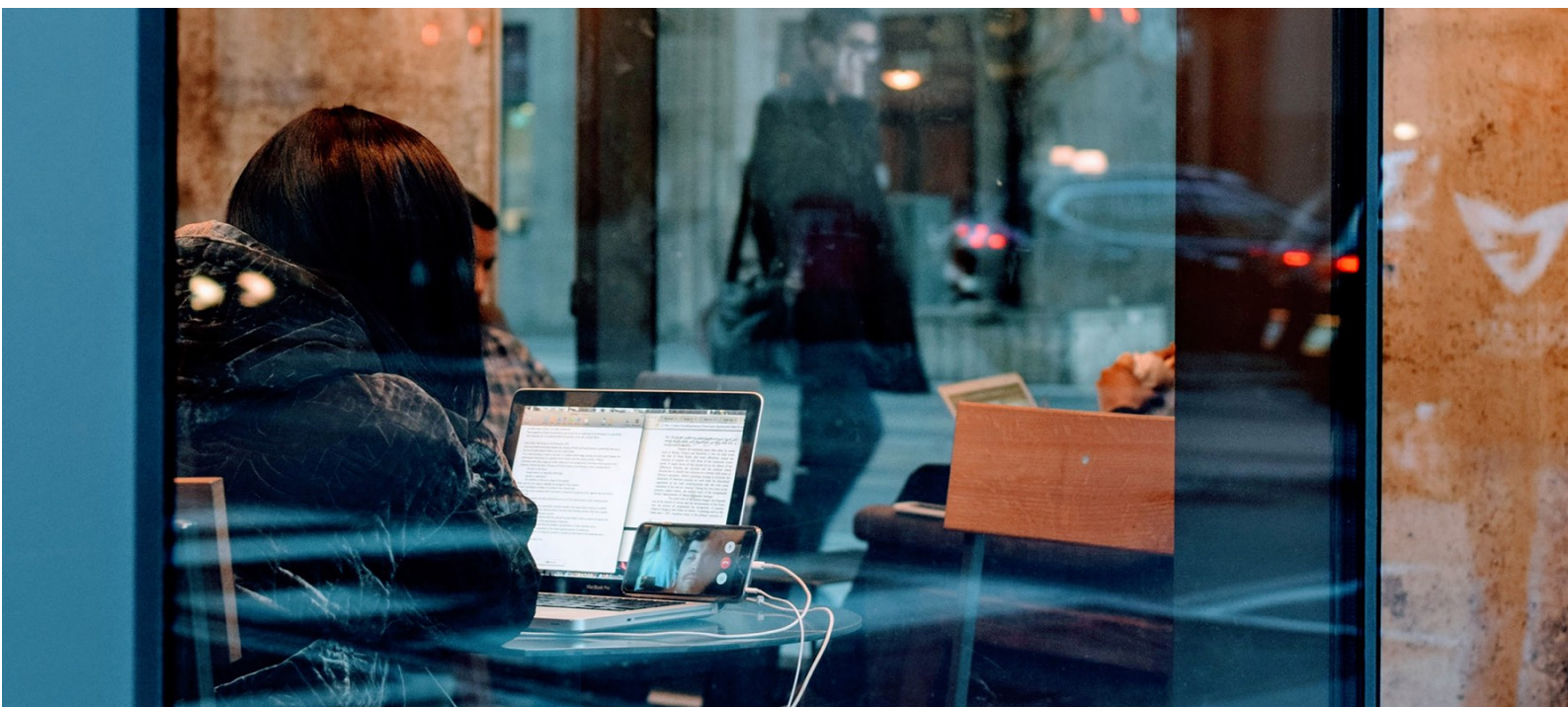


31 October 2017

ACTIVITIES REPORT AND APPENDIX 4C FOR QUARTER ENDED 30 SEPTEMBER 2017

Highlights:

- Several important and newsworthy customer wins, including agreements signed with a number of prominent local and US-based businesses Endeavour Drinks Group, Looker, Gaia Interactive and the Epoch Times
- Penetration of significant new markets demonstrating appreciation, appetite for and acceptance of the Company's artificial intelligence (AI) technology across a wide range of industry sectors, including business intelligence and interest-based online communities
- Finalisation and release of proprietary business tools IRIS and Synapse delivering increased value to users of OpenDNA's Artificial Intelligence System (AIS)
- Continuing growth in and conversion of the customer pipeline, including signature of additional customer arrangements with Uproar and Expert System (post-quarter)



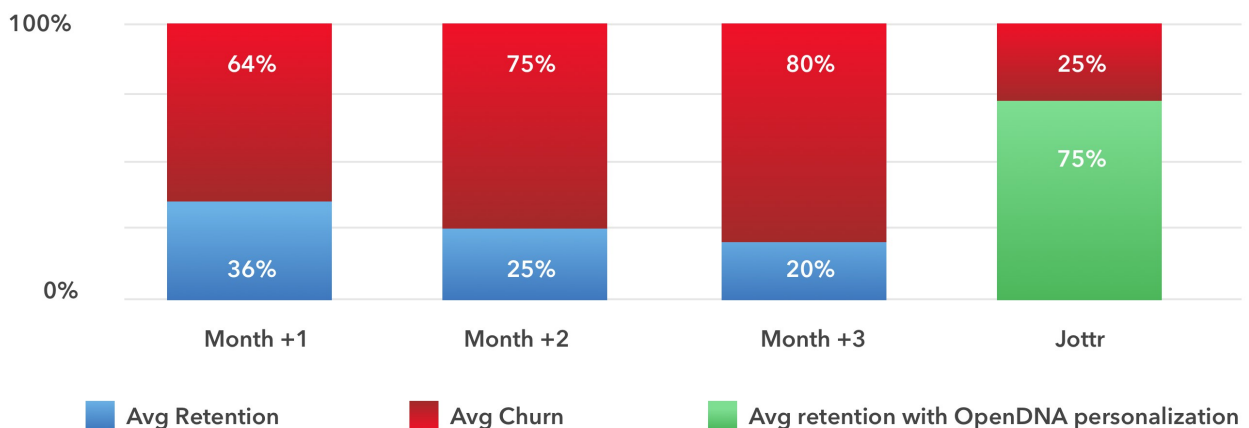
Leading and award winning artificial intelligence company OpenDNA Limited (ASX: OPN) (“**OpenDNA**” or the “**Company**”) is pleased to provide shareholders with the Company’s quarterly activities report and Appendix 4C for the quarter ended 30 September 2017.

Significant Customer Wins

As anticipated in our previous Quarterly Report, during the Quarter the Company announced a number of binding agreements with significant customers in key market sectors around the globe.

In the early weeks of the Quarter the Company entered into an agreement with Woolworths-owned Endeavour Drinks Group to jointly develop an innovative Drinks Library App (both iOS and Android forms) to be powered by OpenDNA’s personalisation technology. Now in development, the app should build interest profiles on customers’ drinking preferences, which will be used for a variety of marketing and customer experience enhancement purposes. OpenDNA will generate revenue from development and implementation work as well as in connection with usage-based licencing fees when the App is launched.

In August, the Company entered into an agreement with Looker, a fast-growing business intelligence and data analytics company, currently used by over 1,000 corporations globally including Sony, Amazon, The Economist and Kickstarter. OpenDNA provides Looker’s customers with the ability to offer OpenDNA’s psychographic insights in addition to the suite of services already provided, increasing the relevance and usefulness of the data analytics received by its customers. Having integrated OpenDNA’s AI technology into Looker’s systems, OpenDNA is now working with Looker’s sales teams and customer relationship managers to help identify key companies in their existing customer base that require psychographics, which will in turn create new revenue-generating opportunities for the Company.



In September, two additional important customers, Gaia Interactive and the Epoch Times, were signed. Gaia, an award-winning pioneer of online social communities and “virtual worlds,” created the *Gaia Online* platform, which has millions of monthly active users, as well as the innovative *Mix 10* online shopping site. The Epoch Times is the publisher of the

onymous multi-language newspaper with more than 105 million page views per month from over 20 million monthly active site visitors. The ability to secure customers of the giant scale of Gaia and Epoch Times is a huge achievement for the Company. Following successful trial periods, both new client partners have the potential to generate income from a number of revenue streams including (variously) monthly user-based licence fees, advertising and share of the revenue uplift.

Finally, shortly after the end of the Quarter, OpenDNA signed up an innovative gaming community creator (Uproar, Inc) and a leading cognitive computing company (Expert System). Once again, these agreements are significant in terms of providing exposure to large user bases and/or blue-chip clients within lucrative and growing international industries. Uproar has developed a unique mix of game-enhancing services for the \$91 Billion video game industry, has a number of hit titles connected to its service, and is currently expanding at a 30% month on month rate through organic growth alone. Expert System has an enviable customer base including Zurich Insurance Group, Shell, Chevron, Bloomberg BNA, Sanofi, Thomson Reuters and the U.S. Departments of Agriculture and Justice.

OpenDNA's agreement with Uproar gives us the potential to receive 25% of revenue generated by Uproar's platform over and above an agreed baseline figure, while the agreement with Expert System contemplates the potential generation of income from user licences and professional service fees in connection with the provision and integration of OpenDNA's technology.

Ongoing Penetration of New Market Sectors

As illustrated in our Operational Update (released 18 September), OpenDNA's AI-driven offering has potential application to businesses of all sizes and across a broad range of industry sectors. It is noteworthy that the binding agreements signed during the quarter were with customers in industries as diverse as business intelligence, newspaper publishing and online gaming, reinforcing OpenDNA's industry-agnostic nature.

Key to demand for the Company's technology across a broad range of industries is its generation of deep psychographic insights of users' likes, dislikes, wants, needs and interests. Where OpenDNA's AIS differs markedly from simple rule-based engines employed by various other organisations, however, is in its ability to analyse "big data" to ascertain personality attributes, which can in turn be used to solve more complex business problems such as "how to predict behavior and understand intentions behind a user's actions." As previously announced, the Company is in discussions with several organisations regarding trialing this type of technology on real use cases to predict churn of high-risk, high-value customers and optimizing monetization opportunities for high-value users.

Together with the additional practical tools and innovations which have been developed by the Company and are included in its overall offering, the unique and powerful nature of OpenDNA's AIS technology creates a compelling use case which we expect will enable it to continue to win customers in additional key market sectors.

Further Value-Adding Developments

During the Quarter the Company released a number of further innovative technological tools designed to improve the practical value of OpenDNA's AI technology in the hands of businesses and end-users.

In late July, the Company completed and launched its proprietary IRIS "neural network" web content extraction tool to address problems perceived with third party extraction tools having the propensity to create inaccuracies in contextualising content. Since launch, IRIS has further enhanced the Company's ability to use our AIS to deliver highly accurate contextual data to its AI engine, which, in turn, increases the accuracy of profiling end users interests.



A further technological benefit was offered to customers in September, with the release of the Company's proprietary Synapse data visualization system. Synapse includes a comprehensive "dashboard," which customers can use to illustrate real-time insights generated from the Company's AIS. This gives them the ability to understand and make immediate decisions regarding their clients and users based on the picture of their likes, dislikes, interests and level of engagement reflected in the insights which the AI technology provides.

Interest analysis

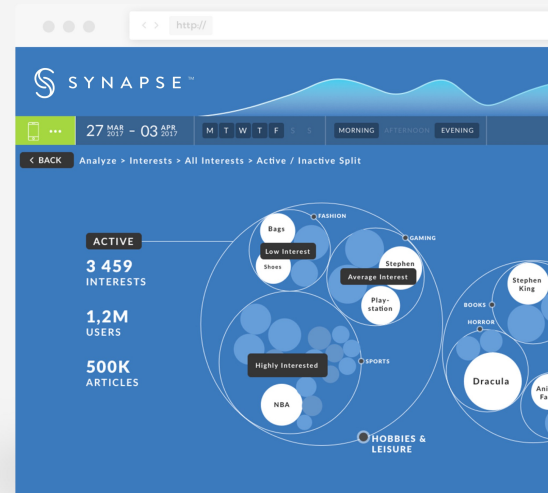
DISCOVER AN OPPORTUNITY TO DELIVER WHAT USERS ACTUALLY WANT

- Be updated on what are the hot topics of interest for your users
- Closely monitor content coverage across your users' needs
- Witness clear distinction between user and machine added

View and sort your top performing interests

- by: percentage of population holding interest, average interest level, average interest growth

What's trending? Where? View interest performance by global location heat map.



Customer Pipeline

Significant work was undertaken to continually develop a strong sales strategy, including identifying a pipeline of companies that could benefit from OpenDNA's AIS solution as well as by working multiple marketing and sales approaches to engage interest. During the Quarter, the Company continued to develop its extensive pipeline of potential customers and, as above, reached arrangements with a number of those customers (including signing two additional customer arrangements in the week immediately following the Quarter's end). OpenDNA also continued to bolster and pursue its reseller program, adding organisations such as BBDO and Columbus Agency in Singapore to the Company's growing list of partners and potential resellers.

Several customer discussions remain ongoing and the Company will update the market regarding the signature of additional agreements in due course.

Publicity, Press and Conferences

During the quarter the Company continued to build awareness of AI generally and its AIS in particular as a solution for businesses of all sizes and across a wide range of industries. Ongoing international interest in OpenDNA's offering led to the Company's Managing Director and CEO, Jay Shah, speaking during the Quarter at a number of significant events in the Asia-Pacific region, including:

- Spark Plus "ASX-Small Cap Growth Day" (Singapore, August 2017)
- Wholesale Investor "Singapore Emerging Company Investor Evening" (Singapore, August 2017)
- All That Matters conference (Singapore, September 2017)
- APP Securities Pty Limited's "NAB Technology Lunch" (Sydney, September 2017)

- Sky TV interview with business commentator, Peter Switzer (Sydney, September 2017) <http://www.switzer.com.au/video/jay-shah-20170914/>
- Red Leaf Securities “Technology Lunch” (Sydney, September 2017)
- AI Summit (Singapore, October 2017)

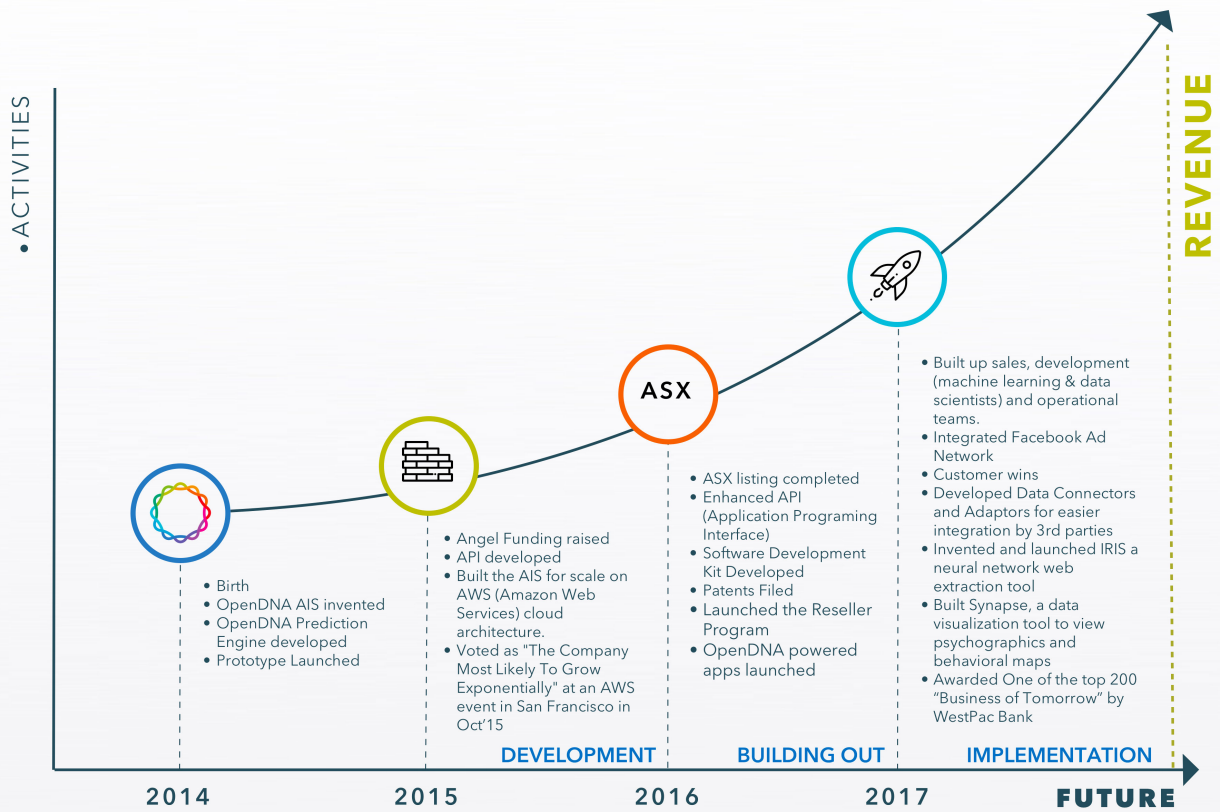


Fig. AI Summit – Singapore - Main Stage - Keynote

The Company also undertook a non-deal roadshow during September, speaking to various parties about its innovative AI technology at presentations in Singapore, Hong Kong, Sydney and Melbourne.

Finally, OpenDNA was featured during the Quarter as the subject of a number of press and analyst articles, including appearing in the Australian Financial Review and being covered in a detailed research note produced by Sydney-based technology, media and telecom equities research provider TMT Analytics.

As depicted below, OpenDNA is now on a growth trajectory and with the future focused on more customer wins and turning them into revenue quickly after technology implementation.



OpenDNA's Chief Executive Officer and MD, Jay Shah, commented on progress during the Quarter by saying:

"The Quarter was significant in terms of gaining new agreements with a number of highly significant customers including leading businesses across a range of key industry sectors. Recognition of the value and benefits our AI technology and psychographic insights can provide continued to grow, in particular with strong interest we continue to receive from a range of US and other international businesses, including numerous blue chip clients or companies with substantial user numbers. We look forward to monetizing those arrangements during the next Quarter and to continuing to develop our growing customer base".

ENDS

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

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Follow OpenDNA on Twitter [@OpenDNAOfficial](https://twitter.com/OpenDNAOfficial)

People are not categories. People are individuals.

opendna.ai

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Registered as: OpenDNA Limited

ACN: 613 410 398

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")

30 September 2017

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	7	7
1.2 Payments for		
(a) research and development	(411)	(411)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(346)	(346)
(f) administration and corporate costs	(573)	(573)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	6	6
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	(1,317)	(1,317)

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

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 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	(2)	(2)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
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	-	-
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	-	-
3.10 Net cash from / (used in) financing activities	-	-

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	3,748	3,748
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,317)	(1,317)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(2)	(2)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	8	8
4.6	Cash and cash equivalents at end of quarter	2,437	2,437

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	2,437	3,748
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)	2,437	3,748

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
130
-

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
49
-

Payments totalling \$49,000 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.

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	411
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	-
9.4 Leased assets	-
9.5 Staff costs	312
9.6 Administration and corporate costs	433
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	1,156

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: 31 October 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.