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Melbourne VIC 3004
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ABN 66 005 585 811

SKILLED Group

18 September 2008

Mr Darren Collins
Senior Adviser, Issuers (Melbourne)
Australian Stock Exchange Limited
Rialto, South Tower
Level 45, 525 Collins Street
Melbourne Victoria 3000

Dear Darren

RE: ANNUAL REPORT 2008 AND NOTICE OF ANNUAL GENERAL MEETING

I confirm that the Annual Report of Skilled Group Limited, together with the Notice of Annual General Meeting and other documents sent to shareholders has been lodged with ASX via ASX On-Line.

I understand that lodging these documents with the Australian Stock Exchange will constitute lodgement with the Australian Securities and Investment Commission.

Yours sincerely



Ken Bieg
Company Secretary

Direct 03 8646 6405
Fax 03 8646 6447
Email kbieg@skilled.com.au

SKILLED Group

Skilled Group Limited

ABN 66 005 585 811

000001 000 SKE
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

All correspondence to:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia
Enquiries (within Australia) 1300 850 505
(outside Australia) 61 3 9615 5970
Facsimile 61 3 9473 2555
web.queries@computershare.com.au
www.computershare.com

Dear Shareholder,

I have pleasure in inviting you to attend our Annual General Meeting and enclose the Notice of Meeting which outlines the items of business. The meeting will be held at Melbourne Town Hall, (Swanston Room, Ground Floor), Swanston Walk, Melbourne (between Collins & Little Collins Streets) and commences at 11.00am on Tuesday 21 October 2008.

If you are attending this meeting, please bring this letter with you to facilitate registration at the meeting.

If you are unable to attend the meeting, you are encouraged to complete the enclosed proxy form. The proxy form should be posted to our share registry or faxed on (61 3) 9473 2555 so that it is received by 11.00am on Sunday 19 October 2008.

Corporate shareholders will be required to complete a "Certificate of Appointment of Representative" to enable a person to attend on their behalf. A certificate form may be obtained from the Company's share registry.

We have again created an opportunity for shareholders to submit written questions in advance of the AGM. These can be addressed for either the Board or the Auditor to respond to. Questions can be emailed to our Company Secretary (kbieg@skilled.com.au) or by fax (61 3 86464 6447). We ask that all questions be submitted by close of business on Tuesday 14 October. Relevant questions will be addressed at the AGM and responses made available after the meeting on the Company's web-site (www.skilledgroup.com.au). We believe this initiative will enhance shareholder access to information about the Company and contribute to the efficient conduct of the AGM.

After the meeting light refreshments will be served, at which time you will have an opportunity to meet Directors and Management in a more informal atmosphere.

I look forward to meeting many of our Shareholders at the meeting.

Yours sincerely,



Ken V. Loughnan AO

Chairman

16 September 2007

enc

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the shareholders of the Company will be held at Melbourne Town Hall, Swanston Walk, Melbourne, Victoria, at 11.00am on Tuesday 21 October 2008.

BUSINESS TO BE CONDUCTED

1. Financial Statements and Reports

To consider the Directors' Report, Financial Statements and Independent Audit Report for the financial year ended 30 June 2008.

2. Adoption of Remuneration Report

To adopt the Remuneration Report for the financial year ended 30 June 2008.

(Note that the vote on this item is advisory only and does not bind the Directors or the Company.)

3. Election of Directors

To consider and, if thought fit, to pass the following as ordinary resolutions:

- (a) "That Ms V.A. McFadden, having retired in accordance with Clause 14.3 of the Company's Constitution, be re-elected as a Director."
- (b) "That Mr J.B. Dixon, having retired in accordance with Clause 14.3 of the Company's Constitution, be re-elected as a Director."

4. Approval of the Grant of Options to Executive Directors

To consider and, if thought fit, to pass the following as ordinary resolutions:

- (a) "That, for the purposes of Listing Rule 10.14 of the Australian Stock Exchange Limited, approval be given to grant an option to Mr G.M. Hargrave, a Director of the Company, to subscribe for 791,000 fully paid shares in the Company pursuant to the Skilled Group Executive Long Term Incentive Plan and that approval be given to him exercising his option accordingly."
- (b) "That, for the purposes of Listing Rule 10.14 of the Australian Stock Exchange Limited, approval be given to grant an option to Mr J.B. Dixon, a Director of the Company, to subscribe for 461,000 fully paid shares in the Company pursuant to the Skilled Group Executive Long Term Incentive Plan and that approval be given to him exercising his option accordingly."
- (c) "That, for the purposes of Listing Rule 10.14 of the Australian Stock Exchange Limited, approval be given to grant an option to Mr T.B. Janes, a Director of the Company, to subscribe for 341,000 fully paid shares in the Company pursuant to the Skilled Group Executive Long Term Incentive Plan and that approval be given to him exercising his option accordingly."

Voting exclusion statement:

The Company will disregard any votes cast on this resolution by any Director of the Company or any of their associates unless the vote is cast:

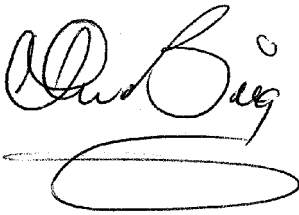
- as proxy for a person who is entitled to vote in accordance with directions on the proxy form; or
- by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

5. Other Business

To deal with any other business that may be brought forward in accordance with the Constitution or the Corporations Act.

Dated this 16th day of September 2008.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'K.W. Bieg', with a large, sweeping underline stroke below it.

K.W. BIEG
Company Secretary

Explanatory Notes

Item 1. Financial Statements and Reports

During this item there will be an opportunity for shareholders to ask questions and comment on the Directors' Report, Financial Statements and Independent Audit Report for the financial year ended 30 June 2008.

Shareholders will be provided the opportunity to ask questions about these reports or about the Company generally.

Shareholders also have the right to question the auditors in connection with such matters as the Auditor's Report or the conduct of the audit. Written questions must be submitted no later than 5 business days before the AGM and they and the answers will be available at and after the meeting.

There will be no formal resolution in respect to this Item.

Item 2. Adoption of Remuneration Report

During this item there will be an opportunity for shareholders to ask questions and comment on the Remuneration Report which is included as part of the Directors' Report in the 2008 Annual Report.

The Board considers that the Company's remuneration policies are structured to provide rewards based on its performance and competitive with those in the markets in which it operates. On that basis, and with each executive director acknowledging their personal interest, the Board recommends that shareholders vote in favour of this resolution.

The Corporations Act requires that shareholders vote on the adoption of the Remuneration Report. The vote is advisory only and will not bind the Directors or the Company.

Item 3. Election of Directors

Vicki McFadden B.Comm., LLB, Age 48
Independent Non-Executive Director

Appointed to the Board in September 2005. Chair of the Audit, Risk and Compliance Committee, she has been a director for 3 years.

Skills and experience

Vicki McFadden has broad experience in finance and law and brings to the Board considerable experience in merger and acquisition transactions to the Board. Previously Ms McFadden was employed as a Director/Principal of Centaurus Corporate Finance and Managing Director, Investment Banking, at Merrill Lynch in Australia.

Current directorships and offices

Member, The Takeovers Panel (since March 2008)
Director, Greenway Capital Limited (since August 2007)
Director, Greenway Nominees Limited (since August 2007)
Member, Advisory Board and Executive Committee of Australian School of Business, The University of New South Wales (since August 2000)

John Dixon Age 51
Executive Director and Chief Operating Officer

Appointed Chief Operating Officer in August 2005 and a Director of the Board in July 2005, he has served as a director for 3 years.

Skills and experience

John Dixon has operational responsibility across the Group. He has more than 25 years' experience in the transport and logistics industry and was previously Managing Director of Westgate Logistics Group. Mr Dixon has held senior management positions and directorships with Patrick Corporation, Linfox and TNT.

Current directorships and offices

National Council Member: Australian Industry Group (since July 2006)
Director: Young Endeavour Youth Scheme (since February 2000)

The Board, other than the director the subject of the relevant resolution, recommends that shareholders vote in favour of the two directors standing for re-election.

Item 4. Approval of the Grant of Options to Executive Directors

Under ASX Listing Rule 10.14, a Director of the Company may only participate in an Employee Share Option Plan where such participation is approved by a resolution of the Company in general meeting.

It is proposed to grant options to subscribe for fully paid shares in the Company to Mr. G.M. Hargrave, Mr. J.B. Dixon and Mr. T.B. Janes, all of whom are Directors of the Company, pursuant to the Executive Share Option Plan. This represents the long term incentive component of the 2008/09 remuneration package.

Under the ASX Listing Rules the following information is required to be provided in the notice of meeting to approve the granting of these options:

The maximum number shares that may be acquired by each of the executive directors as a result of this resolution is:

- Mr G.M. Hargrave: 791,000 fully paid shares
- Mr J.B. Dixon: 461,000 fully paid shares
- Mr T.B. Janes: 341,000 fully paid shares

The exercise price for each option will be the market price of the Company's ordinary shares on the date the options are granted. The market price is the weighted average market price of ordinary shares sold on the ASX on the five business days immediately before the options are granted.

There are no loans applicable to the granting of these options.

In accordance with approvals obtained at the 2007 Annual General Meeting, the following directors were granted options under the Executive Share Option Plan since the last Annual General Meeting. These were the only Directors entitled to participate in the Executive Share Option Plan.

- Mr G.M. Hargrave was granted an option to subscribe for 353,000 fully paid shares in the Company;
- Mr J.B. Dixon was granted an option to subscribe for 195,000 fully paid shares in the Company; and
- Mr T.B. Janes was granted an option to subscribe for 144,000 fully paid shares in the Company.

If shareholders approve Resolutions 4(a), 4(b), and 4(c), the options will be granted no later than 12 months after the meeting, and as soon as practicable after the meeting.

The operation of the Plan is governed by a document entitled "Rules of the Skilled Group Limited Executive Share Option Plan". A copy of those Rules will be sent free to a shareholder on request. A summary of the Rules of the Option Plan is set out above in the following Explanatory Notes to Resolution 4.

	Plan Rule	Terms for Options to be granted October 2008
Term of Option	<ul style="list-style-type: none">• Up to 10 years at Board discretion.• Options lapse if they are not exercised by the end of their term.• Rules may be suspended or cancelled at Board discretion.	<ul style="list-style-type: none">• 6 years.• Options lapse if they are not exercised by the end of their term.
Cost to Executives of Options	<ul style="list-style-type: none">• Nil or up to one cent per option (as determined by the Board).	<ul style="list-style-type: none">• Nil
Exercise Price	<ul style="list-style-type: none">• Market price of a share when the option is granted.• Market share price defined as the 5 day weighted average market price.• Board discretion to be applied in extenuating circumstances with the aim of neutralising temporary price spikes or troughs.	<ul style="list-style-type: none">• As per the rule.
Performance Vesting Condition	<ul style="list-style-type: none">• Performance measure is EPS performance determined by Directors at time of Grant.• Measurement period is 3 years.• Retesting at the 4th and 5th years.• Improved performance at any retest would increase vesting.	<ul style="list-style-type: none">• See below for vesting scale• Measurement period is 3 years from the base year.• Retesting at the 4th and 5th years.• Improved performance at any retest would increase vesting.

	Plan Rule	Terms for Options to be granted October 2008
Base Year		<ul style="list-style-type: none"> 2008/09
Exercise	<ul style="list-style-type: none"> At any time between when the options vest and when they lapse. No option can be exercised unless: <ul style="list-style-type: none"> the exercise date is a minimum of 3 years from the grant date; and the performance criteria has been met Participants need to pay the exercise price. 	<ul style="list-style-type: none"> As per the rule.
Termination of Employment	<ul style="list-style-type: none"> Death or Total permanent disablement Company initiated termination for other than cause, eg: retrenchment. Retirement (permanent retirement with the consent of the Board): <ul style="list-style-type: none"> Unvested options will be allowed to continue until 3 years from date of grant and then (based on performance) will either lapse or vest (i.e. no retesting at 4 or 5 years). Then have 6 months from date of vesting to exercise, otherwise they lapse 6 months* in which to exercise any vested options which exist at time of termination of employment, or they lapse Resignation: <ul style="list-style-type: none"> Unvested options lapse; and 30 days* in which to exercise vested options or they lapse Dismissal for Cause: <ul style="list-style-type: none"> Unvested options lapse; and Unexercised options lapse <p>Note: *period to exercise cannot exceed period remaining in the term of the options.</p>	<ul style="list-style-type: none"> As per the rule.

Performance vesting scale:

	Minimum average annual percentage EPS Growth	% of Options to Vest
Below threshold		0%
Threshold	15%	25%
>Threshold but < Target		Pro rata
Target	25%	50%
>Target but < Stretch		Pro rata
Stretch	40%	100%

Noting the interests of the executive directors, the proposed option grants (being consistent with the grant of options to other senior executives of the Company) are unanimously recommended by the independent directors on the Board.

Voting Exclusion Statement

Pursuant to Listing Rules 10.14 and 14.11.1, the Company will disregard any votes cast on this resolution by:

- a Director of the Company; and
- an associate of any Director.

However, the Company may not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the Annual General Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

000001 000 SKE
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

For your vote to be effective it must be received by 11.00am (AEST) Sunday 19 October 2008

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.computershare.com.

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- Review your securityholding
- Update your securityholding

Your secure access information is:

SRN/HIN: I9999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Skilled Group Limited hereby appoint

the Chairman of the Meeting **OR**



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Skilled Group Limited to be held at Melbourne Town Hall, Swanston Walk, Melbourne, VIC on Tuesday 21 October 2008 at 11.00am and at any adjournment of that meeting.

Important for Items 4a, 4b and 4c: If the Chairman of the Meeting is your proxy and you have not directed him/her how to vote on Items 4a, 4b and 4c below, please mark the box in this section. If you do not mark this box and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Items 4a, 4b and 4c and your votes will not be counted in computing the required majority if a poll is called on this Item. The Chairman of the Meeting intends to vote undirected proxies in favour of items 4a, 4b and 4c of business.

I/We acknowledge that the Chairman of the Meeting may exercise my proxy even if he/she has an interest in the outcome of that Item and that votes cast by him/her, other than as proxy holder, would be disregarded because of that interest.

STEP 2 Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Item 2	Adopt the Remuneration Report (non-binding resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3a	To re-elect Ms V A McFadden	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3b	To re-elect Mr J B Dixon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4a	Approve the Grant of Options to MR G M Hargrave	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4b	Approve the Grant of Options to Mr J B Dixon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4c	Approve the Grant of Options to Mr T B Janes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

____/____/____

SKE

999999A

Computershare +