



ANNOUNCEMENT TO THE ASX

Telstra and IBA to create a strategic eHealth alliance to connect Australia

Sydney, 14 September 2004 – IBA Health Limited (ASX:IBA) the Australian-based eHealth company together with Telstra, Australia's Leading Telecommunications company announced today the intention to create a strategic alliance to be their primary and preferred solution vehicle for transaction and financial services being delivered to the Australian Healthcare sector.

The objective of this strategic alliance is to change the way health IT is delivered in Australia.

IBA Health and Telstra will develop and market essential connectivity applications for the health sector that will result in positive changes for providers and consumers alike.

This will include:

- Web-based healthcare applications and services that allow health professionals to securely share patient information and clinical data across the community
- Applications that will enable the creation of electronic patient records
- Web based claiming and billing solutions for GP's, Hospitals, Allied Health and Pharmacies with the Private Health Funds and the HIC.

IBA Health and Telstra have leading positions in the Australian health IT and telecom sectors respectively. The alliance will capitalise on both parties' strengths in their respective markets and will grow combined market share and penetration of services faster than on their own. The alliance will improve the quality and range of services available to the health sector.

Gary Cohen, the Executive Chairman of IBA said "The creation of this alliance with Telstra is an important step towards delivering the Australian eHealth vision, including Health Connect. This is a very exciting development on the back of the recent alliance with Kodak and is further validation of IBA's position as the best placed company in Australia to lead the way on the implementation of electronic patient records."

Graham Mirabito, the Director of Products, Services Solutions for Telstra said "The alliance forms part of a broader strategy for Telstra in the Health and Government sector where new innovations are being developed through our eBusiness subsidiary in answer to industry needs".

Steve Garrington, CEO of IBA said "E-health is a priority for Australia and the healthcare industry. The recent broadband initiative makes IBA and Telstra ideal providers of solutions and services that improve information and reduce costs—resulting in greater efficiencies and improved patient care".

End of Release

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About Telstra eBusiness Services

Telstra eBusiness Services is part of Telstra's Business and Government division. It designed, built and administers Sunrise® Exchange, the multi award winning insurance industry's technology platform which links intermediaries and major insurers.

Telstra eBusiness Services has a strategic role in providing end-to-end technology solutions for a range of industry verticals including Health.

About IBA Health

IBA Health Limited (ASX:IBA) is the largest health information technology company listed on the Australian stock exchange. IBA Health's business comprises

- eHealth Solutions – the sale, installation and maintenance of IT solutions to healthcare providers – Hospitals, Clinics, GP's Community & Aged Care
- eHealth Network - transactional revenue from the transfer of information and payments between healthcare participants.

IBA Health designs and delivers solutions for the administration, clinical and financial management of healthcare organisations and practitioners across the health sector.

IBA Health's products are designed for Australian and international markets. IBA Health has a global alliance with Eastman Kodak for the distribution and ongoing development of its products.

IBA Health solutions are transforming the delivery of healthcare in:

- 250 acute care facilities worldwide
- 60% of Private Hospitals in Australia
- 33 Public Hospitals in Australia
- 30% of Public Hospitals in New Zealand
- 50% of hospitals, clinics and specialist centres in Singapore
- 24 Health Facilities in the Middle East
- 24 NHS hospitals in the United Kingdom
- 170 locations across the Australian Defence Force use IBA Health's Electronic Health Record (EHR) to manage the health of 50,000 defence personnel across the Defence Network
- 5000 Australian Primary care providers
- 300 Australian facilities across Aged and Community care

IBA's eHealth Network, the largest in the Southern Hemisphere, carries 75% of electronically lodged MedClaims between General, Specialist and Allied Health professionals and the HIC and 1.4 million transactions to Private Health Funds. In addition to transmitting financial messages IBA Health transmits clinical data between the community of care providers.

Established in Australia in 1982, IBA Health continues to be at the forefront of development of information systems designed to enable collaboration and communication to improve the quality and efficiency of care.

For more information on IBA Health, please visit the company's website at www.ibatech.com.