



ASX PRESS RELEASE

26 October 2016

BrainChip raises A\$5.355m through an Oversubscribed Placement

Highlights

- **Company receives strong support from institutional investors which is in line with the Company's strategy of expanding its shareholder base.**
- **Funds raised will be used to expand sales and marketing teams.**

BrainChip Holdings Ltd ("BrainChip" or the "Company") (ASX:BRN), a leading provider of software and hardware accelerated solutions for Advanced Artificial Intelligence and Machine Learning applications, is pleased to announce that it has successfully raised A\$5.355m through an oversubscribed placement to institutional and sophisticated investors.

The placement, which was initially expected to raise between A\$3m and A\$4m, was priced at A\$0.18 per share. This price reflected a 25% discount to the 30-day volume weighted average price (VWAP). The price was at a 20% premium to the Company's last capital raise.

This placement provides management the resources necessary to recruit top-tier sales and marketing talent and drive revenue growth. As the Company accelerates commercial deployment of its solutions in Civil Surveillance, Gaming, Facial Recognition and Visual Inspection it is essential to have highly skilled sales, marketing and application engineers engaged with customers.

"The BrainChip story resonates well with the investment community and we have received great support from institutional and sophisticated investors in this placement," said BrainChip's Chief Executive Officer, Louis DiNardo.

"This capital raise gives us the resources necessary to build a world-class sales and marketing team and further new product development. We are pleased to welcome a key group of shareholders to our register who are long-term supporters of the Company."



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Substantial shareholder Metals X Limited has shown its support in BrainChip by subscribing to the placement to maintain its current equity position.

The Shares issued under the Placement will be issued pursuant to the Company's 15% placement capacity under Listing Rule 7.1. An Appendix 3B and a Cleansing Notice will be lodged with the ASX following the issue of the securities.

END

About BrainChip Holdings Ltd (ASX:BRN)

BrainChip Holdings Ltd, is a leading provider of software and hardware accelerated solutions for Advanced Artificial Intelligence and Machine Learning applications. The Company's Spiking Neural Networking Processor (SNAP) learns autonomously with a small sample set and provides real-time information for data analytics in image and video processing applications. The Company provides software and hardware solutions that address the high-performance requirements in Civil Surveillance, Gaming, Facial Recognition and Visual Inspection systems.



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