WILSON INVESTMENT FUND LIMITED

A.B.N. 15 100 504 541

DIRECTORS
G. Wilson (Chairman)
M. Kidman
J. Gosse
J. Abernethy

SECRETARY
J. Gosse

REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS
Level 11
131 Macquarie Street
Sydney NSW 2000
Tel – 02 9247 6755
Fax – 02 9247 6855

AUDITORS
Moore Stephens WI
Level 5
14 Martin Place
Sydney NSW 2000
Tel – 02 9229 7999
Fax – 02 9233 4636

STOCK EXCHANGE
Australian Stock Exchange (ASX)
The home exchange is Sydney.
Wilson Investment Fund Limited ASX code - WIL

OTHER INFORMATION
Wilson Investment Fund Limited is incorporated and domiciled in Australia and as of 19th August 2003, it is a publicly listed Company limited by shares.
The Directors present their report together with the financial report of Wilson Investment Fund Limited (the Company) for the period ended 30 June 2003.

PRINCIPAL ACTIVITY
The principal activity of the Company is making investments in listed and unlisted companies. No change in this activity took place during the period or is likely in the future.

REVIEW OF OPERATIONS AND OPERATING RESULTS
The Company had not commenced operations as at 30 June 2003.

DIVIDENDS
No dividends were paid or declared in the period.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS
There were no significant changes in the state of affairs of the Company during the period ended 30 June 2003.

DIRECTORS
The names of the Directors in office at any time during or since the end of the period, and, their qualifications and experience are as follows:-

Geoffrey Wilson – Chairman – Appointed 12 June 2003

Geoffrey Wilson is the Chairman of WAMI, an investment management company, and has had 23 years experience in the Australian and International securities industry. Prior to founding WAMI he was an Executive Director responsible for Global Institutional Stockbroking for Prudential-Bache Securities (Australia) Limited. Geoffrey Wilson has held senior positions with Potter Partners in London and with McIntosh Hamson Hoare Govett in New York. He is the Chairman of WAM and the Australian Stockbrokers Foundation Limited and a Director of the Sporting Chance Cancer Foundation, North Shore Heart Foundation and JAM. He holds a Bachelor of Science Degree and a Graduate Management Qualification. He is also a Fellow of the Institute of Company Directors and a Fellow of the Securities Institute of Australia.

Matthew Kidman – Non-Executive Director – Appointed 10 May 2002

Matthew Kidman has been a portfolio manager for WAMI since 1998. He has been instrumental in establishing WAM’s valuation methodology of rating companies. Matthew Kidman worked as a finance reporter for the Sydney Morning Herald between 1994 and 1998. In 1997 he was appointed Investment Editor of that newspaper and was charged with the responsibility of company coverage for the newspaper. He has degrees in Economics and Law and a Graduate Diploma in Applied Finance.

Julian Gosse – Non-Executive Director and Secretary – Appointed 12 June 2003

Julian Gosse has extensive experience in banking and broking both in Australia and overseas having worked in London for Rowe and Pitman, in the United States for Janney Montgomery and Scott and in Canada for Wood Gundy. He has been involved in the establishment, operation and ownership of several small businesses and is currently working as an executive director of Advanced Management Planning Limited. He is a director and company secretary of JAM.

John Abernethy – Non-Executive Director – Appointed 23 May 2002

John Abernethy is the Joint Managing Director of Loftus Capital Partners Limited ("Loftus") and numerous other companies managed or controlled by Loftus. He is a director of HomeLeisure Limited and Jasco Holdings Limited which represent major investments of Loftus.

John Abernethy has approximately twenty years experience in Funds Management and Corporate Advisory. He spent ten years at NRMA Investments as Head of Equities managing portfolios of approximately $2 billion. His career at NRMA culminated with the NRMA being awarded the accolade of Fund Manager of the year in 1992 by Money Management Magazine. In 1994 he joined Poynton Corporate Limited as an
Executive Director before forming Loftus in 1996. Loftus is now a listed investment company with $25 million in assets.

Timothy J. Hughes – Non-executive Director – Resigned 16 June 2003
Timothy Hughes is the Chairman of RG Capital Radio Limited, Photon Group Ltd, Carinya Investment Management Pty Ltd and a Director of WAM, Etrade Australia Ltd and Sporting Chance Cancer Foundation. Mr Hughes has had a 20 year business career in television production and distribution, television broadcasting, radio, investment management and marketing services.

Ross S. Greenwood – Non-executive Director – Resigned 12 June 2003
Ross Greenwood has been a leading media commentator on Australian and UK financial markets and personal investment for over a decade. He was formerly the Chairman of the investment committee of the JUST Superannuation Fund. He is currently the editor of Shares Magazine in the UK.

The Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

DIRECTORS' INTERESTS
The relevant interest of each director in the capital of the Company as at the date of this report is as follows:

<table>
<thead>
<tr>
<th>Director</th>
<th>No. of shares</th>
<th>No. of options</th>
</tr>
</thead>
<tbody>
<tr>
<td>G. Wilson</td>
<td>2,010,000</td>
<td>2,000,000</td>
</tr>
<tr>
<td>M. Kidman</td>
<td>15,001</td>
<td>15,000</td>
</tr>
<tr>
<td>J. Gosse</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>J. Abernethy</td>
<td>50,000</td>
<td>50,000</td>
</tr>
</tbody>
</table>

DIRECTORS' MEETINGS

<table>
<thead>
<tr>
<th>Director</th>
<th>Directors' Meetings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. Held</td>
</tr>
<tr>
<td>G. Wilson</td>
<td>1</td>
</tr>
<tr>
<td>M. Kidman</td>
<td>1</td>
</tr>
<tr>
<td>J. Gosse</td>
<td>1</td>
</tr>
<tr>
<td>J. Abernethy</td>
<td>1</td>
</tr>
<tr>
<td>T. Hughes</td>
<td>-</td>
</tr>
<tr>
<td>R. Greenwood</td>
<td>-</td>
</tr>
</tbody>
</table>

Considering the size of the Company and the fact that it does not have any employees it is the Directors’ view that to delegate responsibilities to an Audit Committee is unnecessary and inappropriate. As such all Directors are active in monitoring and assessing the reliability of financial information and in determining policies relating to the basis of preparation of financial statements.

DIRECTORS' EMOLUMENTS
No Director has received or is due to receive any fees for their services as Director of the Company for the 14 months to 30 June 2003.

DIRECTORS' BENEFITS
No Director since the end of the previous financial period has received or become entitled to receive a benefit (other than emoluments shown in the annual financial report or notes thereto) by reason of a contract made by the Company or a related Company with the Director or with a firm of which he is a member or with a Company in which he has substantial financial interest.

AFTER BALANCE DATE EVENTS & LIKELY DEVELOPMENTS
Since the end of the financial period, the company has issued 150,000,000 shares at $1 per share following the issue of a Prospectus on 16 June 2003. These shares were issued in August 2003 and were listed on the Australian Stock Exchange on the 19th August 2003.

In addition on the 22nd August 2003, the Company issued an additional 11,250,000 shares as $1 per share.
The shareholders who subscribed for the shares under the prospectus and subsequent placement were also issued with one option for each share they acquired. The options are listed and are exercisable at $1 to acquire an ordinary share at any time from the date of grant to 17 December 2004.

Refer to note 7 of the Financial Statements for further details.

No other matters have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of the operations, or the state of affairs of the Company in future financial periods.

INDEMNIFICATION AND INSURANCE OF OFFICERS
The Company has agreed to indemnify, to the extent permitted by the Corporations Act 2001, each officer in respect of certain liabilities which may occur as a result of, or by reason of (whether solely or in part) being or acting as an officer of the Company. No insurance premiums have been paid during or since the end of the period.

PROCEEDINGS ON BEHALF OF COMPANY
No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the period.

Signed in accordance with a resolution of the Board of Directors.

M.J. KIDMAN, Director

Dated at Sydney this 1st day of October 2003
## STATEMENT OF FINANCIAL PERFORMANCE
FOR THE 14 MONTHS ENDED 30 JUNE 2003

<table>
<thead>
<tr>
<th>Description</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue from ordinary activities</td>
<td></td>
</tr>
<tr>
<td>Expenses from ordinary activities</td>
<td></td>
</tr>
<tr>
<td><strong>Profit from ordinary activities before income tax expense</strong></td>
<td></td>
</tr>
<tr>
<td>Income tax expense relating to ordinary activities</td>
<td></td>
</tr>
<tr>
<td><strong>Net profit from ordinary activities after income tax expense attributable to shareholders</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Total changes in equity other than those resulting from transactions with shareholders as shareholders</strong></td>
<td></td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
WILSON INVESTMENT FUND LIMITED  
A.B.N. 15 100 504 541  

STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2003  

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash on hand</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>1</td>
<td></td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td>1</td>
<td></td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributed equity</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
| Cash flows from operating activities | $ | - |
| Net cash provided by operating activities | $ | - |
| Cash flows from investing activities | $ | - |
| Net cash provided by investing activities | $ | - |
| Cash flows from financing activities | $ | 1 |
| Proceeds from issue of shares | $ | 1 |
| Net cash provided by financing activities | $ | 1 |
| Net increase in cash held | $ | 1 |
| Cash at beginning of the period | $ | - |
| Cash at the end of the period | $ | 1 |
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 14 MONTHS ENDED 30 JUNE 2003

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the Company in the preparation of this financial report. The accounting policies have been consistently applied throughout the period.

(a) Income Tax
The Company adopts the liability method of tax-effect accounting whereby the income tax expense is based on operating profit adjusted for any permanent differences.

Timing differences which arise due to the different accounting periods in which items of revenue and expense are included in the determination of operating profit before income tax and taxable income, are brought to account as either a provision for deferred income tax or as a future income tax benefit at the rate of income tax applicable to the period in which the benefit will be received or the liability will become payable.

Future income tax benefits are not brought to account unless realisation of the asset is assured beyond reasonable doubt. Future income tax benefits in relation to tax losses are not brought to account unless there is virtual certainty of realisation of the benefit.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by law.

(b) Cash
For the purpose of the Statement of Cash Flows cash includes cash on hand.

June
2003

$  

2. DIVIDENDS
No dividends were paid or provided for by the Company.

3. CONTRIBUTED EQUITY

Issued and Paid-up Capital

1 ordinary share fully paid

The issue of 1 ordinary share at $1.00 was a subscriber share on incorporation of the Company.

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held.
3. CONTRIBUTED EQUITY (cont.)

At shareholder meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

4. RELATED PARTY DISCLOSURE
(a) Directors’ Remuneration

The number of directors of the Company whose income from the Company or any related party falls within the following bands:

<table>
<thead>
<tr>
<th>No.</th>
<th>$0 - $10,000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6</td>
</tr>
</tbody>
</table>

No director has received or is due to receive any fees for their service as director of the Company, or any other benefit by reason of a contract made with the Company for the 14 months to 30 June 2003.

(b) Directors

The names of directors who have held office during the financial period are:

Geoffrey Wilson
Matthew Kidman
Ross Greenwood
Timothy Hughes
John Abernethy
Julian Gosse

June
2003
$

(c) Share Transactions of Directors

Directors and director-related entities hold directly, indirectly or beneficially as at the reporting date the following equity interest in the Company:

Ordinary shares

1

5. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

The Company has made no capital commitments and has no contingent liabilities as at 30 June 2003.

6. SEGMENT REPORTING

The Company will be engaged in investment activities conducted in Australia and will derive revenue and investment income from listed and unlisted securities and fixed interest securities.

7. EVENTS SUBSEQUENT TO REPORTING DATE

Since the end of the financial period, the company has issued 150,000,000 shares at $1 per share following the issue of a Prospectus on 16 June 2003. These shares were issued in August 2003 and were listed on the Australian Stock Exchange.

In addition in August 2003, the Company issued an additional 11,250,000 shares as $1 per share.
7. EVENTS SUBSEQUENT TO REPORTING DATE (cont.)

The shareholders who subscribed for the shares under the prospectus and subsequent placement were also issued with one option for each share they acquired. The options are listed and are exercisable at $1 to acquire an ordinary share at any time from the date of grant to 17 December 2004.

Costs associated with establishing the Company and the subsequent capital raising and placement, were incurred subsequent to 30 June 2003. Total costs incurred for the successful float were $2,756,527 of which all have been capitalised post 30 June 2003.

No other matters have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of the operations, or the state of affairs of the Company in future financial periods.
The Directors of Wilson Investment Fund Limited declare that:

1. The financial statements and notes, as set out on pages 4 to 9, are in accordance with the Corporations Act 2001, including:
   (a) complying with Accounting Standards and the Corporations Regulations 2001; and
   (b) giving a true and fair view of the financial position of the Company as at 30 June 2003 and of its performance for the period ended on that date; and

2. In the Directors’ opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors.

M.J. KIDMAN, Director

Dated at Sydney this 1st day of October 2003
INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF WILSON INVESTMENT FUND LIMITED

Scope

We have audited the financial report of Wilson Investment Fund Limited for the financial period ended 30 June 2003, consisting of the statement of financial performance, statement of financial position, statement of cash flows, notes to the financial statements and the directors' declaration.

The Company's directors are responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of the Company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the Company's financial position, and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the financial report of Wilson Investment Fund Limited is in accordance with:

a. The Corporations Act 2001, including:
   i. giving a true and fair view of the Company's financial position as at 30 June 2003 and of its performance for the financial period ended on that date; and
   ii. complying with Accounting Standards in Australia and the Corporations Regulations 2001; and

b. Other mandatory professional requirements in Australia.

S M WHIDDETT
Partner
Sydney

Dated: 1 October 2003.