

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 | Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 13,309,867 |
| 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) | Fully paid ordinary shares issued pursuant to private placement of the Company's shares to sophisticated and professional investors. |

+ See chapter 19 for defined terms.

Appendix: Securities that are on issue which are not quoted

- 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
- Yes. The new ordinary shares will rank equally with the existing ordinary shares on issue traded under ticker code PPS.
- 5 Issue price or consideration
- \$0.23 per share.
- 6 Purpose of the issue
(If issued as consideration for the acquisition of assets, clearly identify those assets)
- To fund working Capital;
- 7 Dates of entering +securities into uncertificated holdings or despatch of certificates
- 14 February 2011
- 8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)
- | Number | +Class |
|-------------|---|
| 242,341,611 | 229,031,744 - existing fully paid ordinary shares, plus 13,309,867 new fully paid ordinary shares issued pursuant to a private placement at AUD0.23cents. |

Number	+Class
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+ See chapter 19 for defined terms.

9	Number and +class of all +securities not quoted on ASX (<i>including</i> the securities in clause 2 if applicable)	7,617,285	1,507,286 existing vested and not vested (after adjustments for expiration and cancellation) options having various exercise prices as set out in Attachment A, plus 6,109,999 existing performance rights (including rights structured as EMI options in UK) 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.

Appendix: Securities that are on issue which are not quoted

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 <i>in full</i> through a broker?	
31	How do +security holders sell <i>part</i> 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.

Appendix: Securities that are on issue which are not quoted

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 (<i>including</i> the securities in clause 38)	<table border="1"> <thead> <tr> <th data-bbox="790 1176 1093 1220">Number</th> <th data-bbox="1093 1176 1388 1220">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="790 1220 1093 1444"></td> <td data-bbox="1093 1220 1388 1444"></td> </tr> </tbody> </table>	Number	+Class		
Number	+Class					

+ See chapter 19 for defined terms.

Appendix: Securities that are on issue which are not quoted

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.



Sign here:

(Company secretary)

Date: 14 February 2011

Print name: Cathryn Nolan

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+ See chapter 19 for defined terms.

Attachment A
Part 1, Question 9

ESP Code	Description (All issued pursuant to the Employee & Directors Benefits Plan approved at the Company's AGM in 2008 and amended at the AGM in 2009)	Issue Date	Expiry Date	Issue Price	No on register 7 January 2011 (date of last 3B)	Expired / Cancelled / Lapsed / failure to vest	Vested/ Exercised	Allocations	No on Register on 14 February 2011 (Date of this 3B)
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 \$0.155 expiring 30 September 2011	15/03/2010	30/09/2011	\$0.155	870,000				870,000
ESOSUK	Options – exercisable for \$0.165 expiring 30 September 2011	31/12/2009	30/09/2011	\$0.165	440,000				440,000
PPSUOPT	Options – exercisable for \$1.67 expiring 07 August 2011	13/03/2008	7/08/2011	\$1.670	135,000				135,000
Option Totals					2,223,953	716,667		0	1,507,286
	Performance Rights - nil exercise price Tranch 2 - expire/vest 30/10/11	30/10/2010	30/10/2011	nil	975,000				975,000
	Performance Rights - nil exercise price Tranch 3 - expire/vest 30/10/12	30/10/2010	30/10/2011	nil	975,000				975,000
	Performance Rights - nil exercise price Tranch 5 - expire/vest 30/10/11	29/10/2010	30/10/2011	nil	50,000				50,000
	Performance Rights - nil exercise price Tranch 6 - expire/vest 30/10/11	1/06/2010	30/10/2011	nil	50,000				50,000
	Performance Rights - nil exercise price Tranch 7 - expire/vest 30/10/11	29/10/2010	30/10/2011	nil	100,000				100,000
	Performance Rights - nil exercise price Tranch 8 - expire/vest 30/10/12	29/10/2010	30/10/2012	nil	100,000				100,000
	Performance Rights - nil exercise price Tranch 7 - expire/vest 30/10/11	14/12/2010	30/10/2011	nil	125,000				125,000

Appendix: Securities that are on issue which are not quoted

ESP Code	Description (All issued pursuant to the Employee & Directors Benefits Plan approved at the Company's AGM in 2008 and amended at the AGM in 2009)	Issue Date	Expiry Date	Issue Price	No on register 7 January 2011 (date of last 3B)	Expired / Cancelled / Lapsed / failure to vest	Vested/ Exercised	Allocations	No on Register on 14 February 2011 (Date of this 3B)
	Performance Rights - nil exercise price Tranch 8 - expire/vest 30/10/12	14/12/2010	30/10/2012	nil	125,000				125,000
	Performance rights (EMI Options (UK)) - nil exercise price Tranch 9 - Earliest Vest Date (subject to satisfaction of performance conditions) 6/4/10	23/12/2010	1/12/2020	nil	1,336,668				1,336,668
	Performance rights (EMI Options (UK)) - nil exercise price Tranch 10 - Earliest Vest Date (subject to satisfaction of performance conditions) 30/10/11	23/12/2010	1/12/2020	nil	1,136,667				1,136,667
	Performance rights (EMI Options (UK)) - nil exercise price Tranch 11 - Earliest Vest Date (subject to satisfaction of performance conditions) 30/10/11	23/12/2010	1/12/2020	nil	1,136,664				1,136,664
	Performance Rights Totals:				6,109,999				6,109,999
	Number of securities on issue that are not quoted				8,333,952				7,617,285

+ See chapter 19 for defined terms.



Section 708A(5)(e) Notice

14 February 2011

Praemium Limited (the "**Company**") refers to its announcement on 9 February 2011 regarding the successful completion of a private placement of 13,309,867 ordinary fully paid shares at an issue price of \$0.23 (the "**Relevant Securities**") to raise \$3,061,269.41.

Praemium hereby provides the following information in respect to the Relevant Securities in accordance with section 708A(6) of the *Corporations Act 2001* (the "**Act**") that:

1. This notice is given under section 708A(5)(e) of the Act;
2. The Relevant Securities were issued on 14 February 2011 (being a date that is not more than 5 days prior to the date of this notice).
3. The Relevant Securities were issued without disclosure to investors under part 6D.2 of the Act.
4. As at the date of this notice, the Company has complied with:
 - 4.1. The provisions of Chapter 2M of the Act as they apply to the Company; and
 - 4.2. Section 674 of the Act.
5. As at the date of this notice, there is no information:
 - 5.1. that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules (Excluded Information); and
 - 5.2. that investors and their professional advisers would reasonably require, and would reasonably expect to find in a disclosure document, for the purpose of making an informed assessment of:
 - (a) the assets and liabilities, financial position and performance, profits and losses and prospects of Praemium; or
 - (b) the rights and liabilities attaching to the new Shares.

BY ORDER OF THE BOARD

Cathryn Nolan
COMPANY SECRETARY