

18 August 2010

**ASX ANNOUNCEMENT  
PHOTON GROUP LIMITED (PGA)  
CLOSE OF PLACEMENT AND INSTITUTIONAL SHAREHOLDER OFFER**

Photon Group Limited (PGA) has closed the underwritten Placement and Institutional Shareholder Offer components of the Recapitalisation Proposal announced on 17 August 2010.

The \$40 million Placement was fully subscribed. Photon received acceptances from eligible Institutional Shareholders and other eligible institutional investors for approximately \$36 million of New Shares offered under the Institutional Shareholder Offer. Total proceeds from the Placement and Institutional Shareholder offer will be approximately \$76 million.

The Retail Shareholder Offer opens on 19 August 2010 and will raise a minimum of approximately \$26 million, subject to additional proceeds, if any, from the Top-Up Offer.

Completion of these components of Photon's Equity Raising announced on 17 August 2010 requires the approval of Photon Shareholders at a General Meeting of members on 17 September 2010. Proceeds from the Equity Raising will settle on 28 September 2010 and allot on 29 September 2010.

The Record Date for the Retail Shareholder Offer was 7.00pm (AEST) on Friday, 13 August 2010. Photon shares will recommence trading this morning. The Retail Shareholder Offer will remain open to Eligible Retail Shareholders until 5.00pm (AEST) on 23 September 2010.

**Contact:**

Andrew Butcher  
Butcher & Co.  
0400 841 088