



30 September 2008

## **Præmium 2008 Final Year Results – Details of changes from Preliminary Final Results and changes to Board**

In accordance with the Listing Rules and the requirements of the Corporations Act the Company is pleased to present its final year results to the market. The report provides the Company with a valuable opportunity to communicate its results and plans to the market and we commend it to you.

### **Resignation of Directors**

Præmium announces that Ms Chris Silcox and Mr Malcolm Taylor have advised the Board that they will be retiring as directors and will not stand for re-election at the next Annual General Meeting of the Company.

Ms Silcox, who is the director responsible for the Group's Australian Operations, will continue in her role as Chief Operating Officer for the Australian business and will also remain a director of Præmium Australia Pty Ltd. Since the Company's listing in 2006, the Australian business has grown significantly and requires Ms Silcox's undivided attention.

Mr Taylor, who will continue to chair the Group's Remuneration Committee until his resignation as a non-executive director takes effect at the close of the Company's Annual General Meeting on 10 November 2008, retires in order to concentrate more fully on other business interests.

The Board is pleased to acknowledge the many contributions that both Mr Taylor and Ms Silcox have made as directors of the Company. Both will be missed around the board table. At this time, the Company has no plans to replace these positions.

### **Variances between the 2008 Final Year Result and the Preliminary Final Result filed with ASX on 29 August 2008**

Since releasing its Preliminary Final Results, the Board of Præmium has resolved to not pay any significant cash bonuses for the 2007/2008 financial year. The effect of this resolution was not reflected within the 30 June 2008 4E Preliminary Final Report. The reversal of the bonus accrual had the effect of reducing the 2007/08 loss from \$11,988,578 after tax to \$10,687,427 after tax.

As a result of the write back of the provision, the final results differ from those reflected in the Appendix 4E filed on 29 August 2008. The information below shows what the relevant items in the Appendix 4E would have shown if the change was made prior to the filing of that announcement. The final audited results are reflected in the Annual Report which is released today.

**Item 2. Results for announcement to the market:**

	<b>Final Result</b>		<b>As set out in our 4E filing</b>	
	up/down 13.2%	to (\$10,687,427)	up/down 27.0%	to (\$11,988,578)
Profit/(Loss) from ordinary activities after tax attributable to members				
Net profit/(Loss) for the period attributable to members	up/down 13.2%	to (\$10,687,427)	up/down 27.0%	to (\$11,988,578)

**Item 9. Statement of retained earnings**

	<b>Final Result</b>	<b>As set out in our 4E filing</b>
	<b>2008</b>	<b>2008</b>
Balance at the beginning of the year	(11,608,707)	(11,608,707)
<b>Net profit attributable to members of the parent entity</b>	<b>(10,687,427)</b>	<b>(11,988,578)</b>
Adjustment on introduction to Australian Equivalent to IFRS		
Total available for appropriation		
Dividends paid		
Lapsing of Options	14,838	14,838
<b>Balance at end of year</b>	<b>(22,281,296)</b>	<b>(23,582,447)</b>

**Item 10. Net tangible assets per security**

	<b>Final Result</b>	<b>As set out in our 4E filing</b>
	<b>Current period</b>	<b>Current period</b>
Net tangible asset backing per ordinary security	\$0.092	\$0.084

**Item 13. Details of significant information relating to the entity's financial performance and financial position**

<b>Final Result</b>	<b>As set out in our 4E filing</b>
<p><b>Results</b> The consolidated loss after income tax attributable to the members of the company was \$10,687,427.</p> <p>The Group's net asset position at 30 June 2008 was \$14,980,640 with \$13,086,527 held in cash or cash equivalents. The Group is debt free.</p>	<p><b>Results</b> The consolidated loss after income tax attributable to the members of the company was \$11,988,578.</p> <p>The Group's net asset position at 30 June 2008 was \$13,712,556 with \$13,086,527 held in cash or cash equivalents. The Group is debt free.</p>

**Item 15. Commentary on the results for the period**

<b>Final Result</b>	<b>As set out in our 4E filing</b>
The Company and its controlled entities made a full year net loss of \$10,687,427 after tax. This compares to a net loss in the prior year of \$9,438,893 after tax in 2007.	The Company and its controlled entities made a full year net loss of \$11,988,578 after tax. This compares to a net loss in the prior year of \$9,438,893 after tax in 2007.

<b>After Change</b>	<b>Australia 2008 \$</b>	<b>United Kingdom 2008 \$</b>	<b>Consolidated Entity 2008 \$</b>
<b>RESULT</b>			
Net profit/(loss) for the year	<u>(4,376,405)</u>	<u>(6,311,022)</u>	<u>(10,687,427)</u>
<b>ASSETS</b>			
Segment assets	<u>12,113,840</u>	<u>5,547,746</u>	<u>17,661,586</u>
<b>Total assets</b>			<u>17,661,586</u>
<b>LIABILITIES</b>			
Segment liabilities	<u>1,546,606</u>	<u>1,134,340</u>	<u>2,680,946</u>
<b>Total liabilities</b>			<u>2,680,946</u>
<b>As Announced</b>	<b>Australia 2008 \$</b>	<b>United Kingdom 2008 \$</b>	<b>Consolidated Entity 2008 \$</b>
<b>RESULT</b>			
Net profit/(loss) for the year	<u>(5,181,637)</u>	<u>(6,806,941)</u>	<u>(11,988,578)</u>
<b>ASSETS</b>			
Segment assets	<u>11,893,236</u>	<u>5,547,746</u>	<u>17,440,982</u>
<b>Total assets</b>			<u>17,440,982</u>
<b>LIABILITIES</b>			
Segment liabilities	<u>2,351,843</u>	<u>1,376,587</u>	<u>3,728,430</u>
<b>Total liabilities</b>			<u>3,728,430</u>

**Attachment A (After Change / Final Result)****Praemium Limited****098 405 826****Income Statements  
For the Year Ended 30 June 2008**

	Consolidated Entity		Parent Entity	
	2008	2007	2008	2007
	\$	\$	\$	\$
Revenue	<b>7,066,466</b>	4,980,705	<b>2,197,393</b>	3,337,556
Other income	<b>410,018</b>	184,320	<b>396,119</b>	184,320
Employee costs	<b>(11,520,192)</b>	(8,731,931)	<b>(4,603,526)</b>	(3,369,602)
Depreciation, amortisation and impairments	<b>(518,125)</b>	(331,080)	<b>(301,535)</b>	(205,370)
Legal, professional, advertising and insurance expense	<b>(2,747,269)</b>	(2,915,039)	<b>(487,598)</b>	(471,428)
Commissions expense	<b>(205,323)</b>	(193,963)	-	1,833
Travel expenses	<b>(652,094)</b>	(659,602)	<b>(55,001)</b>	(101,660)
IT support expenses	<b>(433,370)</b>	(330,239)	<b>(340,358)</b>	(206,842)
Occupancy costs	<b>(952,472)</b>	(610,050)	<b>(162,651)</b>	(77,219)
Net foreign exchange losses	<b>(206,584)</b>	(272,993)	<b>(1,775,032)</b>	(669,839)
Telecommunication costs	<b>(461,849)</b>	(244,837)	<b>(132,210)</b>	(105,013)
Product development fee to controlled entity	-	-	<b>(1,733,053)</b>	(292,504)
Other expenses	<b>(466,166)</b>	(313,199)	<b>(420,194)</b>	(111,247)
Finance costs	<b>(467)</b>	(985)	<b>(259)</b>	(663)
<b>Loss before income tax expense</b>	<b>(10,687,427)</b>	(9,438,893)	<b>(7,417,905)</b>	(2,087,678)
Income tax expense	-	-	-	-
<b>Loss attributable to members of the parent entity</b>	<b>(10,687,427)</b>	(9,438,893)	<b>(7,417,905)</b>	(2,087,678)
Basic earnings/(loss) per share (cents per share)	<b>(0.074)</b>	(0.071)		
Diluted earnings/(loss) per share (cents per share)	<b>(0.074)</b>	(0.071)		

**Praemium Limited****098 405 826****Balance Sheets****For the Year Ended 30 June 2008**

	<b>Consolidated Entity</b>		<b>Parent Entity</b>	
	<b>2008</b>	2007	<b>2008</b>	2007
	<b>\$</b>	\$	<b>\$</b>	\$
<b>Current assets</b>				
Cash and cash equivalents	<b>13,086,527</b>	16,763,182	<b>3,744,313</b>	14,391,327
Trade and other receivables	<b>2,148,372</b>	1,844,801	<b>581,789</b>	376,434
<b>Total current assets</b>	<b>15,234,899</b>	18,607,983	<b>4,326,102</b>	14,767,761
<b>Non-current assets</b>				
Financial assets	<b>227,002</b>	385,557	<b>5,032,864</b>	388,947
Property, plant and equipment	<b>2,199,685</b>	2,124,099	<b>1,200,734</b>	1,022,396
Intangible assets	-	11,658	-	11,658
Other receivables	-	-	<b>17,638,634</b>	11,558,680
<b>Total non-current assets</b>	<b>2,426,687</b>	2,521,314	<b>23,872,232</b>	12,981,681
<b>TOTAL ASSETS</b>	<b>17,661,586</b>	21,129,297	<b>28,198,334</b>	27,749,442
<b>Current liabilities</b>				
Trade and other payables	<b>2,149,640</b>	2,078,098	<b>643,872</b>	789,121
Provisions	<b>492,348</b>	343,627	<b>259,653</b>	166,364
<b>Total current liabilities</b>	<b>2,641,988</b>	2,421,725	<b>903,525</b>	955,485
<b>Non-current liabilities</b>				
Provisions	<b>38,958</b>	19,617	<b>29,945</b>	15,816
<b>Total non-current liabilities</b>	<b>38,958</b>	19,617	<b>29,945</b>	15,816
<b>TOTAL LIABILITIES</b>	<b>2,680,946</b>	2,441,342	<b>933,470</b>	971,301
<b>NET ASSETS</b>	<b>14,980,640</b>	18,687,955	<b>27,264,864</b>	26,778,141
<b>EQUITY</b>				
Share capital	<b>38,359,200</b>	30,306,672	<b>38,359,200</b>	30,306,672
Reserves	<b>(1,097,264)</b>	(10,010)	<b>(71,419)</b>	91,319
Accumulated losses	<b>(22,281,296)</b>	(11,608,707)	<b>(11,022,917)</b>	(3,619,850)
<b>TOTAL EQUITY</b>	<b>14,980,640</b>	18,687,955	<b>27,264,864</b>	26,778,141

**Praemium Limited****098 405 826****Statements of Changes in Equity  
For the Year Ended 30 June 2008**

<b>Consolidated Entity 2008</b>	<b>Ordinary Shares</b>	<b>Accumulated Losses</b>	<b>Foreign Currency Translation Reserve</b>	<b>Option Reserve</b>	<b>Revaluation Reserve</b>	<b>Total</b>
	\$	\$	\$	\$	\$	\$
<b>Equity as at beginning of period</b>	<b>30,306,672</b>	<b>(11,608,707)</b>	<b>(101,329)</b>	<b>36,528</b>	<b>54,791</b>	<b>18,687,955</b>
Equity raising costs	(538,640)	-	-	-	-	(538,640)
Exchange differences on translation of foreign operations	-	-	(924,516)	-	-	(924,516)
<b>Net income recognised directly in equity</b>	<b>(538,640)</b>	<b>-</b>	<b>(924,516)</b>	<b>-</b>	<b>-</b>	<b>(1,463,156)</b>
Loss attributable to members of the parent entity	-	(10,687,427)	-	-	-	(10,687,427)
<b>Recognised income and expense for the year</b>	<b>(538,640)</b>	<b>(10,687,427)</b>	<b>(924,516)</b>	<b>-</b>	<b>-</b>	<b>(12,150,583)</b>
Issue of shares	8,578,588	-	-	-	-	8,578,588
Revaluation arising from available-for-sale financial assets	-	-	-	-	(154,098)	(154,098)
Option expense	-	-	-	18,778	-	18,778
Transfer on lapsing of options	-	14,838	-	(14,838)	-	-
Transfer on exercise of options	12,580	-	-	(12,580)	-	-
<b>Sub-total</b>	<b>8,591,168</b>	<b>14,838</b>	<b>-</b>	<b>(8,640)</b>	<b>(154,098)</b>	<b>8,443,268</b>
<b>Equity as at 30 June 2008</b>	<b>38,359,200</b>	<b>(22,281,296)</b>	<b>(1,025,845)</b>	<b>27,888</b>	<b>(99,307)</b>	<b>14,980,640</b>