

SKILLED Group

SKILLED GROUP LIMITED
ACN 005 585 811

All correspondence to:
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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 11.30 am on Tuesday 24 October 2006.

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 (613) 9473 2555 so that it is received by 11.30 am on Sunday 22 October 2006.

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 (613 9924 2468). We ask that all questions be submitted by close of business on Tuesday 17 October. Relevant questions will be addressed at the AGM and responses made available after the meeting on the Company's web-site (www.skilled.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

20 September 2006

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 11.30 am on Tuesday 24 October 2006.

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 2006.

2. Adoption of Remuneration Report

To adopt the Remuneration Report for the financial year ended 30 June 2006.
(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 Mr R.J.Gartside, having retired in accordance with Clause 14.3 of the Company's Constitution, be re-elected as a Director."
- (b) "That Mr T.B.Janes, having retired in accordance with Clause 14.3 of the Company's Constitution, be re-elected as a Director."

4. Executive Long Term Incentive Plan

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

"That the issue of equity securities under the Skilled Group Executive Long Term Incentive Plan is approved as an exception to Listing Rule 7.1 of Australian Stock Exchange Limited."

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. 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 368,000 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 469,000 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 368,000 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.

6. Relevant interests in shares owned by Hargrave Family Interests

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

"The Company approves the acquisition by Gregory MacKenzie Hargrave of a 'relevant interest' in all of the shares in the Company held by Hedonsax Pty Ltd, a company owned by the Hargrave Family Trust, as described in the explanatory notes to the notice of meeting."

Voting exclusion statement:


As required by the Corporations Act, no votes may be cast in favour of this resolution by Mr Frank Hargrave AO, Mr Greg Hargrave, the Hargrave family companies or their associates.

7. Other Business

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

Dated this 20th day of September 2006.

BY ORDER OF THE BOARD


K.W. BIEG
Company Secretary

Voting Entitlements

The Board has determined that a shareholder's voting entitlement at the meeting will be taken to be the entitlement of those persons recorded on the register of members as at 11.30 am on Sunday 22 October 2006.

Proxies

1. A member entitled to attend and vote at this meeting is entitled to appoint no more than two proxies (who need not be members of the Company) to attend and vote in his or her place.
2. A single proxy exercises all voting rights.
3. A member appointing two proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a member appoints two proxies and does not specify each proxy's proportion (or number) of voting rights, the rights are deemed to be 50 percent each. Fractions of votes will be disregarded.

The Proxy Form must be received by 11.30 am on Sunday 22 October 2006, and be lodged:

By Fax: 613 9473 2555

In Person: Registered Office: 850 Whitehorse Road, Box Hill, Victoria, 3128
Share Registry – Computershare Investor Services Pty Limited, Yarra Falls,
452 Johnston Street, Abbotsford, Victoria, 3067

By Mail: Registered Office: 850 Whitehorse Road, Box Hill, Victoria 3128
Share Registry – Computershare Investor Services Pty Limited, GPO Box 242,
Melbourne, Victoria, 3001

Explanatory Notes

Each of the following proposals has the unanimous support of all Directors (subject to the matters noted in the Explanatory Notes to Resolution 6 set out below).

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 2006.

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 2006 Annual Report.

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

Robert Gartside B. Juris, LL.B., Age 53
Non-Executive Director

As an experienced solicitor, Mr Gartside practises in the broad area of commercial law.

He joined the Melbourne based law firm G.W.P. Aarons & Co in 1981 and became a partner in 1984. In 2005 the firm of G.W.P. Aarons & was dissolved and Mr. Gartside became a partner in the law firm of Piper Alderman. He has now been providing legal advice to Skilled for more than 25 years.

Mr. Gartside was a member of Skilled's Committee of Management from its inception in 1990, and joined the Board of Directors in 1994. He was the Chairman of the Remuneration Committee until it was restructured in March 2005.

He is a member of both the Remuneration Committee and the Audit, Risk and Compliance Committee.

Terry Janes B.Comm. FCPA, CFTP, Age 53
Executive Director and Chief Financial Officer

Mr Janes joined Skilled in June 1998, and was appointed a Director in July 1998.

Prior to joining Skilled, Mr. Janes' career spanned more than 20 years in a range of finance and accounting roles with BHP where he held the post of Chief Financial Officer for major operating divisions in the steel and minerals businesses for 10 years. His prior experience also includes five years in Corporate Treasury roles.

As the Chief Financial Officer of the Company, Mr Janes oversees all finance and accounting matters.

Mr Janes is a member of the Audit Committee for the St Vincent De Paul Society.

Item 4. Executive Long Term Incentive Plan

The overall objective of the Company's approach to executive remuneration is to have practices and policies that will enable it to attract, retain, motivate and reward executives of the calibre required to be successful in delivering long term returns to shareholders.

A key part of the strategy is for remuneration for each executive to comprise both fixed and variable (at risk) components. At risk incentives should promote continuous increases in annual performance outcomes and sustained delivery of long term shareholder wealth and provide the opportunity for the executive to receive superior remuneration when superior results for shareholders are delivered.

The value to the executive of the remuneration received will therefore vary having regard to performance of the Company, and/or a Brand and/or business unit and/or the executive.

The Company believes that the long term interests of executives and shareholders should be aligned and that such alignment is best achieved by executives having shareholdings in the Company. Therefore, executive remuneration should facilitate and encourage executives to receive part of their remuneration in the form of shares in the Company and to retain that equity. The grant of options over Company shares is an ideal way of achieving this.

Under ASX Listing Rule 7.1, the Company must not issue or agree to issue equity securities amounting to more than 15% of the issued capital in any rolling 12 month period without shareholder approval unless an exemption applies. One of the exceptions is an issue of securities under an employee incentive scheme which was approved by shareholders no more than three years before the date of issue. The resolution set out in Item 4 of the Notice of Meeting seeks shareholder approval for the grant of options over shares in the Company under the Plan so they will not be included in the 15% limit referred to above.

While the Company has historically had an Executive Option Plan as approved by shareholders, its terms did not reflect contemporary practice and was generally considered inappropriate in terms of supporting the executive remuneration strategy. A new plan ("Plan") has been developed which meets the strategic objectives for executive remuneration. Since the adoption of the Plan on 5 April this year, options over a total of 930,000 shares have been granted to executives under this new Plan. These options do not qualify as an exemption under ASX Listing Rule 7.1.

The total number of unissued shares that are the subject of options granted under this Plan cannot at any time exceed 10% of the total number of shares on issue as at the relevant option grant date.

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 below.

	Plan Rule
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. Operation of Rules may be suspended or cancelled at any time at Board discretion.
Cost to Executives of Options	<ul style="list-style-type: none"> Nil or a fee not exceeding one cent per option (as determined by the Board).
Exercise Price	<ul style="list-style-type: none"> Market price of a share when the option is granted. Market share price defined as the weighted average market price of ordinary shares sold on the ASX on the five business days immediately before the options are granted. Board discretion to be applied in extenuating circumstances with the aim of neutralising temporary price spikes or troughs
Performance Vesting Condition	<ul style="list-style-type: none"> Performance measure is Earnings per Share ("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.
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.
Termination of Employment	<ul style="list-style-type: none"> Death & 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

	Plan Rule
	<ul style="list-style-type: none"> • 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>

The Performance vesting scale for the 930,000 options granted in 2005/06 were as follows. The number of options able to be exercised is therefore dependent on performance results achieved and could range from 0% to 100%.

	Minimum average annual percentage EPS Growth	% of Options to Vest
Below threshold		0%
Threshold	8%	25%
>Threshold but < Target		Pro rata
Target	12%	50%
>Target but < Stretch		Pro rata
Stretch	16%	100%

Item 5. 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. Greg Hargrave, Mr. John Dixon and Mr. Terry Janes, all of whom are Directors of the Company, pursuant to the Executive Share Option Plan. This will be in the form of 2 tranches. The first tranche is the long term incentive component of the 2005/06 remuneration package and is for options that would have been granted at the time other executives were granted options but could not be because of the need for shareholder approval. The second tranche is the long term incentive component of the 2006/07 remuneration package and in the case of Mr. John Dixon and Mr. Terry Janes also includes an additional allocation as part of the executive retention strategy.

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.

If shareholders approve Resolutions 5(a), 5(b), and 5(c), the options will be granted as soon as practicable after the Annual General 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 Explanatory Notes to Resolution 4.

	Plan Rule	Terms for Tranche 1 Options	Terms for Tranche 2 Options
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. 	<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 	<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. 	<ul style="list-style-type: none"> • As per the rule. 	<ul style="list-style-type: none"> • As per the rule.

	Plan Rule	Terms for Tranche 1 Options	Terms for Tranche 2 Options
	<ul style="list-style-type: none"> Board discretion to be applied in extenuating circumstances with the aim of neutralising temporary price spikes or troughs 		
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. 	<ul style="list-style-type: none"> See below for vesting scale re options granted in 2006. Measurement period is 3 years from the base year Retesting at the 4th and 5th years. Improved performance at any retest would increase vesting.
Base Year		<ul style="list-style-type: none"> 2005/06 	<ul style="list-style-type: none"> 2006/07
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. 	<ul style="list-style-type: none"> As per the rule.
Termination of Employment	<ul style="list-style-type: none"> Death & 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. 	<ul style="list-style-type: none"> As per the rule.

Performance vesting scale for both Tranche 1 and 2 options:

	Minimum average annual percentage EPS Growth	% of Options to Vest
Below threshold		0%
Threshold	8%	25%
>Threshold but < Target		Pro rata
Target	12%	50%
>Target but < Stretch		Pro rata
Stretch	16%	100%

Item 6. Relevant interests in shares owned by Hargrave Family Interests

In July 2004, 40 years after founding the Company in 1964, Mr Frank Hargrave AO retired as the Company's Managing Director in order to enjoy a well earned retirement (although he continued as a non-executive director for another year).

Upon Frank's retirement his son, Greg Hargrave, was appointed Managing Director. Greg has been involved with the Company since 1998 in a variety of roles (including IT project management, as National Marketing Manager, having responsibility for the Company's Corporate and Business Development and as a member of the Company's Executive Committee) and had been Chief Operating Officer since January 2002 and Chief Executive Officer since August 2003. In addition Greg was appointed as an Executive Director of the Company on 7 August 2003 following which, in accordance with the Company's Constitution, he stood down at the 2003 Annual General Meeting and was re-elected to that position.

Frank is 66 years old and, after 40 years of hard work, wants to retire from all business activities and enjoy his retirement fully. He also wants to deal with his family succession planning in an orderly way now. With this in mind he wants to hand over control of his private family group, known loosely as the Larkfield Estate group, to Greg.

The Larkfield Estate group includes Larkfield Estate Pty Ltd which acts as trustee of the Hargrave Family Trust established in 1972 and in that capacity holds all of the issued shares in Hedonsax Pty Ltd. Hedonsax Pty Ltd in turn holds 59,168,261 shares in the Company (representing about 57% of the issued shares in the Company). Greg is already the sole director of Larkfield Estate Pty Ltd and Hedonsax Pty Ltd and in order to give effect to Frank's wishes he will become the sole shareholder of the trustee company of Larkfield Estate Pty Ltd and the appointor and guardian of the Hargrave Family Trust.

Under the Corporations Act, this change of control of Larkfield Estate Pty Ltd and the Hargrave Family Trust is deemed to constitute an acquisition by Greg Hargrave of a "relevant interest" in the underlying shares in the Company held by Hedonsax Pty Ltd, even though those shares will remain owned by the same companies and trust.

Accordingly, resolution 6 is being put to shareholders to approve the deemed acquisition in accordance with item 7 of section 611 of the Corporations Act.

In considering this matter, shareholders should note the following:

- The deemed acquisition does not involve any change in ownership of shares in the Company and the Hargrave family has no intention of selling its majority interest in the Company.
- The change of control of the Hargrave Family Trust from Frank Hargrave AO to Greg Hargrave is being undertaken for purely family succession reasons. It does not involve the payment of any money and there is no intention to change the beneficiaries of the Hargrave Family Trust.
- The change of control of the Hargrave Family Trust will not lead to any change in the Company's business, board of directors or financial or operating policies, nor will it mean that a takeover bid for the Company is any more or less likely than before.
- Furthermore, if the resolution is not approved, it does not mean that a takeover bid for the Company would need to be made by the Hargrave Family Trust or any member of the Hargrave family. Instead, if the resolution was not passed, the change of control of the Hargrave Family Trust to Greg Hargrave may not be pursued or Frank Hargrave AO could simply choose to transfer the shares in the trustee company to other family members, such that no single person had control. In those cases, approval of the Company's shareholders would not be necessary.
- For these reasons, this is not a situation where shareholders are being asked to give up an opportunity to participate in benefits that may accrue to some person under a change of control of the Company. There is no such opportunity in this instance.
- For the purposes of the Corporations Act, Mr Greg Hargrave currently has a relevant interest in 303,135 shares in the Company comprising 3,135 shares in his name and 300,000 shares in the name of Junere Holdings Pty Ltd which he controls and is his associate. This means that Greg Hargrave (and his associates) has "voting power" of 0.29 % in the Company. If the proposed change of control of the Hargrave Family Trust occurs, his "voting power" (and that of his associates) will increase by the number of shares held by Hedonsax Pty Ltd to 57.23%.
- Each of the Directors of the Company (other than Greg Hargrave and Robert Gartside, who abstain) consider themselves able to give a recommendation and recommend that shareholders vote in favour of the resolution as they see no disadvantage that will accrue to the Company or to any shareholder from the change of control of the Hargrave Family Trust. Greg Hargrave has abstained from giving a recommendation due to his interest in the subject matter of the resolution and Mr Gartside has abstained as he is a long-standing adviser to the Hargrave family.
- Frank Hargrave AO, Greg Hargrave, the Hargrave family companies and their associates will not vote on the resolution.

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 9415 4000
 Facsimile 61 3 9473 2555
 www.computershare.com

Mark this box with an 'X' if you have made any changes to your address details (see reverse)



000001
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 SKE
 MR JOHN SMITH 1
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Securityholder Reference Number (SRN)



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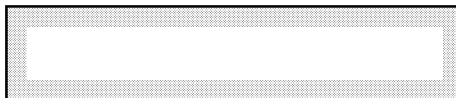
Appointment of Proxy

I/We being a member/s of Skilled Group Limited and entitled to attend and vote hereby appoint



the Chairman
 of the Meeting
 (mark with an 'X')

OR



If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

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, Victoria on Tuesday 24 October 2006 at 11.30am and at any adjournment of that meeting.

IMPORTANT: FOR ITEMS 4 AND 5 BELOW



If the Chairman of the Meeting is your nominated proxy, or may be appointed by default, and you have not directed your proxy how to vote on Items 4 and 5 below, please place a mark in this box. By marking this box you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of those items and that votes cast by him, other than as proxy holder, would be disregarded because of that interest. 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 4 and 5 and your votes will not be counted in computing the required majority if a poll is called on these items. The Chairman of the Meeting intends to vote undirected proxies in favour of each of these items.

Voting directions to your proxy - please mark to indicate your directions

	For	Against	Abstain*		For	Against	Abstain*
Item 2	Adopt the Remuneration Report (non-binding resolution)			Item 4	Approve the Executive Long Term Incentive Plan		
Item 3a	To re-elect Mr R J Gartside as a Director			Item 5	Approve the Grant of Options to Executive Directors		
Item 3b	To re-elect Mr T B Janes as a Director			Item 6	Approve the change in the relevant interests in shares owned by Hargrave Family Interests		

In addition to the intention advised above, the Chairman of the Meeting intends to vote undirected proxies in favour of each of the other items of business.
 * If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Appointing a second Proxy

I/We wish to appoint a second proxy



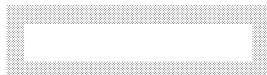
Mark with an 'X' if you wish to appoint a second proxy.

AND



%

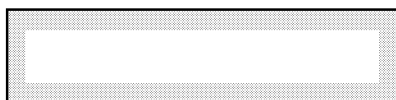
OR



State the percentage of your voting rights or the number of securities for this Proxy Form.

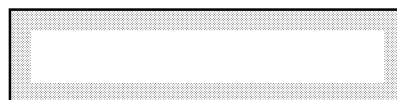
PLEASE SIGN HERE This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1



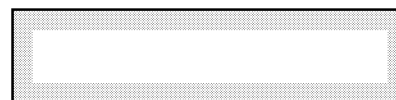
Individual/Sole Director and Sole Company Secretary

Securityholder 2



Director

Securityholder 3



Director/Company Secretary

In addition to signing the Proxy form in the above box(es) please provide the information below in case we need to contact you.

Contact Name

Contact Daytime Telephone

Date

/ /



How to complete the Proxy Form

1 Your Address

This is your address as it appears on the company's share register. If this information is incorrect, please mark the box and make the correction on the form. Securityholders sponsored by a broker (in which case your reference number overleaf will commence with an 'x') should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the individual or body corporate you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the full name of that individual or body corporate in the space provided. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

3 Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

4 Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form.

To appoint a second proxy you must:

- (a) indicate that you wish to appoint a second proxy by marking the box.
- (b) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (c) return both forms together in the same envelope.

5 Signing Instructions

You must sign this form as follows in the spaces provided:

- Individual: where the holding is in one name, the holder must sign.
- Joint Holding: where the holding is in more than one name, all of the securityholders should sign.
- Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

If a representative of a corporate Securityholder or proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry or at www.computershare.com.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below no later than 48 hours before the commencement of the meeting at 11.30am on Tuesday 24 October 2006. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged:

- IN PERSON Registered Office - 850 Whitehorse Road, BOX HILL VIC 3128
Share Registry - Computershare Investor Services Pty Limited, Yarra Falls, 452 Johnston Street, Abbotsford VIC 3067 Australia
- BY MAIL Registered Office - 850 Whitehorse Road, BOX HILL VIC 3128
Share Registry - Computershare Investor Services Pty Limited, GPO Box 242, Melbourne VIC 3001 Australia
- BY FAX 61 3 9473 2555