

23 October 2006

The Company Announcements Office
Australian Stock Exchange Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

PHOTON GROUP LIMITED (ASX CODE: PGA)

SECTION 708A(5)(e) Notice – Issue of shares without a disclosure document

Photon Group Limited (**Photon**) notifies the Australian Stock Exchange (**ASX**) under section 708A(5)(e) of the *Corporations Act 2001* (Cth) (**Corporations Act**) that:

- 1 Photon has today issued 4,500,000 ordinary shares under the Conditional Placement without disclosure under Part 6D.2 of the Corporations Act.
- 2 As at today's date, Photon has complied with the provisions of Chapter 2M of the Corporations Act as they apply to Photon.
- 3 As at today's date, Photon has complied with section 674 of the Corporations Act.
- 4 As at today's date, there is no information that Photon has excluded from a continuous disclosure notice in accordance with the listing rules of ASX and that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (a) the assets and liabilities, financial position and performance, profits and losses and prospects of Photon; or
 - (b) the rights and liabilities attaching to Photon shares.

Geoff Nesbitt

Company Secretary