



BRAINCHIP HOLDINGS LTD
ABN 64 151 159 812

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held at 65 Enterprise Dr, Aliso Viejo, California, 92656, USA on 27 May 2020 at 10:00 am (Sydney 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 which will be held from a physical location in the United States and will also be held electronically 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 65 Enterprise Dr, Aliso Viejo, California, 92656, USA, on 27 May 2020 at 10:00 am (Sydney 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 25 May 2020.

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

AGENDA

1. ANNUAL REPORT

To consider the Annual Report of the Company and its controlled entities for the year ended 31 December 2019, which includes the Financial Report, the Directors' Report and the Auditor's Report.

2. RESOLUTION 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 2019."

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.

3. RESOLUTION 2 – RE-ELECTION OF STEVE LIEBESKIND 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, Steve Liebeskind who retires by rotation and being eligible offers himself for re-election, be re-elected as a Director of the Company."

4. RESOLUTION 3 - ELECTION OF PETER VAN DER MADE 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, Peter Van Der Made, 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. RESOLUTIONS 4(A), 4(B), 4(C) AND 4(D) – RATIFICATION OF THE PRIOR ISSUE OF CONVERTIBLE NOTES AND ASSOCIATED SECURITIES

Resolution 4 (a)

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 2,850,000 convertible notes to CST Capital Pty Ltd as trustee of the CST Investments Fund (CST Capital) which were issued pursuant to the Convertible Securities Agreement dated 25 June 2019, 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.

Resolution 4 (b)

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 30,000,000 fully paid ordinary Shares, being the "Collateral Shares", to CST Capital Pty Ltd as trustee of the CST Investments Fund (CST Capital) which were issued pursuant to the Convertible Securities Agreement dated 25 June 2019, 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.

Resolution 4 (c)

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 1,561,279 fully paid ordinary Shares, being the “Drawdown Shares”, to CST Capital Pty Ltd as trustee of the CST Investments Fund (CST Capital) which were issued pursuant to the Convertible Securities Agreement dated 25 June 2019, 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.

Resolution 4 (d)

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 21,868,976 options to CST Capital Pty Ltd as trustee of the CST Investments Fund (CST Capital) which were issued pursuant to the Convertible Securities Agreement dated 25 June 2019, 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. RESOLUTION 5 – APPROVAL OF PROPOSED ISSUE OF REPLACEMENT CONVERTIBLE NOTES

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 7.1 and for all other purposes, approval is given for the proposed issue of up to 603,201 replacement convertible notes to CST Capital Pty Ltd as trustee of the CST Investments Fund (CST Capital) which will replace the outstanding convertible notes held by CST Capital pursuant to the Convertible Securities Agreement dated 25 June 2019, 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. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF 103,958,000 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 103,958,000 fully paid ordinary Shares which were issued pursuant to a placement as announced to ASX on 16 April 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.

8. RESOLUTION 7 - APPROVAL OF 10% PLACEMENT FACILITY

To consider and, if thought fit, to pass with or without amendment, the following resolution as a special resolution:

“That, for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”

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

Dated: 21 April 2020

By order of the Board



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:

- (c) 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
- (d) 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 4(a), (b), (c), (d) and 5 – Ratification of Prior Issue of Convertible Notes and Associated Securities and Approval of proposed issue of Replacement Convertible Notes

The Company will disregard any votes cast in favour of these resolutions by or on behalf of CST Capital Pty Ltd as trustee of the CST Investments Fund 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 6 – Ratification of Prior Issue of 103,958,000 Shares

The Company will disregard any votes cast in favour of these resolutions by or on behalf of and person who participated in the issue of Shares the subject of this resolution, and any 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 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 10% Placement Facility

The Company will disregard any votes cast in favour of the resolution by or on behalf of:

- (a) a person who is expected to participate in the proposed issue of any Shares under the placement facility and any of their associates; or
- (b) a person who will obtain a material benefit, as a result of any proposed issue of Shares under the placement facility except a benefit solely in the capacity of a holder of Shares.

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

- (c) 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
- (d) 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
- (e) 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.

As at the date of this Notice, the Company has no specific plans to issue securities under the placement facility under ASX Listing Rule 7.1A and therefore it is not known who (if any persons) may participate in a potential issue of securities under the placement facility (if any) under ASX Listing Rule 7.1A. Accordingly, as at the date of this Notice, the Company is not aware of any person who would be excluded from voting on this resolution.

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 65 Enterprise Dr, Aliso Viejo, California, 92656, USA on 27 May 2020 at 10:00 am (Sydney time).

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 the United States 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 the physical meeting in the United States.

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 also 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/366-378-250>

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

<https://web.lumiagm.com/366-378-250>; or

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 B** 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 - **366-378-250**.
2. Your username, which is your Boardroom S number (located on any recent statement or documentation).
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 B 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 10:00 am (Sydney time) on 25 May 2020, 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 <https://ir.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 STEVE LIEBESKIND AS DIRECTOR

Resolution 2 seeks approval for the re-election of Steve Liebeskind 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 Liebeskind was appointed as a Director on 1 May 2018 and accordingly retires from office in accordance with the above requirements and submits himself for re-election. Mr Liebeskind is considered an independent non-executive Director.

Mr Liebeskind is an experienced front line operational manager with a broad set of skills developed from his time working with Ernst & Young in Australia and Canada. He has held positions of Advisor, CEO and COO for high growth companies in the telecommunications, technology and financial services sector. Mr Liebeskind is a founding principal of Sydney Capital Partners a boutique corporate advisory firm. Mr Liebeskind is Chair of the Company's Audit & Governance Committee effective from 1 April 2019 and joined the Remuneration and Nomination Committee as Chair on 1 January 2020.

Directors recommendation

The Board (with Steve Liebeskind abstaining) supports the re-election of Steve Liebeskind 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 PETER VAN DER MADE AS DIRECTOR

Resolution 3 seeks approval for the election of Peter Van Der Made 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 Van Der Made was appointed as a Director to fill a casual vacancy with effect from 29 January 2020. As his appointment will terminate at the end of the Meeting, he submits himself for election by Shareholders at the Meeting. Mr Van Der Made is an executive Director and is not an independent director given his executive role.

Mr Van Der Made has been at the forefront of computer innovation for 40 years. He is the inventor of a computer immune system at vCIS Technology where he served as Chief Technical Officer, and then Chief Scientist when it was acquired by Internet Security Systems, and subsequently IBM. Previously, he designed a high resolution, high speed colour Graphics Accelerator chip for IBM PC graphics at PolyGraphics Systems. He was the founder of PolyGraphics Systems, vCIS Technology, and BrainChip Inc. Mr Van Der Made was previously held the position of Executive Director of BrainChip Holdings Ltd from 10 September 2015 to 1 January 2018.

Directors recommendation

The Board (with Peter Van Der Made abstaining) supports the election of Peter Van Der Made and recommends that Shareholders vote in favour of this resolution.

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

8. RESOLUTIONS 4(A), (B), (C) AND (D) – RATIFICATION OF PRIOR ISSUES OF CONVERTIBLE NOTES AND ASSOCIATED SECURITIES

Background

As announced to the ASX on 26 June 2019, the Company entered into a Convertible Note agreement under which the Company issued CST Capital Pty Ltd as trustee for the CST Investments Fund (CST Capital) with US\$ 2.850 million worth of convertible notes (Convertible Notes) (Convertible Securities Agreement). The key terms of the Convertible Note financing were included in the ASX announcement of 26 June 2019. The Convertible Notes were issued under the Company's placement capacity under ASX Listing Rule 7.1.

Subsequently and commencing on 26 June 2019 until 9 April 2020, a total of 91,405,705 fully paid ordinary Shares were issued to CST Capital on conversion of its Convertible Notes pursuant to the terms of the Convertible Securities Agreement (**Conversion Shares**) and 603,201 Convertible Notes remain outstanding at the date of this Notice. Pursuant also to the terms of the Convertible Securities Agreement the following securities were issued to CST Capital:

- (i) 30,000,000 fully paid ordinary Shares (**Collateral Shares**);
- (ii) 1,561,279 fully paid ordinary Shares (**Drawdown Shares**); and
- (iii) 21,868,976 options to acquire Shares (**CST Options**)

collectively the "**Associated Securities**".

Listing Rule 7.4 approval

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholder over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The issue of Convertible Notes, Collateral Shares, Drawdown Shares and CST Options does not fit within any of these exceptions and, as these have not yet been approved by the Company's Shareholders, the issue effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue date of the Convertible Notes.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of Equity Securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further Equity Securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1.

To this end, Resolutions 4(a), (b), (c) and (d) seek Shareholder approval to ratify the issue of Convertible Notes, Collateral Shares, Drawdown Shares and CST Options under and for the purposes of Listing Rule 7.4.

Directors recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolutions 4(a), 4(b), 4(c) and 4(d).

The Chairman intends to exercise all available proxies in favour of Resolutions 4(a), 4(b), 4(c) and 4(d).

A voting exclusion statement for Resolutions 4(a), 4(b), 4(c) and 4(d) is included in the Voting Exclusions.

Resolution 4(a)

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

(a) Allottee of the securities:

The Convertible Notes were issued by the Company to CST Capital Pty Ltd as trustee for the CST Investments under the terms of the Convertible Securities Agreement.

(b) Number and class of securities issued:

2,850,000 Convertible Notes.

(c) Date on which securities were issued:

The Convertible Notes were issued and allotted on 26 June 2019.

(d) Issue price of securities:

The Convertible Notes were issued at a face value of USD1.00 per Convertible Note. CST Capital paid an aggregate amount of USD2,565,000 for the Convertible Notes which represents a total subscription price of USD2,850,000 less a 10% interest rate paid upfront as a discount to the subscription price.

(e) Terms of securities:

- **Summary of material terms:** A summary of the material terms of the Convertible Notes are set out in the Company's ASX announcement dated 26 June 2019 and titled "Cleansing Notice – Convertible Note" and as outlined in Appendix "A" to this Notice of Meeting.
- **Conversion price:** Subject to the terms of the Convertible Securities Agreement, CST Capital is entitled to convert the Convertible Notes into Shares by applying the exchange rate on the day of issue of the Conversion Notice and at a conversion price of \$0.079 (if conversion took place on or before 24 September 2019) or the lesser of \$0.079 and 92% of the 5 day VWAP selected by CST Capital from any 20 trading days on the ASX prior to issue of the relevant conversion notice, subject to certain adjustments. Full details of the conversion price formula are set out in the Company's ASX announcements dated 26 June 2019 and titled "Cleansing Notice – Convertible Note".

- Maximum number of Shares into which the Convertible Notes convert:** Under the terms of the Convertible Securities Agreement, the maximum number of Shares that may be issued in respect of conversion of the Convertible Notes is 102,000,000 (being the amount of Shares able to be issued under the Company's 15% placement capacity at the time of issue of the Convertible Notes) (**Maximum Share Cap**).
- The maximum number of Shares into which the Convertible Notes will convert is based on the conversion formula under the Convertible Securities Agreement that uses a variable linked to market value of the underlying Shares. As such, the maximum number of Shares that may be issued on conversion of the Convertible Notes, will vary depending on the date of conversion of the Convertible Notes, the exchange rate and the market value of the Company's Shares. Given these variables, the Company provides the below worked examples of how the conversion formula will work in practice (assuming a point in time market value rather than 92% of the 5 day VWAP as described in the Conversion Price item above). It should be noted that the maximum number of Shares included below have been calculated as at 9 April 2020 and using the market value of the underlying shares (being the trading price of the underlying shares on the ASX) as at close of trading on the ASX that day and an exchange rate of AUD/USD of 0.064.

	Market Value of Underlying Shares		
	A\$0.0215 50% decrease in Market Value	A\$0.043 Market Value of Underlying Shares	A\$0.086 100% increase in Market Value
Total number of Shares already issued on conversion of Convertible Notes from 26 June 2019 – 9 April 2020	91,405,705	91,405,705	91,405,705
Maximum number of Shares to be issued on conversion of the Convertible Notes (including those already converted and those issued on conversion of the outstanding Convertible Notes)	135,242,960	113,324,333	102,365,019

(f) The intended use of the funds:

The funding raised from the issue of the Convertible Notes (being US\$2.565 million) is being used for the initial development of the Company's Akida device.

If Resolution 4(a) is passed, the Convertible Notes will be excluded when calculating the Company's 15% limit under Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date for the Convertible Notes.

It should be further noted that any Shares issued on conversion of the Convertible Notes (including the Conversion Shares) will be excluded when calculating the Company's 15% limit in Listing Rule 7.1 and 10% limit in Listing Rule 7.1A, as the issues of such Shares will

fall within an exception to Listing Rules 7.1 and 7.1A as a result of Listing Rule 7.2, exception 9 which excludes an issue of securities as a result of the conversion of convertible securities.

If Resolution 4(a) is not passed, the Convertible Notes will be included in calculating the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date for the Convertible Notes with the result that (if Resolutions 4(b), (c) and (d) are also not passed) the Company will have no remaining placement capacity under ASX Listing Rule 7.1.

Resolution 4(b)

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

(a) Allottee of the securities:

The Collateral Shares were issued by the Company to CST Capital Pty Ltd as trustee for the CST Investments under the terms of the Convertible Securities Agreement.

(b) Number and class of securities issued:

30,000,000 fully paid ordinary Shares being the Collateral Shares.

(c) Date on which securities were issued:

The Collateral Shares were issued and allotted on 26 June 2019.

(d) Issue price of securities:

The 30,000,000 Collateral Shares were issued for nil consideration.

(e) Terms of securities:

Refer Appendix "A" to this Notice of Meeting.

(f) The intended use of the funds:

No funds were raised from the issue of the Collateral Shares

If Resolution 4(b) is passed, the Collateral Shares, will be excluded when calculating the Company's 15% limit under Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date for the Collateral Shares.

If Resolution 4(b) is not passed, the Collateral Shares, will be included in calculating the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date for the Convertible Notes with the result that (if Resolutions 4(a), (c) and (d) are also not passed) the Company will have no remaining placement capacity under ASX Listing Rule 7.1.

Resolution 4(c)

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

(a) Allottee of the securities:

The Drawdown Shares were issued by the Company to CST Capital Pty Ltd as trustee for the CST Investments under the terms of the Convertible Securities Agreement.

(b) Number and class of securities issued:

The 1,561,279 fully paid ordinary Shares being the Drawdown Shares.

(c) Date on which securities were issued:

The Collateral Shares were issued and allotted on 26 June 2019.

(d) Issue price of securities:

The 1,561,279 Drawdown Shares were issued at an issue price of \$0.079 per Drawdown Share.

(e) Terms of securities:

Refer Appendix "A" to this Notice of Meeting.

(f) The intended use of the funds:

The Drawdown Shares were issued in satisfaction of the drawdown fee payable under the Convertible Securities Agreement.

If Resolution 4(c) is passed, the Drawdown Shares will be excluded when calculating the Company's 15% limit under Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date for the Drawdown Shares.

If Resolution 4(c) is not passed, the Drawdown Shares will be included in calculating the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date for the Convertible Notes with the result that (if Resolutions 4(a), (b) and (d) are also not passed) the Company will have no remaining placement capacity under ASX Listing Rule 7.1.

Resolution 4 (d)

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

(a) Allottee of the securities:

The CST Options were issued by the Company to CST Capital Pty Ltd as trustee for the CST Investments under the terms of the Convertible Securities Agreement.

(b) Number and class of securities issued:

21,868,876 CST Options being options to acquire Shares.

(c) Date on which securities were issued:

The CST Options were issued and allotted on 26 June 2019.

(d) Issue price of securities:

The 21,868,876 CST Options were issued for nil consideration with an exercise price of \$0.117 per option.

(e) Terms of securities:

Refer Appendix "A" to this Notice of Meeting.

(f) The intended use of the funds:

No funds were raised from the issue of the CST Options. To the extent that any funds are raised from the exercise of the CST Options, this will be used towards the initial development of the Company's Akida device.

If Resolution 4(d) is passed, the CST Options will be excluded when calculating the Company's 15% limit under Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date for the CST Options.

It should be further noted that any Shares issued on exercise of the CST Options will be excluded when calculating the Company's 25% limit in Listing Rule 7.1 and Listing Rule 7.1A, as the issues of such Shares will fall within an exception to Listing Rule 7.1 as a result of Listing Rule 7.2, exception 9 which excludes an issue of securities as a result of the conversion of convertible securities.

If Resolution 4(d) is not passed, the CST Options will be included in calculating the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date for the Convertible Notes with the result that (if Resolutions 4(a), (b) and (c) are also not passed) the Company will have no remaining placement capacity under ASX Listing Rule 7.1.

9. RESOLUTION 5 – APPROVAL OF PROPOSED ISSUE OF REPLACEMENT CONVERTIBLE NOTES

Background

As noted above in relation to Resolutions 4 (a), (b), (c) and (d), the Company issued CST Capital a total of 2,850,000 Convertible Notes on 26 June 2019 pursuant to the terms of the Convertible Securities Agreement. CST Capital has converted 2,246,799 Convertible Notes resulting in the issue to CST Capital of 91,405,705 Shares and as at the date of this Notice has 603,201 remaining Convertible Notes.

Under the Convertible Securities Agreement, the maximum number of Shares that may be issued by the Company in respect of the conversion of the Convertible Notes (**Conversion Shares**) is 102,000,000 (**Maximum Share Cap**). If CST Capital was to convert its remaining 603,201 Convertible Notes based on a trading price of Shares on the ASX of \$0.043 and an exchange rate of AUD/USD of \$0.64 as at 9 April 2020 (shortly prior to the date of this Notice), this would result in the Company being required to issue 21,918,628 Conversion Shares resulting in a total of 113,324,333 Conversion Shares to be issued under the Convertible Securities Agreement which would exceed the Maximum Share Cap. As a result, under the terms of the Convertible Securities Agreement, CST Capital may require the Company to seek Shareholder approval to the issue of replacement convertible notes to CST Capital on the same terms as the Convertible Notes other than there will be no Maximum Share Cap (**Replacement Convertible Notes**) and in any event, the Company is required to seek such Shareholder approval at its next annual general meeting after the date of the Convertible Securities Agreement (being this Meeting).

If approved by Shareholders under this Resolution, CST will be issued with the number of Replacement Notes equivalent to the number of outstanding Convertible Notes on issue on the day after this Annual General Meeting (if any) which will replace the outstanding Convertible Notes held by CST Capital which will be redeemed and cancelled. This will ensure that the Company is able to satisfy its obligations under the Convertible Securities Agreement to issue Conversion Shares on conversion of CST Capital's convertible notes.

Listing Rule 7.1 approval

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the total number of fully paid ordinary shares it had on issue at the beginning of the 12 month period.

The issue of Replacement Convertible Notes does not fit within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1 as at the date of this Notice of Meeting. It therefore requires the approval of Shareholders under Listing Rule 7.1.

Resolution 5 seeks the required Shareholder approval to the issue of the Replacement Convertible Notes under and for the purposes of Listing Rule 7.1.

If Resolution 5 is passed it will permit the Company to issue the Replacement Convertible Notes, without impacting on the Company's placement capacity under Listing Rule 7.1. The existing Convertible Notes will be redeemed upon the issue of the Replacement Convertible Notes with the result that the Company will still have the same number of convertible notes on issue with the only difference in terms, being that the Maximum Share Cap will not apply to them.

It should be further noted that any Conversion Shares issued on conversion of the Replacement Convertible Notes will be excluded in calculating the Company's 25% limit in Listing Rule 7.1 and Listing Rule 7.1A, as the issues of such Shares will fall within an exception to Listing Rule 7.1 as a result of Listing Rule 7.2, exception 9 which excludes an issue of securities as a result of the conversion of convertible securities.

If Resolution 5 is not passed, the issue will be included in calculating the Company's placement capacity under Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date. Also, if the Resolution 5 is not passed and the total number of Conversion Shares required to be issued exceeds the Maximum Share Cap, CST Capital can require repayment of

its outstanding Convertible Notes in cash under the terms of the Convertible Securities Agreement, which would divert limited cash resources away from development of the Company products.

The following information is provided in accordance with Listing Rule 7.3.

(a) Allottee of the securities:

The Replacement Convertible Notes will be issued to CST Capital Pty Ltd as trustee for the CST Investments Fund under the terms of the Convertible Securities Agreement.

(b) Number and class of securities issued:

A maximum of 603,201 Replacement Convertible Notes.

(c) Date on which securities will be issued:

The Replacement Convertible Notes will, subject to Shareholder approval being obtained under this Resolution 5, be issued and allotted within 3 Business Days following such Shareholder approval being obtained and in any event no later than 3 months after the date of this Meeting.

(d) Summary of material terms of Replacement Convertible Notes:

The Replacement Convertible Notes will have the same terms and conditions as the Convertible Notes (including in relation to calculating the Conversion Price), other than there will be no Maximum Share Cap applicable to the Replacement Convertible Notes.

A summary of the material terms of the Convertible Notes are set out in the Company's ASX announcement dated 26 June 2019 and titled "Cleansing Notice – Convertible Note" and as outlined in Appendix "A" to this Notice of Meeting.

(e) Issue price of securities:

The Replacement Convertible Notes will be issued at a face value of USD1.00 per Replacement Convertible Note. As the Replacement Convertible Notes are being issued to replace the outstanding Convertible Notes, they are being issued in consideration for CST Capital's outstanding Convertible Notes being redeemed and cancelled.

As noted under Resolutions 4 (a), (b), (c) and (d) as at the date of this Notice there are 603,201 outstanding Convertible Notes held by CST Capital from the 2,850,000 Convertible Notes that were originally issued under the Convertible Securities Agreement whereby CST Capital paid an aggregate amount of USD2,565,000 which represents a total subscription price of USD2,850,000 less a 10% interest rate paid upfront as a discount to the subscription price.

(f) Maximum number of Shares into which the Replacement Convertible Notes convert:

Under the terms of the Convertible Securities Agreement, the maximum number of Conversion Shares into which the Replacement Convertible Notes could convert is

based on the conversion formula under the Convertible Securities Agreement that uses a variable linked to market value of the underlying Shares. As such, the maximum number of Shares that may be issued on conversion of the Replacement Convertible Notes, will vary depending on the date of conversion of the Replacement Convertible Notes, the exchange rate and the market value of the Company's Shares. Given these variables, the Company provides the below worked examples of how the conversion formula will work in practice. It should be noted that the maximum number of Shares included below have been calculated as at 9 April 2020 and using the market value of the underlying Shares (being the trading price of the underlying Shares on the ASX) as at close of trading on the ASX that day.

	Market Value of Underlying Shares		
	A\$0.0215 50% decrease in Market Value	A\$0.043 Market Value of Underlying Shares	A\$0.086 100% increase in Market Value
Maximum number of Shares to be issued on conversion of the Replacement Convertible Notes	43,837,355	21,918,628	10,959,314

(g) Purpose of the issue including the intended use of any funds raised by the issue:

The Replacement Convertible Notes are being issued in compliance with the terms of the Convertible Securities Agreement which requires the Company to seek at its next annual general meeting following execution of the Convertible Securities Agreement (ie. at this Meeting) Shareholder approval to the issue of Replacement Convertible Notes to CST Capital on the same terms as the Convertible Notes other than there will be no Maximum Share Cap. The Replacement Convertible Notes will replace the outstanding Convertible Notes (if any are outstanding following the Meeting) which will be redeemed and cancelled on issue of the Replacement Convertible Notes.

This will ensure that the Company is able to satisfy its obligations under the Convertible Securities Agreement to issue Conversion Shares on conversion of CST Capital's convertible notes, noting that CST Capital may be unable to convert its existing Convertible Notes to Shares as this may result in the Maximum Share number being exceeded.

As noted above, no further funds are being raised by the issue of the Replacement Convertible Notes which are being issued in replacement of the outstanding Convertible Notes.

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 103,958,000 SHARES

Background

On 21 April 2020 and as announced to the ASX on 16 April 2020, 103,958,000 fully paid ordinary Shares were issued pursuant to the share placement undertaken by the Company to raise additional capital for continued product development and working capital purposes.

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

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

(a) Number of securities issued:

103,958,000 fully paid ordinary Shares.

(b) Date on which securities were issued:

The Shares were issued and allotted on 21 April 2020.

(c) Issue price of securities:

The Shares were issued for cash consideration for a total of \$3,118,740, being \$0.03 per share.

(d) Allottees of the securities:

The Shares were allotted by the Company to sophisticated investors selected by Shaw and Partners to participate in the Placement.

(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 placement will be used to support ongoing operational costs and the commercialization of the Company's products.

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 10% PLACEMENT FACILITY

Background

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%. As a result, Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting ("**10% Placement Facility**").

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is seeking Shareholder approval by way of a special resolution to have the additional 10% capacity provided for under Listing Rule 7.1A to issue Equity Securities under the 10% Placement Facility without Shareholder approval. The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2.

This resolution is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The purpose of this resolution is to provide the Company with flexibility to meet future business and financial needs. The Board believes that it is advantageous to have the ability to act promptly with respect to potential opportunities and that approval of the 10% Placement Facility is desirable to have the securities available, as needed, for possible future financing transactions, strategic transactions, or other general corporate purposes that are determined to be in the Company's best interests.

Approval of this resolution would enable the Company to issue Shares without the expense and delay of holding a general meeting, except as may be required by applicable law or regulations. The cost, prior notice requirements, and delay involved in obtaining Shareholder approval at the time a corporate action may become necessary could eliminate the opportunity to effect the action or could reduce the expected benefits.

If approved, subject to the limitations described below with respect to the 10% Placement Facility, the Company will generally be permitted to issue up to 25% of its issued capital without any further Shareholder approval, unless such Shareholder approval is required by applicable law or the ASX Listing Rules. Currently, the Company has no definitive plans, understandings, agreements, or arrangements to issue securities for any purpose, other than equity awards under the Brainchip Long Term Incentive Plan. The Directors believe that the approval of this resolution will enable the Company to promptly and appropriately respond to business opportunities or to raise additional equity capital.

If not approved, the Company will not be permitted to access the additional 10% capacity to issue Equity Securities under the 10% Placement Facility without Shareholder approval in accordance with Listing Rule 7.1A and its placement capacity will be restricted to 15%

calculated in accordance with the formula prescribed in Listing Rule 7.1. Should the Company seek to issue securities exceeding this capacity, prior Shareholder approval will be required.

Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the company i.e., currently only ordinary Shares of the Company may be issued using this facility.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained Shareholder approval at an annual general meeting may issue or agree to issue, during the period of approval (being the 12 month period after the date of the annual general meeting or shorter as noted further below), a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

A is the number of Shares on issue 12 months before the date of issue or agreement:

(A) plus the number of Shares issued in the 12 months under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;

(B) plus the number of Shares issued in the 12 months on the conversion of convertible securities within rule 7.2 exception 9 where:

- the convertible securities were issued or agreed to be issued before the commencement of the 12 months; or
- the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or 7.4;

(C) plus the number of Shares issued in the 12 months under an agreement to issue securities within Listing Rule 7.2 exception 16 where:

- the agreement was entered into before the commencement of the 12 months; or

- the agreement or issue was approved, or taken under the Listing Rules to have been approved, under rule 7.1 or 7.4;
- (D) plus the number of any other Shares issued in the relevant period with approval under Listing Rule 7.1 or 7.4;
- (E) plus the number of partly paid shares that became fully paid in the 12 months;
- (F) less the number of fully paid Shares cancelled in the 12 months.

Note that A is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue where the issue or agreement has not been subsequently approved by Shareholder approval under Listing Rule 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of the Notice, the Company has on issue 1,455,562,112 Shares and currently has the capacity to issue:

- (i) Nil Equity Securities under Listing Rule 7.1;
- (ii) subject to Resolutions 4 (a), (b), (c) and (d), 5 and Resolution 6 being approved by Shareholders at the Meeting, 218,334,317 Equity Securities under Listing Rule 7.1; and
- (iii) subject to Shareholder approval being sought under this resolution, 145,556,211 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 above.

In particular, it should be noted that the Company's capacity under Listing Rule 7.1 as noted in (ii) above, is calculated on the basis of the following assumptions:

- (iv) the ratification of the Convertible Notes, Collateral Shares, Drawdown Shares and CST Options issued to CST Capital under Resolutions 4 (a), (b), (c) and (d) for the purposes of ASX Listing Rule 7.4, the approval of the Replacement Convertible Notes issued to CST Capital under Resolution 5 and the ratification of the issue of

103,958,000 under resolution 6 for the purposes of ASX Listing Rule 7.1, have been approved by Shareholders.

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be cash consideration of not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking)

(the **10% Placement Period**).

Listing Rule 7.1A

The effect of this resolution will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Specific information required by Listing Rule 7.3A

In accordance with Listing Rule 7.3A, information is provided as follows:

- (a)** The Equity Securities will be issued for cash consideration at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 trading days on which trades in that class were recorded immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the securities; or

- (ii) if the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If this resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

- (c) The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of Shares for variable 'A' calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of the Notice.
- (d) The table also shows:
 - (i) two examples where variable 'A' has increased, by 50% and 100%. Variable 'A' is based on the number of Shares the Company has on issue. The number of Shares on issue may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue or exercise of options or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
 - (ii) two examples of where the issue price of Shares has decreased by 50% and increased by 50% as against the market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		A\$0.0215 50% decrease in Issue Price	A\$0.043 Issue Price	A\$0.0645 50% increase in Issue Price
Current Variable A 145,556,211 Shares	10% Voting Dilution	145,556,211 Shares	145,556,211 Shares	145,556,211 Shares
	Funds raised	A\$3,129,458	A\$6,258,917	A\$9,388,375
50% increase in current Variable A	10% Voting Dilution	218,334,316 Shares	218,334,316 Shares	218,334,316 Shares
	Funds raised	A\$4,694,187	A\$9,388,375	A\$14,082,563
100% increase in current Variable A	10% Voting Dilution	291,112,422 Shares	291,112,422 Shares	291,112,422 Shares
	Funds raised	A\$6,258,917	A\$12,517,834	A\$18,776,751

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No options (including any options issued under the 10% Placement Facility) are exercised into Shares, no performance rights vest and no further convertible notes are converted to Shares; before the date of the issue of the Equity Securities;
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
- (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

- (vii) The issue price is A\$0.043 being the closing price of the Shares on ASX on 9 April 2020.
- (e) The Company may only seek to issue the Equity Securities for cash consideration. The Company intends to use the funds raised towards the continued development and commercialisation of products, acquisition of new business assets or investments (including associated expenses) and/or general working capital.
- (f) The Company will comply with the disclosure obligations under Listing Rule 7.1A(4) upon issue of any Equity Securities.
- (g) The Company's allocation policy will be dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the subscribers of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
 - (ii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from corporate, financial and broking advisers (if applicable).
- (h) The subscribers under the 10% Placement Facility have not been determined as at the date of the Notice but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company.
- (i) As of the date of this Notice, the Company has not formed an intention as to the parties which it may approach to participate in an issue of securities under ASX Listing Rule 7.1A including whether such an issue would be made to existing stockholders or to new investors.
- (j) The Company has previously obtained Shareholder approval under Listing Rule 7.1A with the last approval being at its 2019 Annual General Meeting held on 30 May 2019.
- (k) In the twelve months preceding the date of this Meeting, the Company issued 103,958,000 Equity Securities under Listing Rule 7.1A.2 pursuant to the Shareholder approval obtained by the Company at its 2019 Annual General Meeting in respect of Listing Rule 7.1A.

In accordance with Listing Rules 7.3A.6(a) and 7.3A.6(b) the Company makes the following disclosure:

Equity Securities on issue as at 30 May 2019 totalled 1,049,883,519 securities; and

Total Equity Securities issued in the 12 months preceding the meeting (as detailed in the table below) totalled 103,958,000 representing 9.9% of the total Equity Securities on issue as at 30 May 2019.

Equity Securities Issued in the 12 month period preceding the meeting

Equity Securities Issued	Date of Issue	Class of Securities	Price (including discount to market price on date of agreement to issue)	Cash or Non-Cash Consideration and value	Purpose and use of consideration
103,958,000	21 April 2020	Fully Paid Ordinary Shares	\$0.03 representing a discount to market price on the date of agreement to issue of 28.6%.	\$3,118,740	Consideration received by the Company as a result of the placement will be used to support ongoing operational costs and the commercialization of the Company's products.

Cash raised from the issuance of securities over the past 12 months was applied to continued product development and the Company's general working capital which includes general operating expenses, employee costs, corporate administration, travel and marketing costs.

At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

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.

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 2019.

Associated Securities means the Collateral Shares, Drawdown Shares and CST Options.

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).

Collateral Shares means 30,000,000 shares issued by the Company in accordance with the Convertible Securities Agreement and as announced to ASX on 26 June 2019.

CST Options means 21,868,876 options to acquire Shares issued by in accordance with the Convertible Securities Agreement and as announced to ASX on 26 June 2019.

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.

Drawdown Shares means 1,561,279 shares issued by the Company in accordance with the Convertible Securities Agreement and as announced to ASX on 26 June 2019.

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 21 April 2020 which comprises of the notice, agenda, Explanatory Memorandum and Proxy Form.

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 Convertible Notes

Term and maturity	<p>The maturity date is 12 months from the date of the issue of the Convertible Securities, namely 26 June 2020 (Maturity Date).</p> <p>The Company has the right to extend the Maturity Date by 6 months on up to 3 separate occasions (18 months in total) by paying an extension fee equal to 3% of the face value of the then outstanding Convertible Securities on each such occasion. These rights of extension cannot be exercised by the Company:</p> <ul style="list-style-type: none"> • during a 'Potential Event of Default' (being an event or circumstance which, with notice or passage or lapse of time or both, would constitute an Event of Default); • while an Event of Default is subsisting; or • when the Company's market capitalisation is less than A\$20,000,000.
Total face value	US\$2,850,000
Interest	<p>The Convertible Securities carry an effective interest rate of 10% per annum. This interest is paid by way of the purchase price for the Convertible Securities being at a discount to the aggregate face value of the Convertible Securities, such that interest until the Maturity Date was effectively paid upfront on the issue of the Convertible Securities.</p> <p>There is no adjustment in the event that all or part of the Convertible Securities are converted into Shares at any time.</p> <p>If an Event of Default occurs, interest will accrue on the aggregate face value of the Convertible Securities then outstanding at the rate of 10% per annum, compounded monthly, until the Event of Default is remedied or all outstanding amounts are repaid to the Investor.</p>
Drawdown fee	Under the Convertible Securities Agreement, the Company was required to pay a drawdown fee of US\$85,500 on the issue of the Convertible Securities. Payment of this amount was satisfied by the issue of 1,561,279 Shares at \$0.079 per Share (Drawdown Shares) by the Company to the Investor.
Permitted use of funds	The funds received from the Investor must be used for general corporate and working capital purposes.
Security and collateral	<p>The Convertible Securities are unsecured and rank equally with all other unsecured obligations of the Company.</p> <p>While unsecured, under the Convertible Securities Agreement, the Company was required to issue 30,000,000 Shares to the Investor for no consideration (Collateral Shares) at the time of issue of the Convertible Securities.</p> <p>The Collateral Shares may be traded or otherwise dealt with by</p>

	<p>the Investor during the term of the Convertible Securities Agreement. In addition, the Investor may but is not obliged to use them in full or partial satisfaction of the Company's obligation to issue Shares on conversion of the Convertible Securities or exercise of the Options.</p> <p>On the Maturity Date or any earlier date that the Company elects or is required to redeem all of the then outstanding Convertible Securities, the value of the Collateral Shares less any Shares used by the Investor in satisfaction of the Company's obligation to issue Shares on conversion of the Convertible Securities or exercise of the Options (Unused Collateral Shares), may be applied to reduce the amount outstanding.</p> <p>On termination or expiry of the Convertible Securities Agreement, if there are Unused Collateral Shares and no amounts outstanding under the Convertible Securities Agreement, Shares equal to the number of Unused Collateral Shares must either be, at the election of the Company, sold-back to the Company or transferred to a nominee as directed by the Company, in either case for nominal consideration. If the Company fails to make an election, Shares equal to the number of Unused Collateral Shares must be sold on market by the Investor with 95% of the net sale proceeds paid to the Company.</p> <p>If the Investor does not hold Shares equal to the number of Unused Collateral Shares at that time, the Investor must pay the Company the value of those Shares.</p> <p>In each case, the value of the Unused Collateral Shares will be determined on a similar basis to the conversion price for Collateral Securities.</p>
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<p>Conversion terms</p>	<p>The Investor may elect to convert all or part of the Convertible Securities into Shares by issuing a conversion notice to the Company (Conversion Notice).</p> <p>There is no restriction on the number of Conversion Notices that may be issued, nor any restriction on the number of Convertible Securities that may be converted under any one Conversion Notice.</p> <p>If a Conversion Notice is served on or before 24 September 2019 the conversion price will be \$0.079.</p> <p>After that, the conversion price in respect of each Conversion Notice will be the lesser of:</p> <ul style="list-style-type: none"> • \$0.079; and • 92% of the average of 5 daily VWAPs³ selected by the Investor from any of the 20 trading days on which Shares were actually traded on the ASX prior to the issue of the relevant Conversion Notice (or, if a Conversion Notice is served between 25 September 2019 and 23 October 2019, 92% of the average of 5 daily VWAPs selected by the Investor from any period of 20 consecutive trading days on which Shares were actually traded on the ASX between the date of this notice and the date that the Conversion Notice is given). <p>All AUD amounts will be converted into USD amounts at the spot rate of exchange.</p>
<p>Maximum number of Shares on conversion</p>	<p>The maximum number of Shares that may be issued in respect of the Convertible Securities is 102,000,000 (Share Cap).</p> <p>If:</p> <ul style="list-style-type: none"> • the VWAP falls below \$0.02 for 3 consecutive business days; or • the amount outstanding under the Convertible Securities Agreement is at least A\$1,000,000 and a conversion of all of the then outstanding Convertible Securities would be prevented by the Share Cap, <p>the Investor may require that the Company convene and hold a general meeting of its shareholders to obtain shareholder approval for the issue of 'Replacement Convertible Securities' to the Investor to replace the Convertible Securities then on issue, on the same terms as Convertible Securities but not subject to the Share Cap. In any event, the Company must obtain shareholder approval for the issue of Replacement Convertible Securities at its next annual general meeting.</p> <p>The Company may also convene and hold a general meeting of its shareholders to obtain shareholder approval to issue Replacement Convertible Securities at its own election.</p> <p>The Investor cannot convert the Convertible Securities if doing so would breach the takeover rules contained in the</p>

	Corporations Act.
Voluntary prepayment	<p>The Company may prepay the face value of all (but not some) of the outstanding Convertible Securities at any time (and by doing so redeem the Convertible Securities) by giving 20 business days' notice to the Investor (Early Redemption Notice). At any time after receipt of the Early Redemption Notice but prior to redemption of the Convertible Securities, the Investor may issue a Conversion Notice for up to 50% of the face value of the Convertible Securities. If however the Early Repayment Notice is given prior to 24 September 2019, the Investor may issue a Conversion Notice in respect of:</p> <ul style="list-style-type: none"> • up to 50% of the face value of the Convertible Securities at \$0.079; plus • where the conversion price calculated by reference to the VWAP formula set out above would be less than \$0.079 (Lower Price), up to an amount that equals 12.5% of the value traded of Shares on the ASX between 26 June 2019 and the date of issue of the Conversion Notice, at a conversion price equal to the Lower Price. <p>The Company cannot serve an Early Redemption Notice while an Event of Default is subsisting.</p>
Mandatory prepayment	<p>If the Company raises funds via issuing debt or equity or other means, the Investor may require repayment of:</p> <ul style="list-style-type: none"> • in respect of a debt raise, up to the net amount raised by the Company; or • otherwise, up to US\$1,250,000. <p>These rights do not apply in respect of any draws on an overdraft facility or a debt raise raising net funds of less than \$300,000.</p> <p>The Investor's right of repayment in these circumstances is subject to the Company actually receiving the relevant funds.</p>
Events of default	<p>The Convertible Securities Agreement sets out a number of events that are each deemed to be an Event of Default. These events include, but are not limited to:</p> <ul style="list-style-type: none"> • material breaches of the Convertible Securities Agreement, including the failure to issue Shares to the Investor on conversion of the Convertible Securities or exercise of the Options or failure to apply for quotation of those Shares within certain timeframes; • insolvency of the Company or any of its subsidiaries; • any steps being taken by or against the Company or any of its subsidiaries in respect of the appointment of a controller, administrator or liquidator, winding up or composition with creditors; • failure by the Company to comply with the ASX Listing Rules in a material respect;

	<ul style="list-style-type: none"> • a change in control of the Company; • enforcement action being taken against the Company or its subsidiaries or in respect of any of their assets; • provision of materially false or inaccurate information by the Company to the Investor or the ASX; • a suspension of trading of Shares for more than 5 trading days in any 12 month period; • certain failures by the Company or its subsidiaries to pay their debts when and as they fall due; • material defaults by the Company or any of its subsidiaries under agreements that relate to financial indebtedness or that are otherwise material (likely to result in a claim for an amount greater than \$100,000); • a security interest being granted by the Company or any of its subsidiaries or otherwise coming into existence in breach of the Convertible Securities Agreement; • the Company or any of its subsidiaries taking action to reduce its share capital; and • the Company or any of its subsidiaries ceasing to conduct all or a substantial part of its business or disposing of all or a substantial part of its assets (or indicating an intention to do either of such things). <p>If an Event of Default occurs and the Company does not remedy that default within 10 business days (where remediable), the Investor may demand repayment of the face value of all then outstanding Convertible Securities and any other amounts owing in connection with them. If the Event of Default is a failure in payment to the Investor, a default in respect of a conversion, a failure to issue Shares as a result of insufficient placement capacity under ASX Listing Rule 7.1, a failure to obtain shareholder approval to issue Replacement Convertible Securities or a default in issuing the Replacement Convertible Securities, the Company is required to repay 105% of the then outstanding amount.</p> <p>In addition, the Company agrees to indemnify the Investor and certain related parties against any losses that arise or are incurred in connection with an Event of Default or Potential Event of Default.</p>
<p>Assignment and transferability</p>	<p>The Investor may assign or transfer its rights under or in connection with the Convertible Securities Agreement without the consent of the Company.</p> <p>The Investor may also nominate a third party to be issued Shares on conversion of the Convertible Securities or exercise of the Options.</p>

Options	In accordance with the terms of the Convertible Securities Agreement, the Investor was granted 21,868,976 options to purchase Shares (CST Options). The Options have an exercise price of A\$0.117 and expire on 26 June 2022.
Governing law	The Convertible Securities Agreement is governed by the laws of the state of New South Wales, Australia.

¹ After issue of the Drawdown Shares, Collateral Shares, Convertible Securities and Options.

² Based on the maximum available Shares on conversion, being 102.0 million, under the conversion terms of the Convertible Securities Agreement.

³ **VWAP** means, in relation to a trading day, the volume weighted average price (in AUD) of the Shares traded on the ASX during that trading day, as reported by Bloomberg, LP.

Appendix B

Online Voting User Guide

Getting Started

In order to participate in the meeting, you will need to download the App onto your smartphone device. This can be downloaded from the Google Play Store™ or the Apple® App Store by searching by app name “Lumi AGM”.

Alternatively, **Lumi AGM** can be accessed using any web browser on a PC, tablet or smartphone device. To use this method, please go to <https://web.lumiagm.com>.

To log in to the portal, you will need the following information:

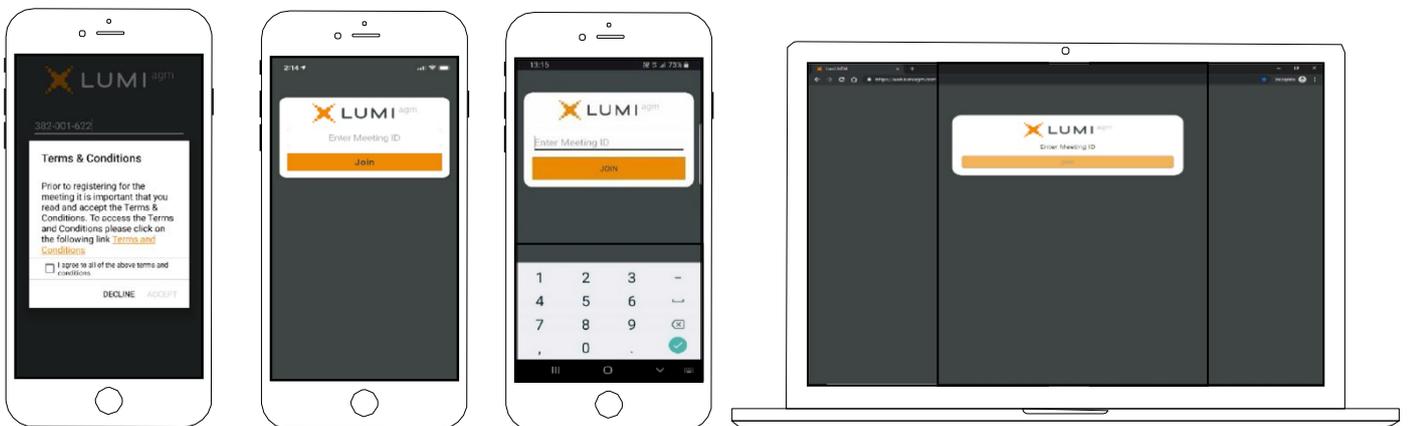
Meeting ID: 366-378-250

Australian Residents **Username** (Boardroom internal S reference number*) and **Password** (postcode of your registered address). *Boardroom internal S Reference number can be located on the back of your proxy form or on your notice of meeting email)

Overseas Residents Username (Boardroom internal S reference number*) 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.

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 (AEST) Monday to Friday.

To join the meeting, you will be required to enter the above unique 9-digit meeting ID above 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 (Boardroom internal S reference number) and Password (postcode or country code). If you are a Proxy holder 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.

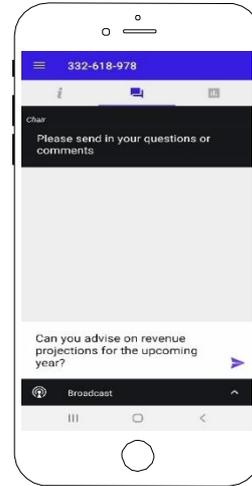


To ask a Question

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.

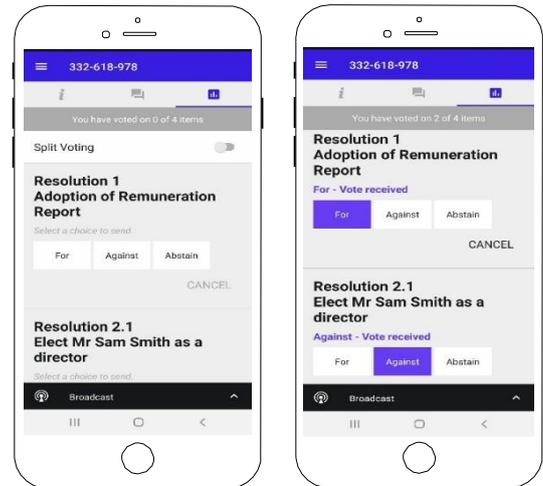
The Chair will give all Shareholders a reasonable opportunity to ask questions and will endeavor to answer all questions at the Meeting.



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	Btn
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	British Isles
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	Lao Pdr
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 Re
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	East Timor
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 10:00am (Sydney time) on Monday 25 May 2020.**

🖥 TO VOTE ONLINE

STEP 1: VISIT <https://www.votingonline.com.au/brnagm2020>

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:

- 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.
- 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 **10:00am (Sydney time) on Monday 25 May 2020**. 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 as below:

🖥 **Online** <https://www.votingonline.com.au/brnagm2020>

📠 **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

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

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 **65 Enterprise Dr, Aliso Viejo, California, 92656, USA on Wednesday 27 May 2020 at 10:00 am (Sydney 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 Resolution 1, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of this Resolution even though Resolution 1 is 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 Resolution 1). 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 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-election of Steve Liebeskind as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Election of Peter Van Der Made as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4(a) Ratification of the prior Issue of Convertible Notes and Associated Securities – 2,850,000 Convertible Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4(b) Ratification of the prior Issue of Convertible Notes and Associated Securities – 30,000,000 Fully Paid Ordinary Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4(c) Ratification of the prior Issue of Convertible Notes and Associated Securities – 1,561,279 Fully Paid Ordinary Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4(d) Ratification of the prior Issue of Convertible Notes and Associated Securities – 21,868,976 Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Approval of Proposed Issue of Replacement Convertible Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Ratification of prior issue of 103,958,000 Fully Paid Ordinary shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 Approval of 10% Placement Facility	<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	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name..... Contact Daytime Telephone..... Date / / 2020