



ASX Circular

Date: 24 February 2011

Key topics

1. Skilled Group Limited
2. ASX Code: SKE
3. Accelerated Entitlement Offer

Reading List

Client Advisers
 Compliance Managers
 Corporate Advisory
 DTR Operators
 Issuers
 Institutions
 ASTC Participants
 Office Managers
 Operations Managers (back office)
 Research Analysts
 ACH Participants
 Market Participants

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SKILLED GROUP LIMITED - ACCELERATED PRO RATA NON-RENOUNCEABLE ENTITLEMENT OFFER TO RAISE APPROXIMATELY \$53 MILLION

Skilled Group Limited (the "Company") has announced a 1 for 6 pro-rata non-renounceable entitlement offer (the "Entitlement Offer"), at an issue price of \$1.68 (the "Offer Price") per new security, which is expected to raise a total of approximately \$53 million. The equity raising is fully underwritten by Goldman Sachs.

The Entitlement Offer has two components:

- 1) An institutional entitlement offer, where offers have been made to qualifying institutional security holders for them to apply for their pro-rata entitlement. Eligible institutional security holders that do not take up their entitlement and institutional security holders ineligible to participate in the offer will have their entitlement sold through a bookbuild process (the "Institutional Entitlement Offer").
- 2) A retail entitlement offer, where an offer will be made to qualifying retail security holders for them to apply for their pro-rata entitlement.

The offer document for the Retail Entitlement Offer is expected to be lodged on Wednesday, 2 March 2011. The Retail Entitlement Offer is expected to close on Friday, 18 March 2011.

The entitlement to subscribe for new securities will not be able to be traded on ASX or privately transferred.

The anticipated timetable in relation to the Entitlement Offer is as follows:

Event	Date	Trading Day
Trading halt commences Lodgement of Entitlement Offer ASX Announcements (being, the investor presentation, Appendix 3B and Entitlement Offer Cleansing Statement) Institutional Entitlement Offer opens (9.00am) Bookbuild opens	Wednesday, 23 February 2011	T
Institutional Entitlement Offer closes (5.00pm) Bookbuild closes	Thursday, 24 February 2011	T + 1
Trading halt ends Results of Institutional Entitlement Offer and Placement (if any)	Friday, 25 February 2011	T + 2
Record date for Entitlement Offer (7.00 pm)	Monday, 28 February 2011	T + 3
Retail Entitlement Offer opens (9.00am)	Wednesday, 2 March 2011	T + 5
Expected despatch date of Retail Offer Booklet to retail shareholders	Wednesday, 2 March 2011	T + 5
Settlement of new Shares issued under the Institutional Entitlement Offer and Placement (if any)	Thursday, 3 March 2011	T + 6
Allotment of New Shares issued under the Institutional Entitlement Offer and Placement (if any) and commencement of trading (on a normal basis)	Friday, 4 March 2011	T + 7
Lodgement of Placement Cleansing Statement (if required)	Friday, 4 March 2011	T + 7
Retail Entitlement Offer closes (5.00pm)	Friday, 18 March 2011	T + 16
ASX notified of undersubscriptions	Wednesday, 23 March 2011	T + 19
Settlement of new Shares issued under the Retail Entitlement Offer	Monday, 28 March 2011	T + 22
Allotment of new Shares issued under the Retail Entitlement Offer	Tuesday, 29 March 2011	T + 23
Results of Retail Entitlement Offer announced	Tuesday, 29 March 2011	T + 23
New Shares issued under Retail Entitlement Offer commence trading (on a normal basis)	Wednesday, 30 March 2011	T + 24
Despatch of holding statements	Wednesday, 30 March 2011	T + 24

Settlement Issues

Despite the fact that securities are trading “ex entitlement” on ASX Trade, CHESS will not recognise for settlement purposes the “ex entitlement” or the “cum entitlement” tag on CHESS messages and CHESS will not maintain cum balances during the deemed “CHESS ex-period”, i.e. the period commencing on the deemed CHESS Ex-Date up to and including the record date. However, a record date cum balance will be available the business day following the record date, which will be equal to the registered holding balance at CHESS end of day on the record date. As a result any transfer that occurs prior to record date will be effectively transferred on a “cum” basis.

Therefore, Participants must ensure that any transfer, including the priming of Broker Entrepot Accounts, is conducted in accordance with the basis of quote. For example, a transfer in relation to a transaction conducted on an ex-basis should ordinarily only occur post record date.

CHESS will perform automatic diary adjustments to “cum entitlement” settlement obligations outstanding as at the record date.

Trading Issues

ASX will not price a "cum" market with respect to trading in the Company's shares. Persons who acquire the Company's shares after the commencement of the trading halt on Wednesday, 23 February 2011 are not entitled to participate in the Entitlement Offer.

Evidence of entitlements

Persons who have traded the Company's shares prior to the trading halt but are not registered holders on the record date should contact the Skilled Group Limited Shareholder Information Line 1300 708 271 (local call cost within Australia) or +61 3 9415 4275 (from outside Australia) at any time from 8.30 AM to 5.00 PM (EDST) Monday to Friday during the Retail Entitlement Offer period to establish if there is any entitlement.

Further Information

For further details, please refer to the Company's recent announcements.