

Notice of Annual General Meeting and Explanatory Memorandum to Shareholders

A PROXY FORM IS ENCLOSED

**PLEASE READ THE NOTICE AND EXPLANATORY MEMORANDUM CAREFULLY.
IF YOU ARE UNABLE TO ATTEND THE MEETING PLEASE COMPLETE AND RETURN THE ENCLOSED
PROXY FORM IN ACCORDANCE WITH THE SPECIFIED INSTRUCTIONS.**

Electronic copies of the Annual Report are available from the website www.justgroup.com.au.

Notice Of Annual General Meeting

**NOTICE IS GIVEN THAT THE 2007 ANNUAL GENERAL MEETING OF THE COMPANY
WILL BE HELD AT THE JUST GROUP BUILDING, 658 CHURCH STREET, RICHMOND,
ON THURSDAY 22 NOVEMBER 2007 AT 3.00PM.**

AGENDA ITEMS

ORDINARY BUSINESS

1. Financial Report

To receive and consider the financial report of the company and the reports of the directors and auditors for the year ended 28 July 2007.

2. Election & Re-election of Directors

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

- (a) 'That Ian Dahl, having been appointed as a director of the company since the last annual general meeting and who retires in accordance with rule 8.1(c) of the company's Constitution and, being eligible, be re-elected as director of the company.'
- (b) 'That Susan Oliver, having been appointed as a director of the company since the last annual general meeting and who retires in accordance with rule 8.1(c) of the company's Constitution and, being eligible, be re-elected as director of the company.'
- (c) 'That Laura Anderson, who retires in accordance with rule 8.1(d) of the company's Constitution and, being eligible, be re-elected as director of the company.'

- (d) 'That Alison Watkins, who retires in accordance with rule 8.1(d) of the company's Constitution and, being eligible, be re-elected as director of the company.'

Note: Profiles of directors are included in the company's Annual Report for the year ended 28 July 2007.

3. Remuneration Report

To adopt the Remuneration Report as set out in the Annual Report for the year ended 28 July 2007.

Note: This is a non-binding resolution.

SPECIAL BUSINESS

4. Financial Assistance

To consider, and if thought fit, to pass the following resolution as a special resolution of the members of the company:

'That for the purposes of section 260B(2) of the Corporations Act 2001 (Cth), approval is given for the financial assistance to be provided by Smiggle Pty Ltd ACN 100 379 226 in connection with the Acquisition as described in the Explanatory Memorandum accompanying the Notice of Annual General Meeting.'

Notice Of Annual General Meeting (continued)

Explanatory Memorandum

Shareholders are referred to the Explanatory Memorandum accompanying and forming part of this Notice of Meeting.

Entitlement to Vote

It has been determined that for the purpose of voting at the Annual General Meeting, shares will be taken to be held by the persons who are the registered holders at 7.00pm (Melbourne time) on Tuesday 20 November 2007. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Proxies

- A member who is entitled to attend and vote at the Annual General Meeting may appoint a proxy.
- A proxy need not be a member of the company.
- A proxy can be either an individual or a body corporate. If you appoint a body corporate as your proxy, that body corporate will need to ensure that it:
 - appoints an individual as its corporate representative to exercise its powers at meetings, in accordance with section 250D of the Corporations Act 2001 (Cwlth); and
 - provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the meeting.
- If satisfactory evidence of appointment as corporate representative is not received before the meeting, then the body corporate (through its representative) will not be permitted to act as your proxy. If a shareholder is entitled to cast two or more votes they may appoint two proxies and may specify the percentage or number of votes each proxy is appointed to exercise. If the proxy appointments do not specify the proportion or number of the member's voting rights that each proxy may exercise, each proxy may exercise half of the member's votes.

A form of appointment of proxy is enclosed. To be effective, the Proxy Form (and, if the appointment is signed by the appointer's attorney, the authority under which it was signed or a certified copy of the authority) must be received by the company's share registry, Link Market Services Limited, by 3.00pm (Melbourne time) on Tuesday 20 November 2007.

Where more than one proxy is to be appointed or where voting intentions cannot be adequately expressed using the enclosed Proxy Form, an additional form of proxy is available on request from the Share Registry.

The completed Proxy Form may be:

Mailed/delivered to the company's share registry,
Link Market Services Limited at:

Street address:

Level 12
680 George Street
Sydney NSW 2000

Postal address:

Locked Bag A14
Sydney South
NSW 1235

Faxed: To Link Market Services Limited on
Fax: +61 (02) 9287 0309.

Corporate Representatives

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act in which case the company will require a Certificate of Appointment of Corporate Representative executed in accordance with the Corporations Act. The Certificate must be lodged with the company before the meeting or at the registration desk on the day of the meeting. The company will retain the certificate.

By Order of the Board

Dated: 12 October 2007



Janice Payne
Company Secretary

Explanatory Memorandum To Shareholders

THIS EXPLANATORY MEMORANDUM HAS BEEN PREPARED TO ASSIST SHAREHOLDERS TO UNDERSTAND THE BUSINESS TO BE PUT TO SHAREHOLDERS AT THE FORTHCOMING ANNUAL GENERAL MEETING.

ORDINARY BUSINESS

1. Annual Financial Report

The Corporations Act requires:

- the reports of the directors and auditors; and
- the annual financial report, including the financial statements of the company for the year ended 28 July 2007,

to be laid before the Annual General Meeting. Neither the Corporations Act nor the Constitution requires a vote of shareholders on the reports or statements. However, shareholders will be given ample opportunity to raise questions or comments on the reports and statements at the meeting.

Also, a reasonable opportunity will be given to members as a whole at the meeting to ask the company's auditor questions relevant to the conduct of the audit and the preparation and content of the auditor's report.

2. Election of Directors

The profiles of Ian Dahl, Susan Oliver, Laura Anderson and Alison Watkins are included in the company's Annual Report for the year ended 28 July 2007.

3. Remuneration Report

The Board submits its remuneration report to shareholders for consideration and adoption by way of a non-binding resolution. The remuneration report is included in the Directors' Report in the company's Annual Report for the year ended 28 July 2007. The report:

- explains the Board's policies in relation to the nature and level of remuneration paid to directors, company secretary and senior managers within Just Group;
- discusses the relationship between the Board's remuneration policies and company performance;
- provides a detailed summary of performance conditions relevant to the Group's long term incentive arrangements, explaining why they were chosen and the methods used in assessing whether the performance condition is satisfied;

- identifies the companies that Just Group's performance is measured against for the purpose of its long-term incentive plan; and
- sets out remuneration details for each director and for the key members of the Just Group senior executive management team.

An opportunity will be provided for discussion of the Remuneration Report at the meeting.

The vote on resolution 3 is advisory only, and does not bind the Board or the company. Nevertheless, the outcome of the vote will be taken into consideration by the Board when next considering the remuneration arrangements of the company.

SPECIAL BUSINESS

4. Financial Assistance

Just Jeans Group Pty Limited has purchased the entire issued share capital of Smiggle Pty Ltd ACN 100 379 226 (Smiggle) (the Acquisition). Just Group Limited is the listed holding corporation of Just Jeans Group Pty Limited. Accordingly, on completion of the Acquisition, Just Group Limited also became the listed holding company of Smiggle.

In order to assist the financing of the Acquisition, the company has used funds drawn under its existing debt facility with Westpac Banking Corporation and Commonwealth Bank of Australia (Facility Agreement). A number of the subsidiaries of the company have provided unlimited guarantees and various undertakings to the financiers in respect of the facilities under the Facility Agreement. It is proposed that Smiggle will accede to the Facility Agreement as a guarantor.

The accession of Smiggle to the Facility Agreement, the provision by Smiggle of the guarantees and indemnities contained in the Facility Agreement and the performance by Smiggle of its rights and obligations under the Facility Agreement as described above constitutes the giving of financial assistance in connection with the Acquisition, within the meaning of Part 2J.3 of the Corporations Act.

Explanatory Memorandum To Shareholders (continued)

SPECIAL BUSINESS (continued)

4. Financial Assistance (continued)

Under section 260A(1) of the Corporations Act, any such financial assistance must be approved by the shareholders by a special resolution passed at a general meeting of that company. Furthermore, if, immediately after the acquisition, a company will be a subsidiary of another corporation that is listed in Australia, then the financial assistance must also be approved by a special resolution passed under section 260B(2) of the Corporations Act at a general meeting of that corporation.

Pursuant to section 260B of the Corporations Act, it is proposed that the giving by Smiggle of the financial assistance is approved by a special resolution passed at the Annual General Meeting of the company.

The reason for the giving of the financial assistance described above is to enable the company to comply with certain of its obligations under the Facility Agreement, in particular, the obligation to procure certain subsidiaries to guarantee the obligations of the Just Group companies who are borrowers and guarantors under the Facility Agreement. If such obligations are not complied with, an 'event of default' will occur under the Facility Agreement and the funding may be required to be repaid. The Facility Agreement provides finance to the Just Group to enable it to fund its activities.

As the company is already liable for the amounts payable under the Facility Agreement, the giving of the financial assistance described in this Explanatory Memorandum by Smiggle is unlikely to have any adverse effect on the company. Furthermore, it is common for newly acquired subsidiaries to provide guarantees and undertakings of the type outlined above.

The directors unanimously recommend that shareholders vote in favour of the financial assistance resolution to approve the giving of financial assistance.