

23 February 2018

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 & Market Update

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 information about a likely recapitalisation and Onterran meeting its requirements for a re-listing.

The following information is provided in relation to this request:

1. The event that will end the suspension will be the latter of an announcement about the terms of a proposed recapitalisation of Onterran or the lodgement of the outstanding Onterran Financial Reports. The timing of each of these events is uncertain but Onterran expects that the suspension will end on 29 June 2018;
2. Onterran is presently considering a number of possible alternatives with respect to the likely recapitalisation;
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) 3054 4570

MARKET UPDATE

Onterran Ltd (ASX: OTR) provides the following update.

Wind down and closure of McGrath subsidiary

McGrath has completed all construction contracts and is continuing the process of collecting its remaining debtor balances. McGrath had a long-term lease (now terminated) and is continuing negotiations with the landlord for a final settlement. The timing of a resolution of this item is currently unclear and further market updates will be provided when more definitive timing is known.

Update on Outstanding Financial Accounts

The audit and release of the Company's outstanding accounts have been delayed primarily due to:

- a) complexities relating to the previous Voluntary Administration and now Deed of Company Arrangement of Bloomer Constructions (QLD) Pty Ltd and being able to provide certainty for audit purposes; and
- b) the finalisation of the wind down of McGrath including the arrangements with that subsidiary's landlord (which as stated above is currently has an underdetermined end date).

These matters need to be resolved before the audit and release of accounts can be completed. Certainty of timing of the release of audited accounts cannot be given until the above noted items are complete.

Bloomer DOCA

To the best of Onterran's knowledge, all of the key commercial terms of the Bloomer DOCA (set out in a market update on 11 August 2017) have been complied with by all parties to date.

Trading update for Couran Cove Island Resort

Couran Cove Island Resort has achieved increased occupancy through the summer months on a year-over-year comparative basis and has an improved outlook for calendar year 2018 compared calendar year 2017.

There has generally been an increase in overnight guest numbers, day trip numbers and all key revenue line items.

The Company considers the Couran Cove Resort to have a solid future in an improving market.

For further information please contact:

Lachlan McIntosh
Executive Chairman
Onterran Ltd