

**ENSURANCE LTD**  
**ACN 148 142 634**

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**ENTITLEMENT ISSUE PROSPECTUS**

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For a non-renounceable entitlement issue of five (5) Shares for every 11 Shares held by those Shareholders registered at the Record Date at an issue price of \$0.08 per Share to raise up to \$2,077,851 (based on the number of Shares on issue as at the date of this Prospectus) (**Offer**).

The Offer is fully underwritten by Transocean Securities Pty Ltd (ACN 009 230 120) (AFSL 230161) (**Underwriter**). Refer to Section 8.4 for details regarding the terms of the Underwriting Agreement.

**IMPORTANT NOTICE**

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Shares offered by this Prospectus should be considered as speculative.

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## 1. CORPORATE DIRECTORY

### Directors

Adam Davey (Non-Executive Chairman)  
Stefan Hicks (Managing Director)  
Brett Graves (Executive Director)  
Neil Pinner (Non-Executive Director)  
Grant Priest (Non-Executive Director)

### Company Secretary

Sam Hallab

### Registered Office

Level 2  
2 Glen Street  
Milsons Point NSW 2061  
  
Telephone:  
+ 61 2 9806 2000 (outside Australia)  
1300 730 073 (within Australia)  
Facsimile: +61 2 9806 2099

Email: shallab@ensurance.com.au  
Website: www.ensurance.com.au

### Share Registry\*

Computershare Investor Services Pty  
Limited  
Level 11, 172 St Georges Terrace  
Perth WA 6000  
Telephone: 1300 850 505 (investors within  
Australia)

Telephone: +61 (0)3 9415 4000  
Website: www.investorcentre.com

### Solicitors

Steinepreis Paganin  
Lawyers and Consultants  
Level 4, The Read Buildings  
16 Milligan Street  
Perth WA 6000

### Auditor\*

Mazars Risk & Assurance Pty Limited  
Level 12, 90 Arthur Street  
North Sydney NSW 2060

### Underwriter

Transocean Securities Pty Ltd  
Level 5, 56 Pitt Street  
Sydney NSW 2000

\*This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

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## 2. TIMETABLE

Lodgement of Prospectus with the ASIC	6 June 2017
Lodgement of Prospectus & Appendix 3B with ASX	6 June 2017
Notice sent to Shareholders	8 June 2017
Ex date	9 June 2017
Record Date for determining Entitlements	13 June 2017
Prospectus despatched to Shareholders & Company announces despatch has been completed	15 June 2017
Closing Date	26 June 2017
Securities quoted on a deferred settlement basis	27 June 2017
ASX notified of under subscriptions	28 June 2017
Issue date of Shares	29 June 2017
Quotation of Shares issued under the Entitlement Offer	30 June 2017

\*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary.

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### **3. IMPORTANT NOTES**

This Prospectus is dated 6 June 2017 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Shares the subject of this Prospectus should be considered highly speculative.

Applications for Shares offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form or Shortfall Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

#### **3.1 Risk factors**

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 7. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

#### **3.2 Forward-looking statements**

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 7.

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## 4. DETAILS OF THE OFFER

### 4.1 The Offer

The Offer is being made as a non-renounceable entitlement issue of five (5) Shares for every 11 Shares held by Shareholders registered at the Record Date at an issue price of \$0.08 per Share. Fractional entitlements will be rounded down to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, a maximum of 25,973,140 Shares will be issued pursuant to this Offer to raise up to \$2,077,851.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 6 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the Offer and the intended use of funds raised are set out in Section 5.1.

### 4.2 Minimum subscription

There is no minimum subscription.

### 4.3 Acceptance

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for the maximum Entitlement.

You may participate in the Offer as follows:

- (a) if you wish to accept your **full** Entitlement:
  - (i) complete the Entitlement and Acceptance Form; and
  - (ii) attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form, or complete your payment via BPAY in accordance with Section 4.5, unless the Company agrees with you to offset some or all of your application monies against amounts owed by the Company to you; or
- (b) if you only wish to accept **part** of your Entitlement:
  - (i) fill in the number of Shares you wish to accept in the space provided on the Entitlement and Acceptance Form; and
  - (ii) attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the appropriate application monies (at \$0.08 per Share), or complete your payment via BPAY in accordance with Section 4.5, unless the Company agrees with you to offset some or all of your application monies against amounts owed by the Company to you; or

- (c) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

#### 4.4 Payment by cheque/bank draft

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "**Ensurance Ltd**" and crossed "Not Negotiable".

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry no later than 5:00pm AEST on the Closing Date.

#### 4.5 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your application monies.

**It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 4:00 pm (AEST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.** Any application monies received for more than your final allocation of Shares (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

#### 4.6 Underwriting

The Offer is fully underwritten by the Underwriter. Refer to Section 8.4 for details of the terms of the underwriting.

#### 4.7 Effect on control of the Company

The Underwriter presently is not a shareholder of the Company and the extent to which Shares are issued pursuant to the underwriting will increase the Underwriters' voting power in the Company. The Underwriter is not a related party of the Company for the purpose of the Corporations Act. The Underwriter's present relevant interest and changes under several scenarios are set out in the table below.

Event	Shares held by Underwriter	Voting power of Underwriter
Date of Prospectus	Nil	0%
<b>Completion of Entitlement Issue</b>		
Fully subscribed	Nil	0%
75% subscribed	6,493,285	7.81%
50% subscribed	12,986,570	15.62%
25% subscribed	19,479,855	23.44%
0% subscribed	25,973,140	31.25%

The number of Shares held by the Underwriter and its voting power in the table above show the potential effect of the underwriting of the Offer. However, it is unlikely that no Shareholders will take up entitlements under the Offer. The underwriting obligation and therefore voting power of the Underwriter will reduce by a corresponding amount for the amount of entitlements under the Offer taken up by the other Shareholders. Pursuant to the Underwriting Agreement, the Underwriter may engage sub-underwriters in relation to the Offer. The voting power of the Underwriter will also be reduced to the extent that sub-underwriters take up any Shortfall.

In addition, Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 31% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders is set out in the table below:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken Up	% post Offer
Shareholder 1	10,000,000	17.50%	4,545,455	10,000,000	12.03%
Shareholder 2	5,000,000	8.75%	2,272,727	5,000,000	6.02%
Shareholder 3	1,500,000	2.63%	681,818	1,500,000	1.80%
Shareholder 4	400,000	0.70%	181,818	400,000	0.48%
Shareholder 5	50,000	0.09%	22,727	50,000	0.06%
Total	57,140,909		25,973,141		83,114,050

**Notes:**

1. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

#### 4.8 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer.

The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.08 being the price at which Shares have been offered under the Offer.

The Directors, in consultation with the Underwriter, may place the Shortfall Shares in their absolute and sole discretion provided that any offer of Shortfall Shares complies with the Corporations Act and the Listing Rules. Accordingly, do not apply for Shortfall Shares unless instructed to do so by the Underwriter.

The Underwriter will ensure that no person will acquire, through participation in sub-underwriting the Offer, a holding of Shares of, or increase their holding, to an amount in excess of 19.9% of all the Shares on issue on completion of the Offer (being 16,539,695 Shares).

#### **4.9 ASX listing**

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

#### **4.10 Issue of Shares**

Shares issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Shares issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Shares issued is less than the number applied for, or where no issue is made surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Shares issued under the Offer will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus and for Shortfall Shares issued under the Shortfall Offer as soon as practicable after their issue.

#### **4.11 Overseas shareholders**

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Shares will not be issued to

Shareholders with a registered address which is outside Australia or New Zealand.

### ***New Zealand***

The Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

### ***Nominees and custodians***

Nominees and custodians may not submit an Entitlement and Acceptance Form on behalf of any Shareholder resident outside Australia and New Zealand without the prior consent of the Company, taking into account relevant securities law restrictions. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

## **4.12 Enquiries**

Any questions concerning the Offer should be directed to Sam Hallab, Company Secretary, on +61 2 9806 2000.

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## 5. PURPOSE AND EFFECT OF THE OFFER

### 5.1 Purpose of the Offer

The purpose of the Offer is to raise up to \$2,077,851.

The funds raised from the Offer are planned to be used in accordance with the table set out below:

Item	Proceeds of the Offer	Full Subscription (\$)	%
1.	Expansion of the business in the United Kingdom	417,000	20.07
2.	Further investment in the Ensurance product platform	130,000	6.26
3.	Expenses of the Offer <sup>1</sup>	185,000	8.90
4.	Repayment of short term loan funds	700,000	33.69
5.	Working capital	645,851	31.08
	<b>Total</b>	<b>2,077,851</b>	<b>100</b>

#### Notes:

1. Refer to Section 8.8 for further details relating to the estimated expenses of the Offer.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

### 5.2 Effect of the Offer

The principal effect of the Offer, assuming all Entitlements are accepted, will be to:

- (a) increase the cash reserves by \$1,892,851 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer; and
- (b) increase the number of Shares on issue from 57,140,909 as at the date of this Prospectus to 83,114,049 Shares.

### 5.3 Pro-forma balance sheet

The unaudited balance sheet as at 30 April 2017 and the unaudited pro-forma balance sheet as at post new issues shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet, is based on the balance sheet as at 30 April 2017 and has been prepared assuming all Entitlements are accepted and including expenses of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	UNAUDITED 30 April 2017	PROFORMA Post New Issues
<b>CURRENT ASSETS</b>		
Cash <sup>1</sup>	339,178	2,232,029
Trust balances	4,059,123	4,059,123
Other current assets	71,478	71,478
<b>TOTAL CURRENT ASSETS</b>	<b>4,469,779</b>	<b>6,362,630</b>
<b>NON-CURRENT ASSETS</b>		
Financial assets	4,150	4,150
Property, plant & equipment	94,851	94,851
Intangible assets	2,048,744	2,048,744
<b>TOTAL NON-CURRENT ASSETS</b>	<b>2,147,745</b>	<b>2,147,745</b>
<b>TOTAL ASSETS</b>	<b>6,617,524</b>	<b>8,510,375</b>
<b>CURRENT LIABILITIES</b>		
Creditors and accruals	1,885,278	1,885,278
Borrowings	200,000	200,000
Related party loans	208,922	208,922
Provisions	355,483	355,483
Trust balances	4,059,123	4,059,123
<b>TOTAL CURRENT LIABILITIES</b>	<b>6,708,806</b>	<b>6,708,806</b>
<b>NON-CURRENT LIABILITIES</b>		
Convertible Notes <sup>2</sup>	2,701,379	2,701,379
Provisions	21,110	21,110
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>2,722,489</b>	<b>2,722,489</b>
<b>TOTAL LIABILITIES</b>	<b>9,431,295</b>	<b>9,431,295</b>
<b>NET ASSETS (LIABILITIES)</b>	<b>(2,813,771)</b>	<b>(920,920)</b>
<b>EQUITY</b>		
Share capital	6,097,054	7,989,905
Reserves	319,089	319,089
Retained loss	(9,229,914)	(9,229,914)
<b>TOTAL EQUITY</b>	<b>(2,813,771)</b>	<b>(920,920)</b>

**Notes:**

1. Cash received for new issue of capital following completion of the rights issue in this prospectus. \$2,077,851 less estimated costs of the issue \$185,000.

2. Convertible Notes comprises the Convertible Notes and Converting Loans as described in Section 5.4 amounting to \$3,000,000. The equity portion of the Convertible Notes proceeds, amounting to \$298,621, is reflected in Reserves as required by Australian Accounting Standards.
3. Subsequent to the balance date the Company executed a short-term loan agreement for \$500,000. This amount is not included in the above balance sheets.

## 5.4 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted and no Performance Rights vest or Convertible Notes convert prior to the Record Date, is set out below.

### Shares

	Number
Shares currently on issue <sup>1</sup>	57,140,909
Shares offered pursuant to the Offer	25,973,140
<b>Total Shares on issue after completion of the Offer</b>	<b>83,114,049</b>

### Options

	Number
Options currently on issue	Nil
Options to be issued to the Underwriter as part of the underwriting fees <sup>2</sup>	2,597,314
Options to be issued to Transocean Securities Pty Ltd (or its nominees) pursuant to corporate advisory mandate <sup>3</sup>	3,500,000
Options to be issued to Transocean Securities Pty Ltd (or its nominees) pursuant to corporate advisory mandate <sup>4</sup>	3,000,000
Options to be issued to lender under loan arrangement <sup>5</sup>	1,000,000
<b>Total Options on issue following completion of the Offer</b>	<b>10,097,314</b>

### Performance Rights

	Number
Performance Rights currently on issue <sup>6</sup>	7,000,000
Performance Rights offered pursuant to the Offer	Nil
<b>Total Performance Rights on issue after completion of the Offer</b>	<b>7,000,000</b>

## Convertible Notes

	Number of Convertible Notes	Number of Shares to be issued on Conversion
Convertible Notes currently on issue <sup>7</sup>	10,363,639	28,500,000
Convertible Notes offered pursuant to the Offer	Nil	Nil
<b>Total Convertible Notes on issue after completion of the Offer</b>	<b>10,363,639</b>	<b>28,500,000</b>

## Converting Loans

	Number of Converting Loans	Number of Shares to be issued on Conversion
Converting Loans currently on issue <sup>8</sup>	3,272,727	9,000,000
Converting Loans offered pursuant to the Offer	Nil	Nil
<b>Total Converting Loans on issue after completion of the Offer</b>	<b>3,272,727</b>	<b>9,000,000</b>

### Notes:

1. In addition to the 57,140,909 Shares currently on issue, there are 8,000,000 partly paid shares issued at a price of \$0.20 of which \$0.0001 was paid on issue with the balance payable at the election of the holder, any time within five years from the date of Shareholder approval, being 30 November 2020. These shareholders are not eligible to participate in the Offer, unless they pay the unpaid balance prior to the Record Date.
2. These Options will have an exercise price of \$0.08 each and an expiry date of three years from the date of issue, to be granted to the Underwriter or its nominees for nil cash consideration on completion of the Offer, subject to the Company obtaining Shareholder approval, if required.
3. These Options will have an exercise price equal to the Conversion Price of the Convertible Notes and an expiry date of three years from the date of issue.
4. These Options will have an exercise price the lower of \$0.25 or a price that is 15% above the conversion terms of the Convertible Notes and an expiry date of three years from the date of issue.
5. These Options will have an exercise price of \$0.12 each and an expiry date of three years from the date of issue.
6. Comprising 6,500,000 Class A performance rights, each of which will vest into one (1) Share upon the Company achieving a share price of \$0.80 based on a 30 day volume weighted average share price by 2 December 2020; and 500,000 Class B performance rights each of which will vest into one (1) Share on the introduction to, and entry into, an agreement with a strategic partner to the Company which results directly or indirectly in a

material increase in the Company's revenue or otherwise increases the value of the Company, to be determined at the discretion of the Directors.

7. The Convertible Notes may be converted into Shares on a one-for-one basis at a conversion price of the lesser of \$0.22 or the lowest price capital is raised by the Company during the term of the Convertible Note. As a result of the Offer, the conversion price will be re-set to \$0.08. The Convertible Notes also have an interest rate of 8% per annum and a term of three (3) years after the subscription date. For further details in respect of the Convertible Notes currently on issue, refer to Notice of Meeting released to the ASX on 26 October 2016 for meeting held on 29 November 2016. Conversion of the Conversion Notes is now subject to Shareholder approval and the Company intends on preparing and dispatching a notice of general meeting for this purpose shortly.
8. The Company has issued 3,272,727 Converting Loans to Directors on the same terms as the Convertible Notes. Conversion of these Converting Loans are subject to Shareholder approval. Refer to Section 8.5 for further details.

The capital structure on a fully diluted basis as at the date of this Prospectus would be 109,640,909 Shares and on completion of the Offer (assuming all Entitlements are accepted and no Performance Rights vest, Convertible Notes or converting loans convert prior to the Record Date) would be 83,114,049 Shares.

28,750,000 Shares in which Directors Stefan Hicks and Brett Graves have either a director or indirect interest are currently the subject of a holding lock. Messrs Hicks and Graves have unilaterally agreed and consented to the holding lock being placed on the Shares for a period of 12 months (from 6 May 2017 to 6 May 2018) however no restriction agreement is in place in regards to these Shares.

## 5.5 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Stefan Hicks	25,930,006	45.38%
Mr Brett Graves	2,894,994	5.07%

In the event all Entitlements are accepted there will be no change to the substantial holders on completion of the Offer.

However, as noted in Section 8.5, Stefan Hicks does not intend to on taking up his Entitlement.

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## **6. RIGHTS AND LIABILITIES ATTACHING TO SHARES**

The following is a summary of the more significant rights and liabilities attaching to Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

### **6.1 General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

### **6.2 Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

### **6.3 Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

#### **6.4 Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

#### **6.5 Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

#### **6.6 Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

#### **6.7 Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

#### **6.8 Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

## **6.9 Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

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## **7. RISK FACTORS**

### **7.1 Introduction**

The Shares offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

### **7.2 Company specific**

#### **(a) Potential for significant dilution**

Upon implementation of the Offer, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date the number of Shares in the Company will increase from 57,140,909 currently on issue to 83,114,049. This means that each Share will represent a significantly lower proportion of the ownership of the Company.

It is not possible to predict what the value of the Company or a Share will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters.

The last trading price of Shares on ASX prior to the prospectus being lodged of \$0.14 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.

#### **(b) Ability to attract sufficient level of traffic to its website**

The attractiveness of the online platform provided by the Ensurance Group to its insurance product providers is influenced by white labellers' ability to draw consumers to their websites that ultimately purchase the products provided by the insurance product providers. A decline in the level of traffic to the white labellers' websites could have a material adverse effect on the Ensurance Group's ability to generate commissions and fees from the sale of insurance products as well as on its relationship with the insurance product providers.

There are a number of factors which can negatively impact the volume of traffic to the white labellers' websites, including, but not limited to:

- (i) any changes to the algorithms or terms of service of search engines, which will cause the white labellers' websites either to be ranked lower or to be excluded from the search results presented on those search engines. This can lead to a significant decline in the traffic to the white labellers' websites. Search engines are a key driver of consumer traffic to the white

labellers' websites and so the Ensurance Group depends on strong search rankings for the white labellers' websites. If the white labellers are unable to quickly recognise and adapt to any adverse changes in search results, this can have a material adverse effect on the level of traffic receive on the white labellers' websites and consequently, the number of insurance products purchased via those websites;

- (ii) if the white labellers' marketing and advertising activities are not effective in attracting consumers to their websites; and
- (iii) security breaches or negative publicity that affect consumer confidence in the white labellers and/or Ensurance Group's brand.

There can be no guarantee that the white labellers' will be able to attract sufficient traffic to their websites that will ultimately purchase the products provided by the insurance product providers.

(c) **Licensing requirements for Australian Financial Services Licence (AFSL) holders**

Generally, underwriting agencies and general insurance brokers that have a business in Australia, including Ensurance Underwriting, are required to hold or operate under an AFSL, issued by ASIC. Under the Corporations Act, an individual or a company must hold an AFSL in order to conduct an insurance broking business or underwriting agency, unless exempt. Compliance with the obligations of an AFSL is the responsibility of the licensee.

The ability of the Ensurance Group to carry out its business objectives in accordance with this Prospectus and the Corporations Act is dependent on the maintenance of the Ensurance Group's ability to access an AFSL. If Ensurance Underwriting or SHC, as holders of an AFSL, are unable to retain their respective licences, they may not be able to continue to operate in their current form. This may impact their ability to offer insurance and related services to their customers, which would result in a loss of income to the Ensurance Group.

Furthermore, if Ensurance Underwriting or SHC do not meet regulatory requirements, they may suffer penalties, such as fines, obligations to pay compensation, enforceable undertakings, imposition of (or variations to) licence conditions or, ultimately, the cancellation or suspension of its AFSL.

The suspension or cancellation of the AFSL held by either Ensurance Underwriting or SHC may also pose a reputational risk for the Ensurance Group.

(d) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. Even after completion of the Offer the Company will have minimal working capital. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be

required to reduce the scope of its business and operations plans. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

**(e) Changes in insurance products provided**

The Company earns a significant proportion of its revenue from the sale of online insurance products. These insurance products are provided by several key product providers.

Key product providers may make fewer products available, may not make certain products available or may not make any products available to the Ensurance Group. This may be for a number of reasons, including, where the product providers are insurers, decisions to limit the number of new policies that they write. Key product providers may make fewer products available, may not make certain products available or may not make any products available to the Ensurance Group. This may be for a number of reasons, including, where the product providers are insurers, decisions to limit the number of new policies that they write in response to market conditions, their perceptions of where their best growth opportunities may lie, or as a result of a lack of sufficient capital or funds generally which are required to underpin new policy growth.

The loss or impairment of any of these key product provider relationships, or a reduction in the nature or number of insurance products that the product providers make available, could adversely affect the Company's and the Ensurance Group's business, financial condition and results from operations.

While new arrangements can be made to replace any loss of sales in the instance of the loss or impairment of a relationship with an insurance product provider (either through new or existing product providers), there can be no guarantee that the terms negotiated will be favourable.

**(f) Dependence on third parties and services**

The Ensurance Group relies on key software products and services supplied by third parties for its information management systems and delivery of services to brokers, clients and customers. If any software products upon which the Ensurance Group depends do not operate as expected then the services that the Ensurance Group operates may be adversely affected. There is an inherent risk that such third parties appointed do not perform their role to a satisfactory standard. There can be no assurance that the Company would be successful in attempting to enforce any of its contractual rights through legal action.

**(g) New product development and technology risk**

The Company is reliant upon certain technologies and upon the successful commercialisation of these technologies. There is a risk that as marketable technologies continue to develop in the communications industry there may be certain product developments that supersede, and render obsolete, the products and services of the Company, this would adversely affect the profitability of the Company and likely the value of the Shares.

Furthermore, standard backup, restoration and recovery procedures are in place for the Ensurance Group. In accordance with AFSL requirements, both SHC and Ensurance Underwriting are also required to have in place their own disaster recovery plan. However, despite these protections, any significant interruptions to the Ensurance Group's information technology and communications systems could impair the ability of the Ensurance Group to continue to provide its services (such as access to the online platform), or the loss or corruption of data and may impact the Ensurance Group's brand image, bring about service level availability rebate costs, and potentially loss of customers. Any of these impacts, or other potential effects, could materially affect the Ensurance Group's overall revenue and earnings.

(h) **Protection of intellectual property rights**

The Ensurance Group's intellectual property rights are valuable, and any inability to protect them could reduce the value of the Ensurance Group's products and brand.

Securing rights to technologies, and in particular intellectual property, through licensing, ownership or otherwise, is an integral part of securing potential product value in the online platform. Competition in obtaining and sustaining protection of technology and the complex nature of technologies can lead to intellectual property disputes. The Company's and the Ensurance Group's prospect of success depends, in part, on their ability to obtain interests in intellectual property, maintain trade secret protection and operate without infringing the proprietary rights of third parties. There can be no assurance that any intellectual property which the Ensurance Group or entities it deals with may have an interest in now or in the future will afford the Ensurance Group commercially significant protection of technologies, or that any of the projects that may arise from technologies will have commercial applications.

The Ensurance Group may rely on a combination of confidentiality arrangements with third parties with whom it has relationships, as well as domain name, trade secret, copyright, trade mark and/or patent laws, to protect its brand and other intellectual property rights. For example, Ensurance IT has a patent application and other intellectual property rights that are important assets. The granting of a registered patent does not guarantee that the rights of others are not infringed or that competitors will not develop technology to avoid the patented technology. There can be no assurance that any patents which the Ensurance IT or any other member of the Ensurance Group may own or control will afford the Ensurance Group commercially significant protection of its technologies or its products or have commercial application.

(i) **Contractual risk**

To provide consistent service delivery, the Ensurance Group has worked to build longstanding relationships with third party suppliers and employees working in the sector. The business of the Ensurance Group has a significant dependence on its counterparties and their ability to meet their contractual obligations pursuant to the agreements entered into with a member of the Ensurance Group. In particular, the Ensurance Group relies on the continuation of broker agreements between Ensurance Underwriting and insurers.

The ability of the Company to achieve its objectives depends upon the performance of counterparties to each of the agreements, of their respective obligations under those agreements, If any counterparty defaults in the performance of their obligations, it may be necessary for the Company or the relevant member of group (as the case may be) to approach a court to seek a legal remedy. Legal action can be costly and there can be no guarantee that a legal remedy will be ultimately granted on the appropriate terms.

The Company has no current reason to believe that any of the parties which it or any of the members of the Ensurance Group has contracted with will not meet and satisfy their obligations under their respective agreements.

(j) **Key personnel**

The Company's ability to successfully execute against its business plan and exploit the market opportunity identified will be subject to the ability to attract and retain highly qualified and experienced executives and employees across all aspects of the business. The Company may not be able to attract or retain key staff or be able to find effective replacements in a timely manner. Further, from time to time the Australian IT job market suffers shortages of available staff, causing long delays in hiring for new roles, which can impact service levels enjoyed by customers, and causing wage expectations to rise, impacting profitability. The Company will ensure that it remains competitive in terms of employment conditions and salaries and to implement suitable incentive schemes to align the interests of employees and Shareholders.

(k) **Competition risk**

The Ensurance Group will be participating in a highly competitive market. Some of the Ensurance Group's competitors may have greater financial and other resources than the Ensurance Group and, as a result, may be in a better position to compete for future business opportunities.

However there are few, if any, specific competitors who have a dominant market share and dictate the structure or practices in the market. The fact that there are few if any dominant competitors makes market entry and penetration easier, but not without the need to ensure that the Ensurance Group can position and differentiate itself to gain market share. There is no certainty that the Ensurance Group will be successful in this market.

### **7.3 Industry specific**

(a) **Increased competition and change or disruption in market structure**

The Ensurance Group competes in the distribution of general insurance policies with other insurance brokers, underwriting agencies and insurers. In order to be an effective market participant the Ensurance Group must respond promptly to a number of challenges facing the industry as a whole, and the Ensurance Group specifically. These challenges include the entry of new participants into the insurance broking and underwriting agency markets. With technology development and the advent of online purchasing of insurance products and comparison websites, the barriers of entry into the insurance industry have decreased in recent years.

Increased competition could arise from a number of sources including, but not limited to:

- (i) increased competition from other existing broker consolidator groups or broker cluster groups;
- (ii) increased focus from large global insurance brokers on the small to medium enterprise segment;
- (iii) the expansion of non-insurance broking distribution channels that maintain relationships with small to medium enterprise customers (for example, accountants, financial planners and business bankers) into insurance broking;
- (iv) the expansion of online broking and comparator websites (servicing predominantly personal lines of insurance) into commercial lines; and/or;
- (v) general insurers expanding their direct distribution capabilities in the SME segment.

(b) **Data security risk**

In the ordinary course of its business, the Ensurance Group collects a wide range of personal and financial information from consumers and clients using the SHC website, Ensurance Underwriting website and white labellers' websites, through the secure transmission of confidential information over public networks. This includes information like personal contact details and payment information, such as credit card details.

A malicious attack on the Ensurance Group's systems, processes or people from external or internal sources could put the integrity and privacy of customer's data and business systems used to run the Ensurance Group at risk. The impact of loss or leakage of customer or business data could include costs for rebates, potential service disruption, litigation, and brand damage resulting in reduced or falling revenues.

Whilst the Ensurance Group has established risk management systems to prevent cyber-attacks and any potential data security breaches, including firewalls, encryption of consumer data, a privacy policy and policies to restrict access to data to authorised employees, there are inherent limitations on such systems, including the possibility that certain risks have not been identified. There can be no guarantee that the measures taken by the Ensurance Group will be sufficient to detect or prevent data security breaches. Technology advancements may lead to a compromise or even a breach of the technology platform used by the Ensurance Group to protect confidential information. Third parties may attempt to gain unauthorised access to the Ensurance Group's systems (e.g. via "hacking" or malicious software coding) for purposes of misappropriating consumer information.

If successful, security breaches or failures by the Ensurance Group to protect confidential information could result in loss of information integrity, breaches of the Ensurance Group's obligations under applicable privacy or other laws, breach of customer and insurance product provider agreements and website and system outages, each of which may potentially have a material adverse impact on the

Ensurance Group's reputation as well as its levels of sales revenue and profitability. In addition, substantial costs may be incurred in order to prevent the occurrence of future security breaches.

(c) **Compliance with future of financial advice legislation**

Should the Company provide financial product advice to retail clients during the course of its business it will have to ensure it complies with the relevant legislative requirements which are currently under scrutiny from the Future of Financial Advice regime (**FOFA**). In particular, the Company will have to ensure that it complies with the conflicted remuneration provisions which limit the manner in which financial advisers may be remunerated.

(d) **Force Majeure**

The Company's operations now or in the future may be adversely affected by risks outside the control of the Company including subversive activities or sabotage, cyber-attacks, online hacking, fires, floods, explosions or other catastrophes or epidemics. A disaster affecting Ensurance Group's systems would cause disruption to the operation of the Ensurance Group's business. An unforeseen event of this nature could cause losses due to Ensurance Group's inability to process claims and/or customer's inability to access the Company's website by virtue of the event. The Company continually reviews its disaster recovery procedures and plans to seek to keep them up to date in case of the occurrence of an unforeseen event.

## **7.4 General risks**

(a) **Government policies and legislation**

Changes in relevant taxes, legal and administration regimes, accounting practice and government policies may adversely affect the financial performance of the Company.

The Federal Government has appointed a committee, independent of the Government, which is charged with examining how the financial system could be positioned to best meet Australia's evolving needs and support Australia's economic growth, known as the Financial System Inquiry. In July 2014, the inquiry released an interim report outlining its main areas of interest. In the insurance sector, the inquiry's focus is largely in four areas: the use of aggregators, how technology is affecting insurance access, the operation of statutory insurance schemes and how advice and regulation will work in the coming years.

Australian and international government legislation is subject to review and change from time to time, in particular any FOFA reforms. Any such change is likely to be beyond the control of the Company and could affect both industry and the Company's profitability. Revenues and operating costs of the Company may be affected by change in international, federal, state, or local government laws, regulations or policies, or in taxation legislation.

Changes or reforms to the regulation of the financial sector, and in particular the insurance industry, which result from the Financial Systems Inquiry may adversely affect the financial performance of the Company and could restrict or complicate the Company's activities and significantly increase its compliance costs.

(b) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- general economic outlook;
- introduction of tax reform or other new legislation;
- interest rates and inflation rates;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital; and
- terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) **Insurance**

Insurance against all risks associated with the Company's activities is not always available or affordable. The Company will maintain insurance where it is considered appropriate for its needs. However, it will not be insured against all risks either because appropriate cover is not available or because the Directors consider the required premiums to be excessive having regard to the benefits that would accrue.

(d) **Litigation**

Litigation brought by third parties including but not limited to customers, partners, suppliers, business partners or employees could negatively impact the business, particularly in the case where the impact of such litigation is greater than or outside the scope of the Company's insurance

(e) **Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

## **7.5 Speculative investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

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## **8. ADDITIONAL INFORMATION**

### **8.1 Litigation**

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

### **8.2 Continuous disclosure obligations**

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:

- (i) the annual financial report most recently lodged by the Company with the ASIC;
- (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
06/06/2017	Investor Presentation
01/06/2017	Update on Non-Renounceable Entitlement Offer
22/05/2017	Response to ASX Appendix 4C Query
22/05/2017	Non-Renounceable Entitlement Offer
18/05/2017	Compare the Market goes live with Ensurance platform
28/04/2017	Ensurance Extends Positive Momentum During March Quarter
28/04/2017	Appendix 3B
28/04/2017	Appendix 4C - quarterly
26/04/2017	Underwriting Agency Achieves Exponential Growth
24/04/2017	Change of Director's Interest Notice
24/04/2017	Extension of escrow period
12/04/2017	Appendix 3B
06/04/2017	Ensurance on Path to Significant Revenue Growth
15/03/2017	Change of Director's Interest Notice
14/03/2017	Clarifying Announcement - Convertible Notes
01/03/2017	Change of Director's Interest Notice
28/02/2017	Appendix 3B
27/02/2017	Half Yearly Report
27/02/2017	Capital Raising Update
20/02/2017	Third Major Insurer Joins Ensurance Platform
01/02/2017	Company Secretary Appointment/Resignation

Date	Description of Announcement
30/01/2017	Capital Raising Update
30/01/2017	Appendix 3B
30/01/2017	Appendix 4C - quarterly
18/01/2017	Appendix 3B
18/01/2017	Change of Address
20/12/2016	Establishes Significant European Operations
06/12/2016	Appendix 3B
05/12/2016	70% Increase in Ensurance White Label Partners in November
29/11/2016	Results of Meeting
23/11/2016	Investor Presentation
09/11/2016	Response to Appendix 4C Query
31/10/2016	Annual Report

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website [www.ensurance.com.au](http://www.ensurance.com.au).

### 8.3 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest	\$0.165	26 April 2017
Lowest	\$0.13	26, 29 and 30 May 2017
Last	\$0.14	5 June 2017

### 8.4 Underwriting Agreement

By an agreement between the Underwriter and the Company (**Underwriting Agreement**), the Underwriter has agreed to underwrite the Offer for 25,973,140 Shares (**Underwritten Securities**).

Pursuant to the Underwriting Agreement, the Company has agreed to pay the Underwriter:

- (a) an underwriting fee of 6% of the total value of the Underwritten Securities (being \$124,671);
- (b) a co-ordination fee of 1% of the value of the Underwritten Securities (being \$20,779); and

- (c) a fixed corporate advisory fee of \$5,000 as consideration for the corporate advisory services undertaken by the Underwriter.

Subject to any Shareholder approval required by law and the ASX Listing Rules, the Company has also agreed to issue the Underwriter (or its nominees) with 2,597,314 Options on completion of the Offer.

The obligation of the Underwriter to underwrite the Offer is subject to certain events of termination. The Underwriter may terminate its obligations under the Underwriting Agreement if:

- (a) **ASX listing:** ASX does not give approval for the Shares that are Shortfall Shares to be listed for official quotation, or if approval is granted, the approval is subsequently withdrawn, qualified or withheld or the Company fails to lodge an Appendix 3B in relation to the new Shares with ASX within seven days of the Lodgement Date;
- (b) **index fall:** the S&P/ASX All Ordinaries Index or the S&P/ASX Small Ordinaries Index is at any time after the date of the Underwriting Agreement, for two consecutive Business Days, 5% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement;
- (c) **Shortfall notice and Certificate:** the Company does not provide the Underwriter with a shortfall notice and certificate in accordance with the terms of the Underwriting Agreement;
- (d) **Unable to Issue Securities:** the Company is prevented from issuing the new Shares within the time required by the Underwriting Agreement, the Corporations Act, the ASX Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority; or
- (e) **London Operations:** the Company has failed to sign an agreement with a major global insurer to offer capacity in the construction and engineering market that allows the Company to underwrite individual risks of up to £100 million total sum insured;
- (f) **future matters:** any material statement or estimate in the Prospectus which relates to a future matter is or becomes incapable of being met or, in the reasonable opinion of the Underwriter, unlikely to be met in the projected timeframe;
- (g) **Withdrawal of consent to Prospectus:** any person (other than the Underwriter) who has previously consented to the inclusion of its, his or her name in the Prospectus or to be named in the Prospectus, withdraws that consent;
- (h) **indictable offence:** a director of the Company or any Related Corporation is charged with an indictable offence;
- (i) **return of capital or financial assistance:** the Company or a Related Corporation takes any steps to undertake a proposal contemplated under section 257A or passes or takes any steps to pass a resolution under section 260B of the Corporations Act, without the prior written consent of the Underwriter;

- (j) **banking facilities:** the Company's bankers terminating or issuing any demand or penalty notice or amending the terms of any existing facility or claiming repayment or accelerated repayment of any facility or requiring additional security for any existing facility;
- (k) **change in laws:** any of the following occurs:
  - (i) the introduction of legislation into the Parliament of the Commonwealth of Australia or of any State or Territory of Australia ; or
  - (ii) the public announcement of prospective legislation or policy by the Federal Government, or the Government of any State or Territory; or
  - (iii) the adoption by the ASIC, its delegates, ASX, the Reserve Bank of Australia or any other regulatory authority of any regulations or policy,

which does or is likely to prohibit, restrict or regulate the principal business of the Company or the operation of stock markets generally;
- (l) **failure to comply:** the Company or any Related Corporation fails to materially comply with any of the following:
  - (i) a provision of its constitution;
  - (ii) any statute;
  - (iii) a requirement, order or request, made by or on behalf of the ASIC or any Governmental Agency; or
  - (iv) any material agreement entered into by it;
- (m) **alteration of capital structure or constitution:** the Company alters its capital structure or its constitution without the prior written consent of the Underwriter;
- (n) **extended Force Majeure:** a force majeure (as that term is defined in the Underwriting Agreement), which prevents or delays an obligation under the Underwriting Agreement, lasting in excess of three weeks occurs;
- (o) **default:** the Company is in default of any of the terms and conditions of the Underwriting Agreement or breaches any warranty or covenant given or made by it under the Underwriting Agreement;
- (p) **adverse change:** any adverse change occurs which materially impacts or is likely to materially impact the operational or financial condition, position, performance or prospects of the Company or a Related Corporation (including but not limited to an administrator, receiver, receiver and manager, trustee or similar official being appointed over any of the assets or undertaking of the Company or a Related Corporation);
- (q) **investigation:** any person is appointed under any legislation in respect of companies to investigate the affairs of the Company or a Related Corporation;

- (r) **Prescribed Occurrence:** a Prescribed Occurrence occurs;
- (s) **Suspension of debt payments:** the Company suspends payment of its debts generally;
- (t) **Litigation:** litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced against the Company or any Related Corporation which are likely to have a Material Adverse Effect;
- (u) **Board and senior management composition:** there is a change in the composition of the Board or a change in the senior management of the Company before the date of issue of the Shortfall Shares without the prior written consent of the Underwriter;
- (v) **Breach of Material Contracts:** any material contract to which the Company or a Related Corporation is a party is terminated or substantially modified;
- (w) **Event of Insolvency:** an Event of Insolvency (as that term is defined in the Underwriting Agreement) occurs in respect of the Company or a Related Corporation;
- (x) **Judgment against a Related Corporation:** a judgment in an amount exceeding \$50,000 is obtained against the Company or a Related Corporation and is not set aside or satisfied within seven days;
- (y) **determination by ASIC:** the Offer is prevented from proceeding by reason of an order (actual or threatened, interim or final) made by ASIC under section 739 of the Corporations Act or ASIC makes a determination under section 713(6) of the Corporations Act in relation to the Company;
- (z) **Offer Document:** the Offer Document:
  - (i) contains a statement which is misleading or deceptive; or
  - (ii) omits a matter required under the Corporations Act;
- (aa) **Offer Document:** the Prospectus is not lodged by the Company on the Lodgement Date or the Offer is withdrawn by the Company;
- (bb) **Non-compliance with disclosure requirements:** it transpires that the Prospectus or continuously disclosed information does not contain all the information that investors and their professional advisers would reasonably require to make an informed assessment of:
  - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
  - (ii) the rights and liabilities attaching to the new Shares;
- (cc) **other change:** at any time after the Prospectus is issued, a new circumstance arises which is likely to have a Material Adverse Effect, where information about that new circumstance would have been required under the Corporations Act to be included in the Prospectus if it had arisen before the Prospectus was lodged;

- (dd) **Company offers refund:** any circumstance arises after the Prospectus is lodged with ASIC that results in the Company doing any of the following: repaying, or offering to repay, any monies the Company receives from applicants; or offering one or more applicants an opportunity to withdraw their Application Form(s);
- (ee) **Supplementary Prospectus required:**
  - (i) a supplementary prospectus is lodged; or
  - (ii) the Due Diligence Committee recommends that a supplementary prospectus is lodged; or
  - (iii) the Underwriter, having elected not to exercise its right to terminate its obligations under the Underwriting Agreement, forms the view on reasonable grounds that a supplementary prospectus should be lodged with ASIC for any of the reasons referred to in section 719 of the Corporations Act and the Company fails to lodge a supplementary prospectus in such form and content and within such time as the Underwriter may reasonably require;
- (ff) **Timetable not met:** any event specified in the timetable does not occur within 14 days after the date specified for that event;
- (gg) **Intellectual property:** the Company receives notification from any relevant authority or party that challenges the claims of any existing patent or results in a patent application requiring modification or being rejected or withdrawn, or if the Company otherwise decides to withdraw an existing patent application;
- (hh) **Termination Events:** any of the following events occurs:
  - (i) **Hostilities:** there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, India, Pakistan, or the Peoples Republic of China or any member of the European Union other than hostilities involving Libya, Afghanistan, Iraq, Iran, Syria, Lebanon or Israel and the Underwriter believes (on reasonable grounds) that the outbreak or escalation is likely to result in the S&P ASX 200 Index falling by the percentage contemplated by the "index fall" clause above;
  - (ii) **Incorrect or untrue representation:** any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect in a material respect;
  - (iii) **Contravention of constitution or Act:** a material contravention by a the Company of any provision of its constitution, the Corporations Act, the ASX Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;

- (iv) **Error in Due Diligence Results:** it transpires that any of the due diligence results or any part of the verification material was, misleading or deceptive, materially false or that there was a material omission from them;
- (v) **Significant change:** a "new circumstance" as referred to in Section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
- (vi) **Public statements:** without the prior approval of the Underwriter a public statement is made by the Company in relation to the Offer or the Prospectus other than a statement the Company is required to make in order to comply with its disclosure obligations under the ASX Listing Rules and/or the Corporations Act;
- (vii) **Misleading information:** any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the affairs of any the Company is or becomes misleading or deceptive or likely to mislead or deceive;
- (viii) **Change in Act or policy:** there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy which is likely to have a Material Adverse Effect that has not been publicly disclosed or proposed as at the date of the Underwriting Agreement;
- (ix) **Change in shareholdings:** there is a material change in the major or controlling shareholdings of the Company (other than as a result of the Offer or a matter disclosed in the Offer Document) or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to the Company;
- (x) **Capital Structure:** any Company alters its capital structure in any manner not contemplated by the Prospectus excluding the issue of any Shares upon exercise of Options, such Options having been disclosed to the ASX as at the date of the Underwriting Agreement;
- (xi) **Market Conditions:** a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.

The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Underwriter that are considered standard for an agreement of this type.

## 8.5 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offer; or
- (b) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (c) as an inducement to become, or to qualify as, a Director; or
- (d) for services provided in connection with:
  - (i) the formation or promotion of the Company; or
  - (ii) the Offer.

### *Security holdings*

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below.

Director	Shares	Partly Paid Shares	Performance Rights	Converting Loans	Entitlement under Offer	\$
Adam Davey	520,000	4,000,000	1,500,000	2,500,000 <sup>1</sup>	236,364	\$18,909
Stefan Hicks	25,930,006	Nil	4,000,000	6,250,000 <sup>2</sup>	11,786,366	\$942,909
Brett Graves	2,894,994	Nil	1,000,000	Nil	1,315,906	\$105,272
Neil Pinner	527,500	Nil	250,000	Nil	239,772	\$19,181
Grant Priest	50,000	Nil	250,000	250,000 <sup>3</sup>	22,727	\$1,818

#### **Notes:**

1. These Converting Loans are the subject of a convertible loan agreement between the Company and Adam Davey, a Director of the Company, dated 24 April 2017 for total consideration of \$200,000. The Converting Loans have the same terms at the Convertible Notes (refer to Section 5.4). As a result of the Offer, the conversion price of the Converting Loans will be re-set to \$0.08. The number shown in the table above reflects the number of Shares that would be issued if the Converting Loans were converted at a conversion price of \$0.08. Conversion of the Converting Loans is subject to Shareholder approval.

2. These Converting Loans are the subject of a convertible loan agreement dated 27 February 2017 and 3 March 2017 between Savill Hicks Corp (VIC) Pty Ltd <Hicks Big Buckaroo Superannuation Fund> (ACN 148 142 634), an entity controlled by Stefan Hicks, a Director of the Company for total consideration of \$500,000. The Converting Loans have the same terms at the Convertible Notes (refer to Section 5.4). As a result of the Offer, the conversion price of the Converting Loans will be re-set to \$0.08. The number shown in the table above reflects the number of Shares that would be issued if the Converting Loans were converted at a conversion price of \$0.08. Conversion of the Converting Loans is subject to Shareholder approval.
3. These Converting Loans are the subject of a convertible loan agreement dated 28 July 2016 between the Company and Elmwood Enterprises Pty Ltd (ACN 062 155 177), an entity controlled by Grant Priest, a Director of the Company, for total consideration of \$20,000. The Converting Loans have the same terms at the Convertible Notes (refer to Section 5.4). As a result of the Offer, the conversion price of the Converting Loans will be re-set to \$0.08. The number shown in the table above reflects the number of Shares that would be issued if the Converting Loans were converted at a conversion price of \$0.08. Conversion of the Converting Loans is subject to Shareholder approval.

The Board recommends all Shareholders take up their Entitlement and advises that all Directors, other than Mr Stefan Hicks, intend to take up their respective Entitlements.

### ***Remuneration***

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$250,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

In addition to being a Director, Adam Davey holds the role of Director, Wealth Management, at Patersons Securities Limited.

The following table shows the total (and proposed) annual remuneration package paid to both executive and non-executive directors.

Director	2017	2016
Adam Davey	\$109,500	\$102,193
Stefan Hicks	\$500,000 <sup>1</sup>	\$347,730
Brett Graves	\$220,240	\$220,691
Neil Pinner	\$54,750	\$43,783
Grant Priest	\$54,750	\$45,785

**Notes:**

1. The increase in the remuneration package for Stefan Hicks reflects relocation and other costs paid associated with the relocation of Stefan Hicks to London to establish operations in the United Kingdom.

## **8.6 Interests of experts and advisers**

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offer.

Transocean Securities Pty Ltd will be paid an underwriting fee of approximately \$124,671 together with a \$20,779 co-ordination fee and \$5,000 corporate advisory fee in respect of this Offer. During the 24 months preceding lodgement of this Prospectus with the ASIC, Transocean Securities Pty Ltd has been paid fees totalling \$39,121 by the Company.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$15,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$16,683.01 (excluding GST and disbursements) for legal services provided to the Company.

## 8.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section;

Transocean Securities Pty Ltd has given its written consent to being named as underwriter to the Offer in this Prospectus, in the form and context in which it is named. Transocean Securities Pty Ltd (including its related entities) is not a Shareholder of the Company and currently has no relevant interest in any of the Company's securities.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

## 8.8 Expenses of the Offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$185,000 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	2,350
ASX fees	8,286
Underwriting fees	150,450
Legal fees	15,000
Share Registry Fees	5,000
Miscellaneous	3,914
<b>Total</b>	<b><u>185,000</u></b>

## 8.9 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please phone the Company on + 61 2 9806 2000 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at [www.ensurance.com.au](http://www.ensurance.com.au).

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

#### **8.10 Financial forecasts**

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

#### **8.11 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship**

The Company will not be issuing share certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

#### **8.12 Privacy Act**

If you complete an application for Shares, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

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**9. DIRECTORS' AUTHORISATION**

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

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**Adam Davey**  
**Non-Executive Chairman**  
**For and on behalf of**  
**Ensurance Ltd**

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10. GLOSSARY

**\$** means the lawful currency of the Commonwealth of Australia.

**AEST** means Australian Eastern Standard Time as observed in Sydney, New South Wales.

**Applicant** means a Shareholder who applies for Shares pursuant to the Offer or a Shareholder or other party who applies for Shortfall Shares pursuant to the Shortfall Offer.

**Application Form** means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

**ASX Listing Rules** means the listing rules of the ASX.

**ASX Settlement Operating Rules** means the settlement rules of the securities clearing house which operates CHESS.

**Board** means the board of Directors unless the context indicates otherwise.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

**Closing Date** means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

**Company** or **Ensurance** means Ensurance Ltd (ACN 148 142 634).

**Constitution** means the constitution of the Company as at the date of this Prospectus.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Convertible Note** means a convertible note on issue in the Company as described in the notes to the tables in Section 5.4.

**Converting Loan** means a converting loan on issue in the Company as described in the notes to the tables in Sections 5.4 and 8.5.

**Directors** means the directors of the Company as at the date of this Prospectus.

**Ensurance Group** means Ensurance and its five subsidiaries, being SHC, Savill Hicks Corp (NSW) Pty Ltd, Ensurance Underwriting, Ensurance IT and Ensurance Life.

**Ensurance IT** means Ensurance IT Pty Ltd (ACN 090 514 015).

**Ensurance Life** means Ensurance Life Pty Ltd (ACN 602 344 178).

**Ensurance Underwriting** means Ensurance Underwriting Pty Ltd (ACN 158 973 365).

**Entitlement** means the entitlement of a Shareholder who is eligible to participate in the Offer.

**Entitlement and Acceptance Form** means the entitlement and acceptance form either attached to or accompanying this Prospectus.

**Governmental Agency** means any government or any governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity and includes any self-regulatory organisation established under statute or any stock exchange

**Lodgement Date** means 6 June 2017.

**Material Adverse Effect** means an event which, in the reasonable opinion of the Underwriter, has a material adverse effect on:

- (a) a decision of an investor to invest in new Shares at the price of \$0.08 per new Share, the outcome of the Offer or the subsequent market for the Shares; or
- (b) the financial condition, financial position or financial prospects of the Company and its Related Corporations taken as a whole.

**Option** means an option to acquire a Share.

**Offer** means the non-renounceable entitlement issue the subject of this Prospectus.

**Official Quotation** means official quotation on ASX.

**Related Corporation** means a "related body corporate" of the Company as that expression is defined in the Corporations Act and includes a body corporate which is at any time after the date of the Underwriting Agreement a "related body corporate" but ceases to be a "related body corporate" because of an amendment, consolidation or replacement of the Corporations Act.

**Performance Right** means a Class A Performance Right or a Class B Performance Right with the terms and conditions set out in the notes to the tables in Section 5.4.

**Prescribed Occurrence** means an event described in section 652C of the Corporations Act that occurs in respect of the Company.

**Prospectus** means this prospectus.

**Record Date** means the date specified in the timetable set out at the commencement of this Prospectus.

**Section** means a section of this Prospectus.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of a Share.

**SHC** means Savill Hicks Corp. Pty. Ltd. (ACN 009 392 125).

**Shortfall** means the Shares not applied for under the Offer (if any).

**Shortfall Application Form** means the shortfall application form either attached to or accompanying this Prospectus.

**Shortfall Offer** means the offer of the Shortfall on the terms and conditions set out in Section 4.8.

**Shortfall Shares** means those Shares issued pursuant to the Shortfall.

**Underwriter** means Transocean Securities Pty Ltd (ACN 009 230 120) (AFSL 230161).