

Premium Income Fund

Investor Update



21 July 2008

Unit valuation – Centrelink and Department of Veterans' Affairs

Jenny Hutson, Chairperson of Wellington Investment Management Limited, the responsible entity for the Premium Income Fund is pleased to advise that Centrelink has issued a nationwide determination broadcast to its offices to ensure that all Centrelink and Department of Veterans' Affairs branches recognise a unit in the Premium Income Fund at the revised value of 45 cents per unit.

This is a significant outcome for a large number of 10,345 unitholders in the Premium Income Fund who had their distributions and redemptions frozen in early 2008.

Jenny Hutson said 'Wellington appreciates the prompt assistance that Centrelink has provided in ensuring that the revaluation figure of 45 cents is being communicated to its national network of branch offices, acknowledging that it is of utmost concern to investors to ensure that they receive the benefits to which they are entitled.

I have met with over 4,000 of our 10,385 investors over the past ten days. This is a very positive step forward for those who are enduring financial hardship.'

Wellington is committed to restoring payments to investors, commencing in October 2008, at a minimum of 3 cents per unit for the 6 months ended 31 December 2008. Thereafter, payments will be made quarterly.

The recommencement of payments to investors is reliant upon unitholders voting to continue the Premium Income Fund as a going concern at the upcoming extraordinary general meeting. Information in relation to the meeting will be posted to unitholders in coming weeks.

Investors with additional questions in relation to their investments should contact the Wellington Hotline on 1300 854 885.

For further information please contact:

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