
Notice & Agenda

Praemium Limited - 2011 Annual General Meeting

Notice is given that Praemium Limited ACN 098 405 826 ("Praemium" or "the Company") will hold its Annual General Meeting ("AGM") at 11:00 am (Melbourne time) on 17 October 2011 at Morgans, 401 Collins St, Melbourne VIC, Australia.

If you are unable to attend the meeting you are encouraged to complete and return the enclosed Voting Form which allows you to lodge your vote directly or appoint a proxy to vote on your behalf. You may also lodge your direct vote or appoint a proxy online.

The completed voting form must be received by Link Market Services no later than 11am on 15 October 2011.

Business

Praemium Financial Report

To receive the Financial Statements, Directors' Report and the Independent Auditor's Report for Praemium and its controlled entities for the year ended 30 June 2011.

Note: There is no requirement for shareholders to approve these reports.

Resolution 1 – Election of Directors

1.1 Election of Director - Mr Bruce Parncutt

To consider and, if thought fit, to pass the following ordinary resolution:

"That, Mr Bruce Parncutt, who was appointed to the Board on 8 August 2011 be elected as a Director of Praemium Limited."

1.2 – Re-election of Director – Dr Don Stammer

To consider and, if thought fit, to pass the following ordinary resolution:

"To elect Dr Don Stammer, who retires by rotation and offers himself for re-election as a director of Praemium Limited."

1.3 – Re-election of Director – Mr John Bryson

To consider and, if thought fit, to pass the following ordinary resolution:

"To elect Mr John Bryson, who retires by rotation and offers himself for re-election as a director of Praemium Limited."

Notes for Resolutions 1:

- The non candidate directors unanimously support the election of Mr Parncutt, Dr Stammer & Mr Bryson. Mr Parncutt will chair the meeting but hand the Chair to Mr Rob Edgley in respect to this item (and thereafter if not re-elected).
- As Chair, Mr Edgley intends to vote undirected proxies in favour of the election of each of Mr Parncutt, Dr Stammer and Mr Bryson.

Resolution 2 - Adoption of Remuneration Report

To consider and, if thought fit, to pass the following advisory resolution:

"That, the Remuneration Report for the financial year ended 30 June 2011 (set out in the 2011 Annual Report) be adopted."

Notes:

- This resolution is advisory only and does not bind the Company or the directors;
- The directors will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the meeting when reviewing the Company's Remuneration policies;
- If 25% or more of the votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a "Spill Resolution") that another meeting be held within 90 days at which all of the company's directors (other than any managing director or CEO) must go up for re-election.
- A voting exclusion applies to this resolution. Further, there is a prohibition on the Chairman voting undirected proxies. Details of that exclusion/prohibition are set out in the Explanatory Materials.

Resolution 3 – Approval of the issue of Securities – Private Placement announced 8 September 2011

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the allotment and issue of 50,000,000 ordinary fully paid shares as set out in the Explanatory Statement."

Note: A voting exclusion applies to this resolution. Details of that exclusion/prohibition are set out in the Explanatory Materials.

Resolution 4 – Approval of the issue of Securities to Lion Capital Pty Ltd

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the allotment and issue of 5,000,000 fully paid ordinary shares at 10 cents to Lion Capital Pty Ltd as set out in the Explanatory Statement."

Note: Lion Capital Pty Ltd is a related party of Mr Bruce Parncutt, who is a director of the Company. A voting exclusion applies to this resolution. Details of that exclusion/prohibition are set out in the Explanatory Materials.

Resolution 5 – Approval of the issue of Securities to Dr Don Stammer & Meroma Pty Ltd

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the allotment and issue of a total of 1,250,000 fully paid ordinary shares at 10 cents to Dr Don Stammer and his associated entity Meroma Pty Ltd as set out in the Explanatory Statement."

Note: Dr Stammer is a Director of the Company and Meroma Pty Ltd is a related party of Dr Stammer. A voting exclusion applies to this resolution. Details of that exclusion/prohibition are set out in the Explanatory Materials.

Resolution 6 – Approval of the issue of Securities to Mr John Bryson

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the allotment and issue of 500,000 fully paid ordinary shares at 10 cents to Mr John Bryson as set out in the Explanatory Statement."

Note: Mr Bryson is a Director of the Company. A voting exclusion applies to this resolution. Details of that exclusion/prohibition are set out in the Explanatory Materials.

Resolution 7 – Ratify previous issue of securities

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 31,167,019 Shares ordinary shares issued during the 2011 Financial Year on terms and conditions set out in the Explanatory Statement.”

Note: A voting exclusion applies to this resolution. Details of that exclusion/prohibition are set out in the Explanatory Materials.

Resolution 8 - Approval of refreshed Praemium Directors & Employees Benefits Plan

To consider and, if thought fit, to pass the following resolution as an ordinary resolution of the Company:

“That, for the purposes of Exception 9 of ASX Listing Rule 7.2, section 260C(4) of the Corporations Act 2001 (Cth), and for all other purposes, approval is hereby given for all securities granted under the “Praemium Directors and Employee Benefits Plan” which is constituted and administered in accordance with the Terms and Conditions of the Praemium Limited Praemium Directors and Employee Benefits Plan which are tabled by the Chairman at the Meeting and marked “A” for identification purposes.”

Note: A voting exclusion applies to this resolution. Details of that exclusion/prohibition are set out in the Explanatory Materials.

Resolution 9 - Approval of amendments to the Praemium Constitution

To consider and, if thought fit, to pass the following resolution as a special resolution of the Company:

“That, in accordance with section 136(2) of the Corporations Act 2001 (Cth) the Company’s constitution be amended as follows:

(a) by replacing the numbers in article 9.1(a) so that the minimum number of directors shall be 3 (rather than 4) and the maximum number of directors shall be 7 (rather than 14) and shall read as follows:

The minimum number of directors is 3. The maximum number of directors is to be fixed by the directors, but may not be more than 7 unless the company in general meeting resolves otherwise. The directors must not determine a maximum which is less than the number of directors in office at the time the determination takes effect.

(b) To add the underlined words to Article 7.1(e):

The Company must not charge a fee for registering a transfer of Shares other than as may be permitted by the Listing Rules”

(c) To add the following sub article to Article 3 as Article 3(g):

(g) Subject to the exclusions noted in Listing Rule 8.14, the company is permitted to charge a reasonable fee for any of the services listed in Listing Rule 8.14.1 (as may be amended from time to time)”

Please read the Explanatory Notes

Information regarding the resolutions, including important information regarding voting exclusions and prohibitions where applicable, may be found in the accompanying Explanatory Notes, which form part of this notice of meeting.

By Order of the Board



Cathryn Nolan
Company Secretary
14 September 2011

EXPLANATORY NOTES

These Explanatory Notes have been prepared for the information of shareholders of the Company (Shareholders) in relation to the business to be conducted at the Company's 2011 Annual General Meeting.

The purpose of the Explanatory Notes is to provide Shareholders with information that is reasonably required by Shareholders to decide how to vote upon the resolutions. The Directors recommend that Shareholders read these Explanatory Notes before determining whether or not to support the resolutions.

Resolutions 1-8 are to be voted on as ordinary resolutions. An ordinary resolution requires a simple majority of votes cast by Shareholders entitled to vote on the resolution. Resolution 9 is a special resolution and accordingly requires that 75% or more of votes cast by shareholders entitled to vote on the resolution vote in favour of it

- the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- the independence of the Auditor in relation to the conduct of the audit.

The Chairman will also give the Auditor a reasonable opportunity to answer written questions submitted by Shareholders that are relevant to the content of the Independent Audit Report or the conduct of the audit. A list of written questions, if any, submitted by Shareholders will be made available at the start of the AGM and any written answer tabled by the Auditor at the AGM will be made available as soon as practicable after the AGM.

Unless the Company's Share Registry has been notified otherwise, Shareholders will not be sent a hard copy of the Annual Report. All Shareholders can download the Annual Report, which contains the Financial Statement for the year ended 30 June 2011, from the Company's Website at www.praemium.com.au/financial-reports.html.

Questions and Comments

Following the consideration of the Financial Statement and Reports, the Chairman will give Shareholders a reasonable opportunity to ask questions about or comment on the management of the Company.

The Chairman will also give Shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- the conduct of the audit;
- the preparation and content of the Independent Audit Report;

Resolution 1 – Election of Directors

Mr Bruce Parncutt was appointed to the Board on 8 August 2011 and the Board elected him chair on 18 August 2011. In accordance with the Company's Constitution he holds office pursuant to that appointment until the Company's AGM and stands for election at the AGM.

It is a requirement of the Company's Constitution, that where the number of Directors (excluding the Managing Director and any Directors appointed as

additional Directors) is equal to or less than 5, then 2 of the Directors must retire from office at each Annual General Meeting. However, the retiring Directors may, if eligible, offer themselves for re-election.

Dr Don Stammer & Mr John Bryson retire by rotation and, being eligible, offers themselves for re-election as directors.

Information about the experience, skills and qualifications of all of the Directors, including those standing for election, are set out in the Company's 2011 Annual Report. Copies of the Annual Report can be downloaded from the Company's Website at www.praemium.com.au/financial-reports.html.

Recommendation

The Directors, with Mr Parncutt abstaining, recommend that Shareholders vote in favour of Resolution 1.1.

The Directors, with Dr Stammer abstaining, recommend that Shareholders vote in favour of Resolution 1.2.

The Directors, with Mr Bryson abstaining, recommend that Shareholders vote in favour of Resolution 1.3

Resolution 2 – Remuneration Report

Section 250R(2) of the Corporations Act 2001 (Cth) requires the Shareholders to vote on an advisory resolution that the Remuneration Report (Report) be adopted.

The Report details the remuneration policies for Praemium Limited and each of its incorporated subsidiaries including those incorporated in the United Kingdom (the 'Group') and reports the remuneration arrangements for Directors and Key Management Personnel (identified for the purposes of the Accounting Standards). The Report is set out on pages 15-24 of the 2011 Annual Report to Shareholders.

The vote on this resolution is advisory only, and does not bind the Directors or the Company. The Board will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies. Under the Corporations Act 2001 if 25% or more of votes that are cast at the meeting are voted against the adoption of the Report at two consecutive AGMS, shareholders will be required to vote at the second of those AGMs on a resolution (a "Spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than any Managing Director) must go up for re-election.

Any undirected proxies held by the Chairman of the meeting, other directors or other key management

personnel or any of their closely related parties will not be voted on Resolution 2.

Key management personnel of Praemium are the directors of Praemium and those other persons having authority and responsibility for planning, directing and controlling the activities of Praemium, directly or indirectly. The Remuneration Report identifies Praemium's key management personnel for the financial year ending 30 June 2011. Their closely related parties are defined in the Corporations Act 2001, and include certain of their family members, dependents and companies they control.

If you chose to appoint a proxy, you are encouraged to direct your proxy how to vote on resolution 2 by marking either "For", "Against" or "Abstain" on the Voting Form for that item of business.

The Chairman will give Shareholders a reasonable opportunity to ask questions about or make comments on the Report.

Recommendation

The Directors unanimously recommend Shareholders vote in favour of this advisory resolution, Resolution 2.

Resolution 3 – Approval of the issue of Securities

On 8 September 2011, the Company announced that it had successfully obtained firm commitments from sophisticated and professional investors and other persons to whom an excluded offer of securities may be made pursuant to s708 of the Corporations Act for the placement of 50,000,000 ordinary fully paid shares at 10 cents per share.

The subscription agreements with participants in the placement are subject to the approval of members as permitted under Listing Rule 7.1.5(a), as the Company did not have any capacity under Listing Rule 7.1 (sometimes called the 15% rule) to issue or agree to issue further capital without the approval of members. This resolution seeks approval for the placement pursuant to Listing Rule 7.1.

For the purposes of Listing Rule 7.1, the following additional information is provided:

- The securities are intended to be issued and allotted within 1 business day of the approval given, which is within the period required by the relevant listing rules (being 3 months of the date of the AGM in respect to shares issued pursuant to Resolution 3).
- The placement was coordinated by a BGF Equities and the shares will be issued to a number of investors. The names of the directors and their controlled entities

who will participate are listed in the explanatory memorandum to Resolutions 4, 5 and 6;

- The securities will rank equally with all other quoted securities; and
- Funds raised by the placement will be used for working capital purposes,

Voting exclusions apply to this resolution.

Resolution 4, 5 and 6 – Approval of the issue of Securities

Listing Rule 10.11 prohibits the issue of securities to a related party to the Company, (such as directors and their controlled entities) unless one of the exceptions in Listing Rule 10.12 applies.

The following directors and/or their controlled entities have entered into subscription agreements to participate in the placement on the terms described under the explanatory memorandum to Resolution 2 (Listing Rule 10.12, Exception 10 permitted the entry into the subscription agreements as they are conditional on the approval of the company's shareholders and the company will not issue the shares until the approval is received):

- Mr Bruce Parncutt & Lion Corporate Pty Ltd;
- Don Stammer & Meroma Pty Ltd;
- Mr John Bryson

Resolution 4, 5 and 6 each seek shareholder approval for the issue of shares under the placement to the individual related parties identified in each resolution.

For the purposes of Listing Rule 10.11, the following additional information is provided:

- Lion Corporate Pty Ltd is a related party of Mr Bruce Parncutt;
- Meroma Pty Ltd Superannuation Fund is a related party of Dr Stammer;
- Mr Peter Davison is a related party of Mr John Bryson;
- The securities are intended to be issued and allotted within 1 business day of the approval given which is within 1 business day of the approval given, which is within the period required by the relevant listing rules (being 1 month of the date of the AGM in respect to shares issued under Resolution 4, 5 or 6); and
- The purpose of the issue is to fund working capital.

Voting exclusions apply to this resolution.

Resolution 7 – Ratify previous issues of securities

Under ASX Listing Rule 7.4, a Company may seek Shareholder approval to ratify an issue of securities provided that the issue does not fall within one of the exceptions to Listing Rule 7.1 and did not breach the 15% restriction contained in Listing Rule 7.1. Resolution 7, if approved, will allow the Company to have the flexibility to make future issues of securities up to the threshold of 15% of its total equity securities in any 12 month period.

The company issued 17,857,152 fully paid ordinary shares on 20 December 2010 for an issue price of \$0.14 and 13,309,867 fully paid ordinary shares for an issue price of \$0.23 on 14 February 2011.

The Company confirms that the issue and allotment of the shares the subject to Resolution 7 did not breach Listing Rule 7.1.

Listing Rule 7.5 sets out the requirements as to the contents of a notice sent to shareholders for the purpose of Listing Rule 7.4 and the following information is included in this Explanatory Memorandum for that purpose:

- A total of 31,167,019 shares which are subject to the resolution were issued by the company ;
- the issue price for 17,857,152 of those shares was \$0.14 per share;
- the issue price for 13,309,867 of those shares was \$0.23 per share;
- the funds raised from both placements were applied to working capital;
- the shares were allotted to sophisticated investors;
- the shares rank equally with the existing shares;
- a total of \$2,500,000 was raised in the placement on 20 December 2010 and \$3,061,269 was raised in the placement on 14 February 2011, representing a total of \$5,561,269

Voting exclusions apply to this resolution.

Resolution 8 – Approval of refreshed Praemium Directors & Employees Benefits Plan (the Plan)

The Plan was first approved in 2005 prior to the Company's listing and then 'refreshed' pursuant to the approval of members at the Company's AGM in 2008. Subsequently amendments to the plan were approved in 2009.

The purpose of the resolution is twofold – to amend the Plan Rules and to seek exemption to the 15% limit on new issues of securities for securities issued under the plan as set out below.

Amendments to plan rules

The board proposes amending the plan to incorporate the changes that are marked up in the copy to be tabled at the meeting

The changes are required to ensure that the plan remains aligned with the Company's remuneration policies and processes and the current law.

In summary the key changes are:

- To introduce the ability to impose performance conditions on the vesting of options (where previously performance conditions were only attached to the vesting of performance rights; and
- to remove clause 2.2 which provided that the maximum number of securities that could be issued under the plan could not exceed 8.7% of the Company's share capital. By removing this provision the Company will be limited to issuing in any year only such number of securities as may be permitted pursuant to the general law, the Listing Rules and applicable ASIC Class Orders. Currently the ASIC Class order allows the Company to issue up to 5% of the issued capital of the Company over any 5 year period (excluding overseas employees and s708 exemptions).

Refresh Plan for the purposes of ASX Listing Rule 7.2 (exception 9)

The Company seeks to refresh the three year approval for the Plan for the purposes of ASX Listing Rule 7.2 (exception 9)

ASX Listing Rule 7.1 limits the number of equity securities the Company may issue within any 12 month period without shareholder approval to 15% of each class of securities (the "15% Rule") unless an exception set out in Listing Rule 7.2 applies.

Exception 9 to Listing Rule 7.2 applies for three years to securities that are issued under an employee incentive scheme which has been approved by shareholders.

The effect of the approval sought will be, that for 3 years, the issue of securities under the Plan will not reduce the number of equity securities that may be issued by the Company without shareholder approval under the 15% Rule; any such issue will instead add to the number to which the 15% calculation is applied, thus increasing the number of equity securities that may be issued by the Company under that rule.

The issue of any securities (including options or performance rights) issued to any director of the Company and/or their associates will still require shareholder approval under ASX Listing Rule 10.14. The issue of securities under the plan also remains subject to the issue limits under the Plan.

A total of 20,509,891 securities have been issued, or agreed to be issued, under the current Plan since

its approval by members in 2009. A summary of the status of those securities is set out below:

- 1,575,090 have lapsed or been cancelled;
- 3,168,738 fully paid shares have been issued as bonuses to employees or in lieu of directors fees payable to the directors of the UK subsidiary;
- 3,220,445, being performance rights (or, for UK resident employees, EMI Options), have vested and have converted to ordinary shares or are capable of being so converted at the election of their holder;
- 50,000 options have been exercised;
- 10,223,332 performance rights are currently outstanding and capable of vesting on achievement of performance conditions over a period spanning October 2011 through to the end of 2016,
- 1,272,286 options are currently vested and capable of conversion on payment of an exercise price (of these 1,210,00 will expire if not exercised prior to the AGM and the balance will expire if not exercised on 31 December 2011). and
- A further 1,000,000 options have been issued but are not currently vested.

The Company has no plans to issue large numbers of securities under the Plan at this time. The Company's remuneration report sets out the Company's policies in respect to remuneration and the way in which it uses the Plan to achieve those policy objectives.

A possible disadvantage, if Resolution 8 is approved, is the dilution of the Company's issued capital, due to the increased number of shares on issue, if employees exercise their options and/or achieve the performance benchmarks that will entitle them to have shares issued to them on the vesting of Performance Rights.

A copy of the amended Plan Rules is available to members on request from the Company Secretary.

Voting exclusions apply to this resolution.

Resolution 9 - Approval of amendments to the Praemium Constitution

Amendments to the Company's Constitution are proposed for approval by shareholders to:

- Reduce the minimum number of directors from 4 to 3 and the maximum number of directors from 14 to 7;
- To allow the Company to charge a reasonable fee for registering paper based transfers in registrable form (sometimes called 'off market transfers').

The Company's constitution requires a minimum of 4 directors, notwithstanding that the minimum requirement under the Corporations Act for a public company is 3.

The Company's management and board changed in August 2011 and the Company no longer has any executive directors. The Board proposes to further review its approach to corporate governance and believes, at the current time, that the Company would benefit from fewer directors who are appropriately remunerated for the substantial time and effort that membership of the Company's board and committee requires.

ASX has amended Listing Rule 8.14 with effect from 24 January 2011 so that listed companies may now charge a reasonable fee for registering paper based transfers in registrable form (Off Market Transfers). The effect of this rule change is that some investors may be asked to pay a reasonable fee if they submit an off market transfer form to a listed entity or registry for registration. ASX have introduced this change to allow listed companies and registries to enhance their fraud detection practices specific to off market transfers.

Unless the modification is approved, the Company's constitution will prohibit the Company from charging a fee for off market transfers and result in the company having to absorb the costs charged by the registry for this service without the ability to pass it on to the shareholders who utilise paper based transfers.

A copy of the Company's constitution, marked up to show the changed provisions, will be tabled at the meeting as Annexure B and is available from the Company by contacting the Company Secretary.

The Board unanimously recommend that the Shareholders vote in favour of resolution 6.

OTHER INFORMATION

Entitlement to attend and vote

In accordance with Reg 7.11.37 of the Corporations Regulations 2001 (Cth), the Board has determined that persons who are registered holders of Shares in the Company as at 11am (Melbourne time) on 15 October 2011 will be entitled to attend and vote at the AGM as a Shareholder.

If more than one joint holder of Shares is present at the AGM (whether personally, by proxy, or by attorney, or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register of Shareholders will be counted.

Voting Exclusion/Prohibition Statements

The Company will, in accordance with the Listing Rules, disregard any votes cast:

- On Resolution 2 by the Company's key management personnel and their closely related parties;
- On Resolution 3, by:

- any person who may participate in the proposed issue and any person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities;
- Mr Michael Ohanessian;
- Mr Bruce Parncutt,
- Dr Donald Stammer,
- Mr John Bryson;
- Mr Paul Gutteridge;
- Lion Corporate Pty Ltd;
- Meroma Pty Ltd
- Directors and staff of BGF Equities; and
- Their respective associates;
- On Resolution 4, by Mr Bruce Parncutt, Lion Corporate Pty Ltd and their respective associates;
- On Resolution 5, by Dr Don Stammer, Meroma Pty Ltd and their respective associates.
- On resolution 6, by Mr John Bryson and his associates.
- On Resolution 7, by any person who participated in the capital raisings undertaken in FY2011 for which approval is sought and their associates;
- On Resolution 8 by Directors of the company and their associates.

However, the Company need not disregard a vote if:

- It is cast by a director as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- Other than in respect to Resolution 4, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

Proxies

In accordance with section 249L(d) of the Corporations Act 2001 (Cth) a member who is entitled to attend and vote at the AGM may appoint a proxy. A proxy can be either an individual or a body corporate. Should you appoint a body corporate as your proxy, that body corporate will need to ensure that it:

- appoints an individual as its corporate representative to exercise its powers at meetings, in accordance with section 250D of the Corporations Act 2001 (Cth); and
- provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the AGM.

If satisfactory evidence of appointment as corporate representative is not received before the meeting, then the body corporate (through its representative) will not be permitted to act as your proxy.

If a Shareholder is entitled to cast two or more votes the Shareholder may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise. If the proxy appointments do not specify the proportion of the member's voting rights that each proxy may exercise, each proxy may exercise half of the member's votes.

A proxy need not be a member.

The Proxy Form (and, if the appointment is signed by the appointer's attorney, the authority under which it was signed or a certified copy of the authority) must be received by the Company's share registry, Link Market Services Limited, by 11.00am (Melbourne time) on Saturday 15 October 2011.

If you choose to appoint a proxy you are encouraged to direct your proxy how to vote on Resolution 2 by marking either "For" "Against" or "Abstain" for that item of business.

If you sign the enclosed voting form and do not mark Box A or Box B, you will have appointed the Chairman of the meeting as your proxy. In that case, your shares will not be vote on Resolution 2 unless you direct the Chairman of the meeting as your proxy how to vote by marking the appropriate box on the voting form.

The completed proxy form may be:

Mailed/delivered to the Company's share registry using the enclosed envelope, to Link Market Services Limited at:

Street Address: Level 12, 680 George Street, SYDNEY, NSW 2000

Postal Address: Locked Bag A14 SYDNEY SOUTH, NSW 1235

Faxed to Link Market Services Limited on Fax: 02 9287 0309

Online Proxy Appointment - Proxies can be lodged online at www.praemium.com.au by the following steps.

- Step 1 –** select Investor Relations from the top menu;
- Step 2 -** click on Shareholder Communications;
- Step 3 -** click on the link at the end of the webpage titled Præmium online share registry.
- Step 4 –** enter your Holder Identification Number (HIN) or Shareholder Registration Number (SRN) (which appears on your proxy form or a statement previously received), your surname or company name (as

registered), your postcode and then select validate;

- Step 5 –** select Proxy Voting from the right hand menu;

- Step 6 –** complete the steps to lodge your proxy.

You will be taken to have signed your proxy form if you lodge it in accordance with the instructions given on the website.

To be valid, a proxy must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.

Direct Voting

In accordance with rule 8.7(j) of the Company's Constitution, where a Shareholder is entitled to vote, and cannot attend personally and does not wish to appoint a proxy, the Shareholder may vote directly on resolutions to be considered at the AGM by mailing their vote(s) to the Company's share registry, Link Market Services Limited, by 11.00am (Melbourne time) on Saturday 15 October 2011.

The direct voting form may be:

Mailed/delivered to the Company's share registry, Link Market Services Limited at:

Street Address: Level 12, 680 George Street, SYDNEY, NSW 2000

Postal Address: Locked Bag A14, SYDNEY SOUTH, NSW 1235

Faxed to Link Market Services Limited on Fax: 02 9287 0309

Online Direct Voting – Direct votes can be lodged online at www.praemium.com.au by using the following steps.

- Step 1 –** select Investor Relations from the top menu;
- Step 2 -** click on Shareholder Communications;
- Step 3 -** click on the link at the end of the webpage titled Præmium online share registry.
- Step 4 –** enter your Holder Identification Number (HIN) or Shareholder Registration Number (SRN) (which appears on your proxy form or a statement previously received), your surname or company name (as registered), your postcode and then select validate;
- Step 5 –** select Direct Voting from the right hand menu;
- Step 6 -** after selecting the meeting and declaration and then clicking on OK,

select the third option titled Direct Vote;

Step 7 – complete the steps to lodge your direct vote.

You will be taken to have signed your direct vote form if you lodge it in accordance with the instructions given on the website.

Corporate Representatives

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act 2001 (Cth) in which case the Company will require a Certificate of Appointment of Corporate Representative executed in accordance with the Corporations Act 2001 (Cth) to be provided. The Certificate must be lodged with the Company before the AGM or at the registration desk on the day of the AGM. The Company will retain the certificate. A form of this certificate may be obtained from the Company's share registry.



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SHAREHOLDER VOTING FORM

STEP 1 Please mark either Box A or Box B

I/We being a member(s) of Praemium Limited and entitled to attend and vote hereby:

A	VOTE DIRECTLY	OR	B	APPOINT A PROXY
☐	elect to lodge my/our vote(s) directly (mark box)		☐	the Chairman of the Meeting (mark box)
☒	in relation to the Annual General Meeting of the Company to be held at 11:00am on Monday, 17 October 2011, and at any adjournment or postponement of the meeting. You should mark either "for" or "against" for each item. Do not mark the "abstain" box.		☐	OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below
				or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at 11:00am on Monday, 17 October 2011, at Morgans, 401 Collins Street, Melbourne, Victoria and at any adjournment or postponement of the meeting.

Voting Directions will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒ X

STEP 2 VOTING DIRECTIONS

Resolutions	For	Against	Abstain*		For	Against	Abstain*
1.1 Election of Director - Mr Bruce Parncutt	☐	☐	☐	5	Approval of the issue of Securities to Dr Don Stammer & Meroma Pty Ltd	☐	☐
1.2 Re-election of Director - Dr Don Stammer	☐	☐	☐	6	Approval of the issue of securities to Mr John Bryson	☐	☐
1.3 Re-election of Director - Mr John Bryson	☐	☐	☐	7	Ratification of the previous issue of securities	☐	☐
2 Adoption of Remuneration Report (advisory only)	☐	☐	☐	8	Approval of refreshed Directors and Employees Benefits Plan	☐	☐
3 Approval of the issue of securities - Private Placement announced in September 2011	☐	☐	☐	9	Approval of amendments to the Constitution	☐	☐
4 Approval of the issue of securities to Lion Capital Pty Ltd	☐	☐	☐				

☒ * If you are voting under Box B and mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3 IMPORTANT - VOTING EXCLUSIONS

The Chairman of the Meeting is not permitted to vote undirected proxies on Resolution 2. If the Chairman of the Meeting is your proxy, and you fail to provide a voting direction in respect of Resolution 2 in Step 2, your vote will not be cast.

If the Chairman of the Meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote in respect of Resolutions 3, 4, 7 and 8 above, please place a mark in this box. By marking this box, you acknowledge that the Chairman of the Meeting may exercise your proxy even though he/she has an interest in the outcome of these Resolutions or that these Resolutions are connected with the remuneration of members of the key management personnel for the Company. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Resolutions 3, 4, 7 and 8 and your votes will not be counted in calculating the required majority if a poll is called on these Resolutions. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolutions 3, 4, 7 and 8.

STEP 4 SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

HOW TO COMPLETE THIS VOTING FORM

Your Name and Address

This is your name and address as it appears on the company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

Voting under Box A

If you ticked the box under Box A you are indicating that you wish to vote directly. Please only mark either **"for"** or **"against"** for each item. Do not mark the **"abstain"** box. If you mark the **"abstain"** box for an item, your vote for that item will be invalid.

If no direction is given on all of the items, or if you complete both Box A and Box B, your vote may be passed to the Chairman of the meeting as your proxy.

Custodians and nominees may, with the Share Registrar's consent, identify on the voting form the total number of votes in each of the categories **"for"** and **"against"** and their votes will be valid.

If you have lodged a direct vote, and then you attend the meeting, your attendance will cancel your direct vote.

The Chairman's decision as to whether a direct vote is valid is conclusive.

Voting under Box B - Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Box B. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Box B. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the company. A proxy may be an individual or a body corporate.

Votes on Items of Business - Proxy Appointment

You should direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

If the Chairman of the meeting or another of the Key Management Personnel of the company or their closely related parties is your proxy, that person will not vote your shares on Resolution 2 (Remuneration Report) if you have not directed them how to vote on that resolution.

Key Management Personnel of the company are the Directors and those persons having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly. The Remuneration Report identifies the company's Key Management Personnel for the financial year to 30 June 2011. Their closely related parties are defined in the *Corporations Act 2001* (Cth), and include certain of their family members, dependants and companies they control.

Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Voting Form may be obtained by telephoning the company's share registry or you may copy this form.

To appoint a second proxy you must:

- on each of the first Voting Form and the second Voting Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together.

Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

Corporate Representatives

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the company's share registry.

Lodgement of a Voting Form

This Voting Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am on Saturday, 15 October 2011**, being not later than 48 hours before the commencement of the meeting. Any Voting Form received after that time will not be valid for the scheduled meeting.

Voting Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the proxy form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the proxy form).



by mail:

Praemium Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



by fax:

02 9287 0309



by hand:

delivering it to Link Market Services Limited, Level 12, 680 George Street, Sydney NSW 2000.

**If you would like to attend and vote at the Annual General Meeting, please bring this form with you.
This will assist in registering your attendance.**