

6 July 2009

Australian Stock Exchange
Continuous Disclosure Area

Via: E Lodgement

Appendix 3C – Announcement of on market share buyback

Please find attached the following:

- Appendix 3C – Announcement of buy-back
- Media release re: on market share buy-back

Yours faithfully



Reema Ramswarup
Company Secretary



Appendix 3C

Announcement of buy-back (*except* minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001.

| | |
|---------------------------|----------------|
| Name of entity | ABN |
| Premium Investors Limited | 47 106 259 885 |

We (the entity) give ASX the following information.

Information about buy-back

| | | |
|---|---|---|
| 1 | Type of buy-back | On market |
| 2 | Class of shares which is the subject of the buy-back (<i>eg, ordinary/preference</i>) | Ordinary |
| 3 | Voting rights (<i>eg, one for one</i>) | One for one |
| 4 | Fully paid/partly paid (<i>and if partly paid, details of how much has been paid and how much is outstanding</i>) | Fully paid |
| 5 | Number of shares in the class on issue | 224,346,583 |
| 6 | Whether shareholder approval is required for buy-back | No shareholder approval is required |
| 7 | Reason for buy-back | This initiative is part of the Company's capital management program |

Appendix 3C Announcement of buy-back

- 8 Any other information material to a shareholder's decision whether to accept the offer (*eg, details of any proposed takeover bid*)
- Shareholders should be aware that the Company has been requisitioned to hold a general meeting

On-market buy-back

- 9 Name of broker who will act on the company's behalf
- CST Equities
- 10 Deleted 30/9/2001.
- 11 If the company intends to buy back a maximum number of shares - that number
- 19,859,932 shares
- Note: This requires a figure to be included, not a percentage.
- 12 If the company intends to buy back shares within a period of time - that period of time; if the company intends that the buy-back be of unlimited duration - that intention
- 21 July 2009 – 18 September 2009
- 13 If the company intends to buy back shares if conditions are met - those conditions
- Not applicable

Employee share scheme buy-back

- 14 Number of shares proposed to be bought back
- Not applicable
- 15 Price to be offered for shares
- Not applicable

[†] See chapter 19 for defined terms.

Selective buy-back

- 16 Name of person or description of class of person whose shares are proposed to be bought back
- 17 Number of shares proposed to be bought back
- 18 Price to be offered for shares

Equal access scheme

- 19 Percentage of shares proposed to be bought back
- 20 Total number of shares proposed to be bought back if all offers are accepted
- 21 Price to be offered for shares
- 22 [†]Record date for participation in offer
Cross reference: Appendix 7A, clause 9.

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here:  Date: 6 July 2009
(Company secretary)

Print name: Reema Ramswarup

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[†] See chapter 19 for defined terms.

MEDIA RELEASE



PRV ANNOUNCES ON-MARKET SHARE BUY-BACK

Sydney, 6 July 2009: Premium Investors Limited (ASX: PRV) today announced plans to conduct an on-market share buy-back scheme that will enable the company to purchase approximately 8 per cent of PRV's fully paid ordinary shares on issue.

The Chairman of Premium Investors, Mr Tom Collins, said: "The buy-back is part of the Company's continuing capital management plan.

"We are committed to managing the company's capital structure in the interests of all our shareholders. The buy-back is expected to be accretive to Net Tangible Assets per share.

"This announcement precedes the Board's full response to the recent requisition of meeting from Dixon Advisory and Superannuation Services Pty Ltd (Dixon) on behalf of a small number of shareholders. The Dixon requisition indicates Dixon seeks control of PRV through proposals to install current Dixon employees as directors of PRV and potentially wind up the Company. These proposals would potentially force shareholders to exit their investment while the market is coming off historic lows and would entail shareholders losing franking credits and other tax benefits.

"The Board does not support the Dixon proposals and believes they are not in the best interests of all shareholders. The Board's full response to the proposals will be announced this week."

The on-market buy-back will be effective from Tuesday 21 July 2009 until Friday 18 September 2009, or until approximately 8 per cent of PRV's fully paid ordinary shares have been acquired.

Further Information:

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