

4 November 2011

### **Update on Suspension of Trading**

The Directors of Digislide Holdings Limited ("Digislide") wish to advise the market that negotiations for a raising of \$20.0M via a debt and equity facility are progressing. These negotiations have been protracted longer than expected due to the investor parties being overseas and other business issues impacting progress.

As negotiations are incomplete, and in the interests of shareholders and the maintenance of an informed market, removal from suspension of trading will not be requested until Digislide has concluded the negotiations to a stage where these can be announced to the market albeit that some issues with the deal may remain outstanding for completion.

The funding will be utilised to rapidly develop the recently secured US market distribution channels through Ingram Micro, expand that network into Canada, and focus on the development and completion of the laser based embedded optical engine, and other recent developments with the company's proprietary and licensed technologies. In addition, funds will be used to commercialise the licensed VSDN technology.

The Company also expects to be in the position to release its full year's results following receipt of the final accounts from the auditors early next week.

### **About Digislide**

Digislide is an innovative Australian based company with an extensive Intellectual Property portfolio and proven capacity to design, develop and commercialise complex projection products. The technologies have wide patent protection and have already received international acclaim.

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 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™.

Following the convergence of projection, telecommunications, mobile gaming, and IPTV (Internet Protocol Television) technologies VSDN Pty Ltd (a wholly owned subsidiary) was incorporated.

Virtual Streaming Distribution Network (VSDN) technologies remove the perception of the Internet as "**the digital divide**" and enable it to be "**the fourth utility**". IPTV brings access to information, education, entertainment, health and wellbeing to a commodity level.

Further information contact:

**Jeff King**  
Company Secretary  
Ph: 08 - 8262 3115