



8 March 2019

Ms Isabelle Andrews  
Australian Securities Exchange Limited  
Via email: ListingsCompliancePerth@asx.com.au

Dear Isabelle

**OpenDNA Limited (“OPN”): Appendix 3Y – Change of Director’s Interest Notice**

We refer to your correspondence of 6 March 2019 and provide the following answers to your queries:

1. The Company has a Securities Trading Policy (“Policy”) which was adopted immediately prior to the Company’s Initial Public Offering in 2016. All directors are aware of their obligations under the Policy. With the exception of the most recent Appendix 3Y the subject of this query (further explained below), all directors have adhered to this policy to date.
2. OPN and Mr Pestell first became aware of the divestment of shares held by an entity in which Mr Pestell has a relevant interest on 27 February 2019.
3. Mr Pestell did not comply with the requirement in section 3.1 of the Policy as he was unaware of the transactions. As indicated in the cover letter to the Appendix 3Y lodged with the ASX on 1 March 2019, the Appendix 3Y notified of the sale of securities by an entity in which Mr Pestell technically has a “relevant interest” as a result of section 608(3)(a) of the *Corporations Act* 2001 (Cth) due to the fact that he has a shareholding of more than 20% in that entity, despite the fact that Mr Pestell has no ability, whether as a director or as a shareholder, to determine the outcome of decisions about the entity’s financial or operating policies. In particular, Mr Pestell has no visibility, control or oversight in relation to the disposal of shares in the Company held by that entity as a result of the existence of standard non-disclosure of information arrangements put in place with effect from the date on which the entity first acquired shares in the Company. As a result, Mr Pestell had no involvement in or knowledge of the sales referred to in the Appendix 3Y.
4. No – as above.
5. Immediately upon identifying that the trades had occurred, the Company contacted Mr Pestell and sought an explanation why the Policy had not been adhered to. As set out in 3 above, Mr Pestell was unaware of the transactions. The Company has advised both Mr Pestell and the other directors of the entity in which he has a relevant interest, that notwithstanding the above circumstances, the Company’s trading policy applies to all entities in which Mr Pestell holds a relevant interest, and has requested (and the entity has agreed) that the relevant associated approval and notification protocols be strictly adhered to in the future. Given the non-disclosure of information measures already in place, it is intended that the entity will liaise with the Company Secretary as regards any proposed future disposal of shares that it holds in the Company (rather than involving Mr Pestell himself in the relevant discussions). In view of these circumstances, the Board of OPN believes that no further disciplinary or remedial action is required.

6. The Company confirms that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1
  
7. The Company confirms that the responses to the questions above have been authorised and approved by its Board.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Peter Torre', with a long horizontal flourish extending to the right.

**Peter Torre**  
Company Secretary



6 March 2019

Mr Peter Torre  
Company Secretary  
OpenDNA Limited  
Unit B9, 1st Floor 431 Roberts Road  
SUBIACO WA 6008

By email:

Dear Mr Torre

**OpenDNA Limited ('OPN'): Appendix 3Y – Change of Director's Interest Notice**

ASX refers to the following:

- A. The announcement by OPN entitled 'Change of Director's Interest Notice' lodged on the ASX Market Announcements Platform on 1 March 2019 (the 'Announcement'). The Announcement disclosed:
- (i) The on-market disposal of 69,777 shares on 1 February 2019 and 381,120 on 25 February 2019 in OPN by an entity in which Mr Grant Pestell, a director of OPN, has a relevant interest (the 'Transactions');
  - (ii) The shares were traded during a closed period; and
  - (iii) The shares were traded without written clearance being provided to allow the trade to proceed during the closed period.
- B. OPN's securities trading policy lodged on the ASX Market Announcements Platform on 15 November 2016 (the 'Trading Policy') which is also available on OPN's website and which states, among other things, the following:

*"Securities Trading Guidelines*

- 3        *The Company recognises the benefit of directors, managers and other employees of the company holding securities in the company. However trading in such securities will only be permitted in compliance with current legislation, regulations, the highest ethical standards and the present policy.*

*Trading by Relevant Persons in the Company's securities is subject to the following limitations:*

*3.1 Clearance*

*Clearance to trade must be received from the Chairman or Chief Executive (if the Chair is unavailable), or the Board in the case of the Chairman wishing to trade, prior to undertaking a trade. Clearance, if received, will apply for 5 business days from the date provided.*

*3.2 Trading Window*

*Relevant Persons may trade in the Company's securities on ASX in the period of 10 business days commencing 24 hours following:*

- *the holding of the Annual General Meeting or any other General Meeting;*
- *the announcement of Annual or Half-Year results;*
- *the announcement of Quarterly Reports; and*

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- any other public announcement on ASX (with the exception of a Appendix 3Y to which a trade relates).

#### *Trading outside a trading window*

4 *If a Relevant person wishes to trade in the Company's securities outside of the period noted at 3.2 (trading window) then approval must be received from the Chairman or Chief Executive (if the Chair is unavailable). Clearance to trade in the Company's securities outside of the defined Trading Windows may be granted at the discretion of the Chairman and generally in exceptional circumstances. Exceptional circumstances would include, but not be limited to cases of severe financial hardship, where court orders exist or other overriding legal or statutory circumstance requiring the sale or transfer of the securities."*

- C. Guidance Note 27: *Director Disclosure of Interests and Transactions in Securities – Obligations of Listed Entities* which was published to assist listed entities with their obligations under Listing Rules 3.19A and 3.19B and to give an overview of ASX policy in relation to disclosure of directors' interests and transactions in securities, and Guidance Note 22: *Trading Policies* which was published to assist listed entities to comply with their obligations under Listing Rules 12.9-12.12 regarding trading policies. ASX notes the Announcement disclosed that the Transactions took place during a closed period.

#### **Request for Information**

Having regard to the above, and pursuant to Listing Rule 18.7, ASX asks OPN to respond separately to each of the following questions.

1. Please explain what arrangements OPN has in place with its directors to ensure that it is able to meet its disclosure obligations under Listing Rule 3.19A.
2. When did OPN first become aware of Mr Pestell's on-market Transactions?
3. Did Mr Pestell comply with the requirement in section 3.1 of the Trading Policy to obtain clearance from the Chairman or Chief Executive to carry out the Transactions before entering into them? If not, why not?
4. Did the Chairman and/or Chief Executive grant approval (written or otherwise) to Mr Pestell to carry out the Transactions that took place during a closed period, as required under section 4 of the Trading Policy? If so, on what basis did it do so? If not, why not?
5. Please advise if the board of OPN has taken, or is proposing to take, any disciplinary or remedial action in relation to the apparent breach of OPN's Trading Policy? If not, please explain why the board of OPN believes it is appropriate not to take any disciplinary or remedial action.
6. Please confirm that OPN is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
7. Please confirm that OPN's responses to the questions above have been authorised and approved by its board.

#### **When and where to send your response**

Your response is required as soon as reasonably possible and, in any event, by not later than half an hour before the start of trading (**ie before 9.30 a.m. AWST**) **14 March 2019**. ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

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Your response should be sent to me by e-mail at [ListingsCompliancePerth@asx.com.au](mailto:ListingsCompliancePerth@asx.com.au). It should not be sent directly to the ASX Market Announcements Office. This is to allow ASX to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

**Enquiries**

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

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**Isabelle Andrews**

Adviser, Listings Compliance (Perth)