

19 August 2016

Anjuli Sinniah
Adviser, Listings Compliance (Perth)
ASX Compliance Pty Ltd
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000

Via Email: Anjuli.Sinniah@asx.com.au

Dear Anjuli

Re: Alterra Limited – Appendix 3Y: Change of Director's Interest Notice

I refer to your letter dated 18 August 2016 received via email and respond as follows:

1. A set of transfer forms was posted to our share registry on 31 July 2016 to arrange some off-market transfer of Alterra shares between two entities related to Mr Andrew McBain. The transfer was from Mac 110 Nominees Pty Ltd <The Rule 303 A/C> to Broadacre Finance Pty Ltd <The Rule 303 Super Fund A/C>, both entities which Mr McBain has an equitable interest in. On 3 August 2016, we contacted the share registry to follow up if the transfer forms have been received. It was then that we were advised that there was an administration error which was to be subsequently clarified. Consequently, we did not receive any further notification in writing confirming if the off-market transfer has occurred. It was not till 17 August 2016 when we did a follow up check with the share registry that we realised the share transfer has in fact already occurred on 4 August 2016. We then immediately prepared and lodged an Appendix 3Y with the ASX.
2. To ensure Alterra abides by Listing Rule 3.19A, all directors have entered into a Directors Disclosure Letter Agreement with Alterra. The Agreement outlines Mr McBain's obligations as a director to disclose to Alterra and to the ASX details of his interests in securities and in contracts relevant to securities, initially upon his appointment and ongoing reporting obligations as a director. Mr McBain had advised the Company of the transfer and instructed that an Appendix 3Y be lodged with ASX in the required time. Because the Appendix 3Y was a related party transfer and did not change the ultimate holdings of Mr McBain, an administrative oversight occurred. Alterra should have followed up with the share registry to ensure that the transfer has occurred. In addition the designated person at Alterra responsible for liaising with the share registry happened to be unwell and off work during the week the transfer occurred and unfortunately did not follow up with the share registry when they returned to work.
3. To ensure that this event does not reoccur and that Alterra continues to abide by Listing Rule 3.19B, all directors will be duly reminded at all board meetings of their ongoing obligations to advise Alterra of any change in their share interests within 5 business days so that there is no delay in lodging Appendix 3Y to the ASX. In addition, a second designated Alterra staff member will be assigned to follow up with the share registry in the event no formal notification has been received during an off-market transfer, and if the first designated person is unwell and away. Again we note that the share transfer did not change the ultimate holding of Mr McBain and was an internal transfer between related entities.

Yours faithfully



Anthony Fitzgerald
Company Secretary



18 August 2016

Mr Anthony Fitzgerald
Company Secretary
Suite 1, 25 Walters Drive
OSBORNE PARK WA 6017

By email: kent@miningcorporate.com.au

Dear Mr Fitzgerald

Alterra Limited (the "Company")

We refer to the following:

The Company's announcement lodged with ASX Ltd ("ASX") on 17 August 2016 regarding a change of director's interest notice for Andrew Lawson McBain ("Appendix 3Y").

Listing rule 3.19A which requires an entity to tell ASX the following:

3.19A.1 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times:

- *On the date that the entity is admitted to the official list.*
- *On the date that a director is appointed.*

The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity's admission or a director's appointment.

3.19A.2 A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.

3.19A.3 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.

Listing rule 3.19B which states as follows.

An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the



entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.

The Companies Update dated 27 June 2008, reminding listed entities of their obligation to notify ASX within 5 business days of the notifiable interests in securities held by each director and outlining the action that ASX would take in relation to breaches of listings rules 3.19A and 3.19B.

As the Appendix 3Y indicates that a change in Andrew Lawson McBain's notifiable interest occurred on 4 August 2016 it appears that the Company may be in breach of listing rules 3.19A and/or 3.19B.

Please note that ASX is required to record details of breaches of the listing rules by listed companies for its reporting requirements.

ASX reminds the Company of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Company make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: "Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities", we ask that you answer each of the following questions.

1. Please explain why the Appendix 3Y was lodged late.
2. What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail to anjuli.sinniah@asx.com.au. It should not be sent to ASX Market Announcements.

A response is requested as soon as possible and, in any event, not later than **4:00 pm WST on Friday 19 August 2016**.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Yours sincerely,

[sent electronically without signature]

Anjuli Sinniah
Adviser, Listings Compliance (Perth)