

WRF SECURITIES LTD
ACN 000 714 054

CHAIRMANS ADDRESS

AGM HELD AT WEST PERTH 28 NOVEMBER 2006

We are pleased to report that the company is regrouping from the disappointment and challenges of the past financial year. You would be aware that during the last financial year we lost two key staff member's one to illness and another was killed in a traffic accident while working for the company. The Company has assisted with the rehabilitation and has provided family support. We wish those involved the very best for the future.

In spite of these difficulties, we believe that WRF presents a solid foundation from which to grow a vibrant funds management business. We have a strong management team with dedicated and focused employees. In the new year we will be looking to appoint an appropriately experienced and qualified CEO to take the Company forward.

The Company is in a strong financial position with cash and liquid assets of approximately \$10m.

The following is an overview of our current activities:

The Company continues to exit its non core assets, work is continuing on the divestment of our interest in the Constance Range joint venture.

In the WRF Property Fund, contracts have been exchanged on one property and due diligence is in progress for a second property. In addition, a development approval has been received for the development of a Coles anchored supermarket in Singleton NSW.

A large number of other properties have been considered and rejected. The current market conditions indicate a softening in yields, creating opportunities for the Fund to consider. The Company is pleased to have employed Mr Tony Micelotta as operational head of the property division. His contribution has been significant in the six months since he has been with the Company.

We are pleased with the performance of our two subdivision syndicates at Southern River and Henley Brook. We are adding to the Southern River portfolio with the acquisition of a further block adjoining the existing lots.

Total returns for our investors are expected to substantially exceed the PDS forecasts. The current expectations are that the company will earn approximately \$15m in fees and performance bonuses from these subdivision syndicates over the next 3 financial years. New valuations are being undertaken and will be reported to our investors before the end of the calendar year.

A number of broad acre properties are being assessed for the next subdivision syndicate. Consideration is being given to the establishment of an open ended subdivision fund similar to the Property Fund.

We welcome the Bydand group as a major shareholder and Mr Michael Gordon to the Board.

The Company is in a strong position as indicated by its balance sheet. We are fortunate to have a loyal and hard working work force and a loyal and supportive investor base. The current year will one of consolidation and developing our base for a successful future.

Yours faithfully

Robert Nichevich

Executive Chairman