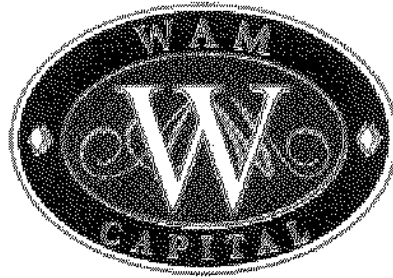


WAM CAPITAL LIMITED

(ACN 086,587,395)



WAM CAPITAL DECEMBER 2005 INVESTMENT UPDATE & NTA

Since inception in August 1999 WAM Capital Ltd (WAM) has outperformed the overall sharemarket. WAM's portfolio (before all fees, costs, taxes and dividend) has increased by 318.4% compared to a 104.9% increase in the All Ordinaries Accumulation Index.

- In December WAM's portfolio (before all fees, costs and taxes) increased by 0.75%, while the All Ordinaries Accumulation Index increased by 3.04%.
- The NTA before tax was 160.88 cents a share, as at 31 December 2005.
- The NTA after tax was 151.03 cents a share, as at 31 December 2005.

The above figures are after the payment of a final dividend of 6.0 cents a share fully franked.

WAM is an investment company whose mission is to provide superior returns to its investors over the medium to long term. WAM is managed by Wilson Asset Management (International) Pty Limited.

MARKET OUTLOOK

The Australian sharemarket's near 3 year bull market gained momentum in December with resource stocks leading the charge. Since March 2003 the All Ordinaries Accumulation Index has risen 78%. While this has seen valuations become stretched, it is very difficult to identify a near term catalyst that will see a change in the direction of the market.

DIVIDEND

The final dividend of 6.0 cents a share fully franked brought the full year dividend to 12.0 cents a share. The shares traded ex dividend from 4 October 2005, with payment on 17 October 2005.

PORTFOLIO STRUCTURE & STRATEGY

As at 31 December 2005, equities made up approximately 87% of the portfolio, while fixed interest and cash made up the remaining 13%. We continue to focus on companies with strong earnings per share growth, trading on attractive earnings multiples, and are well positioned in growth industries and have proven management. We continue to research heavily to find companies that meet this profile.

At 31 December 2005 the major securities held in the portfolio were:

COMPANY	MARKET VALUE \$
ABB Grain Ltd (ABB)	1,625,925
ABC Learning Centres Ltd (ABS)	2,192,400
Austar United Communications Ltd (AUN)	2,737,350
Bank of Queensland Reset Prefs (BOQS1RPS)	2,020,200
Calliden Group Ltd (CIX)	959,000
Coates Hire Ltd (COA)	1,719,578
Coffey International Ltd (COF)	867,121
Contango Microcap Ltd (CTN)	3,268,166
Credit Corp Group Ltd (CCP)	3,864,907
CSR Ltd (CSR)	937,860
Customers Ltd (CUS)	1,200,446
Gropep Limited (GRO)	1,260,025
Hastie Group Ltd (HST)	837,034
Incremental Petroleum Ltd (IPM)	1,669,500
IWL Ltd (IWL)	1,088,904
Loftus Capital Partners Ltd (LCP)	1,675,686
Macquarie Leisure Trust (MLE)	1,933,284
Macquarie Media P/Paid (MMGCA)	861,420
Mariner Financial Ltd (MFI)	890,400
McMillan Shakespeare Ltd (MMS)	1,398,029
Melbourne IT Ltd (MLB)	1,286,117
Monadelphous Group Ltd (MND)	903,833
Mortgage Choice Ltd (MOC)	874,975
Multimedia Ltd (MUL)	1,652,000
National Australia Bank Ltd (NAB)	907,200
News Corp Class B (NWS)	3,192,000
Nylex Ltd (NLX)	896,932
Oakton Ltd (OKN)	1,253,166
Oamps Ltd (OMP)	3,296,443
OFM Investment Group Ltd (OFM)	1,680,682
Patrick Corporation Ltd (PRK)	5,408,357
Photon Group Ltd (PGA)	1,876,615
Reckon Ltd (RKND)	2,401,516
Reckson NY Property Trust (RNYCA)	935,235
Reef Casino Trust (RCT)	961,272
Select Harvests Ltd (SHV)	4,022,026
Seven Network Ltd (SEV)	1,164,800
Sigma Pharmaceuticals Ltd (SIP)	1,937,208
Tassal Group Ltd (TGR)	2,644,836
Total Telecommunications Infrastructure Ltd (TCI)	1,365,606
Tower Ltd (TWR)	3,247,166
Wentworth Mutual Ltd (WWM)	1,028,994

NTA before tax	160.88c*
NTA after tax and before tax on unrealised gains	158.22c*
NTA after tax	151.03c*

* After the payment of a final dividend of 6.0 cents a share fully franked.

PERFORMANCE TABLE

	Aug 99	Sep 99	Oct 99	Nov 99	Dec 99	Jan 00
Gross Portfolio *	+1.4%	+5.1%	+4.1%	+11.0%	+4.9%	-2.0%
All Ordinaries Accum.	-1.9%	-1.7%	+0.5%	+5.9%	+3.7%	-1.8%
	Feb 00	Mar 00	Apr 00	May 00	Jun 00	Jul 00
Gross Portfolio *	+5.4%	+5.3%	-5.7%	-2.9%	+3.6%	+2.9%
All Ordinaries Accum.	+1.6%	+0.5%	-1.5%	-1.3%	+7.7%	-1.3%
	Aug 00	Sep 00	Oct 00	Nov 00	Dec 00	Jan 01
Gross Portfolio *	+5.2%	-0.7%	+2.5%	+1.9%	+0.1%	+1.7%
All Ordinaries Accum.	+1.7%	+0.2%	-1.1%	+1.1%	-2.0%	+4.4%
	Feb 01	Mar 01	Apr 01	May 01	Jun 01	July 01
Gross Portfolio *	-0.2%	- 3.7%	+3.9%	+6.7%	+6.9%	-1.0%
All Ordinaries Accum.	-0.2%	- 4.8%	+5.7%	+1.6%	+3.8%	-4.5%
	Aug 01	Sep 01	Oct 01	Nov 01	Dec 01	Jan 02
Gross Portfolio *	+4.6%	-2.9%	+8.6%	+3.8%	+3.3%	+7.0%
All Ordinaries Accum.	-1.3%	-6.7%	+6.8%	+3.4%	+2.7%	+1.3%
	Feb 02	Mar 02	Apr 02	May 02	Jun 02	Jul 02
Gross Portfolio *	+3.1%	+4.9%	-0.4%	+0.7%	-2.2%	-3.0%
All Ordinaries Accum.	-1.1%	+0.8%	-1.8%	+0.9%	-4.4%	-4.1%
	Aug 02	Sep 02	Oct 02	Nov 02	Dec 02	Jan 03
Gross Portfolio *	+3.9%	-1.1%	+1.1%	+1.6%	+1.5%	+1.3%
All Ordinaries Accum.	+1.8%	-4.1%	+2.6%	+1.5%	-1.5%	-1.3%
	Feb 03	Mar 03	Apr 03	May 03	Jun 03	Jul 03
Gross Portfolio *	-1.7%	-0.4%	+3.8%	+1.5%	+3.5%	+3.6%
All Ordinaries Accum.	-5.1%	+3.4%	+4.4%	+0.5%	+1.3%	+3.6%
	Aug 03	Sept 03	Oct 03	Nov 03	Dec 03	Jan 04
Gross Portfolio *	+5.2%	+3.7%	+5.4%	-0.7%	+3.6%	+2.5%
All Ordinaries Accum.	+3.5%	-0.1%	+3.5%	-2.1%	+3.7%	-0.7%
	Feb 04	Mar 04	Apr 04	May 04	Jun 04	Jul 04
Gross Portfolio *	+2.7%	+0.1%	-1.3%	-0.8%	+1.0%	+2.4%
All Ordinaries Accum.	+3.1%	+2.0%	-0.1%	+1.6%	+2.7%	+0.6%
	Aug 04	Sep 04	Oct 04	Nov 04	Dec 04	Jan 05
Gross Portfolio *	+1.2%	+2.5%	+2.9%	+3.3%	+0.7%	+2.7%
All Ordinaries Accum.	+1.1%	+3.8%	+3.1%	+4.6%	+3.0%	+1.3%
	Feb 05	Mar 05	Apr 05	May 05	Jun 05	Jul 05
Gross Portfolio *	-0.2%	-0.8%	-4.2%	+0.0%	+2.8%	+2.2%
All Ordinaries Accum.	1.8%	-0.7%	-3.8%	+3.4%	+4.5%	+2.8%
	Aug 05	Sep 05	Oct 05	Nov 05	Dec 05	Since Inception
Gross Portfolio *	+3.9%	+2.6%	+0.1%	+3.0%	+0.8%	+318.4%
All Ordinaries Accum.	+2.2%	+4.8%	-3.8%	+4.4%	+3.0%	+104.9%

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

For further information please visit our website www.wilsonassetmanagement.com.au or contact:

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