Rule 3.19A.2

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity	**Photon Group Limited**
ABN	**97 091 524 515**

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Timothy James Hughes
Date of last notice	25 October 2005

Part 1 - Change of director's relevant interests in securities
In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Direct
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	No change to indirect interests
Date of change	25 August 2006
No. of securities held prior to change	Indirect Oldyear Pty Limited- 350,000 shares, Carinya Investment Management Pty Limited – 847,888 shares, Timothy James Hughes & Jacqueline Anne Hughes – 855,556 shares, Direct Timothy James Hughes – 490,000 shares Timothy James Hughes – 1,300,000 options
Class	Ordinary
Number acquired	100,000 shares
Number disposed	Nil

+ See chapter 19 for defined terms.

Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	100,000 options @ $1.80 per share (being the exercise price of each option pursuant to which the issue is made).
No. of securities held after change	Indirect Oldyear Pty Limited- 350,000 shares, Carinya Investment Management Pty Limited – 847,888 shares, Timothy James Hughes & Jacqueline Anne Hughes – 855,556 shares, Timothy James Hughes – 100,000 shares. Direct Timothy James Hughes – 490,000 shares Timothy James Hughes – 1,200,000 options
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	Exercise of Options

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	N/A
Nature of interest	N/A
Name of registered holder (if issued securities)	N/A
Date of change	N/A
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	N/A
Interest acquired	N/A
Interest disposed	N/A
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	N/A
Interest after change	N/A

+ See chapter 19 for defined terms.

+ See chapter 19 for defined terms.