



9 November 2016

Mr Ben Secrett
Senior Advisor
ASX Listing Compliance
By Email (tradinghaltspert@asx.com.au)

Dear Mr Secrett

Ensurance Limited (Company): Appendix 4C Query

We refer to your letter dated 8 November 2016 requesting further information with regards to the Company's Appendix 4C quarterly report for the period ended 30 September 2016 lodged with the ASX on 31 October 2016.

We will respond separately to each of the questions raised in your letter which have been reproduced below in bold.

1. Does the Company expect that it will continue to have negative operating cash flows for the time being and, if not, why not?

The Company does expect that it will continue to have negative operating cash flows for the time being. The Company has embarked on a growth phase, including expansion of the business into the UK, which the Company expects will deliver increased revenue, profitability and positive cash flows within the next few years. This information has already been announced to the market.

2. Has the Company taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

The Company is currently in the process of raising \$3 million of capital by way of Convertible Notes issue. To date subscriptions received amount to \$1.571 million and the Company is confident that the remaining balance will be fully subscribed by the end of this calendar year. The convertible notes issue has already been announced to the market.

3. Does the Company expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

The Company is confident that it will be able to continue its operations and meet its business objectives. The Company is in the process of raising capital by way of convertible notes issue, as detailed above, and is also in early discussions with third parties with regards to share placements.

4. Please provide any other information that the Company considers may be relevant to ASX forming an opinion on whether the Company is in compliance with Listing Rule 12.2 (a listed entity's financial condition must, in ASX's opinion, be adequate to warrant the continued quotation of its securities and its continued listing).

To date the Company has been successful in raising \$1.571 million via a convertible notes issue and is confident in its ability to raise further capital to support its growth plans into the future.

5. Please confirm that the Company is in compliance with Listing Rule 3.1 and that there is no information about its financial condition that should be given to ASX in accordance with that Rule that has not already been released to the market.

We confirm that the Company is in compliance with Listing Rule 3.1. The Company's financial position was recently announced to the market in its 2016 annual report. The Company's plans for growth, expansion of the business into the UK and the need to raise capital via a convertible notes issue has already been announced to the market, in compliance with Listing Rule 3.1. The Company is not aware of any other information that has not already been released to the market.

6. Please confirm that the Company's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of the Company with delegated authority from the board to respond to ASX on disclosure matters.

The Company's responses to your questions above have been reviewed and authorised for release by the Company's Board of Directors.

Yours sincerely



Julia Beckett
Company Secretary



8 November 2016

Ms Julia Beckett
Ensurance Limited
Suite 12, 11 Ventnor Avenue
WEST PERTH WA 6005

By email

Dear Ms Beckett

Ensurance Limited (“Company”): Appendix 5B Query

I refer to the Company’s Appendix 4C quarterly report for the period ended 30 September 2016 lodged with the ASX Market Announcements Platform and released on 31 October 2016 (the “Appendix 4C”).

ASX notes that the Company has reported:

- negative net operating cash flows for the quarter of \$852,000;
- cash at the end of the quarter of \$655,000; and
- estimated cash outflows for the next quarter of \$1,749,000.

It is possible to conclude, based on the information in the Appendix 4C, that if the Company were to continue to expend cash at the rate indicated by the Appendix 4C, the Company may not have sufficient cash to continue funding its operations. In view of that, ASX asks the Company to respond separately to each of the following questions and requests for information:

1. Does the Company expect that it will continue to have negative operating cash flows for the time being and, if not, why not?
2. Has the Company taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
3. Does the Company expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
4. Please provide any other information that the Company considers may be relevant to ASX forming an opinion on whether the Company is in compliance with Listing Rule 12.2 (a listed entity’s financial condition must, in ASX’s opinion, be adequate to warrant the continued quotation of its securities and its continued listing).
5. Please confirm that the Company is in compliance with Listing Rule 3.1 and that there is no information about its financial condition that should be given to ASX in accordance with that Rule that has not already been released to the market.

6. Please confirm that the Company's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of the Company with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under, and in accordance with Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, **by not later than 5.00pm AWST on Thursday, 10 November 2016**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Company's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, the Company's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

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.

Your response should be **sent to me by e-mail at tradinghaltspert@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me 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.

Listing Rule 3.1

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

In responding to this letter, you should have regard to the Company's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that the Company's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in the Company's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

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

Yours sincerely

[sent electronically without signature]

Ben Secrett
Senior Adviser, ASX Listings Compliance (Perth)