

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 | 24,500,000 ordinary shares under the private placement announced by Praemium Limited on 12 October 2009 (Placement)

Up to approximately 18,779,103 ordinary shares subject to the effects of rounding under the non-renounceable entitlement offer announced by PPS on 15 October 2009 (Rights Issue). |
| 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) | Ordinary fully paid shares |

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • 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 	<p>Yes. The new ordinary shares will rank equally with the existing ordinary shares on issue traded under ticker code PPS.</p> <p>Ordinary shares issued under the Placement will be entitled to participate in the Rights Issue</p>
<p>5 Issue price or consideration</p>	<p>\$0.15per ordinary share</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The proceeds from the Placement and the Rights Issue will be utilised to fund working capital.</p>
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>The allotment for Placement - 15 October 2009.</p> <p>The allotment for Rights Issue - 19 November 2009.</p> <p>However, to the extent of any shortfall subscribed by the Underwriter to the Rights Issue, shares subscribed by the Underwriter or its nominees may be allotted on 26 November 2009</p>

+ See chapter 19 for defined terms.

	Number	+Class
8	163,791,030	existing fully paid ordinary shares
	24,500,000	new fully paid ordinary shares under the Placement
	18,779,103	new fully paid ordinary shares under the Rights Issue

	Number	+Class
9	3,403,949	Vested and not vested options having various exercise prices 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
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Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	Shareholder approval is not required for the Rights Issue
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	The entitlement ratio is 1 new ordinary share for each 10 existing ordinary shares held as at the Record Date
14	+Class of +securities to which the offer relates	Ordinary shares being securities traded under ticker code PPS
15	+Record date to determine entitlements	7.00 pm (AEST) on 23 October 2009
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No

17	Policy for deciding entitlements in relation to fractions	Where fractions arise in the calculation of entitlements, they will be rounded up to the nearest whole number of new ordinary shares.
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.	All countries other than: (1) Australia; (2) New Zealand.
19	Closing date for receipt of acceptances or renunciations	11 November 2009
	Names of any underwriters	Shaw Corporate Finance Pty Ltd ACN 101 193 971 Non Executive Directors Dr Don Stammer (Chairman) and Mr John Bryson have entered into sub underwriting arrangements with the Underwriter.
21	Amount of any underwriting fee or commission	Underwriting fee of 3.5% and a management fee of 1% of the Rights Issue proceeds. Dr Stammer and Mr Bryson will be entitled to receive a fee equal to 1% of their sub underwriting commitment from the Underwriter.
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	No prospectus or product disclosure statement is being prepared. A Rights Issue Entitlement Offer Booklet and Entitlement and Acceptance Form will be sent to Eligible Retail Securityholders on or about 27 October 2009.

+ See chapter 19 for defined terms.

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	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Despatch date	19 November 2009

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
- 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
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- 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)
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+ See chapter 19 for defined terms.

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

Number	+Class

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: Date: 15 October 2009
(Company secretary)

Print name: Cathryn Nolan

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+ See chapter 19 for defined terms.

Attachment A
Part 1, Question 9

Security Type	Issue Date	Vesting Date	Expiry Date	Exercise Price \$	Non vested balance	Vested Balance
Options	31/12/2008	1/01/2009	31/12/2009	0.25	-	312,200
Options	5/05/2006	11/05/2009	11/05/2010	0.78	297,000	-
Options	9/05/2006	11/05/2009	11/05/2010	0.78	189,000	-
Options	13/03/2008	7/08/2009	7/08/2010	1.32		135,000
Options	10/10/2008	30/09/2009	30/09/2010	0.30		978,124
Options	10/10/2008	30/09/2009	30/09/2010	0.30		578,672
Options	31/12/2008	1/01/2010	31/12/2011	0.30	716,667	-
Options	13/03/2008	7/08/2010	7/08/2011	1.67	135,000	-
Options	31/12/2008	1/01/2011	31/12/2012	0.35	62,286	-

+ See chapter 19 for defined terms.