

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

Current Report
Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934
Date of report (Date of earliest event reported): April 12, 2013

Mandalay Digital Group, Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

000-10039
Commission File Number

22-2267658
(IRS Employer
Identification No.)

4751 Wilshire Boulevard, Third Floor
Los Angeles, CA
(Address of Principal Executive Offices)

90010
(Zip Code)

Registrant's telephone number, including area code: (805) 690-4500

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into a Material Definitive Agreement.

On April 12, 2013, Mandalay Digital Group, Inc. (the "Company"), through its indirect wholly owned subsidiary organized under the laws of Australia, Digital Turbine Australia Pty Ltd ("DT Australia"), acquired all of the issued and outstanding stock of Mirror Image International Holdings Pty Ltd ("MIAH"). MIAH owns direct or indirect subsidiaries Mirror Image Access (Australia) Pty Ltd (MIA), MIA Technology Australia Pty Ltd (MIATA) and MIA Technology IP Pty Ltd (together the MIAH, the "MIA Group").

The acquisition was effected pursuant to a Stock Purchase Agreement dated April 12, 2013. The aggregate purchase price was AUD\$7,000,000, subject to certain adjustments as set forth in the Stock Purchase Agreement. The adjustments relate to payments on behalf of the sellers of a selling agent's commission, payment of the seller's agreed portion of representation and warranty insurance premiums and payments made to 3 employees to cancel their rights to acquire shares in MIAH. The purchase price was comprised of (i) cash in the amount of AUD\$1,220,000, (ii) 5,055,822 shares of common stock of the Company with an aggregate value of AUD\$3,500,000, at an effective price per share of U.S.\$0.73, and (iii) a promissory note issued by DT Australia in the principal amount of AUD\$2,280,000 (the "DT Australia Note").

The source of funds used in the acquisition includes \$1,000,000 invested by Peter Guber (through Guber Family Trust) and Robert Ellin (through Trinad Capital Master Fund). Mr. Guber and Mr. Ellin are affiliates of the Company through board membership and stockholdings.

The common stock issued as part of the purchase price is subject to lock-up for twelve months following the closing (except for AUD\$250,000 of the common stock).

The DT Australia Note is payable to a nominee of the sellers, Zingo (Aust) Pty Ltd, bears interest at the rate of 6%, compounded monthly, matures 90 days from closing, and is secured by a pledge of the shares of MIAH and MIATA. The DT Australia Note is subject to early maturity if the Company raises additional capital in excess of the amount required to retire the note. At the election of the holders of the DT Australia Note, all or part of the principal and accrued interest may be redeemed for common stock of the Company at a price of USD \$0.73 per share converted to Australian dollars using the exchange rate applicable as of the date of conversion.

Payment of the DT Australia Note is also guaranteed by an unsecured guaranty of the Company. Under an Inter-Creditor Agreement between the sellers and the senior secured creditors of the Company, the parties have agreed that the pledge of the MIAH and MIATA stock in favor of the sellers shall be a first priority lien, and that the sellers may seek to enforce both the pledge of the stock of MIAH and MIATA and the guarantee but cannot collect more than the outstanding amounts due under the DT Australia Note.

The Company intends to retire the DT Australia Note through capital raised in one or more financing transactions, however, there is no assurance the Company will be successful in raising the capital necessary to retire the DT Australia Note in a timely matter, on acceptable terms or at all.

The Stock Purchase Agreement contains various customary representations and warranties in favor of the Company. Except in the case of fraud, the Company's recourse for breach of the representations and warranties is limited to recovery under a policy of representation and warranty insurance issued by HCC International. The premium cost of the policy including brokerage fees, taxes and expenses was AUD\$110,000, AUD\$80,000 of which was paid by sellers and the balance by the Company. The policy will be for 100% of the purchase consideration. Claims may be made for most representations and warranties for a period of 18 months from closing, 27 months with respect to claims related to intellectual property, and six years with respect to taxes. Claims must be for at least \$25,000 and there must be at least \$100,000 of claims before the insurer is liable.

The transaction documents are subject to New South Wales, Australia law and exclusive jurisdiction of the courts of New South Wales. The Inter-Creditor Agreement is governed by New South Wales law (and subject to the jurisdiction of its courts) except to the extent that any action required under the senior secured credit documents will be governed by the laws of California.

All of the stock of the Company will be issued in a private offering under Section 4(2) of the Securities Act of 1933 or Regulation D or Regulation S thereunder. In addition, all of the stock of the Company that is issued (except for AUD\$250,000 of the common stock) will be subject to a Registration Rights Agreement that provides, subject to certain conditions, for three years, piggy back rights and inclusion on the Company's currently pending registration statement.

The foregoing description of the Stock Purchase Agreement, DT Australia Note, Inter-Creditor Agreement and Registration Rights Agreement does not purport to be complete and is qualified in its entirety by reference to such agreements, copies of which shall be filed by amendment to this report and, when filed, shall be incorporated into this Item 1.01 by reference.

On April 12, 2013, we issued a press release announcing the entry into the Stock Purchase Agreement. A copy of the press release is appended hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 2.01 Completion of Acquisition or Disposition of Assets.

The information in Item 1.01 above is incorporated herein by reference.

Item 3.02 Unregistered Sales of Equity Securities

The information in Item 1.01 above is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

The financial statements and pro-forma financial information required by Item 9.01 are not included in this report but will be filed by amendment not later than 71 calendar days after the date that the initial report on Form 8-K related to the transaction described in Item 2.01 must be filed.

99.1 The press release noted in Item 1.01 is filed as an exhibit hereto.

Other exhibits required to be filed by this item will be filed by amendment prior to the due date of this report.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Mandalay Digital Group, Inc.

Dated: April 12, 2013

By: /s/ Peter Adderton
Peter Adderton
Chief Executive Officer

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release regarding mia transaction, issued April 12, 2013.

Mandalay Digital Group Completes Acquisition of mia in Asia Pacific

Acquisition Will Enhance Revenue and Cash Flow

Expands Distribution Channel for Digital Turbine and Enhances Content Offerings and Services

LOS ANGELES – April 12 – Mandalay Digital Group, Inc. (OTC Markets: MNDL) today announced it has closed the acquisition of mia, a leading mobile solutions provider based in Australia. mia has extensive content licenses with major brands, a proprietary content management system and billing integration. Its customers include tier-1 operators such as Vodafone Hutchison Australia, SingTel Optus and Telstra.

“Our acquisition of mia enables us to expand the Digital Turbine footprint into the Asia Pacific region while also allowing us to leverage key synergies between the companies including distribution channels, content, product offerings, services and personnel,” stated Peter Adderton, chief executive officer of Mandalay Digital Group. “mia is a proven company with an established and profitable business model that we expect to add approximately \$13 million to Mandalay Digital Group revenues over the next 12 months and enhance our cash flow profile. The acquisition is another example of Mandalay’s strategy of acquiring companies that add both immediate financial growth and further our strategic initiative of creating the preeminent content management platform for OEM, carrier and media partners across the globe.”

The Digital Turbine technology platform allows media companies, mobile carriers and their OEM handset partners to take advantage of multiple mobile operating systems across multiple networks, while maintaining their own branding and personalized, one-to-one relationships with each end-user.

Please see the Current Report on Form 8-K we previously filed today for material information about the purchase consideration, financing terms and other material aspects of the mia transaction. Such Current Report can be accessed through the SEC’s website at www.sec.gov.

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, Israel and Latin America to support global sales and marketing. For additional information, visit www.mandalaydigital.com.

About mia Founded in 2003, mia enables experiences on connected devices by enabling the delivery of content and applications to multiple devices, across any network, in any format. mia’s Sphere platform enables carriers, media companies and brands to work together, providing the best user experience and lowering the cost of delivery. Today mia facilitates more than 800 live services including being the second largest digital music retailer in Australia. For additional information, visit <http://www.mia.com.au/>.

Forward Looking Statement

Statements in this news release concerning 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. When used in this news release, the words “anticipate,” “believe,” “estimate,” “expect”, “will”, “seeks”, “should”, “could”, “would”, “may” and similar expressions, are intended to identify such forward-looking statements.

Our actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements as a result of a variety of factors, such as; changes in international regulatory and compliance requirements that could restrict our ability to develop, market and sell our products; social, political or economic instability or recessions; diminished protection of intellectual property in some countries outside of the United States; difficulty in hiring, staffing and managing qualified and proficient local employees and advisors to run international operations; the difficulty of managing and operating an international enterprise, including difficulties in maintaining effective communications with employees and customers due to distance, language and cultural barriers; differing labor regulations and business practices; higher operating costs due to local laws or regulations; fluctuations in foreign economies and currency exchange rates; difficulty in enforcing agreements; the potential impairment of tangible assets, intangible assets and goodwill acquired in acquisitions; and potentially negative consequences from changes in or interpretations of tax laws, post-acquisition. Other factors include uncertainties as to ability to raise new capital on acceptable terms or at all, ability to identify and consummate roll-up acquisitions targets, levels of orders, ability to record revenues, release schedules, finalization and 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 Mandalay Digital Group’s filings on Forms 10-K and 10-Q with the Securities and Exchange Commission (SEC), press releases and other communications.

Any of these factors may, individually or as a group, have a material adverse effect on our business and results of operations.

We do not undertake any obligation to update any forward-looking statements. Accordingly, investors should use caution in relying on past forward-looking statements, which are based on known results and trends at the time they are made, to anticipate future results or trends.
