

21 January 2016

ASX Announcement

ONTHEHOUSE'S INDEPENDENT DIRECTORS REJECT NON-BINDING INDICATIVE PROPOSAL

Onthehouse Holdings Ltd (ASX: OTH) announces that the Company's Independent Board Committee has rejected the unsolicited non-binding, conditional and indicative proposal received on 24 December 2015 (Indicative Proposal).

Under the Indicative Proposal, a consortium of investors, consisting of 77 Victoria Street Venture Pty Ltd (a company associated with Michael Dempsey) and PIQ1 Pty Limited (a wholly-owned entity of Macquarie Group) (Consortium), proposed to acquire 100% of the issued capital in Onthehouse for an indicative cash price of \$0.755 per Onthehouse share. This proposal was conditional on various matters including due diligence, exclusivity and receipt by the Consortium of internal, external and regulatory approvals.

The Independent Board Committee of Onthehouse has undertaken a detailed evaluation of the Indicative Proposal. It has also engaged external legal and financial advisers to assist in this evaluation, and has spoken to a number of the company's key shareholders.

Following detailed evaluation, the Independent Board Committee has formed the opinion that the Indicative Proposal materially undervalues Onthehouse and is not in the best interests of the Company's shareholders.

Commenting on the Independent Board Committee's rejection of the Indicative Proposal, Onthehouse's Chairman Mr Tony Scotton said:

"The Independent Board Committee believes that Onthehouse's previously announced strategy, centred on transitioning Real Estate Solutions products to the cloud including API and third party applications and joint venturing the Consumer Online Division, remains the best avenue currently available to maximise shareholder value. Having evaluated the Indicative Proposal in light of the company's current strategy, the Independent Board Committee believes that the value of Onthehouse's strategic initiatives is not reflected in the Indicative Proposal.

"While the Independent Board Committee has rejected the Indicative Proposal, the committee is focused on maximising value for Onthehouse shareholders, is continuing discussions with the Consortium, and remains open to any offer that would maximise shareholder value."

Onthehouse will continue to keep the market informed in accordance with its continuous disclosure obligations.

-ENDS-

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About us

Onthehouse Holdings Limited (ASX: OTH) is an ASX listed Australian online real estate content and services platform headquartered in Brisbane. The business divisions operated by the Company consist of:

The Consumer Online Division is a platform of publicly available real estate websites underpinned by the www.onthehouse.com.au website, providing free access to an extensive database of real estate content and property values on most properties in Australia, including traditional real estate online classified listings. The website is comparable to successful offerings in the US (Zillow) and UK (Zoopla) and has very quickly become the third largest online real estate platform in Australia, currently attracting more than 1.8 million unique visitors per month. The division also offers data and valuation related services for financial institutions utilising Onthehouse's extensive database.

The Real Estate Solutions Division provides tools for real estate agents, other property professionals and financial institutions. It provides an integrated platform, Console, for office administration, property sales and management applications, online advertising solutions and other business performance tools for real estate agents.