

27 April 2017

QUARTERLY ACTIVITIES REPORT AND APPENDIX 4C FOR QUARTER ENDED 31 MARCH 2017

Summary:

- Signature of agreements with Facebook and Fyber bolsters OpenDNA's ability to offer its customers integrated advertising capability as part as the Company's highly personalised digital platforms
- iOS and Android software applications ("Apps") created and/or delivered for publisher customers in the sports, luxury and travel sectors
- Software Development Kits ("SDKs") now created for iOS, Android and web-based platforms, allowing OpenDNA's proprietary personalisation technology to be easily connected to existing websites and applications, or integrated as part of new application and website builds
- OpenDNA recognised by Westpac as a "Business of Tomorrow"
- Presentations at Techknow Invest Roadshows as part of ongoing focus to drive awareness of OpenDNA's highly innovative technology
- OpenDNA's technology builds detailed psychographic profiles of users at an individual level, allowing businesses to better understand, target and interact with them whilst providing a better experience to users by accurately predicting their needs

OpenDNA Limited (ASX: OPN) ("**OpenDNA**" or the "**Company**") is pleased to provide shareholders with the Company's quarterly activities report and Appendix 4C for the quarter ended 31 March 2017.

During the Quarter, OpenDNA's activities were focused on a number of key strategic areas which the Board and management believe are important drivers for the Company's future success. These areas included:

- broadening the Company's monetisation capability;
- signing new Customer Agreements and delivering into existing agreements;
- advancing relationships with potential customers and channel partners; and
- promoting awareness of OpenDNA's highly innovative proprietary personalisation technology.

OpenDNA's technology has the capacity to revolutionise the way in which brands and organisations interact with targeted individuals on a global scale. Data analytics and consumer profiling technology have historically driven the categorization of end-users, however OpenDNA dives much deeper as it enables the real-time tracking of individual end-users to gauge their interests, opinions and propensity to engage, creating a range of benefits for businesses and users alike.

Key developments in relation to the March Quarter were as follows:

AdTech agreements signed with leading companies Facebook and Fyber

An important component of OpenDNA's near-term monetisation strategy is the ability to integrate market-leading advertising capabilities into the OpenDNA-powered Apps and other digital platforms developed by the Company for customers. Not only does the ability to offer integrated advertising capability increase the attractiveness of the Company's offering for potential new customers, it also has the potential to increase revenue for existing customers (with OpenDNA participating in revenue share arrangements so that it also directly benefits in that regard).

Following the signature of an MOU with US-based MediaFuse in December 2016 to provide the Company with access to MediaFuse's advertising technology, during the Quarter OpenDNA further bolstered its suite of available ad-tech platforms by signing agreements with leading companies Facebook and Fyber. Access to the Facebook and Fyber platforms increases the Company's ability to offer customers extensive advertising inventory, access to cutting-edge advertising technology and market-leading revenue generation capabilities, delivered in a seamlessly integrated manner in conjunction with OpenDNA's personalisation technology. In addition, as a leading proponent of native ads, which can be integrated into the broader digital content of Apps and websites without "breaks" or "inserts" which can disrupt the user experience, the Facebook platform provides OpenDNA with an additional benefit which is highly attractive to customers in the digital publishing sector in particular.

Development and launch of customer Apps

During the Quarter, OpenDNA-powered iOS and Android Apps were developed for leading UK travel brand Family Traveller and for US-based sporting community SportsBlog LLC, with Sportsblog's Apps also launched through the iTunes and Google Play stores.

The highly-personalised OpenDNA Apps allow the Company's customers to tailor content to individual users via the Company's innovative personalisation technology. Further (and consistent with OpenDNA's near-term monetisation strategy), they also feature targeted advertising capability, enabling in-App advertisements also to be tailored to those specific individual users.

Under its relevant Customer Agreements OpenDNA is entitled to a monthly licence fee (based on the number of active users of the Apps), as well as a share of ad revenue from ads served via the OpenDNA ad-tech partnerships.

SDKs finalised for iOS, Android and web

Since listing on the ASX, OpenDNA has been working on various development projects designed to enable potential customers to easily access and integrate the Company's technology. One important such project, which was finalised during the Quarter, was the creation of SDKs for each of iOS, Android and web-based platforms. The OpenDNA SDKs serve as a "toolkit" enabling software developers to connect existing digital platforms to OpenDNA's technology, or to design new Apps and websites so as to be "*powered by OpenDNA*". Accordingly, the Company sees the availability of the SDKs as being a key development in making its technology accessible to a broad range of potential customers globally.

Increased recognition and awareness

During the Quarter, OpenDNA was invited to present at the TechKnow Invest Roadshows held in Sydney and Melbourne on 21 and 23 March, respectively. The TechKnow Roadshow event, one of Australasia's premier technology-focussed investor conferences, provided the Company with the opportunity to present to potential investors and participants in the technology sector to promote awareness both of OpenDNA's technology and the Company's progress and direction.

Post-Quarter, OpenDNA was pleased to be invited as one of Westpac's 200 "Businesses of Tomorrow" to attend at the Businesses of Tomorrow Summit held in Sydney on 7 April 2017. The Company was one of only 7 listed companies to be recognised by Westpac amongst the list of 200 businesses featured in the Businesses of Tomorrow program, which confers various benefits on the successful participants including local and national media recognition, access to the Businesses of Tomorrow Online Network established by Westpac and rights to use the "Businesses of Tomorrow" logo. Further information can be viewed at OpenDNA's website at:

http://bit.ly/OPN_Business_of_Tomorrow.

Appointment of Mr Peter Torre as Company Secretary

On 31 March 2017, the Company announced that it had appointed Mr Peter Torre as its Company Secretary, replacing Kevin Hart in that role. Mr Torre, the principal of specialist corporate advisory firm Torre Corporate, has a wealth of industry experience, including having worked extensively as Company Secretary for former ASX listed and award-winning IT company ASG Group Limited. Concurrently, the Company's registered office address was moved to Unit B9, 1st Floor, 431 Roberts Rd, Subiaco.

OpenDNA's Chief Executive Officer, Jay Shah, commented:

"In the March Quarter we continued to focus our efforts on driving awareness of our exciting personalisation technology, maximising the attractiveness of our offering to current and potential customers alike and forging new relationships with prospective customers and channel partners. The Company has developed an extensive pipeline of active discussions with customers and channel partners both locally and internationally and we are excited about the prospect of translating those discussions into new opportunities for revenue generation. We look forward in this current Quarter to updating the market as to further developments in that regard."

For further information, please visit the OpenDNA website at www.opendna.ai or contact:

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About OpenDNA Limited

People are not categories. People are individuals.

To businesses, OpenDNA provides real-time insights into their individual customers' behaviour which allows them to better predict their needs. This enables businesses to deliver a more relevant customer experience at an individual level, which drives increased revenue. OpenDNA's artificial intelligence and machine-learning system automatically creates detailed psychographic user profiles, which helps deliver better business outcomes.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

OpenDNA Limited

ABN

14 613 410 398

Quarter ended ("current quarter")

31 March 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	13
1.2 Payments for		
(a) research and development	(409)	(882)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(54)	(72)
(d) leased assets	-	-
(e) staff costs	(425)	(714)
(f) administration and corporate costs	(719)	(1,878)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	14	21
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	75
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(1,593)	(3,437)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(29)	(67)
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) 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	(29)	(67)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	9,340
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	(904)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
Cash assumed on acquisition of subsidiary	-	267
3.10 Net cash from / (used in) financing activities	-	8,703

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	6,809	-
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,593)	(3,437)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(29)	(67)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	8,703

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(1)	(13)
4.6	Cash and cash equivalents at end of quarter	5,186	5,186

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	5,186	6,809
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)	5,186	6,809

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
134
-

Payments to directors, include Directors fees, Superannuation on Directors fees and Directors remuneration.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
84
-

Payments totalling \$48,000 were paid to Murcia Pestell Hillard Pty Ltd, a company related to Mr. Grant Pestell, for the provision of legal services and the rental of serviced office space.

Payments totalling \$36,000 were paid to The Small Business Force, LLC, a company related to Mr. Lonnie Sciambi, for the provision of business development and general advisory services.

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

N/A

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	470
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	-
9.4 Leased assets	-
9.5 Staff costs	294
9.6 Administration and corporate costs	775
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	1,539

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

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.



Sign here:
(Company secretary)

Date: 27 April 2017

Print name: Peter Torre

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.