

11 January 2007

Photon increases offer for DBS to 76 cents per share and serves Bidders Statement

Photon Group Limited (Code: PGA) has lodged with the Australian Securities & Investments Commission a Bidders Statement for its off-market takeover bid to acquire Dark Blue Sea Limited (ASX Code: DBS) and has served a copy of that statement on DBS.

Photon has increased the offer price under its takeover bid for each DBS share to 76 cents. Photon holds approximately 19.88% of DBS, which it purchased on market on 8 December 2006 for 65 cents per DBS share.

Mr Tim Hughes, Executive Chairman of Photon said today that Photon's revised offer represented an attractive opportunity for DBS shareholders to realise the value of their investment. He noted that:

- our revised offer of 76 cents per DBS Share represents a premium of 20% to the volume weighted average market price of DBS Shares calculated over the 30 trading day period up to and including 7 December 2006¹;
- almost 48% of the DBS issued shares have been traded on the ASX since 7 December 2006 with most trading taking place at prices up to 67 cents per DBS share; and
- there have been no trades of DBS shares since Photon's offer was first announced on 11 December 2006 at a higher price than Photon's revised offer of 76 cents.

A copy of the Bidders Statement accompanies this release and is available for inspection on the Photon website (www.photongroup.com). Photon has set 16 January 2007 as the date for the purposes of item 6 of section 633(1) of the Corporations Act.

For further information contact Matt Bailey, Photon Group Limited, on 0413 337 722 or Martin Cole, CPR Communications & Public Relations Pty Limited (a Photon Group subsidiary), on 0403 332 977.

¹ The 30 day VWAP for DBS Shares traded on ASX up to and including 7 December 2006 was 63.12 cents per DBS Share.