

SKILLED Group

SKILLED GROUP LIMITED
ACN 005 585 811

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

21 September 2005

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 25 October 2005.

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 23 October 2005.

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 (kbiieg@skilled.com.au) or by fax (613 9924 2468). We ask that all questions be submitted by close of business on Tuesday 18 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

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 25 October 2005.

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 2005.

2. Adoption of Remuneration Report

To adopt the Remuneration Report for the financial year ended 30 June 2005.
(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 K.V.Loughnan AO, 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 who was appointed as a Director since the last Annual General Meeting, having retired in accordance with Clause 14.1 of the Company's Constitution, be elected as a Director."
- (c) "That Ms V A McFadden who was appointed as a Director since the last Annual General Meeting, having retired in accordance with Clause 14.1 of the Company's Constitution, be elected as a Director."

4. Skilled Group Limited Employee Share Plan

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

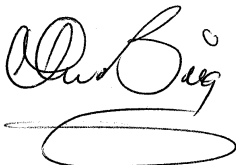
"That the issue of equity securities under the Skilled Group Employee Share Plan is approved as an exception to Listing Rule 7.1 of Australian Stock Exchange Limited."

5. Other Business

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

Dated this 21st day of September 2005.

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 23 October 2005.

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 23 October 2005, 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

Voting Exclusion Statements

ASX Listing Rule 7.2 prohibits a Director of the Company who may participate in the proposed issue of Shares pursuant to the Employee Share Plan referred to in Item 4 of the Business to be Conducted from voting with respect to that resolution. The Company will therefore disregard any votes cast on this item of business by any Executive Director of the Company and his associates.

However, the Company will not disregard a vote, if:

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

Explanatory Notes

Each of the following proposals has the unanimous support of all Directors.

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 2005. No resolution will be required to be passed on this matter.

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 2005 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

Ken Loughnan AO

Dip Acct., FCPA, FAIM, FAICD, Age 58
Independent Non-Executive Chairman (11 years as a Director)

Mr. Loughnan is a past Chairman of Daratech Pty Ltd (the technology commercialisation arm of the then Victorian Department of Agriculture), and past Chairman of Control Risks Pacific Pty Ltd.

Mr. Loughnan has extensive experience in human resource management and finance in technology related environments. Mr. Loughnan's senior executive management background is in telecommunications. For eight years until 1993, Mr. Loughnan was Managing Director and Chief Executive Officer of Telecom Australia (International) Ltd. In that role, he led Telecom's efforts in securing Australia's largest export service contract.

In the 1994 Queen's Birthday Honour list, Mr Loughnan was appointed an Officer of the Order of Australia specifically for services to business and to telecommunications.

Currently, Mr. Loughnan is Chairman of the Victorian Government's Bureau of Emergency Services Telecommunications, which co-ordinates communications for the Emergency Service Organisations in Victoria. He is Chairman of the Management Programs Committee of the Faculty of Business and Law and a member of the Council of Victoria University. He is also Chairman of OTEK Australia Pty Ltd, and a member of the Advisory Committee of the Centre for International Corporate Governance Research (CICGR).

Mr. Loughnan joined Skilled Group's Committee of Management, as it then was, in 1993 and became Board Chairman in May 1994.

He is Chairman of the Board Nomination Committee and a member of the Remuneration Committee and the Audit, Risk and Compliance Committee.

John Dixon

Age 49
Executive Director and Chief Operating Officer (appointed 12 July 2005)

Mr Dixon was appointed a director in July 2005 and commenced as Chief Operating Officer in August 2005. He has operational responsibility for all of Skilled's Business Unit activities.

Mr Dixon has been a strong force in the transport and logistics industry for more than 25 years and played a major role in the significant structural changes that have occurred in that sector. He was previously the Managing Director of Westgate Logistics Group and has held senior management positions and Directorships with Patrick Corporation, Linfox and TNT.

Mr Dixon is a Director of Young Endeavour Youth Scheme, a non-profit youth development scheme that is run with the support of the Australian Navy.

Vickki McFadden

Age 46

Non-Executive Director (appointed 12 September 2005)

Ms McFadden has a background in both law and finance. She was a solicitor at the law firm of Allen Allen & Hemsley prior to a successful career in investment banking. She has held previous positions as Managing Director of Investment Banking at Merrill Lynch in Australia and as a Director/Principal of Centaurus Corporate Finance. She has acted on behalf of a number of high profile companies in large mergers and acquisitions, and capital market transactions. She is also a member of the Advisory Board of University of New South Wales Faculty of Commerce and Economics.

Item 4. Skilled Group Limited Employee Share Plan

Since the Skilled Group Employee Share Plan ("Share Plan") was last approved at the 2001 Annual General meeting, 573,750 ordinary shares in the capital of the Company ("Shares") have been issued under the Share Plan.

Under Australian Stock Exchange Limited ("ASX") Listing Rule 7.1, the Company may only allot or agree to allot equity securities up to 15% of its ordinary share capital in any period of 12 months. Rule 7.1 is subject to certain exceptions, including when members of the Company have approved the allotment of securities under an employee incentive scheme within 3 years. Approval is sought to treat the allotment of Shares under the Share Plan as an exception to Listing Rule 7.1, so that the Company's ability to place shares will not be restricted by the allotment of shares under the Share Plan.

The Share Plan is constituted and administered under the terms of a trust deed entitled "Trust Deed". A copy of the Trust Deed will be sent free to a shareholder on request.

A summary of the main terms of the Trust Deed is set out below.

Terms of the Trust Deed

The Board may offer Shares under the Share Plan to employees of Skilled Group and its subsidiaries with at least six months continuous full time or part time service.

When issued, the Shares will rank equally with other ordinary shares in the Company.

The Board may offer each employee up to 1,000 Shares each financial year. While Skilled Group presently intends to make only one offer each financial year under the Share Plan, it may make subsequent offers in a year to employees who have not subscribed for 1,000 Shares in that financial year.

The Company will make a loan to the employee ("Loan") for the purchase price of the Shares. Loans will be made in accordance with the terms of the Loan Scheme (which is an annexure to the Trust Deed). A summary of the main terms of the Loan Scheme is set out below.

Terms of the Loan Scheme**(a) Interest**

Employees will accept an interest free Loan from the Company to pay the Company the purchase price of the shares held by the Trustee on behalf of the employee ("Plan Shares").

(b) Repayment

The employee will repay the Loan by application of:

- amounts received by the Trustee as dividends and repayments of capital on the Plan Shares, and
- amounts received by the sale of Rights attaching to the Plan Shares, and
- 0.5% of the initial amount of the Loan made to the employee, to be deducted from the salary payable each week and from week to week to the employee.

The employee may repay the amounts due under the Loan at any time.

The Trustee of the Share Plan will hold the Plan Shares on behalf of the employee.

(c) **Forgiveness of the Loan**

The Company will forgive payment of the outstanding amount of the Loan if:

- the employment of an employee is terminated for any reason, the employee has not repaid the Loan within 30 days of such termination, and the amount received by the Trustee after selling the Plan Shares is less than the amount outstanding on the Loan,
- the Trust is terminated and the amount received by the Company after selling the Plan Shares is less than the amount outstanding on the Loan,
- the employee directs the Trustee to accept a Part A or Part C takeover offer for the Plan Shares and the amount received is less than the amount outstanding on the Loan, or
- the Plan Shares are compulsorily acquired and the amount received by the Trustee is less than the amount outstanding on the Loan.

In the case where the employee leaves the Company or the Trust is terminated, the Company has the option of buying back the Plan Shares for an amount equal to the amount outstanding on the Loan made to acquire the Plan Shares and any relevant expenses.

Share Price

The price per share will be the weighted average price of the Company's shares traded on the ASX during the one week period up to and including the date of offer.

Restriction on Issue

At any time, the total number of Shares, which are subject to the Trust, may not exceed 5% of the total number of Shares on issue at that time.

Transfer and Sale of Plan Shares

The Trustee must transfer the Plan Shares to the employee upon repayment in full of the Loan made for the purchase of the Plan Shares.

If an employee has not repaid the outstanding amount of all Loans within 30 days following the termination of the employee's employment, the Company may either:

- (a) direct the Trustee to sell the employee's Plan Shares at or above the market price, or
- (b) buy back the Plan Shares from the Trustee for an amount equal to the sum of any costs and expenses of the buy back incurred by the Trustee and the then outstanding amount of the Loans made to acquire the Plan Shares. However, the Company may only buy back the Plan Shares if the amount likely to be raised by a sale of the Plan Shares would be unlikely to repay the Loans.

It is the Directors' intention to normally direct the Trustee to sell Plan Shares in these circumstances. However, situations may arise where the Directors consider that the Company should buy back the Plan Shares.

If any amount of a Loan remains outstanding after application of the amount realised by sale of the Plan shares purchased with that Loan, that amount will be forgiven by the Company, and the employee will have no further liability to the Company in relation to the Loan.

If the amount realised by the sale of the Plan Shares is more than the costs and expenses of the sale incurred by the Trustee and the outstanding amount of the Loans made by the company to acquire those Plan Shares, that amount will be paid to the employee.

Dividends and Repayments of Capital

Dividends and all proceeds of repayment of Skilled Group's capital received by the Trustee with respect to Plan Shares will be paid to the Company to reduce the amount outstanding under the Loan made by the Company to the employee to purchase those Plan Shares. The Company may permit the dividend or proceeds of repayment of Skilled Group's capital to be paid to the employee.

Rights

Any rights received by the Trustee with respect to Plan Shares will be sold by the Trustee and the proceeds of sale applied by the Trustee to reduce the amount outstanding under the Loan made by the Company to the employee to purchase those Plan Shares. The Company may permit the proceeds of the sale of rights to be distributed to the employee.

Bonus Shares

Employees will be entitled to any bonus shares which accrue to Plan Shares and the bonus shares will be held by the Trustee on behalf of the employee until repayment in full of the Loan made by the Company to the employee to fund the purchase of the Plan Shares in relation to which the bonus shares were issued.

Takeovers

If a Part A or Part C takeover offer is made for Shares, the employee may direct the Trustee to accept the offer on the employee's behalf with respect to all of the employee's Plan Shares.

If any amount of a Loan remains outstanding after application of the amount realised by sale of the Plan Shares purchased with that Loan as a result of accepting the takeover offer, that amount will be forgiven by the Company, and the employee will have no further liability to the Company in relation to the Loan.

Compulsory Acquisition

If an employee's Plan Shares are compulsorily acquired, any amount of a Loan which remains outstanding after application of the amount realised by the compulsory acquisition of the Plan Shares purchased with that Loan will be forgiven by the Company, and the employee will have no further liability to the Company in relation to the Loan.

Voting Rights

The Trustee will exercise the voting rights attaching to the employee's Plan Shares in accordance with the prior written instructions of the employee.

If the Trustee does not receive prior written instructions from the employee, the Trustee may exercise the voting rights of the employee's Plan Shares as it thinks fit.

Plan Expenses

The expenses of the Share Plan will be met or reimbursed by the Company.

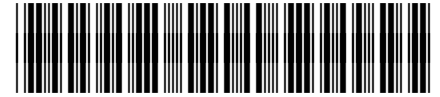
Trustee

The Trustee is a wholly owned subsidiary of the Company.

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)



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 25 October 2005 at 11.30am and at any adjournment of that meeting.

IMPORTANT: FOR ITEM 4 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 Item 4 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 that Item 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 Item 4 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 Item 4.

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

	For	Against	Abstain*		For	Against	Abstain*
Item 2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Item 3b	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Consider the Financial Statements and Reports (No Resolution Required)				To elect Mr John Dixon as a director			
Adopt the Remuneration Report (non-binding resolution)				Item 3c	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
				To elect Ms Vicki McFadden as a director			
Item 3a	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Item 4	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
To re-elect Mr Ken Loughan AO as a director				Skilled Group Limited Employee Share Plan			

* 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 25 October 2005. 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