

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 Ltd

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 | Unquoted options pursuant to the Praemium Employee & Directors Benefits Plan (the "Plan") |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1,091,153 |

+ See chapter 19 for defined terms.

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)

Options are issued to staff (both in Australia and the UK)(not including directors) to subscribe for ordinary shares as follows:

- 312,200 options to acquire ordinary shares at an exercise price of 25cents vesting on 1 January 2009 and expiring on 31 December 2009;
- 716,667 options to acquire ordinary shares at an exercise price of 30cents vesting on 1 January 2010 and expiring on 31 December 2010
- 62,286 options to acquire ordinary shares at an exercise price of 35cents vesting on 1 January 2011 and expiring on 31 December 2011

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

When exercised, the securities issued pursuant to these options will be ordinary shares ranking equally with all other ordinary shares.

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

5 Issue price or consideration

Intrinsic value of each option has been calculated as:

- in respect to options exercisable on or before 31 December 2009 and having an exercise price of 25cents, \$0.003109 for each option; and
- in respect to options exercisable between 1 January 2010 and 31 December 2010 and having an exercise price of 30cents, \$0.008177 for each option
- in respect to options exercisable between 1 January 2011 and 31 December 2011 and having an exercise price of 35cents, \$0.013015 for each option

Options have been issued in lieu of payment of cash bonuses and the intrinsic value has been used for the purpose of valuing that bonus in the hands of each recipient who is an Australian resident for tax purposes. As the options are issued under an EMI scheme to UK recipients and as the exercise price is greater than the market price on the allotment date, the options have no value for tax purposes when allotted to UK taxpayers.

6 Purpose of the issue
(If issued as consideration for the acquisition of assets, clearly identify those assets)

The options are issued to staff under the Plan in recognition of the contribution of staff and as an incentive for staff.

7 Dates of entering *securities into uncertificated holdings or despatch of certificates

31 December 2008

+ See chapter 19 for defined terms.

| | Number | +Class |
|---|---|-------------------------|
| 8 | Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable) | 163,322,874 Ordinary |

| | Number | +Class |
|---|---|--|
| 9 | Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable) | 189,000 PPSAS – option expiring 11 May 2009 Ex62C |
| | 189,000 | PSAU – option expiring 11 May 2010 Ex78C |
| | 297,000 | PPSAQ – option expiring 11 May 2009 |
| | 297,000 | PPSAQ – option expiring 11 May 2010 |
| | 135,000 | PPSUOC ₁ – options expiring 7 August 2009 |
| | 135,000 | PPSUOC ₂ – options expiring 7 August 2010 |

| | |
|--------------|---|
| 135,000 | PPSUOC ₃ – options expiring 7 August 2011 |
| 578,677 | EOPTUKo8A – options expiring 30 Sept 2009 |
| 1,084,124 | EPOPT2008A – options expiring 30 Sept 2009 |
| 578,672 | EOPTUKo8B – options expiring 30 September 2010 |
| 1,002,124 | EOPT2008B– options expiring 30 Sept 2010 |
| 312,200 | EOPT2009A – Options expiring 31 Dec 2009 |
| f 715,667 | EOPT2010A – Options expiring 31 Dec 2010 |
| 62,286 | EOPT2011A – Options expiring 31 December 2011 |

- 10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

Not applicable

Part 2 - Bonus issue or pro rata issue

- 11 Is security holder approval required?

Not applicable

- 12 Is the issue renounceable or non-renounceable?

Not applicable

- 13 Ratio in which the +securities will be offered

Not applicable

- 14 +Class of +securities to which the offer relates

Not applicable

- 15 +Record date to determine entitlements

Not applicable

+ See chapter 19 for defined terms.

| | | |
|----|---|----------------|
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | Not applicable |
| 17 | Policy for deciding entitlements in relation to fractions | Not applicable |
| 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. | Not applicable |
| 19 | Closing date for receipt of acceptances or renunciations | Not applicable |
| 20 | Names of any underwriters | Not applicable |
| 21 | Amount of any underwriting fee or commission | Not applicable |
| 22 | Names of any brokers to the issue | Not applicable |
| 23 | Fee or commission payable to the broker to the issue | Not applicable |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of *security holders | Not applicable |
| 25 | If the issue is contingent on *security holders' approval, the date of the meeting | Not applicable |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | Not applicable |
| 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 | Not applicable |

| | | |
|----|--|----------------|
| 28 | Date rights trading will begin (if applicable) | Not applicable |
| 29 | Date rights trading will end (if applicable) | Not applicable |
| 30 | How do +security holders sell their entitlements <i>in full</i> through a broker? | Not applicable |
| 31 | How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | Not applicable |
| 32 | How do +security holders dispose of their entitlements (except by sale through a broker)? | Not applicable |
| 33 | +Despatch date | Not applicable |

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

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

+ See chapter 19 for defined terms.

- 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

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)

| | |
|--------|--------|
| Number | +Class |
|--------|--------|

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

| | |
|--|--|
| | |
|--|--|

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:
(Director/Company secretary)
Print name: Cathryn Nolan

Date: 31 December 2008

== == == == ==

+ See chapter 19 for defined terms.