Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Praemium Limited

ABN

74 098 405 826

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	A. Ordinary shares B. Performance Rights
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	A. 1,883,777 Ordinary Shares B. 350,000 Performance Rights
3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	Securities issued pursuant to Praemium Directors & Employee Benefits Plan comprising: A. Fully paid ordinary shares, issued to senior management and executive staff on vesting of Performance Rights; B. Performance Rights, each entitling the holder to one fully paid ordinary share on conversion. Conversion is subject to the satisfaction of KPIs and subject to continued employment. Conversion dates are 30 October 2011 (as to 50%) and 30 October 2012 (as to 50%)

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	A. Yes. The new ordinary shares will rank equally with the existing ordinary shares on issue traded under ticker code PPS. B. Ordinary shares issued on conversion of Performance Rights (if any) will rank equally in all respects from the date of conversion.
5	Issue price or consideration	A. Nil. Shares were issued on vesting of Performance Rights; B. Nil. The number of Performance Rights (if any) that will convert to fully paid ordinary shares on conversion date depends on the extent to which the directors are satisfied that individual and company KPIs set for each recipient are met in the relevant salary year.
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	To reward and incentivise employees in accordance with the Praemium Directors & Employees Benefits Plan.
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	29 October 2010

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the securities in clause 2 if applicable)	**210,453,514**	**208,569,737** - existing fully paid ordinary shares, plus 1,883,777 new fully paid ordinary shares under the Praemium Employee & Directors Benefits Plan (as set out in clause 2)

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (*including* the securities in clause 2 if applicable)	**4,623,953**	2,223,953 existing vested and not vested options having various exercise prices as set out in Attachment A, plus 2,050,000 existing and 350,000 new performance rights, as set out in Attachment A

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No change in dividend policy

+ See chapter 19 for defined terms.

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	
	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	

+ See chapter 19 for defined terms.

24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	
25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements *in full* through a broker?	
31	How do +security holders sell *part* of their entitlements through a broker and accept for the balance?	
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	
33	+Despatch date	

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(*tick one*)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

+ See chapter 19 for defined terms.

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought	
39	Class of +securities for which quotation is sought	

+ See chapter 19 for defined terms.

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

42 Number and +class of all +securities quoted on ASX (*including* the securities in clause 38)

Number	+Class

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

- There is no reason why those +securities should not be granted +quotation.

- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Cathryn Nolan

Sign here: (Company secretary) Date: 8 November 2010

Print name: Cathryn Nolan

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+ See chapter 19 for defined terms.

Attachment A

Part 1, Question 9

ESP Code	Discription	Issue Date	Expiry/vesting Date	Issue Price	No on register 22/3/10 (date of last 3B)	Expired / Cancelled / Lapsed / failure to vest	Vested/ Exercised	Allocations	Balance as at 1/11/2010
ESOSAUS	Options – exercisable for $0.30c expiring 30 December 2010	31/12/2008	31/12/2010	$0.300	716,667				716,667
ESOSAUS	Options – exercisable for $0.35c expiring 30 December 2011	31/12/2008	31/12/2011	$0.350	62,286				62,286
ESOSAUS	Options – exercisable for $0.30 expiring 30 September 2010	10/10/2008	30/09/2010	$0.300	914,624	914,624			-
ESOSAUS	Options – exercisable for $0.155 expiring 30 September 2011	15/03/2010	30/09/2011	$0.155	920,000	50,000			870,000
ESOSUK	Options – exercisable for $0.30 expiring 30 September 2010	10/10/2008	30/09/2010	$0.300	578,672	578,672			-
ESOSUK	Options – exercisable for $0.165 expiring 30 September 2011	31/12/2009	30/09/2011	$0.165	520,000	80,000			440,000
PPSUOPT	Options – exercisable for $0.78 expiring 11 May 2010	5/05/2006	11/05/2010	$0.780	297,000	297,000			-
PPSUOPT	Options – exercisable for $0.78 expiring 11 May 2010	9/05/2006	11/05/2010	$0.780	189,000	189,000			-
PPSUOPT	Options – exercisable for $1.32 expiring 07 August 2010	13/03/2008	7/08/2010	$1.320	135,000	135,000			-
PPSUOPT	Options – exercisable for $1.67 expiring 07 August 2011	13/03/2008	7/08/2011	$1.670	135,000				135,000
					4,468,249	2,244,296		0	2,223,953
	Performance Rights - nil exercise price Tranch 1 - expire/vest 30/10/10	15/03/2010	30/10/2010	nil	2,000,000	216,223	1,783,777		-
	Performance Rights - nil exercise price Tranch 2 - expire/vest 30/10/11	15/03/2010	30/10/2011	nil	1,000,000	25,000			975,000
	Performance Rights - nil exercise price Tranch 3 - expire/vest 30/10/12	15/03/2010	30/10/2012	nil	1,000,000	25,000			975,000
	Performance Rights - nil exercise price Tranch 4 - expire/vest 30/10/10	1/06/2010	30/10/2010	nil			100,000	100,000	
	Performance Rights - nil exercise price Tranch 5 - expire/vest 30/10/11	1/06/2010	30/10/2011	nil				50,000	50,000
	Performance Rights - nil exercise price Tranch 6 - expire/vest 30/10/12	1/06/2010	30/12/2012	nil				50,000	50,000
	Performance Rights - nil exercise price Tranch 7 - expire/vest 30/10/11	29/10/2010	30/10/2011	nil				175,000	175,000
	Performance Rights - nil exercise price Tranch 8 - expire/vest 30/10/12	29/10/2010	30/10/2012	nil				175,000	175,000
					4,000,000	266,223		550000	2,400,000
	Number of securities on issue that are not quoted				**8,468,249**				**4,623,953**