
Praemium Limited Notice & Agenda 2019 Annual General Meeting

Notice is given that Praemium Limited, ACN 098 405 826 ("Praemium" or "the Company") will hold its Annual General Meeting (AGM) at 11am (Melbourne time) on 19 November 2019 at Grant Thornton (Wills Room) Collins Square Tower 5, 727 Collins Street, Melbourne VIC 3008, Australia.

If you are unable to attend the meeting, you are encouraged to complete and return the enclosed voting form which allows you to lodge your vote directly or appoint a proxy to vote on your behalf. You may also lodge your direct vote or appoint a proxy online. The completed voting form must be received by Link Market Services no later than 11am on 17 November 2019.

Business

Praemium Financial Report

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 2019.

Note: There is no requirement for shareholders to approve these reports.

Resolution 1 – Re-election of Director – Barry Lewin

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

"To elect Barry Lewin, who retires by rotation in accordance with clause 9.1(d) of the Constitution, and being eligible, offers himself for re-election as a director of Praemium Limited."

Resolution 2 - Adoption of Remuneration Report

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

"That, the Remuneration Report for the financial year ended 30 June 2019 (set out in the 2019 Annual Report) be adopted."

Note: Voting restrictions apply to this Resolution. Details of the restrictions are set out in the Explanatory Statement.

Resolution 3–Non-Executive Directors Fees

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

"That, for the purpose of ASX Listing Rule 10.17 and for all other purposes, Shareholders approve the aggregate limit for directors' fees payable to non-executive directors be increased by \$300,000 to \$750,000 per annum."

Note: Voting exclusions and restrictions apply to this Resolution. Details of that exclusions and restrictions are set out in the Explanatory Materials.

Resolution 4 – Approval of the issue of Securities to Michael Ohanessian (Long term incentive)

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

"That, for the purpose of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the allotment and issue of 137,146 fully paid ordinary shares in Praemium Limited to Michael Ohanessian under the Company's Directors & Employees Benefits Plan and in accordance with the terms set out the explanatory memorandum."

Note: Voting exclusions applies to this Resolution. Details of that exclusions are set out in the Explanatory Materials.

Resolution 5 – Approval to issue up to a further 10% of the Company’s issued capital over the next 12 months

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

“That, for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of up to an additional 10% of the issued capital of the Company (at the time of the issue) at any time in the next 12 months, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2.”

Note: Voting exclusions applies to this Resolution. Details of the exclusions are set out in the Explanatory Materials.

Please read the Explanatory Statement

Information regarding the Resolutions, including important information regarding voting exclusions and prohibitions where applicable, may be found in the accompanying Explanatory Statement, which form part of this notice of meeting.

By Order of the Board

A handwritten signature in black ink, appearing to be 'P. Gutteridge', written in a cursive style.

Paul Gutteridge - CFO & Company Secretary
18 October 2019

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of shareholders of the Company (**Shareholders**) in relation to the business to be conducted at the Company's 2019 Annual General Meeting.

The purpose of the Explanatory Statement is to provide Shareholders with information that is reasonably required by Shareholders to decide how to vote on the Resolutions. The Directors recommend that Shareholders read this Explanatory Statement before determining whether or not to support the Resolutions.

All of the Resolutions to be voted on are **ordinary resolutions, other than Resolution 5 which is a special resolution**. An ordinary resolution requires a simple majority of votes cast by Shareholders entitled to vote on a Resolution. A special resolution requires at least 75% of the votes cast by Shareholders entitled to vote must be in favour of the resolution for it to be passed. This includes voting via proxies.

Questions and Comments

The Chairman will give Shareholders a reasonable opportunity to ask questions about or comment on the management of the Company.

The Chairman will also give Shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- the conduct of the audit;
- the preparation and content of the Independent Audit Report;
- the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- the independence of the Auditor in relation to the conduct of the audit.

Shareholders who would like to submit a written question to the Company's auditor, should post questions to the Company Secretary or fax it to +613 8622 1200. Written questions must relate to the content of the auditor's report to be considered at the Annual General Meeting or the conduct of the audit. All qualifying questions will be addressed at the Annual General Meeting. Please note that all questions must be received at least five business days before the Annual General Meeting; that is by no later than 12 November 2019.

Unless the Company's Share Registry has been notified otherwise, Shareholders will not be sent a hard copy of the Annual Report. All Shareholders can download the Annual Report, which contains the Financial Statement for the year ended 30 June 2019, from the Company's website at <https://www.praemium.com/au/about-us/shareholders/financial-reports/>

Resolution 1-Re-election of Director

Barry Lewin was appointed to the Board as the non-executive chairman in May 2017.

Mr Lewin has significant experience advising public and private companies in transaction structuring, debt and equity issues, mergers, acquisitions, business sales and public floats. Prior to establishing SLM Corporate Pty Ltd in 1999, Mr Lewin spent twelve years as in-house counsel to leading Australian public companies, including diversified international resource company North Limited, managing their legal and commercial Australian and international interests.

Mr Lewin is currently non-executive chairman for ASX-listed entities Elmo Software (ELO) and QuickFee (QFE). He has previous experience as Director of ASX-listed companies Senetas Corporation Limited (1999-2001) and Clean TeQ Holdings Limited (2007-2011), where he also served as Chairman of the Audit Committee.

Mr Lewin has degrees in Commerce and Law and holds an MBA from Swinburne University, Melbourne.

Information about the experience, skills and qualifications of all of the Directors, including Mr Lewin, are set out in the Company's 2019 Annual Report. Copies of the Annual Report can be downloaded from the Company's website at <https://www.praemium.com/au/about-us/shareholders/financial-reports/>

Recommendation

The Directors, with Mr Lewin abstaining, recommend that Shareholders vote in favour of Resolution 1.

Resolution 2 – Remuneration Report

Section 250R(2) of the Corporations Act 2001 (Cth) requires Shareholders to vote on an advisory resolution that the Remuneration Report (**Remuneration Report**) be adopted.

The Remuneration Report details the remuneration policies for Praemium Limited and each of its subsidiaries, including those incorporated in the United Kingdom, Jersey, Armenia, Hong Kong and China (the 'Group') and reports the remuneration arrangements for Directors and Key Management Personnel (identified for the purposes of the Accounting Standards). The Remuneration Report is set out on pages 24-31 of the 2019 Annual Report to Shareholders.

The vote on Resolution 2 is advisory only and does not bind the Directors or the Company. The Board will however, consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies.

Under the *Corporations Act 2001* if 25% or more of votes that are cast at the meeting are voted against the adoption of the Remuneration Report at two consecutive AGMs, Shareholders will be required to vote at the second of those AGMs on a further resolution (a "**Spill Resolution**") that another meeting be held within 90 days, at which meeting, all of the Company's Directors (other than any Managing Director) must go up for re-election.

Shareholders will recall that at the 2018 AGM, **not** more than 25% of the votes cast were cast against the 'remuneration resolution' and therefore, there will be no requirement for a Spill Resolution at this AGM.

The Chair will give Shareholders a reasonable opportunity to ask questions about or make comments on the Remuneration Report.

Special voting restrictions apply in relation to this Resolution (see Other Information below).

The Directors make no recommendation to Shareholders on this Resolution 2.

Resolution 3–Non-Executive Directors Fees

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to Shareholders.

The non-executive directors are paid fixed fees in accordance with a determination of the Board but within an aggregate limit fixed by the Shareholders. The ASX Listing Rule 10.17 specifies that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. At the 2016 AGM, the Shareholders approved the total aggregate remuneration for directors as \$450,000. This has remained the total aggregate remuneration throughout the 2017 to 2019 financial years.

The Board proposes an increase in the total aggregate remuneration of non-executive directors by an overall increase of \$300,000 to \$750,000 for the 2020 financial year. The reasons for this change are:

1. to allow the Company to attract and retain directors of the highest calibre by providing remuneration relative to the market;
2. as the Company operates within a highly regulated market, it needs to be able to attract and retain directors with expertise within the sector; and
3. the previous aggregate remuneration cap is low relative to market and the increased cap will align with the Company's peer group, while continuing to maintain a fee buffer to provide flexibility.

The Company reviewed its non-executive director fee structure in March 2019 and it was resolved to increase the total aggregate remuneration to \$750,000. The changes were determined having regard to increased responsibilities of directors across the Company's global business and the need to attract and retain qualified and suitably experienced directors. The new fee cap, should this Resolution 3 be adopted, will increase the non-executive director fees by \$111,000, to \$478,000 in FY20 on an annualised basis, leaving a reserve of \$270,000. Whilst the increase in fees commenced in April 2019, payments to the non-executive directors to date fall within the existing cap. Should Resolution 3 fail, all further payments to the non-executive directors will fall within the existing cap approvals.

The proposed new maximum amount takes into account the above changes and the reserve of \$270,000. The Praemium Board considers maintaining a fee reserve will provide flexibility in planning its overall structure in advance of any specific needs arising. This may include appointing new directors to the Board prior to the resignation of current directors to facilitate an orderly succession.

No securities have been issued to ASX non-executive directors under Listing Rule 10.11 or 10.14 with the approval of shareholders within the last three years.

Recommendation

The Directors do not make a recommendation to Shareholders in respect of Resolution 3.

A voting exclusion applies in relation to this Resolution 3 as well as special voting requirements (as outlined in the Other Information section).

Resolution 4 Approval of the issue of Securities to the Managing Director

Long Term Incentive (LTI)

Michael Ohanessian's employment contract, as disclosed to the market on 1 March 2018 provides for long-term incentives by way of issue of performance rights, based on participation within Praemium's Directors & Employee Benefits Plan (**Performance Rights**). Further details of the Praemium's Directors & Employee Benefits Plan are outlined on pages 25-26 of the FY2019 Annual Report.

Provided that the specified performance targets (determined by the Board) are achieved in each financial year of the 3 year LTI cycle (**LTI Financial Year**), the Performance Rights vest on the basis of:

- **Year 1:** up to 15% of total Performance Rights;
- **Year 2:** up to 25% of total Performance Rights; and
- **Year 3:** up to 60% of total Performance Rights.

Mr Ohanessian's LTI rights for the 2019 LTI Financial Year relate to two **Offers** made pursuant to the Praemium's Directors & Employees Benefits Plan:

- 20 September 2017 for **476,744** total performance rights (**2017 Offer**) and
- 16 October 2018 for **242,857** total performance rights (**2018 Offer**).

The Performance Rights available in respect of each Offer during an LTI Financial Year will vest:

- (a) 50% where the group profitability target (**EBITDA Target**) is achieved (**EBITDA Target Allocation**); and
- (b) 50% where the Total Shareholder Return target (**TSR Target**), being the % change in Praemium's share price relative to the % change of the Company's peer group is achieved (**TSR Target Allocation**).

Under each Offer, Mr Ohanessian is also entitled to further performance rights during each LTI Financial Year where the TSR Target (as set by the Board) is exceeded, up to a maximum of up to 50% of the Performance Rights that are available for vesting in the relevant LTI Financial Year (**Bonus Performance Rights**). Where the baseline hurdles are not met, no Performance Rights will vest.

The maximum LTI's available for the 2019 LTI Financial Year (excluding Bonus Rights) are:

- tranche 1 of the 2018 Offer (up to 36,429 Performance Rights, being 15% of the total Performance Rights available); and
- tranche 2 of the 2017 Offer (up to 119,186 Performance Rights, being 25% of the total Performance Rights available).

Based on the Company's audited financial results, the following LTI targets (as set by the Board) for the 2019 LTI financial year were achieved:

- under the 2018 Offer 98.5% of the EBITDA Target was achieved while the TSR Target was not achieved, resulting in an overall achievement of 49.3% for tranche 1 of the 2018 Offer, or 17,960 fully paid ordinary Shares;
- Under the 2017 Offer 100% of the cumulative EBITDA Target and 100% of the cumulative TSR Target were achieved, resulting in an overall achievement of 100% for tranche 2 of the 2017 Offer, or 119,186 fully paid ordinary Shares; and
- No Bonus Performance Rights were achieved.

Accordingly, Mr Ohanessian is entitled to be issued with a total of 137,146 fully paid ordinary Shares in the Company. As the Shares the subject of the LTIs will be issued under the Company's Directors and Employees Benefits Plan, Shareholder approval in accordance with ASX Listing Rules 10.14, is required. Upon Shareholder approval being obtained, 137,146 ordinary fully paid Shares in the capital of Praemium Limited will be issued to Mr Ohanessian as an LTI.

It is a requirement of ASX Listing Rule 10.15 that Shareholders be provided with the following information:

The Name of proposed allottee

Michael Ohanessian is a Director and therefore a related party of Praemium and is also entitled to participate in the Company's Directors & Employees Benefits Plan.

Maximum number of securities that may be issued

137,146 fully paid ordinary Shares.

The Price or formula for calculating the price

The Shares are issued as an LTI so no money shall be received from the issue.

The names of all persons under rule 10.14 who have received securities under the scheme since the last approval date

Since the scheme was last approved in 2017, 107,268 shares have been issued to related parties under the Company's Directors & Employees Benefits Plan.

All securities to Directors receive shareholder approval prior to issue.

All related parties entitled to participate in the scheme

In addition to Michael Ohanessian, the other related parties who are entitled to participate in the Company's Directors and Employees Benefits Plan are Barry Lewin, Stuart Robertson, Daniel Lipshut and Claire Willette. For the 2019 financial year the other related parties did not participate in the Plan.

The date by which the entity will issue the securities

In accordance with ASX Listing Rule 10.15, securities are required to be issued within 12 months after the date of meeting (being 19 November 2019). If approved, the Shares in relation to this Resolution will be issued on 20 November 2019.

Where approval is obtained under ASX Listing Rule 10.14, approval is not also required under ASX Listing Rule 7.1.

The Directors have determined that the issue is reasonable remuneration for the purposes of Chapter 2E and therefore, Shareholder approval for the purposes of the related party provisions set out in Chapter 2E of the Corporations Act is not required.

A voting exclusion applies in relation to this Resolution as well as special voting requirements which are set out details.

Recommendation

The Directors, other than Mr Ohanessian, recommend that Shareholders vote in favour of Resolution 4.

Resolution 5 – Approval to issue up to a further 10% of the Company's issued capital over the next 12 months

(a) Introduction

ASX Listing Rule 7.1A allows 'eligible entities' to obtain the approval of Shareholders at an annual general meeting to issue up to 10% of its issued capital (**Additional Placement Facility**), in addition to the 15% available to the Company under ASX Listing Rule 7.1 (which allows the issue of up to 15% of its issued capital without Shareholder approval). The Company is an eligible entity as it has a market capitalisation of less than \$300 million. The Company's current market capitalisation is approximately \$180 million (at 10 October 2019).

If passed, this Resolution 5 would effectively allow the Company to issue up to 25% of its issued capital in the next 12 months without seeking any additional Shareholder approvals. The Shares the subject of the Additional Placement Facility (**Additional Placement Shares**) must be an existing class of security currently quoted on the ASX may be issued at any time during the 12-month period from the date of this Resolution.

This Resolution must take the form of a **special resolution**.

Shareholders are advised that it is a condition of approval under ASX Listing Rule 7.1A that the issue price for the Additional Placement Shares must not be less than 75% of the VWAP calculated over the 15 trading days immediately before:

- (i) the date on which the price is agreed; or
- (ii) if the securities are not issued within 5 trading days of the date referred to in subparagraph (i), the date on which the securities are issued.

Notice requirement under ASX Listing Rule 7.3A

It is a requirement of ASX Listing Rule 7.3A.1 that Shareholders be given the following information when seeking approval under ASX Listing Rule 7.1A:

The minimum price at which the Additional Shares may be issued.

It is the intention of the Company that the Additional Placement Shares will not be issued for a price less than 5% of the VWAP calculation referred to at paragraph (a) above. In any event, the issue price of the Shares cannot exceed the 25% discount referred to in paragraph (a) above.

Risk of economic and voting dilution of existing Shareholders

An issue of Shares under Listing Rule 7.1A involves the risk of economic and voting dilution for existing ordinary security holders. The risks include:

- a) the market price for Shares may be significantly lower on the issue date than on the date of the approval under Listing Rule 7.1A; and
- b) the equity securities may be issued at a price that is at a discount to the market price for the Shares on the issue date.

Should the full Additional Placement Shares be issued during the next 12-month period, this will have a dilutive effect on Shareholders. It is a requirement of ASX Listing Rule 7.3A that Shareholders be provided with examples of the possible dilutive effect further issues can have on a Shareholder's economic and voting rights.

For the purposes of Listing Rule 7.3A.2:

- The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares as at 10 October 2019 and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable A in Listing Rule 7.1A.2		Dilution \$0.22 issue price 50% decrease in Issue Price	Dilution \$0.44 Issue Price	Dilution \$0.88 issue price 100% decrease in Issue Price
Current Variable A 407,994,034 shares	10% voting dilution Funds raised	40,799,403 shares \$8,975,869	40,799,403 shares \$17,951,737	40,799,403 shares \$35,903,475
50% increase in current variable A 611,991,051 shares	10% voting dilution Funds raised	61,199,105 shares \$13,463,803	61,199,105 shares \$26,927,606	61,199,105 shares \$53,855,212
100% increase in current variable A* 815,988,068 shares	10% voting dilution Funds raised	81,598,807 shares \$17,951,737	81,598,807 shares \$35,903,475	81,598,807 shares \$71,806,950

**This example is specifically required by ASX. The Company advises that it has no current intentions to double the number of Shares on issue in the next 12 months.*

The table has been prepared on the following assumptions:

- *The Company issues the maximum number of Shares available under the 10% Listing Rule 7.1A approval;*
- *No options are exercised to convert into Shares before the date of the issue of the Shares available under Listing Rule 7.1A.*
- *The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.*
- *The table does not show an example of dilution that may be caused to a particular Shareholder by reason of any Share issues under Listing Rule 7.1, based on that Shareholder's holding at the date of the Meeting.*
- *The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.*
- *The issue of Shares under Listing Rule 7.1A consists only of Shares. If the issue includes listed options, it is assumed that those listed options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.*
- *The issue price is \$0.44, being the closing price of the Shares on ASX on 10 October 2019.*

The date by which securities approved under this listing rule will be issued.

Securities issued with approval under this ASX Listing Rule, must be issued within 12 months from the date of the Resolution being 18 November 2020, or earlier if Shareholders subsequently approval a significant transaction for the purposes of ASX Listing Rule 11.1.2 or ASX Listing Rule 11.2.

The purpose for which the securities may be issued including for non-cash consideration.

It is the Board's current intention that any funds raised pursuant to an issue of securities will be applied towards any potential acquisitions, in accordance with the Company's growth strategies. The Board may also issue Shares for non-cash consideration. In the event securities are issued for non-cash consideration, the Company will provide for release to the market, a valuation of the non-cash consideration in accordance with Listing Rule 7.1A.3.

The issue of any Additional Placement Shares would be subject to the Directors satisfying themselves of the viability of such acquisition. At the time of this Explanatory Memorandum, the Company has not formed any intentions regarding the issue of Additional Placement Shares.

Details of the Company's allocation policy for securities issued under this listing rule.

The Company's current allocation policy in respect of the Additional Placement Facility is to make the Additional Shares available to a mix of existing and new Shareholders. A final determination as to the suitability of the allocation of the Shares will depend on the needs and requirements of the Company at the relevant time.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to Listing Rule 7.1A. The identity of the allottees will be determined on a case-by-case basis having regard to various factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company including but not limited to, a rights issues or other issues in which existing security holders can participate;
- (ii) the effect of the issue of the Listing Rule 7.1A Shares on the control the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) any advice of corporate, financial and broking advisers (If applicable).

Additional Information required by ASX Listing Rule 7.3A.6

The Company has previously obtained approval under Listing Rule 7.1A in 2017 but did not seek approval under Listing Rule 7.1A in 2018. However, for completeness, the following additional information is required to be provided to Shareholders:

- (i) **Total equity securities issued in the 12 months preceding the date of the Annual General Meeting and the percentage they represent of the total number of equity securities on issue at the commencement of that 12-month period:**

3,057,607 fully paid ordinary Shares, representing 0.75% total equity securities; and

- (ii) **Details of all issues of equity securities by the Company during the 12 months preceding the date of the Annual General Meeting are as follows:**

- 3,057,607 fully paid ordinary Shares issued to Praemium staff under the Company's Director and Employee Share Plan.
- the Shares were issued for nil consideration, however based upon the Company's closing Share price on 10 October 2019 these were valued at \$1,345,347.

Voting exclusions apply to this Resolution. See details below.

Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 5.

OTHER INFORMATION

Entitlement to attend and vote

In accordance with Reg 7.11.37 of the Corporations Regulations 2001 (Cth), the Board has determined that persons who are registered holders of Shares in the Company as at 7pm (Melbourne time) on 17 November 2019 will be entitled to attend and vote at the AGM as a Shareholder.

If more than one joint holder of Shares is present at the AGM (whether personally, by proxy, or by attorney, or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register of Shareholders will be counted.

Voting Exclusion/Prohibition Statements

The Company will, in accordance with the Listing Rules, disregard any votes cast in favour by or on behalf of

- in respect of **Resolution 3**, by all Directors of Praemium Limited and their associates;
- in respect of **Resolution 4**, by any Director of Praemium Limited and their associates;
- in respect of **Resolution 5**, by a person who may participate in the proposed issue and a person who may obtain a benefit, except a benefit solely in the capacity as holder of ordinary securities, if the Resolution is passed, and their associates.

However, the Company need not disregard a vote if:

- It is cast by a director as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

Special voting restrictions in relation to Resolutions 2, 3 and 4

Key Management Personnel (**KMP**) and their closely related parties are not permitted to vote on Resolutions 2, 3 and 4 in any capacity. KMPs of Praemium are the Directors of Praemium and those other persons having authority and responsibility for planning, directing and controlling the activities of Praemium, directly or indirectly. The Remuneration Report identifies Praemium's KMPs for the financial year ending 30 June 2019. 'Closely related parties' are defined in the Corporations Act 2001, and include certain of their family members, dependents and companies they control.

Pursuant to 250BD a vote may not be cast on Resolutions 2, 3 and 4 by a KMP or their closely related parties who are appointed as proxy where the Shareholder has not specified in writing how the proxy is to vote. However, a KMP may cast a vote as proxy (other than a proxy cast on behalf of the above persons) if:

- (a) it specifies in writing how the KMP is to vote; or
- (b) it is cast by the Chair who is permitted to vote undirected proxies where the shareholder expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly to with the remuneration of a KMP. **You much tick the box on the proxy form expressly authorising the Chair to vote undirected**

Accordingly, if you have appointed the Chair (either directly or by default) as your proxy and you have not directed him how to vote you are authorising the Chair to exercise the proxy in respect of Resolutions 2, 3 and 4 notwithstanding that the Chair or KMP may benefit.

The Chair intends to vote in favour of all Resolutions.

Direct Voting

In accordance with rule 8.7(j) of the Company's Constitution, where a Shareholder is entitled to vote, and cannot attend personally and does not wish to appoint a proxy, the Shareholder may vote directly on Resolutions to be considered at the AGM by mailing their vote(s) to the Company's share registry, Link Market Services Limited, by 11.00am (Melbourne time) on 17 November 2019.

The direct voting form may be **mailed / delivered** to the Company's share registry, Link Market Services Limited at:

Street Address: Level 12, 680 George Street, Sydney, NSW 2000 or 1A Homebush Bay Drive, Rhodes NSW 2138

Postal Address: Locked Bag A14, SYDNEY SOUTH, NSW 1235

Faxed to Link Market Services Limited on Fax: 02 9287 0309

Online Direct Voting – Direct votes can be lodged online at <https://www.linkmarketservices.com.au/> by using the following steps.

- Step 1 –** Select 'Investor Login';
- Step 2 –** Click on the 'Single Holding' section (unless you have set up a 'Portfolio', in which case proceed to access online voting through that login process);
- Step 3 –** At 'Issuer Name' enter 'PPS' or 'Praemium Limited';
- Step 4 –** Enter your HIN or SRN;
- Step 5 –** Enter the postcode (or Country Code if outside Australia) relevant to each shareholding;
- Step 6 –** Enter the security code as displayed;
- Step 7 –** Read and agree to the terms and conditions by selecting the tick box;
- Step 8 –** Select 'Voting' from the top menu bar; and
- Step 9 –** Select 'Vote' under the heading "Action" and follow the prompts to lodge your direct vote.

You will be taken to have signed your direct vote form if you lodge it in accordance with the instructions given on the website.

Corporate Representatives

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act 2001 (Cth) in which case the Company will require a Certificate of Appointment of Corporate Representative executed in accordance with the Corporations Act 2001 (Cth) to be provided. The Certificate must be lodged with the Company before the AGM or at the registration desk on the day of the AGM. The Company will retain the certificate. A form of this certificate may be obtained from the Company's share registry.

Proxies

In accordance with section 249L(d) of the Corporations Act 2001 (Cth) a member who is entitled to attend and vote at the AGM may appoint a proxy. A proxy can be either an individual or a body corporate. Should you appoint a body corporate as your proxy, that body corporate will need to ensure that it:

- appoints an individual as its corporate representative to exercise its powers at meetings, in accordance with section 250D of the Corporations Act 2001 (Cth); and
- provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the AGM.

If satisfactory evidence of appointment as corporate representative is not received before the meeting, then the body corporate (through its representative) will not be permitted to act as your proxy.

If a Shareholder is entitled to cast two or more votes the Shareholder may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise. If the proxy appointments do not specify the proportion of the member's voting rights that each proxy may exercise, each proxy may exercise half of the member's votes.

A proxy need not be a member.

The Proxy Form (and, if the appointment is signed by the appointer's attorney, the authority under which it was signed or a certified copy of the authority) must be received by the Company's share registry, Link Market Services Limited, by 11.00am (Melbourne time) on 17 November 2019.

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote by marking either "For" "Against" or "Abstain" for that item of business. If you sign the enclosed voting form and do not mark Box A or Box B, you will have appointed the Chairman of the meeting as your proxy.

The completed proxy form may be **mailed / delivered** to the Company's share registry using the enclosed envelope, to Link Market Services Limited at:

Street Address: Level 12, 680 George Street, Sydney, NSW 2000 or 1A Homebush Bay Drive, Rhodes NSW 2138

Postal Address: Locked Bag A14, SYDNEY SOUTH, NSW 1235

Faxed to Link Market Services Limited on Fax: 02 9287 0309

Online Proxy Appointment - Proxies can be lodged online at <https://www.linkmarketservices.com.au/> by the following steps.

- Step 1 –** Select 'Investor Login';
- Step 2 –** Click on the 'Single Holding' section (unless you have set up a 'Portfolio', in which case proceed to access online voting through that login process);
- Step 3 –** At 'Issuer Name' enter 'PPS' or 'Praemium Limited';
- Step 4 –** Enter your HIN or SRN;
- Step 5 –** Enter the postcode (or Country Code if outside Australia) relevant to each shareholding;
- Step 6 –** Enter the security code as displayed;
- Step 7 –** Read and agree to the terms and conditions by selecting the tick box;
- Step 8 –** Select 'Voting' from the top menu bar; and
- Step 9 –** Complete the steps to lodge your proxy.


You will be taken to have signed your proxy form if you lodge it in accordance with the instructions given on the website. To be valid, a proxy must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.


LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
Praemium Ltd
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **BY FAX**
+61 2 9287 0309

 **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138; or
Level 12, 680 George Street, Sydney NSW 2000

 **ALL ENQUIRIES TO**
Telephone: +61 1300 554 474



X99999999999


VOTING FORM

I/We being a member(s) of Praemium Ltd and entitled to attend and vote hereby appoint:

STEP 1 Please mark either A or B

A VOTE DIRECTLY

☐ elect to lodge my/our vote(s) directly (mark box)

 in relation to the Annual General Meeting of the Company to be held at **11:00am (Melbourne time) on Tuesday, 19 November 2019**, and at any adjournment or postponement of the Meeting.

You should mark either "for" or "against" for each item. Do not mark the "abstain" box.

OR

B APPOINT A PROXY

☐ the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **11:00am (Melbourne time) on Tuesday, 19 November 2019 at Grant Thornton (Wills Room) Collins Square Tower 5, 727 Collins Street, Melbourne VIC 3008, Australia** and at any postponement or adjournment of the Meeting.

Important for Resolutions 2, 3 and 4: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 2, 3 and 4, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

Resolutions

1 Re-election of Director – Barry Lewin

For Against Abstain*

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

5 Approval to issue up to a further 10% of the Company's issued capital over the next 12 months

For Against Abstain*

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

2 Adoption of Remuneration Report

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

3 Non-Executive Directors Fees

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

4 Approval of the issue of Securities to Michael Ohanessian (Long term incentive)

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 2

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

STEP 3

HOW TO COMPLETE THIS SHAREHOLDER VOTING FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

VOTING UNDER BOX A

If you ticked the box under Box A you are indicating that you wish to vote directly. Please only mark either **"for"** or **"against"** for each item. Do not mark the **"abstain"** box. If you mark the **"abstain"** box for an item, your vote for that item will be invalid.

If no direction is given on all of the items, or if you complete both Box A and Box B, your vote may be passed to the Chairman of the Meeting as your proxy.

Custodians and nominees may, with the Share Registrar's consent, identify on the Voting Form the total number of votes in each of the categories **"for"** and **"against"** and their votes will be valid.

If you have lodged a direct vote, and then you attend the Meeting, your attendance will cancel your direct vote.

The Chairman's decision as to whether a direct vote is valid is conclusive.

VOTING UNDER BOX B – APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Voting Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Voting Form and the second Voting Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A VOTING FORM

This Voting Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am (Melbourne time) on Sunday, 17 November 2019**, being not later than 48 hours before the commencement of the Meeting. Any Voting Form received after that time will not be valid for the scheduled Meeting.

Voting Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN), Holder Identification Number (HIN) or Employee ID as shown on the front of the Proxy Form).



BY MAIL

Præmium Ltd
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138
or
Level 12
680 George Street
Sydney NSW 2000

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**