

28 October 2010

Completion of Capital Raising – Convertible Notes

Digislide Holdings Limited ("Digislide") advises that it has now completed the second tranche of the two phase capital raising initiative, aimed at funding the Company with additional working capital through to breakeven.

Digislide has agreed terms with two financiers who have provided the Company with \$300,000 by way of subscription to a convertible note issue (Note). Subject to shareholders ratification / approval, the terms for the Note(s) to be issued are as follows:

1. the total face value of the 6 Notes is \$300,000.00, comprising 6 x \$50,000 notes;
2. interest payable on the Note is 15% pa;
3. each Note will be issued with an attaching issue of 300,000 options, exercisable at 25 cents per option with an expiry date of 24 month from date of issue, total 3.0 million options;
4. each Note is convertible into ordinary shares in the capital of Digislide at a conversion rate of 20 cents per ordinary share;
5. the term of the Note(s) is 12 months from date of issue; and
6. if the Note is paid out earlier than the 12mths, interest will then be the greater of either 5% flat or 15%pa.

About Digislide

Digislide is an Australian based company that has developed, and continues to develop globally relevant innovative miniaturised projection technologies with broad applications.

The tactical focus is on targeting products/applications that can be embedded into a range of mobile and/or hand held communication devices, such as mobile phones, PDA's and notebook computers. The technologies have wide patent protection and have already received international acclaim; winning several awards in important international technology arenas.

Further information contact:

Jeff King
Company Secretary
Ph: 08 - 8262 3115