

Audio Pixels Limited Enters Strategic Engagement to Support High Volume Production of Digital MEMS Based Speaker Chip

SYDNEY, Australia, [23 July 2013] – Audio Pixels Holdings Limited (AKP:ASX; OTCQX:ADPXY), a fabless semiconductor company focused on the development and production of MEMS based digital speaker chips announced today that they have **entered into a comprehensive agreement with** Teledyne DALSA, a world-leading pure-play MEMS foundry. The agreement is **designed to support the mass production needs of Audio Pixels' patented low cost micro-electro mechanical ("MEMS") digital speakers.**

"Teledyne DALSA's extensive experience in MEMS in combination with their cutting-edge 200mm based mass-fabrication capabilities, represents an ideal partner for Audio Pixels," said Fred Bart Chairman of Audio Pixels. "We are thrilled to have Teledyne DALSA at our side as we approach our market entry."

About Audio Pixels

Audio Pixels patented technological platform utilizes entirely new techniques to generate sound waves directly from a digital audio stream using low cost micro-electromechanical structures (MEMS). This innovation overcomes many of the limitations found in conventional loudspeaker subassemblies thus enabling the production of speaker products that deliver superior sound and electrical performance all in a semiconductor type package that is remarkably compatible with existing and emerging OEM requirements and ambitions for their consumer electronic device designs.

About Teledyne DALSA Semiconductor

Located in Bromont, Quebec, Canada, Teledyne DALSA's award winning semiconductor wafer foundry has a proud history of innovation in specialties such as MEMS, CCDs, and high voltage CMOS. As a pure-play foundry, their goal is to deliver innovative foundry capabilities as a manufacturing partner to fabless and fab-lite semiconductor companies to help them succeed with their advanced MEMS or IC designs. For more information, visit www.teledynedalsa.com/semi.

For further information please contact:

Danny Lewin – CEO Audio Pixels Limited +972-732-324-444 danny@audiopixels.com Heather Neale – Teledyne DALSA +1+514 333 1301 Ext 4227 heather.neale@teledynedalsa.com

Audio Pixels Holdings Limited ACN 094 384 273 Suite 2, Level 12, 75 Elizabeth St, Sydney NSW 2000 Australia Phone: +61 2 9233 3915 Fax: +61 2 9232 3411 Email: iandennis@audiopixels.com.au