

27 February 2017

Wade Baggott
Senior Advisor, Listings Compliance
ASX Compliance
Level 40, Central Park
152 – 158 St George's Terrace
Perth WA 6000

Dear Wade

Re: Onterran Limited (ASX: OTR) – Voluntary Suspension Extension Request

In accordance with ASX Listing Rule 17.2, Onterran Limited requests that the current voluntary suspension in respect of all of its securities quoted on the ASX be extended pending an announcement about the potential divestment of a subsidiary and trading update. An interim update is provided on the following page.

The following information is provided in relation to this request:

1. Onterran expects the voluntary suspension to last until Monday 10 April 2017;
2. Onterran expects the voluntary suspension to end on an announcement being made about the potential divestment of a subsidiary and trading update;
3. Onterran is not aware of any reason why the suspension should not be granted; and
4. Onterran is not aware of any other relevant information in relation to this request.

Kind Regards

Lachlan McIntosh
Executive Chairman

For further information contact:

Lachlan McIntosh
Executive Chairman
(07) 3668 0660



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Interim update

Onterran advises that it has determined to sell or wind down its Australian construction businesses.

Market conditions for McGrath Modular, which for the most part builds Modular homes in regional West Australia, have continued to be extremely poor with mining towns property valuations particularly hard hit during the last two years. Whilst mining itself is clearly improving, both valuation and over supply issues in regional West Australia make profitable trade in even the medium term unlikely. Onterran is seeking a buyer for the business and will keep the market updated as to its progress.

Onterran is also exiting the Bloomer Constructions business, which as previously reported has been operating in a difficult market in its apartment construction division in South East Queensland. This divestment is being undertaken by way of transfer of contracts to other parties. At the end of the process Bloomer Constructions will cease to trade in its current form.

These divestments will allow Onterran to concentrate on its successful tourism development assets at Couran Cove.

Onterran expects to remain suspended for up to six weeks to be able to properly define the financial effect of the divestments.

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