



Updated Capital Structure

The capital structure of BrainChip Holdings Ltd (the Company) following the issue of securities pursuant to the Company's Prospectus dated 18 August 2015 and conversion of 36,000,000 Class A Performance Rights into fully paid ordinary shares as announced on 14 September 2015 is as follows:

Description	TOTAL
Fully paid ordinary shares	239,700,608
Unquoted fully paid ordinary shares (restricted)	398,174,644
Unquoted options to acquire shares exercisable at \$0.157 each on or before 10 September 2019 (restricted)	6,250,000
Class A Performance Rights (restricted)	13,500,000
Class B Performance Rights (restricted)	46,500,000
Class C Performance Rights (restricted)	46,500,000
Class D Performance Rights (restricted)	46,500,000

Performance Rights

In respect of the Performance Rights issued to the BrainChip Inc vendors (or their nominees), the Company confirms it will disclose the following in each annual report, annual audited accounts, half yearly report and quarterly cash flow report issued by the Company in respect of any period during which any of the Performance Rights remain on issue or were converted or cancelled:

- the number of Performance Rights on issue during the relevant period;
- a summary of the terms and conditions of the Performance Rights, including, without limitation, the number of ordinary shares into which they are convertible and the relevant milestones that must be satisfied;
- whether any Performance Rights were converted or cancelled during that period; and
- whether any performance milestones were met during the period.

The Company will disclose the following in item 9 of each Appendix 3B lodged by the Company while any of the Performance Rights remain on issue:

- the number of Performance Rights on issue at the time of lodgement of the Appendix 3B; and

BRAINCHIP HOLDINGS LIMITED

ACN 151 159 812

Level 3, 18-32 Parliament Place, West Perth WA 6005 | PO Box 1959, West Perth WA 6872

T: +61 8 9220 5750 | F: +61 8 9220 5757 | E: admin@brainchip.com.au | W: www.brainchip.com.au

- the conversion ratio of the Performance Rights into ordinary shares upon achievement of a relevant performance milestone.

Compliance with Listing Rule 3.1

The Company confirms that it is compliant with the ASX Listing Rules, and in particular, Listing Rule 3.1.

No material subsequent events

The Company confirms that there have been no material subsequent events to alter the Company's statement of financial position as detailed at section 11 of the Prospectus dated 18 August 2015.