



5 January 2018

The Manager
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Dear Sirs,

New Convertible Notes of \$4.5m

Audio Pixels Holdings Limited (AKP:ASX)(OTC:ADPXY) Nasdaq International Designation advises that it has raised a further \$4.5m by way of new Convertible Notes on the same terms and conditions of the exiting \$3m convertible notes apart from a conversion price of \$16.71 based on the previous five day volume weighted average price of AKP on the ASX at the date of the agreements, being 29 December 2017.

These new Convertible Notes also attract an interest rate of 8% per annum and expire on 31 December 2018.

In addition, 4F Investments Pty Limited, a company controlled by the Chairman, Mr Fred Bart has agreed to take up \$500,000 of the Convertible Notes on the same terms and conditions as the above \$4.5m of Convertible Notes, subject to shareholder approval at the next general meeting.

The \$4.5m of Convertible Notes have been taken up by sophisticated investors who are already significant shareholders in the Company.

Yours faithfully,

Ian Dennis
Director



About Audio Pixels Holdings Limited

Audio Pixels Limited, founded in 2006, is a wholly owned subsidiary of Audio Pixels Holdings Limited, listed in Australia under the stock code of AKP (ADR's on NASDAQ International under the code ADPXY). Backed by exceptional multidisciplinary scientific research, design, and production capabilities, Audio Pixels has become a world leader in digital loudspeaker technologies. Audio Pixels' patented technologies employ entirely new techniques to generate sound waves directly from a digital audio stream using micro-electromechanical structures (MEMS). Its revolutionary technological platform for reproducing sound enables the production of an entirely new generation of speakers that will exceed the performance specifications and design demands of the world's top consumer electronics manufacturers. For more information, visit www.audiopixels.com.au/.

Forward-looking statements

This release may contain certain forward-looking statements with respect to the financial condition, results of operations and business of AKP and certain of the plans and objectives of AKP with respect to these items. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.