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**ASX/MEDIA RELEASE**

**PHOTON GROUP AGREES TO ACQUIRE ONE OF THE UK'S LEADING FIELD MARKETING PROVIDERS: REL FIELD MARKETING**

Photon Group (ASX:PGA) has further strengthened its position in the Field Marketing and merchandising industry, today announcing an agreement to acquire 100% of Resource Experience Limited (REL Field Marketing).

REL is a UK-based operation, providing Field Marketing services comprising product placement consultancy, in-store demonstrations, promotional events, field sales teams, audits and mystery customers and warehousing and distribution of products.

Executive Chairman of Photon, Tim Hughes said, "REL is a top five agency in the UK servicing a broad range of blue chip fmcg manufacturers and retailers. Photon already has a strong domestic position in field marketing through our established companies, and this acquisition enables us to leverage that presence further by expanding into the growing UK market."

Matt Bailey, CEO of Photon said, "With revenue in excess of \$30 million and access to over 2,500 field staff, REL will be a strong addition to our field marketing division. The acquisition also gives us additional scale to grow our group business in the UK, through an established and award-winning business."

David Norbury, Executive Director of REL said "As companies continue to look for efficiencies by out-sourcing their sales merchandising, field marketing and point of sale management, we are able to continue to grow our business by focusing on their needs. Photon clearly has immense understanding and experience in this sector which is why we were attracted to their business model which we believe gives us the capability to grow even further as part of a leading marketing services company."

The initial purchase price is an upfront cash payment of up to £7,500,000 to be funded from existing debt facilities, plus additional deferred payments tied to the earnings of REL through up to 2013. The acquisition is subject to a number of conditions precedent, including the finalisation of transaction documents.

Over the next 12 months, the acquisition of REL 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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