Primary Health Care Limited
ACN (064 530 516)
30 – 38 Short Street
LEICHHARDT NSW 2040

8 June 2004

Company Announcements Office
Australian Stock Exchange Ltd

PRIMARY HEALTH CARE LIMITED OFF-MARKET BID FOR INDEPENDENT PRACTITIONER NETWORK LIMITED SHARES

In accordance with section 633(1) item 5 and section 633(5), enclosed are copies of:

(a) our Bidder's Statement dated 8 June 2004;

(b) an undated and unsigned Offer;

(c) an Acceptance Form;

(d) our letter dated 8 June 2004 to Independent Practitioner Network Limited ("IPN") requesting a list of IPN shareholders as at 7.00 pm Sydney time on Wednesday, 9 June 2004.

Andrew Duff
Company Secretary

A copy of this Bidder's Statement has been lodged with Australian Securities and Investments Commission on 8 June 2004. The Commission takes no responsibility for the contents of the Bidder's Statement.

BIDDER'S STATEMENT

by

PRIMARY HEALTH CARE LIMITED
(ACN 064 530 516)

pursuant to Part 6.5 of the Corporations Act

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In the construction of this Bidder's Statement, unless the contrary intention appears:

"**the ASX**" means Australian Stock Exchange Limited (ACN 008 624 691).

"**the Bid**" means the Off-Market Bid by Primary in respect of all the IPN Shares.

"**this Bidder's Statement**" means the Bidder's Statement by Primary Health Care Limited set out in this document.

"**the Commission**" means Australian Securities and Investments Commission.

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

"**Idameneo**" means Idameneo (No. 123) Pty Limited (ACN 002 968 185) (as trustee of the Artlu Unit Trust), a company incorporated in Australia and taken to be registered in New South Wales and having its registered office at 30-38 Short Street, Leichhardt, NSW 2040.

"**IPN**" means Independent Practitioner Network Limited (ACN 083 519 377) a company incorporated in Australia and taken to be registered in Western Australia and having its registered office at level 1, 37-41 Oxford Street, Epping NSW 2121.

"**IPN Shares**" means fully paid ordinary shares in the capital of IPN.

"**IPN Options**" means the options granted by IPN each option entitling the holder, upon due exercise, to be issued one IPN Share (such options comprising, according to the Annual Report of IPN for the year ended 30 June 2003, the options identified in **clause 7.1.**

"**the Off-Market Bid**" or "**the Bid**" means the off-market bid by Primary in respect of all of the IPN Shares.

"**Offers**" means the offers to acquire IPN Shares to be made by Primary under the Off-Market Bid.

"**Offer Period**" means the period during which the Offers remain open for acceptance.

"**Primary**" means Primary Health Care Limited (ACN 064 530 516) a company incorporated in Australia and taken to be registered in Victoria and having its registered office at 30-38 Short Street, Leichardt NSW 2040.

"**Primary Group**" means Primary and its controlled entities.

1.2 Interpretation

In this Bidder's Statement:

(a) words or phrases to which a meaning is given by the Corporations Act, the Listing Rules of the ASX or the ASTC Settlement Rules have the same meaning when used in this Bidder's Statement, unless that meaning is inconsistent with the context in which the word or phrase is used;

(b) references to clauses are to clauses in this Bidder's Statement;

(c) headings are for ease of reference only and do not affect the meaning or interpretation of this Bidder's Statement;

(d) singular includes plural and vice versa and words importing any gender include all other genders;

(e) a reference to a person includes a reference to a corporation or other entity;

(f) references to "dollars" or "$" or "cents" or "c" are references to Australian currency.

2. PROPOSED OFFERS

Primary intends to make Offers under the Off-Market Bid in respect of all of the IPN Shares which exist as at 7.00 pm Sydney time on 9 June 2004, being the date set by Primary under section 633(2) of the Corporations Act.

3. IDENTITY OF PRIMARY

3.1 Directors of Primary

The directors of Primary are:

- Gregory John Gardiner, non-executive chairman
- Dr Edmund Gregory Thomas Bateman, managing director
- Brian Francis Ball, non-executive director
- Dr Michael Joseph Christie, executive director

- John David Crawford, non-executive director
- Stephen F Higgs, non-executive director
- John Arthur Joseph, executive director.

3.2 Substantial holdings in Primary

As at the date of this Bidder's Statement the substantial holdings in Primary notified to Primary under Part 6C.1 of the Corporations Act are as follows:

Name	Associated Director	No. of shares in Primary	% of shares on issue in Primary
Idameneo (No. 122) Limited and its associates	E G T Bateman	24,971,667	24.19%
Commonwealth Bank of Australia	Not applicable	13,571,454	13.15%
Deutsche Bank AG	Not applicable	8,481,818	8.22%
Caledonia Investments Ltd	Not applicable	6,496,077	6.29%

3.3 Principal activities of Primary and the Primary Group

Primary is listed on the ASX and is classified there as an industrial company in the "health care equipment and services" industry group. IPN has the same classification.

Primary's business is acting as a holding company. The main business activities of the Primary Group are conducted by 2 wholly-owned subsidiaries of Primary.

Idameneo is a wholly-owned subsidiary of Primary. Idameneo carries on business as the trustee of the Artlu Unit Trust (ABN 26 855 078 645). Primary legally and beneficially owns all of the units on issue in that trust.

Idameneo provides medical centre management services to medical practitioners and providers of paramedical services, and operates 5 day care surgeries.

Sydney Diagnostic Services (NSW) Pty Ltd (trading as "SDS Pathology") is a wholly-owned subsidiary of Primary. That subsidiary conducts a business of delivery of pathology services.

For the year ended 30 June 2003 the Primary Group's:

(a) total revenue was $180.0 million;

(b) earnings before interest, taxation, depreciation and amortisation was $44.8 million;

(c) profit before tax was $21.0 million;

(d) profit after tax was $12.6 million;

(e) basic earnings per Primary share was 12.55 cents.

4. INFORMATION ABOUT IPN

4.1 Material changes in the financial position of IPN

The Annual Report of IPN for the year ended 30 June 2003 was signed on 30 September 2003 and released to IPN shareholders shortly thereafter. Primary is unaware of any changes in the financial position of IPN since 30 June 2003 other than:

(a) on 28 October 2003 IPN announced to the ASX that IPN had that day issued 242,870,143 IPN Shares at 3 cents per share;

(b) on 27 February 2004 IPN gave to the ASX an Appendix 4D containing the report of IPN for the 6 months to 31 December 2003, a copy of which is annexure "A" to this Bidder's Statement;

(c) on 10 March 2004 the ASX wrote to IPN concerning the report in **paragraph (b)** above, a copy of which letter is annexure "B" to this Bidder's Statement;

(d) on 15 March 2004 IPN responded to the ASX letter in **paragraph (c)** above, a copy of which response is annexure "C" to this Bidder's Statement.

5. INTENTIONS OF PRIMARY REGARDING IPN

5.1 Introduction

Clauses 5.2 to 5.5 set out the intentions of Primary regarding:

(a) the continuation of the business of IPN; and

(b) any major changes to be made to the business of IPN, including any redeployment of the fixed assets of IPN; and

(c) the future employment of the present employees of IPN.

Those intentions are based on facts and information concerning IPN which are known to Primary at the time of the preparation of this Bidder's Statement, and the existing circumstances affecting the business of IPN. Those facts, information and circumstances are publicly available information about IPN.

However, final decisions will only be reached in the light of all material facts and circumstances at the relevant time. Accordingly, the statements set out in **clauses 5.2 to 5.5** are statements of current intentions only, which may vary, as circumstances require.

The intentions of Primary set out in **clauses 5.2 to 5.5** in relation to IPN have equal application to the controlled entities of IPN whether individually or on a group basis.

5.2 Approach Primary takes to conduct of Idameneo centres

The approach Primary takes to the conduct of centres managed by Idameneo ("**Idameneo centres**") is as follows:

(a) Primary prefers to have large-scale, comprehensive, one-site facilities and services, offered in attractive premises;

(b) the medical and other health services offered should be affordable and accessible to the majority of patients who attend;

(c) medical and other health services should be provided by long-term, committed professionals;

(d) when other professionals and practices are acquired, it is with a view to complementing existing services and furthering the approach in **paragraphs (a) to (c)** above.

The intentions of Primary set out in **clauses 5.3 to 5.5** should be read in the light of the approach set out in the preceding paragraph. Subject to the reservations in the last 3 paragraphs of **clause 5.1**, it is the intention of Primary to take the same approach to the conduct of centres managed by IPN and its subsidiaries ("**IPN centres**").

5.3 Intentions if voting power does not exceed 50.1%

If, following the close of the Offers, the Primary Group still has voting power of less than 50.1% of IPN:

(a) Primary would seek board representation;

(b) but Primary would not seek to persuade the directors of IPN to adopt the aims that Primary has as set out in **paragraphs (a) to (i) in clause 5.5**; and

(c) Primary would remain as a patient, but concerned, IPN shareholder.

Primary would be patient and await future results of IPN which Primary hopes would improve materially as a result of Medicare rebate increases, continuing restructuring, and IPN management focus on improvement in doctor income and staff management.

Primary, however, remains concerned that there has been a progressive and serious decline in the IPN Share price over a number of years, to the point that there cannot be a lot of satisfied IPN shareholders. This decline has occurred over the last 12 months despite the on-market purchases of IPN Shares by Idameneo, a wholly-owned subsidiary of Primary, in that period. Over the past 12 months that subsidiary of Primary has purchased on–market 205,756,831 IPN Shares. Over the same period Primary has sold on–market 33,416,461 IPN Shares. The net on-market purchases by the Primary subsidiary over the past 12 months have, therefore, been 172,340,370 IPN Shares, being 17.7% of current total number of issued shares in IPN.

It is one of Primary's concerns that the IPN Share price decline is with good basis, namely, that IPN has a model of health care delivery that is proving not to be viable. If this were so, and allowed to continue, there could be a total loss of IPN shareholder value.

An alternative explanation to the serious decline in the IPN Share price is there has been either poor management or poor IPN board decisions, or both. Primary does not have evidence to support this. On the contrary, Primary believes there has been an amount of work by IPN management designed to have better outcomes for IPN.

Being patient and allowing the outcome of the current IPN model to further emerge may provide Primary with the opportunity to buy a greater number of IPN Shares at a lower price. This has been Primary's actual experience.

On 12 September 2003 IPN announced that it proposed to raise $7.28 million of additional capital by way of a fully-underwritten non-renounceable 1:3 rights issue at 3 cents per IPN Share. On 15 September 2003 Primary offered in writing to the directors of IPN to take a placement of 121,333,334 IPN Shares, at 6 cents per IPN Share (equivalent to 5.25 cents per share post-dilution), to raise the $7.28 million. That offer was rejected by the directors of IPN.

Since 15 September 2003 Primary's wholly-owned subsidiary, Idameneo:

(a) purchased on the ASX 125,855,270 IPN Shares at an average price of 4.56 cents per share; and

(b) sold on the ASX 17,985,941 IPN Shares at an average price of 4.96 cents per share; and

(c) subscribed for 21,183,679 IPN Shares at 3 cents per share in the 1:3 non-renounceable rights issue by IPN in October 2003.

The issue by IPN of a greater number of IPN Shares, and at 3 cents per share, (being the 242,870,143 IPN Shares issued in the rights issue) had the effect of further diluting the IPN Share price.

The major concern with Primary's approach of allowing the outcome of the current IPN model to further emerge is that, by the time the lower IPN Share price is available, there may be an insufficient IPN centre structure left to add value to, and the risk becomes too great.

IPN shareholders who wish to have an ongoing interest in the medical centre management section of the health care sector, or, who wish to participate in the possible upside to Primary, have the opportunity to accept the Off-Market Bid by Primary, and then purchase shares in Primary on the ASX. This could enable you to still have an interest in the sector. Primary has a proven record of increasing profitability and dividends to the shareholders of Primary over the period since it listed on the ASX in July 1998.

5.4 Intentions if voting power exceeds 50.1% but right to effect compulsory acquisition not achieved

If, following the close of the Offers, the Primary Group has voting power of at least 50.1% but less than enough to proceed to compulsorily acquire the remaining IPN Shares, Primary will take the steps available to it to cause IPN to implement the intentions outlined in **paragraphs (a) to (i) of clause 5.5.** The capital input required to implement those intentions would, Primary intends, come from rights issues or placements by IPN.

Any action taken by Primary or the directors of IPN would be made having regard to the legitimate interests of minority shareholders in IPN and the relevant law that may apply in the circumstances.

In addition, Primary would seek to have the board of IPN comprise of individuals with appropriate skills and a similar business philosophy to that of Primary. Some of the existing directors of IPN may meet these criteria.

5.5 Intentions if right to effect compulsory acquisition achieved

It is Primary's intention, if it becomes entitled to proceed to compulsorily acquire the remaining IPN Shares following the close of the Offer, to:

- effect compulsory acquisition of the remaining IPN Shares; and
- procure that IPN is removed from the official list of the ASX; and
- seek to have the board of IPN comprise individuals with appropriate skills and a similar business philosophy to that of Primary. Some of the existing directors of IPN may meet these criteria.

If IPN becomes a wholly-owned subsidiary of Primary, the further intentions of Primary are as follows:

(a) Where it is reasonably possible to do so, Primary would aim to add doctors and services to the IPN centres to enable Primary to gain the scale and the service provision that Idameneo provides in its centres.

(b) Those IPN centres that are loss-making, or are not practicably viable may need to be amalgamated with other practices to maintain continuous comprehensive patient care. Primary would seek to do this.

(c) The IPN centres that are viable in the long term, but are not able to be consolidated, would be reviewed on a centre-by-centre basis. There may be addition of new doctors and services. It would depend on the practice and availability. Primary's preference is for amalgamation into larger scale practices. This is not only beneficial to Primary, but also it is better for doctors and their patients with better care and service provision.

(d) Primary would aim to merge the IPN head office function with that of Idameneo. This should provide some savings.

(e) Primary would aim to introduce to the IPN centres the IT desktop solution used in the Idameneo centres.

(f) Primary would, where reasonably possible, centralise the accounting, banking and ordering functions.

(g) Idameneo is currently introducing the Digital Diagnostic Imaging Pty Ltd filmless desktop radiology images to the Idameneo centres. Primary would aim to do likewise in relation to the IPN centres.

(h) Primary would aim to provide the IPN centres with the software used in the Idameneo centres, for care plan and other enhanced primary care items that facilitate better patient care, better professional practice and better outcomes for doctors.

(i) Primary would aim to introduce the systems and services referred to in **paragraphs (a) to (h)** above to allow doctors to generate better incomes and better practice.

Primary's estimate is that, to implement all of the intentions in **paragraphs (a) to (i)** above, will require a capital input by Primary to IPN of approximately $40 million over a period of about 2 years.

While there would be some reallocation of staff duties, it is the past experience of Primary that, as greater service is added, more staff are needed to implement these services.

5.6 Intentions of Idameneo the same as those of Primary

Idameneo has the same intentions as those of Primary set out in **clauses 5.1 to 5.5.**

Idameneo has consented to the statement in this **clause 5.6** being included in the Bidder's Statement in the form and context in which it is included.

6. HOW CASH CONSIDERATION WILL BE PROVIDED

6.1 Total consideration payable

The cash payable under the Offers is 5 cents cash for each IPN Share.

If the Offers are accepted for all existing IPN Shares other than the 194,299,049 IPN Shares held by Primary's subsidiary, Idameneo, the maximum amount of cash that Primary will be required to pay is $38,860,213 ("**the Maximum Consideration**").

Idameneo has confirmed in writing to Primary that Idameneo will not accept the Offer and will not during the Offer Period sell to persons who might accept the Offer.

6.2 Source of cash

Primary's source of funding for the Maximum Consideration (specified in **clause 6.1**) is from a facility which Bank of New Zealand Australia, a division of National Australia Bank Ltd ("**BNZA**"), has agreed to make available to Primary.

The total amount Primary may draw down under the BNZA facility is $175 million. It is the intention of Primary to utilise the BNZA facility to satisfy the Maximum Consideration.

There are no conditions precedent that need to be satisfied (beyond those already satisfied) by Primary for it to draw down under the BNZA facility, other than evidence, to the satisfaction of BNZA, that Primary has received valid and binding acceptances of the Offer.

7. IPN SECURITIES AND VOTING POWER OF PRIMARY

7.1 Total IPN securities on issue and relevant interests of Primary

The following table sets out details in relation to each class of securities in IPN as at the date of this Bidder's Statement:

Class of securities	Total number on issue	Primary's relevant interest
Ordinary shares	971,503,303	194,299,049
IPN Options	68,027,596	nil

The information above in relation to the total number of each class of securities on issue in IPN is based on documents lodged by IPN with the ASX. The Annual Report of IPN for the year ended 30 June 2003 discloses that IPN Options comprise:

(a) 47,438,000 IPN Options granted "arising from Foundation HealthCare Limited acquisition" (page 45 of that Annual Report);

(b) 500,000 IPN Options granted "pursuant to the consulting agreement and deed of termination with Dr Vinzi Carbone" (page 45 of that Annual Report);

(c) 5,850,000 IPN Options granted under an employee share option scheme established by IPN, being (as per pages 42 to 45 of that Annual Report but after excluding 875,000 options with an expiry date of 30 April 2004) as follows:

Number of IPN Options	Grant date	Expiry date	Weighted average exercise price
2,090,000	22/08/02	21/08/07	13.2 cents
760,000	23/11/02	30/11/07	8.5 cents
500,000	23/11/02	31/10/06	8.5 cents
500,000	23/11/02	30/03/07	8.5 cents
500,000	23/11/02	31/12/06	8.5 cents
500,000	23/11/02	28/02/07	8.5 cents
500,000	23/11/02	30/06/06	8.5 cents
500,000	23/11/02	30/04/05	8.5 cents

(d) 14,239,596 IPN Options granted to the managing director of IPN, Ralph Shreeve, "in accordance with a resolution of shareholders on 22 November 2002" (page 42 of that Annual Report).

7.2 Voting power of Primary

As at the date of this Bidder's Statement, the voting power of Primary in IPN is 20%.

8. DEALINGS IN IPN SHARES

During the 4 months before the date of this Bidder's Statement, neither Primary nor any of its associates have provided, or agreed to provide, consideration for IPN Shares under a purchase or agreement, except that Primary's subsidiary, Idameneo purchased on the ASX the following IPN Shares:

Date of purchase	Number acquired	Cash sum per IPN Share
09/02/04	300,000	4.52 cents
09/02/04	241,038	4.80 cents
09/02/04	2,500,000	4.90 cents
02/03/04	319,950	4.10 cents
05/03/04	120,000	3.80 cents
11/03/04	436,665	3.80 cents
15/03/04	1,000,000	3.80 cents
19/03/04	1,937,460	3.80 cents
22/03/04	262,540	3.80 cents
24/03/04	400,000	3.80 cents
29/03/04	151,333	3.70 cents
30/03/04	8,576	3.80 cents
30/03/04	10,601,404	4.11 cents
01/04/04	736,000	4.20 cents
02/04/04	617,328	4.06 cents
05/04/04	589,399	4.20 cents
06/04/04	221,779	4.20 cents
15/04/04	1,000,000	4.30 cents
19/04/04	6,937,296	4.70 cents
24/05/04	364,000	3.50 cents
25/05/04	299,000	3.50 cents
25/05/04	12,041,981	3.58 cents

Date of purchase	Number acquired	Cash sum per IPN Share
26/05/04	1,055,066	3.50 cents
27/05/04	2,817,606	3.46 cents
27/05/04	11,292,532	4.00 cents
27/05/04	47,290,415	4.98 cents
28/05/04	9,182,600	4.96 cents
02/06/04	769,000	4.90 cents
04/06/04	775,000	4.97 cents

9. NO BENEFITS PROVIDED

During the period of 4 months before the date of this Bidder's Statement, neither Primary nor any associate of Primary gave, or offered to give or agreed to give a benefit to another person that was likely to induce the other person, or an associate of that person, to:

(a) accept an Offer under the Bid; or

(b) dispose of IPN Shares,

and which benefit is not offered to all holders of IPN Shares under the Bid.

10. TAXATION CONSIDERATIONS

10.1 General comments

The following is intended to provide only a general overview of the Australian taxation implications for Australian residents on disposal of their IPN Shares by accepting the Offer.

The summary is based upon the law and practice in effect at the date of this Bidder's Statement. However, it is not authoritative nor a complete statement of the law applicable to the particular circumstances of every IPN shareholder.

IPN shareholders should not rely on these comments as advice in relation to their own affairs. Taxation laws are complex and changing constantly and there could be implications in addition to those described here. Primary recommends that IPN shareholders consult their own financial or other professional advisers for advice applicable to their circumstances.

10.2 Disposal of IPN Shares held as a capital investment

Where Australian residents own IPN Shares as a capital investment, a taxable capital gain or capital loss may arise on the acceptance of the Offer.

The tax considerations vary depending on the time of the acquisition of the IPN Shares.

Acquisition of IPN Shares by the shareholders prior to 19 September 1985

Generally, any capital gain or loss arising on the disposal of IPN Shares acquired before 19 September 1985 is disregarded.

Acquisition of IPN Shares between 19 September 1985 and 21 September 1999

Shares acquired between 19 September 1985 and 21 September 1999 could be subject to the capital gains tax ("**CGT**") provisions of the income tax legislation. Based on the assumption that the shares are held in excess of 12 months, there may be a choice of CGT calculation methods as discussed below.

Individuals

The IPN shareholder may elect to apply indexation to the cost base of the IPN Shares through to 21 September 1999 and the full capital gain will be subject to income tax.

However, should the IPN shareholder elect not to apply indexation to the cost base of the IPN Shares, a CGT discount ("**discount**") should be available to the shareholder. In such a scenario, 50% of the capital gain will be subject to income tax.

Trusts

Where IPN Shares are held by a trust, the individual beneficiaries of the trust entitled to the trust income may in some circumstances be assessable on only one half of the nominal gain made on the sale of the IPN Shares.

Superannuation Funds

IPN Shares held by a complying superannuation entity will have the same tax implications as that of an individual except the discount is 33.3% of the capital gain.

Companies

The discount is not available to companies owning IPN Shares if a capital gain is realised as a result of a disposal of the IPN Shares. Accordingly, if a gain is realised, the taxable capital gain will be subject to the corporate income tax rate of 30%.

Post 21 September 1999 acquisitions

Any capital gain on IPN Shares acquired after 21 September 1999, which have been owned in excess of 12 months prior to disposal, may be subject to the discount. As discussed above, this depends on the nature of the owner.

Indexation is not available for IPN Shares acquired post 21 September 1999.

Disposal of IPN Shares resulting in a capital loss

A capital loss will generally arise if the proceeds on disposal are less than the cost base of the IPN Shares. In calculating a capital loss, the cost base is not indexed for inflation, irrespective of how long the IPN Shares have been held. A capital loss may only be offset against capital gains.

Primary recommends IPN shareholders consult their own financial or other professional adviser for advice applicable to their individual circumstances.

10.3 Disposal of IPN Shares held as revenue assets or trading stock

Where there is a disposal of IPN Shares held by a share trader or for the purposes of carrying on a business or with a dominant purpose of profit making, (that is, "as revenue assets") Primary recommends IPN shareholders consult their own financial or other professional adviser for advice applicable to their individual circumstances.

10.4 Goods and Services Tax ("GST")

No GST applies to the transfer of IPN Shares under the Offer, as the supply of shares is an input taxed supply.

11. OTHER MATERIAL INFORMATION

There is no other information known to Primary material to the making of a decision by a holder of IPN Shares whether or not to accept an Offer under the Bid.

This Bidder's Statement was approved by a resolution passed by the directors of Primary.

This Bidder's Statement is dated 8 June 2004.

E G T Bateman
Director

ANNEXURE A

IPN letter dated 27 February 2004 to the ASX and Appendix 4D

27 February 2004

Company Announcements Office
Australian Stock Exchange
4th Floor, 20 Bridge St
Sydney NSW 2000

Appendix 4D – Independent Practitioner Network Limited

Appendix 4D

Attached to this announcement is the Appendix 4D for the half year ended 31 December 2003.

Review of Operations

The number of full time equivalent Clinicians within the IPN network has decreased to an average of 602 in the current half year compared to an average of 664 in the comparative period. This decrease is largely the effect of changes to medical indemnity insurance which resulted in over 50 of our Doctors retiring from General Practice after 1 July 2003 in order to avoid having to make a significant one off payment and accept on going liability to fund roll off cover. This phenomenon affected the industry and exacerbated the existing General Practitioner shortage. Doctor uncertainty surrounding Medicare reform prior to 1st February 2004, has slowed the replacement of those Doctors.

Consistent with the reduction in full time equivalent Clinicians, patient volumes for the half year have decreased to 1,664,289 compared to 1,832,785 in the prior comparative period, a decrease of 9%. Billings per patient for the half year were $40.74 compared to $38.73 in the comparative period, an increase of 5%.

The total revenue for the half year is $41.0 million compared to $43.3 million reported for the prior equivalent period, a decrease of $2.3 million or 5.3%. The comparative period however, includes the results of the Foundation group for only 19 weeks since the merger date of 22 August 2002, rather than 26 weeks. Included in the 2002 revenue are proceeds from the sale of an owned property of $2.2 million and the sale of a controlled entity of $3.9 million. Adjusting for these items, the 2003 half year revenue is $9.2 million less, down 18.3% on the 2002 half year "normalised" revenue of $50.2 million.

The decrease in half year revenues against the normalised prior period of $9.2 million is the result of the reduction in full time equivalent Doctors, in addition to the closure of a number of medical centres in the 2003 calendar year which resulted in a $5.6 million reduction in revenue.

Operating expenses for the half year are $42.5 million compared to the comparative period of $43.6 million, a decrease of $1.1 million. However, after adjusting the comparative results to include 26 weeks of Foundation group operating expenses and removing the carrying value of the disposed property and controlled entity, the adjusted comparative operating expenses were $50.9 million. Therefore, the normalised reduction in operating costs between the two half year periods was $8.4 million.

Excluding one-off goodwill and fixed asset write downs, the entity's earnings before interest, taxation, depreciation and amortisation, that is operating EBITDA, for the half year is $3.5 million compared to the equivalent prior period of $4.2 million. For further information see the attached Appendix 4D.

The Monet implementation is being executed in a disciplined, control framework. The new systems are being well received.

Future Outlook

The introduction of the "Medicare Plus" package by the Commonwealth government in February 2004 is having a positive impact on the revenues of the business. GP consultations with children and Commonwealth concession card holders now attract an additional $5 rebate, an increase of 20%. Approximately 30% of our GP consultations qualify for the additional rebate. Additionally, the government has introduced an $8.50 rebate on two nursing items which are generating further revenue growth. The rebate on nursing items is attracting new GPs into the IPN network as we provide nursing services within all our medical centres, hence providing an attractive opportunity for the GP to increase their revenue.

The recruitment of GPs into the IPN network is currently a major focus of the Managing Director and through a program of advertising and industry networking the response to date is encouraging.

We expect the above factors will deliver an improvement to the operating EBITDA in the second half.

Yours faithfully,

Ralph Shreeve
MANAGING DIRECTOR

Results for Announcement to the Market
(Comparative information is for the half year ended 31 December 2002)

				$000
Revenues from ordinary activities	Down	5.3%	To	40,961
Loss from ordinary activities after tax attributable to members	Down	220%	To	(1,475)
Net loss for the period attributable to members	Down	220%	To	(1,475)
Dividends		Amount per security (cents)		Franked amount per security (cents)
Interim dividend		-		-
Previous corresponding period		-		-

INDEPENDENT PRACTITIONER NETWORK LIMITED
HALF YEAR REPORT TO 31 DECEMBER 2003

DIRECTOR'S REPORT

Your directors submit their report for the half-year ended 31 December 2003.

DIRECTORS

The names of the company's directors in office during the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

W.V.A. Peters (Non-executive Chairman)

R.E. Shreeve (Managing Director)

R.R.D. Walker AM (Non-Executive Director)

R.L. Stovold (Non-Executive Director)

Dr G.R. Innes (Executive Director)

V.C. Fitzgerald (Non-Executive Director)

REVIEW AND RESULTS OF OPERATIONS

The consolidated entity reported a net loss after tax (including $1.9 million in goodwill amortisation and $0.4 million in goodwill impairment write-offs) for the current half year of $1.5 million (2002 : $0.5 million).

Basic loss per share of 0.18 cents represents a deterioration of 0.1 cents per share compared to the prior period.

The number of full time equivalent Clinicians within the IPN network has decreased to an average of 602 in the current half year compared to an average of 664 in the comparative period. This decrease is largely the effect of changes to medical indemnity insurance which resulted in over 50 of our Doctors retiring from General Practice after 1 July 2003 in order to avoid having to make a significant one off payment and accept on going liability to fund roll off cover. This phenomenon affected the industry and exacerbated the existing General Practitioner shortage. Doctor uncertainty surrounding Medicare reform prior to 1st February 2004, has slowed the replacement of those Doctors.

Consistent with the reduction in full time equivalent Clinicians, patient volumes for the half year have decreased to 1,664,289 compared to 1,832,785 in the prior comparative period, a decrease of 9%. Billings per patient for the half year were $40.74 compared to $38.73 in the comparative period, an increase of 5%.

The total revenue for the half year is $41.0 million compared to $43.3 million reported for the prior equivalent period, a decrease of $2.3 million or 5.3%. The comparative period however, includes the results of the Foundation group for only 19 weeks since the merger date of 22 August 2002, rather than 26 weeks. Included in the 2002 revenue are proceeds from the sale of an owned property of $2.2 million and the sale of a controlled entity of $3.9 million. Adjusting for these items, the 2003 half year revenue is $9.2 million (18.3%) down on the 2002 half year "normalised" revenue of $50.2 million.

The decrease in half year revenues against the normalised prior period of $9.2 million is the result of the reduction in full time equivalent Doctors, in addition to the closure of a number of medical centres in the 2003 calendar year which resulted in a $5.6 million reduction in revenue.

Operating expenses for the half year are $42.5 million compared to the comparative period of $43.6 million, a decrease of $1.1 million. However, after adjusting the comparative results to include 26 weeks of Foundation group operating expenses and removing the carrying value of the disposed property and controlled entity, the adjusted comparative operating expenses were $50.9 million. Therefore, the normalised reduction in operating costs between the two half year periods was $8.4 million.

DIRECTOR'S REPORT (CONTINUED)

Excluding one-off goodwill and fixed asset write downs, the entity's earnings before interest, taxation, depreciation and amortisation, that is operating EBITDA for the half year is $3.5 million compared to the equivalent prior period of $4.2 million.

The Monet implementation is being executed in a disciplined, control framework. The new systems are being well received.

ROUNDING

The amounts contained in this half-year report have been rounded to the nearest $1,000 (where rounding is applicable) under the option available to the company under ASIC Class Order 98/0100. The company is an entity to which the Class Order applies.

Signed in accordance with a resolution of the directors.

R.E. Shreeve
Director
Sydney, 24 February 2004

CONDENSED STATEMENT OF FINANCIAL PERFORMANCE

Half-year Ended 31 December 2003	Notes	CONSOLIDATED 31 December 2003 $'000	31 December 2002 $'000
Revenues from ordinary activities	2	40,961	43,286
Expenses from ordinary activities		(42,459)	(43,597)
LOSS FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE	2	(1,498)	(311)
INCOME TAX BENEFIT / (EXPENSE) RELATING TO ORDINARY ACTIVITIES		23	(150)
NET LOSS		(1,475)	(461)
NET LOSS FROM ORDINARY ACTIVITIES AFTER INCOME TAX BENEFIT / (EXPENSE) ATTRIBUTABLE TO MEMBERS OF INDEPENDENT PRACTITIONER NETWORK LIMITED	8	(1,475)	(461)
Basic earnings per share (cents per share)		(0.18)	(0.08)
Diluted earnings per share (cents per share)		(0.18)	(0.08)

CONDENSED STATEMENT OF FINANCIAL POSITION

Half-year Ended 31 December 2003	Notes	CONSOLIDATED 31 DECEMBER 2003 $'000	30 JUNE 2003 $'000	31 DECEMBER 2002 $'000
CURRENT ASSETS				
Cash assets		4,450	4,376	3,857
Receivables		3,906	3,895	9,375
Inventories		1,118	1,670	5,583
Current tax receivable		404	442	-
Other		1,998	1,162	1,200
TOTAL CURRENT ASSETS		11,876	11,545	20,015
NON-CURRENT ASSETS				
Receivables		247	289	-
Property, plant and equipment		8,277	8,354	14,589
Intangible assets		36,982	39,056	69,053
Deferred tax assets		2,286	2,567	2,157
TOTAL NON-CURRENT ASSETS		47,792	50,266	85,799
TOTAL ASSETS		59,668	61,811	105,814
CURRENT LIABILITIES				
Payables		5,371	6,739	15,055
Interest bearing liabilities		4,396	3,443	22,802
Tax liabilities		-	-	228
Provisions		3,194	4,463	2,484
TOTAL CURRENT LIABILITIES		12,961	14,645	40,569
NON-CURRENT LIABILITIES				
Payables		67	138	-
Interest-bearing liabilities		10,245	15,548	793
Deferred tax liabilities		107	366	157
Provisions		1,917	2,373	206
TOTAL NON-CURRENT LIABILITIES		12,336	18,425	1,156
TOTAL LIABILITIES		25,297	33,070	41,725
NET ASSETS		34,371	28,741	64,089
EQUITY				
Contributed equity		75,978	68,873	67,993
Accumulated losses	8	(41,607)	(40,132)	(3,904)
TOTAL EQUITY		34,371	28,741	64,089

CONDENSED STATEMENT OF CASH FLOWS

Half-year Ended 31 December 2003	Notes	CONSOLIDATED 31 December 2003 $'000	31 December 2002 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		40,208	47,688
Receipts from property sub tenants		4,750	2,200
Payments to suppliers and employees		(44,251)	(47,120)
Interest received		77	32
Interest and other costs of finance paid		(1,021)	(1,113)
Income taxes received / (paid)		68	(232)
NET CASH FLOWS (USED IN) / FROM OPERATING ACTIVITIES		(171)	1,455
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property, Plant & Equipment		(2,319)	(2,377)
Proceeds from sale of Property, Plant & Equipment		60	2,235
Purchase of rights to practice		(252)	-
Proceeds from sale of equity investments		-	425
Net cash inflow on acquisition and disposal of controlled entities		-	2,979
NET CASH FLOWS (USED IN) / FROM INVESTING ACTIVITIES		(2,511)	3,262
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of ordinary –shares		7,286	859
Payment of share issue costs		(181)	-
Repayment of borrowings		(4,349)	(2,566)
NET CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES		2,756	(1,707)
NET INCREASE IN CASH HELD		74	3,010
Add opening cash brought forward		4,376	847
CLOSING CASH CARRIED FORWARD		4,450	3,857

NOTES TO THE HALF-YEAR FINANCIAL REPORT

1. BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The half-year financial report should be read in conjunction with the Annual Financial Report of Independent Practitioner Network Limited as at 30 June 2003. It is also recommended that the half-year financial report be considered together with any public announcements made by Independent Practitioner Network Limited and its controlled entities during the half-year ended 31 December 2003 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

(a) Basis of accounting

The half-year financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards including AASB 1029 "Interim Financial Reporting" and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views).

The half-year financial report has been prepared in accordance with the historical cost convention.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

In relation to comparative prior period results, it should be noted that the Company acquired the Foundation Healthcare Limited business on 20 August 2002. As such the comparative results only include the results of Foundation Healthcare Limited for the post acquisition period of approximately 4 months.

(b) Changes in accounting policies

The accounting policies applied are consistent with the most recent annual financial report for the year ended 30 June 2003.

NOTES TO THE HALF-YEAR FINANCIAL REPORT (CONTINUED)

	CONSOLIDATED 31 December 2003 $'000	31 December 2002 $'000
2. PROFIT FROM ORDINARY ACTIVITIES		
(a) **Specific Items**		
Loss from ordinary activities before income tax expense includes the following revenues and expenses whose disclosure is relevant in explaining the financial performance of the entity:		
(i) **Revenues from ordinary activities**		
Revenue from services	36,152	38,819
Interest revenue	77	32
Proceeds on disposal of non current assets	60	2,235
Rental income	4,193	2,200
Other income	479	-
Total Revenue from Ordinary Activities	40,961	43,286
(ii) **Expenses**		
Depreciation and amortisation	(3,450)	(3,526)
Borrowing costs	(843)	(1,113)
Employee salary, wages and related costs	(18,243)	(16,524)
Occupancy expenses	(12,545)	(10,165)
Medical consumables	(2,502)	(4,000)
Cost of non current assets disposed of	(73)	(2,232)

3. DIVIDENDS PAID OR PROVIDED FOR ON ORDINARY SHARES

No dividends have been paid or provided for during the half-year ended 31 December 2003 (31 December 2002: Nil)

NOTES TO THE HALF-YEAR FINANCIAL REPORT (CONTINUED)

4. CONTINGENT ASSETS AND LIABILITIES

Since the last annual reporting date, there has been no material change of any contingent liabilities or contingent assets.

5. SEGMENT REPORTING

The consolidated entity operates in the health care business segment in Australia.

6. SUBSEQUENT EVENTS

No matters or circumstances have arisen since the end of the reporting period that have significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity, in subsequent financial periods.

	CONSOLIDATED	
	31 December 2003 $'000	31 December 2002 $'000
7. NET ASSET BACKING		
Net tangible asset backing per ordinary security	(0.003)	(0.007)

8. ADDITIONAL INFORMATION

(a) Reconciliation of Accumulated Losses		
Balance at beginning of the half-year	(40,132)	(3,443)
Net loss attributable to members of Independent Practitioner Network Limited	(1,475)	(461)
Balance at end of half-year	(41,607)	(3,904)

(b) Tax Consolidation

At the date of this report, Independent Practitioner Network Limited is yet to determine the date of entry into the tax consolidation regime. The company is currently undertaking a review to determine the entry date into tax consolidation, including consideration of the transitional tax consolidation provisions.

Based on the analysis performed to date, there will not be a significant impact upon entering into tax consolidation. Accordingly, no benefit has been recorded in the carrying tax balances as at 31 December 2003. This will be confirmed at the time of lodging the first consolidated income tax return.

DIRECTORS DECLARATION

In accordance with a resolution of the directors of Independent Practitioner Network Limited, I state that:

In the opinion of the directors:

(a) the financial statements and notes of the consolidated entity:

(i) give a true and fair view of the financial position as at 31 December 2003 and the performance for the half-year ended on that date of the consolidated entity; and

(ii) comply with Accounting Standard AASB 1029 "Interim Financial Reporting" and the Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

R.E. Shreeve
Director
Sydney, 24 February 2004

ERNST & YOUNG

Central Park
152 St Georges Terrace
Perth WA 6000
Australia

GPO Box M939
Perth WA 6843

Tel 61 8 9429 2222
Fax 61 8 9429 2436

Independent review report to members of Independent Practitioner Network Limited

Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows and accompanying notes to the financial statements for the consolidated entity comprising both Independent Practitioner Network Limited ("the company") and the entities it controlled during the half year, and the directors' declaration for the company, for the half year ended 31 December 2003.

The directors of the company are responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the consolidated entity, and that complies with Accounting Standard AASB 1029 "Interim Financial Reporting", in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Review approach

We conducted an independent review of the financial report in order to make a statement about it to the members of the company, and in order for the company to lodge the financial report with the Australian Stock Exchange and the Australian Securities and Investments Commission.

Our review was conducted in accordance with Australian Auditing Standards applicable to review engagements, in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with the Corporations Act 2001, Accounting Standard AASB 1029 "Interim Financial Reporting" and other mandatory professional reporting requirements in Australia, so as to present a view which is consistent with our understanding of the consolidated entity's financial position, and of its performance as represented by the results of its operations and cash flows.

A review is limited primarily to inquiries of company personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Independence

We are independent of the company, and have met the independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of the consolidated entity comprising both Independent Practitioner Network Limited and the entities it controlled during the half year ended 31 December 2003 is not in accordance with:

(a) the Corporations Act 2001, including:

- (i) giving a true and fair view of the financial position the consolidated entity at 31 December 2003 and of its performance for the half year ended on that date; and
- (ii) complying with Accounting Standard AASB 1029 "Interim Financial Reporting" and the Corporations Regulations 2001; and

(b) other mandatory financial reporting requirements in Australia.

Ernst & Young

G H Meyerowitz
Partner
Perth
Date: 26 February 2004

ANNEXURE B

ASX letter dated 10 March 2004 to IPN

ASX
AUSTRALIAN STOCK EXCHANGE

Australian Stock Exchange Limited
ABN 98 008 624 691
Level 8
Exchange Plaza
2 The Esplanade
Perth WA 6000

GPO Box D187
Perth WA 6840

Telephone 61 (08) 9224 0000
Facsimile 61 (08) 9221 2020
Internet http://www.asx.com.au

10 March 2004

Ms Lesley Kennedy
Company Secretary
Independent Practitioner Network Limited
Level 2, 1a Meeks Street
KINGSFORD NSW 2032

By facsimile: (02) 8876 3892

Dear Ms Kennedy

INDEPENDENT PRACTITIONER NETWORK LIMITED (the "Company") – LISTING RULE 12.2

We refer to the Company's Half Year Report for the period ended 31 December 2003 in the form of the Appendix 4D and Half Year Financial Statements, released to Australian Stock Exchange Limited ("ASX") on 26 February 2004 (the "Half Year Report").

ASX notes that the Company has reported the following in its Half Year Report.

1. Receipts from customers of $40,208,000.

2. Net operating cash outflows ($171,000).

3. Cash at end of the period of $4,450,000.

4. Working capital deficiency of ($1,085,000).

5. Net loss from ordinary activities of ($1,475,000)

ASX also notes the Company's revenue on a "normalised" basis has decreased in the period by 18.3%.

In light of the information contained in the Half Year Report, please respond to each of the following questions.

1. Please comment on the Company's compliance with listing rule 12.2, with reference to the matters discussed in the note to the rule.

   In your response, please comment on what steps the Company has taken, or what steps does it propose to take, to enable it to continue to meet its business objectives.

2. Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and the guidance note titled "Continuous disclosure: listing rule 3.1".

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

This letter and your response will be released to the market. If you have any concerns about your response being released, please contact me immediately. Your response should be sent to me on facsimile number (08) 9221 2020. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, before **9.00 a.m. E.D.S.T. on Tuesday, 16 March 2004.**

If you are unable to respond by the time requested you should consider a request for a trading halt in the Company's securities.

Should you have any queries, please do not hesitate to contact me.

Yours sincerely

Marian Tang
Senior Companies Advisor

ANNEXURE C

IPN letter dated 15 March to the ASX

ipn

15 March 2004

Marian Tang
Companies Advisor
Australian Stock Exchange Limited
Exchange Plaza, Level 8
2 The Esplanade
PERTH WA 6000

By facsimile: 08 9221 2020

Dear Marian,

Response to ASX letter "IPN Ltd – Listing Rule 12.2" dated 10 March 2004

I refer to your letter dated 10 March 2004 requesting information to support the Company's compliance with listing rule 12.2 and other listing rules, with reference to the Company's Half Year Report for the period ended 31 December 2003 in the form of the Appendix 4D and Half Year Financial Statements.

In response to question 1 please be advised as follows:

1. During the Half Year Ended 31 December 2003, the Company established a long term debt facility with its bank. This facility provides $2.4M in bank guarantees (provision of security deposits on property leases) and an $18M loan facility. Surplus cash of $3M has been utilised by the business to maintain the debt at $15M. At the half year end and also at today's date, the un drawn portion of the agreed debt facility amounts to $3M. The Company could therefore draw down on the facility and increase cash reserves by $3M, generating a working capital surplus of approximately $1.9M. As this would increase interest expense, the Company elected to maintain the debt at its current level.

2. The Company's "normalised" revenues have decreased by 9.2m (18.3%) when comparing to the prior year comparative period as a result of the following:

   - In March 2003 the Company disposed of the rights to operate La Trobe Medical Centre Hospital. In the prior year comparative period this hospital contributed circa $3M in revenues and an EBITDA loss of approximately $0.6M;

   - During the half year period a number of loss making centres were closed. These centres contributed circa $3M in revenue and an EBITDA loss of approximately $0.5M

   - The number of full time equivalent Clinicians within the IPN network has decreased to an average of 602 in the current half year compared to an average of 644 in the comparative period. This decrease is largely the impact of changes to medical indemnity insurance whereby, in an attempt to avoid one off payments and on going liabilities to fund roll off cover, Clinicians retired from General Practice. This industry wide phenomenon resulted in 50 Clinicians retiring from the IPN network since 1 July 2003. Doctor uncertainty surrounding Medicare reform prior to 1 February 2004 has slowed the replacement of these Doctors. The loss of these Doctors has contributed approximately a $3M reduction in revenue and has had an adverse impact on EBITDA.

ABN 13 083 519 377
Corporate Services - Finance Level 1, 37 Oxford Street, Epping NSW 2121.
PO Box 80, Epping NSW 1710. TELEPHONE 02 8876 3888. FACSIMILE 02 8876 3889. WEB www.ipnet.com.au

Please note that while the "normalised" revenues have decreased by 9.2m, "normalised" operating expenses have reduced by $6.4M

Since the half year end the Company has focused on clinician recruitment and has already secured 16 new clinicians to operate in the IPN network. This is a significant improvement in recruitment activity compared to prior periods and continues to be the primary focus of the Managing Director.

The introduction of the "Medicare Plus" package by the Commonwealth Government in February 2004 is having a positive impact on the revenues of the business. General practise consultations with children and Commonwealth concession card holders now attract an additional $5 rebate, an increase of 20%. Approximately 30% of our general practise consultations qualify for the additional rebate. Additionally the Government has introduced an $8.50 rebate on two nursing items which are generating further revenue growth. The rebate on nursing items is attracting new Doctors into the IPN network as we provide nursing services within all our medical centres, hence providing an attractive opportunity for the Doctor to increase their revenue.

More recently the Government announced an extension of the Medicare Reform package to Allied Health and Dental which is expected to impact the Company favourably.

The above three factors are expected to deliver an improvement to the operating EBITDA in the second half of the year.

Finally in response to question 2 the Company confirms full compliance with the listing rules, and in particular listing rule 3.1.

Yours faithfully,

Ralph Shreeve
Managing Director

ABN 13 053 519 377
Corporate Services - Finance Level 1, 37 Oxford Street, Epping NSW 2121.
PO Box 80, Epping NSW 1710. TELEPHONE 02 8876 3888. FACSIMILE 02 8876 3899. WEB www.ipnet.com.au

OFFER

by

PRIMARY HEALTH CARE LIMITED
(ACN 064 530 516)

TO PURCHASE ALL OF YOUR ORDINARY SHARES IN

INDEPENDENT PRACTITIONER NETWORK LIMITED
(ACN 083 519 377)

1. DEFINED TERMS

Terms used in this Offer are defined in **clause 11.1**.

2. OFFER BY PRIMARY

2.1 Offer for all of your shares

Primary offers to acquire all of your IPN Shares. You may only accept this Offer in respect of all of your IPN shares (unless **clause 3.3** applies to you).

2.2 Cash offered

The consideration offered is 5 cents cash for each of your IPN Shares.

2.3 Terms

This Offer is made on the terms and conditions set out below.

3. OFFEREES

3.1 To whom the Offers are being made

An Offer in this form is being made to all holders of IPN Shares as at 7.00 pm Sydney time on 9 June 2004, being the date set by Primary under section 633(2) of the Corporations Act in the Bidder's Statement.

3.2 Transferees

A person who is able during the Offer Period to give good title to a parcel of IPN Shares and has not already accepted an Offer under the Bid for those IPN Shares may, in accordance with section 653B of the Corporations Act, accept an Offer under the Bid as if an Offer on terms identical with the other Offers made under the Bid had been made to that person in relation to those IPN Shares.

3.3 Trustees and nominees

A person who holds one or more parcels of IPN Shares as trustee or nominee for, or otherwise on account of, another person, may accept as if a separate Offer had been made in relation to each of those parcels as well as any parcel they hold in their own right. To accept this Offer in relation to more than one parcel of IPN Shares, you may phone Computershare Investor Services Pty Ltd on 1300 368 403 for additional copies of this Offer and the accompanying Acceptance Form.

4. OFFER PERIOD

This Offer will, unless withdrawn, remain open for acceptance during the period commencing on the date of this Offer and ending at 7.00 pm Sydney time on:

(a) ; or

(b) any date to which the period of this Offer is extended in accordance with the Corporations Act,

whichever is the later.

5 HOW TO ACCEPT THIS OFFER

5.1 All of your holding

This Offer is for all of your IPN Shares. You may only accept this Offer in respect of all of your IPN shares (unless **clause 3.3** applies to you).

5.2 When you may accept

You may accept this Offer at any time during the Offer Period.

5.3 Acceptance procedure

The manner by which you may accept this Offer will depend on whether your IPN Shares are:

(a) in a CHESS Holding – your IPN Shares are in a CHESS Holding if they are sponsored by a broker or other Controlling Participant; or

(b) in an Issuer Sponsored Holding – your IPN Shares are in an Issuer Sponsored Holding if they are sponsored directly by IPN as issuer.

If you have any queries about how to accept this Offer, please phone Computershare Investor Services Pty Ltd on 1300 368 403 or contact your broker or other financial or professional adviser.

CHESS Holdings

(c) If any of your IPN Shares are in a CHESS Holding, acceptance of this Offer in respect of those IPN Shares can only be made in accordance with the ASTC Settlement Rules.

To accept this Offer in respect of those IPN Shares you may:

(i) instruct your Controlling Participant (normally your stockbroker) to initiate acceptance of this Offer in accordance with Rule 14.14 of the ASTC Settlement Rules before the end of the Offer Period; or

(ii) complete and sign the Acceptance Form in accordance with the instructions on it, and deliver it or send it (together with all other documents required by those instructions) to either of the addresses in **clause 5.3(d)** so that they are received before the end of the Offer Period.

If you complete and sign the Acceptance Form you will be deemed under **clause 7(e)** to have authorised and directed Primary (by its directors, servants or agents) to accept the Offer on your behalf and Primary shall during the Offer Period effect such acceptance in accordance with the ASTC Settlement Rules and the Corporations Act.

Issuer Sponsored Holdings

(d) If any of your IPN Shares are in an Issuer Sponsored Holding, then to accept this Offer in respect of those IPN Shares you must complete and sign the accompanying Acceptance Form in accordance with the instructions on it (which forms part of this Offer and must be observed in accepting the Offer in respect of any IPN Shares held in an Issuer Sponsored Holding) and deliver or send it by post to:

Computershare Investor Services Pty Ltd
GPO Box 7045
Sydney NSW 1115

or deliver to:

Computershare Investor Services Pty Ltd
Level 3
60 Carrington Street
Sydney NSW 2000

together with all other documents required by those instructions so that they are received before the end of the Offer Period. A reply pre-paid envelope is **enclosed**.

Holders of IPN Shares are advised that the method chosen to deliver the Acceptance Form and other documents is at the risk of each accepting shareholder.

Acceptance of the Offer in respect of your IPN Shares which are in an Issuer Sponsored Holding shall not be complete until the properly completed Acceptance Form has been received at the address set out in this **clause 5.3(d)**, provided that Primary may in its sole discretion waive at any time, prior to the end of the Offer Period, all or any of those requirements.

If some of your IPN Shares are held in a number of forms

(e) If some of your IPN Shares are in different holdings, your acceptance of this Offer will require action under **clauses 5.3(c) and (d)** in relation to the separate portions of your IPN Shares.

Nominee holdings

(f) Beneficial owners whose IPN Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee should contact that nominee for assistance in accepting this Offer.

Status of Acceptance Form

(g) The Acceptance Form which accompanies this Offer forms part of it. The requirements of the Acceptance Form must be observed in accepting this Offer in respect of any IPN Shares held in an Issuer Sponsored Holding. Acceptance of this Offer for IPN Shares held in an Issuer Sponsored Holding will be effective only when (subject to **clause 5.3(h)**), the properly completed Acceptance Form (together with any document required by the instructions on the Acceptance Form) have been received at the address specified **clause 5.3(d)**.

Discretion of Primary

(h) Despite **clause 5.3(c), (d), (e) and (g)** above, Primary may in its discretion treat any Acceptance Form received before the end of the Offer Period (at the address specified in **clause 5.3(d)** or such other address as may, in its absolute discretion, be acceptable to Primary as valid or waive any requirement of **clause 5.3(c), (d), (e) and (g)** in any case, and the payment of the consideration in accordance with an Offer will not be made until any irregularity has been resolved or waived and any other documents required to procure registration have been received by Primary.

6. PAYMENT OF THE CONSIDERATION FOR YOUR SHARES

6.1 Time for payment

Subject to **clause 6.3**, Primary will provide the consideration for your IPN Shares by whichever of the following periods ends earlier:

(a) one month after the Offer is accepted or, if the Offer is subject to a defeating condition when accepted, within one month after the contract resulting from acceptance of the Offer becomes unconditional;

(b) 21 days after the end of the Offer Period.

6.2 Method of payment

A cheque in Australian currency for the cash amount to which you are entitled by accepting this Offer will be posted to you by prepaid ordinary mail or, in the case of an address outside Australia, by prepaid airmail, to the address shown on the Acceptance Form.

6.3 If additional documents are required from you

Where the Acceptance Form requires an additional document to be given with your acceptance (such as a power of attorney):

(a) if that document is given with your acceptance, Primary will provide the consideration in accordance with **clause 6.1**;

(b) if that document is given after acceptance and before the end of the Offer Period while the Offer is subject to a defeating condition, Primary will provide the consideration by the end of whichever of the following period ends earlier:

   (i) within one month after the contract resulting from acceptance of the Offer becomes unconditional;

   (ii) 21 days after the end of the Offer Period;

(c) if that document is given after acceptance and before the end of the Offer Period while the Offer is not subject to a defeating condition, Primary will provide the consideration by the end of whichever of the following periods ends earlier:

   (i) one month after the document is given;

   (ii) 21 days after the end of the Offer Period;

(d) if the document is given after the end of the Offer Period, Primary will provide the consideration within 21 days after that document is given.

6.4 Proscribed persons (anti-terrorism measures)

If you are a person who is proscribed under the Charter of the United Nations (Terrorism and Dealing with Assets) Regulations 2002 (Cth) acceptance of the Offer will not create or transfer to you any right (contractual or contingent) to receive the consideration specified in the Offer unless and until you obtain the written permission of the Commonwealth Minister for Foreign Affairs under those Regulations. The lists of proscribed persons are available on the website of the Commonwealth Department of Foreign Affairs and Trade at www.dfat.gov.au/icat/.freezing_terrorist_assets.html.

6.5 Rights attaching to your shares

It is a term of this Offer that Primary will be entitled to all Rights which arise or accrue after 6 June 2004 in respect of IPN Shares which Primary acquires pursuant to this Offer. You must give to Primary all documents necessary to vest title to those Rights in Primary, or otherwise give Primary the benefit or value of those Rights. If you do not do so before Primary has provided the consideration to you, Primary will be entitled to deduct from the consideration otherwise due to you the amount or value (as reasonably assessed by Primary) of such Rights.

7. THE EFFECT OF ACCEPTANCE

It is a term of this Offer that by signing and returning an Acceptance Form in accordance with **clause 5.3** or initiating acceptance of this Offer in accordance with **clause 5.3(c)**, you will or will be deemed to have:

(a) accepted this Offer (subject to its terms and conditions) in respect of all of your IPN Shares;

(b) subject to the Offer being declared free from the conditions in **clause 9.1** or such conditions being fulfilled or waived, agreed to transfer all of your IPN Shares to Primary for the consideration specified in this Offer;

(c) represented and warranted to Primary that each of your IPN Shares is one of the type and number of IPN Shares as defined in **clause 11.1**, that you have the right and power to transfer those IPN Shares to Primary and that such IPN Shares and any Rights will be transferred to Primary, free from all mortgages, charges, liens, encumbrances or third party interests (whether legal or equitable) of any kind;

(d) authorised Primary (by its directors, servants or agents) to complete on the Acceptance Form correct details of your IPN Shares, fill in any blanks remaining on the Acceptance Form and rectify any error in or omission from such Acceptance Form as may be necessary to make the Acceptance Form an effective acceptance of this Offer and transfer your IPN Shares to Primary;

(e) if your IPN Shares are in a CHESS Holding and you sign and return the Acceptance Form in accordance with **clause 5.3(c)** (which you are not bound, but are requested, to do), irrevocably authorised and directed Primary (by its directors, servants, or agents) to:

    (i) instruct your Controlling Participant to initiate acceptance of this Offer in respect of those IPN Shares which are in a CHESS Holding in accordance with the ASTC Settlement Rules (if you have not already done so); and

    (ii) give any other instructions in relation to those IPN Shares to your Controlling Participant on your behalf under the sponsorship agreement between you and the Controlling Participant, as determined by Primary acting in its own interests as a beneficial owner and intended registered holder of those IPN Shares;

(f) if at the time of acceptance of the Offer, your IPN Shares are in a CHESS Holding, with effect from the time that the Offer is declared free from the conditions in **clause 9.1** or such conditions are fulfilled or waived, have authorised Primary to cause a message to be transmitted to ASTC in accordance with ASTC Settlement Rule 14.17 so as to transfer those IPN Shares to the Takeover Transferee Holding of Primary. Primary shall be so authorised even though at the time of such transfer, Primary has not paid the consideration due to you under the Offer;

(g) agreed to indemnify Primary in respect of any claim or action against it or any loss, damage or liability, whatsoever incurred by it as a result of you not producing your holder identification number or in consequence of the transfer of your IPN Shares being registered by IPN without production of your holder identification number for your IPN Shares;

(h) with effect from the time that the Offer is declared free from the conditions in **clause 9.1** or such conditions are fulfilled or waived, appointed Primary and each of its directors and company secretaries from time to time, jointly and severally, as your attorney for you and on your behalf to:

  (i) attend and vote in respect of all of your IPN Shares at any and all general meetings of IPN; and

  (ii) execute all forms, notices, instruments (including instruments appointing a director or company secretary of Primary as a proxy in respect of all of your IPN Shares) and resolutions relating to your IPN Shares and generally to exercise all powers and rights which you may have as the registered holder of your IPN Shares,

  and agreed that in exercising the powers conferred by that power of attorney any such director or company secretary may act in the interests of Primary as the beneficial owner and intended registered holder of the IPN Shares specified in the Acceptance Form;

(i) agreed not to attend or vote in person at any general meeting of IPN or to exercise or purport to exercise any of its powers conferred on Primary (or its directors or company secretaries) in **paragraph (h)** above;

(j) subject to the Offer being declared free from the conditions in **clause 9.1** or such conditions being fulfilled or waived, irrevocably authorised and directed IPN to pay to Primary, or to account to Primary for all Rights which arise after 6 June 2004, subject however to any such Rights received by Primary being accounted to you in the event the Offer is withdrawn or the contract resulting from your acceptance of this Offer is rendered void under **clause 9.5**;

(k) except where Rights have been paid or accounted for under **paragraph (j)** above, irrevocably authorised Primary to deduct from the consideration payable in respect of your IPN Shares, the cash amount of any Rights paid to you or, where the Rights take a non-cash form, an amount equal to the value of the Rights as reasonably assessed by Primary;

(l) agreed to execute all such documents, transfers and assurances that may be necessary or desirable to convey your IPN Shares and any Rights to Primary, subject to the Offer being declared free of the conditions in **clause 9.1** or such conditions being fulfilled or waived.

8. NO STAMP DUTY OR BROKERAGE

All costs and expenses of the preparation, despatch and circulation of this Offer and all other Offers and the Bidder's Statement, and the stamp duty payable on the transfer of IPN Shares as a result of an acceptance of an Offer, will be paid by Primary. As long as your IPN Shares are registered in your name and you deliver them directly to Primary, you will not incur any brokerage or other transaction fees in connection with your acceptance of this Offer. If you hold your IPN Shares through a bank, broker or other nominee, you should ask your bank, broker or other nominee whether it will charge any transaction fees or service charges in connection with your acceptance of this Offer.

9. DEFEATING CONDITIONS (PRESCRIBED OCCURRENCES ONLY)

9.1 Prescribed occurrences

Subject to **clause 9.2**, this Offer and the contract resulting from acceptance of this Offer are subject to the conditions that none of the following events (as described in section 652C(1) and (2) of the Corporations Act) occurs during the period beginning at the start of 7 June 2004 and ending at the end of the Offer Period:

(a) IPN converts all or any of its shares into a larger or smaller number of shares;

(b) IPN or a subsidiary resolves to reduce its share capital in any way;

(c) IPN or a subsidiary:

  (i) enters into a buy-back agreement; or

  (ii) resolves to approve the terms of a buy-back agreement under subsection 257C(1) or 257D(1) of the Corporations Act;

(d) IPN or a subsidiary issues shares, or grants an option over its shares, or agrees to make such an issue or grant such an option;

(e) IPN or a subsidiary issues, or agrees to issue, convertible notes;

(f) IPN or a subsidiary disposes, or agrees to dispose, the whole, or a substantial part, of its business or property;

(g) IPN or a subsidiary charges, or agrees to charge, the whole, or a substantial part, of its business or property;

(h) IPN or a subsidiary resolves to be wound up;

(i) a liquidator or provisional liquidator of IPN or of a subsidiary is appointed;

(j) a court makes an order for the winding up of IPN or of a subsidiary;

(k) an administrator of IPN, or of a subsidiary, is appointed under section 436A, 436B or 436C of the Corporations Act;

(l) IPN or a subsidiary executes a deed of company arrangement;

(m) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of IPN or of a subsidiary.

9.2 Notice declaring Offers free from conditions

It is a term of this Offer that Primary may, subject to section 650F of the Corporations Act, declare this Offer and all other Offers and all contracts resulting from acceptance of Offers to be free from the conditions (or any one or more of them or any part thereof) set out in **clause 9.1**. Any declaration made under this **clause 9.2** shall be made by Primary by notice in writing to IPN. This notice may be given not later than 3 business days after the end of the Offer Period.

9.3 Notice of status of defeating conditions

The date specified for giving the notice referred to in section 630(3) of the Corporations Act is , subject to extension in accordance with section 630(2) of the Corporations Act if the Offer Period is extended in accordance with the Corporations Act.

9.4 Conditions subsequent

The conditions contained in **clause 9.1** are conditions subsequent. The breach or non-fulfilment of any of the conditions in **clause 9.1** does not prevent a contract to sell your IPN Shares resulting from your acceptance of this Offer, but entitles Primary by written notice to you, to rescind the contract resulting from your acceptance.

9.5 Contract void if conditions not fulfilled

If:

(a) any of the conditions in **clause 9.1** are not fulfilled at the end of the Offer Period; and

(b) Primary has not declared the Offers to be free from that condition by no later than 3 business days after the end of the Offer Period,

then all contracts resulting from the acceptances of the Offer and all such Offers that have been accepted and from whose acceptances binding contracts have not yet resulted will be void. In that event, Primary will, if you have accepted the Offer:

(i) return at your risk your Acceptance Form together with all documents forwarded by you with that form to your address as shown in the Acceptance Form; or

(ii) if your IPN Shares are in a CHESS Holding, notify ASTC of the lapse of the Offer in accordance with ASTC Settlement Rule 14.19.

9.6 For benefit of Primary

Primary alone shall be entitled to benefit from the conditions in **clause 9.1** and any breach or non fulfilment of such conditions may be relied on only by Primary.

10. OTHER TERMS

10.1 Variation of the Offer

Primary reserves the right to vary this Offer in accordance with the Corporations Act.

10.2 Withdrawal of the Offer

Primary may withdraw this Offer with the written consent of the Commission, which consent may be subject to conditions.

11. INTERPRETATION

11.1 Definitions

In this Offer, unless the contrary intention appears:

"**Acceptance Form**" means the Acceptance Form which accompanies this Offer, and forms part of this Offer.

"**ASTC**" means ASX Settlement and Transfer Corporation Pty Ltd (ACN 008 504 532) which operates and administers the CHESS system.

"**ASTC Settlement Rules**" means the operating rules of ASTC which govern the settlement of transactions and duties of issuers of quoted securities and quoted rights.

"**ASX**" means Australian Stock Exchange Limited (ACN 008 624 691).

"**the Bidder's Statement**" means the Bidder's Statement by Primary in relation to the Off-Market Bid.

"**Business Day**" means any day which is not a Saturday, Sunday, or public holiday throughout New South Wales.

"**CHESS**" means the Clearing House Electronic Subregister System operated by ASTC for the purpose of the electronic settling of transactions in, transferring of, and registering of securities quoted on ASX.

"**CHESS Holding**" has the meaning set out in the ASTC Settlement Rules.

"**the Commission**" means Australian Securities and Investments Commission.

"**Controlling Participant**" has the meaning given in the ASTC Settlement Rules.

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

"**IPN**" means Independent Practitioner Network Limited (ACN 083 519 377), a company incorporated in Australia and taken to be registered in Western Australia and having its registered office at Level 1, 37-41 Oxford Street, Epping NSW 2121.

"**IPN Shares**" means all or any of the fully paid ordinary shares in the capital of IPN which exist as at 7.00 pm Sydney time on 9 June 2004, being the date set by Primary under section 633(2) of the Corporations Act in the Bidder's Statement (such shares comprising, to the best of the knowledge and belief of Primary at the date of the Bidder's Statement, a total of 971,503,373 fully paid ordinary shares in IPN on issue as at the date of the Bidder's Statement).

"**Issuer Sponsored Holding**" means a holding of IPN Shares on the issuer sponsored subregister of IPN.

"**the Off-Market Bid**" or "**the Bid**" means the off-market bid of Primary in respect of all of the IPN Shares.

"**this Offer**" means the offer to acquire IPN Shares set out in this document.

"**Offers**" means the several like offers to acquire IPN Shares to be made by Primary under the Off-Market Bid.

"**Offer Period**" means the period during which the Offers remain open for acceptance.

"**Primary**" means Primary Health Care Limited (ACN 064 530 516), a company incorporated in Australia and taken to be registered in Victoria and having its registered office at 30-38 Short Street, Leichhardt NSW 2040.

"**Rights**" means all rights, entitlements and accretions attaching or accruing to or arising, directly or indirectly, from IPN Shares after 6 June 2004, including, without limitation, all rights to receive dividends and other distributions and all entitlements to subscribe for or receive shares or other securities.

11.2 Interpretation

In this Offer:

(a) words or phrases to which a meaning is given by the Corporations Act, the Listing Rules of ASX or the ASTC Settlement Rules have the same meaning when used in this Offer, unless that meaning is inconsistent with the context in which the word or phrase is used;

(b) references to clauses are to clauses in this Offer;

(c) headings are for ease of reference only and do not affect the meaning or interpretation of this Offer;

(d) singular includes plural and vice versa and words importing any gender include all other genders;

(e) a reference to a person includes a reference to a corporation or other entity;

(f) references to "dollars" or "$" or "cents" or "c" are references to Australian currency.

This Offer is dated

SIGNED for and on behalf of **PRIMARY HEALTH CARE LIMITED:**

Director

Acceptance Form

This is an important document. If you are in doubt as to how to complete this form please consult your financial or other professional adviser immediately or telephone Computershare Investor Services Pty Ltd on 1300 368 403.

Use this form to accept Primary Health Care Limited's (ACN 064 530 516) offer to acquire all of your Shares in Independent Practitioner Network Limited (ACN 083 519 377) ("IPN").

1. Your details

SRN/HIN

Number of IPN Shares you hold

consideration/cash

If any of the above details are incorrect, please amend them and initial the alterations.

If your IPN Shares are held on the Issuer Sponsored Subregister (denoted by the fact that your holder number shown above begins with an "I") please read overleaf and then sign in the space provided at the bottom of this page.

2. Acceptance

By accepting the Offer, you are accepting for ALL of your IPN Shares.

You cannot accept the Offer for only part of your holding of IPN Shares.

3. Write your Broker details (or other CHESS Sponsor)

If your IPN Shares are held on the CHESS Subregister (check your details above), to accept this Offer you can:

*Contact your Broker - (you do not need to, but may, return this form – see clause 5.3(c) of the Offer)

OR

* If you want us to contact them on your behalf, write their details here and sign and return this form

Broker details for CHESS Subregister only

Name

Address

4. Sign here

I/We, the person(s) named above, being the holder(s) of the IPN Shares accept the Offer in respect of all of my/our IPN Shares and hereby agree to transfer to Primary Health Care Limited the IPN Shares for the consideration specified in the Offer and agree to be bound by the terms and conditions of the Offer, including my/our representations, warranties and agreements set out in clause 7 of the Offer.

If this form is signed under Power of Attorney, the Attorney declares that he has no notice of revocation of that power.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Director	Director/Company Secretary	Sole Director and Sole Company Secretary

Day / Month / Year

Please provide a telephone number so that we can contact you if we have any questions about this Acceptance Form: Telephone Number:

You must complete, sign and return this Acceptance Form to one of the addresses shown overleaf BEFORE the Offer closes. Your acceptance must be received by no later than 7.00 pm Sydney time on (unless the Offer is withdrawn or extended).

HOW TO ACCEPT THE OFFER

Your acceptance must be received by no later than 7.00 pm Sydney time on (unless the Offer is withdrawn or extended).

Words used in this Acceptance Form (for example "IPN Shares") have the same meaning as they have in the Offer.

By accepting the Offer, you are accepting for ALL of your Shares.

You cannot accept the Offer for only part of your holding of IPN Shares.

Sign and Date the Acceptance Form

- ***Joint Shareholders***: All of you must sign this Form.
- ***Companies***: execution by a company must be:
  (a) if it has a sole director who is also sole secretary, by that director;
  (b) in the case of any other company, by either 2 directors or a director and secretary.

The use of the common seal of the company, in addition to those required signatures, is optional.

- ***Power of Attorney and Deceased Estate***: If this form is signed under power of attorney, or by the executors of a deceased estate, or by the administrators, the relevant power of attorney, probate or letters of administration, together with any other documents required by law, must be attached.

IF YOU HAVE ACCEPTANCE PROCEDURES ENQUIRIES YOU MAY CONTACT COMPUTERSHARE INVESTOR SERVICES PTY LIMITED.

Telephone: 1300 368 403

PLEASE COMPLY WITH THIS SECTION IF YOU HAVE RECENTLY BOUGHT OR SOLD INDEPENDENT PRACTITIONER NETWORK LIMITED SHARES

IF YOU HAVE SOLD all of your IPN Shares, please send this Form, unsigned, to the broker who acted on your behalf.

IF YOU HAVE SOLD part of your IPN Shares recently or **IF YOU HAVE BOUGHT** IPN Shares recently, please amend the number of IPN Shares held by you on the Acceptance Form, initial the amendment and write the name, address and telephone number of your broker in the space provided below.

Broker's Name:

Address:

Telephone:

RETURN THE FORM AND ANY OTHER DOCUMENTS BY:

posting it, using the reply paid envelope enclosed, to:
COMPUTERSHARE INVESTOR SERVICES PTY LTD
GPO BOX 7045
SYDNEY NSW 1115

OR

delivering it to:
COMPUTERSHARE INVESTOR SERVICES PTY LIMITED
LEVEL 3
60 CARRINGTON STREET
SYDNEY NSW 2000

Primary Health Care Limited
ACN (064 530 516)
30 – 38 Short Street
LEICHHARDT NSW 2040

8 June 2004

Independent Practitioner Network Limited
Level 1
37-41 Oxford Street
EPPING NSW 2121

Attention: Lesley Fiona Kennedy, Company Secretary

Dear Ms Kennedy

PRIMARY HEALTH CARE LIMITED BID FOR INDEPENDENT PRACTITIONER NETWORK LIMITED SHARES: SHAREHOLDER INFORMATION

Primary Health Care Limited (ACN 064 530 516) ("**Primary**") on 8 June 2004 gave its Bidder's Statement to Independent Practitioner Network Limited (ACN 083 519 377) ("IPN").

Pursuant to section 641 of the Corporations Act 2001 (Cth), Primary requests IPN to:

(a) inform Primary of the name and address of each person who, at 7.00 pm Sydney time on 9 June 2004, held fully paid ordinary shares in the capital of IPN, the number of such shares held by the person at that date and the HIN or SRN for each such person; and

(b) give the information so requested in (a) to Primary at 30-38 Short Street, Leichhardt, NSW 2040:

  (i) in balance export tape format; or

  (ii) in writing if IPN is unable to comply with (b)(i).

IPN must give the information to Primary by the end of 10 June 2004.

Enclosed is our cheque in your favour in the sum of $400, being more than the maximum amount that you may charge as a fee for the provision of the information.

Yours faithfully

Andrew Duff
Company Secretary
Encl