

BOARD & MANAGEMENT

Wayne Zekulich
Non-Executive Chairman

Peter Gibbons
Managing Director

Darren Bromley
Executive Director / CFO
Company Secretary

Sean Adomeit
Chief Executive Officer Au/NZ

Eric Bryant
Director of Operations North America

CAPITAL STRUCTURE

Ordinary Shares	319.1 million
Options	19.4 million
Performance rights	20.5 million

TOP 20 SHAREHOLDERS

62.01% on 29 May 2023

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Strategic Placement, Proposed Rights Issue and Board Changes

Australian-listed property technology company, Openn Negotiation Limited (ASX: OPN) (**Openn** or **Company**), is pleased to advise that it has completed a share placement to Axiom Properties Limited (**Axiom**), raising \$166,461 before costs (**Placement**).

Axiom is an ASX-listed (ASX: AXI) property development and investment company which is focused on developing and delivering quality property solutions and long-term value for shareholders. Openn is delighted to welcome Axiom as a substantial shareholder and believe their involvement will significantly enhance Openn's strategic initiatives both domestically and internationally.

In addition, Axiom has entered into a binding term sheet to fully underwrite a rights issue offer by Openn (**Rights Issue**) on terms customary for agreements of such nature, including the right to appoint sub-underwriters. This agreement is subject to Axiom being satisfied with its due diligence investigations, which are to be concluded by no later than 14 June 2023 or such later date as agreed by the parties.

Under the Rights Issue, it is proposed that Openn will seek to raise approximately \$3.2 million before costs through the issue of shares at \$0.004 each, being the same issue price as the Placement. The full terms of the Rights Issue (including the proposed underwriting by Axiom) and the timetable are currently being finalised and will be released by Openn to ASX in due course. Trading in Openn's shares will remain suspended until that time.

Placement Details

Under the Placement, Openn issued a total of 41,615,384 new fully paid ordinary shares to Axiom at an issue price of \$0.004 each, utilising its 15% issuing capacity under Listing Rule 7.1.

Funds raised pursuant to the Placement will provide additional working capital for Openn pending the outcome of the Rights Issue.

The issue price of the placement shares represents an 86.6% discount to the last traded price of \$0.030 on 22 May 2023.

As noted in Openn's last quarterly activities report released on 1 May 2023, the Company has experienced challenges in securing additional working capital, in part due to current parlous state of equity markets.

After considering alternatives, the Board determined that securing this strategic investment by Axiom (including the proposed underwriting of the Rights Issue) was in the best interests of Openn and its shareholders.

Board Changes

Duncan Anderson (Executive Director) and Danielle Lee (Non-Executive Director) have stepped down as directors of Openn and its subsidiaries as part of the restructure and cost rationalisation strategy with effect from 31 May 2023.

Both Mr Anderson and Ms Lee have served as directors of Openn since prior to its IPO in May 2021. Mr Anderson will continue in his role as Chief Technology Officer at this time.

Peter Gibbons, Managing Director of Openn, commented:

"I would like to express my sincere gratitude and thanks to Duncan Anderson and Danielle Lee for their considerable efforts in helping to guiding Openn through listing and the period since. Both Duncan and Danielle have been integral part of the team and have made invaluable contributions as directors. We wish them both all the best in their future endeavours."

Strategic Review

Openn will now work with Axiom on a strategic review of Openn's operations and expenditure, including board and management structure and nomination of directors as agreed by the parties.

This review is intended to ensure the appropriate resources and capabilities are leading Openn as it evolves to capitalise on the progress made to date, both in Australia and North America.

As part of this strategic review and the cost optimisation exercise previously announced, the Board is also seeking to realign Openn's operations to less capital-intensive activities in order to reduce expenditure and extend Openn's operating runway. This may include possible licensing arrangements in relation to the Openn platform and technology.

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

ENDS

Further information:

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About Openn Negotiation

Openn is an Australian property technology 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 Openn'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 Openn'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 Openn's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information.