ASX RELEASE

20 October 2016

4DS SUCCESSFULLY COMPLETES A$4.0 MILLION PLACEMENT

- A$4.0 million raised will fund development activities to achieve key strategic and technical milestones
- Significantly oversubscribed, bringing onto the register a number of new, high quality institutions
- R&D investment of approximately US$12 million in the past decade represents a low cash burn rate for an emerging memory technology developer

4DS Memory Limited (ASX:4DS) (the Company) today announced the successful completion of a placement of approximately 117.6 million new ordinary shares at an issue price of A$0.034 per share to professional and sophisticated investors to raise A$4.0 million (Placement).

The Placement price of A$0.034 represents a 10.5% discount to the last closing price on 17 October 2016.

The Placement shares will be issued via two tranches:
- The first tranche of approximately 88.87 million shares is within the Company’s existing 15% placement capacity and is scheduled to settle on 26 October 2016.
- The second tranche of 28.77 million shares is conditional upon approval of shareholders to be obtained at the Annual General Meeting (AGM) to be held on 30 November 2016. Settlement of the second tranche is scheduled to occur on 01 December 2016, following receipt of shareholder approval at the AGM.

The Placement was significantly oversubscribed and the proceeds raised will be used to fund the Company’s ongoing development activities relating to its Interface Switching ReRAM and to achieve key strategic and technical milestones.

Commenting on the capital raise, Chief Executive Officer and Managing Director, Dr Guido Arnout, said “We are extremely pleased to have had such overwhelming support from the Australian equity market.

“With the breakthrough development of achieving 40nm cells, announced this week, and, together with the Company’s strengthened cash position, 4DS is well placed to achieve its goal of demonstrating commercial viability of our technology for storage class memory as early as 2017.”

Approximately US$12 million has been invested in research and development in the past decade representing a low cash burn rate for an emerging memory technology developer.

Shaw and Partners acted as the lead manager and bookrunner to the Placement.

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About 4DS

4DS Memory Limited (ASX: 4DS), with facilities located in Silicon Valley, is a semiconductor development company of non-volatile memory technology, pioneering Interface Switching ReRAM (Non-Filamentary ReRAM), for next generation gigabyte storage in mobile and cloud. Established in 2007, 4DS owns a patented IP portfolio, comprising 16 US patents granted and 7 patents pending, which has been developed in-house to create high density storage class memory. 4DS has a joint development agreement with Western Digital subsidiary HGST, a global storage leader, which accelerates the evolution of 4DS’ technology.

For more information, please visit www.4dsmemory.com.

Disclaimer
This release contains certain forward looking statements that are based on the Company’s management’s beliefs, assumptions and expectations and on information currently available to management. Such forward looking statements involve known and unknown risks, uncertainties, and other factors which may cause the actual results or performance of 4DS to be materially different from the results or performance expressed or implied by such forward looking statements. Such forward looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the political and economic environment in which 4DS will operate in the future, which are subject to change without notice. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward looking statements or other forecast. To the full extent permitted by law, 4DS and its directors, officers, employees, advisers, agents and intermediaries disclaim any obligation or undertaking to release any updates or revisions to information to reflect any change in any of the information contained in this release (including, but not limited to, any assumptions or expectations set out in the release).

You should not place undue reliance on these forward- looking statements. Except as required by law or regulation (including the ASX Listing Rules) we undertake no obligation to update these forward- looking statements.