

29 July 2016

JUNE QUARTER ACTIVITIES AND HIGHLIGHTS

- **Strong sales growth continues with revenue increasing 15% to \$876,000 in the June quarter over the previous corresponding period.**
- **Product line expands in the quarter with own-branded House & Contents cover backed by Lloyds of London and eight new white label partnership agreements signed.**
- **Policy sales approaching 500 per month on the Ensurance platform and continues to increase substantially as the Company starts marketing campaign to 14,000 mortgage brokers and 36,000 real estate businesses in Australia**
- **Ensurance has received strong interest from investors for the \$3m convertible notes raising.**
- **International expansion accelerating with Ensurance looking at opportunities in Asia, in addition to its UK/Europe expansion**

Ensurance Ltd (ASX: ENA, the 'Company') is pleased to announce that the Company has experienced another solid quarter of growth that sets the business up for a strong start to the new financial year.

OPERATING OVERVIEW

The Company is enjoying strong sales growth, recording a 15% jump in revenue to \$876,000 in the June quarter over the same period last year.

Monthly online sales of insurance policies through the Ensurance platform was approaching 500 at the end of June, and the number is growing substantially as the Company kicks off a marketing campaign to 14,000 mortgage brokers and 36,000 real estate businesses in Australia.

Ensurance has also expanded its product line and partnership network in the June quarter. The Company launched an Ensurance branded House & Contents policy that is backed by UK insurance giant Lloyds of London whilst also signing eight new white label partnership agreements.

Subsequent to the end of the June quarter, Ensurance also signed an agreement with leading insurance website Compare The Market.

CORPORATE & FINANCIAL OVERVIEW

The Company has received expressions of interest for its convertible note sale from a number of investment groups, who have indicated that they are willing to invest in excess of the \$3 million that Ensurance requires.

The proceeds of the raise are to be used to fund Ensurance's domestic and international expansion.

INTERNATIONAL EXPANSION

Ensurance initially planned to capitalise on the strong working relationship it has built with leading UK insurers who are partners on the Company's platform.

Following discussions with investors looking to invest through the convertible note, Ensurance is now also looking to expand its offering into Asia.

OUTLOOK

The Company is well positioned to expand both domestically and internationally in 2017.

Importantly, Ensurance has access to the capital needed for its expansion and it has the business relationships in place that will give it a strategic foothold in these large offshore markets.

“We are seeing a greater level of interest in our offering from potential partners by enabling them to own and offer insurance brokerage solutions without the heavy capital investment required to build the infrastructure,” said Ensurance Managing Director,” Stefan Hicks.

“The scalability and portability of our platform, in addition to our ability to create new product offerings with our insurance partners, enables us to now begin the process of looking at other countries that will benefit from our offering.”

About Ensurance

Ensurance is a successful, group of insurance industry companies that have developed real-time, online digital distribution channels for general insurance with multiple insurers.

Ensurance and its wholly owned subsidiaries (“**Ensurance Group**”) provide complimentary services allowing the Ensurance Group to leverage its capabilities and increase market share within the insurance industry. The Ensurance Group includes:

- Savill Hicks Corp Pty Ltd (“**SHC**”): Insurance Brokerage with a 23-year track record;
- Ensurance Underwriting Pty Ltd (“**Ensurance Underwriting**”): Innovative underwriting products; and
- Ensurance IT Pty Ltd (“**Ensurance IT**”): providing online capability for the Ensurance Group to deliver insurance brokerage and underwriting services.

Ensurance has developed innovative solutions to provide general insurance products through digital media channels. Following national success, Ensurance is positioned to expand its significant IT capabilities by offering additional products to both local and international markets.

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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

ENSURANCE LIMITED (ENA)

ABN

80 148 142 634

Quarter ended (Current quarter)

30 June 2016

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 Months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from customers	876	3,161
1.2 Payments for:		
(a) staff costs	(806)	(3,037)
(b) advertising and marketing	(45)	(483)
(c) research and development	-	(64)
(d) leased assets	(20)	(51)
(e) other working capital / recovered	57	(935)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	8	68
1.5 Interest and other costs of finance paid	(6)	(18)
1.6 Income taxes (paid) / refunded	42	40
1.7 Other (provide details if material)	-	-
- Other income / (expense)	5	615
Net operating cash flows	111	(704)
Cash flows related to investing activities		
1.9 Payments for:		
(a) businesses (item 5):		
(b) equity investments	-	(4)
(c) intellectual property	(237)	(1,283)
(d) physical non-current assets	(10)	(66)
(e) other non-current assets	-	-
1.10 Proceeds from:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
Net investing cash flows	(247)	(1,353)
1.14 Total operating and investing cash flows	(136)	(2,057)

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date (12 Months) \$A'000
1.8 Total operating and investing cash flows (brought forward)	(136)	(2,057)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	46
1.18 Repayment of borrowings	(31)	(77)
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
Net financing cash flows	(31)	(31)
Net increase (decrease) in cash held		
1.21 Cash at beginning of quarter / year to date	426	2,347
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	259	259

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
1.24 Aggregate amount of payments to the parties included in item 1.2	121
1.25 Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Payments made in respect to salary and wages, and director fees.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil.

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

Nil.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	150	132
3.2 Credit standby arrangements	-	-

+ See chapter 19 for defined terms.

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	366	534
4.2 Deposits at call ⁽¹⁾	25	25
4.3 Bank overdraft	(132)	(133)
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	259	1,687

⁽¹⁾ The Group also holds funds in trust, not included in cash or cash equivalents, of \$2.113M in respect to its insurance liabilities, as required under the FSRA Legislation. This legislation requires that the insurance assets of the entity be equal to or exceed the insurance liabilities

Acquisitions and disposals of business entities

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
5.1 Name of entity	Nil	Nil
5.2 Place of incorporation or registration	Nil	Nil
5.3 Consideration for acquisition or disposal	Nil	Nil
5.4 Total net assets	Nil	Nil
5.5 Nature of business	Nil	Nil

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act.
2. This statement does give a true and fair view of the matters disclosed.



Signed:

Dated: Friday, 29 July 2016

Company Secretary

Print name: Jay Stephenson

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, AASB 107: Statement of Cash Flows apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. Accounting Standards. ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.