



28 December 2005

Manager, Company Announcements Office
Australian Stock Exchange Limited
Level 4, Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

INSURANCE AUSTRALIA GROUP LIMITED ('IAG')

NOTICE OF CEASING TO BE A SUBSTANTIAL SHAREHOLDER

Please find attached Form 605, Notice of ceasing to be a substantial holder. This form is being lodged in relation to holdings in KORVEST Limited held by the registered holder, IAG Nominees Pty Limited, a subsidiary of IAG.

Yours sincerely

Glenn Revell
Company Secretary

Attachment (4 pages)



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Form 605Corporations Act 2001
Section 671B**Notice of ceasing to be a substantial holder**To Company Name/Scheme **Korvest Limited**ACN/ARSN **ACN 007 698 106****1. Details of substantial holder (1)**Name **Insurance Australia Group Limited and its subsidiaries (also see Annexure marked 'A')**ACN/ARSN (if applicable) **ACN 090 739 923**The holder ceased to be a substantial holder on **22/Dec/2005**The previous notice was given to the company on **04/Feb/2004**The previous notice was dated **04/Feb/2004****2. Changes in relevant interests**

Particulars of each change in, or change in the nature of, a relevant interest (2) of the substantial holder or an associate (3) in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (4)	Consideration given in relation to change (5)	Class (6) and number of securities affected	Person's votes affected
See annexure 'B' to this notice.					

3. Changes in association

The persons who have become associates (3) of, ceased to be associates of, or have changed the nature of their association (7) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association

4. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Insurance Australia Group Limited and its Australian subsidiaries	Level 26, 388 George Street, Sydney NSW 2000

Signature

print name Glenn Revell

capacity Secretary

sign here

Glenn Revell

date 28/December/2005

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 4 of the form.
- (2) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (3) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (4) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (5) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (6) The voting shares of a company constitute one class unless divided into separate classes.
- (7) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

This is **Annexure marked 'A'** referred to in Form 605, Notice of Ceasing to be a Substantial Holder of Korvest Limited dated 28 December 2005.

The following are associates (as defined in s9 of the Corporations Act 2001) of Insurance Australia Group Limited:

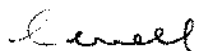
The related body corporates below hold the relevant interests by virtue of investment management agreements with IAG Asset Management Limited:

- Insurance Manufacturers of Australia Pty Limited
- CGU Insurance Limited
- IAG & NRMA Superannuation Pty Limited
- Insurance Australia Limited

Other related body corporates:

- IAG Asset Management Limited (Investment Manager)
- IAG Nominees Pty Limited (Custodian)

This is the Annexure marked "B" referred to in Form 605 lodged by Insurance Australia Group Limited signed by me and dated 28 December 2005.



Glenn Revell
Secretary

Date of Change	Registered Holder of Securities	Nature of change	Consideration given in relation to change	Class and Number of Securities Held	Person's Vote affected
22 December 2005	IAG Nominees Pty Limited	Sale of Ordinary Shares (Fully Paid)	\$1,442,686.23	Original Holding: 782,533 New Holding: 405,022	377,511