

AUSTRALIAN LEADERS FUND LIMITED
A.B.N. 64 106 845 970

AUSTRALIAN LEADERS FUND LIMITED (ALF) – NOVEMBER 2007
INVESTMENT UPDATE & NTA

As at 30 November 2007

NTA before tax	135.58c*
NTA after tax and before tax on unrealised gains	131.56c*
NTA after tax	128.19c*

*After the dilution as a result of the exercise of 6,822,037 Options at \$1.08 (cum dividend)

The above figures are after the payment of the final dividend of 6.0 cents a share fully franked, paid on the 16 November 2007.

MONTH IN REVIEW

Global equity markets struggled in November with ongoing problems in US housing and credit markets increasing the likelihood of a US recession.

The portfolio performed well ending the month up with the funds significant holding in Rio Tinto increasing by 33% as BHP Billiton indicated it was interested in merging with the company. With Rio Tinto shares trading well above the proposed terms we await BHP's formal bid early in the New Year.

BHP Billiton shares fell 7% over the period which helped relative performance. Following the correction in BHP, we have reinitiated a position in the company. Strong performance from Resmed, IINET and Computershare also contributed to performance.

With credit market stresses continuing and softer economic news flow expected out of the US, equity markets will most likely track sideways as we move into the new year.

DIVIDEND

The final dividend declared for the 2007 year is 4.0 cents a share fully franked and a special dividend of 2.0 cents a share fully franked, payable on 16 November 2007.

PORTFOLIO PERFORMANCE

Gross Performance	1 month	3 month	6 month	Financial YTD 07
Wilson Leaders Ltd	0.01%	3.54%	9.84%	7.52%
All Ords Accum	-2.36%	6.46%	6.09%	6.16%
Relative Performance	2.35%	-2.92%	3.75%	1.36%

PORTFOLIO STRUCTURE

Investment Type	As at 31 October 2007		As at 30 November 2007	
	\$m	% of net assets	\$m	% of net assets
Listed Securities	112.68	99.9%	131.94	120.8%
Fixed interest and Cash	24.52	21.7%	2.32	2.1%
Gross Assets	137.20	121.6%	134.26	122.9%
Short positions	-24.36	-21.6%	-25.03	-22.9%
Net Assets	112.84	100.0%	109.23	100.0%

The listed securities portfolio is detailed on the following page.

As at 30 November 2007 the equity portfolio gave exposure to:

Consumer Discretionary				Health Care		
A.B.C. Learning Centres Ltd.	1,735,800	1.32%		Primary Health Care Ltd.	1,550,000	1.17%
Amalgamated Holdings Ltd.	1,419,097	1.08%		Pharmaxis Ltd.	1,743,632	1.32%
Aristocrat Leisure Ltd.	1,647,000	1.25%		ResMed Inc. (CDI-10CDI/1SHS)	1,861,200	1.42%
APN News & Media Ltd.	1,350,000	1.02%			5,154,832	3.91%
Austar United Communications Ltd.	967,200	0.73%		Industrials		
Billabong International Ltd.	1,199,200	0.91%		Credit Corp. Group Ltd.	653,750	0.50%
Mitchell Communication Group Ltd.	2,340,000	1.77%		ConnectEast Group	1,685,000	1.27%
News Corp.	6,096,361	4.64%			2,338,750	1.77%
Tatts Group Ltd.	1,600,000	1.21%		Information Technology		
Village Roadshow Ltd Prf A	2,855,927	2.16%		Computershare Ltd.	2,233,000	1.69%
Webjet Ltd.	3,528,770	2.67%		Reckon Ltd.	1,188,960	0.90%
	24,739,355	18.76%			3,421,960	2.59%
Consumer Staples				Materials		
ABB Grain Ltd.	2,919,720	2.21%		Alumina Ltd.	2,135,100	1.62%
AWB Ltd.	3,288,000	2.49%		BHP Billiton Ltd.	12,249,300	9.28%
Select Harvests Ltd.	2,715,914	2.06%		Boral Ltd.	1,282,000	0.97%
	8,923,634	6.76%		Gunns Ltd.	1,516,000	1.15%
Energy				James Hardie Industries N.V.	315,000	0.24%
Oil Search Ltd.	2,459,200	1.86%		Rio Tinto Ltd.	6,834,238	5.18%
Roc Oil Co. Ltd.	3,231,000	2.45%			24,331,638	18.44%
Woodside Petroleum Ltd.	2,492,386	1.89%		Telecommunication Services		
	8,182,586	6.20%		PIPE Networks Ltd.	952,182	0.72%
Financials				Reverse Corp. Ltd.	2,189,862	1.67%
Australia & New Zealand Banking Group Ltd.	6,896,384	5.23%		SP Telemedia Ltd.	190,000	0.14%
Babcock & Brown Ltd.	1,218,710	0.92%		Telecom Corp. of New Zealand Ltd.	1,880,000	1.42%
Henderson Group PLC	3,582,800	2.72%			5,212,044	3.95%
Lend Lease Corp. Ltd.	3,072,000	2.33%		Utilities		
Macquarie Group Ltd.	4,015,000	3.04%		AGL Energy Ltd.	1,924,500	1.46%
National Australia Bank Ltd.	6,434,400	4.88%		Babcock & Brown Power Ltd.	1,644,500	1.25%
QBE Insurance Group Ltd.	7,132,400	5.40%			3,569,000	2.71%
St. George Bank Ltd.	3,034,920	2.30%				
Westpac Banking Corp.	6,998,615	5.30%				
Westfield Group Australia	3,679,200	2.79%				
	46,064,429	34.91%		Long	131,938,228	100.00%
				Short	-25,025,228	