



WAM ACTIVE LIMITED (WAA) **INVESTMENT UPDATE & NTA – MAY 2009**

WAM Active Limited (WAA) listed on the Australian Stock Exchange in January 2008 after raising \$15.4 million.

WAA offers investors exposure to an active trading style with the aim of achieving a sound return with a low correlation to traditional markets. This was achieved in our first 17 months with the Fund outperforming the S&P/ASX All Ordinaries Accumulation Index by 42.0%. The investment objectives of WAA are to derive an absolute return, to deliver investors an income stream in the form of fully franked dividends and to preserve capital.

- In May WAA's gross portfolio (before all fees, costs and taxes) increased by 5.00%, while the S&P/ASX All Ordinaries Accumulation Index increased by 2.15%.
- The gross portfolio has increased 3.17% for the 11 months to 31 May 2009 while the S&P/ASX All Ordinaries Index fell 25.09%.

| | |
|---|-----------------|
| NTA before tax payable and after tax assets | 103.49c* |
| NTA after tax and before tax on unrealised gains | 103.49c |
| NTA after tax | 100.22c |

* This includes 3.79 cents per share in tax assets.

MARKET OUTLOOK

The Australian sharemarket consolidated in May with a 2.2% gain. While most investors believed a correction was due after the violent bounce in prices in March and April, no such event took place. Since the market bottom on March 6, the S&P/ASX All Ordinaries Index has rallied a staggering 28%. A combination of improving economic news and investors desperate to gain exposure to equities have driven prices higher.

The market cannot keep rising at the pace of the last 100 days. However, it is becoming more likely each day that March was the low for the cycle. We believe the market will consolidate its gains and edge higher over the course of 2009. There will be corrections but the trend will be up. In recent times we have increased our market exposure due to extreme valuations and improving business conditions.

PORTFOLIO STRUCTURE & STRATEGY

| | As at 30 April 2009 | | As at 31 May 2009 | |
|---|----------------------------|---------------|--------------------------|---------------|
| Investment Type | \$m | % | \$m | % |
| Listed Equities | 10.10 | 67.7% | 12.53 | 80.0% |
| Fixed Interest and Cash | 4.82 | 32.3% | 3.13 | 20.0% |
| Total Long Portfolio | 14.92 | 100.0% | 15.66 | 100.0% |
| | | | | |
| Total Short Portfolio | (0.10) | 100.0% | (0.10) | 100.0% |
| | No. | | No. | |
| Total no. of ord shares on issue | 15,400,101 | | 15,400,101 | |
| Total no. of options on issue | 15,400,100 | | 15,400,100 | |

During the month of May we again substantially decreased our cash level to 20.0%. We established various positions including Centennial Coal Company (CEY), Australian Agricultural Company Limited (AAC), Bluescope Steel Limited (BSL), PIPE Networks Limited (PWK), Comet Ridge Limited (COI), Mortgage Choice Limited (MOC) and Aevum Limited (AVE).

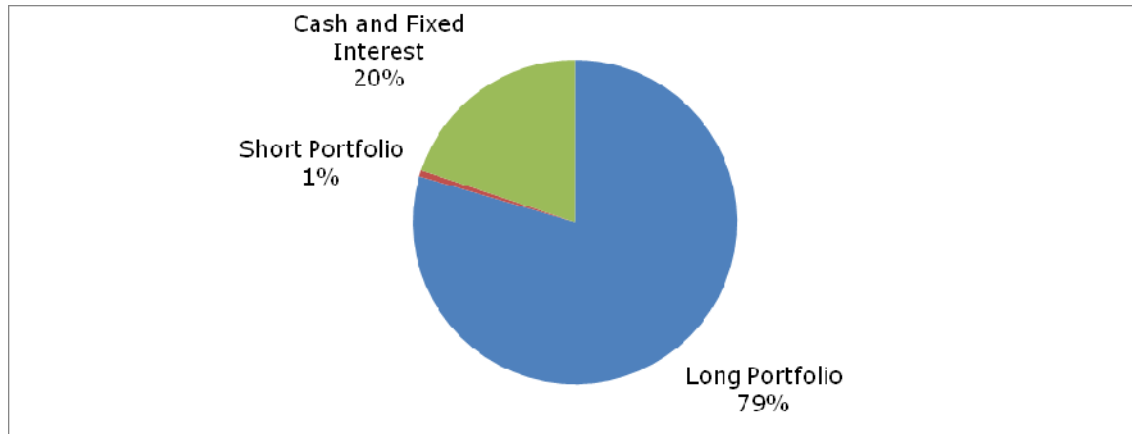
We took advantage of the following placements: Australia and New Zealand Banking Group (ANZ), Primary Health Care Limited (PRY), PanAust Limited (PNA), Ausenco Limited (AAX), Hastie Group Limited (HST), Impedimed Limited (IPD), Peninsula Minerals Limited (PEN), Paragon Care Limited (PGC) and APN News & Media Limited (APN).

Positions in Fairfax Media Limited (FXJ), Henderson Group PLC (HGG), Leighton Holdings Limited (LEI), Billabong International Limited (BBG), Qantas Airways Limited (QAN), Incitec Pivot Limited (IPL) and Straits Resources Limited (SRL) were sold.

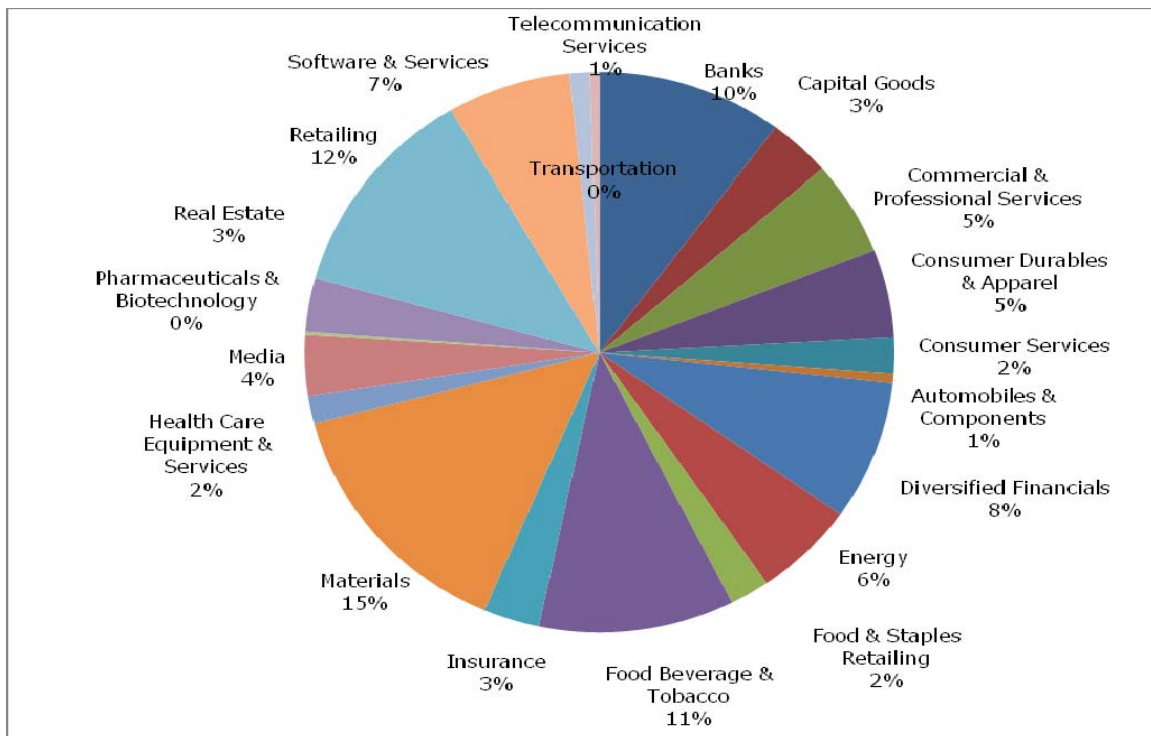
At 31 May 2009 the major securities held in the portfolio were:

| CODE | COMPANY | MARKET VALUE \$ | MARKET VALUE as % of Long Portfolio | MARKET VALUE as % of Gross Assets |
|-------------|---|------------------------|--|--|
| LNN | Lion Nathan Limited | 1,018,725 | 8.1% | 6.5% |
| MCP | McPherson's Limited | 637,528 | 5.1% | 4.1% |
| PBG | Pacific Brands Limited | 540,857 | 4.3% | 3.5% |
| FBU | Fletcher Building Limited | 412,284 | 3.3% | 2.6% |
| MLE | Macquarie Leisure Trust Group | 386,424 | 3.1% | 2.5% |
| OST | OneSteel Limited | 373,156 | 3.0% | 2.4% |
| RHG | RHG Limited | 370,952 | 3.0% | 2.4% |
| EFG | Everest Financial Group Limited | 357,628 | 2.9% | 2.3% |
| CEY | Centennial Coal Company Limited | 342,720 | 2.7% | 2.2% |
| AHE | Automotive Holdings Group Limited | 341,360 | 2.7% | 2.2% |
| SEK | Seek Limited | 338,045 | 2.7% | 2.2% |
| AAC | Australian Agricultural Company Limited | 324,360 | 2.6% | 2.1% |
| ABC | Adelaide Brighton Limited | 323,373 | 2.6% | 2.1% |
| CCQ | Contango Capital Partners Limited | 300,704 | 2.4% | 1.9% |

PORTFOLIO STRUCTURE - ASSET ALLOCATION



LONG PORTFOLIO STRUCTURE - SECTOR ALLOCATION



PERFORMANCE TABLE

| | Jan 08 | Feb 08 | Mar 08 | Apr 08 | May 08 | Jun 08 | Jul 08 |
|-------------------|--------|--------|--------|--------|--------|--------|-----------------|
| Gross Portfolio * | +0.3% | +1.2% | +0.5% | +1.6% | +2.4% | -3.7% | -1.1% |
| All Ords Accum. | -11.2% | +0.3% | -4.1% | +4.6% | +2.5% | -7.3% | -5.2% |
| | Aug 08 | Sep 08 | Oct 08 | Nov 08 | Dec 08 | Jan 09 | Feb 09 |
| Gross Portfolio * | +0.1% | -3.8% | -5.3% | -5.2% | +3.4% | -1.9% | +0.6% |
| All Ords Accum. | +4.0% | -10.6% | -13.9% | -7.2% | -0.1% | -4.9% | -4.3% |
| | Mar 09 | Apr 09 | May 09 | | | | Since Inception |
| Gross Portfolio * | +4.5% | +7.6% | +5.0% | | | | +5.5% |
| All Ords Accum. | +8.1% | +6.1% | +2.2% | | | | -36.5% |

*The change in the portfolio before all expenses, fees and taxes.

For further information please contact Mr Geoff Wilson or Mr Matthew Kidman on (02) 9247 6755
 Level 11, 139 Macquarie Street, Sydney NSW 2000 | GPO Box 4658 Sydney NSW 2001 | ABN 49 126 420 719
 Phone 02 9247 6755 | Fax 02 9247 6855 | info@wami.com.au | www.wilsonassetmanagement.com.au