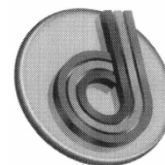


DGI HOLDINGS LTD

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Tel +61 8 9321 4000
ABN 75 105 012 066



26 July 2013

ASX RELEASE

APPENDIX 4C - QUARTERLY CASH FLOW REPORT - JUNE 2013

DGI Holdings Ltd ("DGI" or "the Company") (ASX: DGI) lodges the attached Appendix 4C Quarterly report for entities admitted on the basis of commitments for the quarter ended 30 June 2013.

Since reinstatement, DGI has been reviewing its retained portfolio of intellectual property (IP) in order to ascertain the best way forward to commercialisation.

It has maintained its retained patent database and is in negotiations in order to further work originally completed so that it incorporates new and updated technologies.

The Company is also in early discussions with mini projector manufacturers in China regarding the manufacture and/or distribution of products in various markets. Some of the technologies employed in these devices are ready-to-go (RTG) which means they can be brought to market quickly for immediate potential revenue for DGI. The market for mini and pico projectors has developed further since last market reports and the potential for onboard devices is becoming increasingly important.

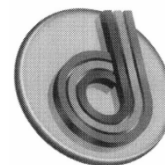
DGI is also considering refining some of its other product ranges and is currently focusing some effort on the 'Media Chair' category. Whilst it holds patents for technology that can be integrated into various items of furniture, it is of the belief that the Media Chair category presents some unique and identifiable opportunities that can be capitalised on. DGI is in early discussions with component manufacturers to provide the end user and gamer with a hi-tech and comfortable platform for individual activities.

The Board of DGI will also continue to assess other investment opportunities as they present themselves.

The Company held cash reserves of \$904,000 at 30 June 2013. Net operating and investing cash outflows for the June 2013 quarter were \$44,000.

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About DGI Holdings Ltd

DGI Holdings Ltd securities were reinstated to the official list of ASX on 20 December 2012.

For more information, please contact -

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Chairman
+ 61 8 9321 4000

Susan Hunter
Company Secretary
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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

DGI HOLDINGS LTD

ABN

75 105 012 066

Quarter ended ("current quarter")

30 June 2013

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (12 months) \$A'000
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) staff costs	-	-
	(b) advertising and marketing	-	-
	(c) research and development	-	-
	(d) leased assets	-	-
	(e) other working capital	(31)	(124)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	7	19
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
	Net operating cash flows	(24)	(105)

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date (12 months) \$A'000
1.8 Net operating cash flows (carried forward)	(24)	(105)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	(5)	(38)
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (Part repayment of Blueknight Syndicate Loan)	(15)	(302)
	(20)	(340)
Net investing cash flows		
1.14 Total operating and investing cash flows	(44)	(445)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	1,349
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
	-	1,349
Net financing cash flows		
Net increase (decrease) in cash held	(44)	904
1.21 Cash at beginning of quarter/year to date	948	-
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	904	904

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	14
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions Payment of consulting and legal fees (including reimbursement of expenses)	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

--

- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

--

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	904	948
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)		904	948

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity	
5.2	Place of incorporation or registration	
5.3	Consideration for acquisition or disposal	
5.4	Total net assets	
5.5	Nature of business	

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 26 July 2013
(Director/Company secretary)

Print name: SUSAN HUNTER

+ See chapter 19 for defined terms.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.