

26 July 2004

Dear Shareholder,

Increased unconditional offer from Sonic Healthcare

**Terms of Sonic Proportional Offer improve to
8.5 cents per share for 2 out of every 3 shares in IPN**

**IPN Board unanimously recommends acceptance of the revised
Sonic Proportional Offer, in the absence of a superior offer**

**IPN Directors will now accept the revised Sonic Proportional Offer for their
personal shareholdings**

**Do not accept the Primary Offer. Shareholders are advised Primary has now
accepted the Sonic Proportional Offer**

On 22 July 2004, Sonic Healthcare ("Sonic") announced that, in the event that, on or before 16 August 2004, Sonic has voting power in Independent Practitioner Network ("IPN") of at least 28%, Sonic would promptly move to:

- Increase the offer price per IPN share subject to the Sonic Proportional offer from 8 cents to 8.5 cents cash consideration; and
- Waive all conditions to the Sonic Proportional Offer.

On 23 July 2004 Sonic announced that its voting power in IPN was greater than 28% and accordingly the **Sonic Proportional Offer is now unconditional and the offer price is increased** to 8.5 cents cash consideration per IPN share for two out of every three IPN shares held by IPN shareholders.

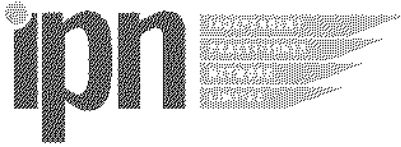
Primary Health Care ("Primary") confirmed on 23 July 2004 that it has accepted the Sonic Proportional Offer. Allard Partners, which held a 12.19% shareholding in IPN, has also accepted the Sonic Proportional Offer. Sonic has advised its current voting power in IPN is 34.49%.

The IPN Board unanimously recommends that IPN shareholders accept the Sonic Proportional Offer in the absence of a superior offer. A superior offer is considered unlikely.

ABN 13 083 519 377

Corporate Services Level 1, 37 Oxford Street, Epping NSW 1710. PO Box 80, Epping NSW 1710.

TELEPHONE 02 8876 3888. **FINANCE HELPDESK** 1300 303 244. **FACSIMILE** 02 8876 3899. **WEB** www.ipnet.com.au



Your Directors intend to accept the Sonic Proportional Offer in respect of their personal shareholdings now.

The IPN Board unanimously recommends that you reject the Primary Offer. The Primary Offer is scheduled to close at 7:00pm on 27 July 2004, unless extended.

The Sonic Proportional Offer is scheduled to close at 7:00pm on 16 August 2004, unless extended. The Sonic Proportional Offer is now unconditional and, if you do accept the Sonic Proportional Offer, payment of the offer consideration will occur within one month of acceptance. If you decide to accept the Sonic Proportional Offer you should ensure you provide sufficient time for your acceptance to be received and processed by Sonic before the scheduled closing date.

The Sonic Proportional Offer extends to the entire shareholding of IPN shareholders who will hold less than \$500 worth of IPN shares after accepting the Sonic Proportional Offer. IPN estimates that over 50% of its shareholders by number have the opportunity to accept 8.5 cents per share for their entire IPN shareholding.

If you are not sure whether you will hold less than \$500 worth of IPN shares after accepting the Sonic Proportional Offer, you may consult with your financial adviser or call Sonic's Information Line on 1800 102 439 or +613 9415 4000 if you are calling from outside Australia. You should also call the Sonic Information Line if you wish to obtain a replacement acceptance form.

You should consider the matters outlined in the IPN Target's Statement previously sent to you, including the current financial position of IPN, in making your decision in relation to your IPN shareholding. If you have any questions, or if you wish to sell your IPN shareholding on market or sell your residual IPN shareholding on market after accepting the Sonic Proportional Offer, you should consult with your financial adviser.

IPN will keep you informed of any further material developments as they arise.

IPN is being advised by UBS AG.

Yours sincerely,

Ralph Shreeve
Managing Director

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