



**DARK BLUE SEA LIMITED**  
**ACN 091 509 796**

**Company Announcement**

**Date: 1 March, 2007**

The Company's Office  
Australian Stock Exchange

Dear Sir/Madam,

**Re: PHOTON GROUP LIMITED OFF MARKET TAKEOVER OFFER FOR THE  
ORDINARY SHARES IN DARK BLUE SEA LIMITED  
SECOND SUPPLEMENTARY TARGET'S STATEMENT**

In accordance with Section 647(3) of the *Corporations Act 2001 (Cwlth)*, we **enclose** a copy of our Second Supplementary Target's Statement, which supplements the Target's Statement dated 8 February 2007 and the Supplementary Target's Statement dated 16 February 2007 in relation to the off-market takeover bid by Photon Group Limited to acquire all the ordinary shares in Dark Blue Sea Limited.

The Second Supplementary Target's Statement was today lodged with the Australian Securities & Investments Commission and has also been served on to Photon Group Limited.

Yours faithfully,

Richard Moore  
Chief Executive Officer  
Dark Blue Sea Ltd

**SECOND SUPPLEMENTARY TARGET'S STATEMENT BY**

**DARK BLUE SEA LIMITED ACN 091 509 795 ("DBS")**

**IN RESPECT OF THE OFFER BY PHOTON GROUP LIMITED ACN 091 524 515 ("PHOTON") FOR ALL ORDINARY SHARES IN DBS**

This second supplementary target's statement dated 1 March, 2007 ("**Second Supplementary Target's Statement**") supplements, and must be read in conjunction with:

- (i) the Target's Statement of DBS dated 8 February 2007 and lodged with the Australian Securities and Investments Commission ("**ASIC**") on 8 February 2007 in connection with Photon's takeover bid for all the ordinary shares in DBS ("**Target Statement**"); and
- (ii) the Supplementary Target's Statement dated 16 February 2007 and lodged with the Australian Securities and Investments Commission ("**ASIC**") on 16 February 2007 in connection with Photon's takeover bid for all the ordinary shares in DBS ("**Supplementary Target Statement**").

This Second Supplementary Target's Statement was lodged with the ASIC on 1 March, 2007.

The definitions and interpretation provisions of the Target's Statement and the Supplementary Target Statement apply to this Second Supplementary Target's Statement.

ASIC takes no responsibility for the content of this Second Supplementary Target's Statement.

**Supplementary Material in relation to Recommendations of the Directors of DBS**

DBS provides the following supplementary material in relation to the recommendations made by the Directors of DBS in the Target's Statement and in particular in respect of Section 4.3 of the Target's Statement.

Section 4.3 of the Target's Statement reads as follows:

"Your DBS Directors, who collectively own or control 16.3% of the Shares in DBS, do not intend to accept the Offer."

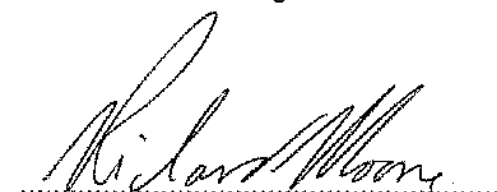
For the purposes of clarification, the above statement of the DBS Directors is a statement of the intention of the DBS Directors in respect of the terms and conditions of the Offer (including the price) as contained in the Bidders Statement dated 25 January, 2007.

In the event that Photon either were to vary the terms of the Offer ("**Varied Offer**") or make a new offer to acquire some or all of the DBS Shares on terms more favourable than those contained in the Offer ("**New Offer**"), then the DBS Directors would consider the Varied Offer or New Offer (as the case may be) on its merits and DBS Directors reserve their rights to alter their position in regard to deciding whether or not to accept any Varied Offer and/or New Offer upon providing the required additional disclosure.

This Second Supplementary Target's Statement was approved by a resolution of directors of DBS on the 1 March, 2007.

**Dated the 1<sup>st</sup> day of March 2007.**

Signed for and on behalf of Dark Blue Sea Limited by Richard Edward Moore being a director who was authorised to sign this statement by a resolution of the directors.



Director