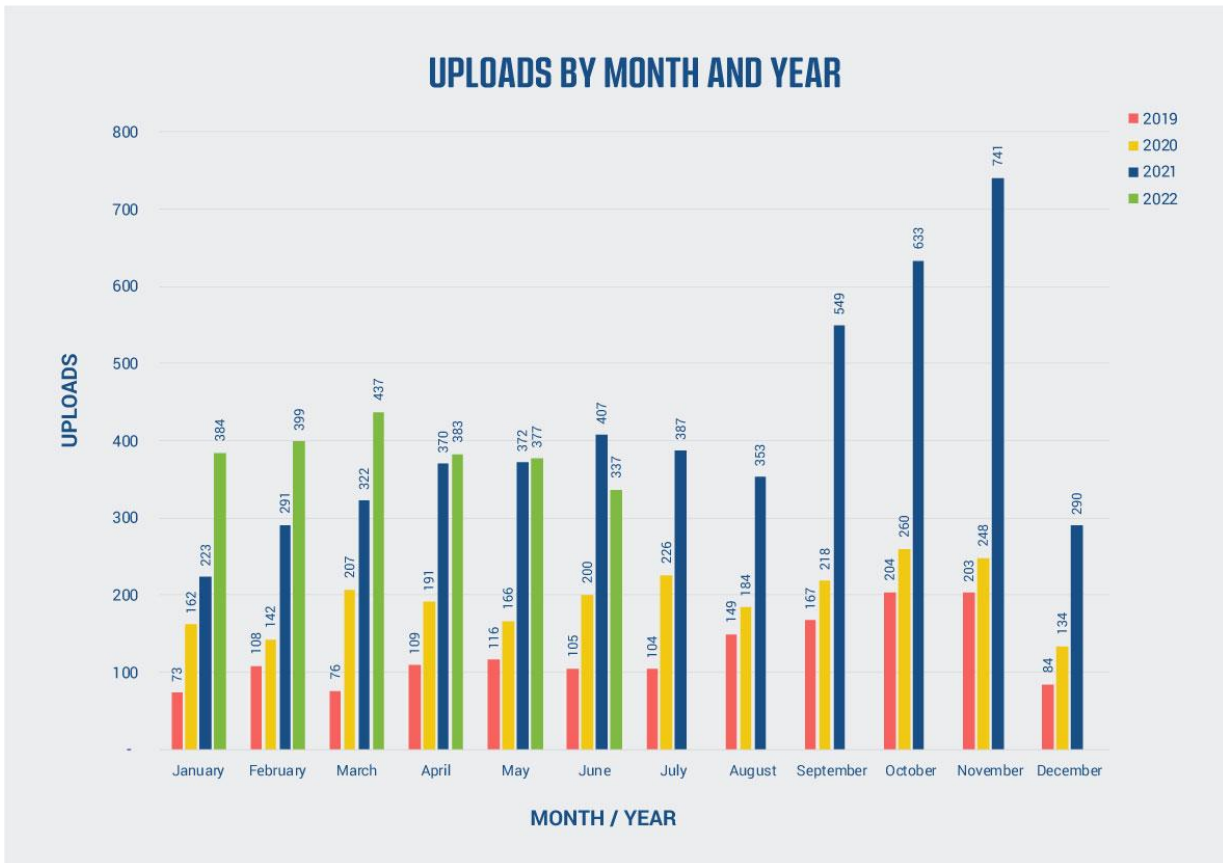


Figure 2: Number of uploads by month and year.

North America (USA and Canada)

The Company's US subsidiary, Openn North America Inc. runs the US and Canadian operations. The first US pilot version of the technology was released in November 2021.

The US and Canadian real estate transactional process typically involves buyers' agents and sellers' agents. Some states require buyers' agents to be involved. Others are optional. To provide fair access to listings for all buyers' agents in an area, the market in that area is semi-regulated by a Multiple Listing Service (**MLS**). This creates two opportunities for products like Openn.

- MLS organisations and related technology providers, offer mature channel to market access for new entrants with solutions aligned to their needs; and,
- Each certified Openn agent, when they list a property using Openn, will introduce the platform to the multiple buyer agents participating in that sale negotiation. This creates a natural lead generation alignment for buyers agents and the environment for viral take up of the Openn platform.

Each MLS maintains an online database of listings within its jurisdiction, providing access to its broker members and other technology providers to download and present data to consumers via their own platforms. Larger MLS organisations provide educational and other services to their members.

They are key participants in the real estate market and ideal partners for scale and access to data. Larger MLS organisations are also potentially important partners to assist with promotion and delivery at scale.

North American Scale

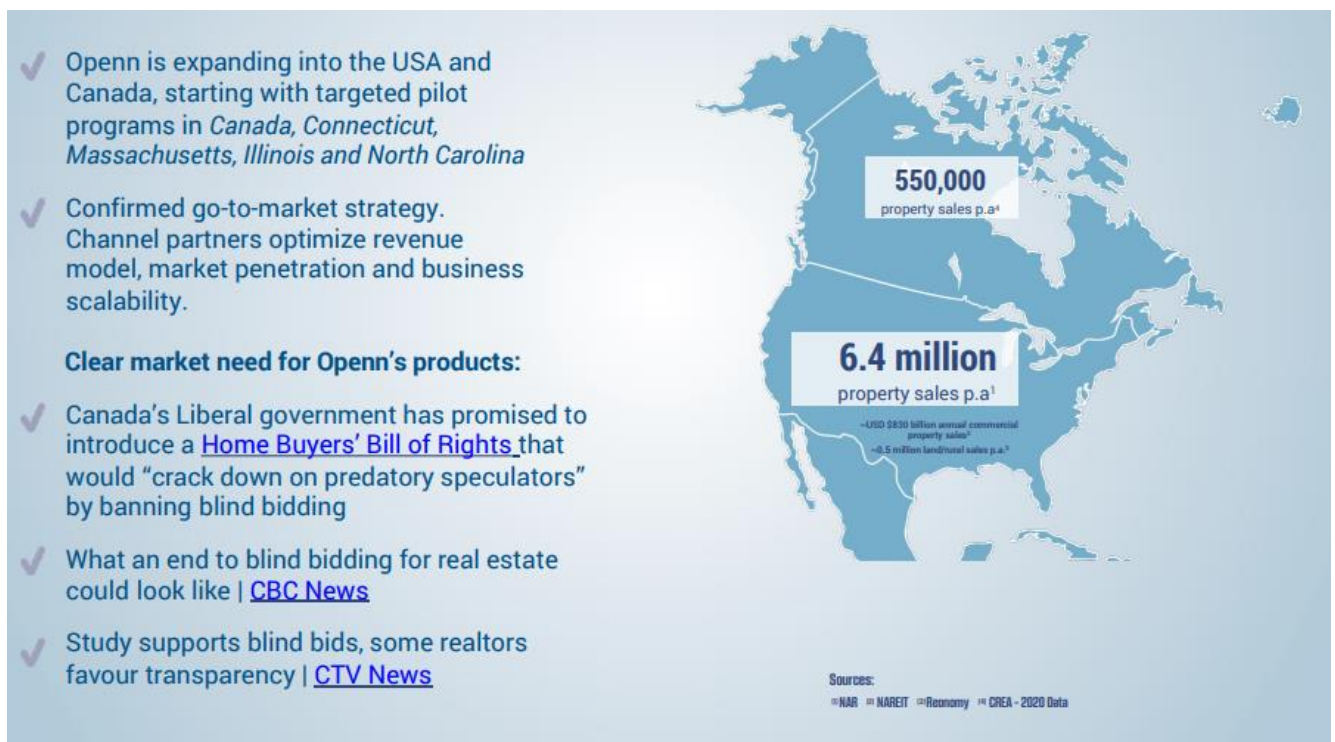


Figure 3: North American expansion adds extraordinary scale to Openn's business.

Key achievements during the quarter in North America

Pilot processes generating strong momentum. Feedback from pilot participants iterated through three key product release cycles. The platform is well positioned to conduct first live property sales on the platform in the September quarter.

- Pilot expansion continued with the addition of Beaches MLS (Florida) and Bridges MLS (California). Together with existing relationships, Openn now has direct access, property feed and MLS sign-on integration with 210,000 real estate agents throughout the USA and Canada.
- The CREA pilot progressed well during the quarter. Key highlights include delivery of 80% of planned system integrations between [REALTOR.ca](https://www.realtor.ca) and CREA systems. Openn is now positioned to conduct integrated system testing with live transactions in the Canadian market during the December Quarter.
- With 1.9 billion property page views in 2021, [REALTOR.ca](https://www.realtor.ca) is the leading real estate platform in Canada, and one of the countries most viewed websites. Negotiations to conclude a full commercial agreement reflecting the opportunity to scale through this partnership are underway.

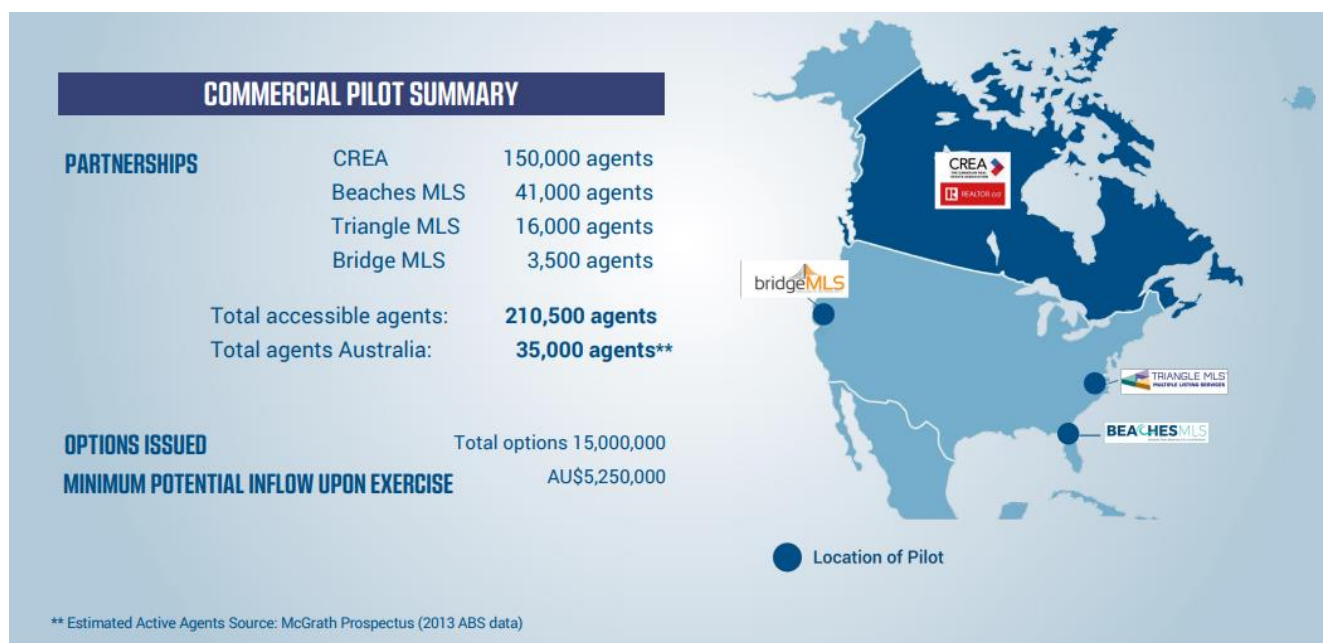


Figure 4: Commercial Pilots – Openn has pilots in place with access to 6 times the number of agents in Australia.

Excellent progress was made in preparing Sales, Training and Support processes for commercial launch. Direct teams and processes are in place, ready for stress testing as pilot transactions and participants expand during September and December 2022 quarters. Discussions with third parties to assist with support and training teams are early stage. Openn views these relationships as likely important to support scalability. The pilot process has been very helpful in identifying the core value proposition for US market participants and the priorities for product enhancement ahead of market launch.

Openn’s go-to market strategy was well defined in Q4 FY22. Broker relationships, product design, and customer service processes focused on alignment with that strategy. Openn is now on track to target live transactions in North America during the September quarter. Full commercial launch target is March quarter of 2023.

During Q4 FY22, the Company continued discussions with key MLS groups, industry associations, brokers and technology providers to the market. We also began discussions with financial institutions and other stakeholders in the property transaction process who would benefit from tighter integration with the Openn platform. Our

activities in the September 2022 quarter will be to focus on executing and supporting live transactions and building partnerships with customers to expand live transaction piloting in the December 2022 quarter.

High level North American market metrics:

	USA	Canada
Multiple 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

MLS Statistics

- Largest 20 MLSs in US account for 50% of all MLS subscribers
- Largest 75 MLSs (14%) account for 80% of all 1.7M MLS subscribers
- Smallest 45% (248 MLSs) have 400 or less subscribers

NORTH AMERICAN BUSINESS FOCUS

The focus of the North American business for the balance of calendar year 2022 will be the successful delivery of the numerous pilot projects that are currently underway in Canada and across the US. Technical development and integration are nearing completion, with the deliverable being live sales transactions in both countries conducted through the Openn platform. This will include integration with on [REALTOR.ca](https://www.realtor.ca).

The completion of live sales transactions will be the catalyst for the finalisation of commercialisation agreements that will allow for the rollout and commercialisation of Openn in both markets, which is targeted for the first half of calendar year 2023.

North American Pilots

Openn currently has 5 pilots ongoing in the US and Canada. The pilots are progressing well and on target with an initial focus on property feeds and systems integration to allow MLS members to access Openn with their existing platform login. Current pilots in place are with:

1. the Canadian Real Estate Association
2. Triangle MLS (North Carolina)
3. Bridge MLS (northern California)
4. Beaches MLS (South Florida)
5. RE/MAX Revolution (Massachusetts)

This pilot is being conducted in parallel, particularly where that portion of the work is reusable between each MLS.

Pilot Agreement with the Canadian Real Estate Association

During Q4 FY22, Openn, through its wholly owned subsidiary Openn NA, entered into Pilot Agreement with CREA to conduct a pilot program for the Openn platform with CREA and its members, and prepare for launch of the platform in Canada

CREA also entered into a Subscription Agreement with the Company for 14,000,000 unquoted options (4,000,000 Class A unquoted options and 10,000,000 Class B unquoted options).



Under the Pilot Agreement, the pilot will operate for an initial period of up to 6-months, during which Openn North America and CREA will test and evaluate the potential market fit and demand for the Openn platform

with CREA members in Canada, including the potential integration of the platform with REALTOR.ca. The pilot will also allow Openn North America to consider any modifications to the Openn platform necessary for operation in the Canadian real estate market or offer process.

Openn and CREA will collaborate in raising awareness of the Openn platform and its attributes, including testing and obtaining feedback on the platform from real estate professionals in Canada.

Certain offer information from property transactions conducted using the Openn platform (as mutually agreed by the parties) is to be displayed on [REALTOR.ca](https://www.realtor.ca).

The parties will explore, through the pilot program, a longer-term agreement for ongoing collaboration with a view to expanding the roll out of Openn Offers in Canada.

Systems integration between [REALTOR.ca](https://www.realtor.ca) and Openn proposed in the pilot agreement are now 80% complete and pilot participants have been identified by both CREA and Openn in two provinces. Negotiations to conclude a full commercial agreement are underway and targeted to conclude on verification of pilot success during the December 2022 quarter.

Subscription Agreement with Triangle MLS

During Q4 FY22, the Company entered a securities Subscription Agreement with leading US MLS organisation, Triangle MLS Inc. (**Triangle MLS**). Under the Subscription Agreement, Triangle MLS agreed to subscribe for 1,000,000 Class A unquoted options.

In the US, MLS organisations store and publish property listing data for REALTOR® members. Triangle MLS is the largest MLS in the North Carolina property market, representing some 16,000 registered real estate professional subscribers (**Subscribers**), with sold property volume of 47,000 in 2021.

The Triangle MLS pilot is targeting transaction readiness in the September 2022 quarter, with first live transactions in the December quarter.

Openn is currently working with Triangle MLS with a view to reaching agreement on a pilot program for Triangle MLS and its Subscribers to test and evaluate the Openn platform in the North Carolina real estate sales market, including the platform's ability to address transparent offer management needs of Triangle MLS's Subscribers and consumers across North Carolina.

Pilot with Bridge MLS, Inc. Northern CA

On 19 May 2022, the Company entered into a Pilot Agreement with bridgeMLS, Inc. in northern California (**Bridge MLS**). The pilot program is designed to integrate the Openn platform with Bridge MLS and its members and prepare for commercial launch. The agreement is through the Company's wholly owned subsidiary, Openn NA.

The Bridge MLS pilot is targeting transaction readiness in the September quarter, with first live transactions in the December quarter.

Pilot with Beaches MLS

On 24 June 2022, the Company entered into a Pilot Agreement with Broward, Palm Beaches and St. Lucie Realtors®, Inc. (**Beaches MLS**) who serves more than 41,000 real estate professionals in South Florida. The pilot program is designed to integrate the Openn platform with Beaches MLS and its members, and prepare for commercial launch. The agreement is through the Company's wholly owned subsidiary, Openn NA.

The Beaches MLS pilot is targeting transaction readiness in the December quarter, with first live transactions in the March 2023 quarter

CORPORATE

The Company listed on the ASX in late July 2021 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

Openn is ahead of schedule in executing on the strategy as outlined in the IPO prospectus and on target in delivering those objectives. Total cash held at 30 June 2022 is \$2.62 million.

During calendar year 2022, the Company has scaled up its recruiting in North America to enable the Company to advance the Pilots with CREA, various MLS's, and for preparation to take advantage of the unique legislative reforms impending in Canada.

Placement and Share Purchase Plan (SPP)

On 30 June 2022, the Company halted its trading on the ASX to conduct a Capital Raising. On 4 July 2022, Openn announced that it has received firm commitments from sophisticated and professional investors to raise \$3 million through the issue of fully paid ordinary shares in the Company at \$0.15 per share.

In addition, the Company has undertaken a SPP, to raise up to an additional \$2 million at the same issue price as the Placement.

Funds raised pursuant to the Capital Raising will provide additional capital for the Company to fund its expansion in North America, with funds specifically applied towards:

- Building out North American operational team to fast-track expansion into the USA and Canada;
- Refining the Company's software platform to meet the requirements of agents in North America;
- Finalising partner integrations, with consumer, broker and agent enhancements that align with the Company's "go to market strategy"; and
- Costs of the Placement and SPP and general working capital purposes.

The SPP closed on 29 July 2022 and the Company expects to announce the results on 5 August 2022.

Capital Structure

Shareholder Analysis

As at 30 June 2022 the Company had 1,342 shareholders and 213,786,121 shares on issue. The Top 20 shareholders held 63.32% of the total issued capital.

The Company has the following securities on issue as at 28 April 2022.

Security type	Number on issue/granted
Shares	
Fully-paid ordinary shares on issue	213,786,121
Options	
Unquoted Options (\$0.24, expiring 20 January 2025)	2,934,519
Class A Unquoted Options (minimum exercise price \$0.35, expiring 14 April 2024) ¹	5,000,000
Class B Unquoted Options (minimum exercise price \$0.35, expiring 14 April 2024) ²	10,000,000
Performance Rights	
Class A performance rights (Equity Incentive Plan)	12,049,000
Class B performance rights (Equity Incentive Plan)	3,250,000

1. Unquoted Options Class A Exercise Price

The amount payable on exercise of a Class A Option is:

- A\$0.35 if the Option is exercised on or before 14 January 2023;
- A\$0.50 if the Option is exercised after 14 January 2023 and on or before 14 October 2023 (inclusive); and
- A\$0.65 if the Option is exercised after 14 October 2023 and expiring on or before 14 April 2024.

50% of the shares (2,500,000) issued on exercise of the Class A Options will be subject to 3 years voluntary escrow during which the holder is restricted from disposing of or encumbering the shares.

2. Unquoted Options Class B Exercise Price

The amount payable on exercise of a Class B Option is equal to the higher of:

- A\$0.35; and
- a 30% discount to the 10-day volume-weighted average price of Shares traded on ASX immediately prior to exercise.

30% of the shares (3,000,000) issued on exercise of the Class B Options will be subject to 3 years voluntary escrow during which the holder is restricted from disposing of or encumbering the shares.

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	Ordinary Shares	Unquoted Options	Class A Performance Rights	Class B Performance Rights
24 months from the admission	76,521,315 ¹	2,934,519 ²	4,300,000 ³	3,250,000 ⁴
Unrestricted	117,264,806	-	6,749,000	-

- 76,521,315 fully paid ordinary shares classified by ASX as restricted securities and to be held in escrow until 21 July 2023, being 24 months from the date of commencement of Official Quotation.
- 2,934,519 options exercisable at \$0.24 on or before 20 January 2025, classified by ASX as restricted securities and to be held in escrow until 21 July 2023, being 24 months from the date of commencement of Official Quotation.
- 4,300,000 class A performance rights classified by ASX as restricted securities and to be held in escrow until 21 July 2023, being 24 months from the date of commencement of Official Quotation.
- 3,250,000 class B performance rights classified by ASX as restricted securities and to be held in escrow until 21 July 2023, being 24 months from the date of commencement of Official Quotation.

Equity Incentive Plan

The Company has 15,299,000 performance rights issued under its Equity Incentive Plan, comprising 12,049,000 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 \$287k relate to Directors' salaries and superannuation payments.

Effective 1 July 2022, Openn Executive Director, Company Secretary and Chief Financial Officer Mr Darren Bromley has increased his time commitment from three to four days per week. Mr Bromley's remuneration has increased to a base of \$160,000 from his previous salary of \$120,000. His full time equivalent base salary has not changed. He is also remunerated \$40,000 per annum for directors' fees and \$30,000 per annum for company secretarial fees.

Use of Funds

The Company is ahead of forecast and has completed its allocated spend with regard to "undertaking pilots program in the USA to develop a strategy and evaluate the expansion of our business into the USA market".

The capital raising initiatives outlined in this Quarterly Activities Report have been undertaken to maintain Openn's momentum towards commercialisation in the US and Canadian markets.

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	94.2	On Track
• Development/enhancement of the Openn technology and the Openn platform	2,550.0	1,602.2	On track
• Seller/buyer marketing campaigns to raise awareness of Openn Negotiation and Openn Offers	1,750.0	957.5	On track
• 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	1,200.0	Complete
• Explore exploring opportunities to provide new products or services using core data	300.0	188.5	On track
• Explore complimentary services and income streams	150.0	94.2	On track
• Offer, legal compliance and listing costs	677.0	677.0	Complete
• Other corporate administrative costs/overheads	600.0	377.0	On track
• General working capital	1,623.0	1,020.0	On track
TOTAL	9,000.0	6,210.6	On track

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

ENDS



Further information:

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

About Openn

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.

Forward-Looking Information

This announcement contains forward-looking information that is based on Openn's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, negotiations, and product/service development. Generally, this forward-looking information can be identified by the use of terminology such as 'outlook', 'anticipate', 'project', 'target', 'potential', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information.

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")

30 June 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	232	1,242
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(358)	(1,844)
(c) advertising and marketing	(34)	(295)
(d) leased assets	-	(19)
(e) staff costs	(1,171)	(3,949)
(f) administration and corporate costs	(488)	(1,156)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(1)	(4)
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	(1,820)	(6,025)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(17)	(76)
(d) investments	-	-
(e) intellectual property	(162)	(689)
(f) other non-current assets	(1)	(47)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 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	(280)	(632)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	9,412
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	(35)	(485)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(12)	(37)
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	(47)	8,890

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,666	566
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,820)	(6,025)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(180)	(812)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(47)	8,890
4.5	Effect of movement in exchange rates on cash held	-	0
4.6	Cash and cash equivalents at end of period	2,619	2,619

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	2,619	4,666
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)	2,619	4,666

Note: On 4 July 2022, Openn Negotiation Ltd (**Company**) announced that it has received firm commitments from sophisticated and professional investors to raise \$3 million through the issue of fully paid ordinary shares in the Company at \$0.15 per Share (**Placement**).

In addition, the Company has undertaken a Share Purchase Plan (**SPP**), to raise up to an additional \$2 million at the same issue price as the Placement, for a total capital raising of up to \$5 million. Results of the SPP are expected to be announced on 5 August 2022.

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	(287)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

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)	(1,821)
8.2 Cash and cash equivalents at quarter end (item 4.6)	2,619
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	2,619
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.44
<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: No. See 8.6.2	
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: On 4 July 2022, Openn Negotiation Ltd (Company) announced that it has received firm commitments from sophisticated and professional investors to raise \$3 million through the issue of fully paid ordinary shares in the Company at \$0.15 per Share (Placement).	
In addition, the Company has undertaken a Share Purchase Plan (SPP), to raise up to an additional \$2 million at the same issue price as the Placement, for a total capital raising of up to \$5 million. Results of the SPP are expected to be announced on 5 August 2022.	

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: Yes. See 8.6.2.

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.

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.

31 July 2022

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.