

WAM CAPITAL LIMITED

A.B.N. 34 086 587 395



**ANNUAL REPORT
FOR THE YEAR ENDED
30 JUNE 2001**

DIRECTORY

WAM CAPITAL LIMITED A.B.N. 34 086 587 395

REGISTERED OFFICE

Level 11
131 Macquarie Street
Sydney
NSW 2000
Tel – 02 9247 6755
Fax – 02 9247 6855
Email – wamcapital@wamcapital.com.au

SHARE REGISTRY

White Iliffe
Level 5
14 Martin Place
Sydney
NSW 2000
Tel – 02 9229 7999
Fax – 02 9221 1194

STOCK EXCHANGE LISTING

Australian Stock Exchange (ASX)
The home exchange is in Sydney.
WAM Capital Ltd ASX Code - WAM

OTHER INFORMATION

WAM Capital Limited, incorporated and domiciled in Australia, is a publicly listed company limited by shares.

DIRECTORS

G. Wilson (Chairman)
M. Kidman
T. Hughes
R. Greenwood

SECRETARY

M. Kidman

AUDITORS

White Iliffe
Level 5
14 Martin Place
Sydney
NSW 2000
Tel – 02 9229 7999
Fax – 02 9233 4636

WEBSITE

www.wamcapital.com.au

CONTENTS

Chairman's Letter	1
Company Profile	2
Investments at Market Value	3
Performance History	4
Corporate Governance Statement	5
Director's Report to Shareholders	7
Statement of Financial Performance	10
Statement of Financial Position	11
Statement of Cash Flows	12
Notes to Financial Statements	13
Director's Declaration	25
Independent Audit Report	26
ASX Additional Information	27

2001 HIGHLIGHTS

- Gross assets increased by 30.2% for the period to June 30
- Pre tax net tangible assets increased from 112.7c* a share to 133.6c a share
- After tax net tangible assets increased from 104.1c* a share to 123.8c a share
- Record profit before tax and abnormals of \$6.568m
- 50% increase in fully franked final dividend to 3.0c a share
- Fully franked special dividend of 8.0c a share
- Total dividend in 00/01 of 14.0c a share

* Adjusted for dividends paid

CHAIRMAN'S LETTER

The year was a challenging and rewarding one for WAM Capital Ltd (WAM). Challenging in that equity markets were highly volatile in response to a slowing economy. Rewarding in that we delivered a return well in excess of the All Ordinaries Accumulation Index.

For the year 30th June 2001 the gross portfolio (before all expenses and taxes) increased 30.2% compared to an 8.9% rise for the All Ordinaries Accumulation Index. This performance was achieved by holding cash, fixed interest and listed debt instruments levels of approximately 25% throughout the period. The pre tax net tangible asset (NTA) backing, after dividends paid, increased from 112.7 cents to 133.6 cents and after tax, the NTA increased to 123.8 cents.

Total dividends declared for the year was 14.0 cents a share fully franked, made up of a 3.0 cent interim dividend, a 3.0 cent final dividend and an 8.0 cent special dividend.

At 30th June 2001 WAM owned shares in 56 companies and held 22% of our funds in cash, fixed interest and listed debt instruments. At 30th June 2000 WAM owned 48 companies. During the year we sold our position in 32 companies, increased our shareholding in 5 and reduced our shareholding in 8. We also took new positions in 39 companies.

The ongoing focus of the manager is to seek out suitable companies to invest in. Matthew Kidman and myself, the two portfolio managers responsible for making the investment decisions, spend as much time as possible meeting with the management of companies. During the last 12 months we held meeting with the management of 370 companies. We concentrated on medium sized industrial companies, because we believe that is where we can add most value.

Our goal is to deliver a return of 15-20% per annum. This would ideally be achieved with a portfolio of 25 to 30 companies that are growing earnings at 15-25% per annum, trading on a low price earnings multiple, are well managed and have a strong position in a growth market. The problem we find is that companies with all these characteristics are difficult to identify. We will always be looking. Along the way we see numerous opportunities that aren't purely research based and when we believe the risk reward is in our favor, we will take the risk. That is why from time to time the number of companies we own shares in will vary and our levels of cash held will vary.

During the year, in a bid to communicate better with WAM's owners, we held shareholder briefings in Sydney, Melbourne and Brisbane. We anticipate this will become a bi-annual event.

In terms of our view on the coming year, we remain very positive about equity markets in general. Uncertainty over the recent terrorist attack in America has led to a fall in the equity markets. The subsequent stimulation of the economies by central banks around the world will lead to a pick up in economic activity in the medium term. The passing of time will remove uncertainty, this coupled with a stronger economy, will be a positive cocktail for equity markets. With this backdrop we believe there will be some excellent opportunities. We look forward to the current year with optimism.

Geoff Wilson
Chairman
September 2001

WAM CAPITAL LIMITED

A.B.N. 34 086 587 395
 Level 11, 131 Macquarie Street
 Sydney NSW 2000
 Tel: (02) 9247 6755 Fax: (02) 9247 6855

PROXY FORM

I/We

of

being a shareholder of WAM CAPITAL LIMITED, hereby appoint

..... (First or sole proxy)

or failing him, the Chairman of the meeting, to attend and exercise%

and (see note 1) (Second proxy)

or failing him, the Chairman of the meeting, to attend and exercise%

of my/our voting rights for and on my/our behalf at the ANNUAL GENERAL MEETING of the Company to be held on 12th November 2001, at 11am and at any adjournment thereof.

Direction to proxy on voting if desired:

	First or sole proxy			Second proxy (if any)		
	For	Abstain	Against	For	Abstain	Against
1. To adopt the Financial Report and reports of the Directors and Auditors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. To declare final and special dividends on ordinary shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. To re-elect Mr Geoffrey James Wilson as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Dated thisday of, 2001

.....
 Signature/s of Shareholder/s

Notes

1. A member entitled to attend and vote may appoint a proxy, or if desired, two proxies, who need not be members of the company. In the absence of a special choice as proxy, the Chairman of the Meeting may be nominated.
2. Joint shareholders must each sign; companies may either sign under seal or under the hand of an officer or attorney duly authorised; attorneys must supply a notice of non-revocation and, if not previously noted by the company, exhibit power of attorney.
3. To be effective completed proxy forms must be received at the registered office of the Company not less than 48 hours before the time set for the holding of the meeting.
4. A shareholder may direct the proxy how to vote by placing a mark in the appropriate box against each item hereunder or otherwise the proxy may vote as he/she thinks fit or may abstain from voting.

WAM CAPITAL LIMITED

A.B.N. 34 086 587 395

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the ANNUAL GENERAL MEETING of the Shareholders of WAM CAPITAL LIMITED will be held on 12th November 2001, 2000 at 11am on the Ground Floor, History House 133 Macquarie Street, SYDNEY.

BUSINESS

Financial Report:

To receive and consider the Financial Statements and Reports of the Directors and Auditors for the year ended 30 June, 2001.

Dividends:

To declare final and special dividends on ordinary shares.

Election of Directors:

Mr Geoffrey James Wilson retires by rotation in accordance with the Company's Constitution and being eligible, offers himself for re-election.

Notes:

1. A shareholder entitled to attend and vote may appoint not more than two proxies to attend and vote in his or her stead. Where there are two proxies appointed, each must be appointed to represent a specific proportion of the shareholder's voting rights. A proxy need not be a shareholder of the Company. A proxy form accompanies this notice of meeting.

21st September, 2001

M. Kidman
Secretary

COMPANY PROFILE

WAM Capital Ltd (WAM) is an investment company providing investors with access to a diversified investment portfolio and the management expertise of Wilson Asset Management (International) Pty Ltd.

INVESTMENT OBJECTIVES

The two investment objectives of the Company are:

- to achieve a high real rate of return, comprising both income and capital growth, within risk parameters acceptable to the Directors; and
- to preserve the capital of the Company.

INVESTMENT PROCESS

The company has two investment approaches

- **Research Based** - Buying shares in companies after extensive research. This may involve detailed discussion with management of the investee entity and its competitors.
- **Market Opportunities** - Buying securities in entities through initial public offerings, placements or the purchase of a block of stock below what the Manager believes is the entity's fair value. This requires close monitoring of market activity.

The Company will focus on the following criteria in appraising potential research based investments:

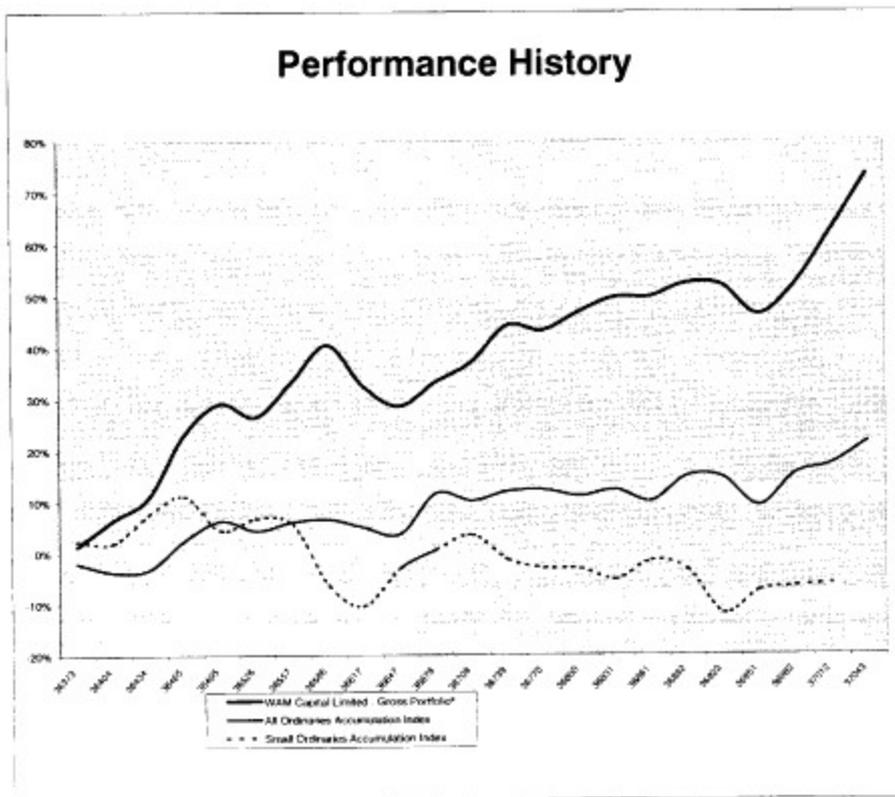
- earnings growth;
- return on equity;
- free cashflow generation;
- management;
- valuation; and
- Industry and relative industry position.

The typical investment approach of the Company will be to seek a combination of value and growth. An entity attractively priced relative to its appraised value that exhibits strong growth characteristics, generates surplus cashflow, is well managed and has a sound position in its industry is an ideal investment for the Company.

Once the research and relative ranking has been undertaken, the manager will seek to identify a catalyst or an event that alters the market's perception of the entity which will lead to a re-rating of the Company's share price by the market.

INVESTMENTS AT MARKET VALUE

	<u>Quantity</u>	<u>Market Value \$</u>		<u>Quantity</u>	<u>Market Value \$</u>
ALL RESOURCES			INSURANCE		
Normandy Mt Leyson Ltd	453,969	208,826	Oamps Ltd	309,206	800,844
Perseverance Corporation Ltd	1,560,589	127,968	OBE Insurance group Ltd	47,054	555,708
Comet Resources Ltd	918,733	59,718			1,356,552
Selwyn Mines Ltd	147,784	144,828	INVESTMENT & FINANCIAL SERVICES		
Macarthur Coal	160,000	160,000	ASX Ltd	42,448	604,969
		701,340	Citadel Pooled Development Ltd	159,476	26,313
			eFinancial Capital Ltd	765,150	260,151
ENERGY			DCA Group Ltd	291,755	350,106
Centennial Coal Company Ltd	172,457	220,745	Fiducian Portfolio Services Ltd	129,922	168,899
Cue Energy Resources Ltd	4,050,000	307,800	Pacific Strategic Investments Ltd	3,248,349	730,879
		528,545	Yates Ltd	820,471	135,378
					2,276,695
INFRASTRUCTURE & UTILITIES			PROPERTY TRUSTS		
Macquarie Infrastructure Group	(80,000)	(248,800)	Macquarie Goodman Trust	30,000	39,900
Renewable Energy Ltd	313,141	707,699			39,900
		458,899	HEALTHCARE & BIOTECHNOLOGY		
BUILDING MATERIALS			FH Faulding & Company Ltd	38,000	488,110
Gunns Ltd	86,974	360,942	Healthscope Ltd	532,657	878,884
		360,942	OPSM Protector Ltd	146,300	394,717
ALCOHOL & TOBACCO			Panbio Ltd	125,857	119,564
Fosters Brewing Ltd	60,000	328,800	Sirtex Medical Ltd	134,935	196,330
Brian McGuigan Wines Ltd	635,693	2,256,710			2,077,605
Cranwick Estates Ltd (8.25%CN)	228,000	193,800	MISCELLANEOUS INDUSTRIALS		
		2,779,310	Lang Corporation Ltd	54,000	593,892
FOOD & HOUSEHOLD			Lang Corporation Ltd (Options)	35,236	105,708
Burns Philp & Co Ltd (Unsec. Notes)	5,716,282	1,514,815	Medicine Quantale Ltd	383,000	74,685
Burns Philp & Co Ltd (Rights)	275,662	50,997	Roberts Ltd	275,162	652,134
Campbell Brothers Ltd	(8,138)	(42,155)	Spotless Group Ltd	(24,000)	(178,800)
Campbell Brothers New Ltd	13,713	71,033	Cyberstox Ltd	115,500	300,300
Greens Foods Ltd	904,308	217,034	Innovonics Ltd	162,000	64,800
Snack Foods Ltd	865,947	1,004,499	ION Ltd	1,136,972	1,432,585
		2,816,223	Stargames Ltd	181,707	208,963
					3,254,267
RETAIL			TOURISM & LEISURE		
Globe International Ltd	200,000	290,000	Port Douglas Reef Resorts Ltd (9% Unsec CN)	8,324,000	998,880
Just Jeans Group Ltd	75,463	100,366	Port Douglas Reef Resorts Ltd	339,116	35,607
Billabong International Ltd	71,000	376,300	Reef Casino Trust	6,620,738	483,314
Colorado Group Ltd	181,559	326,806	Village Roadshow Ltd (Preference Shares)	366,955	495,389
Housewares International Ltd	530,720	435,190			2,013,190
Metcash Trading Ltd	687,703	921,523	TOTAL		
Noni B Ltd (10.5% CN)	500,000	500,000	VALUE OF SHORT SALES		23,687,449
Noni B Ltd	180,000	115,200	MARKET VALUE		469,755
		3,065,385			24,157,204
MEDIA					
Prime Television Ltd	244,550	464,645			
Telecasters Australia Ltd	45,720	557,784			
Austereo Group Ltd	183,595	386,467			
RG Capital Radio Ltd	239,000	549,700			
		1,958,596			



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

WAM Capital Limited's Gross Portfolio has added value over the last 2 years

	Gross Portfolio	All Ords. Acc.	Outperformance
1999/2000	33.3%	11.3%	22.0%
2000/2001	30.2%	8.9%	21.3%

WAM CAPITAL LIMITED

A.B.N. 34 086 587 395

CORPORATE GOVERNANCE STATEMENT FOR THE YEAR ENDED 30TH JUNE 2001

This statement outlines the main Corporate Governance practices that were in place throughout the financial year, unless otherwise stated. These practices are dealt with under following headings: Board of Directors and its Committees, Composition of the Board, Remuneration of Directors and Executives, Ethical standards, Role of Shareholders, the Board's Policy on Dealing in Shares, Independent Professional Advice and Access to Company Information, and Conflict of Interest.

Board of Directors and its Committees

Subject at all times to any written guidelines issued by the Board of Directors of WAM Capital Limited, the day-to-day management and investment of funds is carried out by Wilson Asset Management (International) Pty Limited pursuant to a management agreement.

The Board is responsible for the overall Corporate Governance of the Company including the strategic direction, establishing goals for the appointed Manager and monitoring the achievement of these goals. The board regularly reviews the reports of its Manager on the operational and financial performance of the Company.

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 actively involved in the establishment and maintenance of a framework of internal control, financial reporting practices and appropriate ethical standards for the Company and monitoring and assessing the quality and reliability of financial information.

The Directors liaisons with and reviews the performance of the external auditor.

Composition of the Board

The board comprises the Chairman and three other non-executive directors who consider the composition of the board and appointment of new directors. The Board identifies suitable candidates to fill vacancies as they arise. The performance of each director is reviewed by the Chairman periodically. At every annual general meeting one third of the Directors must retire from office and be eligible for re-election.

Remuneration of Directors and Executives

The maximum total remuneration of the Directors of the Company has been set at \$60,000 per annum to be divided amongst them in such proportions as they agree. The scope of the Company's operations, and the frequency of Board meetings are principal determinants of the fee level.

The Chairman and Secretary of WAM Capital Limited are employees, and the Chairman is the sole director, of Wilson Asset Management (International) Pty Limited and they are further remunerated by that company.

Ethical Standards

The board aims to ensure that all Directors and its Manager act with the utmost integrity and objectivity and endeavour to enhance the reputation of the Company.

WAM CAPITAL LIMITED

A.B.N. 34 086 587 395

**CORPORATE GOVERNANCE STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2001****The Role of Shareholders**

The Board of Directors aims to ensure that the shareholders are informed of all major developments affecting the Company's state of affairs. Information is communicated to shareholders through the Annual Financial Report, monthly asset backing data and Half-Year Financial Report lodged with the Australian Stock Exchange.

The Board encourages full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and identification with the Company's strategy and goals.

Board's Policy on Dealing in Shares

Subject to their not being in possession of undisclosed price sensitive information, Directors may deal in shares of the company when appropriate. As WAM Capital Limited is an investment company announcing its results monthly, the Board believes the shareholders are generally fully informed.

Independent Professional Advice and Access to Company Information

Each director has the right to access all relevant information and subject to prior consultation with the Chairman, may seek independent professional advice at the entity's expense. A copy of advice received by the director is made available to all other members of the Board.

Conflict of Interest

In accordance with the Corporations Act, the directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the company. Where the board believes that a significant conflict exists the director concerned does not receive the relevant board papers and is not present at the meeting whilst the item is considered.

WAM CAPITAL LIMITED

A.B.N. 34 086 587 395

DIRECTORS' REPORT TO SHAREHOLDERS FOR THE YEAR ENDED 30TH JUNE, 2001

The directors present their report together with the financial report of WAM Capital Limited ("the Company") for the year ended 30th June, 2001.

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 year or is likely in the future.

REVIEW OF OPERATIONS AND OPERATING RESULTS

Investment operations over the year resulted in an operating profit after tax of \$ 4,733,288. Investments are revalued monthly to 100% of market value. At year end investments were revalued by \$2,783,029 (2000: \$963,233). After adjustment for deferred tax on unrealised gains or losses at 30% (2000: 34%) a net increment of \$1,948,120 (2000: \$635,773) was transferred to an Unrealised Profits and Losses Reserve.

Asset backing for each ordinary share at 30th June, 2001 (calculated on 100% of market value less realisation costs and all applicable taxes and before provision for dividend) amounted to \$1.24 per share (2000: \$1.17). Asset backing after tax on realised gains but before tax on unrealised gains was \$1.30 per share. The equivalent asset backing before tax was \$1.34 per share (2000: \$1.21).

DIVIDENDS

Directors paid an interim dividend of 3.0 cents for each ordinary share. The interim ordinary dividend was fully franked at 34%. The dividend was paid to shareholders on the 2nd April 2001.

A final dividend of 3.0 cents per share fully franked, is proposed to be paid on 2nd November 2001.

In addition, a special dividend of 8.0 cents per share fully franked is proposed to be paid on 2nd November 2001.

OPTION ISSUE

The directors have announced a bonus option issue to all shareholders on a one for one basis. The options will give the holder the right but not the obligation to buy a WAM Capital Limited share at \$1.20 at any time up until and including the 17th December 2002. Once the option has been exercised it will rank for all dividends paid, seven days after exercise.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Company during the year ended 30th June, 2001.

**DIRECTORS' REPORT TO
SHAREHOLDERS FOR THE YEAR
ENDED 30TH JUNE, 2001**

DIRECTORS

The Directors in office at the date of this report, their qualifications, experience and special responsibilities are as follows:-

Geoffrey J. Wilson – Chairman;

Geoffrey Wilson is Chairman of Wilson Asset Management (International) Pty Limited, an investment management company, and has 21 years experience in the Australian and International securities industry. He is chairman of the Australian Stockbrokers Foundation Limited and a director of the Sporting Chance Cancer Foundation, North Shore Heart Foundation, Adelaide Share Investments Limited, and JAM Development Capital Limited. He holds a Bachelor of Science and a Graduate Management Qualification. He is also a Fellow of the Institute of Company Directors, a Fellow of the Securities Institute of Australia and an affiliate of the Australian Stock Exchange. Age 43.

Mathew J. Kidman – Non Executive Director and Secretary;

Mathew Kidman is a portfolio manager for Wilson Asset Management (International) Pty Limited. Mr Kidman worked as a finance reporter/investment editor for the Sydney Morning Herald for four years between 1994 and 1998. He is a director of JAM Development Capital Limited. Mr Kidman has degrees in Economics and Law. Age 32.

Timothy J. Hughes – Non-executive Director;

Timothy Hughes is Executive Chairman of RG Capital Radio Limited and RG Capital Multimedia Pty Limited. Mr Hughes has worked for Reg Grundy since 1983 apart from November 1992 to December 1994, when he was Managing Director and Chief Executive of Sunshine Broadcasting Network Limited. Prior to joining Sunshine, he was Senior Vice President, Corporate Development and Investment for Grundy Worldwide's Executive Committee. Mr Hughes is also a director of Photon Group and the Sporting Chance Cancer Foundation. Mr Hughes holds a Bachelor of Business. Age 38.

Ross S. Greenwood – Non-executive Director;

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. Age 42.

DIRECTORS' SHAREHOLDINGS

Director	Shareholding Ordinary Shares
G.J. Wilson	2,466,710
M. J. Kidman	68,722
R.S. Greenwood	50,000
T. J. Hughes	57,268

DIRECTORS' MEETINGS

Director	Directors' Meetings	
	No. Held	Attended
G.J. Wilson	4	4
M. J. Kidman	4	4
R.S. Greenwood	4	3
T. J. Hughes	4	4

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' REPORT TO
SHAREHOLDERS FOR THE YEAR
ENDED 30TH JUNE, 2001**

DIRECTORS' EMOLUMENTS

Directors are entitled to receive directors' fees of \$60,000 p.a. to be shared amongst the directors. Additional remuneration may be paid in accordance with the Company's constitution. The following are the directors' remuneration received for the year ended 30 June 2001:

Director	Directors Fees
G.J. Wilson	\$10,000
M. J. Kidman	\$10,000
T. J. Hughes	\$20,000
R.S. Greenwood	\$20,000

Mr G.J. Wilson is a shareholder and sole director, and Mr Kidman is an employee, of Wilson Asset Management (International) Pty Limited, which provides the Company with investment management services. In its capacity as manager, Wilson Asset Management (International) Pty Limited was paid a management fee of 1% of the gross value of the portfolio per annum. Total paid or provided for the year ended 30 June 2001 was \$296,826. This amount is additional to the above director's remuneration. In addition, at 30 June 2001, a performance fee of \$1,026,962 was due to Wilson Asset Management (International) Pty Limited. Details of this performance fee can be found in note 16(d) of the financial report.

No other remuneration was received by the directors of the Company.

DIRECTORS' BENEFITS

No director since the end of the previous financial year 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.

OPTIONS

During the year 11,500 options were exercised on 1 August 2000 and 21,483,500 options expired.

AFTER BALANCE DATE EVENTS

No matters have arisen since the end of the financial year 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 years.

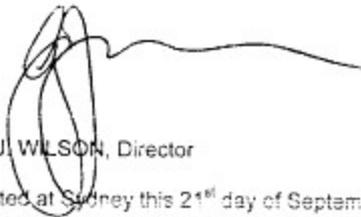
LIKELY DEVELOPMENTS

The entity will continue to pursue its policy of investment during the next financial year.

INDEMNIFICATION AND INSURANCE OF OFFICERS

During the financial year the Company paid a premium in respect of a contract insuring the directors of the company, the company secretary and any related body corporate against liability incurred as such by a director or secretary to the extent permitted by the Corporations Law. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Signed in accordance with a resolution of the Directors.



G.J. WILSON, Director

Dated at Sydney this 21st day of September, 2001

WAM CAPITAL LIMITED

A.B.N. 34 086 587 395

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE, 2001**

	Notes	June 2001 \$	June 2000 \$
Sale of Investments		54,391,976	46,614,362
Cost of sales		<u>(50,818,001)</u>	<u>(41,742,804)</u>
Gross profit		3,573,975	4,871,558
Unrealised gain on investments		2,783,029	963,233
Other revenue from ordinary activities	2	1,744,387	1,960,962
Performance fee		(1,026,962)	(924,360)
Management fee		(296,826)	(242,271)
Other expenses from ordinary activities		<u>(211,416)</u>	<u>(195,408)</u>
Profit from ordinary activities before related income tax expense		6,566,187	6,433,714
Income tax expense relating to ordinary activities	3 (a)	<u>(1,832,899)</u>	<u>(1,837,722)</u>
Profit from ordinary activities after related income tax expense		4,733,288	4,595,992
Non-owner changes in equity			
Amount transferred to unrealised capital profits reserve	9	<u>(1,948,120)</u>	<u>(635,773)</u>
Changes in equity excluding transactions with shareholders as shareholders	10	<u><u>2,785,168</u></u>	<u><u>3,960,219</u></u>
Basic earnings per share	13	0.21	0.24
Dividends per share	7	0.14	0.12

The Statement of Financial Performance should be read in conjunction with the notes to the Financial Statements which follow.

WAM CAPITAL LIMITED

A.B.N. 34 086 587 395

**STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE, 2001**

	Notes	June 2001 \$	June 2000 \$
ASSETS			
Cash assets	11 (a)	6,849,868	13,508,151
Receivables	4	2,157,924	927,153
Investments	5	24,157,204	14,293,264
Tax Assets	3 (b)	<u>1,267</u>	<u>2,040</u>
TOTAL ASSETS		<u>33,166,263</u>	<u>28,730,608</u>
LIABILITIES			
Payables	6	2,510,528	1,594,595
Provision	7	2,516,261	2,156,198
Current tax liabilities	3 (c)	745,799	999,990
Deferred tax liabilities	3 (d)	<u>1,495,682</u>	<u>839,772</u>
TOTAL LIABILITIES		<u>7,268,270</u>	<u>5,590,555</u>
NET ASSETS		<u>25,897,993</u>	<u>23,140,053</u>
EQUITY			
Contributed Equity	8	22,347,346	21,130,359
Reserve	9	2,583,893	635,773
Retained Profits	10	966,754	1,373,921
TOTAL EQUITY		<u>25,897,993</u>	<u>23,140,053</u>

The Statement of Financial Position should be read in conjunction with the Notes to the Financial Statements which follow.

WAM CAPITAL LIMITED
A.B.N. 34 086 587 395
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE, 2001

	June 2001 \$	June 2000 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Dividends Received	1,302,898	852,187
Interest Received	346,900	469,263
Other Investment Income Received	108,173	275,787
Investment Management Fees	(298,499)	(218,783)
Investment Performance Fees	(924,360)	-
Payments for Administration Expenses	(197,555)	(183,793)
Income Tax Paid	3 (c) 169,236	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	11 (b) 506,793	1,194,661
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sale of Investments	53,241,549	46,614,362
Payments for Purchase of Investments	(57,191,697)	(54,999,131)
Income tax paid	3 (c) (1,599,644)	-
NET CASH USED IN INVESTING ACTIVITIES	(5,549,792)	(8,384,769)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends Paid	(1,627,934)	(383,883)
Options Exercised	12,650	-
Net capital raised from Initial Public Offer	-	21,082,141
NET CASH USED IN FINANCING ACTIVITIES	(1,615,284)	20,698,258
NET (DECREASE) INCREASE IN CASH HELD	(6,658,283)	13,508,150
CASH AT 1 JULY 2000	13,508,151	1
CASH AT 30TH JUNE 2001	11 (a) 6,849,868	13,508,151

The Statement of Cash Flows should be read in conjunction with the Notes to the Financial Statements which follow.

WAM CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2001

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

The significant policies which have been adopted in the preparation of this financial report are:

(a) Basis of Accounting

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 accounting policies have been consistently applied, and except where there is a change in accounting policy, are consistent with those of the previous year. The Directors revalue investments on a monthly basis. Apart from this policy, the accounts have been prepared on the basis of historical costs.

(b) Reclassification of Accounting Information

Some line items and sub-totals reported in the previous financial year have been reclassified and repositioned in the financial statements as a result of the first time application on 1 July 2000 of the revised standards AASB 1018 *Statement of Financial Performance*, AASB 1034 *Financial Report Presentation and Disclosures* and the new AASB 1040 *Statement of Financial Position*.

Adoption of these standards has resulted in the transfer of the reconciliation of opening to closing retained earnings from the face of the Statement of Financial Performance to Note 10.

The following assets and liabilities have been removed from previous classifications and are now disclosed as separate line items on the face of the Statement of Financial Position:

- Current tax assets, previously presented with other current assets
- income tax liabilities, previously presented with current provisions
- Deferred income tax liabilities, previously presented with current provisions

(c) Investments

i) Classification

Investments consist of shares in publicly listed companies and investments in fixed interest securities.

Investments are akin to inventory and are readily marketable. Consequently the directors have adopted a liquidity method of classifying listed investments.

ii) Valuation

Shareholdings in listed companies are brought to account at market value including the potential tax charges that may arise from the future sale of the investments.

Market values are calculated as the closing price traded on the balance date. If there have been no trades on the balance date, then the shares are valued at the weighted average price for the previous three days.

It is considered that the information needs of shareholders in a company of this type are better met by stating investments at current market value, rather than historical cost.

WAM CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE, 2001

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued):

(c) Investments (continued)

Revenues are recognised at the fair value of consideration received net of the amount of the goods and services tax (GST), recoverable from the Australian Taxation Office.

Unrealised gains and losses are included in operating profit for the year and are transferred to an unrealised profits and losses reserve, net of the potential tax charges that may arise from the future sale of the investments.

iv) Dividend income

Dividend income is recognised in the profit and loss statement on the day on which the relevant investment is first quoted on an "ex-dividend" basis.

v) Interest income

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

(d) 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 provisions for deferred income tax or as an asset described as current tax assets at the rate of income tax applicable to the period in which the benefit will be received or the liability will become payable.

Current tax assets 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.

WAM CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE, 2001

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued):

(e) Cash

For the purpose of the statement of cash flows, cash includes cash on hand, at call deposits with banks or financial institutions and fixed interest securities maturing within three months.

(f) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of the GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as an asset or liability in the statement if of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(g) Receivables

Trade debtors to be settled within 60 days are carried at amounts due.

(h) Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received. Trade accounts payable are normally settled within 60 days.

WAM CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2001

	June 2001	June 2000
2. OTHER REVENUE FROM ORDINARY ACTIVITIES	\$	\$
Dividends Received	1,283,312	1,210,521
Interest Received	346,900	469,263
Underwriting Fees Received	53,048	251,673
Trust Distributions Received	61,127	29,505
	<u>1,744,387</u>	<u>1,960,962</u>
3. TAXATION		
Total income tax expense is made up of:		
Movement in Current Income Tax Provision	(254,192)	999,990
Movement in Deferred Income Tax Provision	655,910	839,772
Movement in Future Income Tax Provision	773	(2,040)
Income tax Paid	1,430,408	-
	<u>1,832,899</u>	<u>1,837,722</u>
(a) Income Tax Expense		
Prima facie income tax expense calculated at 34% on operating profit; (2000: 36%)	2,232,504	2,316,137
Decrease in income tax expense due to:		
Rebatable dividend income	(208,220)	(435,787)
Tax free trust distributions	-	(4,909)
Sundry items	(11,394)	(7,586)
Restatement of deferred tax due to changes in company tax rate	(179,991)	(30,133)
	<u>1,832,899</u>	<u>1,837,722</u>

WAM CAPITAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2001**

	June 2001	June 2000
3. TAXATION (continued)		
(b) Current Tax Assets		
Current tax assets comprise the estimated expense at expected future income tax rate of 30% on expense provisions currently not deductible	<u>1,267</u>	<u>2,040</u>
The potential future income tax benefit will only be obtained if:		
(i). The Company derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised;		
(ii). The Company continues to comply with the conditions for deductibility imposed by the law; and		
(iii). No changes in tax legislation adversely affect the Company in realising the benefit.		
(c) Provision for Current Income Tax Expense		
Movements in the year were as follows:		
Opening Balance	999,990	-
Adjustment for prior year	334,690	-
Current year income tax expense on operating profit	841,527	999,990
Income tax paid:		
- operating activities	169,236	-
- investing activities	<u>(1,599,644)</u>	<u>-</u>
	<u>745,799</u>	<u>999,990</u>
(d) Provision for Deferred Income Tax		
Provision for deferred income tax comprises the estimated expense at the future income tax rate of 30%.	<u>1,495,682</u>	<u>839,772</u>

WAM CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2001

	June 2001 \$	June 2000 \$
4. RECEIVABLES		
Outstanding Share Disposals	1,713,857	563,430
Investment Income Receivable	350,139	363,723
GST Receivable	93,928	-
	2,157,924	927,153
 5. INVESTMENTS		
Listed Investment Portfolio - at Market Value	24,157,204	14,293,264
The market values of individual investments are page 3		
 6. PAYABLES		
Outstanding Share Acquisitions	1,352,778	540,802
Other Payables	1,157,750	1,053,793
	2,510,528	1,594,595
 7. DIVIDENDS		
Provision for dividends	\$2,516,216	\$2,156,198

Dividends paid or proposed by the Company are:

	Cents Per Share	Total amount \$	Date of payment	Tax Rate for Franking credit	Percentage franked
2001					
Interim - ordinary	3	676,073	2nd Apr 2001	34%	100%
Final - ordinary	3	686,253	2nd Nov 2001	30%	100%
Final - preference	8	1,830,008	2nd Nov 2001	30%	100%
Total franked amount		3,192,334			
 2000					
Interim - ordinary	2	430,100	31st Mar 2000	36%	100%
Final - ordinary	2	431,240	31st Oct 2000	34%	100%
Final - preference	8	1,724,958	31st Oct 2000	34%	100%
Total franked amount		2,586,298			

WAM CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2001

	June 2001 \$	June 2000 \$
7. DIVIDENDS (Continued)		
Dividend Franking Account		
Balance of franking account at 30% adjusted for franking credits which will arise from the payment of income tax provided for in the financial statements and on the receipt of dividends recognised as receivable, and after deducting franking credits to be used in the payment of the above dividends	<u>122,229</u>	<u>403,373</u>
<p>The ability to utilise the franking credits is dependent upon there being sufficient available profits to pay dividends.</p> <p>The balance of the franking account does not include the franking credits of \$3,489,925 at 30% (2000: \$1,630,146 at 34%) which relates to the tax to be paid on unrealised investment gains currently recognised as a deferred income tax liability.</p>		
8. CONTRIBUTED EQUITY		
Issued and Paid-up Capital		
22,875,184 ordinary shares fully paid (2000: 21,550,481)	<u>22,347,346</u>	<u>21,130,359</u>
Movement in Ordinary Share Capital	1,216,987	21,130,359
(a) Opening Balance	21,130,359	1
20 million ordinary shares issued on 12/8/99 at \$1.00 each pursuant to a prospectus	-	20,000,000
1.5 million ordinary shares issued on 12/8/99 at \$1.00 each pursuant to a placement	-	1,500,000
Less: Costs relating to issue of shares	-	(421,359)
5,000 ordinary shares issued on 30/8/99 from the exercise of options at an exercise price of \$1.10 per share	-	5,500
48,481 ordinary shares issued on 31/3/00 under a dividend reinvestment plan	-	46,217
11,500 ordinary shares issued on 1/8/00 from the exercise of options at an exercise price of \$1.10 per share	12,650	-
974,973 ordinary shares issued on 30/10/00 under a dividend reinvestment plan	893,962	-
338,229 ordinary shares issued on 2/4/01 under a dividend reinvestment plan	<u>310,375</u>	-
Issued and Paid-up Capital Closing Balance	<u>22,347,346</u>	<u>21,130,359</u>

Holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to vote per share at shareholder meetings. In the event of the winding up of the Company, ordinary shareholders rank after creditors and are fully entitled to any proceeds of liquidation.

WAM CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2001

	June 2001 \$	June 2000 \$
9. RESERVE		
Unrealised Capital Profits Reserve		
Balance at the beginning of the financial year	635,773	-
Transfer from statement of financial performance	<u>1,948,120</u>	<u>635,773</u>
Balance at the end of the financial year	<u>2,583,893</u>	<u>635,773</u>

The nature and purpose of this reserve is outlined at Note 1 (b) (iii).

10. RETAINED EARNINGS

Retained earnings at the beginning of the year	1,373,921	-
Total change in equity recognised in the statement of financial performance	2,785,168	3,960,219
Dividends paid or proposed (refer Note 7)	<u>(3,192,335)</u>	<u>(2,586,298)</u>
	<u>966,754</u>	<u>1,373,921</u>

11. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank, short term deposits at call and fixed interest securities with maturity within three months. Cash as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Cash on Hand	1	1
Cash at Bank	1,928	377,686
Cash Management Account	1,005,198	874,276
Fixed Interest Securities	<u>5,842,741</u>	<u>12,256,188</u>
	<u>6,849,868</u>	<u>13,508,151</u>

WAM CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2001

	June 2001 \$	June 2000 \$
11. NOTES TO THE STATEMENT OF CASH FLOWS (continued)		
(b) Reconciliation of Operating Profit after Income tax		
Operating Profit After Income Tax	4,733,288	4,595,992
Add/(less) items classified as investing/financing activities:		
Profit on Sale of Investments	(3,573,975)	(4,871,558)
Sundry Debtors	-	(2,000)
Income tax on sale of investments	1,599,644	-
Add/(less) non cash items:		
Unrealised Profits on Investments	(2,783,029)	(963,233)
Net cash provided by Operating activities before changes in assets and liabilities:		
Decrease/(Increase) in Receivables	13,584	(361,723)
Decrease/(Increase) in Tax Assets	773	(2,040)
Increase/(decrease) in Deferred Tax Liability	655,910	839,772
Increase/(decrease) in Payables	114,789	959,461
Increase/(decrease) in Current Tax Liability	(254,191)	999,990
Net cash provided by Operating activities	506,793	1,194,661
12. AUDITORS REMUNERATION		
Remuneration of the auditor of the entity for:		
Auditing or reviewing the financial report	3,933	7,350
Portfolio management / account preparation	34,388	20,900
Share Registry Services	11,755	46,273
	50,076	74,523
13. EARNINGS PER SHARE		
Basic earnings per share	\$ 0.21	\$ 0.24
Basic earnings per issued share above, has been calculated using the weighted average number of ordinary shares of the Company outstanding during the year to 30th June 2001.		
	No.	No.
Weighted average number of ordinary shares used in the calculation of basic earnings per share:	22,296,167	19,037,087
Diluted earnings per share is not disclosed as it is not materially different from basic earnings per share.		
14. SEGMENT REPORTING		
The company is engaged in investment activities conducted in Australia and derives revenue and investment income from listed securities and fixed interest.		

WAM CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2001

15 . ADDITIONAL FINANCIAL INSTRUMENT DISCLOSURE

(a) Interest Rate Risk

The Company's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out below:

	Weighted Average Interest Rate	Floating Interest Rate	Fixed Interest Rate Less than 1 year more than 5	Non Interest Bearing	Total
2001					
Financial Assets					
Cash Assets	4.89%	6,849,868	-	1	6,849,869
Receivables		-	-	2,157,924	2,157,924
Investments		-	-	24,557,204	24,557,204
		6,849,868	-	26,715,129	33,564,997
Financial Liabilities					
Payables		-	-	2,510,528	2,510,528
Provisions		-	-	2,516,261	2,516,261
		-	-	5,026,789	5,026,789
2000					
Financial Assets					
Cash Assets	5.91%	13,508,150	-	1	13,508,151
Receivables		-	-	927,153	927,153
Investments		-	-	14,293,264	14,293,264
		13,508,150	-	15,220,418	28,728,568
Financial Liabilities					
Payables		-	-	1,594,595	1,594,595
Provisions		-	-	2,156,198	2,156,198
		-	-	3,750,793	3,750,793

(b) Credit Risk Exposure

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted.

The credit risk on financial assets, excluding investments, of the Company which have been recognised on the Statement of Financial Position, is the carrying amount. The Company is not materially exposed to any individual credit risk.

(c) Net Fair Values

The carrying amounts of financial instruments on the Statement of Financial Position approximate their net fair values.

WAM CAPITAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2001**

	2001	2000
16. RELATED PARTY DISCLOSURE		
(a) Directors' Income		
The number of directors of the Company whose income from the company or any related party falls within the following bands		
\$0 - \$10,000	2	4
\$10,001 - \$20,000	<u>2</u>	<u>-</u>
Total remuneration consisting of income paid or payable, or otherwise made available to the Directors of the Company in connection with the management of the company.		
	<u>\$ 60,000</u>	<u>\$ 36,667</u>
(b) Directors		
<ul style="list-style-type: none"> - Geoffrey J Wilson - Matthew Kidman - Ross S Greenwood - Timothy Hughes 		
(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	2,642,700	2,150,000
Options over ordinary shares	<u>-</u>	<u>100,000</u>

WAM CAPITAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****16. RELATED PARTY DISCLOSURE (continued)****(d) Director Related Entities**

Geoffrey Wilson is the sole director and beneficial owner of Wilson Asset Management (International) Pty Limited, the entity appointed to manage the investment portfolio of WAM Capital Limited. Matthew Kidman is an employee of Wilson Asset Management (International) Pty Limited. In its capacity as manager, Wilson Asset Management (International) Pty Limited was paid a management fee of 1% of gross assets per annum, of \$296,826 (2000: \$242,271). In addition, Wilson Asset Management International Pty Limited is to be paid, annually in arrears, a performance fee being 20% of:

(a) where the level of the All Ordinaries Accumulation Index has increased over that period, the amount by which the Value of the Portfolio exceeds this increase; or

(b) where the All Ordinaries Accumulation Index has decreased over that period, the amount of the increase in the Value of the Portfolio.

No performance fee is payable in respect of any performance period where the Portfolio has decreased in Value over that period.

As at 30 June 2001, the performance fee due to Wilson Asset Management (International) Pty Limited totaled \$1,026,962 (2000: \$924,360).

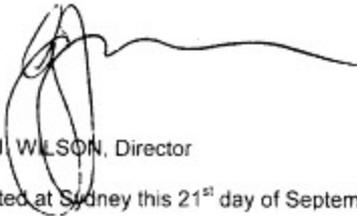
WAM CAPITAL LIMITED
A.B.N. 34 086 587 395

DIRECTORS' DECLARATION

In the opinion of the directors' of WAM Capital Limited:

1. The financial statements and notes, as set out on pages 10 to 24, are in accordance with the Corporations Act 2001, including:
 - (a) complying with Accounting Standards and the Corporations Regulations; and
 - (b) giving a true and fair view of the financial position of the Company as at 30th June 2001 and its performance, as represented by the results of their operations and their cash flows, for the year ended on that date; and
2. 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:



G.J. WILSON, Director

Dated at Sydney this 21st day of September, 2001



CHARTERED ACCOUNTANTS

CML BUILDING, 5TH LEVEL, 14 MARTIN PLACE, SYDNEY 2000 AUSTRALIA TELEPHONE (02) 9229 7999, FAX (02) 9233 4636

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF WAM CAPITAL LIMITED**

Scope

We have audited the financial report of WAM Capital Limited for the year ended 30th June, 2001 consisting of the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, Notes to the Financial Statements and the Directors' Declaration set out on pages 10 to 25. The Company's directors are responsible for the financial report. We have conducted an independent audit of the 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 and statutory requirements in Australia 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 their operations and their 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 WAM Capital 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 30th June, 2001 and of its performance for the year ended on that date; and
 - ii) complying with Accounting Standards and the Corporations Regulations; and
- (b) other mandatory professional reporting requirements.

S.M. Whiddett
Partner

White Iliffe
14 Martin Place, Sydney

Dated: 21st September, 2001

ASX ADDITIONAL INFORMATION

Additional information required by the Australian Stock Exchange Limited Listing Rules and not disclosed elsewhere in this report.

SHAREHOLDINGS

Substantial shareholders

The following have advised that they have a relevant interest in the capital of WAM Capital Limited. The holding of a relevant interest does not infer beneficial ownership. Where two or more parties have a relevant interest in the same shares, those shares have been included for each party.

Substantial shareholders	No. of shares	% of total
Geoffrey Wilson & related entity	2,466,710 ordinary	10.78

On-market buy back

There is no current on-market buy back.

Distribution of shareholders (as at 1st August, 2001)

Category	No. of shareholders Ordinary
1 – 1,000	70
1,001 – 5,000	688
5,001 – 10,000	294
10,001 – 50,000	201
50,001 – 100,000	27
100,001 and over	22
	1,302

Twenty largest shareholders (as at 30th June, 2001)

Name	No. of ordinary shares held	Percentage of capital held
Mr Geoffrey Wilson	1 802 298	7.88
Clodene Pty Limited	1 052 261	4.60
Marbear Holdings Pty Limited	950 000	4.15
Irish Global Equity Limited	975 369	4.26
Mrs Fay Martin-Weber	952 800	4.17
Exchange Nominees Pty Limited	700 000	3.06
Namberry Way Pty Limited	700 000	3.06
Vilo Finance Pty Limited	700 000	3.06
Dynasty Peak Pty Limited	664 412	2.90
VBS Investments Pty Limited	600 000	2.62
Ego Pty Limited	573 011	2.50
Golden Words Pty Limited	572 688	2.50
Abtoug (Sydney No 415) Pty Limited	287 222	1.26
Irish Global Equity Limited	286 344	1.25
Mr Erich Gustav Brosell	200 000	0.87
Clodene Pty Limited	201 649	0.88
Dekanic & Associates Pty Limited <Dekanic Family A/C>	193 200	0.84
Commerce Capital Management Limited	169 500	0.74
Maju Enterprises Pty Ltd <Rusbatch Super Fund A/C>	135 191	0.59
Mr William Christopher Crothers & Mrs Joanne Elizabeth Crothers	114 536	0.50
	11 830 481	51.69%

ASX - THIS PAGE BLANK