



ASX PRESS RELEASE

4 October 2016

BrainChip appoints new Chief Executive Officer Louis DiNardo

BrainChip Holdings Ltd (“BrainChip” or the “Company”) (ASX: BRN) is pleased to announce that Mr Louis DiNardo has been appointed the Chief Executive Officer (CEO) of the Company effective 29 September 2016 (US EST), 30 September 2016 (Australian WST).

Mr DiNardo has a strong track record of growing publically listed and privately owned technology businesses, and has worked in venture capital firms where he has successfully backed a number of emerging technology companies. His management skills and experience in finance will be instrumental in launching BrainChip on its next phase of growth.

He is currently a board member of NYSE-listed Quantum Corp., a data management company; and Conexant, a privately held fabless semiconductor company based in California, USA.

Some of his recent past roles include the President and Chief Executive Officer (CEO) of Exar Corporation, where he was credited for turning around the underperforming NYSE-listed mid-cap semiconductor company by revamping the management team, cutting operating expenses and growing revenue and profit. His efforts helped Exar achieve 16 consecutive quarters of revenue and EPS growth.

Before Exar, Mr DiNardo was responsible for investing in and overseeing a portfolio of companies, including programmable logic companies, while he served as a partner at Crosslink Capital from 2008 to 2012 and the Managing Director at Vantage Point Venture Partners from 2007 to 2008.

Mr DiNardo also served as President and Chief Executive Officer, as well as Co-Chairman of the Board of Directors, at Xicor Corporation from January of 2001 until NASDAQ-listed Intersil Corp acquired the company in July of 2004. He subsequently held senior executive positions at Intersil and became its President and Chief Operating Officer.

“Louis joins us at a key juncture of our journey. His deep corporate and strategic skills in the US semi-conductor industry, along with his fundraising experience, will help



ASX PRESS RELEASE

transition BrainChip into a global Company at a time when our technology is gaining traction in the marketplace,” said the Chairman of BrainChip, Mick Bolto.

“I would also like to acknowledge the leadership and guidance offered by Peter van der Made, who had to act as the interim CEO while undertaking his other key responsibility of overseeing the development of our unique technology.”

Mr DiNardo will be paid a base salary of US\$400,000 and the following Options and Performance Rights issued:

1. 23,000,000 Options exercisable at A\$0.225 per Option on or before 30 September, 2021, issued under the Company’s Long Term Incentive Plan. A quarter of the Options will vest and become exercisable on each anniversary of the Issue Date so long as Mr DiNardo is providing continuous service to the Company.
2. 27,000,000 Performance Options exercisable at \$0.225 per Option on or before 30 September, 2021, issued under the Company’s Long Term Incentive Plan. A quarter of the Options will vest and become exercisable on each anniversary of the date of achievement of applicable milestones so long as Mr DiNardo is providing continuous service to the Company.
3. 2,000,000 Class D Performance Rights issued under the Company’s Performance Rights Plan. Each Performance Right carries a right to one fully paid ordinary share and the Performance Rights will vest on the date the milestone relating to that Performance Right has been satisfied. No amount is payable upon the issue or vesting of the Performance Rights. The Performance Rights will automatically lapse on 10 September, 2020, and the further terms are set out in the Company’s Notice of General Meeting announced on 30 June, 2015.

The Performance Options will be issued in tranches upon the attainment of milestones that relate to Mr DiNardo completing a successful fundraising, the Company entering licensing or commercial agreements of at least A\$500,000 and a further milestone yet to be determined.

Under the above arrangements, 55.8% of Mr DiNardo’s options and performance rights will be ‘at risk’.

-END-



ASX PRESS RELEASE

About BrainChip Holdings Ltd (ASX:BRN)

BrainChip Inc, located in Aliso Viejo, CA, has developed a revolutionary new Spiking Neuron Adaptive Processor (SNAP) technology that has the ability to autonomously and rapidly learn and associate information just like the human brain. SNAP technology learns in seconds. This exemplifies a new level of machine learning that is expected to surpass deep learning, which requires days or weeks to train. The SNAP technology is fast, completely digital, and consumes very low power. Additional information is available by visiting www.brainchipinc.com

Forward Looking Statements

This press release may contain certain forward looking statements and information, as defined within the meaning of Section 27A of the Securities Act 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and is subject to the Safe Harbor created by these sections. This material may contain statements about expected future events and/or financial results that are forward-looking in nature and subject to risks and uncertainties. Such forward-looking statements by definition involve risks, uncertainties and other factors, which may cause the actual results, performance or achievements of BrainChip Holdings Limited to be materially different from the statements made herein.



ASX PRESS RELEASE

Company Contact:

Nerida Schmidt
Company Secretary
nschmidt@brainchip.com.au

Corporate Advisors:

Chris Francis
Foster Stockbroking
Executive Director
+61 2 9993 8167
chris.francis@fostock.com.au

Media Contact:

Ben Grubb
Media and Capital Partners
ben.grubb@mcpartners.com.au
+61 414 197 508

Investor Relations Contacts:**Australia:**

Brendon Lau
Associate Director
Media and Capital Partners
brendon.lau@mcpartners.com.au
+61 409 341 613

USA:

Greg Falesnik
Senior Vice President
MZ North America
greg.falesnik@mzgroup.us
+1 949 385 6449