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**ASX/MEDIA RELEASE**

**PHOTON GROUP CONTINUES UK EXPANSION  
WITH ACQUISITION OF AWARD WINNING PR AGENCY - FRANK PR**

Photon Group (ASX:PGA) has further expanded its growing UK presence, today announcing that it has acquired 100% of award-winning independent public relations consultancy, Frank Public Relations Limited (Frank PR).

Frank PR is a fast-growing consumer public relations company named Marketing Magazine's PR Agency of the Year in 2005 and 2006, the only public relations agency to receive the award twice. Its clients include a roster of blue-chip companies in areas such as FMCG (fast moving consumer goods), leisure, fashion, lifestyle, consumer technology and personal finance.

Executive Chairman of Photon, Tim Hughes said: "The acquisition of Frank PR is an excellent launch pad for an entry into the UK's rapidly expanding specialised communications market. This is our third acquisition in the UK where we continue to look for opportunities."

"The purchase of Frank PR follows on from Photon's previous acquisitions or establishment of businesses in the UK, - The Leading Edge and DVL Smith in the research space, REL in the field marketing sector and Corporate Edge a specialised communications business. The strategy in the UK is to build a market position in the lower risk, high margin and well managed businesses focusing on the research, public relations and field marketing sectors. These sectors generally display less volatility than traditional advertising agencies and have clearly defined operating systems and intellectual property that can be shared across international markets."

Matt Bailey, CEO of Photon said: "Frank PR is known for its creative energy but it is also results-driven. The company, which has an excellent line up of retainer and project-based clients, has a strong track record of revenue and earnings growth; another strong year is expected in 2008."

Frank PR Chairman and Founder, Graham Goodkind said: "Photon is a fast-growing young company like ourselves and we feel they are the right partner to expand the business further. We will continue to focus on doing what we do best: bringing our passionate approach to working with clients, creating memorable campaigns and achieving excellent results."

The purchase price comprises an up front payment in cash and loan notes of A\$18.5 million plus deferred payments tied to performance targets.

Over the next 12 months, the acquisition of Frank PR is expected to be accretive to Photon's earnings per share.

Photon is a specialist marketing services company comprised of five strategic divisions: Strategic Intelligence, Integrated Communications & Digital, Field Marketing, Internet Marketing & Communications and Specialised Communications

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