

Premium

Investors Limited

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SAMPLETOWN TAS 7000

15 October 2007

On 29 August 2007 Premium Investors Ltd announced that it will undertake a Share Purchase Plan (SPP) for the issue of fully paid ordinary shares (Shares). The SPP is being offered to holders of Shares on the register of Premium, as at Close of Business on Monday 8 October 2007 with a registered address in Australia, New Zealand or the United Kingdom of Great Britain (Eligible Shareholders). The SPP offer will not be underwritten.

SPP Key Date*

Date	Event	
10:00 pm (AEST) Monday 8 October 2007	Record Date	The date on which Premium determines Eligible Shareholders
9:00 am Wednesday 17 October 2007	Opening Date	Share Purchase Plan opens
5:00 pm Friday 2 November 2007	Closing Date	Share Purchase Plan closes. Applications must be received by 5.00pm (AEST)
Friday 9 November 2007	Allotment Date	Shares allotted.
Friday 16 November 2007	Dispatch Date	Transaction confirmation dispatched to shareholders. Trading is expected to commence on the next Trading Day.

* Premium has the discretion to alter these dates.

Premium Investors Limited

ABN 47106 259 885

Level 9, 470 Collins Street Melbourne VIC 3000

Telephone: 1800 087 348 Facsimile: 61 3 9661 8499

Web page: www.premiuminvestors.com.au Email: info@premiuminvestors.com.au

Under the SPP, Eligible Shareholders are being invited to subscribe for up to \$2,500 worth of Shares at the price that is equal to a discount of 2.5% to the weighted average sale price of Shares over the 5 trading days before (but not including) Friday 2 November 2007 (being the closing date of the SPP offer).

Full details of the SPP offer are set out in the attached Terms and Conditions. The Directors urge you to read the Terms and Conditions carefully. Shares purchased under the Plan will not attract brokerage, stamp duty or any other transaction cost.

Participation in the SPP is entirely at your discretion. By accepting the offer to purchase Shares under the SPP, you agree to be bound by the attached Terms and Conditions and Premium's Constitution. If you wish to participate in the SPP, please return your Acceptance Form together with your cheque to Computershare Investor Services Pty Limited or pay by Bpay®, by the closing date of Friday 2 November 2007 as specified in the Application Form. If you have any questions in respect of the SPP, please contact the Share Registry, Computershare Investor Services Pty Limited by email on web.queries@computershare.com.au or by phone on 1300 850 505 (within Australia) or 613 9415 5000 (outside Australia).

The Board hopes you take this opportunity to acquire additional shares in Premium.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Don Sharp', with a large, stylized initial 'D'.

Don Sharp
Chairman

PREMIUM INVESTORS LTD SHARE PURCHASE PLAN

Pursuant to the Premium Investors Ltd Share Purchase Plan ("SPP"), Premium Investors Ltd ("Premium") ABN 47 106 259 885 offers eligible Shareholders the ability to acquire up to \$2,500 worth of fully paid ordinary shares in Premium ("Shares") at a price that is equal to a discount of 2.5% to the weighted average sale price of Shares over the 5 trading days before (but not including Friday 2 November 2007 ("Offer").

Please carefully read the full Terms and Conditions relating to the Offer as you will be bound by them.

TERMS AND CONDITIONS

1. Opening and closing date of the Offer

The Offer opens at 9am on Wednesday 17 October 2007. The offer closes at 5.00pm (AEST) Friday 2 November 2007.

2. Eligibility

You are eligible to participate in the SPP only if you were a holder of Shares which are registered in your own name as at Close of Business on Monday 8 October 2007 (**Record Date**) with a registered address in either Australia, New Zealand or the United Kingdom of Great Britain. The Premium Board has determined that it is not practical for holders of Shares resident, or with registered addresses, in other jurisdictions to participate in the SPP.

Each offer to eligible shareholders is made on the same terms and conditions. The offer is non-renounceable (ie you may not transfer your right to apply for SPP Shares to anyone else).

3. Issue Price

The purchase price for each SPP Share offered for issue under the SPP is the price that is equal to a discount of 2.5% to the weighted average sale price of Shares over the 5 trading days before (but not including) Friday 2 November 2007 (**SPP Price**).

You should note that the market price of Shares may rise or fall between the date of this offer and the date when the SPP Shares are issued to you. Any such change in the share price may affect the SPP Price. This means that the SPP Price may be either higher or lower than the price of Shares at the time the SPP Shares are issued to you. Accordingly, you should seek your own financial advice in relation to this offer.

4. No Transaction Costs

No brokerage, commissions or other transaction costs are payable by shareholders in respect of the acquisition of SPP Shares.

5. Anticipated Issue and Quotation Dates

The SPP Shares are expected to be issued and quoted on the ASX on or around Monday 19 November 2007. As soon as practicable after that date, you will receive a transaction confirmation advice confirming the number of Shares that have been issued to you.

6. Rights Attaching to Shares

All SPP Shares will be issued on the same terms as the other ordinary shares in Premium quoted on the Australian Stock Exchange (**ASX**) and, once issued, will rank equally with existing Shares. Premium will apply for the SPP Shares to be quoted on ASX.

7. Number of SPP Shares Offered

If you are eligible to apply for shares under the SPP, you may select one of the following offers for Shares:

\$500 worth of Shares

\$1,000 worth of Shares

\$1,500 worth of Shares

\$2,000 worth of Shares

\$2,500 worth of Shares

The number of Shares you receive for each of the above amounts will vary depending on the SPP Price.

If the number of Shares you are entitled to receive under the SPP Offer is a fractional amount, the number of Shares you will receive will be rounded up to the next whole number, subject to a maximum of \$2,500 worth of Shares.

8. Maximum Applications

The offer under the SPP needs to comply with the requirements of ASIC Class Orders 02/831. Under those requirements, the maximum number of SPP Shares which may be applied for (namely, Shares to the value of \$2,500) applies irrespective of how many Shares you hold on the Record Date.

This limit also applies to you even if you receive more than one offer from Premium (for example, if you are both a sole and joint eligible shareholder, or if you are a shareholder with more than one holding under a separate account, you can only apply for SPP Shares once).

To the extent that you hold Shares on behalf of another person (either as a trustee, nominee or custodian) (**Beneficiary**), the Beneficiary is entitled to participate in the SPP only if:

As a trustee, nominee or custodian, you are expressly noted on the register of members as holding Shares on behalf of the Beneficiary.

Premium reserves the right to reject any application for SPP Shares to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements.

10. Participation Optional

Participation in the SPP is entirely at your option. If you are in any doubt as to whether you should participate in the SPP or how such participation will affect you (including taxation implications), you should contact a professional adviser. We make no recommendations as to the desirability or otherwise of your participation in the SPP.

11. Change of Offer

Premium may change, suspend, withdraw or terminate the SPP or these Terms and Conditions at any time whether because of a change of law, a change in ASIC requirements or policy, an adverse movement in the price of Shares or any other circumstance relevant to the SPP or Premium. If Premium does this, it will post a notice on Premium's website. Failure to notify shareholders of changes to, suspension, withdrawal or termination of the SPP or these Terms and Conditions will not invalidate the change, suspension, withdrawal or termination.

Premium reserves the right to issue no SPP Shares or fewer SPP Shares than an eligible shareholder applies for under the SPP if Premium believes the issue of those SPP Shares would contravene ASIC requirements or policy, any law or any ASX Listing Rule. No interest will be paid on any money refunded. Premium's rights to change, suspend, withdraw or terminate the SPP may be exercised by the Board or any delegate of the Board.

12. Dispute Resolution

Premium may settle any dispute in relation to the SPP or the terms and conditions of the SPP in any manner it thinks fit, whether generally or in relation to any shareholder, application or Shares. Premium's decision will be conclusive and binding.

13. How to Apply for SPP Shares

If you would like to apply for SPP Shares, you must:

- complete the enclosed Application Form;
- prepare a cheque for the appropriate amount, in Australian dollars, payable to **Premium - Share Offer Account**;
- send the Application Form and cheque to the Share Registry **in the enclosed reply paid envelope**; and
- **or pay electronically using BPay**. Do not return the application form if you elect the BPay option.

Do not forward cash. Receipts for payment will not be issued. Cheques will only be accepted if they are drawn in Australian currency on an Australian financial institution.

Applications must be received by 5:00pm (AEST) Friday 2 November 2007. While Premium has the discretion to accept Applications received after that time, Premium reserves the right to reject late Applications.

By completing an Application Form or by paying electronically using BPay to purchase SPP Shares, you agree to be bound by these Terms and Conditions and Premium's constitution. Applications and payments may not be withdrawn once Premium has received them. Application money will not bear interest as against Premium under any circumstances.

14. Enquiries

If you have any questions in respect of the SPP, please contact the Share Registry, Computershare Investors Services Pty Limited by email on web.queries@computershare.com.au or by phone on 1300 850 505 (within Australia) or 613 9415 5000 (outside Australia)

Premium Investors Limited

ABN 47 106 259 885

Computershare

Please return completed form to:
Computershare Investor Services Pty Limited
GPO Box 505 Melbourne
Victoria 8060 Australia
Enquiries (within Australia) 1300 850 505
(outside Australia) 61 3 9415 4000
Facsimile 61 3 9473 2500
web.queries@computershare.com.au
www.computershare.com

Securityholder Reference Number (SRN)

000001
000
SAM
MR JOHN SAMPLE
FLAT 123
SAMPLE STREET
SAMPLE STREET
SAMPLE STREET
SAMPLETOWN VIC 3030



I 1234567890 I N D
Entitlement Number:
Record Date: 8 October 2007
Offer Closes: 9am AEST 2 November 2007

SHARE PURCHASE PLAN APPLICATION FORM

IMPORTANT:

This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this form please consult a professional adviser.

Pursuant to the terms and conditions of the Premium Investors Limited Share Purchase Plan (SPP) contained in the letter to Premium Investors Limited securityholders dated 15 October 2007, Premium Investors Limited is offering eligible securityholders the opportunity to purchase Shares up to a maximum value of A\$2,500 per eligible securityholder, subject to a minimum application of A\$500.

If you do not wish to purchase additional shares under this offer there is no need to take action.

By making your payment, you agree to be bound by the Constitution of Premium Investors Limited and agree that the submission of this payment constitutes an irrevocable offer to you by Premium Investors Limited to subscribe for Premium Investors Limited Shares on the terms of the SPP. In addition, by submitting this Application Slip you certify that the aggregate of the application price paid by you for:

- the Shares the subject of this Application Slip; and
- any other shares and interests in the class applied for by you under the Share Purchase Plan or any similar arrangement in the 12 months prior to the date of submission of this Application Slip, does not exceed \$5,000.00.

METHOD OF ACCEPTANCE

You can apply for shares and make your payment utilising one of the payment options detailed overleaf.

Premium Investors Limited may make determinations in any manner it thinks fit, in relation to any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP whether generally or in relation to any participant or application. Any determinations by Premium Investors Limited will be conclusive and binding on all eligible securityholders and other persons to whom the determination relates. Premium Investors Limited reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions and to suspend or terminate the SPP at any time. Any such amendment, variation, suspension or termination will be binding on all eligible securityholders even where Premium Investors Limited does not notify you of that event.

This offer is Non-Renounceable - no Signature is required
Applications can only be accepted in the name printed on this form

PRV

SPRB

035621_00012C



Paperclip
cheque(s)
here.
Do not
staple.

Premium Investors Limited

ABN 47 106 259 885

Please see overleaf for Payment Options



Billers Code: 123456

Ref No: 123412341234123412

I/We wish to purchase Shares to the value of:

A\$500 or A\$1000 or A\$1500 or A\$2000 or A\$2500

* These share amounts may be subject to scale-back in accordance with the terms of the SPP.

Payment Details

Drawer	Cheque number	BSB number	Account number	Cheque amount
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/>

Make your cheque or bank draft payable to Premium Share Offer Account

Contact Details

Please provide your contact details in case we need to speak to you about this slip

Name of contact person

Contact person's daytime telephone number

1234567890123456+1234567890-1234+12

How to accept the Share Purchase Plan

Payment Details

You can apply for shares by utilising the payment options detailed below. There is no requirement to return this slip if you are paying by electronic means. By making your payment using either electronic means or by cheque, bank draft or money order, you confirm that you:

- agree to all of the terms and conditions of the Share Purchase Plan as enclosed with this form;

Your cheque, bank draft or money order payable to Premium Share Offer Account in Australian currency and cross it Not Negotiable. Your cheque or bank draft must be drawn on an Australian branch of a financial institution. Please ensure you submit the correct amount. Incorrect payments may result in your application being rejected. Complete cheque details in the boxes provided.

If paying by cheque, return the Application Slip and Cheque, Bank Draft or money order in the envelope provided.

Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the Share Purchase Plan Application Slip where indicated. Cash will not be accepted. A receipt for payment will not be forwarded.

Contact Details

Enter the name of a contact person and telephone number. These details will only be used in the event that the registry has a query regarding this form.

Lodgement of Application

If you are applying for shares and your payment is being made by BPay, you do not need to return this form. Your payment must be received by no later than 5pm (AEST) on 2 November 2007. It is the responsibility of the applicant to ensure that funds submitted through BPay are received by this time.

If you are paying by cheque, bank draft or money order, your Application Slip must be received by Computershare Investor Services Pty Limited (CIS) Melbourne by no later than 5pm (AEST) on 2 November 2007. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for securityholders in Australia. New Zealand holders will need to affix the appropriate postage. Return your Application Slip with cheque, bank draft or money order attached.

Neither CIS nor the Company accepts any responsibility if you lodge the Application Form at any other address or by any other means.

Privacy Statement

Personal information is collected on this form by CIS, as registrar for securities issuers ("the issuer"), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS. You can contact CIS using the details provided on the front of this form or E-mail privacy@computershare.com.au

If you have any enquiries concerning this form or your entitlement, please contact CIS on 1300 850 505.

This form may not be used to notify your change of address. For information, please contact CIS on 1300 850 505 or visit www.computershare.com (certificated/issuer sponsored holders only).

CHES holders must contact their Controlling Participant to notify a change of address

Payment Options:



Billers Code: 123456

Ref No: 123412341234123412

Telephone & Internet Banking – BPay

Call your bank, credit union or building society to make this payment from your cheque or savings account. More info: www.bpay.com.au



By Mail
Premium Investors Limited
Computershare Investor
Services Pty Limited
GPO Box 505
Melbourne, Victoria 8060
AUSTRALIA



In Person
Computershare Investor
Services Pty Limited
Yarra Falls
452 Johnston Street
Abbotsford, Victoria 3067



Entitlement Number: <xxxxxxxxxx>

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SAMPLETOWN TAS 7000

