

NZX ANNOUNCEMENT

28 April 2011

Strategic Acquisition Announcement

The Board of Insured Group Limited (“Insured Group” or “the Company”) (NZX: INS) continues to be presented with a number of value accretive commercial propositions and is currently evaluating these opportunities. Should any acquisition prove viable, the market will be updated accordingly. The Board wishes to advise:

Joint Venture Agreement

The Board advises the Company has signed a Term Sheet with Priority One Rewards Limited (ACN 149 674 484) (“Priority One”) to form a Joint Venture company providing Priority One members insurance products globally.

Priority One

Priority One is a newly formed public company which has aggregated established major reward schemes globally operating as a loyalty, rewards and incentive marketing business delivering solutions to companies, associations, member groups and consumers. It currently has agreements with a database of members and associations conservatively estimated at 10 million in Australasia.

The Company announces that it has today incorporated a joint venture company Priority One Insured Pty Ltd (ACN 150 631 119) as the Company to specifically maximise and manage the joint venture with ownership as follows:

Insured Group	51%
Priority One	49%

The Board of Directors consists of Peter Stafford, Sam DiGiacomo, and Wayne Miller.

For further information, please contact the undersigned on +61 (08) 9287 0499.

Wayne Miller
Managing Director
Insured Group Limited