



2011 Annual General Meeting Presentation

17 October 2011

In accordance with the requirements of the Listing Rules, Praemium (ASX:PPS) is pleased to provide a copy of the presentation to be given by the Praemium's Chairman, Mr Bruce Parncutt, and its CEO, Mr Michael Ohanessian at the Company's Annual General Meeting (which will commence at 11am this morning).

About Praemium: Praemium Ltd (ASX:PPS) is one of Australia's leading suppliers of online financial portfolio administration and Separately Managed Account (SMA) technology, administering in excess of AUD45 billion-FUA* of assets in Australia and with more than £280 million-UK FOP* in funds on the platforms it operates 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 30 June 2011

For further information contact:

Mr Michael Ohanessian, CEO

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Chairman's Address: Praemium Ltd

While Praemium made good progress in various aspects of its business during the 2010/11 year, the financial results for the year were disappointing and fell short of both the company's and shareholders' expectations.

The loss for the year of \$5.5million, while a slight improvement on the loss of \$5.7million recorded in the previous year, resulted in a cash outflow for the year of approximately \$6.1million, funded by new share issues totaling \$5.3million and \$0.8million draw down of cash reserves.

Funds under administration in Australia remained steady at \$45 billion held in approximately 45,000 portfolios up 2% on the prior year.

The number of portfolios administered through the company's V-wrap service remained steady for the year, while funds under administration in the company's Separately Managed Account (SMA) service, largely through Blackrock Investment Managers, increased by 15% to \$550million at year end.

In the UK the company's SMA services grew from £116million to £283million, as the company's offering was endorsed by a number of new clients who began to transfer funds to Praemium's service. The growth in the UK was slower than planned, however, resulting in an EBITDA loss from the UK operations of \$5.4million before group overheads.

The CEO, Michael Ohanessian, will comment in more detail on the group's recent performance and prospects during his presentation shortly.

As shareholders will be aware I joined Praemium's board following the end of the financial year on which we are reporting today. Before I joined the Board a number of steps were taken during the year to improve revenues, contain costs and reduce the net cash outflow of the company.

Towards the end of the financial year the Board determined that more broad-ranging action was required and commissioned a review of the company's performance and strategy. The resulting report, prepared by Michael Ohanessian as a consultant to the company, and presented to the Board after the close of the financial year in July, recommended that Praemium needed a new approach to managing the business to its next stage of development and needed a realistic plan to stem the cash outflow.

As you know the company subsequently announced that Michael Ohanessian had agreed to join the company to fill the role of CEO, and that Arthur Naoumidis would step down from the CEO role and leave the Board.

Mr Naoumidis supported this transition believing that it was an appropriate time for a change in the leadership of the company to facilitate the next phase of the company's development.

Arthur founded Praemium in 2001 and was the company's CEO since it was floated in 2006. Fortunately his valuable knowledge of the company's business and the markets it serves has been retained through his continuing relationship as a consultant to the Board and CEO. On behalf of the Board and shareholders I would like to thank Arthur for his contributions to Praemium and acknowledge his ongoing support of the recent transition.

Michael Ohanessian commenced as CEO on the 8th August and has moved quickly since to implement some of the initiatives recommended in his earlier review of the company's business.

Michael has many years of experience as a management consultant to businesses in a range of industries and more recently as a CEO of a very successful technology related business. He brings valuable operations, sales, strategy and leadership capabilities, combined with a capacity and willingness to commit significant time and effort to the task.

Under Michael's leadership the company announced on 30 September that it had initiated an organizational restructuring and cost reduction program, having identified a number of opportunities to improve operating efficiencies and eliminate expenditures not justified by near term revenue expectations.

An organizational restructure is never a pleasant exercise and on behalf of the Board I express regret to those employees whose positions were made redundant as part of this process and thank each of them for their contribution to the company.

The restructuring is expected to reduce operating costs, on an annualized run rate basis, by \$2million to \$3million when fully effective. Most of the impact of this will be felt in Australia, while the costs of the UK operations are expected to be held at 2010/11 levels in the current financial year, with a refocusing of resources there to support an expanded sales effort.

In the short term the restructuring is expected to result in an improvement in the financial performance of the Australian business. The company's Australian business earned profits (EBITDA) of \$1.3million in the 2010/11 year and is expected to generate improved earnings on a run rate basis once the restructuring cost savings are fully effective. Whilst there is scope for further growth in the earnings of the Australian business, the bigger opportunity for growth in shareholder value appears to be in the UK if funds under administration can be built quickly enough to achieve breakeven and profitability. The performance of the UK business will be a key driver of shareholder value in the short and medium term and I can assure shareholders that the CEO and his team,

including John Martin who heads the UK business, are very focused on pursuing this objective.

Following the Board's decision to appoint Michael Ohanessian I accepted the Board's invitation to become a non-executive director and several weeks later the Board elected me as Chairman.

As someone who has followed Praemium for some time as an observer and more recently as a shareholder, I welcome my appointment to the Board and to the role of Chairman. After a little over 8 weeks I am still learning a lot about the business.

Now that I know quite a bit more about the inner workings of the company than I did 8 weeks ago, my assessment of the potential for the company remains unchanged.

The business faces a number of challenges, mostly normal for a business at this stage of its development. Our CEO is fully cognisant of them all and he and his team are working on both the efficiency and quality of every aspect of the company's business.

The company also has a number of opportunities most particularly in the UK but also in its Australian business. Praemium has a highly regarded suite of portfolio administration services and the planned regulatory changes in both Australia and the UK are creating increased demand for these services.

The key objective of the company going forward is to continue to attract increased funds to its services and to deliver all services profitably.

It would be inappropriate and potentially misleading of me to comment more specifically on the prospective financial performance of the company other than to say that the Board and Management's key objectives are to slow the rate of cash outflow as quickly as possible, while, at the same time focusing the organisation's efforts in those areas with the greatest opportunity for enhancing profitability and cash flow.

One of my reasons for caution in providing any guidance on prospective performance is the high levels of uncertainty and volatility in financial markets, which appears to have acted as a retardant to financial advisory groups deciding to adopt our services and to the subsequent transfer of their clients' funds on to our platforms. It would seem reasonable to expect that these influences will continue making forecasting quite challenging.

Assuming the capital raising to be voted on this morning is approved, the company expects to have cash resources of \$6 million at the end of this month. If our objectives for the current year are achieved we would expect to be presenting a balance sheet at 30 June 2012 with sufficient cash resources to more than meet the company's expected regulatory and contractual minimum capital requirements.

There is a lot of work to be done between now and then to achieve this and I commend to you the effort and focus Michael Ohanessian and his team are giving to this end. He has the full support of the Board and I am sure of the shareholders.

Mr Bruce Parncutt, 17 October 2011

Praemium Group

2011 Annual General Meeting

17 October 2011

Bruce Parncutt - Chairman

Michael Ohanessian - CEO

Welcome & Introductions

Praemium Directors

Dr Donald Stammer
Robert Edgley
John Bryson

Praemium Management

Michael Ohanessian, CEO
Paul Gutteridge, CFO & Company
Secretary

Auditors: Grant Thornton

Brad Taylor, Partner
Gerald Ratigan, Manager

Lawyers: Foster Nicholson

Leath Nicholson and Shannon Ryan

Share Registry: Link

Sarah Borrie and Zana Khan

Advisors: Gresham Partners

Paul Duske and Craig Jensz

Agenda

Chairman's Address

CEO's Report

Business of the Meeting

Chairman's Address

Bruce Parncutt - Chairman

CEO's Report

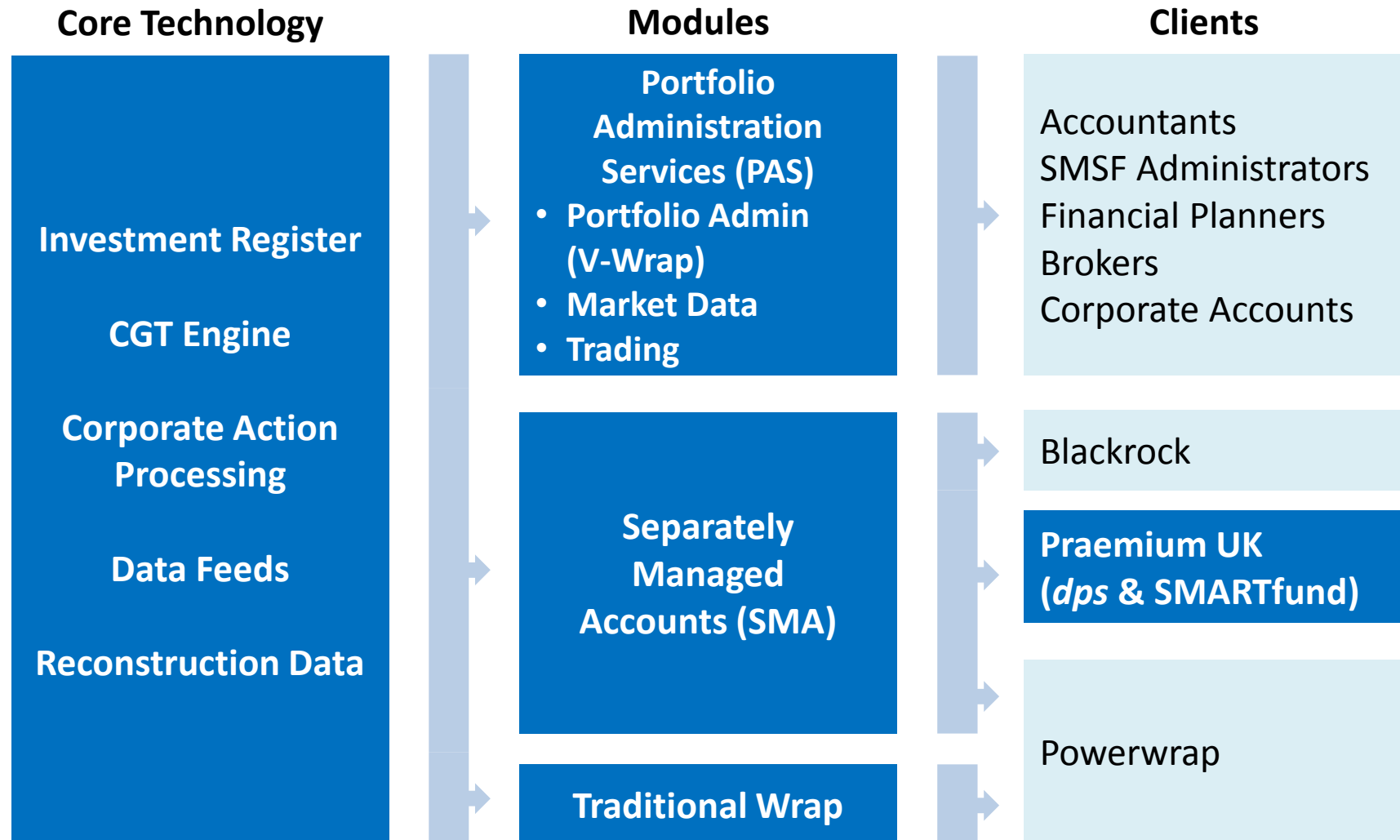
Michael Ohanessian - CEO

What we do

Praemium Australia: *delivers technology and services* to our clients, enabling them to efficiently administer investor portfolios

Praemium UK: *owns and operates portfolio investment platforms* complete with custody, legal structures and administration

Product landscape



PAS – A proven technology

V-Wrap is a comprehensive online portfolio administration service that excels in:

- Corporate action processing
- Sophisticated tax and investment reporting
- Multi-asset class
- Multicurrency
- Portfolio reconstruction

Diversified Client Base

- 40% Accountants
- 40% Financial Planners
- Approximately 17,000 SMSFs (4% of market)
- Key corporate clients

UK – Taking SMA international

SMARTfund – First of its kind

- Tax effective Authorised Unit Trust structure
- Investment management services outsourced
(eg Old Broad Street Research and Barrie & Hibbert)

dps– Advisor centric & value adding

- Advisors maintain the direct client relationship
- Advisors can manage investors' money using Model Portfolios
- Model Portfolio development and management outsourced to professional Investment Managers
- Investment Managers do not have visibility of end investor

Highlights

Australia

- Revenue growth of 9% to \$11.8 million
- Continued to improve our core technology functionality to existing customers
- MyState win significant for Powerwrap Limited and Praemium

UK

- Revenue growth of 51% to \$1.2 million
- Funds under administration (FUA) growth of 145% to £283 million
- Launched *dps* in Jersey to target international and offshore investors

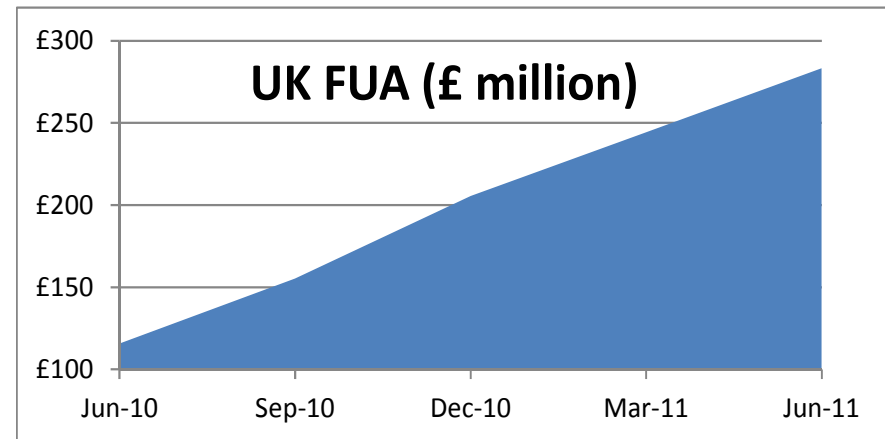
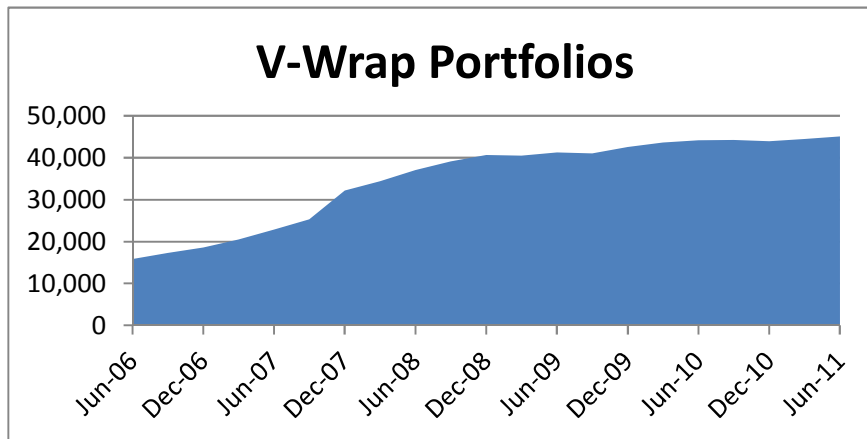
Financial summary

RESULTS SUMMARY	FY2011 \$'000	FY2010 \$'000	Change \$	Change %
Revenue	13,037	11,974	1,062	9%
Expenses	18,096	16,962	1,133	7%
EBITDA	(5,059)	(4,988)	(71)	-1%
Net Loss before Tax	(5,536)	(5,724)	187	3%
Cash at Reporting Date*	4,644	5,614	(970)	-17%
Net Assets	5,494	5,157	337	7%
Operating Cashflow	(5,854)	(5,716)	(138)	-2%

*The Group has no debt at reporting date

Key performance indicators

TECHNOLOGY OFFERING	KEY PERFORMANCE INDICATOR	FY2011	FY2010	Change %
PAS: AUS	V-Wrap Portfolios	45,075	44,167	2%
SMA: AUS	FUA (\$M)	574	497	15%
SMA: UK	FUA (£M)	283	116	145%



Divisional breakdown

PRAEMIUM GROUP RESULTS by REGION	AUS FY11 \$m	UK FY11 \$m	Group FY11 \$m	GROUP FY11 \$m
External Revenue	11.7	1.3		13.0
Employee Expenses	(7.0)	(5.0)	(0.5)	(12.6)
Operating Expenses	(3.4)	(1.6)	(0.4)	(5.5)
Total Expenses	(10.4)	(6.7)	(0.9)	(18.0)
EBITDA	1.3	(5.4)	(0.9)	(5.1)
EBITDA%	11%			
Depreciation	0.0	0.2	-	0.5
EBIT	0.0	(5.6)	(0.9)	(5.6)
NPBT FY11	0.9	(5.6)	(0.9)	(5.5)
NPBT FY10	0.7	(5.5)	(0.9)	(5.7)

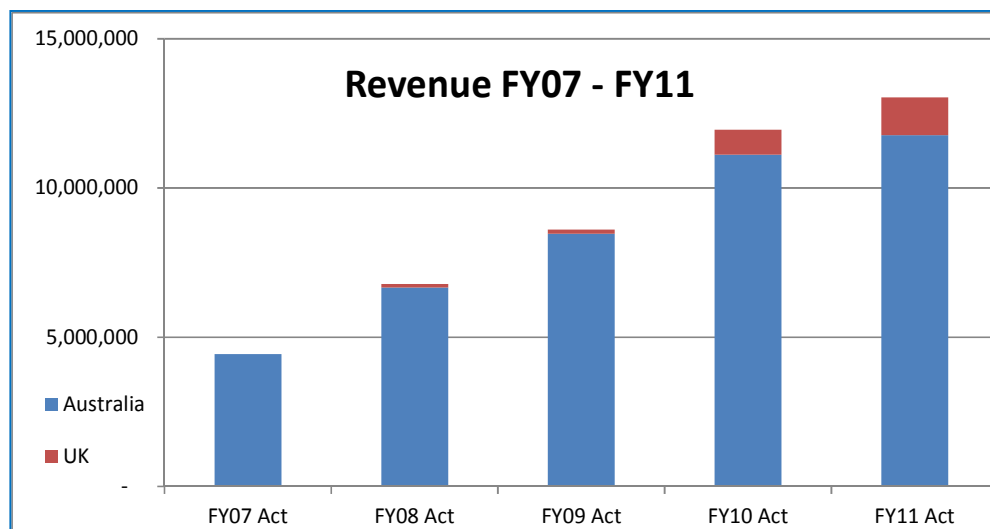
*Group overheads relate to costs associated with operating a public company, including Board of Directors, share registry and public relations costs plus as a percentage allocation for the CEO, Group CFO and General Counsel on investor relations.

Product breakdown

REVENUE by PRODUCT	FY2008	FY2009	FY2010	FY2011
	\$m	\$m	\$m	\$m
PAS: AUS	6.0	8.1	9.8	9.9
SMA & Wrap: AUS	-	-	0.8	1.2
SMA: UK	0.2	0.3	0.4	0.5
Product Revenue	-	0.0	0.2	0.5
Other Income	0.1	0.1	0.6	0.8
External Revenue	6.4	8.5	11.9	12.9

Notes:

- Portfolio Administration Services (PAS): AUS includes Praemium's V-Wrap brand plus services to key corporate accounts
- Separately Managed Account (SMA): AUS is provided through Blackrock and Powerwrap (SMA & Wrap)
- SMA: UK comprises 2 product offerings - SMARTfund and *dps*
- All product R&D costs are expensed in the year incurred



Profit focus

Potential EBIT uplift following organisational restructure

- Non-recurring cost of restructure: \$1.5m
- Annualised savings: \$2-3m

Increased sales focus

- Addition of field sales support personnel
- Expanded sales team for UK and International businesses

Realising potential

- V-Wrap remains market-leading solution for investment portfolio services
- Significant pipeline opportunity with Powerwrap
- Jersey offering to capture ex-pat market

Business is scalable

Our core software technology and daily processing engine can be leveraged across all of the company's products

The investment in our core client services, software support and operations capability is now largely complete

Jersey-based strategy leverages London-based infrastructure

Incremental growth is therefore scalable and should generate attractive profit margins

Our focus moving forward is to grow sales more aggressively

Strategic Priorities

- Complete implementation of cost reduction initiatives
- Implement improved cash forecasting to ensure adequate capital resources to fund business growth
- Refocus sales effort on V-wrap to maintain leadership position in Australia
- Continue to build funds on platform in the UK
- Build traction with our new Jersey-based expat service
- Invest in improving service quality to enhance and broaden our relationships with key customers

Questions?

Business of the Meeting

Consideration of Financial Statements & Reports

“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.

Election of Directors

Resolution 1

Resolution 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.”

Election of Directors

Proxy Votes/Direct Votes received prior to meeting

Resolution 1.1

To elect Mr Bruce Parncutt as a Director

	Direct	Proxy	Total	% of votes
For	85,658,817	40,481,868	126,140,685	96.7
Open	-	2,753,065	2,753,065	2.1
Against	1,112,120	397,044	1,509,164	1.2
Abstain	-	-	-	-

Voting represents 53.8% of the total share capital.

Election of Directors

Resolution 1

Resolution 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.”

Election of Directors

Proxy Votes/Direct Votes received prior to meeting

Resolution 1.2

To re-elect Dr Don Stammer as a Director

	Direct	Proxy	Total	% of votes
For	85,272,039	47,604,868	132,876,907	96.6
Open	-	2,753,065	2,753,065	2.0
Against	1,509,898	412,044	1,921,942	1.4
Abstain	-	22,000	22,000	-

Voting represents 56.8% of the total share capital.

Election of Directors

Resolution 1

Resolution 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.”

Election of Directors

Proxy Votes/Direct Votes received prior to meeting

Resolution 1.3

To re-elect Mr John Bryson as a Director

	Direct	Proxy	Total	% of votes
For	52,373,774	39,847,739	92,221,513	69.3
Open	-	2,743,065	2,743,065	2.1
Against	34,397,163	3,650,173	38,047,336	28.6
Abstain	-	4,551,000	4,551,000	-

Voting represents 54.9% of the total share capital.

Adoption of Remuneration Report

Resolution 2

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

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

Note: A voting exclusion applies to this resolution for directors and executives who were KMP during the disclosure period.

Adoption of Remuneration Report

Proxy Votes/Direct Votes received prior to meeting

Resolution 2

To adopt the Remuneration Report for financial year ended 30 June 2011

	Direct	Proxy	Total	% of votes
For	47,718,168	28,218,198	75,936,366	81.7
Against	14,533,862	2,454,644	16,988,506	18.3
Abstain	-	97,000	97,000	-

*Voting represents 38.3% of the total share capital, with 17.6% excluded.
Any open or undirected proxy votes are not counted under this resolution.*

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

Resolution 3

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.

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

Proxy Votes/Direct Votes received prior to meeting

Resolution 3

To approve the allotment and issue of 50,000,000 ordinary fully paid shares

	Direct	Proxy	Total	% of votes
For	63,199,452	23,196,189	86,395,641	96.9
Open	-	861,209	861,209	1.0
Against	1,292,120	602,644	1,894,764	2.1
Abstain	-	774,800	774,800	-

Voting represents 36.8% of the total share capital, with 19.0% excluded.

Approval of the issue of Securities to Lion Capital Pty Ltd

Resolution 4

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.

Approval of the issue of Securities to Lion Capital Pty Ltd

Proxy Votes/Direct Votes received prior to meeting

Resolution 4

To approve the allotment and issue of 5,000,000 fully paid ordinary shares at 10 cents to Lion Capital Pty Ltd

	Direct	Proxy	Total	% of votes
For	85,489,817	40,137,008	125,626,825	97.5
Open	-	1,261,209	1,261,209	1.0
Against	1,292,120	647,773	1,939,893	1.5
Abstain	-	745,000	745,000	-

Voting represents 53.1% of the total share capital, with 2.7% excluded.

Ratify previous issue of Securities

Resolution 7

We will move to Resolution 7 while Mr Robert Edgley holds the Chair.

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.

Ratify previous issue of Securities

Proxy Votes/Direct Votes received prior to meeting

Resolution 7

To ratify the allotment and issue of 31,167,019 Shares ordinary shares issued during the 2011 Financial Year

	Direct	Proxy	Total	% of votes
For	70,846,851	19,370,388	90,217,239	98.3
Open	-	861,209	861,209	0.9
Against	564,334	191,100	755,434	0.8
Abstain	-	795,000	795,000	-

Voting represents 37.9% of the total share capital, with 17.9% excluded.

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

Resolution 5

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.

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

Proxy Votes/Direct Votes received prior to meeting

Resolution 5

To 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

	Direct	Proxy	Total	% of votes
For	85,467,867	30,280,860	115,748,727	96.0
Open	-	2,802,196	2,802,196	2.3
Against	1,314,070	662,773	1,976,843	1.7
Abstain	-	90,000	90,000	-

Voting represents 49.7% of the total share capital, with 7.0% excluded.

Approval of the issue of Securities to Bryson Family Superannuation Account

Resolution 6

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, under the Bryson Family Superannuation Account as set out in the Explanatory Statement.”

Note: Mr Bryson is a Director of the Company. A voting exclusion applies to this resolution.

Approval of the issue of Securities to Bryson Family Superannuation Account

Proxy Votes/Direct Votes received prior to meeting

Resolution 6

To approve the allotment and issue of 500,000 fully paid ordinary shares at 10 cents to Bryson Family Superannuation Account

	Direct	Proxy	Total	% of votes
For	83,073,321	46,072,008	129,145,329	94.3
Open	-	2,802,196	2,802,196	2.0
Against	3,247,070	1,827,773	5,074,843	3.7
Abstain	-	90,000	90,000	-

Voting represents 56.5% of the total share capital, with 0.2% excluded.

Approval of refreshed Praemium Directors & Employees Benefits Plan

Resolution 8

As outlined in the notice of meeting, there are 3 proposed changes to the Directors & Employee Benefits Plan:

1. To refresh the current plan for a further 3 years under ASX Listing Rule 7.2 (Exception 9), such that any issue of securities would not reduce the number of securities able to be issued under the 15% Rule,
2. To introduce the ability to impose performance conditions on the vesting of options (which currently only applies to the vesting of performance rights), and
3. To remove clause 2.2 of the plan. Clause 2.2 of the plan allows the Company to issue up to 8.7% of its issued capital under the plan and is to be removed as it is in conflict with an ASIC Class Order which restricts such issues to 5% of the Company's issued capital over any 5 year period.

Note: A voting exclusion applies to this resolution.

Approval of refreshed Praemium Directors & Employees Benefits Plan

Proxy Votes/Direct Votes received prior to meeting

Resolution 8

To approve all securities granted under the “Praemium Directors and Employee Benefits Plan” as detailed on previous slide

	Direct	Proxy	Total	% of votes
For	69,493,951	17,341,960	86,835,911	80.2
Open	-	1,261,209	1,261,209	1.2
Against	14,968,690	5,206,673	20,175,363	18.6
Abstain	-	2,025,000	2,025,000	-

Voting represents 44.7% of the total share capital, with 10.6% excluded.

Approval of amendments to the Praemium Constitution

Resolution 9

As outlined in the notice of meeting, the resolution seeks to amend the constitution in accordance with section 136(2) of the Corporations Act with the effect of:

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

Approval of amendments to the Praemium Constitution

Proxy Votes/Direct Votes received prior to meeting

Resolution 9

To approve amendments to the Praemium Constitution as detailed in previous slide

	Direct	Proxy	Total	% of votes
For	66,158,434	47,455,137	113,613,571	82.7
Open	-	2,802,196	2,802,196	2.0
Against	20,612,503	469,644	21,082,147	15.3
Abstain	-	65,000	65,000	-

*As Resolution 9 is a special resolution, it is required that 75% or more of the votes cast be in favour.
Voting represents 56.7% of total share capital.*

Any other business?

**End of Meeting
Thankyou**