



MEDIA RELEASE

Avant Mutual Group and the Doctors' Health Fund announce intention to join

Two of Australia's pre-eminent health mutuals, Avant Mutual Group and the Doctors' Health Fund, today announced an intention to join.

Dr Stuart Boland, Chair of Avant Mutual Group, and Mrs Patria Mann, Chair of the Doctors' Health Fund, confirmed that an Implementation Deed has been signed. The parties have agreed to work towards a target completion date prior to 31 December 2011, subject to complying with all necessary legal and regulatory requirements.

The bringing together of the two mutuals is proposed to occur as a legal transaction whereby Avant will pay the Doctors' Health Fund an agreed price of \$28.5 million and the Doctors' Health Fund will be demutualised, enabling its members to have their value in the Fund paid out to them.

The two mutuals enjoy a similar culture and philosophy. Both are not-for-profit mutuals focused on the medical community and both provide market-leading products supported by outstanding benefits and services.

The boards of both mutuals recognise that their operating styles, cultures, governance principles and strategic goals are highly compatible.

Avant Mutual Group has over 57,000 members and is the largest provider of medical indemnity cover in Australia.

The Doctors' Health Fund, with over 7,500 members across Australia, is a niche provider of health insurance products.

Dr Stuart Boland and Mrs Patria Mann and their respective boards believe that the proposal is in the best interests of Doctors' Health Fund members. Completion will be subject to review by an independent expert and to appropriate legal and regulatory approvals.

Avant Mutual Group Chair, Dr Stuart Boland, said:

"Avant Mutual Group looks forward to providing our members and their employees and families with access to the Doctors' Health Fund's market-leading suite of health insurance products."

Doctors' Health Fund Chair, Mrs Patria Mann, commented:

“There will be many benefits for Doctors’ Health Fund members. By accessing Avant’s capital strength, we will have the support to grow and meet the challenges of this competitive and changing industry. This will ensure that we continue to offer the best products and services to our members.”

The legal and regulatory requirements to implement the transaction are currently underway and will take some time to complete.

Both Avant Mutual Group and Doctors’ Health Fund members can be entirely confident that it will be ‘business as usual’ during the coming months and following the completion of the transaction.

Both the Avant Mutual Group and the Doctors’ Health Fund will publish regular updates on their respective websites.

For further information or enquiries:

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