

**ASX/Media Announcement
(ASX: DGI)**

18 January 2011

Response to The Advertiser Newspaper Article

Reference is made to the article appearing in today's edition of the Advertiser advising that a winding-up application for the company had been made by Advanced Technology Solutions Pty Ltd. The company advises that arrangements have already been made to settle the debt and that these arrangements should be concluded within the next few days. The company will notify the market in accordance with its continuous disclosure obligations once the settlement has been completed.

The company continues to focus on the development of its new markets in the USA and the development of other market opportunities in the Asia region.

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:

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