

STRATEGIC APPOINTMENTS AND TRADING UPDATE

STRATEGIC APPOINTMENTS

The Candle Australia Limited Board of Directors wishes to advise a range of new initiatives designed to accelerate the growth, expansion and success of the company.

The Board has established a new role of Head of Acquisitions. The role has been formed with a view to accelerating the future growth rate of Candle Australia by focussing on the establishment of new services, new lines of business, new geographic locations and expansion via acquisition.

Based on his achievements and results over the past six years, the Board has requested that Mr Robert Collins, the chief executive officer and managing director takes on this new role.

"Rob's achievements over the past six years have been outstanding. Since 2001, he has developed a strong management team and leadership culture which has led to Candle Australia's record profit growth and outstanding returns for shareholders. Rob has indicated his desire for a new challenge and we are delighted that he has accepted this new role," says Mr Geoff Moles, chairman and founder of Candle Australia.

Mr Collins will step aside as CEO and MD but will remain employed by the company for a period of up to two years.

The Board will commence a national and international search for a replacement CEO. Mr Collins will continue in the CEO/MD role until an effective transition to the new CEO is complete.

This new role is a strategic initiative designed to further increase the growth rate and considered diversification of the group. Expansion of the recent acquisition of the Asian operations of E.L Consult, which will be re-branded Lloyd Morgan, will be part of Mr Collins' portfolio in his new role. The Board sees significant expansion opportunities both locally and in the region and wishes to focus on these opportunities.

So as to ensure the current disciplines of high customer service and sales growth continue, the Board is also pleased to advise that two members of Mr Collins' outstanding management team have been promoted to key operational roles as joint chief operating officers.

Ms Jane Bianchini will be joint COO responsible for Candle ICT in Australia and New Zealand and The One Umbrella.

Mr Paul Barbaro will be joint COO responsible for Alliance, which now incorporates Alliance Recruitment, Parker Bridge and Freeman Adams. He will also oversee the expansion of the Lloyd Morgan group in Australia.

Both Jane and Paul have extensive recruitment and managerial experience. They will continue to be supported by Candle Australia's proven balanced scorecard approach and strong financial management disciplines.

TRADING UPDATE

For the nine months to the end of March, Candle Australia continues to trade ahead of its internal targets. It has low gearing and good positive operating cash flows. The acquisition of the Asian operations of E.L Consult is expected to be settled in the next few weeks and funded from Candle Australia's internal financial resources but leaving further capacity for growth via acquisition.

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About Candle Australia Limited

Candle Australia Limited (ASX: CND) is a recruitment company providing specialist technical, executive and office support personnel in the areas of information and communications technology, banking, finance, insurance, commercial accounting, library, records management, sales and marketing.

Established twenty three years ago and listed on the Australian Stock Exchange in 1997, Candle Australia has a reputation for high quality delivery and ethical business practices within the industry, and remains one of the largest and longest standing recruitment suppliers in the region.

Candle Australia operates through four divisions consisting of a number of quality recruitment brands: the information and communications technology division represented by Candle ICT; the accounting, business support and financial services division represented by Alliance; the library and records management division represented by The One Umbrella; and the executive division represented by Lloyd Morgan.

Candle Australia employs over 475 staff through a network of 31 offices located in Sydney, Melbourne, Brisbane, Perth, Adelaide and Canberra in Australia; Auckland and Wellington in New Zealand; Hong Kong, Beijing, Shanghai, Shenzhen in China; Kuala Lumpur in Malaysia; and Singapore.

For further information

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