

CHAIRMAN'S ADDRESS

WILSON LEADERS LIMITED ANNUAL GENERAL MEETING

Wednesday 16th November 2005 – 2.00pm.

**Wesley Conference Centre
Lyceum Theatre
220 Pitt Street
Sydney NSW 2000**

1. INTRODUCTION

Good afternoon, welcome to the second annual general meeting of Wilson Leaders Ltd (WLS). Thank you for your attendance and for your support since we listed in February 2004.

My name is Geoff Wilson, I am chairman of the board of directors and I will be chairing this meeting today. I would like to introduce the other members of the board – Justin Braitling, Matthew Kidman, John Abernethy and Julian Gosse.

2. MISSION

WLS is an investment company whose mission is to deliver attractive returns to investors over time by adopting an absolute return approach to investment decisions. Wilson Leaders Ltd is managed by KWB Capital Pty Ltd (KWB). KWB is owned by entities associated with Justin Braitling, Geoff Wilson and Matthew Kidman.

3. PERFORMANCE

We are pleased to report that the company has performed soundly in its second year of operation. For the 2005 year WLS made an operating profit before tax of \$6.261 million and an after tax profit of \$4.633 million. For the year, the directors have paid and declared dividends totalling 4.0 cents per share fully franked and a special dividend of 3.0cents per share fully franked, equivalent to \$3.9 million. In the year to June 2005 the Gross Portfolio increased 15.7% while the All Ordinary Accumulation Index rose 24.8%.

The year can only be described as a year of two halves with the fund performing in line with the broader market in the first half of the year and delivering weaker results in the second half of the year. The poor relative performance in the second half was due mainly to a high cash weighting following the exercise of options in March and an increase in short positions in the final quarter of the year. The portfolio was defensively positioned at a time when the market recovered strongly. Since year end, we have moved to a fully invested position in line with our expectations for modest growth. The gross portfolio in the 4 months to October is up 6.4% against the all ordinaries Accumulation increase of 5.8%.

4. DISCOUNT TO NTA

Since listing the assets of the Company before paying tax have increased to \$1.09 a share while the share price is trading at 96 cents about a 12.0% discount to the value of the company. I have been asked by a number of shareholders why the share price has not risen with the increase in assets of the Company. We believe this is a phenomenon that will change over time with the establishment of a performance track record as a public company.

5. PORTFOLIO

The key defining features of the current portfolio structure are the relative low weighting to the banking sector and the significant investment in resource companies which the manager believes are moving into a growth phase. The fund is also heavily weighted toward global cyclical and emerging growth franchises which Mr Justin Braitling will discuss in his presentation later.

The Australian Equity market has been one of the best performing markets globally in 2005. While we still see upside we are moving toward a more cautionary stance.

6. GOAL

The primary goal of the fund is to deliver superior returns to investors over time by way of dividend and capital gain.

As an absolute return fund, the manager has the option of short selling securities, shifting capital back into cash and liquid securities, and buying back shares.

7. DIVIDEND POLICY

It is the board's intention to increase the ordinary dividend paid each year. Obviously this will be dependent on realised profit. After the strong start to the current year it is anticipated dividends will be increased, assuming franking credits are available. The Boards current position is to pay out all franking credits when available.

8. PORTFOLIO

I have included a list of our major holdings as at 31st October 2005.

	Market Value \$	% of Portfolio		Market Value \$	% of Portfolio
Commercial Services & Supplies			Healthcare Equipment & Services		
Baxter Group (BAX)	1,199,676	2.01%	Mayne Group Ltd (MAY)	783,000	1.31%
Brambles Industries Ltd (BIL)	1,352,000	2.26%	AtCor Medical Ltd (ATCOAPP)	300,000	0.50%
Credit Corp Group Ltd (CCP)	1,695,179	2.83%		1,083,000	1.81%
Salmat Ltd (SLM)	1,041,953	1.74%	Banks		
	5,288,808	8.84%	ANZ Ltd (ANZ)	4,048,245	6.77%
Consumer Durables & Apparel			NAB Ltd (NAB)	1,584,000	2.65%
Billabong Internat. Ltd (BBG)	647,000	1.08%	Westpac Bank Ltd (WBC)	3,549,059	5.93%
	647,000	1.08%		9,181,304	15.35%
Consumer Services			Diversified Financials		
ABC Learning Centres Ltd (ABS)	693,336	1.16%	Henderson Group (HGI)	1,218,000	2.04%
eBet Ltd (EBT)	272,601	0.46%		1,218,000	2.04%
Tabcorp Holdings Ltd (TAH)	960,000	1.60%	Insurance		
	1,925,937	3.22%	AMP Ltd (AMP)	947,700	1.58%
Retail			Promina Group (PMN)	629,200	1.05%
Harvey Norman Holdings Ltd (HVN)	1,410,750	2.36%	QBE Insurance Group Ltd (QBE)	1,424,000	2.38%
	1,410,750	2.36%	Tower Ltd (TWR)	649,600	1.09%
Transportation				3,650,500	6.10%
Macq Infra. Group (MIG)	171,500	0.29%	Software & Services		
Patrick Corporation Ltd (PRK)	1,161,100	1.94%	iinet Ltd (IIN)	1,093,403	1.83%
	1,332,600	2.23%	Jumbuck Entertainment Ltd (JMB)	588,000	0.98%
Media			Reckon Ltd (RKN)	1,296,796	2.17%
Austar United Communications Ltd	561,650	0.94%	Webcentral Ltd (WCG)	387,500	0.65%
News Corp Class B CDI	3,424,520	5.73%		3,365,699	5.63%
Publishing & Broadcasting Ltd (PBL)	2,256,800	3.77%	Real Estate		
Seven Network Ltd (SEV)	1,367,850	2.29%	Australian Education Trust (AEU)	778,830	1.30%
	7,610,820	12.72%	Lend Lease Corp Ltd (LLC)	681,000	1.14%
Energy				1,459,830	2.44%
Origin Energy Ltd (ORG)	576,804	0.96%	Technology Hardware & Equipment		
Woodside Petroleum Ltd (WPL)	1,251,360	2.09%	Keycorp Ltd (KYC)	342,200	0.57%
	1,828,164	3.06%	Redflex Holdings Ltd (RDF)	1,220,925	2.04%
Capital Goods				1,563,125	2.61%
Austal Ltd (ASB)	470,000	0.79%	Food & Staples Retailing		
	470,000	0.79%	Metcash Ltd (MTS)	787,800	1.32%
Materials			Woolworths Ltd (WOW)	1,036,955	1.73%
BHP Billiton Ltd (BHP)	4,020,728	6.72%		1,824,755	3.05%
Forest Enterprises Australia (FEA)	302,500	0.51%	Food Beverage & Tobacco		
James Hardie Industries (JHX)	1,613,100	2.70%	Coca Cola Amatil Ltd (CCA)	1,752,600	2.93%
Newcrest Mining Ltd (NCM)	1,365,000	2.28%	Fosters Group Ltd (FGL)	406,000	0.68%
Orica Ltd (ORI)	1,051,600	1.76%	Select Harvests Ltd (SHV)	738,655	1.23%
Rio Tinto Ltd (RIO)	2,429,777	4.06%		2,897,255	4.84%
	10,782,704	18.03%	Listed Domestic Property		
Telecommunication Services			Westfield Group Ltd (WDC)	1,162,700	1.94%
Singapore Telecom. (SGT)	1,113,000	1.86%		1,162,700	1.94%
	1,113,000	1.86%			
			TOTAL PORTFOLIO VALUE	59,815,951	100.00%

9. CONCLUSION

In conclusion I would like to thank the staff, directors and shareholders of Wilson Leaders for their continuing support. We look forward to an exciting future ahead together. We believe there are always opportunities and we look forward to the current year with optimism.