

Statement by Tony McGrath, Provisional Liquidator of HIH Insurance Limited and 16 related entities

Dated 10 May 2001

Legal representatives for the provisional liquidators of HIH appeared in the Supreme Court at 11am today and, at their request, the winding up proceedings were referred to the Corporations List Judge on Monday 14 May 2001 for directions. On that day, the provisional liquidators intend to ask the court to adjourn the winding up proceedings for a further period.

Following the directions hearing on Monday, it is our intention to provide a further press release detailing the proposed course of action and timetable over the coming months.

As detailed in our press release of 11 April 2001 (copy attached) it will be many months before we are able to give detailed reports on the financial position of each of the HIH Companies to the Courts.

However, we are in the process of preparing interim reports and are preparing to meet and report to major creditor groups by 31 May 2001. It is in that timeframe that we will be able to provide a better view of the financial position of each of the HIH companies.

In the interim we are continuing to assist the Federal Government Task Force and expect to be able to provide further detailed information to the Task Force by 25 May 2001.

Tony McGrath
Provisional Liquidator

