

22 October 2019

Fully Underwritten Entitlement Issue to raise up to \$3.79 million

- Four (4) new shares for every five (5) shares held at an issue price of \$0.015 per Share to raise up to approximately \$3.79 million.
- One (1) free attaching option for every four (4) shares subscribed for and issued under the Offer (\$0.02 exercise price with an 18-month exercise period).
- Funds raised to be used towards development and enhancement of UK operations to support strong growth.
- Fully underwritten Entitlement Issue receives strong sub-underwriting support.

Ensurance Limited (ASX: ENA) (**Ensurance** or the **Company**) is pleased to announce it will undertake a non-renounceable pro-rata entitlement issue, to raise up to approximately \$3.79 million (before costs) (**Entitlement Issue** or **Offer**).

About the Offer

Under the Offer, eligible shareholders will be entitled to apply for four (4) new shares (**New Shares**) for every five (5) shares held on the record date (to be determined) at an issue price of \$0.015 per New Share.

Subscribers in the Entitlement Issue will receive one (1) free-attaching option (**New Option**) for every four (4) New Shares subscribed for and issued, exercisable at \$0.02 per New Option on or before the date which is 18 months from the date of issue. The Entitlement Issue is underwritten by Blue Ocean Equities Pty Limited, the lead manager and broker for this transaction. This Entitlement Issue will also be sub underwritten by a number of participants, including Executive Chairman, Tony Leibowitz and Non-Executive Director Adam Davey.

Funds to support strong growth in UK business and new product development

The funds raised will support the continued build out of the Company's UK operations, including the hire of additional underwriting staff to support the strong growth and demand for its products, investment in a new IT system and for opportunistic acquisitions of new insurance products which can be sold into global markets.

Notably, the Company's Terrorism and Sabotage Insurance – which launched in the UK in May 2019 – is proving a larger opportunity than first envisaged, and funds will also support the product's growth in the UK, including outside of central London, and in the US.

It is anticipated that the funds raised from the Entitlement Issue will be applied towards:

- additional underwriting resources to support UK growth and new product development – \$1,722,000;
- furthering the growth of the Company's Terrorism & Sabotage Insurance product - \$495,000
- investment in a new IT System for the Company's UK operations - \$667,000

- general working capital and costs of the Offer – \$909,000.

Non-Executive Director Tony Wehby has expressed interest in subscribing for some of the shortfall arising from the Offer. The Company will seek prior shareholder approval for the issue of any shortfall to the Director.

New Shares issued under the Offer will be listed on the ASX and rank pari-passu with existing fully paid ordinary shares.

Further information with respect to the Offer will be disclosed in a prospectus, which will be lodged with the ASIC and subsequently mailed to eligible shareholders shortly after the record date. Shareholders may view the Company's ASX announcements, including those relating to the Offer, on the ASX website under the ASX code ENA.

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About ENA

Ensurance Limited is an ASX-listed insurance underwriting agency with operations in Australia and the UK.

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