

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Name of entity

Skilled Group Limited

ABN

66 005 585 811

We (the entity) give ASX the following information.

Part 1 - All issues

- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 +Class of +securities issued or to be issued | Ordinary shares |
| 2 Number of +securities issued or to be issued (if known) or maximum number which may be issued | Approximately 31,789,735 shares (New Shares) in the capital of Skilled Group Limited (the Company) are expected to be issued pursuant to the terms of the underwritten accelerated non-renounceable pro rata entitlement offer (Entitlement Offer) announced to ASX on 23 February 2011 comprising an Institutional Entitlement Offer and a Retail Entitlement Offer . However the exact number of shares to be issued and the breakdown of shares to be issued under the Institutional Entitlement Offer and the Retail Entitlement Offer is subject to the reconciliation of shareholder entitlements and rounding. |
| 3 Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares. |

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes, the New Shares will rank equally in all respects with existing shares from the date of allotment.</p>						
<p>5 Issue price or consideration</p>	<p>\$1.68</p>						
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The Company intends to use the proceeds of the Entitlement Offer to reduce debt and debt servicing costs and position the Company for future growth.</p>						
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>Shares issued under the Institutional Entitlement Offer will be entered into uncertificated holdings on 4 March 2011.</p> <p>Shares issued under the the Retail Entitlement Offer will be entered into uncertificated holdings on 29 March 2011.</p>						
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="695 1274 935 1303">Number</th> <th data-bbox="935 1274 1287 1303">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="695 1303 935 1469">222,528,143 (subject to the effects of rounding as noted at Item 2 above)</td> <td data-bbox="935 1303 1287 1469">Fully paid ordinary shares</td> </tr> </tbody> </table>	Number	+Class	222,528,143 (subject to the effects of rounding as noted at Item 2 above)	Fully paid ordinary shares		
Number	+Class						
222,528,143 (subject to the effects of rounding as noted at Item 2 above)	Fully paid ordinary shares						
<p>9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="695 1476 935 1505">Number</th> <th data-bbox="935 1476 1287 1505">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="695 1505 935 1722">7,078,000</td> <td data-bbox="935 1505 1287 1722">Options to acquire ordinary shares granted under the Skilled Group Executive Share Option Plan and Skilled Group Limited Executive Long Term Incentive Plan</td> </tr> <tr> <td data-bbox="695 1722 935 1883">1,492,600</td> <td data-bbox="935 1722 1287 1883">Performance Rights to acquire ordinary shares granted under the Skilled Group Limited Executive Long Term Incentive Plan</td> </tr> </tbody> </table>	Number	+Class	7,078,000	Options to acquire ordinary shares granted under the Skilled Group Executive Share Option Plan and Skilled Group Limited Executive Long Term Incentive Plan	1,492,600	Performance Rights to acquire ordinary shares granted under the Skilled Group Limited Executive Long Term Incentive Plan
Number	+Class						
7,078,000	Options to acquire ordinary shares granted under the Skilled Group Executive Share Option Plan and Skilled Group Limited Executive Long Term Incentive Plan						
1,492,600	Performance Rights to acquire ordinary shares granted under the Skilled Group Limited Executive Long Term Incentive Plan						
<p>10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)</p>	<p>No change.</p>						

+ See chapter 19 for defined terms.

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	1 New Shares for every 6 Shares held
14	+Class of +securities to which the offer relates	Fully paid ordinary shares
15	+Record date to determine entitlements	7.00pm (Melbourne time) on 28 February 2011
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Where fractions arise in the calculation of entitlements, they will be rounded up to the nearest whole number of New Shares.
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Under the Institutional Entitlement Offer shareholders in all countries other than Australia, New Zealand, Hong Kong, Malaysia and United Kingdom will not be sent new issue documents. Under the Retail Entitlement Offer shareholders in all countries other than Australia and New Zealand will not be sent new issue documents.
19	Closing date for receipt of acceptances or renunciations	The Institutional Entitlement Offer will close on 24 February 2011. The Retail Entitlement Offer will close on 18 March 2011.
20	Names of any underwriters	Goldman Sachs & Partners Australia Pty Ltd (ACN 006 797 897)
21	Amount of any underwriting fee or commission	In respect of the Institutional Entitlement Offer: (a) an underwriting commission of 2% of the proceeds; and (b) a management fee of 1% of the proceeds. In respect of the Retail Entitlement Offer: (a) an underwriting commission of 2% of the proceeds; and (b) a management fee of 1% of the proceeds.

22	Names of any brokers to the issue	n/a
23	Fee or commission payable to the broker to the issue	n/a
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	n/a
25	If the issue is contingent on +security holders' approval, the date of the meeting	n/a
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Retail Entitlement Offer materials will be sent to persons entitled on 2 March 2011.
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	23 February 2011
28	Date rights trading will begin (if applicable)	n/a
29	Date rights trading will end (if applicable)	n/a
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	n/a
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	n/a
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	n/a
33	+Despatch date	See Item 7 above

+ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

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39 Class of +securities for which quotation is sought

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40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period


(if issued upon conversion of another security, clearly identify that other security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:  Date: 23 February 2011
(Company secretary)

Print name: Timothy A Paine
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+ See chapter 19 for defined terms.