

# NIB Holdings Limited Supplementary Listing Prospectus

Dated 30 October 2007

**This Supplementary Listing Prospectus must be read together with the Listing Prospectus dated 5 October 2007 and the Supplementary Listing Prospectus dated 19 October 2007**

NIB Holdings Limited ABN 51 125 633 856  
384 Hunter Street Newcastle NSW 2300

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## 1 Important information

This Supplementary Prospectus is dated 30 October 2007 and is supplementary to the Listing Prospectus dated 5 October 2007 and the Supplementary Listing Prospectus dated 19 October 2007 that were lodged by NIB Holdings Limited with ASIC.

Terms and abbreviations defined in Section 5 of the Listing Prospectus have the same meaning in this Supplementary Prospectus.

This Supplementary Listing Prospectus must be read together with the Listing Prospectus and the Supplementary Listing Prospectus dated 19 October 2007. To the extent there are any inconsistencies with the Listing Prospectus, this Supplementary Listing Prospectus will prevail.

The Listing Prospectus, and the Supplementary Listing Prospectus, have been prepared by NIB Holdings Limited:

- (a) in connection with the Listing of NIB Holdings on ASX; and
- (b) to enable the on-sale of Shares without the need for a disclosure document following the Listing of NIB Holdings, by providing adequate disclosure to facilitate the granting of a modification by ASIC from section 708A(11) of the Corporations Act and other relevant provisions of the Corporations Act.

The Listing Prospectus and this Supplementary Listing Prospectus do not constitute or contain any offer of Shares for issue or sale or any invitation to apply for the issue or sale of Shares.

This Supplementary Listing Prospectus is dated 30 October 2007 and a copy was lodged with ASIC on that date. ASIC and ASX take no responsibility for the contents of this Supplementary Listing Prospectus.

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## 2 Facility Price

The Facility Price was determined by the Institutional Bookbuild that was conducted on 29 October 2007. The Facility Price is \$0.85.

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## 3 Revised key dates

Institutional Bookbuild opens - Monday 29 October 2007

Institutional Bookbuild closes - Monday 29 October 2007

Facility Price confirmed - Monday 29 October 2007

Settlement date - Friday 2 November 2007

Allotment date - Monday 5 November 2007

Start of deferred settlement trading - Monday 5 November 2007

Dispatch of Shareholder statements - Monday 5 November 2007

Normal trading starts - Thursday 8 November 2007

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## 4 Offer management agreement

Further to Section 4.15 of the Listing Prospectus, the Company and the Sole Lead Manager entered into an offer management agreement (“**OMA**”) in respect of the Institutional Offer on 29 October 2007.

The OMA sets out the terms on which the Sole Lead Manager agrees to manage the offer of Shares.

Under the OMA, subject to the OMA not being terminated, the Sole Lead Manager has agreed to:

- (a) use its reasonable endeavours to procure applications for Shares;
- (b) conduct the Institutional Bookbuild; and
- (c) provide settlement support in respect of the Institutional Offer.

Under the OMA, the Company will pay the Sole Lead Manager approximately \$10.9 million in relation to these services.

Reasonable costs, charges and expenses of the Institutional Offer incurred by the Sole Lead Manager in respect of the Institutional Offer are to be reimbursed by the Company.

Under the OMA, the Company gives certain representations, warranties and undertakings. The Company’s undertakings include that they will not, during the period following the date of the OMA until 180 days after the date of issue of Shares to successful applicants under the Institutional Offer, issue, offer for subscription or transfer, or agree to issue or offer, or grant any

option over, or indicate in any way that it may or will issue, agree to issue, offer for subscription or grant any option over, any shares, options or other securities of the Company (other than under an employee incentive scheme or under a dividend reinvestment plans described in the Listing Prospectus).

Subject to certain exceptions relating to, among other things, fraud, gross negligence and wilful misconduct by the Sole Lead Manager and certain affiliated parties (an “**Indemnified Party**”), the Company agree to keep an Indemnified Party indemnified from losses suffered in connection with the Institutional Offer.

The Sole Lead Manager may terminate the OMA by notice to the Company, if one or more of a listed set of termination events occurs at any time before the issue of Shares.

Under the OMA, the Sole Lead Manager has the ability to terminate the OMA immediately for various reasons including the following:

- (a) there is a material adverse change, or any development involving a prospective material adverse change, in the condition, financial or otherwise, or in the assets, earnings, business, results of operations, management or prospects of NIB from that described in the Listing Prospectus;
- (b) ASIC makes an order or interim order under section 739 of the Corporations Act or an application is made by ASIC for an order Part 9.5 of the Corporations Act in relation to the Institutional Offer, any offer document or the Listing Prospectus or ASIC holds or gives notice of intention to hold a hearing or investigation in relation to the Institutional Offer, any offer document or the Listing Prospectus;
- (c) any person, other than the Sole Lead Manager:
  - (i) withdraws their consent that is required by section 720 of the Corporations Act, where that person previously provided a consent in connection with this Listing Prospectus;
  - (ii) gives notices under section 733(3) of the Corporations Act; or
  - (iii) who has previously consented to the inclusion of their name or any statement in the Listing Prospectus withdraws that consent;
- (d) the Company withdraws the offer documents;
- (e) ASX does not approve the admission of the Company to the Official List;
- (f) the Company fails to deliver a certificate as required by the OMA; or
- (g) the Institutional Offer is not conducted in accordance with the timetable.

The following termination events allow the Sole Lead Manager to terminate if the event has or is likely to have a material adverse effect on the success of the Institutional Offer or the ability of the Sole Lead Manager to market the Institutional Offer or has given or is likely to give rise to a contravention by the Sole Lead Manager of the Corporations Act or any other applicable law or liability for the Sole Lead Manager;

- (a) the Sole Lead Manager reasonably forms the view that:
  - (i) there is an omission from the Listing Prospectus or any Supplementary Prospectus of material required to be included by the Corporations Act;
  - (ii) an offer document contains a statements which is untrue, inaccurate, misleading or deceptive or likely to mislead or deceive (whether by inclusion or omission);
  - (iii) an offer document does not contain all required information; or
  - (iv) any statement in an offer document that relates to future matters (including without limitation financial forecasts) is or becomes incapable of being met or unlikely to be met;
- (b) any person other than the Sole Lead Manager gives notice under section 730 of the Corporations Act;
- (c) a member of NIB is or becomes insolvent;
- (d) the Company fails to comply with any of its obligations under the OMA or a representation or warranty by the Company in the OMA is or becomes incorrect;
- (e) there are hostilities anywhere in the world;
- (f) there is a change in law;
- (g) there is:
  - (i) a material adverse change or disruption to the political conditions or financial markets of Australia, Japan, the United Kingdom, or the United States of America; or
  - (ii) there is a general moratorium on commercial banking activities in Australia, the United States of America, Japan or the United Kingdom is declared by the relevant authorities, or there is a material disruption in commercial banking or security settlement in any of those countries; or
  - (iii) trading in all shares quoted or listed ASX, the London Stock Exchange or the New York Stock Exchange is suspended or limited in a material respect for one day on which that exchange is open for trading; or

- (h) there is a situation involving the Directors or senior management of the Company; or
- (i) the Company alters its share capital or its constitution.

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## **5 Tax update**

On 17 October 2007, the Australian Government announced that it intends to amend the income tax laws to provide capital gains tax certainty for policyholders of health insurers who receive shares as part of their health insurer's demutualisation.

The changes are intended to apply from 1 July 2007.

Further details will be provided once any changes have been finalised.

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## **6 Consents to lodgement**

Each Director has consented to the lodgement of this Supplementary Prospectus with ASIC as required by section 720 of the Corporations Act.