

29 March 2007

Dear DBS Shareholder

Off-Market Takeover Bid by Photon Group Limited for Dark Blue Sea Limited

Photon notes that the closing share price of Dark Blue Sea Limited (DBS) on 28 March 2007 was **75 cents**.

As we previously announced, Photon will **increase the current Offer price of 76 cents to 90 cents per DBS Share¹ and declare its Offer unconditional**, subject to receiving sufficient acceptances to increase its relevant interest in DBS Shares to more than 50% on or before 6.00pm on **2 April 2007 (50% Threshold)**.

Photon has also announced that **it will further increase its Offer price to \$1.00 per DBS Share¹** subject to the 50% Threshold being satisfied and Photon further increasing its relevant interest in DBS Shares to more than 90% by the end of the Offer Period (**90% Threshold**).

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|-------------------------------|-------------------------------|---|
| Current Share Price: | \$0.75 per share | as at 28 March 2007 |
| Prior Day Share Price: | \$0.82 per share | as at 27 March 2007 |
| Photon proposal: | \$0.90 per share ¹ | subject to the satisfaction of the 50% Threshold |
| Photon proposal: | \$1.00 per share ¹ | subject to the satisfaction of both the 50% Threshold and the 90% Threshold |

AS WE HAVE PREVIOUSLY ANNOUNCED, PHOTON WILL NOT INCREASE ITS OFFER PRICE FOR DBS SHARES EXCEPT AS OUTLINED ABOVE. ON THIS BASIS, PHOTON STRONGLY RECOMMENDS THAT DBS SHAREHOLDERS ACCEPT PHOTON'S OFFER BEFORE MONDAY 2 APRIL 2007.

If you have any other questions regarding the Offer contact the Shareholder Information Line on 1300 301 216 (toll free for calls made from within Australia) or +61 3 9415 4607 (for calls made from outside Australia). As required by the Corporations Act, calls to these numbers will be recorded.

If you are in any doubt about how to deal with the Offer, you should consult your financial or other professional adviser.

¹ Note that under the Offer terms Photon is entitled to, and will, deduct from the revised Offer consideration the sum of 1.5 cents per DBS Share for which an acceptance is received (unless Photon has been paid, or is entitled to be paid, that amount in respect of the DBS Shares for which it has received acceptances) to take account of the interim dividend in that sum that was announced on 26 February 2007 by DBS.