

May 30, 2012



# **Mandalay Digital Group, Inc. Receives Consent from Majority of Stockholders to Effectively Conclude Corporate Restructuring Efforts**

## **Company Intends to File Application to List on National Securities Exchange in Next 60 Days**

LOS ANGELES, May 30, 2012 /PRNewswire/ -- Mandalay Digital Group, Inc. (OTC Markets: MNDL), a leading global mobile data services provider, today announced that on May 23, 2012, the Company received the written consent from stockholders holding a majority of its outstanding common stock to effectuate certain corporate actions in order to rapidly continue its progress on its strategic plan for growth, expansion, and leadership in the mobile content distribution space.

On May 23, 2012, the Company received the written consent from stockholders holding a majority of its outstanding common stock to permit - but not require - the Board of Directors of the Company to amend its Amended and Restated Certificate of Incorporation to effect a reverse stock split of the Company's common stock at any time prior to April 26, 2013, by a ratio of not less than one-for-two (1:2) and not more than one-for-ten (1:10), as determined by the Board of Directors and to increase the number of authorized shares of the Company's capital stock to 202,000,000 shares of stock, of which 200,000,000 shares would be common stock and 2,000,000 shares would be preferred stock. In addition, such stockholders, pursuant to the written consent, also approved the Company's Amended and Restated 2011 Equity Incentive Plan of the Company, and related forms of Equity Incentive Plan Notice of Grant Restricted Stock Agreement, and Notice of Grant and Stock Option Agreement.

"We're very happy to see the continued support of our shareholders for our vision and our strategy to be the leader in the mobile content distribution space," commented Peter Adderton, Chief Executive Officer of Mandalay Digital Group. "Thus far in 2012, Mandalay Digital has made substantial progress in positioning itself for success in this effort. In January, Neumedia, Inc. acquired Digital Turbine LLC, and I came on board as CEO, and in February, we became the Mandalay Digital Group. At the same time, we strengthened our balance sheet with a \$13 million financing, including the conversion of \$3 million of debt into equity, and today we have more than \$8 million in cash on hand. In May, we signed a letter of intent to acquire the mobile assets of the Logia Group to complement our core Digital Turbine platform, and we added Chris Rogers, the Co-Founder of Nextel Communications, Inc. (now Sprint Nextel Corporation), to our Board of Directors. We believe we now have the

capital structure, assets, and personnel in place to grow the company in order to meet the requirements for a listing on a national securities exchange, and we intend to file for such within the next 60 days."

Earlier this month on May 16, Mandalay Digital, Inc. received notice of decision from the Financial Industry Regulatory Authority (FINRA) that the Company's securities are not eligible for continued quotation on the OTC Bulletin Board (OTC BB) and would be removed from the OTC BB. Mandalay Digital's common stock is currently traded in other OTC Markets ([www.otcm Markets.com](http://www.otcm Markets.com)), under the same ticker symbol (MNDL).

### **About Mandalay Digital Group**

Mandalay Digital Group is at the convergence of internet media content and mobile communications. It delivers a mobile services platform that works with mobile operators and third-party publishers to provide portal management, user interface, content development and billing technology that enables the responsible distribution of mobile entertainment. Mandalay Digital is headquartered in Los Angeles and has offices in Europe and Latin America to support global sales and marketing. For additional information, visit [www.mandalaydigital.com](http://www.mandalaydigital.com).

### **Forward Looking Statement**

Statements in this news release concerning listing on a national securities exchange, future results from operations, financial position, economic conditions, product releases and any other statement that may be construed as a prediction of future performance or events are forward-looking statements which involve known and unknown risks, uncertainties and other factors which may cause actual results to differ materially from those expressed or implied by such statements. These factors include uncertainties as to levels of orders, ability to record revenues, release schedules, market acceptance of new products, changes in economic conditions and market demand, pricing and other activities by competitors, and other risks including those described from time to time in the Company's filings on Forms 10K and 10Q with the Securities and Exchange Commission (SEC), press releases and other communications.

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