

Premium Income Fund

Investor Update: October 2008



Wellington

Dear Investors,

The board of Wellington Capital Limited is pleased to provide its first update to unitholders as the new responsible entity of the Premium Income Fund.

On 15 October 2008, unitholders unanimously passed all 3 resolutions which were set out in the Notice of Meeting dated 18 August 2008. Full details of the meeting follow in this update.

It is a momentous occasion for the Premium Income Fund. A restructure of the Fund sees the Fund, for the first time this year, as a viable going concern able to control its future. It is the beginning of Wellington's role to return value to all unitholders in the Fund. It is also a time of change from the Premium Income Fund that you originally invested in, and I encourage you to contact the Wellington Hotline if you have any questions in relation to the changes to the structure of the Fund.



The board of Wellington Capital Limited is of course mindful of the current economic climate and the market conditions. Wellington is carefully managing the assets of the Fund in these extraordinary times, and acknowledges that extraordinary efforts are required to ensure that the best value is secured for Unitholders in the current market conditions.

Results of adjourned general meeting held 15 October 2008

The adjourned Extraordinary General Meeting of unitholders in the Premium Income Fund was held at 10.00am on Wednesday 15 October 2008. Each of the three resolutions put to the meeting were passed on a show of hands.

For the purposes of section 251AA of the *Corporations Act 2001*, the resolutions set out in the Notice of Meeting dated 18 August 2008, were passed on a show of hands. Set out below is the proxy information required by section 251AA:

	Open	For	Against	Abstain
Resolution 1 – Change of Constitution	113,887,465	421,552,691	32,190,268	2,379,459
Resolution 2 – Buy Back Authorisation	113,893,797	412,435,305	40,342,225	3,338,556
Resolution 3 – Change in Responsible Entity	113,775,948	387,083,658	67,678,820	1,427,510

The board of Wellington Capital Limited is delighted that the unitholders have supported Wellington. The way forward for the Premium Income Fund is now clearly defined.

Taxation statements

Taxation statements were mailed to all unitholders in the first week of October and are also available online for current unitholders through the Computershare investor centre www.investorcentre.com. Instructions on how to download your taxation statement are available from the Fund's website www.newpif.com.au in the Investor Updates section.

It has been brought to the attention of Wellington that there is an incorrect calculation in the taxation statements, and as a result of this, a new taxation statement is being mailed with this investor update. The correct taxation statement to use for the 2007/2008 financial year is the **light blue statement**.

NSX trading

Trading of units on the National Stock Exchange commenced on 16 October 2008. The trading code for the Premium Income Fund is 'PIN'.

Trading information is available from the NSX website www.nsx.com.au.



Brokers

ABN Amro Morgans are offering Premium Income Fund unitholders who wish to sell their units on the NSX a special brokerage deal for the first 3 months of trading through the participating branches listed below:

ABN AMRO Morgans Participating Office	Contact Person	Contact Number
Brisbane	Reception	07 3334 4888
Gold Coast	Heath Hill	07 5592 5777
Sydney	Wayne Flekser	02 8215 5075
Melbourne	Sarah Street	03 9947 4105
Port Macquarie	Stephen Hunt	02 6583 1735
Geelong	Michael Mansfield	03 5222 5128



Unitholders should advise the broker that they are calling in respect of the Premium Income Fund Brokerage Offer to be directed to one of the relevant advisers.

ABN AMRO Morgans' participating branches will conduct all NSX trades in the Premium Income Fund in the three months after listing (until 16 January 2009) at a fixed brokerage rate of 0.5%, subject to minimum brokerage of \$75 (plus GST).

Other brokers

There are 14 brokers supporting the NSX. It may be that your broker is already accredited to trade on the NSX on your behalf.

A full list of current brokers is available from www.nsx.com.au and www.newpif.com.au. Details are also set out in the Explanatory Memorandum dated 18 August 2008 and Questions and Answer Booklet dated July 2008.

CONTACT DETAILS:

Wellington Capital Limited as responsible entity of the Premium Income Fund
ACN 114 248 458 AFSL 291 652

Wellington Hotline: 1300 854 885 [+617 3231 0000]

Fax: 1300 854 893 [+617 3231 0093]

Email: investorrelations@newpif.com.au

Web: www.newpif.com.au

Adviser Services: adviserservices@newpif.com.au | 1300 663 882