

ENA

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

30 May 2018

Dear Shareholder

ENSURANCE LIMITED – PRO-RATA NON-RENOUNCEABLE RIGHTS ISSUE

As announced on 28 May 2018, Ensurance Limited (ACN 148 142 634) (**Ensurance**) is undertaking a non-renounceable rights issue at a ratio of one (1) Share for every one (1) Share held (**Rights Issue** or **Offer**) of up to 173,113,862 fully paid ordinary shares (**New Shares**) to raise approximately \$6,924,554. The price of New Shares under the Offer is \$0.04 each (**Issue Price**). The Company lodged a prospectus for the Offer (**Prospectus**) with ASIC on 28 May 2018.

173,113,862 Shares (**New Shares**) will be issued under the Offer and the Offer is proposed to raise up to \$6,924,554 (based on the number of Shares on issue as at the date of the Prospectus).

The Offer is fully underwritten by Patersons Securities Limited and Transocean Securities Pty Ltd (**Underwriters**). Pursuant to the Underwriting Agreement, the Company has agreed to pay the Underwriters an issue management fee of 1.5% of the total gross amount raised under the Offer and an underwriting fee of 6% of the total amount underwritten.

The Company intends to apply the funds raised from the Offer towards:

	Proceeds of the Offer	Full Subscription (\$)	%
1.	Expansion of the business in the United Kingdom	2,568,125	37
2.	Retirement of short term debt	2,564,000	37
3.	Expenses of the Offer	635,594	9
4.	Restructuring cost	865,000	12
5.	Working capital	291,835	5
	Total	6,924,554	100

The Offer is being made to all shareholders of the Company (**Shareholders**) named on its register of members 5:00pm (WST) on 1 June 2018, whose registered address is in Australia or New Zealand.

New Shares will rank equally with all Shares already on issue.

Following completion of the Offer, the Company will have issued a maximum of 173,113,862 New Shares resulting in total Shares on issue of 346,227,724.

A copy of the Prospectus is available on ASX's and the Company's website. Eligible Shareholders will be mailed a Prospectus together with an Entitlement and Acceptance Form no later than 5 June 2018. Your entitlement will be set out on the personalised Entitlement and Acceptance Form accompanying the Prospectus.

For the purposes of calculating each Eligible Shareholders' entitlement, fractions of entitlements have been rounded down to the nearest whole number of New Shares.

Actions required of Eligible Shareholders

There are a number of actions Eligible Shareholders may take:

- You may wish to accept all of your rights to subscribe for New Shares pursuant to the Prospectus (**Entitlement**). To take up all or some of your Entitlements you will need to ensure your application money for the Entitlements you wish to take up is received by Computershare Investors Services Pty Ltd (**Share Registry**) by no later than 4:00pm (WST) on 19 June 2018, by completing and returning your Entitlement and Acceptance Form together with 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 making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form.
- You may wish to accept part of your Entitlement. To take up part of your Entitlement you will need to ensure your application money for the Entitlements you wish to take up is received by the Share Registry by no later than 4:00pm (WST) on 19 June 2018, by completing and returning your Entitlement and Acceptance Form by filling in the number of New Shares you wish to accept in the space provided on the Entitlement and Acceptance Form together with 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 making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form (at \$0.04 per New Share).
- You may do nothing. If you choose to do nothing with your Entitlements, while you will continue to hold the same number of Shares, your interest in the Company will be diluted and you will receive no value for your Entitlement.

Key dates for the Offer

Event	Proposed Date
Prospectus lodged with ASIC	Monday, 28 May 2018
Prospectus and Appendix 3B lodged with ASX	Monday, 28 May 2018
Notice sent to Shareholders	Wednesday, 30 May 2018
Existing shares quoted on an 'ex' basis	Thursday, 31 May 2018
Record date	Friday, 1 June 2018



Prospectus sent to Eligible Shareholders Offer Period Opens	Tuesday, 5 June 2018
Offer Period Closes*	Tuesday, 19 June 2018
Notification of under-subscriptions to ASX (if any)	Thursday, 21 June 2018
Shares Issued Holding statements sent to Eligible Shareholders	Tuesday, 26 June 2018
Quotation of Shares issued under the Offer*	Thursday, 28 June 2018

**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.*

If you have any queries concerning the Rights Issue, or the action you are required to take to subscribe for New Shares, please contact your financial adviser or, the Company Secretary, on +61 2 9806 2000.

Yours sincerely

Sam Hallab
Company Secretary

