Quarterly update - Successful CPS transition

17 January 2013, Melbourne:

Praemium (ASX: PPS) is pleased to advise that it successfully completed the transition of the BlackRock's Customised Portfolio Service (CPS) scheme as of 17 December 2012. The transition to become Responsible Entity of the scheme involved the change of custodian for all client assets from BlackRock to HSBC, as well as the migration of the BlackRock's CPS team to Praemium and was completed without interruption to the operations of the CPS. The CPS is powered by Praemium's unique Separately Managed Account (SMA) technology.

Regarding the transition of Responsible Entity from BlackRock to Praemium, CEO Michael Ohanessian commented, "We are delighted with the excellent work by all those involved in making this transition happen so smoothly. To manage the changeover while maintaining trading speaks volumes for the capabilities, commitment and professionalism of the team. I also want to thank our customers for their support through this process as demonstrated by the overwhelming support of members to this change, with over 98% voting in favour of the transition."

Through this period, funds on the platform continued to grow and had reached $0.70 billion by 31 December 2012. This represents a 43% increase over the 2012 calendar year. It is expected that the newly acquired CPS scheme will increase Praemium's revenue by approximately $2 million annually.

Following a $1.9 million private placement in September 2012, the company also completed a $2.3 million fully underwritten Rights Issue in the quarter to strengthen its balance sheet. The cash balance as at 31 December 2012 was $8.3 million.

Key Statistics

Service	Region	Key Performance Indicator	Dec 2012	Dec 2011	YoY %
Portfolio Admin Services	Australia	# V-Wrap Portfolios	43,997	44,313	(1%)
Separately Managed Account	Australia	FOP	A$0.70bn	A$0.49bn	43%
Separately Managed Account	UK	FOP	£0.43bn	£0.32bn	32%

FOP: Funds on Platform

About Praemium: Praemium Ltd (ASX: PPS) is one of Australia's leading suppliers of online financial portfolio administration technology, administering in excess of AUD45 billion-FUA*. Praemium also provides and operates Separately Managed Account (SMA) technology platforms, with more than $0.7 billion in funds in Australia and more than £0.4 billion in the UK. Praemium currently provides services to approximately 500 financial institutions and intermediaries, including some of the world's largest financial institutions.

*As at 31 December 2012

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