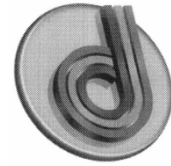


DGI HOLDINGS LTD

(Subject to Deed of Company Arrangement)
Level 4 The Read Buildings
16 Milligan Street
Perth WA 6000
Tel +61-8-93214000
ACN 105 012 066



3 September 2012

Shannon Hong
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Shannon,

Clarification of Director Interests

We refer to your letter dated 30 August 2012 regarding the lodgement of:

- Appendix 3Z's for the outgoing directors of DGI Holdings Limited (**Company**) (Malcolm Frederick Leahy, Leon William Milford and Hedley Grant Pearson Chapman who resigned on 8 March 2012 and Luceille Annettee Outhred who resigned on 21 August 2012); and
- Appendix 3X's for the incoming directors of the Company (Roger Steinepreis and George Ventouras) who were appointed directors of the Company on 3 July 2012,

(together the **Appendices**) and respond as follows:

1. As you are aware, the Company is currently in administration and its securities are suspended from trading on the Australian Stock Exchange. The Company is in the process of completing a recapitalisation with the aim of the Company's securities being readmitted to trading on ASX. As part of the recapitalisation of the Company the board of directors were replaced. Through a lack of communication between the administrators and the incoming board as well as an inadvertent oversight during this period, the Appendices were not lodged when they should have been.

We note that the Company's shares have been suspended from trading throughout the entire period since the Appendices were to be lodged and that Appendix 3Zs for the directors who resigned are attached to this letter. Appendix 3Xs for each of the incoming directors were released to the market on 30 August 2012.

2. The Deed of Company Arrangement is expected to be fully effectuated and the administration of the Company completed shortly. In any event, the Company is now being controlled by the current board of directors and company secretary and will soon adopt a new and updated Corporate Governance Plan to ensure that it complies with Chapter 3 of the ASX Listing Rules moving forward.
3. Given the above, the Company does not believe that additional steps are necessary to comply with the ASX Listing Rule 3.19B.

Yours faithfully,

George Ventouras
Director



ASX Compliance
ABN 26 087 780 489
20 Bridge Street
Sydney NSW 2000
PO Box H224
Australia Square
NSW 1215

Telephone 61 2 9227 0132
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30 August 2012

Mr. George Ventouras
Director
Digislide Holdings Limited
Level 4 the Read Buildings
16 Milligan Street
Perth WA 6000

By Email

Dear Mr. Ventouras,

Digislide Holdings Limited (the "Company")

We refer to the following;

1. Announcements lodged with ASX Limited ("ASX"):
 - a. On 24 August 2012 confirming the resignation of Company's director, Luceille Annettee Outhred effective on 21 August 2012.
 - b. On 27 March 2012 confirming the resignation of the Company's directors, Malcolm Frederick Leahy, Leon William Milford and Hedley Grant Pearson Chapman effective on 8 March 2012.
2. Listing rule 3.19A which requires an entity to tell ASX the following:
 - 3.19A.1 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.
 - On the date that the entity is admitted to the official list.
 - On the date that a director is appointed.The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity's admission or a director's appointment.
 - 3.19A.2 A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust). The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.
 - 3.19A.3 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.
3. Listing rule 3.19B which states as follows.

An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19A. The entity must enforce the arrangements with the director.

4. The Companies Update dated 27 June 2008, reminding listed entities of their obligation to notify ASX within 5 business days of the notifiable interests in securities held by each director and outlining the action that ASX would take in relation to breaches of listings rules 3.19A and 3.19B.

The announcement made by the joint deed administrator of the Company on 24 August 2012 indicates that Luceille Annette Outhred resigned as Company director effective on 21 August 2012. It appears that an Appendix 3Z should have been lodged with ASX by 28 August 2012.

Similarly, the announcement made by the joint administrator of the Company on 27 March 2012 indicates that Malcolm Frederick Leahy, Leon William Milford and Hedley Grant Pearson Chapman resigned as Company directors effective on 8 March 2012. The Appendices 3Z should have been lodged with ASX on 16 March 2012.

Consequently, the Company may be in breach of listing rules 3.19A and/or 3.19B. It also appears the directors concerned may have breached section 205G of the Corporations Act. Please note that ASX is required to record details of breaches of the listing rules by listed companies for its reporting requirements.

ASX reminds the Company of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Company make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: "Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities", we ask that you answer each of the following questions .

1. Please explain why the Appendix was lodged late.
2. What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail at Shannon.Hong@asx.com.au or by facsimile on facsimile number (02) 9241 7620. It should not be sent to the Company Announcements Office.

A response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (ie before 9.30 a.m. A.E.S.T.) on Tuesday, 4 September 2012.

Yours sincerely,

Shannon Hong

Adviser, Listings