

5 October 2012

Dear Shareholder

I have pleasure in inviting you to attend our 2012 Annual General Meeting and have enclosed the Notice of Meeting which sets out the items of business. The meeting will be held at the offices of Computershare Investor Services Pty Ltd, Level 4, 60 Carrington Street, Sydney on Wednesday 7 November 2012 at 10.30am.

If you are attending the meeting, please bring this letter with you to facilitate your registration for the meeting.

If you are unable to attend the meeting you are encouraged to complete the enclosed proxy form. The proxy form allows you to vote on the business to be put before the meeting. You can nominate someone who will be attending the meeting to be your proxy. All Directors will be in attendance at the meeting.

The proxy form should be returned in the envelope provided or faxed to our share registry on (03) 9473 2555 so that it is received by 10.30am on 5 November 2012, being no later than 48 hours before the date of the meeting.

Corporate shareholders are required to complete a "Certificate of Appointment of Representative" to enable a person to attend on their behalf. This certificate is available from the Company's share registry.

I look forward to your attendance at the meeting.

Yours faithfully



Lindsay Mann
Chairman





NOTICE OF ANNUAL
GENERAL MEETING
AND EXPLANATORY
STATEMENT



TABLE OF CONTENTS

Notice of Annual General Meeting	1
Explanatory Statement, Commentary and Recommendations	2
Resolution 1: Re-election of Mr Reubert Hayes	3
Resolution 2: Adoption of Remuneration Report	3
Glossary	4

**Annual General Meeting to be held at: the offices of Computershare Investor Services Pty Ltd
Level 4, 60 Carrington Street, Sydney NSW 2000, Wednesday 7 November 2012 at 10.30am**

Premium Investors Shareholder Information

T: 1800 087 348

E: info@premiuminvestors.com.au

W: www.premiuminvestors.com.au

This Notice of General Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or professional adviser without delay.

Issued 5 October 2012.



NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of Shareholders of Premium Investors Limited will be held at the offices of Computershare Investor Services Pty Ltd, Level 4, 60 Carrington Street, Sydney on Wednesday 7 November 2012 at 10.30am.

ITEMS OF BUSINESS

Receipt of Financial Statements and Reports

To receive and consider the Financial Report, the Directors' Report and the Auditor's Report for the year ended 30 June 2012.

The 2012 Financial Report, Directors' Report and Auditor's Report will be presented to the Meeting. Shareholders can access a copy of the 2012 Annual Report (which includes the Financial Report, the Directors' Report and the Auditor's Report) on the Company's website www.premiuminvestors.com.au. A printed copy of the 2012 Annual Report has been sent only to those Shareholders who have elected to receive a printed copy. Shareholders may elect to receive, free of charge, a printed copy of the Annual Report (including the Financial Report, the Directors' Report and the Auditor's Report) for each financial year. Please contact Computershare Investor Services Pty Limited for information about this.

Shareholders will be given reasonable opportunity to ask questions about and make comments on, the reports and the Company's management, business, operations, financial performance and business strategies.

Shareholders will also be given reasonable opportunity to ask a representative of the Company's auditor, Ernst & Young, questions relevant to the conduct of the audit, the preparation and content of the Auditor's 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.

Resolution 1: Re-election of Mr Reubert Hayes

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

"That Mr Reubert Hayes, a Director retiring by rotation in accordance with the Company's constitution and offering himself for re-election be re-elected as a Director of the Company."

Resolution 2: Adoption of Remuneration Report

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

"To adopt the remuneration report forming part of the Directors' Report for the financial year ended 30 June 2012."

Voting exclusion

Key management personnel and their closely related parties are excluded from voting on the resolution to adopt the Company's Remuneration Report.

In accordance with section 250R(4) of the Corporations Act, the Company will disregard votes cast on Resolution 2 by a member of the Company's Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member, unless the vote is cast:

- A. as a proxy for a person entitled to vote in accordance with a direction on the proxy form; or
- B. by the chairman of the meeting as proxy for a person entitled to vote and the chairman has received express authority to vote undirected proxies as the chairman sees fit.

Other Business

To transact any other business that may be lawfully brought forward.

Further information in relation to resolutions 1 to 2 may be found in the accompanying Explanatory Statement.



Dated 5 October 2012

By order of the Board

Reema Ramswarup
Company Secretary



EXPLANATORY STATEMENT

IMPORTANT INFORMATION

This Explanatory Statement has been prepared by the Company to provide you with information in relation to the resolutions that will be put forward at the Meeting. All Shareholders should read this Explanatory Statement carefully and in its entirety.

If you are uncertain about any part of the business that will be conducted at the Meeting you should consult your financial or legal adviser.

This Explanatory Statement is dated 5 October 2012.

1. Glossary

Terms used in this Explanatory Statement have the meaning given to them in the Glossary at the back of this document.

2. Voting entitlement

The persons who will be entitled to vote at the Meeting are those persons (or their proxies) that are registered as holding ordinary shares in the Company on the Company's share register at close of business on [5 November 2012]. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Some voting exclusions apply. The voting exclusion applicable to each Resolution is explained in the Explanatory Statement.

3. Proxies and corporate representatives

Shareholders entitled to attend and vote at the Meeting may appoint a proxy or (in the case of a corporate Shareholder) representative to attend and vote on their behalf. A proxy does not have to be a Shareholder of the Company. You may, if you wish, appoint "The Chairman of the Meeting" as your proxy by filling in the proxy form to that effect.

If you are entitled to cast two or more votes, you may appoint two proxies and specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified then each proxy may exercise half the votes.

A Proxy form is enclosed with this Notice of Meeting. Completed proxy forms must be received by the Company's share registry, Computershare Investor Services Pty Limited, before 10:30am on Monday, 5 November 2012.

Please send the completed proxy form to Computershare Investor Services Pty Limited:

By mail: GPO Box 242
Melbourne VIC 3001
Australia

By fax: 1800 783 447 (within Australia)
or
+613 9473 2555 (outside Australia)

4. Custodian voting

For Intermediary Online subscribers please visit: www.intermediaryonline.com

5. Online voting

Online voting will be available at: www.investorvote.com.au

You will require your SRN/HIN and the control number (printed on your proxy form).

6. Further information about voting

For more information about how to vote, please call:

For enquiries within Australia 1300 850 505
For enquiries from outside Australia +61 3 9415 4000

RESOLUTIONS

RESOLUTION 1: Re-election of Mr Reubert Hayes

Mr Reubert Hayes retires by rotation and offers himself for re-election as a Director of the Company.

Rule 8.1(f) of the Constitution requires that at each annual general meeting of the Company, one-third of the Directors, and any other Director not in such one third who has held office for 3 years or more since their last election, must retire from office.

Under Rule 8.1(h) of the Constitution, a retiring Director is eligible for re-election.

Mr Hayes has been a Director of the Company since 2009 and has over 44 years experience in investment management and stockbroking research. He was a founder and CEO of Ausbil Dexia Limited, a specialist wholesale boutique asset management operation, and in 1984 was a joint founder of Barclays Bank investment operations in Australia. Mr Hayes was CEO of Barclays Investment Management for 12 years until 1996. Prior to 1984 Mr Hayes was a Member of the Australian Stock Exchange and was Research Partner of an institutional specialist stockbroking house for six years. Prior to this he held senior investment roles with AMP and Westpac.

Mr Hayes has been a Director of Treasury Group since 22 February 2007 and was previously a Director of Emerging Leaders Investment Limited. He is a Senior Fellow of the Financial Services Institute of Australia and Finance, and a Fellow of the Australian Institute of Company Directors. Given his Directorship of Treasury Group Mr Hayes is not considered by the Board to be independent.

RECOMMENDATION

The Board, other than Mr Hayes, unanimously SUPPORTS the re-election of Mr Reubert Hayes and recommends that all Shareholders VOTE FOR Resolution 1.

RESOLUTION 2: Adoption of Remuneration Report

Under section 250R(2) of the Corporations Act, a resolution to adopt the Remuneration Report must be put to a vote at the Meeting.

The Company's Remuneration Report forms a part of the Director's report. It describes the remuneration policies and arrangements for Directors.

This item is intended to provide Shareholders with the opportunity to ask questions and comment on the Remuneration Report.

Any vote on this item is advisory only and will not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

Voting exclusion

Under the Corporations Act, key management personnel and their closely related parties are excluded from voting on the resolution to adopt the Company's Remuneration Report.

For the purposes of this Resolution 2, Shareholders who intend to vote by proxy should carefully consider the identity of their proxy.

Shareholders who intend to appoint the Chairperson as their proxy (including appointment by default and even if the resolution is connected with the Chairperson's remuneration) should direct the Chairperson as to how to vote by ticking the 'for' or 'against' box.

If you do not direct the Chairperson how to vote, the Chairperson has received express authority to vote undirected proxies as the Chairperson sees fit and will cast your vote on Resolution 2 in accordance with the Board's recommendations as set out in this Explanatory Statement.

If appointing a proxy, please read carefully the directions on the accompanying proxy form.

RECOMMENDATION

The Board unanimously SUPPORTS the Remuneration Report and recommends all Shareholders VOTE FOR Resolution 2.



GLOSSARY

In this Explanatory Statement:


Board	means the Board of Directors of the Company.
Closely Related Party	means: <ul style="list-style-type: none">• a spouse or child of the member; or• a child of the member's spouse; or• a dependant of the member or of the member's spouse; or• anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; or• a company the member controls; or• a person prescribed by the regulations for the purposes of this paragraph.
Company or Premium	means Premium Investors Limited
Constitution	means the constitution of the Company.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Director	means a director of the Company.
Key Management Personnel	means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director.
Meeting	means the annual general meeting of the Company, to be held at the offices of Computershare Investors Services Pty Ltd, Level 4, 60 Carrington Street, Sydney on Wednesday 7 November 2012 at 10.30am.
Remuneration Report	means the remuneration report required under section 300A(1) of the Corporations Act and put forward for consideration at the Meeting under Resolution 2.
Shareholder	means a holder of shares in the Company.
Treasury Group	means Treasury Group Ltd.






Premium Investors Limited
www.premiuminvestors.com.au

Lodge your vote:

 **Online:**
www.investorvote.com.au

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

000001 000 PRV
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form



Vote online or view the annual report, 24 hours a day, 7 days a week:

www.investorvote.com.au



Cast your proxy vote



Access the annual report



Review and update your securityholding

Your secure access information is:

Control Number: 999999

SRN/HIN: 1999999999

PIN: 99999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

 **For your vote to be effective it must be received by 10.30am on Monday, 5 November 2012**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** ➔

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Premium Investors Limited hereby appoint

the Chairman of the meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Premium Investors Limited to be held at the offices of Computershare Investors Services Pty Ltd, Level 4, 60 Carrington Street, Sydney on Wednesday, 7 November 2012 at 10.30am and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 2 (except where I/we have indicated a different voting intention below) even though Resolution 2 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 2 by marking the appropriate box in step 2 below.

STEP 2

Items of Business

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

ORDINARY BUSINESS

	For	Against	Abstain
Resolution 1 Re-election of Mr Reubert Hayes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date / / _____

PRV

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Computershare +