

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

15 April 2011

Appendix 3B New Issue Announcement

The Company advises that in addition to the issue of the ordinary shares as noted in Part 1 item 2 of the attached Appendix 3B, a few small adjustments have been made to the actual number of shares on issue, the actual number of escrowed options on issue, and the face value of one convertible note following a detailed reconciliation of prior 3B lodgings with the Company's share registry records and financial accounts.

The number of quoted securities was overstated by 141,303 shares
The number of escrowed shares was understated by 3 shares, and
The face value of a convertible note was overstated by \$60,000.

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

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Digislide Holdings Limited

ABN

75 105 012 066

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | Ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1,666,069 ordinary shares |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Terms of issue are as for existing fully paid ordinary shares |

+ See chapter 19 for defined terms.

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4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Yes				
5 Issue price or consideration	386,303 @ \$0.20037c 450,000 @ \$0.20c 529,766 @ \$0.11125c 300,000 @ \$0.16813c				
6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Settlement of short term loans Conversion of debt				
7 Dates of entering +securities into uncertificated holdings or despatch of certificates	15 April 2011				
8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="703 1733 999 1776">Number</th> <th data-bbox="1010 1733 1291 1776">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="703 1776 999 2002">44,346,705</td> <td data-bbox="1010 1776 1291 2002">Ordinary shares</td> </tr> </tbody> </table>	Number	+Class	44,346,705	Ordinary shares
Number	+Class				
44,346,705	Ordinary shares				

+ See chapter 19 for defined terms.

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the securities in clause 2 if applicable)	16,784,187	Ord shares (escrowed until 24 Aug 2011)
		100,000	Options: exercisable at \$1.00 expiry 1 May 2017
		350,000	Options: exercisable at \$1.00 expiry 24 Aug 2014 (escrowed until Aug 2011)
		3,500,000	Options: exercisable at \$1.25 expiry 24 Aug 2014 (escrowed until 24 Aug 2011)
		2,500,000	Options: exercisable at \$1.25 expiry 24 Aug 2013 (escrowed until 24 Aug 2011)
		\$160,000	Convertible note: issued on 9 Dec 2008; maturing on 25 Aug 2011 at \$0.75 per share (escrowed until 24 Aug 2011)
		\$40,000	Convertible note: issued on 4 Aug 2009; maturing on 25 Aug 2011 conversion at \$1.25 per share (escrowed until 24 Aug 2011)
		\$200,000	Convertible note: issued on 4 Aug 2009; maturing on 25 Aug 2011 conversion at \$1.25 per share (escrowed until 4 Aug 2011)

⁺ See chapter 19 for defined terms.

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	\$33,000	Convertible note issued 4 Aug 2009 maturing on 25 Aug 2011 conversion at \$1.25 per share
	\$100,000	Convertible note: issued on 6 Aug 2009; maturing on 25 Aug 2011 conversion factor - \$1.25 per share (escrowed until 6 Aug 2011)
	2,500,000	Convertible Note: issued on 24 Sept 2010 maturing 24 Sept 2011 at a conversion price of \$0.20 per share.
	3,000,000	Options: exercisable at \$0.25 expiry 24 Sept 2012 24mths from issue.
	513,000	Options: exercisable at \$0.16022, expiry date in compliance with the terms of the ESOP
	1,500,000	Convertible Note: issued on 15 Oct 2010 maturing 15 Oct 2011 at a conversion price of \$0.20 per share.
	1,800,000	Options: exercisable at \$0.25 expiry 15 Oct 2012 24mths from issue.
	750,000	Convertible Note: issued on 9 Dec 2010 maturing 9 Dec 2011 at a conversion price of \$0.20 per share.
+ See chapter 19 for defined terms.		
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	900,000	Options: exercisable at \$0.25 expiry 15 Oct 2012 24mths from issue.
	400,000	Options: exercisable at \$0.16022, expiry date in compliance with the terms of the ESOP
	450,000	Options: exercisable at \$0.25, expiry date 24 months 30 Nov 2012.
	106,366	Options: exercisable at \$0.17685 expiry 36 months 11 March 2014
	115,385	Options: exercisable at \$0.13509 expiry 36 months 18 March 2014
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	
	Identical to the current policy	

Part 2 - Bonus issue or pro rata issue

- | | | |
|----|--|--|
| 11 | Is security holder approval required? | |
| 12 | Is the issue renounceable or non-renounceable? | |
| 13 | Ratio in which the ⁺ securities will be offered | |
| 14 | ⁺ Class of ⁺ securities to which the offer relates | |
| 15 | ⁺ Record date to determine entitlements | |

⁺ See chapter 19 for defined terms.

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New issue announcement

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|----|---|--|
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |
| 18 | Names of countries in which the entity has +security holders who will not be sent new issue documents

<small>Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.</small> | |
| 19 | Closing date for receipt of acceptances or renunciations | |
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders | |
| 25 | If the issue is contingent on +security holders' approval, the date of the meeting | |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | |

+ See chapter 19 for defined terms.

27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	
33	+Despatch date	

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

+ See chapter 19 for defined terms.

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New issue announcement

Tick to indicate you are providing the information or documents

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
- 1 - 1,000
 - 1,001 - 5,000
 - 5,001 - 10,000
 - 10,001 - 100,000
 - 100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of securities for which +quotation is sought
- 39 Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?
- If the additional securities do not rank equally, please state:
- the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
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+ See chapter 19 for defined terms.

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

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42 Number and ⁺class of all ⁺securities quoted on ASX (including the securities in clause 38)

Number	⁺ Class
44,346,705	Ordinary shares

⁺ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:


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(Company Secretary)

Date: 14 APRIL 2011

Print name:Jeff King.....

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+ See chapter 19 for defined terms.