

NZX ANNOUNCEMENT

31 October 2011

Notice of Annual General Meeting

Dear Sir/Madam,

NOTICE OF ANNUAL GENERAL MEETING

Please find attached the Notice of Annual General Meeting which has been dispatched to shareholders on 31 October 2011.

For further information, please contact Company Secretary Keith Bowker on +61 (08) 9481 0544.

Yours sincerely,



Wayne Miller
Managing Director

INSURED GROUP LIMITED

ACN 136 767 630

NOTICE OF ANNUAL GENERAL MEETING

TIME: 10.00am (WST) 3.00pm (NZT)

DATE: 30 November 2011

PLACES: QV1 Conference Centre
250 St Georges Terrace
PERTH WA 6000
AUSTRALIA

Intercontinental Wellington
2 Grey Street
WELLINGTON 6011
NEW ZEALAND

An electronic copy of the Insured Group Limited 2011 Annual Report can be found at www.insuredgroup.com.au

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary by telephone on +61 8 9481 0544.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

Venues

The Annual General Meeting of the Shareholders of Insured Group Limited to which this Notice of Meeting relates will be held at 10.00am (WST) 3.00pm (NZT) on 30 November 2011 at:

QV1 Conference Centre
250 St Georges Terrace
PERTH WA 6000
AUSTRALIA

Intercontinental Wellington
2 Grey Street
WELLINGTON 6011
NEW ZEALAND

Your Vote is Important

The business of the Annual General Meeting affects your shareholding and your vote is important.

Voting in Person

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

Voting by Proxy

To vote by proxy, please complete and sign the proxy form enclosed and send the proxy form:

- by post to Australian Consolidated House, PO Box 157, Mt Hawthorn, Western Australia 6915, Australia
- by post to Computershare Investor Services Limited, Private Bag 92119, Auckland 1142, New Zealand
- by facsimile to +61 8 9287 0495 or to +64 9 488 8787

so that it is received not later than 10.00am (WST) 3.00pm (NZT) on 28 November 2011.

Proxy forms received later than this time will be invalid.

Proxies

Please note that:

- (a) a member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms

Corporate Representative

Any corporate Shareholder who has appointed a person to act as its corporate representative at the meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the meeting or handed in at the meeting when registering as a corporate representative.

NOTICE OF ANNUAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Insured Group Limited (Company) will be held at 10.00am (WST) 3.00pm (NZT) on 30 November 2011. The Annual General Meeting will be held in two separate locations connected by video conference facilities. Shareholders are invited to attend either the QV1 Conference Centre, 250 St Georges Terrace, Perth WA 6000 or in Wellington at Intercontinental Wellington, 2 Grey Street (Meeting). Representatives of the Company will be present at both locations.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company on 28 November 2011 at 5.00pm (WST) 10.00 (NZT).

Terms and abbreviations used in this Notice of Meeting and the Explanatory Statement are defined in the Glossary.

AGENDA - ORDINARY BUSINESS

1. Financial Statements and Reports

To receive and consider the Annual Financial Report of the Company for the year ended 30 June 2011, together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

2. Resolution 1: Adoption of the Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2011."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person described above may vote on this Resolution if:

- (c) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and
- (d) the vote is not cast on behalf of a person described in sub-paragraphs (a) or (b) above.

3. Resolution 2: Re-election of Director – Anne-Marie Syme

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 13.2 of the Constitution, and for all purposes, Ms Anne-Marie Syme, a Director, retires and, being eligible, is re-elected as a Director.”

Voting Exclusion:

The Company will disregard any votes cast on this Resolution by Ms Anne-Marie Syme (or her nominee) or any of her associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. Resolution 3: Re-election of Director – Santino Di Giacomo

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 13.2 of the Constitution, and for all purposes, Mr Santino Di Giacomo, a Director, retires and, being eligible, is re-elected as a Director.”

Voting Exclusion:

The Company will disregard any votes cast on this Resolution by Mr Santino Di Giacomo (or his nominee) or any of his associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. Resolution 4: Consolidation of Capital

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**

“That, for the purposes of Section 254H of the Corporations Act and clause 10.1(b) of the Company’s Constitution and for all other purposes, with effect from 14 December 2011, approval is given for the Company to consolidate its issued capital on the basis that:

- (a) the issued capital of the Company be consolidated on the basis that for every one hundred Shares in the capital of the Company be consolidated into one Share; and
- (b) where the number of Shares held by a member of the Company as a result of the consolidation effected by paragraph (a) of this Resolution includes any fraction of a Share, the Directors be authorised to round that fraction up to the nearest whole Share.”

DATED: 27 October 2011

BY ORDER OF THE BOARD



**KEITH BOWKER
COMPANY SECRETARY
INSURED GROUP LIMITED**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held at the QV1 Conference Centre, 250 St Georges Terrace, Perth WA 6000 and Intercontinental Wellington, 2 Grey Street, Wellington 6011, at 10.00am (WST) 3.00pm (NZT) on 30 November 2011.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. Financial Statement and Reports

In accordance with the Company's Constitution, the business of the meeting will include receipt and consideration of the Company's Annual Financial Report and the reports of the Directors and Auditors for the year ended 30 June 2011.

The Company will not provide a hard copy of the Company's Annual Report to Shareholders unless specifically requested to do so. The Company's Annual Report is available on its website at www.insuredgroup.com.au.

2. Resolution 1: Adoption of Remuneration Report

General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

Under recent changes to the Corporations Act which came into effect on 1 July 2011, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2012 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (**Spill Meeting**) within 90 days of the Company's 2012 annual general meeting. All of the Directors who were in office when the Company's 2012 Directors' report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the Annual Financial Report of the Company for the financial year ended 30 June 2011.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

Proxy Restrictions

Pursuant to the Corporations Act, if you elect to appoint the Chair, or another member of Key Management Personnel or any Closely Related Party as your proxy to vote on this Resolution 1, *you must direct the proxy how they are to vote*. Where you do not direct the Chair, or another member of Key Management Personnel or Closely Related Party on how to vote on this Resolution 1, the proxy is prevented by the Corporations Act from exercising your vote and your vote will not be counted in relation to this Resolution 1.

3. Resolution 2: Re-election of Director – Anne-Marie Syme

Clause 13.2 of the Constitution requires that one-third of the Directors must retire from office by rotation at each annual general meeting.

Directors who retire under clause 13.2 of the Constitution are eligible for re-election.

Ms Anne-Marie Syme, retires in accordance with clause 13.2 of the Constitution and seeks re-election.

4. Resolution 3: Re-election of Director – Santino Di Giacomo

Clause 13.2 of the Constitution requires that one-third of the Directors must retire from office by rotation at each annual general meeting.

Directors who retire under clause 13.2 of the Constitution are eligible for re-election.

Mr Santino Di Giacomo, retires in accordance with clause 13.2 of the Constitution and seeks re-election.

5. Resolution 4: Consolidation of Capital

Background

Resolution 4 seeks Shareholder approval to consolidate the Company's issued capital by consolidating every one hundred existing Shares into one new Share ("**Consolidation**")

The purpose of the Consolidation is to provide the Company with a more appropriate capital structure for a company of its size and nature. The Company currently has over 1.5 billion Shares on issue. The Board considers that having such a large number of Shares on issue subjects the Company to a number of disadvantages including:

- potential for additional share price volatility arising from the fact that a change in the price of the Shares represents a higher percentage of the Share price than it would if the Company had a greater Share price;
- The Company has a far greater number of Shares on issue than comparable companies; and
- Negative perceptions associated with a low share price.

As at the date of this Notice, the Company has 1,503,653,284 Shares on issue; if Resolution 4 is passed the number of Shares on issue will be reduced to approximately 15,036,533.

Implementation of Consolidation

Section 254H of the Corporations Act provides that a company may, by resolution passed at a general meeting, convert all or any of its shares into a larger or smaller number of shares.

Resolution 4 seeks Shareholder approval to consolidate the Company's issued capital by consolidating every one hundred existing Shares into one new Share. Accordingly, if Resolution 4 is passed, the consolidation will occur thereby reducing the number of Shares on issue to approximately 15,036,533.

The table below shows the number of Shares before and after the consolidation.

	Pre-consolidation	Post-consolidation
Shares	1,503,653,284	Approximately 15,036,533

Shareholders will hold the same proportion of the Company's Share capital and net assets before and after the Consolidation. The current rights attaching to the Shares will not be affected by the Consolidation.

As from the effective date of the Consolidation on 5 December 2011, all holding statements for Shares will cease to have any effect except as evidence of entitlement to a certain number of pre-Consolidation Shares.

After the Consolidation becomes effective, the Company will despatch a notice to Shareholders advising them of the number of Shares held by each Shareholder both before and after the Consolidation. The Company will also arrange for new holding statements to be issued to Shareholders.

Fractional Entitlements

The capital Consolidation will result in any Shareholder whose existing holding is not a multiple of one hundred receiving a fraction of a Share. These fractional entitlements will be rounded up as part of the Consolidation, so that the consolidated holding will be rounded up to the nearest whole number.

Taxation

It is not considered that any taxation consequences will exist for Shareholders arising from the Consolidation. However, Shareholders are advised to seek individual tax advice on the effect of the Consolidation. Neither the Company, nor the Directors (or the Company's advisers) accept any responsibility for the individual taxation consequences arising from the Consolidation.

Timetable

The Consolidation will take effect from 5.00 pm (NZT) on Monday, 5 December 2011 ("**Effective Date**") in accordance with the following proposed timetable:

30 November 2011, Wednesday	Shareholder approval
30 November 2011, Wednesday	Last day for trading in pre-Consolidation Shares on NZSX
5 December 2011, Monday	Last day for registration of transfers on a pre-Consolidation basis
5 December at 5.00 pm (NZT), Monday	Record Date – Insured Shares consolidated
6 December 2011, Tuesday	Commencement of trading in post-Consolidation Shares on NZSX
12 December 2011, Monday	Despatch of notices and shareholder statements.

6. Enquiries

Shareholders are requested to contact Keith Bowker on (+61 8) 9481 0544 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

\$ means Australian dollars unless otherwise specified.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

Annual Financial Report means the Company's financial report contained in the Company's annual report for the year ended 30 June 2011.

ASIC means the Australian Securities and Investments Commission.

Board means the current board of directors of Insured Group Limited.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that NZX declares is not a business day.

Closely Related Party of a member of the Key Management Personnel means:

- a) a spouse or child of the member;
- b) a child of the member's spouse;
- c) a dependent of the member or the member's spouse;
- d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- e) a company the member controls; or
- f) a person prescribed by the *Corporations Regulations 2001 (Cth)*

Company means Insured Group Limited (ACN 136 767 630)

Consolidation means the consolidation of the Company's issued capital by consolidating every one hundred existing Shares into one new Share, and on the terms and conditions set out in the Explanatory Statement accompanying this Notice.

Constitution means the Company's constitution

Corporations Act means the *Corporations Act 2001 (Cth)*

Directors means the current directors of the Company

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executives or otherwise) of the Company.

NZT means New Zealand Standard Time as observed in Auckland, New Zealand.

NZX means the NZX Limited.

Notice or **Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement and the Proxy Form.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's Annual Financial Report for the year ended 30 June 2011.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

INSURED GROUP LIMITED



Lodge your vote



By Mail

Computershare Investor Services Limited
Private Bag 92119
Auckland 1142
New Zealand

or Australian Consolidated House,
PO Box 157,
Mt Hawthorn,
Western Australia 6915,
Australia



By Fax

+64 9 488 8787
or +61 8 9287 0495

For all enquiries contact



+64 9 488 8777



enquiry@computershare.co.nz

For your vote to be effective it must be received by 10.00am (WST) 3.00pm (NZT) on 28 November 2011

Proxy/Voting Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting of your holding

Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission.

Signing Instructions for Postal Forms

Individual

Where the holding is in one name, the securityholder must sign.

Joint Holding

Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney

If this Proxy Form has been signed under a power of attorney, a copy of the power of attorney (unless already deposited with the Company) and a signed certificate of non-revocation of the power of attorney must be produced to the Company with this Proxy Form.

Companies

This form must be signed by a Director jointly with either another Director or a Company Secretary, or a Sole Director can also sign alone. Please sign in the appropriate place and indicate the office held.

Comments & Questions

If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form to vote

WELLINGTON

Level 5, 99-105 Customhouse Quay, Wellington 6011, New Zealand
PO Box 10661, The Terrace, Wellington 6143, New Zealand
T +64 4 499 3874 F +64 4 499 8850

PERTH

Australian Consolidated House
69 Grantham Street, Wembley WA 6014, Australia
PO Box 157, Mt Hawthorn WA 6915, Australia
T +61 8 9287 0499 F +61 8 9287 0495

Insured Group Limited

ACN. 136 767 630
NZX Code: INS

Proxy/Corporate Representative Form



STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Insured Group Limited

hereby appoint _____ of _____

or failing him/her _____ of _____

as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, the proxy will vote as he/she sees fit) at the **Annual General Meeting of Insured Group Limited to be held at the QV1 Conference Centre, 250 St Georges Terrace, Perth WA 6000 and at the Intercontinental Wellington, 2 Grey Street, Wellington 6011, at 10.00am (WST) 3.00pm (NZT) on 30 November 2011** and at any adjournment of that meeting.

If 2 proxies are appointed, the proportion or number of votes that this proxy is authorised to exercise is * [_____]% of the Shareholder's votes / * [_____] of the Shareholder's votes. (An additional Proxy Form will be supplied by the Company on request)

*Omit if not applicable

STEP 2 Items of Business - Voting Instructions/Ballot Paper (if a Poll is called)

Please note: If you mark **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

Ordinary Business		For	Against	Proxy Discretion	Abstain
Item 1	To approve the adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2	To re-elect Anne-Marie Symes as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3	To re-elect Santino Di Giacomo as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4	To approve the Consolidation of Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SIGN Signature of Securityholder(s) This section must be completed.

Securityholder 1

or Sole Director and Sole Company Secretary

Securityholder 2

or Director

Securityholder 3

or Director/Company Secretary

Contact Name _____ Contact Daytime Telephone _____ Date _____

ATTENDANCE SLIP

INSURED GROUP LIMITED

Annual General Meeting of Insured Group Limited to be held at the QV1 Conference Centre, 250 St Georges Terrace, Perth WA 6000 and at the Intercontinental Wellington, 2 Grey Street, Wellington 6011, at 10.00am (WST) 3.00pm (NZT) on 30 November 2011