

All correspondence to:

Computershare Investor Services Pty Limited
GPO Box 2975 Melbourne
Victoria 3001 Australia
Enquiries (within Australia) 1300 850 505
(outside Australia) 61 3 9415 4000
Facsimile 61 3 9473 2500
web.queries@computershare.com.au
www.computershare.com



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



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 Monday 25 October 2010.

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

If you are unable to attend the meeting, you are encouraged to complete the enclosed proxy form. The proxy form should be posted in the enclosed Business Reply Paid Envelope to our share registry, Computershare Investor Services Pty Limited, or faxed to (+61 3) 9473 2555 so that it is received by 11.00am on Saturday 23 October 2010.

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.

Shareholders have the opportunity 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 either be emailed to our Company Secretary (tpaine@skilled.com.au) or faxed to (+61 3) 8646 6447. We ask that all questions be submitted by close of business on Monday 18 October 2010. Relevant questions will be addressed at the AGM and responses made available after the meeting on the Company's website (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

17 September 2010
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 Monday 25 October 2010.

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 2010.

2. Adoption of Remuneration Report

To adopt the Remuneration Report for the financial year ended 30 June 2010.

(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 RN Herbert AM, having retired in accordance with Clause 14.3 of the Company's Constitution, be re-elected as a Director."
- (b) "That Mr MJ Findlay, having been appointed to the Board since the last Annual General Meeting in accordance with Clause 14.1 of the Company's Constitution, be elected as a Director."

4. Approval of the Grant of Options to Mr TB Janes

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

"That, for the purposes of ASX Listing Rule 10.14, approval be given to the grant of options to Mr TB Janes, to subscribe for up to 350,000 fully paid ordinary shares in the Company and to the issue of shares upon the exercise of those options pursuant to the Skilled Group Executive Long Term Incentive Plan and on the terms set out in the Explanatory Notes."

Dated this 17th day of September 2010.

By Order of the Board



Tim Paine
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 7.00pm on Saturday 23 October 2010.

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 11.00am on Saturday 23 October 2010, and be lodged:

By Fax:	Australia Overseas	1800 783 447 +61 3 9473 2555
In Person:	Registered Office: Share Registry:	Level 15, 380 St Kilda Road, Melbourne, Victoria, 3004 Computershare Investor Services Pty Limited, Yarra Falls, 452 Johnston Street, Abbotsford, Victoria, 3067
By Mail:	Registered Office: Share Registry:	Level 15, 380 St Kilda Road, Melbourne, Victoria, 3004 Computershare Investor Services Pty Limited GPO Box 242, Melbourne, Victoria, 3001
Online:	InvestorVote	To lodge a Proxy Form online, visit www.investorvote.com.au and follow the instructions provided. A proxy cannot be appointed online if they are appointed under Power of Attorney or similar authority.

For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

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 2010.

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 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 in the 2010 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

(a) **Bob Herbert AM BComm**

Age 66

Independent Non-Executive Director

Appointed to the Board in November 2003, Bob Herbert has been a director for six and a half years.

Chairman of the Remuneration Committee and member of the Risk Committee.

Skills and experience

As the former CEO of Australian Industry Group, Bob Herbert brings considerable industry experience to the Board. He has been involved with Australian Industry Group and its predecessor organisation, Metal Trades Industry Association of Australia, since 1961, including 30 years as a director in numerous roles. Mr Herbert is now involved in various company director and advisory roles. In April 2010, he was appointed by the Federal Government as Water Supplier Advocate.

Current directorships and offices

- Trustee, Emergency Services Superannuation Board (since June 2010)
- Chairman, IXC International Ltd – trading as InnovationXchange (since July 2006)
- Trustee, Melbourne Cricket Ground Trust (since November 2003)
- Deputy Chairman, Industry Capability Network Limited (since May 2003)
- Director, Trade Union Education Foundation (since February 2002)

The Board, other than Mr Herbert, recommends that shareholders vote in favour of Mr Herbert's re-election to the Board.

(b) **Max Findlay**

Age 63

Independent Non-Executive Director

Appointed to the Board in March 2010.

Member of the Risk Committee.

Skills and experience

Max Findlay has had a long and distinguished career in services and manufacturing. He worked with Programmed Maintenance Services (PMS) for over 20 years and held the positions of Business Development Manager, General Manager and Managing Director, a role he assumed for 18 years. Prior to joining PMS, Max's experience included 11 years with Australian Consolidated Industries, three years with Vinyl Clad (a division of Smith & Nephew) and five years with James Sephton Plastics.

Current directorships and offices

- Director, SMEC Holdings Limited (since April 2010)
- Chairman, Redflex Limited (since November 2009)
- Director, The Children's Hospital (since March 2009)
- Chairman, EVZ Limited (since April 2008)

The Board, other than Mr Findlay, recommends that shareholders vote in favour of Mr Findlay's election to the Board.

Item 4 – Approval of the Grant of Options to Mr TB Janes

The Executive Long Term Incentive Plan (ELTI Plan) is designed to ensure SKILLED Group has the most effective reward mix in place particularly in light of the changing legislative environment and economic conditions. The Plan is designed to link the reward of selected individuals who have the capacity to influence the long term performance of the Group with the generation of shareholder wealth.

The primary objectives of the ELTI Plan are to:

- align the interests of executives with the interests of shareholders;
- ensure that executive remuneration is competitive and aligned with remuneration in the Australian market; and
- encourage the achievement of performance goals and growth of the Company's business.

Under the ELTI Plan, the Company may grant eligible executives awards in the form of performance rights, options or cash, or a combination of those awards.

As executive directors of the Company, Mr GM Hargrave (Managing Director and Chief Executive Officer) and Mr TB Janes (Chief Financial Officer / Executive Director) are entitled to participate in the Executive Long Term Incentive Plan.

Why is shareholder approval required?

Under ASX Listing Rule 10.14, shareholder approval is required in order for a director of a company to be issued securities under an employee incentive scheme. Accordingly, approval is sought for the grant of options to Mr TB Janes.

Details of grant of options to Executive Directors

A brief overview of the details of the proposed grant of options under the ELTI plan is set out below.

Number of options	<p>Mr Janes will be invited to apply for a grant of up to 350,000 options.</p> <p>The actual number of options will be based on Mr Janes' maximum long term incentive entitlement, which is equivalent to approximately 15% of his total current fixed remuneration per annum.</p> <p>Each option is a right to acquire one fully paid ordinary share in the Company, subject to the satisfaction of performance hurdles and payment of the exercise price.</p>
Date of grant of options	<p>If shareholder approval is obtained, the options will be granted to Mr Janes following the meeting but, in any event, within 12 months after the date of the meeting.</p>



Performance hurdles	<p>The options are subject to a performance hurdle based on the Company's earning's per share (EPS) over a specified period.</p> <p>Options will vest as follows:</p> <table border="1"><thead><tr><th></th><th>Minimum average annual % EPS growth</th><th>% Options to vest</th></tr></thead><tbody><tr><td>Below threshold</td><td>-</td><td>0%</td></tr><tr><td>Threshold</td><td>40%</td><td>50%</td></tr><tr><td>Threshold < Maximum</td><td>-</td><td>Pro-rata</td></tr><tr><td>Maximum</td><td>50%</td><td>100%</td></tr></tbody></table> <p>The Remuneration Committee and Board have selected EPS as a performance hurdle on the basis that it is:</p> <ul style="list-style-type: none">• a good indicator of the company's profitability; and• a target that executives have the ability to directly influence. <p>The EPS growth hurdles for the options granted to Mr Janes in 2010 have increased from those hurdles applicable to options granted in previous years due to the low 2010 EPS base year figure being applied.</p>		Minimum average annual % EPS growth	% Options to vest	Below threshold	-	0%	Threshold	40%	50%	Threshold < Maximum	-	Pro-rata	Maximum	50%	100%
	Minimum average annual % EPS growth	% Options to vest														
Below threshold	-	0%														
Threshold	40%	50%														
Threshold < Maximum	-	Pro-rata														
Maximum	50%	100%														
Performance period and vesting	<p>The performance period is 3 years – commencing on 1 July 2010 and ending on 30 June 2013.</p> <p>There is to be no retesting of the performance hurdle. Any options which do not vest at the end of the performance period will lapse.</p> <p>If the performance hurdles are satisfied, options will vest and may be exercised by Mr Janes until the sixth anniversary of the grant date.</p> <p>Shares will be allocated upon exercise of the vested options and the payment of the exercise price.</p>															
Trading restrictions	<p>The ELTI plan rules allow the Board to impose, at the time of the offer, further restrictions on any shares allocated upon exercise of the options.</p>															
Exercise price	<p>The exercise price for the options will be based on the average trading price of the Company's shares on the ASX over the 5 trading days immediately prior to the date of the invitation to Mr Janes.</p> <p>No amount is payable upon the grant of the options.</p>															
Cessation of employment	<p>In general, if Mr Janes ceases employment by reason of death, disability, bona fide redundancy or other reason approved by the Board, any unvested options will be tested at the end of the applicable performance period, and vest to the extent that the performance hurdle has been satisfied.</p> <p>If Mr Janes ceases employment by reason of resignation, dismissal for cause or for any other reason not approved by the Board, unvested options will lapse immediately.</p>															
Other information	<p>Options granted under the ELTI Plan are not transferable, and Mr Janes will be prohibited from entering into hedging arrangements in respect of unvested options.</p>															

In accordance with the approvals given by shareholders at the Company's 2009 Annual General Meeting, the following grants of options under the ELTI Plan have been made:

Name	Number of Options	Exercise Price
GM Hargrave	251,000	\$2.28
JB Dixon	146,000	\$2.28
TB Janes	108,000	\$2.28

Note: no amount was payable on the grant of the above options.

Noting the interests of Mr Janes, the proposed grant of options to Mr Janes are unanimously recommended by the non-executive directors.

Voting Exclusion Statement

Pursuant to Listing Rules 10.14 and 14.11.1, the Company will disregard any votes cast on this resolution under Item 4 by:

- (a) an Executive Director of the Company; or
- (b) an associate of an Executive Director.

However, the Company may not disregard a vote if:

- (a) 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
- (b) 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.