



ASX/Media Announcement (ASX: DGI)

19th December 2011

Update on Capital Raising and Outstanding Convertible Notes

Digislide Holdings Limited hereby advises that the capital raising initiatives, previously notified to the market, have proved unsuccessful to date, and the Company has been unable to negotiate an investment Term Sheet.

Whilst the Company has commenced negotiations with interested parties regarding the possible sale of its 50% equity share in Digismart Commerce Inc (Hong Kong Joint Venture) and continues to negotiate with potential investors, there is considerable uncertainty attached to the investment timeframe and receipt of funds.

This means that the outstanding Convertible Notes and subsequent Statutory Demands the Company has received from Multi Vendor Support Services Pty Ltd cannot be discharged.

Accordingly the Board of Directors of the Company has no alternative but to place the Company into Voluntary Administration.

Mr Timothy James Christian and Peter Ivan Marks of Prentice Parbery Berilla have been appointed Joint and Several Administrators.

About Digislide

Digislide (ASX:DGI) is an innovative Australian company with an impressive Intellectual Property portfolio and proven capacity to design, develop and commercialise complex projection products. Digislide has received national, regional, international and global awards from governments, industry and technology analysts.

Industry analysts, Pacific Media Associates¹, estimate the USD750B pico projection market to grow at over 100% per annum, year on year, for the next 4 years.

Digislide's strategy is to licence manufacturers to produce miniature projection systems for embedding in mobile and/or hand held communication devices, such as mobile phones, PDA's and notebook computers, and its tactical focus has been

¹ Dr William Cogshall, President, Pacific Media Associates, 2010 Year of the Projector, Projection Summit 2010



to design hand held projectors which complement and interface with 5 of the world's biggest selling electronic devices; Apple's iPhone™ and iPod™, Nintendo's Wii™, Sony's Playstation™ suite and Microsoft's Xbox 360™.

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Further information contact:

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