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BrainChip Holding Ltd. Raises A\$6.0M in Private Placement **Company Placed 40M Ordinary Shares with 1-for-2 Attached Options**

Highlights

- Company enhances capital position to launch and drive adoption of new products
- BrainChip to release its new SNAPvision software product line in the September quarter of 2017
- SNAPvision hardware accelerator card also on track for release in third quarter

BrainChip Holdings Ltd., (ASX: BRN) (“BrainChip” or “the Company”), a leading developer of software and hardware accelerated solutions for Advanced Artificial Intelligence and Machine Learning applications, today announced that it has successfully raised A\$6.0 million through a share placement.

The placement to institutional and sophisticated investors, which was oversubscribed, was priced at A\$0.15 per share and included a 1-for-2 option at a strike price of A\$0.23. The placement was supported by the Company's existing shareholders together with new institutions. Foster Stockbroking acted as Sole Lead Manager to the placement.

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

BrainChip is Well-Funded to Achieve Revenue Growth

Following significant developments in Civil Surveillance, Commercial Surveillance and Machine Vision, the Company executed the capital raise to support ongoing operational expenses and expand its sales and marketing efforts as two significant new products are launched in 2017.

“This capital raise will support the expansion of our sales and marketing efforts at an important time in our growth. Our new products are an excellent extension of the work



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we have done with existing customers and will allow us to pursue large-scale deployments with a broad line of solutions serving multiple use cases,” commented Louis DiNardo, BrainChip’s President and Chief Executive Officer.

The Company expects to release its new SNAPvision software product line in the September quarter of 2017. A first-of-its-kind solution, the SNAPvision software combines 10 years of spiking neural networking development to provide facial and pattern recognition solutions for Homeland Security and Law Enforcement efforts in anti-terrorism and crime prevention.

The SNAPvision software commercialises the unique capabilities of a spiking neural network, including one-shot learning and exceptional performance in low-light, low-resolution imaging environments. The SNAPvision software will enable law-enforcement and intelligence agencies to rapidly perform forensic and live-search across large video networks, acting as a force multiplier to speed the detection of subjects of interest.

The Company also expects to release the SNAPvision hardware accelerator card in the third quarter of 2017. The SNAPvision accelerator card will enable high-speed, high-density video analytic acceleration of multiple high-definition channels, reducing latency, increasing throughput and reducing total cost of ownership for large-scale installations.

About BrainChip Holdings Ltd (ASX:BRN)

BrainChip is a leading provider of software and hardware accelerated solutions for Advanced Artificial Intelligence and Machine Learning applications. The Company’s Spiking Neural Adaptive Processor (SNAP) can learn autonomously with a small sample set and provide real-time information, data analytics and knowledge in image and video processing applications, high frequency data streams for financial analysis, and speech, and speaker recognition from audio sources. BrainChip’s SNAP technology can quickly learn, recognize, and track events in real time from multiple sources and identify repeating patterns in complex data streams. The Company currently provides software and hardware accelerated solutions that address high-performance requirements in Civil Surveillance, Facial Recognition, and Visual Inspection systems. Future solutions include audio analytics and deep learning for financial and other data intensive applications. www.brainchipinc.com.

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