

30 April 2018

LOAN AGREEMENT

Ensurance Ltd (ASX: ENA) (**Ensurance** or the **Company**) advises on 13 December 2017 the Company entered into a secured loan agreement with Kalonda Pty Ltd (ACN 009 137 222) (**Kalonda**), Savill Hicks Corp Ltd (ACN 009 392 125) (**Savill Hicks**), Ensurance IT Pty Ltd (ACN 090 514 015) (**Ensurance IT**) and Ensurance Capital Pty Ltd (ACN 158 971 718) (**Ensurance Capital**) pursuant to which agreed to advance an amount of up to \$1,000,000 to the Company (**Loan Agreement**). On 17 April 2018, the Company, Kalonda, Ensurance IT and Ensurance Capital entered into a revised agreement pursuant to which the facility Limit was increased to an amount of up to \$2,500,000. To date, \$1,950,000 has been advanced by Kalonda. The material terms of the Loan Agreement are set out in the Annexure to this announcement.

Kalonda is a related party of the Company by virtue of being an entity related to a director of the Company, Tony Leibowitz. Various security interests have been granted to Kalonda by the Company, Ensurance IT, Ensurance Capital and Savill Hicks pursuant to the Loan Agreement. The Company acknowledges that entry into the Loan Agreement breached ASX Listing Rule 10.1.

The Company, Kalonda, Ensurance IT and Ensurance Capital have executed a variation to the Loan Agreement such that the Loan Agreement prohibits any dealings with the security interests (including enforcement) without the Company first complying with any applicable ASX Listing Rules including, without limitation, ASX Listing Rule 10.1 which includes, where required, seeking relevant shareholder approvals.

ENDS

For further information please contact:

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Annexure: Material Terms of Loan Agreement

The material terms of the Loan Agreement are as follows:

- Limit:** \$2,500,000.
- Interest:** 1.5% per month (payable in advance) on the drawn portion and 0.66% (payable in arrears) on the undrawn portion
- Repayment Date:** 13 December 2018.
- Security:** The Company, Savill Hicks, Ensurance IT and Ensurance Capital have granted to Kalonda the following security in relation to the Loan Agreement:
- a Guarantee and Indemnity by Ensurance Capital in favour of Kalonda;
 - a Guarantee and Indemnity by Ensurance IT in favour of Kalonda;
 - a Guarantee and Indemnity by Savill Hicks in favour of Kalonda;
 - a General Security Agreement granted by Ensurance Capital in favour of Kalonda;
 - a General Security Agreement granted by Ensurance IT in favour of Kalonda;
 - a General Security Agreement granted by Savill Hicks in favour of Kalonda; and
 - any other encumbrance held by Kalonda at any time for the due satisfaction of the secured money.