

16 September 2009

ASX/MEDIA RELEASE

PHOTON GROUP SUCCESSFULLY CLOSES RIGHTS ISSUE

Photon Group Limited (ASX Code: PGA) advises that it has successfully closed its underwritten non-renounceable rights issue at 5.00pm (AEST) on 14 September 2009, raising a total of \$88 million. This follows the completion of a placement on 24 August 2009 which raised \$26.6 million. The total proceeds from these equity raisings of \$114.6 million, net of fees will be used to retire debt and strengthen the balance sheet.

Tim Hughes, Executive Chairman of Photon stated, "We are delighted with the high level of support for the rights issue from both institutional and retail shareholders. As a result of the equity raisings Photon has a strong balance sheet and is well positioned to continue to pursue organic growth."

Photon received acceptances from eligible shareholders for 51,128,612 shares offered under the rights issue (New Shares). Subject to the terms of the Underwriting Agreement, the shortfall of 7,511,230 shares will be issued to or as directed by the underwriter, Morgan Stanley Australia Securities Limited. The underwriter has entered into sub-underwriting arrangements with a select group of investors for all these shares.

It is anticipated that the New Shares will be allotted by Photon on Friday, 18 September 2009 and are expected to commence trading on the ASX on a normal settlement basis on Monday, 21 September 2009. Holding statements will be dispatched to participants around Monday, 21 September 2009.

Shareholders who have questions regarding the rights issue should call the Photon Group Issue Infoline on 1300 022 175 (with Australia) or +613 9938 4345 (outside Australia) any time between 8.30am and 5.00pm (AEST) Monday to Friday.

For any other enquiries please contact:

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