

ASX announcement: Calliden Group Limited (CIX)

25 October 2010

Settlement with Australian Unity Limited

The Chief Executive Officers of the Calliden Group (“**Calliden**”) and Australian Unity Limited (“**Australian Unity**”) are pleased to announce today that the parties have reached a commercial settlement in relation to the dispute the subject of the Supreme Court of New South Wales proceedings which Calliden commenced against Australian Unity on 19 May 2008.

The proceedings concerned the actuarial valuations undertaken pursuant to a Share Sale Deed whereby Calliden purchased the general insurance business of Australian Unity (operated by Australian Unity General Insurance Limited and Mansions of Australia Limited) in July 2007.

Australian Unity has paid an amount to Calliden of approximately \$3.4m in full and final settlement of the dispute.

This settlement sum will be treated as profit and given the provisions already in Calliden’s accounts it will have a \$3m positive impact on the 2010 full year financial result. \$550k was recognised in the first half and the remainder \$2.5m will be recognised in the second half.

The specific terms of the settlement will remain confidential.

For further information please contact:

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About the Calliden group

Calliden is an ASX listed Australian general insurer providing insurance for personal customers and small to medium enterprises sourced primarily through professional insurance intermediaries. For further information please visit www.calliden.com.au