

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): July 11, 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.)

2811 Cahuenga Blvd West
Los Angeles, CA
(Address of Principal Executive Offices)

90068
(Zip Code)

Registrant's telephone number, including area code: (323) 472-5461

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.

As previously reported in our Current Report on Form 8-K filed on April 12, 2013, on such date Mandalay Digital Group, Inc. (the "Company"), through its indirect, wholly-owned subsidiary, Digital Turbine Australia Pty Ltd ("DT Australia"), acquired all of the issued and outstanding stock of Mirror Image International Holdings Pty Ltd and subsidiaries thereof (the "MIA Transaction"). Pursuant to the terms of the MIA Transaction, a portion of the purchase price was comprised of a promissory note issued by DT Australia, payable to a nominee of the sellers, Zingo (Aust) Pty Ltd, in the principal amount of AUD\$2,280,000 (the "DT Australia Note").

On July 11, 2013, the parties to the DT Australia Note entered into an Amendment No. 1 to the DT Australia Note (the "Amendment") the material terms of which are as follows: (1) the Company repaid AUD\$280,000 of principal and AUD\$34,200 of interest under the DT Australia Note; (2) the parties amended the maturity date for the payment of the remaining AUD\$2,000,000 of principal from 90 to 150 days from the date of entry into the DT Australia Note; (3) the Company issued 59,964 shares of the Company's common stock (the "New Common Stock") to the noteholders or their appointees as consideration for the extension of the maturity date; (4) the Company agreed to file a resale registration statement on Form S-1 or S-3 with the Securities and Exchange Commission covering the New Common Stock prior to August 31, 2013, otherwise the Company agrees to repurchase the New Common Stock at a price equal to the closing price of the New Common Stock on the date of issuance thereof; and (5) the Company agreed in the event that, prior to the maturity date, the Company enters into an equity financing pursuant to which shares of the Company's common stock are issued at a price less than the MIA Transaction issue price, then the Company will issue to the noteholders additional shares of Company's common stock in order to compensate for any differential in value (for shares issued in the MIA Transaction as well as pursuant to the Amendment), subject to a share cap in order to ensure compliance with the Nasdaq shareholder approval regulations. The parties agreed upon certain points clarifying their intent in the Amendment in an e-mail acknowledgement effective as of the date of the Amendment, which such acknowledgement is attached to this Current Report on Form 8-K as Exhibit 10.2.

Other than as amended by the Amendment and the acknowledgement, all other terms under the stock purchase agreement and other documents comprising the MIA Transaction remain in full force and effect, without modification.

The New Common Stock will be issued in a private offering under Section 4(2) of the Securities Act of 1933 or Regulation D or Regulation S thereunder.

The foregoing description of the Amendment and the acknowledgement do not purport to be complete and are qualified in their entirety by reference to the Amendment and the acknowledgement, copies of which are appended hereto as Exhibit 10.1 and Exhibit 10.2 and are incorporated herein by reference.

Item 3.02 Unregistered Sales of Equity Securities.

Although the shares issued under the Amendment constitute less than five percent of the Company's outstanding shares, the information set forth in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference for added certainty.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

- 10.1 Amendment No. 1 to the Convertible Note Deed, dated July 11, 2013, by and between DT Australia, the Company and Zingo (Aust) Pty Ltd.
 - 10.2 E-mail acknowledgement, effective as of July 11, 2013 regarding the Amendment.
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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: July 17, 2013

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

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
10.1	Amendment No. 1 to the Convertible Note Deed, dated July 11, 2013, by and between DT Australia, the Company and Zingo (Aust) Pty Ltd.
10.2	E-mail acknowledgement, effective as of July 11, 2013 regarding the Amendment.

**AMENDMENT NO. 1
TO THE
CONVERTIBLE NOTE DEED
BY AND BETWEEN
DIGITAL TURBINE AUSTRALIA PTY LTD, MANDALAY DIGITAL GROUP, INC.
AND ZINGO (AUST) PTY LTD**

This Amendment No. 1 (the "Amendment") is dated and effective July 11, 2013 (the "Effective Date") and is by and between Digital Turbine Australia Pty. Ltd. ("Digital"), Mandalay Digital Group, Inc. ("Mandalay") and Zingo (Aust) Pty Ltd. ("Zingo").

WHEREAS, Digital, Mandalay and Zingo (each a "Party" and collectively, the "Parties") are all Parties to that certain Convertible Note Deed, dated April 12, 2013 (the "Agreement"), entered into in connection with that certain Share Sale Agreement, dated April 12, 2013 among Digital, Digital Turbine, Inc., Mandalay, certain Vendors listed therein and certain Coventors listed therein (as such terms are defined such agreement) (the "Share Sale Agreement"); and

WHEREAS, the Parties desire to modify the terms and conditions of the Agreement.

Notwithstanding anything to the contrary contained in the Agreement, and in consideration of the mutual promises, covenants and conditions contained in the Agreement and herein the Parties hereby covenant and agree to the foregoing and as follows:

- 1) Capitalized Terms. Capitalized terms herein will have the meanings identified in the Agreement unless otherwise defined in this Amendment.
- 2) Repayment of Principal and Interest. Concurrent with the entry of the Parties into this Amendment, Mandalay shall repay the sum of AUD\$280,000 of Face Value borrowed under the Agreement and shall pay the sum of AUD\$34,200 representing all outstanding Interest due and accrued under the Agreement as of the Effective Date, to Zingo, or as Zingo directs in writing prior to the Effective Date, in cash. The Parties agree that the sum of AUD\$2,000,000 of Face Value shall remain outstanding under the Agreement following Effective Date.
- 3) Amendment of Maturity Date. The term "Maturity Date" as it is defined in clause 1.1 of the Agreement is hereby amended as set forth below.

"Maturity Date means 150 days from the date of this Deed unless that date is not a Business Day in which case the previous Business Day."

- 4) Issuance of Common Stock. Concurrent with the entry of the Parties into this Amendment, Mandalay must issue to each of the following parties (each a "New Stockholder") that number of shares¹ of common stock, par value \$0.0001 per share of Mandalay set out next to that New Stockholders' name in column 4 of the following table (the "New Common Stock"):

<u>Party</u>	<u>Address</u>	<u>Relevant percentage</u>	<u>New Common Stock</u>
Mirror Image Media Group Pty Limited ACN 094 064 070		15.476	9,280
RHP Interests Pty Ltd ACN Eleven Eleven Holdings Pty Limited ACN		15.476	9,280

¹ Calculated as AUD\$240,000 x 0.9119 (exchange rate as of 7/8/13) = \$218,856 / \$3.65 = 59,961 shares (rounded to nearest share to adjust for fractional shares).

M4H Pty Limited ACN 113 217 020	15.476	9,280
Tricky Pty Ltd ACN	15.476	9,280
Zingo (Aust) Pty Ltd ACN	15.476	9,280
Kirstie Brown	2.209	1,325
Connelly Superannuation Pty Ltd ACN 137 554 388 (nominee of Garry Connelly)	2.209	1,325
Timothy McKnight	2.725	1,634
Aggregate New Common Stock	1.000	59,964

5) Registration Rights.

- a) S-1 or S-3 Filing. Mandalay shall use its commercially reasonable efforts to file a Form S-1 or S-3 under the Securities Act of 1933 (the “Act”) prior to August 31, 2013 (the “Outside Filing Date”) for the purpose of registering the New Common Stock with the U.S. Securities and Exchange Commission (the “SEC”).
- b) Repurchase Right Upon Failure to File Form S-1. Upon the occurrence of the Form S-1 or Form S-3 not being filed with the SEC on or prior to the Outside Filing Date, Zingo shall have the right on behalf of each New Stockholder for a period of thirty (30) days, by written notice to Mandalay, to require Mandalay to repurchase any or all of the New Common Stock on the repurchase date that is five business days after the date of delivery of such notice to Mandalay at a price equal to the closing price of the New Common Stock on the NASDAQ Capital Markets Exchange on the date of issuance.
- 6) Below Transaction Price Equity Financing. In the event that, prior to the Maturity Date, as amended by this Amendment, Mandalay issues shares of common stock to any third party in an equity financing entered into primarily for the purpose of raising capital (a “Subsequent Equity Financing”), at a price less than US\$3.65 per share (the “Offered Price”), then Mandalay must within ten (10) business days of closing the Subsequent Equity Financing issue to each New Stockholder, for no consideration, that number of shares of Mandalay’s common stock (or, in Mandalay’s discretion, the cash equivalent thereof) calculated in accordance with the following formula:

$$N = RP \times (A \times B)$$

Where N= the number of shares to be issued to each New Stockholder under this clause 6);

RP = the relevant percentage of each New Stockholder as set out in column 3 of the table in clause 4);

A = the difference of US\$3.65 minus the Offered Price; and

B = the aggregate number of shares of New Common Stock plus the aggregate of the shares of Mandalay's common stock issued pursuant to Section 2.1(b)(iii) of the Share Sale Agreement and pursuant to Section 3.2(a)(ii) of that certain Cancellation Deed between the Entitlement Holders, MIH, Mandalay and Zingo, dated April 12, 2013 (as adjusted for any splits, reverse splits, recombination or reclassification of securities that occurred following the completion date under the Share Sale Agreement);

- 7) No Other Changes. Unless otherwise modified in this Amendment, all other terms of the Agreement and the Exhibits and Schedules thereto are not terminated or waived by this Amendment and shall remain in full force and effect without modification.
- 8) Warranties. Digital and Mandalay each represent and warranty that each of the warranties set out in clause 3.1 of the Agreement (with any necessary amendments for context) is true and accurate on the date of this Deed.
- 9) Application of provisions in the Agreement. Clauses 1, 3.1, 5, 6 and 7 of the Agreement apply as if set out in full in this Deed with any necessary amendments for context.

[SIGNATURE PAGE FOLLOWS]

Executed as a deed and delivered on the Effective Date

SIGNED, SEALED and DELIVERED by
DIGITAL TURBINE AUSTRALIA PTY LTD
ACN 163 117 253 in accordance with section 127 of
the *Corporations Act 2001* (Cth):

/s/ Andrew Schleimer
Signature of director

Andrew Schleimer
Name (print)

SIGNED, SEALED and DELIVERED by
MANDALAY DIGITAL GROUP INC. by:

/s/ Peter Adderton
Signature of authorized person

Peter Adderton
Name / capacity (print)

SIGNED, SEALED and DELIVERED by **ZINGO**
(AUST) PTY LTD ACN 114 185 269 in accordance
with section 127 of the *Corporations Act 2001* (Cth):

/s/ Jonathan Mooney
Signature of director

Jonathan Mooney
Name (print)

/s/ Lisa Lucero
Signature of director/secretary
(Please delete as applicable)

Lisa Lucero
Name (print)

/s/ Georgina Mooney
Signature of director/secretary
(Please delete as applicable)

Georgina Mooney
Name (print)

From: Jon Mooney <Jon.Mooney@mia.com.au>

Date: July 16, 2013, 8:06:27 PM EDT

To: "p.adderton@mandalaydigital.com" <p.adderton@mandalaydigital.com>, Andrew Schleimer <aschleimer@trinadcapital.com>

Cc: "andrew.kitchen@imadlak.com" <andrew.kitchen@imadlak.com>

Subject: Email confirmation re Amendment #1 to Convertible Note Deed

Peter & Andrew,

For added clarity, this email confirms our agreement, as of July 11, 2013, that notwithstanding anything to the contrary in Amendment No. 1, dated and effective July 11, 2013, by and between Digital Turbine Australia Pty. Ltd, Zingo (Aust) Pty and Mandalay Digital Group, Inc. (the "Company"), under no circumstances will the Amendment obligate the Company to issue any shares to the extent that as a result thereof more than 19.99% of the common stock or voting power outstanding immediately before the enactment of Amendment 1 are (a) issued in the aggregate pursuant to Amendment 1 or the transactions contemplated thereby or (b) owned by any New Stockholder (or any affiliate thereof, or any group of such New Stockholder and their affiliates).

In addition, Zingo (Aust) Pty. agrees and acknowledges that the Formula in Section 6 of the Amendment No. 1 is as follows:

$$N = RP \times (A \times B) / OP$$

Whereby "OP" means the Offered Price as such term is defined in the Amendment No. 1.

Regards,

Jon Mooney

For and behalf of Zingo (Aust) Pty Ltd

IRS CIRCULAR 230 DISCLOSURE: To comply with requirements imposed by the Department of the Treasury, we inform you that any U.S. tax advice contained in this communication (including any attachments) is not intended or written by the practitioner to be used, and that it cannot be used by any taxpayer, for the purpose of (i) avoiding penalties that may be imposed on the taxpayer, and (ii) supporting the promotion or marketing of any transactions or matters addressed herein. For information about this legend, go to <http://www.manatt.com/Expertise.aspx?id=4870>
