



BRAINCHIP HOLDINGS LTD
ABN 64 151 159 812

NOTICE OF ANNUAL GENERAL MEETING

**The Annual General Meeting of the Company will be at Level 9, 40 St Georges Tce, Perth WA
6000 on 26 May 2021 at 9:00 am (Perth time).**

This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Due to current circumstances relating to COVID-19 and associated government imposed restrictions and recommendations, the Meeting is being held by way of a hybrid meeting from a physical location in Perth and using the Lumi AGM application. Shareholders are urged to attend and vote at the meeting electronically using the Lumi AGM application or vote by lodging the proxy form attached to this Notice.

BRAINCHIP HOLDINGS LTD
ACN 151 159 812

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of shareholders of BrainChip Holdings Ltd ACN 151 159 812 ("**BrainChip**" or "**Company**") will be held at Level 9, 40 St Georges Tce, Perth WA 6000, on 26 May 2021 at 9:00 am (Perth time) ("**Meeting**").

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders at 7.00pm (Sydney time) on 24 May 2021.

Terms and abbreviations used in this Notice (including the Explanatory Memorandum) are defined in Schedule 1.

AGENDA

ANNUAL REPORT

To consider the Annual Report of the Company and its controlled entities for the year ended 31 December 2020, which includes the Financial Report, the Directors' Report and the Auditor's Report.

RESOLUTIONS

1. ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass with or without amendment, the following Resolution as a non-binding Resolution:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given by the Shareholders for the adoption of the Remuneration Report as contained in the Company's Annual Report for the year ended 31 December 2020."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Note: This Resolution is subject to voting exclusions as set out at the end of this Notice of Meeting.

2. RE-ELECTION OF EMMANUEL HERNANDEZ AS DIRECTOR

To consider and, if thought fit, to pass with or without amendment, the following Resolution as an ordinary Resolution:

"That, for the purposes of clause 15.4 of the Constitution and ASX Listing Rule 14.4, and for all other purposes, Emmanuel Hernandez who retires by rotation and being eligible offers himself for re-election, be re-elected as a Director of the Company."

3. ELECTION OF CHRISTA STEELE AS DIRECTOR

To consider and, if thought fit, to pass with or without amendment, the following Resolution as an ordinary Resolution:

"That, for the purposes of clause 15.6 of the Constitution and ASX Listing Rule 14.4 and for all other purposes, Christa Steele, having been appointed by the Board as a Director to fill a casual vacancy until the next annual general meeting after her appointment, retires and being eligible offers herself for election, be elected as a Director of the Company."

4. ELECTION OF GEOFFREY CARRICK AS DIRECTOR

To consider and, if thought fit, to pass with or without amendment, the following Resolution as an ordinary Resolution:

"That, for the purposes of clause 15.6 of the Constitution and ASX Listing Rule 14.4 and for all other purposes, Geoffrey Carrick, having been appointed by the Board as a Director to fill a casual vacancy until the next annual general meeting after his appointment, retires and being eligible offers himself for election, be elected as a Director of the Company."

5. RATIFICATION OF PRIOR ISSUE OF 35,000,000 SHARES

To consider and, if thought fit, to pass with or without amendment, the following Resolution as an ordinary Resolution:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, approval is given for the ratification of the prior issue of 35,000,000 fully paid ordinary Shares which were issued pursuant to the Put Option Agreement between the Company, LDA Capital Limited and LDA Capital LLC as announced to ASX on 13 August 2020, and on the terms and conditions set out in the Explanatory Memorandum."

Note: This Resolution is subject to voting exclusions as set out at the end of this Notice of Meeting.

6. RATIFICATION OF PRIOR ISSUE OF 75,000,000 OPTIONS

To consider and, if thought fit, to pass with or without amendment, the following Resolution as an ordinary Resolution:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, approval is given for the ratification of the prior issue of 75,000,000 Options over fully paid ordinary Shares which were issued pursuant to the Put Option Agreement between the Company, LDA Capital Limited and LDA Capital LLC as announced to ASX on 13 August 2020, and on the terms and conditions set out in the Explanatory Memorandum.”

Note: This Resolution is subject to voting exclusions as set out at the end of this Notice of Meeting.

7. APPROVAL OF EQUITY INCENTIVE PLAN

To consider and, if in favour, pass with or without amendment, the following Resolution as an ordinary Resolution:

“That, for the purpose of ASX Listing Rule 7.2, exception 13 and for all other purposes, the Company’s Equity Incentive Plan, as described in the Explanatory Memorandum, be approved for the issue of securities under the Company’s Equity Incentive Plan.”

Note: This Resolution is subject to voting exclusions as set out at the end of this Notice of Meeting.

8. APPROVAL OF ISSUE OF OPTIONS TO DIRECTORS

To consider and, if in favour, pass with or without amendment, the following Resolution as an ordinary Resolution:

“That, pursuant to Section 208(1)(a) of the Corporations Act and Listing Rule 10.14, the members of the Company approve the granting of:

- a) 2,500,000 Options to Christa Steele, Non-Executive Director; and*
- b) 2,500,000 Options to Geoffrey Carrick, Non-Executive Director,*

under the Company’s Equity Incentive Plan and on the terms outlined in the Explanatory Memorandum.”

Note: if approval is obtained under Listing Rule 10.14, approval is not required under Listing Rule 7.1 or Listing Rule 10.11, as set out in the Explanatory Memorandum.

Note: This Resolution is subject to voting exclusions as set out at the end of this Notice of Meeting.

Dated: 20 April 2021

By order of the Board

A rectangular box containing a handwritten signature in blue ink that reads "K. Clark".

Kim Clark
Company Secretary

IMPORTANT VOTING INFORMATION

VOTING EXCLUSIONS

Voting exclusion for Resolution 1 - Adoption of Remuneration Report

A vote on this Resolution must not be cast:

- (a) by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member, regardless of the capacity in which the vote is cast; or
- (b) by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such persons if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as proxy for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy to vote on the Resolution in that way; or
- (b) the Chair of the meeting as proxy for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides and the appointment as proxy expressly authorises the Chair to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

Voting exclusion for Resolutions 5 & 6 – Ratification of Prior Issue of 35,000,000 Shares and 75,000,000 Options

The Company will disregard any votes cast in favour of these Resolutions by or on behalf of LDA Capital Limited, being a person who participated in the issue of Shares or Options the subject of these Resolutions, and any of its associates.

However, this does not apply to a vote cast in favour of a Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolutions, in accordance with directions given to the proxy or attorney to vote on the Resolutions in that way; or
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolutions, in accordance with a direction given to the chair to vote on the Resolutions as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - a. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolutions; and
 - b. the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting exclusion for Resolution 7 - Approval of Equity Incentive Plan

The Company will disregard votes cast in favour of Resolution 7 by or on behalf of by any person who is eligible to participate in the Company's Equity Incentive Plan and each of their associates.

However, this does not apply to a vote cast in favour of a Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - a. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - b. the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The Company will disregard votes cast as proxy by Key Management Personnel or their closely related parties in contravention of section 250BD Corporations Act.

Voting exclusion for Resolutions 8 (a) and (b) - Approval of Issue of Options to Directors

The Company will disregard votes cast as proxy by Key Management Personnel or their closely related parties in contravention of section 250BD Corporations Act. The Company will also disregard votes cast by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given in contravention of section 224 of the Corporations Act and any associate of such a related party.

For the purposes of section 224 Corporations Act, the Company will not disregard a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the proposed Resolution; and
- (b) it is not cast on behalf of a related party or associate of a related party of the Company to whom the Resolution would permit a financial benefit to be given or an associate of such a related party.

The Company will also disregard any votes cast in favour of Resolution 8 (a) or (b) by or on behalf of:

- (a) a director of the Company;
- (b) an associate of a director; or
- (c) a person whose relationship with the Company or a person referred to above is such that, in ASX's opinion, the acquisition should be approved by security holders,

who is eligible to participate in the Company's Equity Incentive Plan.

However, this does not apply to a vote cast in favour of a Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - a. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - b. the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

EXPLANATORY MEMORANDUM

1. INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Level 9, 40 St Georges Tce, Perth WA 6000.

This Explanatory Memorandum forms part of the Notice which should be read in its entirety. This Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

A Proxy Form is located at the end of this Explanatory Memorandum.

2. ATTENDING THE MEETING ELECTRONICALLY VIA LUMI AGM

Due to the current circumstances relating to COVID-19 and associated government imposed restrictions and recommendations, the Meeting will be held by way of a hybrid meeting which means it is being held from a physical location in Perth and also being held electronically using the Lumi AGM application (“App”).

As the Company’s business operations and the Chair and CEO are based in the United States, and given the Australian Federal Government’s recommendations and restrictions on international travel, public gatherings and social distancing which the Board expects will significantly limit or prohibit the number of Shareholders that can attend the Meeting in person, the Board is of the view that it is appropriate in the circumstances to hold a hybrid meeting.

To ensure all Shareholders are still able to attend the Meeting and are given a reasonable opportunity to participate in the Meeting, the Meeting is being held electronically using the App which gives Shareholders access to join and participate in the meeting via webcast, submit questions to the Chairman in real time and directly vote at the Meeting using the voting App.

Online Voting Procedures during the Meeting

Shareholders who wish to participate in the Meeting online may do so:

- a. From their computer, by entering the URL into their browser:

<https://web.lumiagm.com/306-572-029>

- b. From their mobile device by either entering the URL in their browser:

<https://web.lumiagm.com/306-572-029>; or

- c. by using the Lumi AGM app, which is available by downloading the App from the Apple App Store or Google Play Store. Instructions on how to download and use the App are contained in **Appendix C** of this Notice.

If you choose to participate in the Meeting online or through the App, you can log in to the meeting by entering:

1. The meeting ID, which is – **306-572-029**.
2. Your username, which is your VAC number (located on your proxy form or email).
3. Your password, which is the postcode registered to your holding if you are an Australian Shareholder. Overseas Shareholders will need to enter the country of their registered address as it appears on a recent statement.
4. If you have been nominated as a third party proxy, please contact Boardroom on 1300 737 760.

Attending the meeting online enables Shareholders to view the Meeting live and to also ask questions and cast direct votes at the appropriate times whilst the Meeting is in progress.

3. ACTION TO BE TAKEN BY SHAREHOLDERS AND VOTING REQUIREMENTS

Shareholders should read the Notice including this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

3.1 Direct voting using the Lumi AGM App

Shareholders are invited and encouraged to participate in the Meeting and vote electronically using the Lumi AGM App. The App will provide Shareholders with the ability to view and participate in the proceedings of the Meeting by webcast, and to cast their votes during the Meeting.

Instructions on how to download and use the App are contained in Appendix C of this Notice.

If Shareholders are unable to attend the Meeting using the App they are encouraged to alternatively, return the Proxy Form to the Company in accordance with the instructions thereon. Returning the Proxy Form will not preclude a Shareholder from attending and voting at the Meeting utilising the App should they elect to do so.

3.2 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. Where the proportion or number is not specified, each proxy may exercise half of the votes.

Proxy Forms must be received by the Company no later than 11:00am (Sydney time) on 24 May 2021, being at least 48 hours before the Meeting.

The Proxy Form provides further details on appointing proxies and lodging Proxy Forms including electronically via the Registry's website.

3.3 Voting requirements

Recommendation 6.4 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition) and ASX guidance provide that a listed entity should ensure that all substantive Resolutions at a meeting of security holders are decided by a poll rather than by a show of hands. In accordance with these recommendations, the Chair has determined in accordance with clause 14.11 of the Constitution that all Resolutions put to Shareholders at the Meeting will be decided by poll rather than by a show of hands.

In accordance with the Company's Constitution and the ASX Listing Rules, each Resolution put to Shareholders at the meeting must be passed by way of an ordinary Resolution which requires the Resolution be approved by a majority of votes cast by Shareholders entitled to vote on the Resolution, other than Resolution 7 which must be passed by way of a special Resolution in accordance with ASX Listing Rule 7.1A such that the Resolution must be approved by 75% of the votes cast by Shareholders entitled to vote on the Resolution.

4. ANNUAL REPORT

In accordance with section 317(1) of the Corporations Act the Annual Report must be laid before the Annual General Meeting. There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at www.brainchipinc.com/asx-announcements;
- (b) ask questions about, or comment on, the management of the Company;
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements in the Annual Report and the independence of the auditor in relation to the conduct of the audit, and
- (d) ask questions about, or make comments on, the Remuneration Report.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the content of the Auditor's Report;
- (b) the conduct of the audit;

may be submitted no later than five business days before the Meeting to the Company Secretary at the Company's registered office.

5. RESOLUTION 1 – REMUNERATION REPORT

In accordance with section 250R(2) of the Corporations Act, the Company must put the adoption of the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with section 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors of the Company. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

However, if the Remuneration Report receives a 'no' vote of 25% or more ("**Strike**") at two consecutive annual general meetings, Shareholders will have the opportunity to remove the whole Board (except a managing director). Where a Resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a Resolution on whether another meeting should be held (within 90 days) at which all Directors (other than a managing director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company notes that its Remuneration Report did not receive a Strike at last year's annual general meeting.

A voting exclusion statement for Resolution 1 is included in the Voting Exclusions.

6. RESOLUTION 2 – RE-ELECTION OF EMMANUEL HERNANDEZ AS DIRECTOR

Resolution 2 seeks approval for the re-election of Emmanuel Hernandez as a Director with effect from the end of the Annual General Meeting.

In accordance with Listing Rule 14.4, a director must not hold office (without re-election) past the third annual general meeting following the director's appointment, or three years, whichever is the longer. In addition, clause 15.4 of the Constitution provides that at each Annual General Meeting one-third of the Directors (other than the managing director or any alternate Director) for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not exceeding one-third of the Directors must retire from office. Directors who retire by reason of clause 15.4 of the Constitution are those Directors who have been in office the longest since their last election. A retiring Director is eligible for re-election.

Mr Hernandez was appointed as a Director on 7 July 2017 and accordingly retires from office in accordance with the above requirements and submits himself for re-election. Mr Hernandez is considered an independent non-executive Director.

Mr. Hernandez is a highly regarded Silicon Valley technology executive with over 40 years of operating and board member experience. His professional resume includes key roles with some of Silicon Valley's largest and most successful technology companies including National Semiconductor (acquired by Texas Instruments in 2012, (US\$76.7B market cap), Cypress Semiconductor (\$US4.4B market cap) and ON Semiconductor (NASDAQ: ON) (US\$5.8B market cap).

Mr. Hernandez began his career with National Semiconductor where he served in various finance capacities between 1976-1993. Subsequently, he joined Cypress Semiconductor

where he served as EVP Finance and Administration and CFO between 1993-2004. Following Cypress, Mr. Hernandez joined SunPower Corporation where he served as CFO between 2005-2008. Mr. Hernandez's executive successes have led him to be a highly sought after operating consultant and board member including having been an operating Partner at Khosla Ventures, a prominent Silicon Valley venture capital firm.

Mr. Hernandez is a member of the Audit and Governance Committee and Remuneration Committee and Chair of the Board.

Directors' recommendation

The Board (with Emmanuel Hernandez abstaining) supports the re-election of Emmanuel Hernandez and recommends that Shareholders vote in favour of this Resolution.

The Chairman intends to exercise all available proxies in favour of this Resolution.

7. RESOLUTION 3 - ELECTION OF CHRISTA STEELE AS DIRECTOR

Resolution 3 seeks approval for the election of Christa Steele as a Director with effect from the end of the Annual General Meeting.

In accordance with Listing Rule 14.4, a director appointed to fill a casual vacancy must not hold office (without re-election) past the next annual general meeting of the company after their appointment. In addition, clause 15.6 of the Constitution provides that a person appointed by the Board as a Director to fill a casual vacancy will hold office until the next general meeting of the Company after their appointment, when the Director may be elected by Shareholders.

Ms Steele was appointed as a Director to fill a casual vacancy with effect from 14 September 2020. As her appointment will terminate at the end of the Meeting, she submits herself for election by Shareholders at the Meeting. Ms Steele is considered an independent non-executive Director.

Ms Steele is an experienced CEO and Director serving as a board member of for-profit public, private, ESOP and family-owned B2B and B2C companies across varying industry verticals. Since 2013, professional board service has included seven public and private for profit company boards – including serving as Chairman, Vice Chairman, Chairman of Audit and Compensation committees to the financial services, insurance, wealth management, investment banking, neural technology, artificial intelligence, transportation, equipment leasing, waste collection, food and agricultural industries operating in the U.S., Canada, Australia, France, Italy, India, China, Malaysia, Singapore, Puerto Rico & U.S. Virgin Islands.

Until recently, Ms Steele was a partner and board member of FIG Partners, a highly successful investment bank focused on M&A, Capital Markets, Fixed Income Asset Management, and IPO's with ten locations across the United States. In April 2019, FIG Partners was acquired by Janney Montgomery Scott.

Prior, Ms Steele spent two decades in the financial services industry serving retail, wealth management and commercial clientele. Most notably, during her tenure, she led a \$3.5 Billion asset size bank located in the Bay Area of CA. As former CEO, with direct P&L responsibility of a company with \$500 million in market cap, Steele led a significant financial

turnaround resulting in core earnings 43% in a single calendar year, doubled the banks' value in less than two years, and successfully led its sale for a premium in 2015.

Ms Steele currently serves on the boards of Recology, Brainchip Holdings (ASX:BRN), BALCO Holdings, and Tanimura & Antle. She qualifies as a financial expert, is a National Association of Corporate Directors Board Leadership Fellow, holds an MBA from University of Southern CA (USC) and an undergraduate degree from California State University Sacramento (CSUS).

Ms Steele is the Chair of the Audit and Governance Committee and a member of the Remuneration Committee.

Directors' recommendation

The Board (with Christa Steele abstaining) supports the election of Christa Steele and recommends that Shareholders vote in favour of this Resolution.

The Chairman intends to exercise all available proxies in favour of this Resolution.

8. RESOLUTION 4 - ELECTION OF GEOFFREY CARRICK AS DIRECTOR

Resolution 4 seeks approval for the election of Geoffrey Carrick as a Director with effect from the end of the Annual General Meeting.

In accordance with Listing Rule 14.4, a director appointed to fill a casual vacancy must not hold office (without re-election) past the next annual general meeting of the company after their appointment. In addition, clause 15.6 of the Constitution provides that a person appointed by the Board as a Director to fill a casual vacancy will hold office until the next general meeting of the Company after their appointment, when the Director may be elected by Shareholders.

Mr Carrick was appointed as a Director to fill a casual vacancy with effect from 23 November 2020. As his appointment will terminate at the end of the Meeting, he submits himself for election by Shareholders at the Meeting. Mr Carrick is considered an independent non-executive Director.

Mr Carrick held the positions of Head of Corporate Finance at Shaw and Partners Limited from March 2016 through July 2019, and Head of Equity Capital Markets at Commonwealth Bank from 2012 – 2015. From 1999 through 2011 Mr Carrick was Division Director of Equity Capital Markets at Macquarie Capital.

Mr Carrick currently serves as Director of VCF Capital Partners Pty Limited and Non-Executive Director of Global Study Partners Holdings Pty Limited. Mr Carrick is a graduate of the University of Sydney B.Ec, LLB.

Mr Carrick is Chair of the Remuneration Committee, and a member of the Audit & Governance Committee.

Directors' recommendation

The Board (with Geoffrey Carrick abstaining) supports the election of Geoffrey Carrick and recommends that Shareholders vote in favour of this Resolution.

The Chairman intends to exercise all available proxies in favour of this Resolution.

9. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF 35,000,000 SHARES

Background

On 24 August 2020 and as announced to the ASX, 35,000,000 fully paid ordinary Shares were issued pursuant to the Put Option Agreement.

A summary of the material terms of the Put Option Agreement is set out in Appendix B (as announced to ASX on 13 August 2020 and 26 October 2020).

In accordance with Listing Rules 7.1 and 7.4, it is proposed that Shareholders ratify the issue of ordinary Shares as detailed below.

ASX Listing Rule 7.1 limits the Company from issuing more than 15% of its issued capital without shareholder approval. Listing Rule 7.4 provides that where a company subsequently approves an issue of securities, the issue will be treated as having been made with approval for the purpose of Listing Rule 7.1, thereby replenishing the Company's 15% capacity, enabling it to issue further securities up to that limit.

If Resolution 5 is not approved, the Company's capacity to raise additional equity funds over the next 12 months without reference to Shareholders will be reduced.

The following information is provided in accordance with Listing Rule 7.5:

(a) Number of securities issued:

35,000,000 fully paid ordinary Shares.

(b) Date on which securities were issued:

The Shares were issued and allotted on 23 August 2020.

(c) Issue price of securities:

The Shares were issued for nil consideration as collateral Shares under the Put Option Agreement.

These Shares were in part applied to the Capital Call Notice issued by the Company on 19 August 2020. As a result of the Capital Call Notice and in conjunction with the amendment to the Put Option Agreement as announced to ASX on 26 October 2020 cash consideration for a total of \$10,828,125 was received for 26,250,000 Shares being \$0.4125 per share. The balance of 8,750,000 are being held as collateral Shares under the terms of the Put Option Agreement and will be applied against future Capital Call Notices.

(d) Allottees of the securities:

The Shares were allotted by the Company to LDA Capital Limited in accordance with the Put Option Agreement.

(e) Terms of securities:

The Shares, when issued, ranked equally with all other Shares on issue at the time and had the same rights and entitlements as the currently issued Shares.

(f) The intended use of the funds:

Consideration received by the Company as a result of the issuance of the 35,000,000 Shares will be used to support the commercialization of the Akida technology.

Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of this Resolution.

The Chairman intends to exercise all available proxies in favour of this Resolution.

A voting exclusion statement for this Resolution is included in the Voting Exclusions.

10. RESOLUTION 6 - RATIFICATION OF PRIOR ISSUE OF 75,000,000 OPTIONS

Background

On 24 August 2020 and as announced to the ASX, 75,000,000 options were issued pursuant to the Put Option Agreement (“Options”).

A summary of the material terms of the Put Option Agreement is set out in Appendix B (as announced to ASX on 13 August 2020 and 26 October 2020).

In accordance with Listing Rules 7.1 and 7.4, it is proposed that Shareholders ratify the issue of Options and the fully paid ordinary Shares subsequently issued on exercise of the Options as detailed below.

ASX Listing Rule 7.1 limits the Company from issuing more than 15% of its issued capital without shareholder approval. Listing Rule 7.4 provides that where a company subsequently approves an issue of securities, the issue will be treated as having been made with approval for the purpose of Listing Rule 7.1, thereby replenishing the Company's 15% capacity, enabling it to issue further securities up to that limit.

If Resolution 6 is not approved, the Company's capacity to raise additional equity funds over the next 12 months without reference to Shareholders will be reduced.

The following information is provided in accordance with Listing Rule 7.5:

(a) Number of securities issued:

75,000,000 Options to acquire fully paid ordinary Shares.

(b) Date on which securities were issued:

The Options were issued and allotted on 13 August 2020. As at 28 January 2021 all of the Options the subject of this Resolution had been exercised and fully paid ordinary shares allotted.

(c) Issue price of securities:

The Options were issued for nil consideration under the Put Option Agreement with the 37,500,000 Options subject to an exercise price of \$0.15 per Option and 37,500,000 Options subject to an exercise price of \$0.20 per Option.

The Company has received a total of \$13,135,000 as a result of exercise of the Options.

(d) Allottees of the securities:

The Options were allotted by the Company to LDA Capital Limited in accordance with the Put Option Agreement.

(e) Terms of securities:

The fully paid ordinary Shares issued on exercise of the Options, when issued, ranked equally with all other Shares on issue at the time and had the same rights and entitlements as the currently issued Shares.

(f) The intended use of the funds:

Consideration received by the Company as a result of the issuance of the exercise of the Options Shares will be used to support the commercialization of the Akida technology.

Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of this Resolution.

The Chairman intends to exercise all available proxies in favour of this Resolution.

A voting exclusion statement for this Resolution is included in the Voting Exclusions.

11. RESOLUTION 7 – APPROVAL OF EQUITY INCENTIVE PLAN

Background

The ASX Listing Rules generally restrict listed companies from issuing more than 15% of their issued share capital in any 12 month period without shareholder approval. However, an exception to this restriction is Listing Rule 7.2 (exception 13) which states that general Listing Rule requirements for shareholder approval will not apply to an issue under an employee incentive scheme if, within three years before the date of the issue, shareholders approve the issue of securities under the scheme as an exception to the rule.

If the Company's Equity Incentive Plan is approved by Shareholders, issues under the Company's Equity Incentive Plan (**Plan**) over the next three years will fall under this ASX Listing Rule exception and will not affect the Company's ability to separately issue up to 15% of its total ordinary securities in any 12 month period (without having to obtain further Shareholder approval).

However, the exception does not apply to Directors and their associates, who are deemed related parties of the Company, and issues to such persons will require separate approval under Listing Rule 10.14.

The Plan is designed to:

- a) assist in the reward, retention and motivation of eligible employees;
- b) link the reward of eligible employees to Shareholder value creation; and

- c) align the interests of eligible employees with Shareholders by providing an opportunity for eligible employees to earn rewards via an equity interest in the Company based on creating Shareholder value.

In accordance with ASX Listing Rule 7.2, exception 13, a summary of the key terms of the Plan is set out in Appendix A.

For the purposes of Listing Rule 7.2 exception 13:

- a) 278,162,500 securities have been issued under the Plan since the Plan was last approved by Shareholders on 10 May 2018; and
- b) it is proposed that up to 150,000,000 securities will be issued under the Plan subject to its approval at this Annual General Meeting.

If Resolution 7 is passed, the Company will be able to issue Equity Securities under the Equity Incentive Plan without affecting the Company's ability to issue securities under the Company's placement capacity without Shareholder approval. If Resolution 7 is not passed, any Securities issued under the Equity Incentive Plan would need to be issued under the Company's 15% placement capacity which effectively decreases the number of Equity Securities it can issue without obtaining Shareholder approval over the 12-month period following the issue date.

Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of this Resolution.

The Chairman intends to exercise all available proxies in favour of this Resolution.

A voting exclusion statement for this Resolution is included in the Voting Exclusions.

12. RESOLUTIONS 8(A) AND (B) – APPROVAL OF ISSUE OF OPTIONS TO DIRECTORS

Background

Subject to the approval of Shareholders, the Company proposes to grant a maximum amount of

- a) 2,500,000 Options to Christa Steele, Non- Executive Director; and
- b) 2,500,000 Options to Geoffrey Carrick, Non-Executive Director.

The exercise price payable for on exercise of each Option is as outlined in the table below.

The objective of the proposed grant of Options to Directors is primarily to link the reward of Options to Shareholder value creation, and align their interests with those of Shareholders and to encourage the long-term sustainable growth of the Company.

The Options shall be issued under, and subject to, the terms of the Equity Incentive Plan.

Listing Rule 10.14 provides that a company must not issue equity securities to a director of the company under an employee incentive scheme unless the issue has been approved by

holders of ordinary securities. Once approval is obtained pursuant to Listing Rule 10.14, the Company is entitled to rely on Listing Rule 10.12, Exception 8 as an exception to any requirement that may otherwise apply requiring shareholder approval under Listing Rule 10.11. Similarly, approval will not be required under Listing Rule 7.1.

The key terms of the Options are set out in the tables below:

	Christa Steele	Geoffrey Carrick
Recipient	Christa Steele	Geoffrey Carrick
Number	2,500,000	2,500,000
Exercise Price	\$0.325 per Option	\$0.36 per Option
Vesting Date(s)	Subject to the Directors determining that the applicable vesting conditions have been met, the Options will vest in four equal tranches of each of: 14 September 2021; 14 September 2022; 14 September 2023; and 14 September 2024	Subject to the Directors determining that the applicable vesting conditions have been met, the Options will vest in four equal tranches of each of: 23 November 2021; 23 November 2022; 23 November 2023; and 23 November 2024
Vesting Conditions	Continuous service as a Director as at the Vesting Date.	Continuous service as a Director as at the Vesting Date.
Expiry Date	18 December 2030	26 May 2030
Other Conditions	Other key terms of the Equity Incentive Plan are detailed in Appendix A of this Explanatory Memorandum.	Other key terms of the Equity Incentive Plan are detailed in Appendix A of this Explanatory Memorandum.

Other general terms of the Options

If the Resolutions are approved, it is intended that the Options will be issued within 5 days after the Annual General Meeting, but in any event will be issued no later than 3 years after the Annual General Meeting. If the Resolutions are not approved, no Options will be issued to Christa Steele and Geoffrey Carrick.

All Directors are entitled to participate in the Plan.

The Options will be issued to Christa Steele and Geoffrey Carrick for nil consideration.

For the purposes of Listing Rule 10.15.2, both Christa Steele and Geoffrey Carrick fall under category 10.14.1 of the Listing Rules, as they are current Directors of the Company.

For the purposes of Listing Rule 10.15.6, the Company proposes to issue Options to Christa Steele and Geoffrey Carrick (as opposed to fully paid ordinary securities) for the following reasons:

- a) Options are designed to incentivise employees, and in this case, as Directors of the Company; and
- b) equity based incentives assist in the alignment of Shareholders and Directors' interests.

Neither Christa Steele or Geoffrey Carrick have received securities under the Equity Incentive Plan previously.

There are no loan arrangements with either Christa Steele or Geoffrey Carrick in respect of the Options the subject of Resolutions 8(a) and (b).

The other general terms for the Options are outlined in Appendix A of this Explanatory Memorandum.

Details of any securities issued under the Equity Incentive Plan will be published in the annual report of the entity relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.

Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Equity Incentive Plan after Resolutions 8(a) and (b) are approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule.

General Information

Consistent with the accounting standards, the Company discloses the following information concerning the value of the Options to be issued. A fair value for the Options to be issued has been calculated using the Black Scholes methodology and based on a number of **assumptions**, set out below, with an adjustment to the expected life of the Options to take account of limitations on transferability. This methodology is commonly used for valuing Options and is one of the permitted methodologies under ASIC Regulatory Guide 76. The Board believes this valuation model to be appropriate to the circumstances and has not used any other valuation or other models in proposing the terms of the Options.

The Board draws Shareholders' attention to the fact the stated valuation does not constitute, and should **not** be taken as, audited financial information. The reportable value of the employee benefit expense in subsequent financial periods may vary due to a range of timing and other factors. In particular, the figures were calculated effective as at 29 March 2021.

Valuation for Options to be issued to Directors

	Christa Steele	Geoffrey Carrick
Underlying price	\$0.565	\$0.565
Volatility	1.00	1.00
Dividend (estimate)	Nil	Nil
Yield		

Expiry Date	18 December 2030	26 May 2030
Vesting Date	Subject to the Directors determining that the applicable vesting conditions have been met, the Options will vest in four equal tranches on 14 September 2021, 14 September 2022, 14 September 2023 and 14 September 2023.	Subject to the Directors determining that the applicable vesting conditions have been met, the Options will vest in four equal tranches on 23 November 2021, 23 November 2022, 23 November 2023 and 23 November 2023.
Exercise (strike) price	\$0.325	\$0.36
Risk free rate	1.93%	1.93%
Value - per Option	\$0.518	\$0.511
Number of Options issued	2,500,000	2,500,000
Employee benefit expense	A\$1,295,000	A\$1,277,500

A significant factor in the determination of the final value of Options will be the ultimate share price at the date of final Options grant (this will be the date of approval by the Shareholders if such approval is obtained). The following table details total employee benefit expense based on the highest and lowest closing prices of the Shares traded on the ASX over the 12 months ending on 29 March 2021.

	Highest	Lowest Price
Closing Price (\$)	A\$0.755	A\$0.037
Date	10 September 2020	30 March 2020
Christa Steele	A\$1,755,000	A\$65,000
Geoffrey Carrick	A\$1,732,500	A\$62,500

As such, if it is assumed all other factors are equal, where the share price increases above the \$0.565 disclosed above the final value of Options granted will increase, and conversely where the share price reduces the final value of Options granted will also reduce.

Remuneration

Christa Steele currently receives \$125,000 per annum for her position as Non-Executive Director. The amount stated is per annum comprising director's fees, superannuation contributions and known short term incentive payments. The Options are in addition to this sum and have an estimated fair value of \$1,295,000.

Geoffrey Carrick currently receives \$125,000 per annum for his position as Non-Executive Director. The amount stated is per annum comprising director's fees, superannuation contributions and known short term incentive payments. The Options are in addition to this sum and have an estimated fair value of \$1,277,500.

Section 208 of Corporations Act

In accordance with section 208 of the Corporations Act, to give a financial benefit to a related party, the Company must obtain Shareholder approval unless the giving of the financial benefit falls within an exception in sections 210 to 216 of the Corporations Act.

The Board has formed the view that Shareholder approval under section 208 of the Corporations Act is not required for the proposed grant of Options as the exception in section 211 of the Corporations Act applies. The Options are being issued for the reasons set out above and are considered reasonable remuneration for the purposes of section 211 of the Corporations Act.

Existing interests and the dilutionary effect on other Shareholders' interests

The effect that the vesting of the Options will have on the interests of the applicable Directors relative to other Shareholders' interests is set out in the following table. The table assumes no further issues of Shares in, or reconstruction of the capital of the Company during the time between issue and vesting of the Options and is based upon Shares on issue as at 31 March 2021.

	Christa Steele	Geoffrey Carrick
The total number of Shares on issue in the capital of the Company	1,629,737,144	
Shares currently held by the Director (including indirect interests)	Nil	Nil
% of Shares currently held by the Director	Nil	Nil
Options/Restricted Stock Units held by the Director prior to Annual General Meeting (including indirect interests)	Nil	Nil
Options held by the Director prior to (including indirect interests)	Nil	Nil

Options to be issued under this Resolution to the Director following Annual General Meeting	2,500,000	2,500,000
Shares that will be held following the vesting of all Options and exercise of Options held by the Director	2,500,000	2,500,000
% of Shares that would be held by the Director assuming no other Options held by other parties vested	0.366%	0.366%

Directors' recommendation

The Directors abstain, in the interest of good corporate governance, from making a recommendation in relation to Resolutions 8(a) and (b).

The Chairman intends to exercise all available proxies in favour of Resolutions 8(a) and (b).

A voting exclusion statement for Resolutions 8(a) and (b) is included in the Voting Exclusions.

SCHEDULE 1: DEFINITIONS

In the Notice and this Explanatory Memorandum, words importing the singular include the plural and vice versa.

\$ or A\$ means Australian Dollars.

Annual Report means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ended 31 December 2020.

App means the Lumi AGM application which is being used by the Company to facilitate a hybrid AGM where shareholders are able to attend, participate and vote at the meeting by way of technology including webcast and a voting app.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors.

Chairman means the person appointed to chair the Meeting convened by the Notice.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act

Company means BrainChip Holdings Ltd (ACN 151 159 812).

Constitution means the constitution of the Company as at the commencement of the Meeting.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

Equity Incentive Plan means the Company's equity incentive plan the subject of approval under Resolution 7.

Equity Security has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

Financial Report means the annual financial report prepared under chapter 2M of the Corporations Act of the Company and its controlled entities.

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means this notice of meeting dated 20 April 2021 which comprises of the notice, agenda, Explanatory Memorandum and Proxy Form.

Option means an option to be issued a Share.

Put Option Agreement means the Put Option Agreement between the Company, LDA Capital Limited and LDA Capital LLC dated 13 August 2020 and as announced to ASX on that date.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means a Resolution contained in the Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

VWAP means the volume weighted average price of the Shares as defined in the Listing Rules.

Appendix A

Summary of the material terms of the Equity Incentive Plan

The Company proposes to adopt an equity incentive plan known as the BrainChip Long Term Incentive Plan prior to the Meeting ("**LTI Plan**"), to assist in the retention and motivation of the Company's employees, directors and consultants (together the "**Eligible Participants**"). The LTI Plan is intended to assist with aligning the interests of participants with shareholders by providing an opportunity for Eligible Participants to earn equity interests in the Company.

Under the rules of the LTI Plan, the Board has discretion to offer any of the following awards to Eligible Participants:

- options to acquire Shares;
- Options to acquire Shares; and/or
- Shares,

(collectively, the "**Awards**").

In each case the Awards can be made subject to vesting conditions and/or performance hurdles as determined by the Board.

The terms and conditions of the LTI Plan are set out in comprehensive rules. A summary of the rules of the LTI Plan is set out below:

- The LTI Plan is open to Eligible Participants and other persons providing services to the Company or its related bodies corporate, as determined by the Board.
- Participation is voluntary.
- The Board may determine the type and number of Awards to be issued under the LTI Plan to each participant and other terms of issue of the Awards, including but not limited to:
 - what conditions and/or performance hurdles must be met by a participant in order for an Award to vest (if any);
 - the amount payable to be paid by a participant on the grant of Awards (if any);
 - the exercise price of any option granted to a participant;
 - the period during which a vested option can be exercised; and
 - any forfeiture conditions or disposal restrictions applying to the Awards and any Shares that a participant receives upon exercise of their options or vesting of Options.
- When any conditions and/or performance hurdles have been satisfied, participants will receive fully vested Shares or their options/Options will become vested and will be exercisable into Shares (as applicable).
- Each vested option and performance right enables the participant to be issued or to be transferred one Share upon exercise or vesting (as applicable), subject to the rules governing the LTI Plan and the terms of any particular offer.
- Participants holding options or Options are not permitted to participate in new issues of Securities by the Company but adjustments may be made to the number of Shares over which the options or Options are granted and/or the exercise price (if any) to take into account changes in the capital structure of the Company that occur by way of pro rata and bonus issues in accordance with the rules of the LTI Plan and the ASX Listing Rules.

- If a "change of control event" occurs to the Company, and unless the Board determines otherwise:
 - Awards granted will vest where the Board determines that the vesting conditions and performance hurdles applicable to those Awards have been satisfied, with vesting to occur on a pro rata basis having regard to the vesting period and actual performance;
 - any options and Options which the Board determines will not vest under the above sub-paragraph will automatically lapse; and
 - any Share Awards which the Board determines will not vest under the above subparagraph will automatically be surrendered by the participant.

A "change of control" event includes an event when a person or entity becomes a legal or beneficial owner of 50% or more of the issued capital of the Company; a person or entity becomes entitled to, acquires, holds or has an equitable interest in more than 50% of the issued share capital of the Company, a takeover bid or scheme of arrangement occurs, a sale of all or substantially all of the assets of the Company occurs, or a change in the composition of the Board effected by shareholders occurs against the recommendation of the Existing Board which results in a majority of the Board being replaced over a two year period.

- If a participant becomes a "bad leaver", unless the Board determines otherwise:
 - any and all vested options and Options held by the participant which have not been exercised will continue in force and remain exercisable for a period of 90 days commencing on the date of termination of the Participant's employment or engagement with a Group Company;
 - the participant will be entitled to continue to hold all vested Share Awards;
 - all unvested options and/or Options held by the Participant will automatically lapse; and
 - all unvested Share Awards held by the Participant will be automatically surrendered by the Participant.

A participant will be a "bad leaver" if the participant resigns, is terminated for performance or is terminated or dismissed for misconduct.

- If a participant is a "good leaver", unless the Board determines otherwise:
 - any and all vested options and Options held by the participant which have not been exercised will continue in force and remain exercisable for a period of 90 days commencing on the date of termination of the Participant's employment or engagement with a Group Company;
 - the Participant will be entitled to continue to hold all vested Share Awards; and
 - the Board may determine the manner in which any unvested Awards held by the participant will be dealt with.

A participant is a "good leaver" if they are not a "bad leaver".

- The Board may delegate management and administration of the LTI Plan, together with any of their powers or discretions under the LTI Plan, to a committee of the Board or to any one or more persons selected by them.
- Subject to the Listing Rules and the Constitution, the Board may at any time amend the LTI Plan or the terms and conditions upon which Awards have been issued under the LTI Plan provided, generally, that the amendment does not materially reduce the rights of any Participant in respect of Awards granted to them.

- The Board may elect to use an employee share trust or other mechanism for the purposes of holding Awards and/or Shares for Participants under the Plan, and delivering Plan Shares on behalf of Participants upon exercise of options and/or Options (as the case may be).
- Awards may be granted to Eligible Participants residing in Australia, the United States of America, France, India or other jurisdictions, as approved by the Board from time to time, under the LTI Plan subject to any local law and local tax requirements.

Appendix B

Summary of the material terms of the Put Option Agreement

On 13 August 2020, the Company entered into a put option agreement (**Agreement**) with LDA Capital Limited and LDA Capital LLC (**LDA Capital**) to provide the Company with up to A\$29 million in committed equity capital over the next 12 months which may be extended by the parties for a further 12 months. The Company will control the timing and maximum amount of the draw down under this facility subject only to the minimum draw down commitment of A\$10 million within the first 12 months.

The capital may be accessed by the Company by exercising put options under the Agreement at the Company's election. The Company has agreed to draw down A\$10 million in the first 12 months (**Minimum Draw Down Amount**) and may draw down up to an aggregate amount of up to A\$29 million under the Agreement. This allows the Company to drawdown funds during the term of the Agreement by issuing ordinary shares of the Company (**Shares**) for subscription to LDA Capital. Any issue of Shares by the Company under the Minimum Draw Down Amount is expected to be issued under the Company's Listing Rule 7.1 placement capacity and any issue of Shares by the Company as a result of capital calls above the Minimum Draw Down Amount, will be subject to the Company's available placement capacity at the time and otherwise any required regulatory and shareholder approvals.

The Company may issue call notices to LDA Capital with each call notice being a put option on LDA Capital to subscribe for and pay for those Shares on closing, subject to the satisfaction of certain conditions precedent, including requirements for the Company to have released applicable Corporations Act and ASX filings on the ASX.

Upon issue of a call notice, the Company must within 3 business days of issuing the call notice, issue LDA Capital with Shares for no consideration as 'collateral shares' which LDA Capital is entitled to sell on-market (subject to certain terms) and any unused collateral shares will be adjusted or may be used for subsequent calls, bought back by the Company or transferred to a trustee or nominee of the Company.

The number of Shares subject to a call notice is limited to a maximum of 10 times the average daily number of the Company's Shares traded on the ASX during the 15 trading day period before its issue. The issue price of the capital call Shares will be 90% of the higher of the average VWAP of Shares in the 30 trading day period after exercise of the put option (subject to any applicable adjustments) and the minimum price notified to LDA Capital by the Company upon exercise of the put option. The VWAP calculation is subject to adjustment as a result of certain events occurring including trading volumes falling below an agreed threshold level or a material adverse event occurring in relation to the Company.

In addition, the Company has agreed to issue up to 75,000,000 unlisted options to LDA Capital with 37,500,000 of these having an exercise price of A\$0.15 and 37,500,000 having an exercise price of A\$0.20, with each option having an exercise period of 3 years. These options will be issued under the Company's Listing Rule 7.1 placement capacity.

The Company has agreed to pay a commitment fee of \$580,000 which is payable in cash in two instalments. \$290,000 is due and payable at closing of the Company's first capital call with the remaining \$290,000 due and payable at closing of the second capital call. The Company may (at its discretion) elect to pay the Commitment Fee in Shares.

The Agreement was amended on 26 October 2020 to confirm that the Company has fulfilled its obligation under the original Agreement and that LDA Capital wishes to remain engaged with the

Company for future financial requirements. LDA Capital has chosen to increase available funding to AU\$45 million and the Company has agreed to increase its obligation under the agreement to AU\$20 million of which AU\$11 million has been received by the Company.

Appendix C

Virtual Meeting User Guide

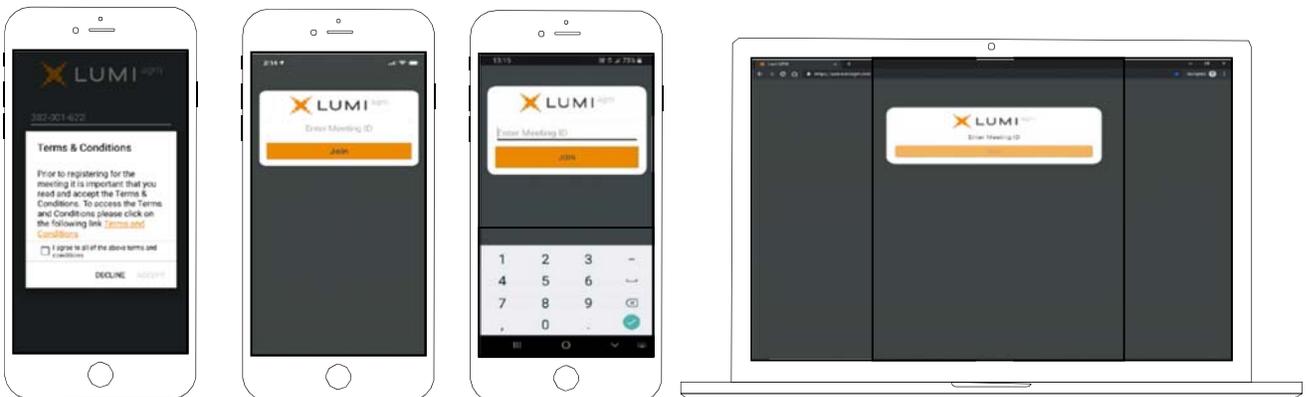
Getting Started

In order to participate in the meeting, please go to <https://web.lumiagm.com> on a computer, laptop, smartphone, tablet or other smart device. You will need the following information:

Meeting ID: 306-572-029

Australian Residents	Username - Voting Access Code (VAC*) and Password (postcode of your registered address) *Voting Access Code (VAC) can be located on the first page of your proxy form or on your notice of meeting email.
Overseas Residents	Username - Voting Access Code (VAC*) and Password (three character country code e.g. New Zealand – NZL. A full list of country codes can be found at the end of this guide.) *Voting Access Code (VAC) can be located on the first page of your proxy form or on your notice of meeting email. A full list of country codes can be found at the end of this guide.
Appointed Proxy	To receive your Username and Password, please contact our share registry, Boardroom Pty Ltd on 1300 737 760 or +61 2 9290 9600 between 8:30am to 5:30pm (Sydney time) Monday to Friday the day before the meeting.

To join the meeting, you will be required to enter the above unique 9 digit meeting ID and select 'Join'. To proceed to registration, you will be asked to read and accept the terms and conditions.



If you are a Shareholder, select 'I have a login' and enter your Username VAC (Voting Access Code) and Password (postcode or country code). If you are a Proxyholder you will need to enter the unique Username and Password provided by Boardroom and select 'Login'.

If you are not a Shareholder, select 'I am a guest'. You will be asked to enter your name and email details, then select 'Enter'. Please note, guests are not able to ask questions at the meeting.



Navigating

Once you have registered, you will be taken to the homepage which displays your name and meeting information.



To activate the webcast, please click on the **Broadcast bar** at the bottom of the screen. If prompted you may have to click the play button in the window to initiate the broadcast.

Once you select to view the webcast from a smartphone it can take up to approximately 30 seconds for the live feed to appear on some devices. If you attempt to log into the app before the Meeting commences, a dialog box will appear.

NOTE: We recommend once you have logged in, you keep your browser open for the duration of the meeting. If you close your browser you will be asked to repeat the log in process.

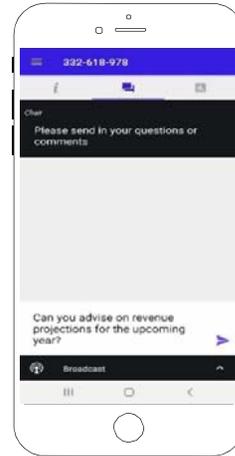


To ask a Question

If you would like to ask a question:

1. Select the question icon 
2. Compose your question.
3. Select the send icon 
4. You will receive confirmation that your question has been received.

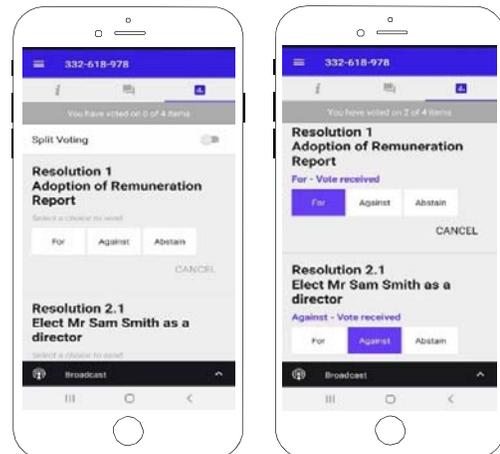
The Chair will give all Shareholders a reasonable opportunity to ask questions and will endeavor to answer all questions at the Meeting.



To Vote

If you would like to cast a vote:

1. When the Chair declares the polls open, the resolutions and voting choices will appear.
2. Press the option corresponding with the way in which you wish to vote.
3. Once the option has been selected, the vote will appear in blue.
4. If you change your mind and wish to change your vote, you can simply press the new vote or cancel your vote at any time before the Chair closes the polls.
5. Upon conclusion of the meeting the home screen will be updated to state that the meeting is now closed.



Need help? If you require any help using this system prior to or during the Meeting, please call **1300 737 760** or **+61 2 9290 9600** so we can assist you

Country Codes

For overseas shareholders, select your country code from the list below and enter it into the password field.

ABW	Aruba
AFG	Afghanistan
AGO	Angola
AIA	Anguilla
ALA	Aland Islands
ALB	Albania
AND	Andorra
ANT	Netherlands Antilles
ARE	United Arab Emirates
ARG	Argentina
ARM	Armenia
ASM	American Samoa
ATA	Antarctica
ATF	French Southern
ATG	Antigua & Barbuda
AUS	Australia
AUT	Austria
AZE	Azerbaijan
BDI	Burundi
BEL	Belgium
BEN	Benin
BFA	Burkina Faso
BGD	Bangladesh
BGR	Bulgaria
BHR	Bahrain
BHS	Bahamas
BIH	Bosnia & Herzegovina
BLM	St Barthelemy
BLR	Belarus
BLZ	Belize
BMU	Bermuda
BOL	Bolivia
BRA	Brazil
BRB	Barbados
BRN	Brunei Darussalam
BTN	Bhutan
BUR	Burma
BVT	Bouvet Island
BWA	Botswana
CAF	Central African Republic
CAN	Canada
CCK	Cocos (Keeling) Islands
CHE	Switzerland
CHL	Chile
CHN	China
CIV	Cote D'ivoire
CMR	Cameroon
COD	Democratic Republic of Congo
COK	Cook Islands
COL	Colombia
COM	Comoros
CPV	Cape Verde
CRI	Costa Rica
CUB	Cuba
CYM	Cayman Islands
CYP	Cyprus
CXR	Christmas Island
CZE	Czech Republic
DEU	Germany
DJI	Djibouti
DMA	Dominica
DNK	Denmark
DOM	Dominican Republic

DZA	Algeria
ECU	Ecuador
EGY	Egypt
ERI	Eritrea
ESH	Western Sahara
ESP	Spain
EST	Estonia
ETH	Ethiopia
FIN	Finland
FJI	Fiji
FLK	Falkland Islands (Malvinas)
FRA	France
FRO	Faroe Islands
FSM	Micronesia
GAB	Gabon
GBR	United Kingdom
GEO	Georgia
GGY	Guernsey
GHA	Ghana
GIB	Gibraltar
GIN	Guinea
GLP	Guadeloupe
GMB	Gambia
GNB	Guinea-Bissau
GNQ	Equatorial Guinea
GRC	Greece
GRD	Grenada
GRL	Greenland
GTM	Guatemala
GUF	French Guiana
GUM	Guam
GUY	Guyana
HKG	Hong Kong
HMD	Heard & Mcdonald Islands
HND	Honduras
HRV	Croatia
HTI	Haiti
HUN	Hungary
IDN	Indonesia
IMN	Isle Of Man
IND	India
IOT	British Indian Ocean Territory
IRL	Ireland
IRN	Iran Islamic Republic of
IRQ	Iraq
ISM	Isle of Man
ISL	Iceland
ISR	Israel
ITA	Italy
JAM	Jamaica
JEY	Jersey
JOR	Jordan
JPN	Japan
KAZ	Kazakhstan
KEN	Kenya
KGZ	Kyrgyzstan
KHM	Cambodia
KIR	Kiribati
KNA	St Kitts And Nevis
KOR	Korea Republic of
KWT	Kuwait
LAO	Laos
LBN	Lebanon

LBR	Liberia
LBY	Libyan Arab Jamahiriya
LCA	St Lucia
LIE	Liechtenstein
LKA	Sri Lanka
LSO	Lesotho
LTU	Lithuania
LUX	Luxembourg
LVA	Latvia
MAC	Macao
MAF	St Martin
MAR	Morocco
MCO	Monaco
MDA	Republic Of Moldova
MDG	Madagascar
MDV	Maldives
MEX	Mexico
MHL	Marshall Islands
MKD	Macedonia Former Yugoslav Rep
MLI	Mali
MLT	Mauritania
MMR	Myanmar
MNE	Montenegro
MNG	Mongolia
MNP	Northern Mariana Islands
MOZ	Mozambique
MRT	Mauritania
MSR	Montserrat
MTQ	Martinique
MUS	Mauritius
MWI	Malawi
MYS	Malaysia
MYT	Mayotte
NAM	Namibia
NCL	New Caledonia
NER	Niger
NFK	Norfolk Island
NGA	Nigeria
NIC	Nicaragua
NIU	Niue
NLD	Netherlands
NOR	Norway Montenegro
NPL	Nepal
NRU	Nauru
NZL	New Zealand
OMN	Oman
PAK	Pakistan
PAN	Panama
PCN	Pitcairn Islands
PER	Peru
PHL	Philippines
PLW	Palau
PNG	Papua New Guinea
POL	Poland
PRI	Puerto Rico
PRK	Korea Dem Peoples Republic of
PRT	Portugal
PRY	Paraguay
PSE	Palestinian Territory Occupied
PYF	French Polynesia
QAT	Qatar
REU	Reunion

ROU	Romania
RUS	Russian Federation
RWA	Rwanda
SAU	Saudi Arabia Kingdom Of
SDN	Sudan
SEN	Senegal
SGP	Singapore
SGS	Sth Georgia & Sth Sandwich Isl
SHN	St Helena
SJM	Svalbard & Jan Mayen
SLB	Solomon Islands
SCG	Serbia & Outlying
SLE	Sierra Leone
SLV	El Salvador
SMR	San Marino
SOM	Somalia
SPM	St Pierre And Miquelon
SRB	Serbia
STP	Sao Tome And Principe
SUR	Suriname
SVK	Slovakia
SVN	Slovenia
SWE	Sweden
SWZ	Swaziland
SYC	Seychelles
SYR	Syrian Arab Republic
TCA	Turks & Caicos Islands
TCD	Chad
TGO	Togo
THA	Thailand
TJK	Tajikistan
TKL	Tokelau
TKM	Turkmenistan
TLS	Timor-Leste
TMP	East Timor
TON	Tonga
TTO	Trinidad & Tobago
TUN	Tunisia
TUR	Turkey
TUV	Tuvalu
TWN	Taiwan
TZA	Tanzania United Republic of
UGA	Uganda
UKR	Ukraine
UMI	United States Minor
URY	Uruguay
USA	United States of America
UZB	Uzbekistan
VNM	Vietnam
VUT	Vanuatu
WLF	Wallis & Futuna
WSM	Samoa
YEM	Yemen
YMD	Yemen Democratic
YUG	Yugoslavia Socialist Fed Rep
ZAF	South Africa
ZAR	Zaire
ZMB	Zambia
ZWE	Zimbabwe



All Correspondence to:

- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** www.boardroomlimited.com.au
- ☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 9:00am (Perth time) on Monday 24 May 2021.**

🖥 TO VOTE ONLINE

- STEP 1:** VISIT <https://www.votingonline.com.au/brnagm21>
- STEP 2:** Enter your Postcode OR Country of Residence (if outside Australia)
- STEP 3:** Enter your Voting Access Code (VAC):

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **9:00am (Perth time) on Monday, 24 May 2021.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 🖥 **Online** <https://www.votingonline.com.au/brnagm21>
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **BrainChip Holdings Ltd** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting** (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at **Level 9, 40 St Georges Tce, Perth WA 6000 on Wednesday, 26 May 2021 at 9:00am (Perth time)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 1, **8a** and **8b**, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of **these** Resolutions even though the Resolutions are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 1, **8a** and **8b**). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS
 * If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Emmanuel Hernandez as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of Christa Steele as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Election of Geoffrey Carrick as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of Prior Issue of 35,000,000 shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Ratification of Prior Issue of 75,000,000 options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval of Equity Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8(a)	Approval of Issue of options to Directors - 2,500,000 Options to Christa Steele, Non-Executive Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8(b)	Approval of Issue of options to Directors - 2,500,000 Options to Geoffrey Carrick, Non-Executive Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS
 This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2021