

Premium Income Fund

NSX Release: 18 November 2009



Commercial Loan Portfolio

Mortgagee in Possession: Harbour Street, Wollongong

Wellington Capital Limited as responsible entity for the Premium Income Fund in its capacity as mortgagee in possession of 60 – 62 Harbour Street, Wollongong has sold the partially complete asset, hotel and apartment complex to Harbour Street Development Pty Ltd for \$38 million (plus GST).

This sale will see the Premium Income Fund realise its carrying value for the asset over time. Cash will be available to the Fund following completion of building works and sale of the 75 apartments which form part of the project. Completion of building works and completion of sales are expected to occur during 2010.

Jenny Hutson, Managing Director of Wellington Capital said 'Our team has been in negotiations with various parties in relation to this asset all year. This property was taken to auction in May 2009 and there was significant interest in the project from a range of parties. The sale to Harbour Street Development Pty Ltd represents a very positive outcome for the Premium Income Fund.'

It is anticipated that the net proceeds from the sale of the apartments will enable a cash payment to be made to unitholders of the Premium Income Fund during 2010.

For further information please contact:

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