

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

7th March, 2011

Marketing Co-operation Agreement Executed

Digislide Holdings Limited (Digislide) is pleased to announce that it has satisfied the criteria for the execution of a Marketing Co-operation Agreement with Wise Sight Technologies Co Ltd (Wise Sight), Global Licensors of patented Virtual Streaming Distribution Network (VSDN) technologies.



Digislide's wholly owned subsidiary, VSDN Australia Pty Ltd was incorporated on 19th February, 2010, as the vehicle to commercialize the VSDN technologies in Australia and New Zealand. In August a preliminary agreement with Wise Sight was announced (ASX Announcement 10th August, 2010).

The preliminary agreement required Digislide to establish suitable technical facilities and hire appropriate personnel to set up, administer and manage demonstrations of Wise Sight's patented Internet Protocol Television (IPTV) technologies. The Marketing Co-operation Agreement authorizes Digislide to commercialize those technologies.

Mr Kevin Soper, Digislide's founder, has been seconded to VSDN Australia Pty Ltd as Chief Operations Officer, and has led a newly appointed team of software and hardware engineers and a product development officer.

Mr Soper said "A lot of time is being taken translating technical materials from Mandarin to English. We then ensure through trials and tests that the technical data has been interpreted and understood correctly. Finally, translation checks are completed to ensure the technical support resources that will be used in Western markets have been translated properly."

"We've had tremendous support from three well known South Australian entities, which have supplied copyright free, live streaming and video on demand resources."

The **South Australia Tourism Commission** supplied a previously unreleased promotional video spoken and written in Mandarin, to be shown at the Shanghai Telecommunications Expo and for use in future demonstrations.



Concordia College, which had just opened its state-of-the-art media and HD Television studio facility in the Murtoa Building, at the College, supplied HD footage prepared by students under the leadership of Mr David Modra.





Paradise Community Church, a South Australian contemporary church with a congregation of about 6,000 people, which produces TV programs for ACC (Fox), Shine TV (New Zealand), UCB (United Kingdom) and U Channel (Indonesia), also supplied 4 videos for the initial demonstration and ongoing use.

Mr Soper said "These resources, as well as a continuous live stream of the traffic along Cavan Road, have been viewed simultaneously in China, Canada, USA and Australia over the past 3 months without any buffering issues."

Key personnel will be traveling to China later in March for intensive technical training.

It is anticipated that facilities for demonstrations in Canada will be established late in April, with the USA following in 3 or 4 months time, as outlined in the earlier announcements.

The VSDN technologies display equally well across four screens:-

- Television
- Computer
- Tablet
- Mobile phone

And deliver:-

- Virtual Streaming Delivery Network (VSDN)
- Solutions with logical broadcasting network over IP network, application layer IP broadcasting
- Support for IP multi-media broadcasting (WebTV/IPTV) transport without the complex "multi-casting" of IP core
- Transparency on IP core, Digital Home Entertainment equipment
- Savings on IP core bandwidth for WebTV/IPTV
- Minimal CAPEX / OPEX for IPTV/WEBTV

VSDN technologies will generate significant interest amongst governments, telcos, Internet Service Providers, educational institutions, conference facilitators, large corporations, advertisers, security companies, TV broadcasters, convenors of trade shows and exhibitions, media producers and a broad range of content providers.

About Wise Sight Technologies Co Ltd

Wise Sight Technologies are the patent owners of an innovative network video distribution technology, which solves the problem of bandwidth bottleneck caused by large video files. It improves the network usability and the quality of data transmission and decreases the investment cost of network construction (Virtual Streaming Distribution Network technologies).

VSDN is an entire and real-time stream distribution technology, which is located in network layer (IP layer) and which is a total network solution that can be deployed fast without large adjustments to current network infrastructures.



It is low cost and highly efficiency and is capable of distributing thousands of video streams simultaneously to multiple millions of users, and is highly relevant to IPTV.

About IPTV

Internet Protocol television (IPTV) describes a system where a digital television service is delivered to subscribing consumers using the architecture and networking methods of the Internet Protocol Suite over a packet-switched network infrastructure, eg the Internet and broadband Internet access networks, instead of being delivered through traditional radio frequency broadcast, satellite signal, and cable television (CATV) formats.

IPTV services may be classified into three main groups: live television, time-shifted programming, and video on demand. It is distinguished from general Internet-based or web-based multimedia services by its on-going standardization process (eg European Telecommunications Standards Institute) and preferential deployment scenarios in subscriber-based telecommunications networks with high-speed access channels into end-user premises via set-top boxes or other customer-premises equipment.

The official definition approved by the International Telecommunication Union focus group on IPTV (ITU-T FG IPTV) is *"IPTV is defined as multimedia services such as television/video/audio/text/graphics/data delivered over IP based networks managed to provide the required level of quality of service and experience, security, interactivity and reliability."*

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 Associates, 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 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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