

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended December 31, 2016

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 333-193467



AKOUSTIS TECHNOLOGIES, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

33-1229046
(I.R.S. Employer
Identification No.)

9805 Northcross Center Court, Suite H
Huntersville, North Carolina 28078
(Address of principal executive offices) (Zip Code)

704-997-5735
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>

(Do not check if smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) Yes No

As of February 7, 2017, there were 18,170,981 shares of the registrant's common stock, \$0.001 par value per share, issued and outstanding.

AKOUSTIS TECHNOLOGIES, INC.
FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED DECEMBER 31, 2016

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

Akoustis Technologies, Inc.
Condensed Consolidated Balance Sheets

	December 31, 2016 (unaudited)	June 30, 2016
Assets		
Assets:		
Cash and cash equivalents	\$ 5,001,466	\$ 4,155,444
Accounts receivable	29,000	-
Inventory	43,185	43,544
Prepaid expenses	93,249	54,818
Total current assets	<u>5,166,900</u>	<u>4,253,806</u>
Property and equipment, net	625,580	206,985
Intangibles, net	107,771	71,233
Other assets	20,715	10,715
Total Assets	<u><u>\$ 5,920,966</u></u>	<u><u>\$ 4,542,739</u></u>
Liabilities and Stockholders' Equity		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 918,370	\$ 543,646
Deferred revenue	29,000	-
Total current liabilities	<u>947,370</u>	<u>543,646</u>
Long-term Liabilities:		
Derivative liabilities	396,828	1,322,729
Total Liabilities	<u>1,344,198</u>	<u>1,866,375</u>
Commitments and contingencies		
Stockholders' Equity		
Preferred Stock, par value \$0.001: 5,000,000 shares authorized; none issued and outstanding	-	-
Common stock, \$0.001 par value; 45,000,000 shares authorized; 16,569,978 and 15,375,981 shares issued and outstanding at December 31, 2016 and June 30, 2016, respectively	16,570	15,376
Additional paid in capital	16,703,677	9,335,801
Accumulated deficit	(12,143,479)	(6,674,813)
Total Stockholders' Equity	<u>4,576,768</u>	<u>2,676,364</u>
Total Liabilities and Stockholders' Equity	<u><u>\$ 5,920,966</u></u>	<u><u>\$ 4,542,739</u></u>

See accompanying notes to the condensed consolidated financial statements

Akoustis Technologies, Inc.
Condensed Consolidated Statements of Operations

	For the Three Months Ended December 31, 2016 (unaudited)	For the Three Months Ended December 31, 2015 (unaudited)	For the Six Months Ended December 31, 2016 (unaudited)	For the Six Months Ended December 31, 2015 (unaudited)
Contract research and government grants	\$ 159,068	\$ -	\$ 159,068	\$ -
Operating expenses				
Research and development	775,984	351,892	1,428,560	673,612
General and administrative expenses	2,066,768	724,481	3,330,011	1,485,804
Total operating expenses	2,842,752	1,076,373	4,758,571	2,159,416
Loss from operations	(2,683,684)	(1,076,373)	(4,599,503)	(2,159,416)
Other income (expense)				
Interest income	209	352	299	848
Change in fair value of derivative liabilities	(712,246)	5,414	(869,462)	19,429
Total other income (expense)	(712,037)	5,766	(869,163)	20,277
Net loss	\$ (3,395,721)	\$ (1,070,607)	\$ (5,468,666)	\$ (2,139,139)
Net loss per common share - basic and diluted	\$ (0.21)	\$ (0.08)	\$ (0.35)	\$ (0.18)
Weighted average common shares outstanding -basic and diluted	15,892,503	12,768,358	15,797,106	12,036,767

See accompanying notes to the condensed consolidated financial statements

Akoustis Technologies, Inc.
Condensed Consolidated Statement of Changes in Stockholders' Equity
For the Six Months Ended December 31, 2016
(unaudited)

	<u>Common Stock</u> <u>Shares</u>	<u>Amount</u>	<u>Additional</u> <u>Paid In Capital</u>	<u>Accumulated</u> <u>Deficit</u>	<u>Stockholders' Equity</u>
Balance, July 1, 2016	15,375,981	\$ 15,376	\$ 9,335,801	\$ (6,674,813)	\$ 2,676,364
Common stock issued for cash, net of issuance costs	732,997	733	3,455,727	-	3,456,460
Warrants issued to underwriter	-	-	(107,432)	-	(107,432)
Common stock issued for services	461,000	461	2,146,134	-	2,146,595
Vesting of restricted shares	-	-	78,084	-	78,084
Transfer of warrants from liability to equity classification	-	-	1,795,363	-	1,795,363
Net loss for the six months ended December 31, 2016	-	-	-	(5,468,666)	(5,468,666)
Balance, December 31, 2016	<u>16,569,978</u>	<u>\$ 16,570</u>	<u>\$ 16,703,677</u>	<u>\$ (12,143,479)</u>	<u>\$ 4,576,768</u>

See accompanying notes to the condensed consolidated financial statements

Akoustis Technologies, Inc.
Condensed Consolidated Statements of Cash Flows

	For the Six Months Ended December 31, 2016 (unaudited)	For the Six Months Ended December 31, 2015 (unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (5,468,666)	\$ (2,139,139)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	25,834	12,986
Amortization of intangibles	3,112	1,412
Share-based compensation	2,247,862	147,148
Change in fair value of derivative liabilities	869,462	(19,429)
Changes in operating assets and liabilities:		
Accounts receivable	(29,000)	-
Inventory	359	-
Prepaid expenses	(38,431)	(8,075)
Other assets	(10,000)	(50,255)
Accounts payable and accrued expenses	244,109	349,653
Deferred revenue	29,000	-
Net Cash Used In Operating Activities	(2,126,359)	(1,705,699)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash paid for machinery and equipment	(444,429)	(123,407)
Cash paid for intangibles	(39,650)	(16,901)
Net Cash Used In Investing Activities	(484,079)	(140,308)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of common stock	3,456,460	-
Net Cash Provided By Financing Activities	3,456,460	-
Net Increase (Decrease) in Cash	846,022	(1,846,007)
Cash - Beginning of Period	4,155,444	4,329,496
Cash - End of Period	\$ 5,001,466	\$ 2,483,489
SUPPLEMENTARY CASH FLOW INFORMATION:		
Cash Paid During the Period for:		
Income taxes	\$ -	\$ -
Interest	\$ -	\$ -
SUPPLEMENTARY DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Stock compensation payable	\$ 208,699	\$ 37,450
Warrants issued for stock issuance costs	\$ 107,432	\$ -
Reclassification of derivative liability to additional paid in capital	\$ 1,795,363	\$ -

See accompanying notes to the condensed consolidated financial statements

AKOUSTIS TECHNOLOGIES, INC.
Notes to the Condensed Consolidated Financial Statements
(Unaudited)

December 31, 2016

Note 1. Organization

Akoustis Technologies, Inc. (formerly known as Danlax, Corp.) (“the Company”) was incorporated under the laws of the State of Nevada, U.S. on April 10, 2013. Effective December 15, 2016, the Company changed its state of incorporation from the State of Nevada to the State of Delaware. Through its subsidiary, Akoustis, Inc. (a Delaware corporation), the Company operates in the telecommunications and fiber optics sector and is based in Huntersville, North Carolina. The mission of the Company is to commercialize and manufacture its patent-pending Bulk ONE acoustic wave technology to address the critical frequency-selectivity requirements in today’s mobile smartphones - improving the efficiency and signal quality of mobile wireless devices and enabling the Internet of Things.

On August 11, 2016, the Company changed its fiscal year from the period beginning on April 1 and ending on March 31 to the period beginning on July 1 and ending on June 30 of each year, effective immediately.

The 2016-2017 Offering

On November 25, 2016, the Company held a closing of a private placement offering (the “2016-2017 Offering”) in which it sold 322,000 shares of the Company’s common stock, par value \$0.001 per share (the “Common Stock”) at a fixed purchase price of \$5.00 per share (the “2016-2017 Offering Price”) to accredited investors, for aggregate gross proceeds of \$1,610,000. The Company did not use placement agents in connection with this closing and incurred minimal legal costs.

During December 2016, the Company held a closing of the 2016-2017 Offering in which it sold 410,997 shares of Common Stock at the 2016-2017 Offering Price, for aggregate gross proceeds of \$2,054,985, before deducting commissions of \$194,500 and expenses of \$14,025. In connection with this closing, the Company agreed to pay a placement agent cash commissions not to exceed 10% of the gross proceeds raised from investors first contacted by the placement agent in the 2016-2017 Offering. In addition, the Company agreed to issue to the placement agent warrants to purchase a number of shares of Common Stock equal to 10% of the number of shares of Common Stock sold to investors first contacted by the placement agent in the 2016-2017 Offering as additional commissions. As a result of the foregoing, the placement agents were issued warrants to purchase an aggregate of 38,900 shares of Common Stock. The warrants have a term of five years and an exercise price of \$5.00 per share.

In accordance with the terms of the subscription agreements executed by the Company and each of the investors, if the Company issues additional shares of Common Stock or Common Stock equivalents (subject to customary exceptions, including but not limited to issuances of awards under Company employee stock incentive programs and certain issuances in connection with credit arrangements, equipment financings, lease arrangements, or similar transactions) between November 25, 2016 and the date that is 90 days after the date on which a registration statement registering the resale of the shares issued in the 2016-2017 Offering is declared effective by the Securities and Exchange Commission (the “SEC”), for a consideration per share less than the 2016-2017 Offering Price (as adjusted for any subsequent stock dividend, stock split, distribution, recapitalization, reclassification, reorganization, or similar event) (the “Lower Price”), each investor will be entitled to receive from the Company additional shares of Common Stock in an amount such that, when added to the number of shares of Common Stock initially purchased by such Investor, will equal the number of shares of Common Stock that such Investor’s investment in the Offering would have purchased at the Lower Price.

Note 2. Liquidity and Management Plans

The accompanying condensed consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. As of December 31, 2016, the Company had a working capital of \$4,219,530 and an accumulated deficit of \$12,143,479. The Company has \$581,400 revenue from contract research and government grants and incurred net losses since inception. As of December 31, 2016, the Company had cash and cash equivalents of \$5,001,466. The Company had \$11.0 million of cash and cash equivalents on hand as of February 7, 2017, which is sufficient to fund its operations beyond March 31, 2018. We will need to raise further capital, through the sale of additional equity securities, through additional grants, or otherwise, to support our future operations. There is no assurance that the Company's projections and estimates are accurate. The Company's primary sources of operating funds since inception have been private equity, note financings, and grants. The Company needs to raise additional capital to accomplish its business plan objectives and will continue its efforts to secure additional funds through issuance of debt or equity instruments and/or receipts of grants as appropriate. Management believes that it will be successful in obtaining additional financing based on its history of raising funds; however, no assurance can be provided that the Company will be able to do so. There is no assurance that any funds it raises will be sufficient to enable the Company to attain profitable operations. To the extent that the Company is unsuccessful, the Company may need to curtail or cease its operations and implement a plan to extend payables or reduce overhead until sufficient additional capital is raised to support further operations. There can be no assurance that such a plan will be successful.

Note 3. Summary of significant accounting policies

Basis of presentation

The Company's condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP") and the rules and regulations of the SEC.

The unaudited condensed consolidated financial information furnished herein reflects all adjustments, consisting solely of normal recurring items, which in the opinion of management are necessary to fairly state the financial position of the Company and the results of its operations for the periods presented. The Company assumes that the users of the interim financial information herein have read or have access to the audited financial statements for the preceding fiscal year and that the adequacy of additional disclosure needed for a fair presentation may be determined in that context. Accordingly, footnote disclosure, which would substantially duplicate the disclosure contained in the Company's Transition Report on Form 10-K for the three months and year ended June 30, 2016 filed on October 31, 2016 (the "2016 Annual Report") has been omitted from this 10-Q. The results of operations for the interim periods presented are not necessarily indicative of results for the entire fiscal year ending June 30, 2017 or any other period.

Principles of Consolidation

The accompanying condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Akoustis, Inc. All significant intercompany accounts and transactions have been eliminated in consolidation.

Significant Accounting Policies and Estimates

The Company's significant accounting policies are disclosed in Note 3-Summary of Significant Accounting Policies in the 2016 Annual Report. Since the date of the 2016 Annual Report, there have been no material changes to the Company's significant accounting policies, except for the change in accounting policy related to the presentation of contract research and government grants as discussed below. The preparation of the condensed consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the condensed consolidated financial statements and the accompanying notes to the condensed consolidated financial statements. These estimates and assumptions include valuing equity securities and derivative financial instruments issued in financing transactions, deferred taxes and related valuation allowances, and the fair values of long lived assets. Actual results could differ from the estimates.

Change in Accounting Policy for Revenue Recognition

Effective October 1, 2016, the Company changed its accounting policy for the recognition of grant revenue. The Company believes this change in accounting policy is preferable due to the fact that grant revenue is viewed as an ongoing function of its intended operations. This change in accounting policy also enhances the comparability of the Company's financial statements with many of its industry peers. The adoption of this accounting policy change has been applied retrospectively to all prior periods presented in this Quarterly Report on Form 10-Q and has had no impact on net loss or earnings per share.

Contract Research and Government Grants

The Company may generate revenue from product sales, license agreements, collaborative research and development arrangements, and government grants. To date the Company's principal source of revenue consists of government research grants. The Company recognizes nonrefundable grant revenue when it is received and reports this revenue as "Contract research and government grants" on the condensed consolidated statements of operations. Contracts executed and monies received prior to the recognition of revenue are recorded as deferred revenue.

Loss Per Share

Basic net loss per common share is computed by dividing net loss attributable to common stockholders by the weighted-average number of common shares outstanding during the period. Diluted net loss per common share is determined using the weighted-average number of common shares outstanding during the period, adjusted for the dilutive effect of common stock equivalents. In periods when losses are reported, which is the case for the three and six months ended December 31, 2016 and 2015 presented in these condensed consolidated financial statements, the weighted-average number of common shares outstanding excludes common stock equivalents because their inclusion would be anti-dilutive.

The Company had the following common stock equivalents at December 31, 2016 and 2015:

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Options	160,000	160,000
Warrants	510,597	324,650
Totals	<u>670,597</u>	<u>484,650</u>

Shares outstanding

Shares outstanding include shares of restricted stock with respect to which restrictions have not lapsed. Restricted stock included in reportable shares outstanding was 1,822,055 shares and 1,253,055 shares as of December 31, 2016 and 2015, respectively. Shares of restricted stock are included in the calculation of weighted average shares outstanding.

Reclassification

Certain prior period amounts have been reclassified to conform to current period presentation. The reclassifications did not have an impact on net loss as previously reported.

Recently Issued Accounting Pronouncements

Management does not believe that any recently issued, but not yet effective accounting pronouncements, when adopted, will have a material effect on the accompanying consolidated financial statements.

Note 4. Property and equipment

Property and equipment consisted of the following:

	Estimated Useful Life	December 31, 2016	June 30, 2016
Research and development equipment	3 – 10 years	\$ 670,801	\$ 226,372
Computer equipment	5 years	16,783	16,783
Furniture and fixtures	5 – 10 years	3,725	3,725
Leasehold improvements	*	3,240	3,240
		<u>694,549</u>	<u>250,120</u>
Less: Accumulated depreciation		(68,969)	(43,135)
Total		\$ 625,580	\$ 206,985

(*) Amortized on a straight-line basis over the term of the lease or the estimated useful lives, whichever is shorter.

The Company recorded depreciation expense of \$12,949 and \$8,456 for the three months ended December 31, 2016 and 2015, respectively.

The Company recorded depreciation expense of \$25,834 and \$12,986 for the six months ended December 31, 2016 and 2015, respectively.

As of December 31, 2016, research and development fixed assets totaling \$432,631 were not placed in service and therefore not depreciated during the period.

Note 5. Intangible assets

The Company's intangible assets consisted of the following:

	Estimated useful life	December 31, 2016	June 30, 2016
Patents	15 years	\$ 114,212	\$ 74,562
Less: Accumulated amortization		(8,001)	(4,889)
Subtotal		<u>106,211</u>	<u>69,673</u>
Trademarks	—	1,560	1,560
Intangible assets, net		\$ 107,771	\$ 71,233

The Company recorded amortization expense of \$1,762 and \$378 for the three months ended December 31, 2016 and 2015, respectively.

The Company recorded amortization expense of \$3,112 and \$1,412 for the six months ended December 31, 2016 and 2015, respectively.

The following table outlines estimated future annual amortization expense for the next five years and thereafter:

December 31,	
2017	\$ 7,565
2018	7,565
2019	7,565
2020	7,565
2021	7,565
Thereafter	68,386
	<u>\$ 106,211</u>

Note 6. Accounts payable and accrued expenses

Accounts payable and accrued expenses consisted of the following at December 31, 2016 and June 30, 2016:

	<u>December 31, 2016</u>	<u>June 30, 2016</u>
Accounts payable	\$ 34,644	\$ 73,400
Accrued salaries and benefits	22,404	21,376
Accrued bonuses	305,809	126,575
Accrued stock-based compensation	309,694	179,079
Other accrued expenses	245,819	143,216
Totals	<u>\$ 918,370</u>	<u>\$ 543,646</u>

Note 7. Derivative Liabilities

Upon closing of the private placements on May 22, 2015 and June 9, 2015, the Company issued 298,551 and 26,099 warrants, respectively, to purchase the same number of shares of common stock with an exercise price of \$1.50 and a five-year term to the placement agent. Upon closing of a private placement in April 2016, the Company issued 153,713 warrants to purchase the same number of shares of common stock with an exercise price of \$1.60 and a five-year term to the placement agent. The Company identified certain put features embedded in the warrants that potentially could result in a net cash settlement, requiring the Company to classify the warrants as a derivative liability.

During the six months ended December 31, 2016, the Company amended the existing warrant agreements to eliminate the derivative feature. Upon execution of the revised agreements, a total of 386,476 warrants with a fair value of \$1,795,363 were reclassified from liability to equity.

Level 3 Financial Liabilities – Derivative warrant liabilities

Financial assets and liabilities measured at fair value on a recurring basis are summarized below and disclosed on the condensed consolidated balance sheet as of December 31, 2016:

	<u>Carrying Value</u>	<u>Fair Value Measurement Using</u>			<u>Total</u>
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Derivative warrant liabilities	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 396,828</u>	<u>\$ 396,828</u>

Financial assets and liabilities measured at fair value on a recurring basis are summarized below and disclosed on the consolidated balance sheet as of June 30, 2016:

	<u>Carrying Value</u>	<u>Fair Value Measurement Using</u>			<u>Total</u>
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Derivative warrant liabilities	<u>\$ 1,322,729</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,322,729</u>	<u>\$ 1,322,729</u>

The table below provides a summary of the changes in fair value, including net transfers in and/or out, of all financial assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) during the six months ended December 31, 2016:

	Fair Value Measurement Using Level 3 Inputs Total
Balance, July 1, 2016	\$ 1,322,729
Change in fair value of derivative warrant liabilities	869,462
Derivative liability cease to exist	(1,795,363)
Balance, December 31, 2016	<u>\$ 396,828</u>

The fair value of the derivative feature of the warrants on the issuance dates and at the balance sheet date were calculated using a binomial option model valued with the following weighted average assumptions:

	<u>December 31, 2016</u>	<u>June 30, 2016</u>
Risk free interest rate	1.70%	1.01%
Dividend yield	0.00%	0.00%
Expected volatility	65%	39%
Remaining term (years)	3.39 – 4.29	3.89-4.79

Risk-free interest rate: The Company uses the risk-free interest rate of a U.S. Treasury Note with a similar term on the date of the grant.

Dividend yield: The Company uses a 0% expected dividend yield as the Company has not paid dividends to date and does not anticipate declaring dividends in the near future.

Volatility: The Company calculates the expected volatility of the stock price based on the corresponding volatility of the Company's peer group stock price for a period consistent with the warrants' expected term.

Remaining term: The Company's remaining term is based on the remaining contractual maturity of the warrants.

During the six months ended December 31, 2016 and 2015, the Company marked the derivative feature of the warrants to fair value and recorded a loss of \$869,462 and a gain of \$19,429, respectively, relating to the change in fair value.

Note 8. Stockholders' Equity

The Company recorded stock-based compensation expense for the shares issued to consultants that have vested, which is a component of general and administrative expenses in the Condensed Consolidated Statement of Operations as follows:

Month of Original Grant	Shares Issued	Stock Based Compensation	
		For the Six Months Ended December 31, 2016	December 31, 2015
December 2015	230,000	\$ 945,189	\$ 20,795
March 2016	60,000	261,214	-
August 2016	40,000	147,600	-
	<u>330,000</u>	<u>\$ 1,354,003</u>	<u>\$ 20,795</u>

As of December 31, 2016 and June 30, 2016, the Company had 16,569,978 and 15,375,981 common shares issued and outstanding, respectively.

Stock incentive plan

The following is a summary of the option activity:

	Options	Weighted Average Exercise Price
Outstanding – June 30, 2016	<u>160,000</u>	<u>\$ 1.50</u>
Exercisable – June 30, 2016	<u>40,000</u>	<u>\$ 1.50</u>
Granted	—	—
Exercised	—	—
Forfeited/Cancelled	—	—
Outstanding – December 31, 2016	<u>160,000</u>	<u>\$ 1.50</u>
Exercisable – December 31, 2016	<u>40,000</u>	<u>\$ 1.50</u>

As of December 31, 2016, the total intrinsic value of options outstanding and exercisable was \$700,800 and \$175,200, respectively. As of December 31, 2016, the Company has \$66,652 in unrecognized stock-based compensation expense attributable to the outstanding options which will be amortized over a period of 2.39 years.

For the three months ended December 31, 2016 and 2015, the Company recorded \$7,040 and \$7,040, respectively, in stock-based compensation related to stock options, which is reflected in the condensed consolidated statements of operations.

For the six months ended December 31, 2016 and 2015, the Company recorded \$14,080 and \$14,080, respectively, in stock-based compensation related to stock options, which is reflected in the condensed consolidated statements of operations.

Issuance of restricted shares – employees and consultants

Restricted stock awards are considered outstanding at the time of execution by the Company and the recipient of a restricted stock agreement, as the stock award holders are entitled to dividend and voting rights. As of December 31, 2016, the number of shares granted for which the restrictions have not lapsed was 1,312,800 shares.

The Company recognizes the compensation expense for all share-based compensation granted based on the grant date fair value. The grant date fair value of the award is recorded as share-based compensation expense over the respective restriction period. Any portion of the grant awarded to consultants as to which the repurchase option has not lapsed is accrued on the Balance Sheet as a component of accounts payable and accrued expenses. As of December 31, 2016, and June 30, 2016, the accrued stock-based compensation was \$309,694 and \$179,079, respectively. The Company has the right to repurchase some or all of such shares upon termination of the individual's service with the Company, whether voluntary or involuntary, for 60 months from the date of termination ("repurchase option"). The shares as to which the repurchase option has not lapsed are subject to forfeiture upon termination of consulting and employment agreements.

In September 2015, the Company amended the original restricted stock agreement for certain award recipients. According to the amendment, 75% of the shares as to which the repurchase option had not lapsed as of September 30, 2015, shall be released from the repurchase option on the third anniversary of the original effective date of the agreement. The remaining 25% of the shares shall be released from the repurchase option on the fourth anniversary of the original effective date.

The following is a summary of restricted shares:

Grant Date	Shares Issued	Fair Value	Shares Vested
June 2014	307,876	\$ 1,040,202	96,211
July 2014	32,408	2,090	9,452
August 2014	81,020	253,661	29,538
September 2014	129,633	299,904	32,408
March 2015	72,918	304,261	11,646
June 2015	293,000	439,500	-
November 2015	36,200	54,300	-
December 2015	300,000	1,393,000	230,000
January 2016	40,000	68,000	-
March 2016	60,000	333,000	60,000
June 2016	118,000	526,357	-
August 2016	351,000	1,469,214	40,000
	<u>1,822,055</u>	<u>\$ 6,183,489</u>	<u>509,255</u>

In relation to the above restricted stock agreements for the three months ended December 31, 2016 and 2015, the Company recorded stock-based compensation expense for the shares that have vested of \$1,536,602 and \$99,325, respectively.

In relation to the above restricted stock agreements for the six months ended December 31, 2016 and 2015, the Company recorded stock-based compensation expense for the shares that have vested of \$2,233,782 and \$158,010, respectively.

As of December 31, 2016, the Company had \$3,033,017 in unrecognized stock based compensation expense related to the unvested shares.

Note 9. Commitments

Operating leases

The Company leases office space in Huntersville, NC pursuant to a three-year lease agreement. The operating lease provides for annual real estate tax and cost of living increases and contains predetermined increases in the rentals payable during the term of the lease. The aggregate rent expense is recognized on a straight-line basis over the lease term. The total lease rental expense was \$28,404 and \$27,576 for the six months ended December 31, 2016 and 2015, respectively.

Total future minimum payments required under the operating lease are as follows.

Year Ending December 31,		
2017	\$	47,907
2018		16,126
	\$	<u>64,033</u>

Note 10. Related Party Transactions

Consulting Services

AEG Consulting, a firm owned by one of our Co-Chairmen, received \$3,329 and \$1,125 for consulting fees for the three months ended December 31, 2016 and 2015, respectively. The firm received \$7,995 and \$2,250 for consulting fees for the six months ended December 31, 2016 and 2015, respectively.

The Company's CEO and Vice President of Engineering participated in the closing of the 2016-2017 Offering that occurred on November 25, 2016 where they each purchased 20,000 shares of Common Stock at a price of \$5.00 per share. The Company's Vice-President of Operations also purchased 5,000 shares of Common Stock in the closing at an aggregate purchase price of \$25,000. The brother of the CEO purchased 14,000 shares of Common Stock in the closing at an aggregate purchase price of \$70,000.

The Company's second Co-Chairman participated in the closing of the 2016-2017 Offering that occurred on December 27, 2016 where he purchased 2,000 shares of Common Stock, respectively, at a price of \$5.00 per share for an aggregate purchase price of \$10,000. A second brother of the CEO purchased 20,000 shares of Common Stock in the closing at an aggregate purchase price of \$100,000.

Note 11. Subsequent Events

On January 12, 2017, the Board of Directors (the "Board") of Akoustis Technologies, Inc. (the "Company") increased the size of the Board to six directors and elected John T. Kurtzweil as a director to the Board to fill the new directorship.

On January 18, 2017, the Company held a closing of the 2016-2017 Offering, in which the Company sold 1,258,996 shares of its Common Stock, at a fixed purchase price of \$5.00 per share. Aggregate gross proceeds of this closing were \$6,294,980 before deducting commissions and fees of \$605,195.

In connection with the closing, the Company agreed to pay certain placement agents cash commissions of 10% of the gross proceeds and commission in warrants to purchase a number of shares of Common Stock equal to 10% of the number of shares of Common Stock sold to investors first contacted by the placement agents in the Offering. The Company also agreed to pay a lead placement agent an additional cash commission of 1% of gross proceeds raised by certain of the placement agents and an additional 1% warrant commission. As a result of the foregoing, the placement agents were issued warrants to purchase an aggregate of approximately 123,900 shares of Common Stock. The warrants have a term of five years and an exercise price of \$5.00 per share.

On January 19, 2017, the Company amended the remaining derivative liability-warrants to eliminate the derivative feature. The warrants for 85,222 shares of Common Stock, with a fair value of \$396,828 will be reclassified to equity from liability for the quarter ending March 31, 2017.

The Company granted restricted stock awards under the Akoustis Technologies, Inc. 2016 Stock Incentive Plan to two employees on January 20, 2017. One grant for 100,000 shares was issued to the Company's Vice-President of Engineering and has a vesting schedule of 25% on each of four subsequent anniversary dates. The other grant was issued to a non-executive employee for 5,000 shares and has a vesting schedule of 50% on the second anniversary of the effective date and 25% on the third and fourth anniversary dates.

During January 2017, the Company granted a restricted stock award of 35,000 shares of Common Stock to two non-executive employees. The awards vest 50% on the second anniversary of the effective date of the grant and 25% on each of the third and fourth anniversaries of the effective dates.

During January 2017, the Company issued 30,000 and 20,000 restricted shares of Common Stock to two consultants pursuant to a one-year investor relations agreement with a grant date fair value of \$163,500 and \$109,000, respectively. The restricted shares will vest over the life of the consulting agreement.

During January 2017, the Company granted a restricted stock award of 22,000 shares of Common Stock to a director. The award vests 25% on each of the first, second, third, and fourth anniversaries of the effective date.

On February 7, 2017, the Company held a closing of the 2016-2017 Offering, in which the Company sold 130,000 shares of its Common Stock, at a fixed purchase price of \$5.00 per share. Aggregate gross proceeds of this closing were \$650,000 before deducting commissions and fees of \$40,750.

In connection with the closing, the Company agreed to pay certain placement agents cash commissions of 10% of the gross proceeds and commission in warrants to purchase a number of shares of Common Stock equal to 10% of the number of shares of Common Stock sold to investors first contacted by the placement agents in the Offering. The Company also agreed to pay a lead placement agent an additional cash commission of 1% of gross proceeds raised by certain of the placement agents and an additional 1% warrant commission. As a result of the foregoing, the placement agents were issued warrants to purchase an aggregate of 7,350 shares of Common Stock. The warrants have a term of five years and an exercise price of \$5.00 per share.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

References in this report to "Akoustis," "we," "us," "our" "the Company" and "our Company" refer to Akoustis Technologies, Inc. and its consolidated subsidiary, Akoustis, Inc.

Cautionary Note Regarding Forward-Looking Statements

This quarterly report on Form 10-Q contains forward-looking statements that relate to our plans, objectives, estimates, and goals. Any and all statements contained in this report that are not statements of historical fact may be deemed to be forward-looking statements. Terms such as “may,” “might,” “would,” “should,” “could,” “project,” “estimate,” “predict,” “potential,” “strategy,” “anticipate,” “attempt,” “develop,” “plan,” “help,” “believe,” “continue,” “intend,” “expect,” “future,” and terms of similar import (including the negative of any of the foregoing) may be intended to identify forward-looking statements. However, not all forward-looking statements may contain one or more of these identifying terms. Forward-looking statements in this report may include, without limitation, statements regarding (i) the plans and objectives of management for future operations, including plans or objectives relating to the development of commercially viable radio frequency filters, (ii) a projection of income (including income/loss), earnings (including earnings/loss) per share, capital expenditures, dividends, capital structure or other financial items, (iii) our future financial performance, including any such statement contained in this management’s discussion and analysis of financial condition or in the results of operations included pursuant to the rules and regulations of the SEC, and (iv) the assumptions underlying or relating to any statement described in (i), (ii), or (iii) above.

Forward-looking statements are not meant to predict or guarantee actual results, performance, events or circumstances and may not be realized because they are based upon our current projections, plans, objectives, beliefs, expectations, estimates and assumptions and are subject to a number of risks and uncertainties and other influences, many of which are beyond our control. Actual results and the timing of certain events and circumstances may differ materially from those described by the forward-looking statements as a result of these risks and uncertainties. Factors that may influence or contribute to the inaccuracy of the forward-looking statements or cause actual results to differ materially from expected or desired results may include, without limitation,

- our inability to obtain adequate financing,
- our limited operating history,
- our inability to generate revenues or achieve profitability,
- our inability to achieve acceptance of our products in the market,
- upturns and downturns in the industry,
- our limited number of patents,
- failure to obtain, maintain and enforce our intellectual property rights,
- our inability to attract and retain qualified personnel,
- our substantial reliance on third parties to manufacture products,
- existing or increased competition,
- failure to innovate or adapt to new or emerging technologies,
- results of arbitration and litigation,

- stock volatility and illiquidity, and
- our failure to implement our business plans or strategies.

These and other risks and uncertainties, which are described in more detail in our Transition Report on Form 10-K, filed with the Securities and Exchange Commission (“SEC”) on October 31, 2016, could cause our actual results to differ materially from those expressed or implied by the forward-looking statements in this report. Readers are cautioned not to place undue reliance on forward-looking statements because of the risks and uncertainties related to them. Except as may be required by law, we do not undertake any obligation to update the forward-looking statements contained in this report to reflect any new information or future events or circumstances or otherwise.

Overview

Akoustis is an early-stage company that designs and manufactures innovative radio frequency (RF) filters enabling the RF front-end (RFFE) of Mobile Wireless devices, such as smartphones and tablets. Located between the device’s antenna and its digital backend, the RFFE is the circuitry that performs the analog signal processing and contains components such as amplifiers, filters and switches. To construct the resonators that are the building blocks for the RF filter, we have developed a fundamentally new single-crystal acoustic materials and device technology that we refer to as BulkONE. Filters are critical in selecting and rejecting signals, and their performance enables differentiation in the modules defining the RFFE.

We believe owning the core resonator technology and manufacturing our designs is the most direct and effective means of delivering our solutions to the market. Furthermore, our technology is based upon bulk-mode resonance, which is superior to surface-mode resonance for high band applications and emerging 4G/LTE and WiFi frequency bands. While our target customers utilize or make the RFFE module, several customers lack access to critical high band technology to compete in high band applications and other traditional surface-mode solutions where higher power performance is required. We intend to design and manufacture our RF filter products to multiple mobile phone OEM customers and enable broader competition among the front-end module manufacturers. We plan to operate as a “pure-play” RF filter supplier and align with the front-end module manufacturers who seek to acquire high performance filters to grow their module business.

We have built prototype resonators and filters using our proprietary single-crystal materials. We are currently optimizing our BulkONE technology with our wafer-manufacturing partner under a joint development agreement (JDA) and a manufacturing agreement. We leverage both federal and state level non-dilutive research and development (“R&D”) grants to support development and commercialization of our technology. We are developing resonators for 4G/LTE and WiFi bands and the associated proprietary models and design kits required our RF filters. We are in process of stabilizing the wafer process technology and have engaged strategic customers to evaluate our resonator and filter prototypes. Our initial designs target high band 4G/LTE and WiFi frequency bands. Since Akoustis owns its core technology and controls access to its IP, we can offer several ways to engage with potential customers. First, we are engaging with the mobile wireless market, providing filters that we design and offer as a standard catalog component to multiple customers. Second, we can start with a customer-supplied filter specification, which we design and fabricate for a specific customer. Finally, we can offer our models and design kits for our customers to design their own filter into our proprietary technology.

Although we have received to date \$581,000 of the approx. \$1.0 million awarded in contract research and government grants since inception, our operations have been funded with capital contributions, grants, and debt. We have incurred losses totaling approximately \$12.1 million from inception through December 31, 2016. These losses are primarily the result of material and material processing costs associated with developing and commercializing our technology as well as personnel costs, including stock-based compensation, professional fees, primarily accounting and legal, cost of director and officer liability insurance and losses due to the change in the fair value of derivatives. We expect to continue to incur substantial costs for commercialization of our technology on a continuous basis because our business model involves materials and solid state device technology development as well as engineering of catalog and custom filter designs.

Plan of Operation

We plan to commercialize our technology by designing and manufacturing single band and multi-band bulk acoustic wave (BAW) filter solutions that address problems (such as loss, bandwidth, power handling and isolation) created by the growing number of frequency bands in the RFFE of mobile devices to support 4G/LTE and WiFi. We have prototyped our first series of single-band low-loss BAW filter designs for 4G/LTE frequency bands, which are dominated by competitive BAW solutions and historically cannot be addressed with low band, lower power handling surface acoustic wave (SAW) technology. Second, we plan to develop, in early 2017, a series of filter solutions that can cover multiple frequency bands. In order to succeed, we must convince mobile phone OEMs and RFFE module manufacturers to use our BulkONE technology in their modules. However, since there are only two dominant BAW filter suppliers in the industry that have high band technology, and both utilize such technology as a competitive advantage at the module level, we expect customers that lack access to high band filter technology will be open to engage with our pure-play filter company.

We have successfully transferred our BulkONE wafer process to our manufacturing partner. The BulkONE process uses a range of single-crystal group III-nitride piezoelectric materials, which were fabricated into BAW resonators and characterized at cellular communication frequencies to determine their bandwidth. On May 23, 2016, we announced an experimental, 3.4 GHz BAW two-port series-configured resonator device with a high K-squared of 12.5%, which was modeled near resonance frequency and was constructed from single-crystal undoped aluminum nitride (AlN) material. On November 1, 2016, we announced improvements to our single-crystal BAW resonator design and process technology to achieve a quality factor (Q) of 2914, which is suitable for BAW RF filters targeting 4G/LTE, WiFi and emerging 5G and other wireless applications. These resonators, which are the core building blocks enabling BAW RF filters, were fabricated using our patented BulkONE process. Our technology development efforts continue to focus on wafer and process optimization, specifically, through targeted activities for Q-factor and filter-performance improvements.

Once we complete customer validation of our technology, we expect to complete qualification of our BulkONE process technology in Q3 of calendar 2017 to support a product family of 4G/LTE filter solutions. Once we have stabilized our process technology in a manufacturing environment, we will complete a production release of our high-band filter products in the frequency range from 1.5GHz to 4.0GHz. The target frequency bands will be prioritized based upon customer priority. We expect this will require recruiting and hiring additional personnel.

In August 2016, we signed multiple non-exclusive collaborative business agreements with a Chinese tier one RFFE module manufacturer to supply its premium RF filter products, as well an agreement with a distributor who will be responsible for global promotion and selling of our filter products. On December 12, 2016 we received a commercial purchase order from a new OEM customer for development of a band-specific, high-frequency BAW RF filter for a non-mobile commercial application. The customer is an established OEM specializing in non-mobile communication systems with annual revenue of more than \$1 billion. We will continue discussions with additional prospective customers, although these discussions may not result in any agreements. We expect to proceed with our plan to develop a family of standard catalog filter designs regardless of the outcome of these discussions.

We plan to pursue filter design and R&D development agreements and potentially joint ventures with target customers and other strategic partners. These types of arrangements may subsidize technology development costs and qualification, filter design costs, as well as offer complementary technology and market intelligence and other avenues to revenue. However, we intend to retain ownership of our core technology, IP, designs and related improvements. We expect to pursue development of catalog designs for multiple customers, and offer such catalog products in multiple sales channels.

The Company had \$11.0 million of cash and cash equivalents on hand as of February 7, 2017 to fund our business and product development, to commercialize our technology, research and development, the development of our patent strategy, expansion of our patent portfolio, as well as for working capital and other general corporate purposes. Our anticipated expenses include employee salaries and benefits, compensation paid to consultants, capital costs for research and other equipment, costs associated with development activities including travel and administration, legal expenses, sales and marketing costs, general and administrative expenses, and other costs associated with an early stage, public technology company. We anticipate increasing the number of employees to approximately 25-30 employees; however, this is highly dependent on the nature of our development efforts and our success in commercialization. We expect capital expenditures to be approximately \$2.1-2.5 million for the purchase of R&D equipment during the next 12 months and are currently reviewing equipment leases or government grant opportunities to fund the purchase of the equipment. The amounts we actually spend for any specific purpose may vary significantly and will depend on a number of factors including, but not limited to, the pace of progress of our commercialization and development efforts, actual needs with respect to product testing, development and research, market conditions, and changes in or revisions to our marketing strategies.

If we are unable to raise the funds that we believe are needed to develop our technology and enable future sales, we may be required to scale back our development plans by reducing expenditures for employees, consultants, business development and marketing efforts, and other projected expenditures. This could reduce our ability to commercialize our technology or require us to seek further funding on less favorable terms than if we had raised the full amount of any required funds.

Commercial development of new technology, by its nature, is unpredictable, and we cannot guarantee that our technology will be accepted, that we will ever earn revenues sufficient to support our operations or that we will ever be profitable. Furthermore, since we have no committed source of financing, we cannot guarantee that we will be able to raise money as and when we need it to continue our operations. If we cannot raise funds as and when we need them, we may be required to severely curtail, or even to cease, our operations.

Critical Accounting Policies

The following discussion and analysis of financial condition and results of operations is based upon our financial statements, which have been prepared in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”). Certain accounting policies and estimates are particularly important to the understanding of our financial position and results of operations and require the application of significant judgment by our management or can be materially affected by changes from period to period in economic factors or conditions that are outside of our control. As a result, they are subject to an inherent degree of uncertainty. In applying these policies, our management uses its judgment to determine the appropriate assumptions to be used in the determination of certain estimates. Those estimates are based on our historical operations, our future business plans and projected financial results, the terms of existing contracts, our observance of trends in the industry, information provided by our customers and information available from other outside sources, as appropriate.

Derivative Liability

The Company evaluates its convertible debt, options, warrants and other contracts, if any, to determine if those contracts or embedded components of those contracts qualify as derivatives to be separately accounted for in accordance with paragraph 815-10-05-4 and Section 815-40-25 of the FASB Accounting Standards Codification. The result of this accounting treatment is that the fair value of the embedded derivative is marked-to-market each balance sheet date and recorded as either an asset or a liability. The change in fair value is recorded in the consolidated statement of operations as other income or expense. Upon conversion, exercise or cancellation of a derivative instrument, the instrument is marked to fair value at the date of conversion, exercise or cancellation and then the related fair value is reclassified to equity.

In circumstances where the embedded conversion option in a convertible instrument is required to be bifurcated and there are also other embedded derivative instruments in the convertible instrument that are required to be bifurcated, the bifurcated derivative instruments are accounted for as a single, compound derivative instrument.

The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is re-assessed at the end of each reporting period. Equity instruments that are initially classified as equity that become subject to reclassification are reclassified to liability at the fair value of the instrument on the reclassification date. Derivative instrument liabilities will be classified in the balance sheet as current or non-current based on whether or not net-cash settlement of the derivative instrument is expected within 12 months of the balance sheet date.

The Company adopted Section 815-40-15 of the FASB Accounting Standards Codification (“Section 815-40-15”) to determine whether an instrument (or an embedded feature) is indexed to the Company’s own stock. Section 815-40-15 provides that an entity should use a two-step approach to evaluate whether an equity-linked financial instrument (or embedded feature) is indexed to its own stock, including evaluating the instrument’s contingent exercise and settlement provisions.

The Company utilizes a binomial option pricing model to compute the fair value of the derivative and to mark to market the fair value of the derivative at each balance sheet date. The Company records the change in the fair value of the derivative as other income or expense in the consolidated statements of operations.

Fair Value of Financial Instruments

The carrying amounts of cash and cash equivalents, accounts payable, accrued expenses, and convertible notes payable approximate fair value due to the short-term nature of these instruments.

The Company measures the fair value of financial assets and liabilities based on the guidance of ASC 820, “Fair Value Measurements and Disclosures,” which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements.

ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

Fair value measurements are categorized using a valuation hierarchy for disclosure of the inputs used to measure fair value, which prioritize the inputs into three broad levels:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in level 1, which are either directly or indirectly observable as of the reported date, and include those financial instruments that are valued using models or other valuation methodologies.

Level 3 - Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management’s best estimate of fair value.

Equity-based compensation

The Company recognizes compensation expense for all equity-based payments in accordance with ASC 718 “*Compensation – Stock Compensation*”. Under fair value recognition provisions, the Company recognizes equity-based compensation net of an estimated forfeiture rate and recognizes compensation cost only for those shares expected to vest over the requisite service period of the award.

Restricted stock awards are granted at the discretion of the Company. These awards are restricted as to the transfer of ownership and generally vest over the requisite service periods, typically over a four-year period (vesting on a straight-line basis). The fair value of a stock award is equal to the fair market value of a share of Company stock on the grant date.

The fair value of an option award is estimated on the date of grant using the Black–Scholes option valuation model. The Black–Scholes option valuation model requires the development of assumptions that are inputs into the model. These assumptions are the value of the underlying share, the expected stock volatility, the risk–free interest rate, the expected life of the option, the dividend yield on the underlying stock and the expected forfeiture rate. Expected volatility is benchmarked against similar companies in a similar industry over the expected option life and other appropriate factors. Risk–free interest rates are calculated based on continuously compounded risk–free rates for the appropriate term. The dividend yield is assumed to be zero as the Company has never paid or declared any cash dividends on its common stock and does not intend to pay dividends on its common stock in the foreseeable future. The expected forfeiture rate is estimated based on management’s best estimate.

Determining the appropriate fair value model and calculating the fair value of equity–based payment awards requires the input of the subjective assumptions described above. The assumptions used in calculating the fair value of equity–based payment awards represent management’s best estimates, which involve inherent uncertainties and the application of management’s judgment. As a result, if factors change and the Company uses different assumptions, our equity–based compensation could be materially different in the future. In addition, the Company is required to estimate the expected forfeiture rate and recognize expense only for those shares expected to vest. If the Company’s actual forfeiture rate is materially different from its estimate, the equity–based compensation could be significantly different from what the Company has recorded in the current period.

The Company accounts for share–based payments granted to non–employees in accordance with ASC 505-40, “*Equity Based Payments to Non–Employees*”. The Company determines the fair value of the stock–based payment as either the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable. If the fair value of the equity instruments issued is used, it is measured using the stock price and other measurement assumptions as of the earlier of either (1) the date at which a commitment for performance by the counterparty to earn the equity instruments is reached, or (2) the date at which the counterparty’s performance is complete. The fair value of the equity instruments is re-measured each reporting period over the requisite service period.

Results of Operations

Three Months Ended December 31, 2016 and 2015

Revenue

The Company recorded revenue of \$159,068 during the three months ended December 31, 2016 from contract research and government grants due to the receipt of the second payment from the National Science Foundation (NSF) for the Phase II grant. The Phase II grant, awarded to the Company in December 2015 in the amount of \$737,000, is a two-year program, and we have received \$343,402 to date on this award. There was no revenue recorded in the three month 2015 comparative period.

Expenses

Research and Development Expenses

Research and Development (“R&D”) expenses were approximately \$775,980 for the three months ended December 31, 2016 compared to \$351,900 for the three months ended December 31, 2015, an increase of \$424,080 or 121%. The increase was primarily associated with stock-based compensation, which increased by \$268,700 due to new grants of restricted stock awards to R&D employees and contractors, as well as revaluation of grants issued for contractors in prior periods due to the stock price fluctuation from \$1.60 as of December 31, 2015 to \$5.88 as of December 31, 2016. Per ASC 505-40, the fair value of the grants issued to consultants is re-measured each reporting period over the requisite service period. In addition, we recorded an increase in materials and R&D supplies expense of \$74,000, or 66%, due to a year over year increase in product development activities.

General and Administrative Expenses

General and Administrative (“G&A”) expenses for the three months ended December 31, 2016 were \$2,066,800 as compared to \$724,500 for the three months ended December 31, 2015, an increase of \$1,342,300, or 185%. The increase occurred mainly in stock-based compensation, which increased by \$1,168,600, or 1099%, over the \$106,400 recorded for the three months ended December 31, 2015. The increase was driven by new restricted stock awards granted to employees and consultants as well as the revaluation of grants issued to consultants in prior periods due to the stock price fluctuation from \$1.60 as of December 31, 2015 to \$5.88 as of December 31, 2016. We recorded professional fees of \$334,000, as compared to \$114,300 for the three months ended December 31, 2015. The increase of \$229,700, or 201%, was mainly due to increased accounting and legal fees associated with the 2016 annual meeting of stockholders, the filing of post-effective amendments to two registration statements in connection with the resale of Common Stock issued in our 2015 and 2016 private placements, the preparation and adoption of the Akoustis Technologies, Inc. 2016 Stock Incentive Plan and the filing of the related registration statement on Form S-8.

Other Income and Expense

Other Income and Expense for the three months ended December 31, 2016 was \$712,200 and was comprised mainly of the loss related to the change in fair value of derivatives-warrants. The loss was recorded to reflect the stock price fluctuation from \$1.60 per share as of December 31, 2015 to \$5.88 per share as of December 31, 2016. We recorded a gain of \$5,400 for the comparative three-month period ended December 31, 2015.

Net Loss

Net Loss was \$3.4 million for the quarter ended December 31, 2016 compared to a net loss of \$1.1 million for the quarter ended December 31, 2015. The higher quarter over quarter loss of \$2.3 million, or 217%, was mainly driven by higher stock-based compensation expense for both R&D and G&A employees and contractors of \$268,700 and \$1,168,600, respectively, the higher loss recorded for the change in fair value of derivatives-warrants of \$717,700, higher R&D material and supplies expense of \$74,000 and higher professional fees of \$229,700.

Six months Ended December 31, 2016 and 2015

Revenue

The Company recorded revenue of \$159,068 from contract research and government grants due to the receipt of the second payment from the National Science Foundation (NSF) for the Phase II grant. The Phase II grant which is a two-year program, was awarded to the Company in December 2015 in the amount of \$737,000. We have received \$343,402 to date on the Phase II award. There was no revenue recorded in the six month 2015 comparative period.

Expenses

Research and Development Expenses

R&D expenses for the six-month period ended December 31, 2016 were \$1,428,600 which was an increase of \$755,000, or 112%, over the comparative 2015 period. The increase was primarily associated with salaries and benefits, stock-based compensation, and R&D materials and supplies. Salaries and benefit costs were \$529,600 and were \$140,000, or 36%, higher over the comparative six-month period ended December 31, 2015 due to increased headcount for technical personnel on boarded. Stock-based compensation was \$465,000 higher (as compared to \$0 as of December 31, 2015) due to new grants awarded to R&D employees and contractors. Per ASC 505-40, the fair value of the grants issued to consultants is re-measured each reporting period over the requisite service period. In addition, we recorded an increase in R&D materials and supplies expense of \$107,400, or 49%, due to a year over year increase in product development activities.

General and Administrative Expenses

G&A expenses for the six months ended December 31, 2016 were \$3,330,000 compared to \$1,485,800 for the six months ended December 31, 2015. The higher spend of \$1,844,200, or 124%, was primarily driven by increases in stock-based compensation and professional fees. Stock-based compensation was \$1,782,900 versus \$172,100 for the comparative six months, an increase \$1,610,800, or 936%. The change was due to new awards to employees, directors, and consultants, as well as the revaluation of the grants issued to consultants in prior periods due to an increase in price per share of common stock (\$5.88 as of December 31, 2016, versus \$1.60 as of December 31, 2015). We recorded professional fees of \$611,000 for the six months ended December 31, 2016. This was an increase of \$291,000, or 91%, over the comparative six-month period. The higher professional fee spend was primarily due to accounting and legal fees associated with the 2016 annual meeting of stockholders, the filing of post-effective amendments to two registration statements for the resale of Common Stock issued in our 2015 and 2016 private placements, the preparation and adoption of the Akoustis Technologies, Inc. 2016 Stock Incentive Plan and the filing of the related registration statement on Form S-8.

Other Expense

Other Expense for the six months ended December 31, 2016 was \$869,500 due to the loss recorded for the change in the fair value of derivatives-warrants compared to a \$19,400 gain recorded for the 2015 six-month comparative period. The loss recorded was due to the stock price fluctuation from \$1.60 per share as of December 31, 2015 to \$5.88 per share as of December 31, 2016.

Net Loss

Net Loss was \$5.5 million for the six months ended December 31, 2016 compared to a net loss of \$2.1 million in the comparative six months ended December 31, 2015. The higher loss of \$3.4 million was due to the increases in stock-based compensation expense for R&D and G&A personnel and contractors of \$465,000 and \$1,610,800, respectively, the higher loss recorded for the change in fair value of derivatives-warrants of \$889,000, a higher R&D materials and supplies spend of \$107,000 and higher professional fees of \$291,000.

Liquidity and Capital Resources

Although we have earned \$581,400 from contract research and grants since inception, our operations have been primarily funded with initial capital contributions, sales of our equity securities, and debt financing.

As of December 31, 2016, we had current assets of \$5,166,900, primarily made up of cash of approximately \$5,001,500. Current liabilities, made up of accounts payable, accrued liabilities and deferred revenue, were \$947,400. Working capital as of the quarter ended December 31, 2016 was \$4,219,500. As compared to June 30, 2016, current assets at December 31, 2016 increased by \$913,100, mainly due to the increase of cash on hand. The cash increase was the result of \$3,456,500 net proceeds of the first two closings of the second 2016 private placement offering, which was offset by \$2,126,400 cash used for operations and by \$484,000 cash used for equipment purchases. Current liabilities as of December 31, 2016 increased by \$403,700 over June 30, 2016. We saw an increase of \$179,000 in accrued bonus payable due to the additional expense recorded for the six-month period, an increase of \$130,600 in accrued stock-based compensation due to additional restricted stock grants awarded to employees, contractors, directors and consultants and the revaluation of restricted stock grants issued in prior periods because of the change in the price per share (\$5.88 per share as of December 31, 2016 versus \$4.18 as of June 30, 2016). We also recorded a \$102,600 increase in accrued expenses mainly due to higher spend on professional fees and R&D materials and supplies.

Long-term liabilities were \$396,828 as of December 31, 2016, and decreased \$925,901 from June 30, 2016. The primary driver of the change was the reduction of the balance in the derivative liability-warrants. The liability was associated with placement agent warrants issued in connection with our 2015 offering and our first 2016 offering. Of the total warrants outstanding for, warrants for an aggregate of 386,476 shares of Common Stock were amended as of December 30, 2016 and, as a result, were converted to non-derivative instruments. As a result, \$925,901 of the associated derivative liability-warrants were reclassified as stockholder's equity. The remaining warrants for 85,222 shares of Common Stock were amended and converted to non-derivative instruments on January 19, 2017, and the remainder of the accrual, \$396,828, will be reclassified as stockholder's equity for the quarter ending March 31, 2017.

Stockholder's equity was \$4,576,800 as of December 31, 2016. The increase over the June 30, 2016 balance of \$2,676,400 was the net effect of the net loss for the six-month period of \$5,468,700 offset by the equity change associated with the first two closings of the 2016-2017 Offering. In those two closings, we sold 733,000 par value \$.001 common shares for \$5.00 per share with net proceeds of \$3,456,500. Stockholder's equity also increased over the June 30, 2016 balance due to the reclassification of the derivative liability for warrants in the amount of \$1,795,400.

As referenced above, we held two closings of the 2016-2017 Offering during the quarter ended December 31, 2016. On November 25, 2016, we held a closing on the sale of 322,000 shares of Common Stock at \$5.00 per share for aggregate gross proceeds of \$1,610,000. There were no fees associated with this closing. On December 27, 2016, we held a closing for the sale of 410,997 shares of Common Stock at \$5.00 per share for aggregate gross proceeds of \$2,055,000 before commissions of \$194,500 and legal and other fees of \$14,025. In addition to these two closings, on January 18, 2017, we held a third closing of the 2016-2017 Offering for the sale of 1,258,996 shares of Common Stock at the price of \$5.00 per share for total aggregate gross proceeds of \$6,294,980 before commissions and fees of \$605,195. On February 7, 2017 the Company held a fourth closing of the 2016-2017 Offering in which the Company sold an additional 130,000 shares of Common Stock at \$5.00 per share for gross proceeds of \$650,000 before deducting expenses of \$40,750 for commissions and fees. In total as of February 9, 2017, the Company has sold 2,121,993 shares of Common Stock in the 2016-2017 Offering for total aggregate gross proceeds of \$10,610,000 before commissions and fees of \$854,010.

In February 2016, we were notified that we had been awarded a \$738,000 National Science Foundation (“NSF”) Small Business Innovative Research Phase II grant, a two-year program. To date we have received \$343,000 of the \$738,000 initially awarded. On January 19, 2017, we were notified by the NSF that we had been awarded an incremental \$147,000 on the NSF Phase II grant to be used for technological enhancement for commercial partnerships. We expect to apply for additional research and development grants that support technology innovation in line with our business plan. We believe that we have additional opportunities for new grants and matching funds from our current small business program partnership with NSF, including a Phase IIb award, which has a potential \$500,000 award. We expect to receive notification of the Phase IIb award in the second half of 2017. There can be no assurance, however, that these grants will be received.

As a result of the 2016-2017 Offering, we expect our existing funds will be sufficient to fund our operations beyond March 31, 2018. There is no assurance that the Company’s projections and estimates are accurate or that the Company will be able to raise additional capital, if required, on terms favorable to the Company or at all.

Cash Flow Analysis

Operating activities used cash of \$2,126,400, for the six months ended December 31, 2016 as compared to \$1,705,699 for the six months ended December 31, 2015. The net loss of \$5,468,700 recorded for the six months ended December 31, 2016, offset by non-cash items of stock-based compensation of \$2,247,900, change in the fair value of derivatives of \$869,500, and an increase in trade payables and accrued expenses of \$244,100, were the primary components of cash used in operating activities for the six-month period.

Investing activities used cash of \$484,000 for the six months ended December 31, 2016 due to purchases of R&D machinery and equipment of \$444,400 and cash paid for patents of \$39,650. For the six months ended December 31, 2015, investing activities used cash of \$140,300 for the purchase of R&D machinery and equipment of \$123,400 and cash paid for patents for \$16,900.

Cash flows from financing activities for the six months ended December 31, 2016, were \$3,456,460 from the sale of 732,997 shares of Common Stock less commissions and fees of \$208,525 from the first and second closings of the 2016-2017 Offering on November 25, 2016 and December 27, 2016. There were no cash flows from financing activities for the comparative six-month period ended December 31, 2015.

Off-Balance Sheet Transactions

The Company did not engage in any “off-balance sheet arrangements” (as that term is defined in Item 303(a)(4)(ii) of Regulation S-K) as of December 31, 2016.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Not applicable to smaller reporting companies.

ITEM 4. CONTROLS AND PROCEDURES

Our management is responsible for establishing and maintaining a system of disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) that is designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

We conducted an evaluation under the supervision and with the participation of our Chief Executive Officer and our Chief Financial Officer (our principal executive officer and principal financial officer) of the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2016. Based on that evaluation, our management concluded that our disclosure controls and procedures were effective as of such date to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and is accumulated and communicated to our management, including our Chief Executive Officer and our Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting that occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

From time to time, we may become involved in various lawsuits and legal proceedings that arise in the ordinary course of business. Litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may have an adverse effect on our business, financial condition or results of operations and prospects.

We are currently not aware of any material pending legal proceedings to which we are a party or of which any of our property is the subject, nor are we aware of any such proceedings that are contemplated by any governmental authority.

ITEM 1A. RISK FACTORS.

Not applicable to smaller reporting companies.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

On November 25, 2016 and December 27, 2016, we sold 322,000 shares and 411,000 shares, respectively, of our Common Stock, at a fixed purchase price of \$5.00 per share to accredited investors in a private placement offering (the "2016-2017 Offering"). Aggregate gross proceeds of these sales before deducting expenses totaled \$3,665,000. The Offering was exempt from registration under Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"), in reliance upon the safe harbor provided by Rule 506(b) of Regulation D. In connection with the December 27 sale, we paid an aggregate cash commission of \$194,500 and issued warrants to purchase an aggregate of 38,900 shares of Common Stock to Katalyst Securities, LLC ("Katalyst") for its services as placement agent in the closing. The warrants have a term of five years and an exercise price of \$5.00 per share. We also reimbursed Katalyst approximately \$14,025 for legal and other expenses in connection with the December 27 sale.

The above sales, including the registration rights associated therewith, are more fully described in our Current Reports on Form 8-K filed with the SEC on November 25, 2016 and December 28, 2016.

On December 30, 2016, we entered into amended and restated warrants for 386,486 shares of our Common Stock with the holders of warrants that were issued to the placement agents in connection with our 2015 and first 2016 private placements of securities. On January 19, 2017, we entered into amended and restated warrants for 85,222 shares of our Common Stock with the remaining warrant holders from our 2015 and first 2016 private placements. These amended and restated warrants superseded and replaced the original warrants in all respects, except that the shares of Common Stock underlying the amended and restated warrants only included the portion of the original warrants that were not exercised prior to the amendment and restatement of the warrants. The amendments to the warrants were ministerial and provide that the warrant holders will not be entitled to exchange the warrants for cash in any fundamental transaction that is not approved by our Board of Directors or that occurs in a transaction or as a result of an event not within our control. The amendments also provide that, subject to certain exceptions, the warrants may be further amended with the prior written consent of holders of warrants exercisable for a majority of the shares of Common Stock then issuable upon exercise of warrants of the same class. No commission or other remuneration was paid or given for soliciting the execution of the amended and restated warrants, and we entered into the amended and restated warrants in reliance on Section 3(a)(9) of the Securities Act. The form of amended and restated warrant is filed as Exhibit 10.1 to this Report and is incorporated herein by reference.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

ITEM 5. OTHER INFORMATION.

None.

ITEM 6. EXHIBITS.

The exhibits listed in the accompanying exhibit index are filed or furnished, as applicable, as part of this report.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Dated: February 14, 2017

Akoustis Technologies, Inc.

By: /s/ Cindy C. Payne
Cindy C. Payne
Chief Financial Officer
(Principal Financial and Accounting Officer)

EXHIBIT INDEX

Exhibit Number	Description
2.1	Plan of Conversion, dated December 15, 2016 <i>(incorporated by reference to Exhibit 2.1 the registrant's Current Report on Form 8-K filed with the SEC on December 16, 2016)</i>
3.1	Articles of Conversion, as filed with the Nevada Secretary of State on December 15, 2016 <i>(incorporated by reference to Exhibit 3.1 to the registrant's Current Report on Form 8-K filed with the SEC on December 16, 2016)</i>
3.2	Certificate of Conversion, as filed with the Delaware Secretary of State on December 15, 2016 <i>(incorporated by reference to Exhibit 3.2 to the registrant's Current Report on Form 8-K filed with the SEC on December 16, 2016)</i>
3.3	Certificate of Incorporation, as filed with the Delaware Secretary of State on December 15, 2016 <i>(incorporated by reference to Exhibit 3.3 to the registrant's Current Report on Form 8-K filed with the SEC on December 16, 2016)</i>
3.4	Bylaws, dated as of December 15, 2016 <i>(incorporated by reference to Exhibit 3.4 to the registrant's Current Report on Form 8-K filed with the SEC on December 16, 2016)</i>
10.1	Akoustis Technologies, Inc. 2016 Stock Incentive Plan <i>(incorporated by reference to Exhibit 10.1 to the registrant's Current Report on Form 8-K filed with the SEC on December 16, 2016)</i>
10.2	Form of Restricted Stock Award Agreement under the Akoustis Technologies, Inc. 2016 Stock Incentive Plan
10.3	Registrant Rights Agreement by and among the Company and the investors in the 2016-2017 Offering <i>(incorporated by reference to Exhibit 10.1 to the registrant's Current Report on Form 8-K filed with the SEC on November 25, 2016)</i>
10.4	Amendment No. 1 to Registration Rights Agreement by and among the Company and the investors in the 2016-2017 Offering <i>(incorporated by reference to Exhibit 10.2 to the registrant's Current Report on Form 8-K filed with the SEC on December 28, 2016)</i>
10.5	Form of Placement Agent Warrant in connection with the 2016-2017 Offering <i>(incorporated by reference to Exhibit 10.3 to the registrant's Current Report on Form 8-K filed with the SEC on December 28, 2016)</i>
10.6	Form of Subscription Agreement by and among the Company and the investors in the 2016-2017 Offering
10.7	Form of Amended Subscription Agreement by and among the Company and the investors in the 2016-2017 Offering
10.8	Placement Agent Agreement, dated December 8, 2016, between the Company and Katalyst Securities LLC in connection with the 2016-2017 Offering
10.9	Placement Agent Agreement, dated December 12, 2016, between the Company and Drexel Hamilton, LLC in connection with the 2016-2017 Offering
10.10	Placement Agent Agreement, dated December 19, 2016, between the Company and Northland Securities, Inc in connection with the 2016-2017 Offering

10.11	Placement Agent Agreement, dated December 14, 2016, between the Company and Joseph Gunnar & Co., LLC.in connection with the 2016-2017 Offering
10.12	Form of Amended and Restated Placement Agent Warrant for Common Stock of the Company in connection with the Company's 2015 private placement offering and 2016 private placement offering
18	Preferability Letter
31.1	Rule 13(a)-14(a)/15(d)-14(a) Certification of Principal Executive Officer
31.2	Rule 13(a)-14(a)/15(d)-14(a) Certification of Principal Financial and Accounting Officer
32.2	Section 1350 Certification of Principal Executive Officer
32.2	Section 1350 Certification of Principal Financial and Accounting Officer
101	Interactive Data Files of Financial Statements and Notes
101.INS	Instant Document
101.SCH	XBRL Taxonomy Schema Document
101.CAL	XBRL Taxonomy Calculation Linkbase Document
101.DEF	XBRL Taxonomy Definition Linkbase Document
101.LAB	XBRL Taxonomy Label Linkbase Document
101.PRE	XBRL Taxonomy Presentation Linkbase Document

AKOUSTIS TECHNOLOGIES, INC.
2016 STOCK INCENTIVE PLAN

Restricted Stock Award Agreement

THIS AGREEMENT (together with Schedule A attached hereto, the “Agreement”), effective as of the date specified as the “Grant Date” on Schedule A attached hereto, is between AKOUSTIS TECHNOLOGIES, INC., a Delaware corporation (the “Company”), and an Employee, Director or Consultant of the Company or an Affiliate, as identified on Schedule A attached hereto (the “Participant”).

RECITALS:

In furtherance of the purposes of the Akoustis Technologies, Inc. 2016 Stock Incentive Plan, as it may be hereafter amended and/or restated (the “Plan”), and in consideration of the services of the Participant and such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Participant hereby agree as follows:

1. Incorporation of Plan. The rights and duties of the Company and the Participant under this Agreement shall in all respects be subject to and governed by the provisions of the Plan, a copy of which has been made available to the Participant and the terms of which are incorporated herein by reference. In the event of any conflict between the provisions in this Agreement and those of the Plan, the provisions of the Plan shall govern, unless the Administrator determines otherwise. The terms of this Agreement shall not be deemed to be in conflict or inconsistent with the Plan merely because they impose greater or additional restrictions, obligations or duties, or if this Agreement provides that the Agreement terms apply notwithstanding the provisions to the contrary in the Plan. Unless otherwise defined herein, capitalized terms in this Agreement shall have the same definitions as set forth in the Plan.

2. Grant of Restricted Stock Award; Restriction Period. The Company hereby grants to the Participant pursuant to the Plan, as a matter of separate inducement and agreement in connection with his or her employment with or service to the Company, and not in lieu of any salary or other compensation for his or her services, a Restricted Stock Award (the “Award”) for that number of shares (the “Shares”) of common stock of the Company, \$0.001 par value (the “Common Stock”) as specified on Schedule A, attached hereto, and subject to such other terms and conditions as may be stated herein or in the Plan or on Schedule A. The Participant expressly acknowledges that the terms of Schedule A shall be incorporated herein by reference and shall constitute part of this Agreement. The Company and the Participant further acknowledge and agree that the signatures of the Company and the Participant on the Grant Notice contained in Schedule A shall constitute their acceptance of all of the terms of the Plan and this Agreement and their agreement to be bound by the terms of the Plan and this Agreement. The “Restriction Period” for the Award shall be the period beginning on the Grant Date and ending on such date or dates and/or satisfaction of such conditions as described in Schedule A.

3. Vesting and Earning of Award. Subject to the terms of the Plan and this Agreement, the Award shall vest and be earned upon such date or dates, and subject to such conditions, as are described in this Agreement, including but not limited to Schedule A attached hereto. Without limiting the effect of the foregoing, the Shares subject to the Award may vest in installments over a period of time, if so provided in Schedule A. The Participant expressly acknowledges that the Award shall vest only upon such terms and conditions as are provided in this Agreement (including but not limited to Schedule A) and otherwise in accordance with the terms of the Plan. Subject to the terms of the Plan (and taking into account any Code Section 409A considerations), the Administrator has sole authority to determine whether and to what degree the Award has vested and been earned and is payable and to interpret the terms and conditions of the Award.

4. Termination of Employment or Service.

(a) If the employment or service of the Participant shall be terminated for any reason other than termination by the Company without Cause, termination by the Participant for Good Reason or termination due to the Participant's Disability and all or any part of the Award has not vested or been earned pursuant to the terms of the Plan and this Agreement, the Award, to the extent not then vested or earned, shall be forfeited immediately upon such termination, and the Participant shall have no further rights with respect thereto.

(b) If the employment or service of the Participant is terminated by the Company without Cause, terminated by the Participant for Good Reason or terminated due to the Participant's Disability, any part of the Award that has not vested or been earned pursuant to the terms of the Plan and this Agreement shall be deemed earned and vested as of the Participant's Termination Date.

For purposes of this Section 4, "Good Reason" means the Participant's termination of employment or service resulting from the Participant's (i) termination for "Good Reason" as defined under the Participant's employment agreement, consulting agreement or other similar agreement with the Company, if any, or (ii) if the Participant has not entered into any agreement (or, if any such agreement does not define "Good Reason"), then a Participant's termination shall be for "Good Reason" if termination results due to any of the following without the Participant's consent: (A) a material reduction in the Participant's base salary, (B) the assignment to the Participant of duties or responsibilities materially inconsistent with, or a material diminution in, the Participant's position, authority, duties or responsibilities or (C) the relocation by the Company of the Participant's principal place of employment by more than 100 miles from the location at which the Participant is stationed. An event or condition that would otherwise constitute "Good Reason" shall constitute Good Reason only if the Company fails to rescind or cure such event or condition within 30 days after receipt from the Participant of written notice of the event which constitutes Good Reason, and Good Reason shall cease to exist for any event or condition described herein on the 60th day following the later of the occurrence or the Participant's knowledge thereof, unless the Participant has given the Company written notice thereof prior to such date.

The Administrator shall have sole discretion to determine the basis for the Participant's termination of employment or service, including whether such termination is due to Cause, Good Reason or Disability.

5 . Settlement of Award. The Award, if earned in accordance with the terms of this Agreement, shall be payable in whole shares of Common Stock. The total number of Shares that may be acquired upon vesting of the Award (or portion thereof) shall be rounded down to the nearest whole share.

6 . No Right of Continued Employment or Service; Forfeiture of Award; No Right to Future Awards . Neither the Plan, this Agreement, the grant of the Award nor any other action related to the Plan shall confer upon the Participant any right to continue in the employ or service of the Company or an Affiliate as an Employee, Director or Consultant, as the case may be, or interfere in any way with the right of the Company or an Affiliate to terminate the Participant's employment or service at any time. Except as otherwise provided in the Plan or this Agreement, all rights of the Participant with respect to the unvested portion of the Award shall terminate upon termination of the Participant's employment or service. The Participant acknowledges and agrees that the Company has no obligation to advise the participant of the expiration of the Award. The grant of the Award does not create any obligation to grant further awards. For purposes of this Agreement, references to "employment" or similar terms shall include references to service unless the Administrator determines otherwise.

7. Effect of Change of Control. Notwithstanding the provisions of Section 3, in the event of a Change of Control, the Award shall, to the extent not then vested or previously forfeited or cancelled, become vested if and to the extent provided below:

(a) To the extent that the successor or surviving company in the Change of Control event does not assume or substitute for the Award (or in which the Company is the ultimate parent corporation and does not continue the Award) on substantially similar terms or with substantially equivalent economic benefits (as determined by the Administrator prior to the Change of Control) as the Award outstanding under the Plan immediately prior to the Change of Control event, any restrictions, including but not limited to the Restriction Period, Performance Period and/or performance factors or criteria applicable to the Award, shall be deemed to have been met, and the Award shall become fully vested, earned and payable to the fullest extent of the original grant (or, if the earning of the Award is based on attaining a target level of performance, the Award shall be deemed earned at the greater of actual performance or target performance) as of the date of the Change of Control.

(b) Further, in the event that the Award is substituted, assumed or continued as provided in Section 7(a) herein, the Award shall nonetheless become vested in full and any restrictions, including but not limited to the Restriction Period, Performance Period and/or performance factors or criteria applicable to the Award, shall be deemed to have been met, and the Award shall become fully vested, earned and payable to the fullest extent of the original award (or, if the earning of the Award is based on attaining a target level of performance, the Award shall be deemed earned at the greater of actual performance or target performance), if the Participant's employment or service is terminated by the Company or an Affiliate (or any successor thereto) not for Cause or by the Participant for Good Reason (as defined in the Plan) within two years after the effective date of a Change of Control. The Administrator shall have sole discretion to determine the basis for the Participant's termination of employment or service, including whether such termination is for Good Reason.

(c) Notwithstanding Sections 7(a) and (b), in the event that the Participant has entered into an employment agreement, consulting agreement or other similar agreement, plan or policy as of the effective date of the Plan, the Participant shall be entitled to the greater of the benefits provided upon a change of control of the Company under the Plan or the respective employment agreement or other arrangement as in effect on the Plan effective date, and such agreement or arrangement shall not be construed to reduce in any way the benefits otherwise provided upon a Change of Control.

8 . Nontransferability of Award and Shares. The Award shall not be transferable (including by sale, assignment, pledge or hypothecation) other than by will or the laws of intestate succession, except for transfers if and to the extent permitted by the Administrator in a manner consistent with the registration provisions of the Securities Act. The designation of a beneficiary in accordance with the Plan does not constitute a transfer. The Participant shall not sell, transfer, assign, pledge or otherwise encumber the Shares subject to the Award until the Restriction Period has expired and all conditions to vesting have been met.

9. Superseding Agreement; Binding Effect. This Agreement supersedes any statements, representations or agreements of the Company with respect to the grant of the Award, any other equity-based awards or any related rights, and the Participant hereby waives any rights or claims related to any such statements, representations or agreements. This Agreement does not supersede or amend any existing confidentiality agreement, non-solicitation agreement, non-competition agreement, employment agreement or any other similar agreement between the Participant and the Company, including, but not limited to, any restrictive covenants contained in such agreements. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective executors, administrators, heirs, successors and assigns.

1 0 . Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflict of laws provisions of any state, and in accordance with applicable federal laws of the United States.

1 1 . Amendment and Termination; Waiver. This Agreement may be amended, altered, suspended and/or terminated as provided in the Plan. Without limiting the effect of the foregoing, (a) the Administrator shall have unilateral authority to amend the Plan and this Agreement (without Participant consent) to the extent necessary to comply with Applicable Law or changes to Applicable Law (including but in no way limited to Code Section 409A and federal securities laws), and (b) the Administrator also shall have the unilateral authority to make adjustments to the terms and conditions of the Award in recognition of unusual or nonrecurring events affecting the Company or any Affiliate, or the financial statements of the Company or any Affiliate, or of changes in Applicable Law, or accounting principles, if the Administrator determines that such adjustments are appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan or necessary or appropriate to comply with applicable accounting principles or Applicable Law. The waiver by the Company of a breach of any provision of this Agreement by the Participant shall not operate or be construed as a waiver of any subsequent breach by the Participant.

12. Certificates for Shares; Rights as a Stockholder. Except as otherwise provided herein, the Participant and his or her legal representatives, legatees or distributees shall not be deemed to be the holder of any Shares subject to the Award and shall not have any rights of a stockholder unless and until (and then only to the extent that) the Award has vested and certificates for such Shares have been issued and delivered to him or her or them (or, in the case of uncertificated shares, other written evidence of ownership in accordance with Applicable Law shall have been provided). A certificate or certificates for Shares subject to the Award shall be issued in the name of the Participant (or, in the case of uncertificated shares, other written notice of ownership in accordance with Applicable Law shall be provided) as soon as practicable after the Award has been granted. Notwithstanding the foregoing, the Administrator may require that (a) the Participant deliver the certificate(s) (or other instruments) for the Shares to the Administrator or its designee to be held in escrow until the Award vests and is no longer subject to a substantial risk of forfeiture (in which case the Shares will be promptly released to the Participant) or is forfeited (in which case the Shares shall be returned to the Company); and/or (b) the Participant deliver to the Company a stock power endorsed in blank (or similar instrument), relating to the Shares subject to the Award which are subject to forfeiture. Except as otherwise provided in the Plan or this Agreement, the Participant shall have all voting, dividend and other rights of a stockholder with respect to the Shares following issuance of the certificate or certificates for the Shares; provided, however, that if any cash or non-cash dividends are declared and paid by the Company with respect to any such Shares, such dividends shall be subject to the same vesting schedule, forfeiture terms and other restrictions as are applicable to the Shares upon which such dividends are paid (and any such cash dividends shall be paid within 60 days of the date on which such underlying shares vest).

13. Withholding; Tax Matters.

(a) The Participant acknowledges that the Company shall require the Participant to pay the Company in cash the amount of any tax or other amount required by any governmental authority to be withheld and paid over by the Company to such authority for the account of the Participant, and the Participant agrees, as a condition to the grant of the Award and delivery of the Shares or any other benefit, to satisfy such obligations. Notwithstanding the foregoing, the Administrator may in its discretion establish procedures to require or permit the Participant to satisfy such obligations in whole or in part, and any local, state, federal, foreign or other income tax obligation relating to the Award, by delivery to the Company of shares of Common Stock held by the Participant (which are fully vested and not subject to any pledge or other security interest) and/or by the Company withholding shares of Common Stock from the Shares to which the Participant is otherwise entitled. The number of Shares to be withheld shall have a Fair Market Value as of the date that the amount of tax to be withheld is determined as nearly equal as possible to, but not exceeding (unless otherwise permitted by the Administrator in a manner in accordance with Applicable Law and applicable accounting principles), the amount of such obligations being satisfied. Such withholding obligations shall be subject to such terms and procedures as may be established by the Administrator.

(b) The Participant acknowledges that he or she is solely responsible and liable for the satisfaction of all taxes and penalties that may arise in connection with the Award (including but not limited to any taxes arising under Code Section 409A), and the Company shall not have any obligation to indemnify or otherwise hold the Participant harmless from any or all such taxes. The Participant further acknowledges that the Company has made no warranties or representations to the Participant with respect to the tax consequences (including, but not limited to, income tax consequences) related to the transactions contemplated by this Agreement, and the Participant is in no manner relying on the Company or its representatives for an assessment of such tax consequences. The Participant acknowledges that there may be adverse tax consequences upon the grant or vesting of the Award and/or the acquisition or disposition of the Shares or any other benefit related to the Award and that the Participant has been advised that he or she should consult with his or her own attorney, accountant and/or tax advisor regarding the decision to enter into this Agreement and the consequences thereof. The Participant also acknowledges that the Company has no responsibility to take or refrain from taking any actions in order to achieve a certain tax result for the Participant.

14. Administration. The authority to construe and interpret this Agreement and the Plan, and to administer all aspects of the Plan, shall be vested in the Administrator, and the Administrator shall have all powers with respect to this Agreement as are provided in the Plan, including but not limited to the sole authority to determine whether and to what degree the Award has been earned and vested. Any interpretation of this Agreement by the Administrator and any decision made by it with respect to this Agreement are final and binding.

15. Notices. Except as may be otherwise provided by the Plan or determined by the Administrator, any written notices provided for in this Agreement or the Plan shall be in writing and shall be deemed sufficiently given if either hand delivered or if sent by fax or overnight courier, or by postage paid first class mail. Notices sent by mail shall be deemed received three business days after mailed but in no event later than the date of actual receipt. Notices shall be directed, if to the Participant, at the Participant's address indicated on Schedule A (or such other address as may be designated by the Participant in a manner acceptable to the Administrator), or if to the Company, at the Company's principal office, attention Cindy C. Payne, Chief Financial Officer and Assistant Secretary, Akoustis Technologies, Inc. Notice may also be provided by electronic submission, if and to the extent permitted by the Administrator.

16. Severability. If any provision of this Agreement is held illegal or invalid for any reason, such illegality or invalidity shall not affect the remaining parts of the Agreement (which shall be construed or deemed amended to conform to Applicable Law), and the Agreement shall be construed and enforced as if the illegal or invalid provision had not been included.

17. Restrictions on Award and Shares. The Company may impose such restrictions on the Award and any Shares or other benefits underlying the Award as it may deem advisable, including without limitation restrictions under the federal securities laws, the requirements of any stock exchange or similar organization and any blue sky, state or foreign securities laws or other laws applicable to such Award or Shares. Notwithstanding any other provision in the Plan or this Agreement to the contrary, the Company shall not be obligated to issue, deliver or transfer shares of Common Stock, to make any other distribution of benefits, or to take any other action, unless such delivery, distribution or action is in compliance with Applicable Law (including but not limited to the requirements of the Securities Act). The Company is under no obligation to register the Shares with the Securities and Exchange Commission or to effect compliance with the exemption, registration, qualification or listing requirements of any state or foreign securities laws, stock exchange or similar organization, and the Company shall have no liability for any inability or failure to do so. The Company may cause a restrictive legend or legends to be placed on any certificate for Shares issued pursuant to the Award in such form as may be prescribed from time to time by Applicable Law or as may be advised by legal counsel.

18. Rules of Construction. Headings are given to the sections of this Agreement solely as a convenience to facilitate reference. The reference to any statute, regulation or other provision of law shall (unless the Administrator determines otherwise) be construed to refer to any amendment to or successor of such provision of law.

19. Right of Offset. Notwithstanding any other provision of the Plan or this Agreement, the Company may at any time (subject to any Code Section 409A considerations) reduce the amount of any payment or benefit otherwise payable to or on behalf of the Participant by the amount of any obligation of the Participant to or on behalf of the Company or an Affiliate that is or becomes due and payable and, by entering into this Agreement, the Participant shall be deemed to have consented to such reduction.

20. Effect of Certain Changes in Status. Notwithstanding the other terms of the Plan or this Agreement, the Administrator has the sole discretion to determine (taking into account any Code Section 409A considerations), at the time of grant of the Award or at any time thereafter, the effect, if any, on the Award (including but not limited to modifying the vesting and/or earning of the Award) if the Participant's status as an Employee, Director or Consultant changes, including but not limited to a change from full-time to part-time, or vice versa, or if other similar changes in the nature or scope of the Participant's employment or service occur.

21. Compliance with Recoupment, Ownership and Other Policies or Agreements. Without limiting the terms of the Plan, and as a condition to receiving this Award or any benefit thereunder, the Participant agrees that he or she shall abide by all provisions of any equity retention policy, stock ownership guidelines, compensation recovery policy and/or other policies adopted by the Company or an Affiliate, each as in effect from time to time and to the extent applicable the Participant. In addition, the Participant shall be subject to such compensation recovery, recoupment, forfeiture or other similar provisions as may apply to him or her under Applicable Law.

22. Counterparts; Further Instruments. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The parties hereto agree to execute such further instruments and to take such further action as may be reasonably necessary to carry out the purposes and intent of this Agreement.

[Signatures follow on Schedule A/Grant Notice]

**AKOUSTIS TECHNOLOGIES, INC.
2016 STOCK INCENTIVE PLAN**

Restricted Stock Award Agreement

Schedule A/Grant Notice

1. Grant Terms. Pursuant to the terms and conditions of the Company's 2016 Stock Incentive Plan, as it may be hereafter be amended (the "Plan"), and the Restricted Stock Award Agreement attached hereto (the "Agreement"), you (the "Participant") have been granted a Restricted Stock Award (the "Award") for _____ shares (the "Shares") of the Company's Common Stock. Unless otherwise defined herein, capitalized terms in this Schedule A shall have the same definitions as set forth in the Agreement and the Plan.

Name of Participant: _____

Address: _____

Grant Date: _____, 20

Number of Shares Subject to Award: _____

Vesting Schedule/Conditions: _____

Participant Type (Mark One):

- Employee
- Director
- Consultant

2. By my signature below, I, the Participant, hereby acknowledge receipt of this Grant Notice and the Restricted Stock Award Agreement (the "Agreement") dated _____, 20__, between the Participant and Akoustis Technologies, Inc. (the "Company") which is attached to this Grant Notice. I understand that the Grant Notice and other provisions of Schedule A herein are incorporated by reference into the Agreement and constitute a part of the Agreement. By my signature below, I further agree to be bound by the terms of the Plan and the Agreement, including but not limited to the terms of this Grant Notice and the other provisions of Schedule A contained herein. The Company reserves the right to treat the Award and the Agreement as cancelled, void and of no effect if the Participant fails to return a signed copy of the Grant Notice within 30 days of grant date stated above.

Signature: _____
Participant

Date: _____

Agreed to by:

AKOUSTIS TECHNOLOGIES, INC.

By:

[Name]
[Title]

Attest:

[Name]
[Title]

Note: If there are any discrepancies in the name or address shown above, please make the appropriate corrections on this form and return to Akoustis Technologies, Inc., Attention Cindy C. Payne, Chief Financial Officer and Assistant Secretary. Please retain a copy of the Agreement, including a signed copy of this Grant Notice, for your files.

Schedule A-2

SUBSCRIPTION AGREEMENT

This Subscription Agreement (this “Agreement”) has been executed by the subscriber set forth on the signature page hereof (the “Subscriber”) in connection with the private placement offering (the “Offering”) by **Akoustis Technologies, Inc.**, a Nevada corporation (the “Company”) of up to 2,000,000 shares (the “Shares”) of the Company’s common stock, par value \$0.001 per share (“Common Stock”), at a purchase price of \$5.00 per Share (the “Purchase Price”). This subscription is being submitted to you in accordance with and subject to the terms and conditions described in this Agreement.

The Shares being subscribed for pursuant to this Agreement have not been registered under the Securities Act of 1933, as amended (the “Securities Act”). The Offering is being made on a reasonable best efforts basis to “accredited investors,” as defined in Regulation D under the Securities Act, and may be made also to unaccredited investors in compliance with Rule 506(b) of Regulation D, as determined by the Company’s Board of Directors.

The undersigned acknowledges receipt of a copy of the Registration Rights Agreement, substantially in the form of Exhibit A hereto (the “Registration Rights Agreement”).

Each closing of the Offering (a “Closing,” and the date on which such Closing occurs hereinafter referred to as the “Closing Date”) shall take place at the offices of the Company.

The Company may conduct one or more Closings for the sale of the Shares until the termination of the Offering.

Any term sheet, disclosure schedule or other information document, delivered to the Subscriber prior to Subscriber’s execution of this Agreement, and any such document delivered to the Subscriber after Subscriber’s execution of this Agreement and prior to the Closing of the Subscriber’s subscription hereunder are collectively referred to as the “Disclosure Materials.”

1. **Subscription.** The undersigned Subscriber hereby subscribes to purchase the number of Shares set forth on the Omnibus Signature Page attached hereto, for the aggregate Purchase Price as set forth on such Omnibus Signature Page, subject to the terms and conditions of this Agreement and on the basis of the representations, warranties, covenants and agreements contained herein.
 2. **Subscription Procedure.** To complete a subscription for the Shares, the Subscriber must fully comply with the subscription procedure provided in paragraphs a. through c. of this Section on or before the Closing Date.
 - a. **Subscription Documents.** On or before the Closing Date, the Subscriber shall review, complete and execute the Omnibus Signature Page to this Agreement and the Registration Rights Agreement, the Investor Profile, Anti-Money Laundering Form and Investor Certification, attached hereto following the Omnibus Signature Page (collectively, the “Subscription Documents”), and deliver the Subscription Documents to the Company at the address set forth under the caption “*How to subscribe for Shares in the private offering of Akoustis Technologies, Inc.*” below. Executed documents may be delivered to the Company by facsimile or .pdf sent by electronic mail (e-mail), if the Subscriber delivers the original copies of the documents to the Company as soon as practicable thereafter.
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- b. **Purchase Price.** Simultaneously with the delivery of the Subscription Documents to the Company as provided herein, and in any event on or prior to the Closing Date, the Subscriber shall deliver to the Company the full Purchase Price by certified or other bank check or by wire transfer of immediately available funds, pursuant to the instructions set forth under the caption “*How to subscribe for Shares in the private offering of Akoustis Technologies, Inc.*” below. Such funds will be held for the Purchaser’s benefit and will be returned promptly, without interest or offset, if this Subscription Agreement is not accepted by the Company or the Offering is terminated pursuant to its terms by the Company prior to the Closing as defined herein.
 - c. **Company Discretion.** The Subscriber understands and agrees that the Company in its sole discretion reserves the right to accept or reject this or any other subscription for Shares, in whole or in part, notwithstanding prior receipt by the Subscriber of notice of acceptance of this subscription. The Company shall have no obligation hereunder until the Company shall execute and deliver to the Subscriber an executed copy of this Agreement. If this subscription is rejected in whole, or the Offering is terminated, all funds received from the Subscriber will be returned without interest or offset, and this Agreement shall thereafter be of no further force or effect. If this subscription is rejected in part, the funds for the rejected portion of this subscription will be returned without interest or offset, and this Agreement will continue in full force and effect to the extent this subscription was accepted.
3. **Placement Agents or Brokers.** Except as set forth on Schedule 3, the Company has not engaged any placement agents or brokers, or agreed to compensate any placement agents or brokers. The Company may engage one or more placement agents or brokers in connection with the Offering. Placement agents or brokers, if any, will be engaged on a reasonable best efforts basis. In the event the Company engages any placement agents or brokers not currently set forth on Schedule 3, the Company may pay such placement agent(s) or broker(s) a total of cash commission and warrants not to exceed 10% of the gross funds raised by such placement agent(s) or broker(s).
4. **Representations and Warranties of the Company.** The Company hereby represents and warrants to the Subscriber, as of the Closing Date (unless otherwise specified), the following:
- a. **Organization and Qualification.** The Company and each of its subsidiaries is a corporation or other business entity duly organized and validly existing in good standing under the laws of the jurisdiction of its formation, and has the requisite corporate power to own its properties and to carry on its business as now being conducted. The Company and each of its subsidiaries is duly qualified as a foreign corporation to do business and is in good standing in every jurisdiction in which the nature of the business conducted by it makes such qualification necessary, except to the extent that the failure to be so qualified or be in good standing would not have a material adverse effect on the assets, business, condition (financial or otherwise), results of operations or future prospects of the Company and its subsidiaries taken as a whole (a “*Material Adverse Effect*”). Each subsidiary of the Company is identified on Schedule 4a attached hereto.

- b. Authorization, Enforcement, Compliance with Other Instruments. (i) The Company has the requisite corporate power and authority to enter into and perform its obligations under this Agreement, the Registration Rights Agreement and each of the other agreements and documents that are exhibits hereto or thereto or are contemplated hereby or thereby or necessary or desirable to effect the transactions contemplated hereby or thereby (the “*Transaction Documents*”) and to issue the Shares, in accordance with the terms hereof and thereof, (ii) the execution and delivery by the Company of each of the Transaction Documents and the consummation by it of the transactions contemplated hereby and thereby, including, without limitation, the issuance of the Shares, have been, or will be at the time of execution of such Transaction Document, duly authorized by the Company’s Board of Directors, and no further consent or authorization is, or will be at the time of execution of such Transaction Document, required by the Company, its respective Board of Directors or its stockholders, (iii) each of the Transaction Documents will be duly executed and delivered by the Company, (iv) the Transaction Documents when executed will constitute the valid and binding obligations of the Company enforceable against the Company in accordance with their terms, except as such enforceability may be limited by general principles of equity or applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally, the enforcement of creditors’ rights and remedies.
- c. Capitalization. The authorized capital stock of the Company consists of 300,000,000 shares of Common Stock and 10,000,000 shares of preferred stock. Upon the consummation, if at all, of the Company’s pending conversion to a Delaware corporation (the “*Reincorporation*”), as disclosed in the Company’s definitive proxy statement on Schedule 14A, filed with the Securities and Exchange Commission (“*SEC*”) on November 14, 2016, the authorized capital stock of the Company shall consist of 45,000,000 shares of Common Stock and 5,000,000 shares of preferred stock. As of the date of this Agreement, the Company has 15,836,981 shares of Common Stock and no preferred stock issued and outstanding. All of the outstanding shares of Common Stock and of the stock of each of the Company’s subsidiaries have been duly authorized, validly issued and are fully paid and nonassessable. Except as set forth on **Schedule 4c** attached hereto: (i) no shares of capital stock of the Company or any of its subsidiaries are (and the Shares will not be) subject to preemptive rights or any other similar rights or any liens or encumbrances suffered or permitted by the Company; (ii) there are no outstanding options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, any shares of capital stock of the Company or any of its subsidiaries, or contracts, commitments, understandings or arrangements by which the Company or any of its subsidiaries is or may become bound to issue additional shares of capital stock of the Company or any of its subsidiaries, (iii) there are no outstanding debt securities of the Company or its subsidiaries, (iv) there are no agreements or arrangements under which the Company or any of its subsidiaries is obligated to register the sale of any of their securities under the Securities Act, (v) there are no registration statements that have been filed but are not yet effective relating to securities of the Company, or any outstanding comment letters from the SEC or any other regulatory agency; (vi) there are no securities or instruments containing anti-dilution or similar provisions, including the right to adjust the exercise, exchange or reset price under such securities, that will be triggered by the issuance of the Shares as described in this Agreement; and (vii) no co-sale rights, rights of first refusal or other similar rights exist with respect to the Shares or the issuance and sale thereof. Upon request, the Company will make available to the Subscriber true and correct copies of the Company’s Articles of Incorporation (or, if after the Reincorporation, its Certificate of Incorporation), as in effect on the date hereof (the “*Charter*”), and the Company’s By-laws, as in effect on the date hereof (the “*By-laws*”), and the terms of all securities exercisable for Common Stock and the material rights of the holders thereof in respect thereto.

- d. Issuance of Shares. The Shares are duly authorized and, upon issuance in accordance with the terms hereof, shall be duly issued, fully paid and nonassessable, and are free from all taxes, liens and charges with respect to the issue thereof.
- e. No Conflicts. The execution, delivery and performance of each of the Transaction Documents by the Company, and the consummation by the Company of the transactions contemplated hereby and thereby will not (i) result in a violation of the Charter or the By-laws (or equivalent constitutive document) of the Company or any of its subsidiaries or (ii) violate or conflict with, or result in a breach of any provision of, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Company or any subsidiary is a party, except for those which would not reasonably be expected to have a Material Adverse Effect, or (iii) result in a material violation of any law, rule, regulation, order, judgment or decree (including U.S. federal and state securities laws and regulations) applicable to the Company or any subsidiary or by which any property or asset of the Company or any subsidiary is bound or affected. Neither the Company nor any subsidiary is in violation of any term of or in default under its Charter or By-laws. Except for those violations or defaults which would not reasonably be expected to have a Material Adverse Effect, neither the Company nor any subsidiary is in violation of any term of or in default under any material contract, agreement, mortgage, indebtedness, indenture, instrument, judgment, decree or order or any statute, rule or regulation applicable to the Company or any subsidiary. The business of the Company and its subsidiaries is not being conducted, and shall not be conducted in violation of any law, ordinance, or regulation of any governmental entity, except for any violation which would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. Except as specifically contemplated by this Agreement and as required under the Securities Act and any applicable state securities laws, neither the Company nor any of its subsidiaries is required to obtain any consent, authorization or order of, or make any filing or registration with, any court or governmental agency in order for it to execute, deliver or perform any of its obligations under or contemplated by this Agreement or the other Transaction Documents in accordance with the terms hereof or thereof. Except as set forth on **Schedule 3** or **Schedule 4e**, neither the execution and delivery by the Company of the Transaction Documents, nor the consummation by the Company of the transactions contemplated hereby and thereby, will require any notice, consent or waiver under any contract or instrument to which the Company or any subsidiary is a party or by which the Company or any subsidiary is bound or to which any of their assets is subject. All consents, authorizations, orders, filings and registrations which the Company or any of its subsidiaries is required to obtain pursuant to the preceding two sentences have been or will be obtained or effected on or prior to the Closing. The Company is unaware of any facts or circumstance, which might give rise to any of the foregoing.

- f. Absence of Litigation. Except as set forth on **Schedule 4f**, there is no action, suit, claim, inquiry, notice of violation, proceeding or investigation before or by any court, public board, governmental or administrative agency, self-regulatory organization or body now pending or, to the knowledge of the Company, threatened, against or affecting the Company or any of its subsidiaries.
- g. Acknowledgment Regarding Subscriber's Purchase of the Shares. The Company acknowledges and agrees that each Subscriber is acting solely in the capacity of an arm's length purchaser with respect to the Transaction Documents and the transactions contemplated hereby and thereby.
- h. No General Solicitation. Neither the Company, nor any of its affiliates, nor, to the knowledge of the Company, any person acting on its or their behalf, has engaged in any form of general solicitation or general advertising (within the meaning of Regulation D) in connection with the offer or sale of the Shares.
- i. No Integrated Offering. Neither the Company, nor any of its affiliates, nor to the knowledge of the Company, any person acting on its or their behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would require registration of the Shares under the Securities Act or cause this offering of the Shares to be integrated with prior offerings by the Company for purposes of the Securities Act.
- j. Employee Relations. Neither the Company nor any of its subsidiaries is involved in any labor dispute nor, to the knowledge of the Company, is any such dispute threatened. Neither the Company nor any subsidiary is party to any collective bargaining agreement. The Company's and/or its subsidiaries' employees are not members of any union, and the Company believes that its and its subsidiaries' relationship with their respective employees is good.

k. Intellectual Property Rights. Except as set forth on Schedule 4k, the Company and its subsidiaries own or possess sufficient rights to all patents, trademarks, domain names (whether or not registered) and any patentable improvements or copyrightable derivative works thereof, websites and intellectual property rights relating thereto, service marks, trade names, copyrights, licenses and authorizations, and all rights with respect to the foregoing, which are necessary for the conduct of its business as now conducted without any conflict with the rights of others except for such conflicts that would not result in a Material Adverse Effect. Neither the Company nor any subsidiary has received any notice of infringement of, or conflict with, the asserted rights of others with respect to any intellectual property that it utilizes.

l. Environmental Laws.

(i) The Company and each subsidiary has complied with all applicable Environmental Laws (as defined below), except for violations of Environmental Laws that, individually or in the aggregate, have not had and would not reasonably be expected to have a Material Adverse Effect. There is no pending or, to the knowledge of the Company, threatened civil or criminal litigation, written notice of violation, formal administrative proceeding, or investigation, inquiry or information request, relating to any Environmental Law involving the Company or any subsidiary, except for litigation, notices of violations, formal administrative proceedings or investigations, inquiries or information requests that, individually or in the aggregate, have not had and would not reasonably be expected to have a Material Adverse Effect. For purposes of this Agreement, "Environmental Law" means any national, state, provincial or local law, statute, rule or regulation or the common law relating to the environment or occupational health and safety, including without limitation any statute, regulation, administrative decision or order pertaining to (i) treatment, storage, disposal, generation and transportation of industrial, toxic or hazardous materials or substances or solid or hazardous waste; (ii) air, water and noise pollution; (iii) groundwater and soil contamination; (iv) the release or threatened release into the environment of industrial, toxic or hazardous materials or substances, or solid or hazardous waste, including without limitation emissions, discharges, injections, spills, escapes or dumping of pollutants, contaminants or chemicals; (v) the protection of wild life, marine life and wetlands, including without limitation all endangered and threatened species; (vi) storage tanks, vessels, containers, abandoned or discarded barrels, and other closed receptacles; (vii) health and safety of employees and other persons; and (viii) manufacturing, processing, using, distributing, treating, storing, disposing, transporting or handling of materials regulated under any law as pollutants, contaminants, toxic or hazardous materials or substances or oil or petroleum products or solid or hazardous waste. As used above, the terms "release" and "environment" shall have the meaning set forth in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended.

- (ii) The Company and its subsidiaries (i) have received all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses except to the extent that the failure to have such permits, licenses or other approvals would not have a Material Adverse Effect and (ii) are in compliance, in all material respects, with all terms and conditions of any such permit, license or approval.
- m. Permits: FCC Compliance. The Company and its subsidiaries have all authorizations, approvals, clearances, licenses, permits, certificates or exemptions (including manufacturing approvals and authorizations, pricing and reimbursement approvals, labeling approvals, registration notifications or their foreign equivalent) issued by any regulatory authority or governmental agency (collectively, "*Permits*") required to conduct their respective businesses as currently conducted except to the extent that the failure to have such Permits would not have a Material Adverse Effect. The conduct of business by the Company complies, and at all times has substantially complied, in all material respects with the Telecommunications Act of 1996 and similar federal, state and foreign laws applicable to the evaluation, testing, manufacturing, distribution, advertising and marketing of each of the Company's products, in whatever stage of development or commercialization except to the extent that the failure to so comply would not have a Material Adverse Effect. To the knowledge of the Company, as of the date hereof, neither the Federal Communications Commission (the "*FCC*") nor any comparable regulatory authority or governmental agency is considering limiting, suspending or revoking any such Permit or changing the marketing classification or labeling of the products of the Company or any of its subsidiaries. To the knowledge of the Company, there is no false or misleading information or material omission in any product application or other submission by the Company or any of its subsidiaries to the FCC or any comparable regulatory authority or governmental agency. The Company or its subsidiaries have fulfilled and performed in all material respects their obligations under each Permit, and, as of the date hereof, to the knowledge of the Company, no event has occurred or condition or state of facts exists which would constitute a breach or default or would cause revocation or termination of any such Permit except to the extent that such breach, default, revocation or termination would not have a Material Adverse Effect. To the knowledge of the Company, any third party that is a manufacturer or contractor for the Company or any of its subsidiaries is in compliance in all material respects with all Permits insofar as they pertain to the manufacture of product components or products for the Company. The Company and its subsidiaries have not received any notice of adverse finding, warning letter, notice of violation, notice of action or any other notice from the FCC or other governmental agency alleging or asserting noncompliance with any applicable laws or Permits. The Company and its subsidiaries have made all notifications, submissions and reports required by applicable federal, state and foreign laws, except to the extent that the failure to make such notifications, submission or reports would not have a Material Adverse Effect.

- n. Title. Neither the Company nor any of its subsidiaries owns any real property. Except as set forth on **Schedule 4n**, each of the Company and its subsidiaries has good and marketable title to all of its personal property and assets, free and clear of any material restriction, mortgage, deed of trust, pledge, lien, security interest or other charge, claim or encumbrance which would have a Material Adverse Effect. Except as set forth on **Schedule 4n**, with respect to properties and assets it leases, each of the Company and its subsidiaries is in material compliance with such leases and holds a valid leasehold interest free of any liens, claims or encumbrances which would have a Material Adverse Effect.
- o. No Material Breaches. Neither the Company nor any subsidiary is in breach of any contract or agreement which breach has had, or could reasonably be expected to have, a Material Adverse Effect.
- p. Certain Transactions. Except for arm's length transactions pursuant to which the Company or any subsidiary makes payments in the ordinary course of business upon terms no less favorable than it could obtain from third parties, none of the officers, directors, or employees of the Company or any subsidiary is presently a party to any transaction with the Company or any subsidiary (other than for services as employees, officers and directors), including any contract, agreement or other arrangement providing for the furnishing of services to or by, providing for rental of real or personal property to or from, or otherwise requiring payments to or from any officer, director or such employee or, to the knowledge of the Company, any corporation, partnership, trust or other entity in which any officer, director, or any such employee has a substantial interest or is an officer, director, trustee or partner.
- q. Rights of First Refusal. Except as set forth on **Schedule 4q**, the Company is not obligated to offer the securities offered hereunder on a right of first refusal basis or otherwise to any third parties including, but not limited to, current or former stockholders of the Company, underwriters, brokers, agents or other third parties.
- r. Insurance. The Company has insurance policies of the type and in amounts customarily carried by organizations conducting businesses or owning assets similar to those of the Company and its subsidiaries. There is no material claim pending under any such policy as to which coverage has been questioned, denied or disputed by the underwriter of such policy.
- s. SEC Reports. The Company has filed all reports, schedules, forms, statements and other documents required to be filed by it with the SEC under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including pursuant to Section 13(a) or 15(d) thereof (or that it would be required to be filed by it if it were subject to the reporting requirements of such sections), for the two years preceding the date hereof (or such shorter period since the Company was first required by law or regulation to file such material).

- t. Brokers' Fees. Except as set forth on **Schedule 4t**, the Company does not have any liability or obligation to pay any fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement, except for the payment of fees to any Placement Agents or brokers that have been or may be retained by the Company as described in Section 3 above.
 - u. Disclosure Materials. The Disclosure Materials taken as a whole do not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.
 - v. Reliance. The Company acknowledges that the Subscriber is relying on the representations and warranties made by the Company hereunder and that such representations and warranties are a material inducement to the Subscriber purchasing the Shares. The Company further acknowledges that without such representations and warranties of the Company made hereunder, the Subscribers would not enter into this Agreement.
5. **Representations, Warranties and Agreements of the Subscriber**. The Subscriber represents and warrants to, and agrees with, the Company the following:
- a. The Subscriber, either alone or with the Subscriber's purchaser representative(s), has the knowledge and experience in financial and business matters necessary to evaluate the merits and risks of its prospective investment in the Company, and has carefully reviewed and understands the risks of, and other considerations relating to, the purchase of Shares and the tax consequences of the investment, and has the ability to bear the economic risks of the investment. The Subscriber can afford the loss of its entire investment.
 - b. The Subscriber is acquiring the Shares for investment for its own account and not with the view to, or for resale in connection with, any distribution thereof. The Subscriber understands and acknowledges that the Shares have not been registered under the Securities Act or any state securities laws, by reason of a specific exemption from the registration provisions of the Securities Act and applicable state securities laws, which depends upon, among other things, the bona fide nature of the investment intent as expressed herein. The Subscriber further represents that it does not have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participation to any third person with respect to any of the Shares. The Subscriber understands and acknowledges that the offering of the Shares pursuant to this Agreement will not be registered under the Securities Act nor under the state securities laws on the ground that the sale provided for in this Agreement and the issuance of securities hereunder is exempt from the registration requirements of the Securities Act and any applicable state securities laws.

- c. The Subscriber acknowledges that the Subscriber has completed the attached **Investor Certification** and that the information contained therein is complete and accurate as of the date thereof and is hereby affirmed as of the date hereof. Any information that has been furnished or that will be furnished by the undersigned to evidence its status as an accredited or unaccredited investor is accurate and complete, and does not contain any misrepresentation or omission. The Subscriber shall submit to the Company such further assurances of such status as may be reasonably requested by the Company. The Subscriber resides in the jurisdiction set forth on the Subscriber's Omnibus Signature Page affixed hereto.
- d. The Subscriber (i) if a natural person, represents that he or she is the greater of (A) 21 years of age or (B) the age of legal majority in his or her jurisdiction of residence, and has full power and authority to execute and deliver this Agreement and all other related agreements or certificates and to carry out the provisions hereof and thereof; (ii) if a corporation, partnership, or limited liability company or partnership, or association, joint stock company, trust, unincorporated organization or other entity, represents that such entity was not formed for the specific purpose of acquiring the Shares, such entity is duly organized, validly existing and in good standing under the laws of the state or jurisdiction of its organization, the consummation of the transactions contemplated hereby is authorized by, and will not result in a violation of state law or its charter or other organizational documents, such entity has full power and authority to execute and deliver this Agreement and all other related agreements or certificates and to carry out the provisions hereof and thereof and to purchase and hold the Shares, the execution and delivery of this Agreement has been duly authorized by all necessary action, this Agreement has been duly executed and delivered on behalf of such entity and is a legal, valid and binding obligation of such entity; or (iii) if executing this Agreement in a representative or fiduciary capacity, represents that it has full power and authority to execute and deliver this Agreement in such capacity and on behalf of the subscribing individual, ward, partnership, trust, estate, corporation, or limited liability company or partnership, or other entity for whom the Subscriber is executing this Agreement, and such individual, partnership, ward, trust, estate, corporation, or limited liability company or partnership, or other entity has full right and power to perform pursuant to this Agreement and make an investment in the Company, and represents that this Agreement constitutes a legal, valid and binding obligation of such entity. The execution and delivery of this Agreement will not violate or be in conflict with any order, judgment, injunction, agreement or controlling document to which the Subscriber is a party or by which it is bound.
- e. The Subscriber understands that the Shares are being offered and sold to it in reliance on specific exemptions from the registration requirements of United States federal and state securities laws and that the Company is relying in part upon the truth and accuracy of, and such Subscriber's compliance with, the representations, warranties, agreements, acknowledgments and understandings of such Subscriber set forth herein in order to determine the availability of such exemptions and the eligibility of such Subscriber to acquire such securities. The Subscriber further acknowledges and understands that the Company is relying on the representations and warranties made by the Subscriber hereunder and that such representations and warranties are a material inducement to the Company to sell the Shares to the Subscriber. The Subscriber further acknowledges that without such representations and warranties of the Subscriber made hereunder, the Company would not enter into this Agreement with the Subscriber.

- f. The Subscriber understands that no public market now exists, and there may never be a public market for, the Shares, that only a limited public market for the Company's Common Stock exists and that there can be no assurance that an active public market for the Common Stock will exist or continue to exist.
- g. The Subscriber has received and reviewed information about the Company, including the Disclosure Materials, and has had an opportunity to discuss the Company's business, management and financial affairs with the Company's management. The Subscriber has had an opportunity to ask questions and receive answers concerning the terms and conditions of the Offering and to obtain any additional information necessary to verify the accuracy of the Disclosure Materials. The Subscriber understands that such discussions, as well as any Disclosure Materials provided by the Company, were intended to describe the aspects of the Company's business and prospects which the Company believes to be material, but were not necessarily a thorough or exhaustive description, and except as expressly set forth in this Agreement, the Company makes no representation or warranty with respect to the completeness of such information and makes no representation or warranty of any kind with respect to any information provided by any entity other than the Company. Some of such information may include projections as to the future performance of the Company, which projections may not be realized, may be based on assumptions which may not be correct and may be subject to numerous factors beyond the Company's control. Additionally, the Subscriber understands and represents that it is purchasing the Shares notwithstanding the fact that the Company may disclose in the future certain material information the Subscriber has not received, including (without limitation) financial statements of the Company for the current or prior fiscal periods, and any subsequent period financial statements that will be filed with the SEC, that it is not relying on any such information in connection with its purchase of the Shares and that it waives any right of action with respect to the nondisclosure to it prior to its purchase of the Shares of any such information. Each Subscriber has sought such accounting, legal and tax advice as it has considered necessary to make an informed investment decision with respect to its acquisition of the Shares.
- h. The Subscriber acknowledges that none of the Company or any Placement Agents or brokers that may be retained by the Company in connection with the Offering is acting as a financial advisor or fiduciary of the Subscriber (or in any similar capacity) with respect to the Transaction Documents and the transactions contemplated hereby and thereby, and no investment advice has been given by the Company or any Placement Agents or brokers that may be retained by the Company or any of its representatives or agents in connection with the Transaction Documents and the transactions contemplated hereby and thereby. The Subscriber further represents to the Company that the Subscriber's decision to enter into the Transaction Documents has been based solely on the independent evaluation by the Subscriber and its representatives.

- i. As of the Closing, all actions on the part of Subscriber, and its officers, directors and partners, if applicable, necessary for the authorization, execution and delivery of this Agreement and the Registration Rights Agreement and the performance of all obligations of the Subscriber hereunder and thereunder shall have been taken, and this Agreement and the Registration Rights Agreement, assuming due execution by the parties hereto and thereto, constitute valid and legally binding obligations of the Subscriber, enforceable in accordance with their respective terms, subject to: (i) judicial principles limiting the availability of specific performance, injunctive relief, and other equitable remedies and (ii) bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect generally relating to or affecting creditors' rights.

- j. Subscriber represents that neither it nor, to its knowledge, any person or entity controlling, controlled by or under common control with it, nor any person having a beneficial interest in it, nor any person on whose behalf the Subscriber is acting: (i) is a person listed in the Annex to Executive Order No. 13224 (2001) issued by the President of the United States (Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism); (ii) is named on the List of Specially Designated Nationals and Blocked Persons maintained by the U.S. Office of Foreign Assets Control; (iii) is a non-U.S. shell bank or is providing banking services indirectly to a non-U.S. shell bank; (iv) is a senior non-U.S. political figure or an immediate family member or close associate of such figure; or (v) is otherwise prohibited from investing in the Company pursuant to applicable U.S. anti-money laundering, anti-terrorist and asset control laws, regulations, rules or orders (categories (i) through (v), each a "*Prohibited Subscriber*"). The Subscriber agrees to provide the Company, promptly upon request, all information that the Company reasonably deems necessary or appropriate to comply with applicable U.S. anti-money laundering, anti-terrorist and asset control laws, regulations, rules and orders. The Subscriber consents to the disclosure to U.S. regulators and law enforcement authorities by the Company and its affiliates and agents of such information about the Subscriber as the Company reasonably deems necessary or appropriate to comply with applicable U.S. anti-money laundering, anti-terrorist and asset control laws, regulations, rules and orders. If the Subscriber is a financial institution that is subject to the USA Patriot Act, the Subscriber represents that it has met all of its obligations under the USA Patriot Act. The Subscriber acknowledges that if, following its investment in the Company, the Company reasonably believes that the Subscriber is a Prohibited Subscriber or is otherwise engaged in suspicious activity or refuses to promptly provide information that the Company requests, the Company has the right or may be obligated to prohibit additional investments, segregate the assets constituting the investment in accordance with applicable regulations or immediately require the Subscriber to transfer the Shares. The Subscriber further acknowledges that the Subscriber will have no claim against the Company or any of its affiliates or agents for any form of damages as a result of any of the foregoing actions.

If the Subscriber is affiliated with a non-U.S. banking institution (a "*Foreign Bank*"), or if the Subscriber receives deposits from, makes payments on behalf of, or handles other financial transactions related to a Foreign Bank, the Subscriber represents and warrants to the Company that: (1) the Foreign Bank has a fixed address, other than solely an electronic address, in a country in which the Foreign Bank is authorized to conduct banking activities; (2) the Foreign Bank maintains operating records related to its banking activities; (3) the Foreign Bank is subject to inspection by the banking authority that licensed the Foreign Bank to conduct banking activities; and (4) the Foreign Bank does not provide banking services to any other Foreign Bank that does not have a physical presence in any country and that is not a regulated affiliate.

- k. The Subscriber or its duly authorized representative realizes that because of the inherently speculative nature of businesses of the kind conducted and contemplated by the Company, the Company's financial results may be expected to fluctuate from month to month and from period to period and will, generally, involve a high degree of financial and market risk that could result in substantial or, at times, even total losses for investors in securities of the Company.
- l. The Subscriber has adequate means of providing for its current and anticipated financial needs and contingencies, is able to bear the economic risk for an indefinite period of time and has no need for liquidity of the investment in the Shares and could afford complete loss of such investment.
- m. The Subscriber is not subscribing for Shares as a result of or subsequent to any advertisement, article, notice or other communication, published in any newspaper, magazine or similar media or broadcast over television, radio, or the internet, or presented at any seminar or meeting, or any solicitation of a subscription by a person not previously known to the Subscriber in connection with investments in securities generally.
- n. The Subscriber acknowledges that no U.S. federal or state agency or any other government or governmental agency has passed upon the Shares or made any finding or determination as to the fairness, suitability or wisdom of any investments therein.
- o. The Subscriber agrees to be bound by all of the terms and conditions of the Registration Rights Agreement and to perform all obligations thereby imposed upon it.
- p. All of the information that the Subscriber has heretofore furnished or which is set forth herein is true, correct and complete as of the date of this Agreement, and, if there should be any material change in such information prior to the Closing Date, the Subscriber will immediately furnish revised or corrected information to the Company.

- q. **(For ERISA plans only)** The fiduciary of the Employee Retirement Income Security Act of 1974 (“*ERISA*”) plan (the “*Plan*”) represents that such fiduciary has been informed of and understands the Company’s investment objectives, policies and strategies, and that the decision to invest “plan assets” (as such term is defined in ERISA) in the Company is consistent with the provisions of ERISA that require diversification of plan assets and impose other fiduciary responsibilities. The Subscriber fiduciary or Plan (a) is responsible for the decision to invest in the Company; (b) is independent of the Company or any of its affiliates; (c) is qualified to make such investment decision; and (d) in making such decision, the Purchaser fiduciary or Plan has not relied primarily on any advice or recommendation of the Company or any of its affiliates.

6. **Transfer Restrictions.** The Subscriber acknowledges and agrees as follows:

- a. The Shares have not been registered for sale under the Securities Act, in reliance on the private offering exemption in Regulation D thereunder; other than as expressly provide in the Registration Rights Agreement, the Company does not currently intend to register the Shares under the Securities Act at any time in the future; and the undersigned will not immediately be entitled to the benefits of Rule 144 with respect to the Shares.
- b. The Subscriber understands that there are substantial restrictions on the transferability of the Shares that the certificates representing the Shares shall bear a restrictive legend in substantially the following form (and a stop-transfer order may be placed against transfer of such certificates or other instruments):

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY STATE SECURITIES LAWS, AND NEITHER SUCH SECURITIES NOR ANY INTEREST THEREIN MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR OTHERWISE TRANSFERRED UNLESS (1) A REGISTRATION STATEMENT WITH RESPECT THERETO IS EFFECTIVE UNDER THE SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR (2) AN EXEMPTION FROM SUCH REGISTRATION EXISTS AND THE COMPANY RECEIVES AN OPINION OF COUNSEL TO THE HOLDER OF SUCH SECURITIES, WHICH COUNSEL AND OPINION ARE SATISFACTORY TO THE COMPANY, THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR TRANSFERRED IN THE MANNER CONTEMPLATED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR APPLICABLE STATE SECURITIES LAWS. HEDGING TRANSACTIONS INVOLVING THESE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.

The legend set forth above shall be removed and the Company shall issue a certificate without such legend to the holder of the Shares upon which it is stamped, if (a) such Shares are sold pursuant to a registration statement under the Securities Act, or (b) such holder delivers to the Company an opinion of counsel, reasonably acceptable to the Company, that a disposition of the Shares is being made pursuant to an exemption from such registration and that the Shares, after such transfer, shall no longer be “restricted securities” within the meaning of Rule 144.

- c. Each Subscriber understands that until May 22, 2015, the Company was a “shell company” as defined in Rule 12b-2 under the Exchange Act. Pursuant to Rule 144(i), securities issued by a current or former shell company (that is, the Shares) that otherwise meet the holding period and other requirements of Rule 144 nevertheless cannot be sold in reliance on Rule 144 until one year after the Company (a) is no longer a shell company; and (b) has filed current “Form 10 information” (as defined in Rule 144(i)) with the SEC reflecting that it is no longer a shell company, and provided that at the time of a proposed sale pursuant to Rule 144, the Company is subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act and has filed all reports and other materials required to be filed by Section 13 or 15(d) of the Exchange Act, as applicable, during the preceding 12 months (or for such shorter period that the issuer was required to file such reports and materials), other than Form 8-K reports. As a result, the restrictive legends on certificates for the Shares cannot be removed except in connection with an actual sale meeting the foregoing requirements or pursuant to an effective registration statement.

7. **Indemnification.**

- a. The Subscriber agrees to indemnify and hold harmless the Company and any other broker, agent or finder engaged by the Company for the Offering, and their respective officers, directors, shareholders, members, partners, employees and agents, (and any other persons with a functionally equivalent role of a person holding such titles notwithstanding a lack of such title or any other title), each person who controls such indemnified person (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, shareholders, agents, members, partners or employees (and any other persons with a functionally equivalent role of a person holding such titles notwithstanding a lack of such title or any other title) of such controlling person, from and against all losses, liabilities, claims, damages, costs, fees and expenses whatsoever (including, but not limited to, any and all expenses incurred in investigating, preparing or defending against any litigation commenced or threatened) based upon or arising out of the Subscriber’s actual or alleged false acknowledgment, representation or warranty, or misrepresentation or omission to state a material fact, or breach by the Subscriber of any covenant or agreement made by the Subscriber, contained herein or in any other document delivered by the Subscriber in connection with this Agreement. The liability of the Subscriber under this paragraph shall not exceed the aggregate Purchase Price paid by the Subscriber for Shares hereunder.

- b. The Company agrees to indemnify and hold harmless the Subscriber from and against all losses, liabilities, claims, damages, costs, fees and expenses whatsoever (including, but not limited to, any and all expenses incurred in investigating, preparing or defending against any litigation commenced or threatened) based upon or arising out of the Company's actual or alleged false acknowledgment, representation or warranty, or misrepresentation or omission to state a material fact, or breach by the Company of any covenant or agreement made by the Company, contained herein or in any other any other Disclosure Materials. The liability of the Company under this paragraph shall not exceed the total Purchase Price paid by the Subscriber hereunder.
- c. Promptly after receipt by an indemnified party under this Section 7 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section 7, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party will not relieve it from any liability which it may have to any indemnified party otherwise than under this Section 7. In case any such action is brought against any indemnified party, and it notifies the indemnifying party of the commencement thereof, the indemnifying party will be entitled to participate therein, and to the extent that it may elect by written notice delivered to the indemnified party promptly after receiving the aforesaid notice from such indemnified party, to assume the defense thereof, with counsel satisfactory to such indemnified party; provided, however, if the defendants in any such action include both the indemnified party and the indemnifying party and either (i) the indemnifying party or parties and the indemnified party or parties mutually agree or (ii) representation of both the indemnifying party or parties and the indemnified party or parties by the same counsel is inappropriate under applicable standards of professional conduct due to actual or potential differing interests between them, the indemnified party or parties shall have the right to select separate counsel to assume such legal defenses and to otherwise participate in the defense of such action on behalf of such indemnified party or parties. Upon receipt of notice from the indemnifying party to such indemnified party of its election so to assume the defense of such action and approval by the indemnified party of counsel, the indemnifying party will not be liable to such indemnified party under this Section 7 for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof unless (i) the indemnified party shall have employed counsel in connection with the assumption of legal defenses in accordance with the proviso to the next preceding sentence (it being understood, however, that the indemnifying party shall not be liable for the expenses of more than one separate counsel in such circumstance), (ii) the indemnifying party shall not have employed counsel satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of commencement of the action or (iii) the indemnifying party has authorized the employment of counsel for the indemnified party at the expense of the indemnifying party. No indemnifying party shall (i) without the prior written consent of the indemnified parties (which consent shall not be unreasonably withheld), settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent includes an unconditional release of each indemnified party from all liability arising out of such claim, action, suit or proceeding, or (ii) be liable for any settlement of any such action effected without its written consent (which consent shall not be unreasonably withheld), but if settled with its written consent or if there be a final judgment of the plaintiff in any such action, the indemnifying party agrees to indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment.

8. **Revocability; Binding Effect.** The subscription hereunder may be revoked prior to the Closing thereon, provided that written notice of revocation is sent and is received by the Company at least three business days prior to the Closing on such subscription. The Subscriber hereby acknowledges and agrees that this Agreement shall survive the death or disability of the Subscriber and shall be binding upon and inure to the benefit of the parties and their heirs, executors, administrators, successors, legal representatives and permitted assigns. If the Subscriber is more than one person, the obligations of the Subscriber hereunder shall be joint and several and the agreements, representations, warranties and acknowledgments herein shall be deemed to be made by and be binding upon each such person and such person's heirs, executors, administrators, successors, legal representatives and permitted assigns.
9. **Modification.** This Agreement shall not be modified or waived except by an instrument in writing signed by the party against whom any such modification or waiver is sought to be enforced.
10. **Modifications to the Registration Rights Agreement.** The Company may, at any time prior to the initial Closing, amend the Registration Rights Agreement if necessary to make an immaterial clarification of any provision therein, without first providing notice or obtaining prior consent of the Subscriber. In the event consummation of the Reincorporation occurs prior to the termination of this Offering, the Company shall amend the Registration Rights Agreement to properly identify the Company as a Delaware corporation, provided that the Company shall provide prompt notice to all Subscribers of such amendment, and such amendment shall not require Subscriber consent.
11. **Notices.** Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be mailed by certified mail, return receipt requested, or delivered against receipt to the party to whom it is to be given (a) if to the Company, at the address set forth above or (b) if to the Subscriber, at the address set forth on the Omnibus Signature Page hereof (or, in either case, to such other address as the party shall have furnished in writing in accordance with the provisions of this Section). Any notice or other communication given by certified mail shall be deemed given at the time of certification thereof, except for a notice changing a party's address which shall be deemed given at the time of receipt thereof.

12. **Assignability.** This Agreement and the rights, interests and obligations hereunder are not transferable or assignable by the Subscriber, and the transfer or assignment of the Shares shall be made only in accordance with all applicable laws.
13. **Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without reference to the principles thereof relating to the conflict of laws.
14. **Arbitration.** The parties agree to submit all controversies to arbitration in accordance with the provisions set forth below and understand that:
 - a. Arbitration shall be final and binding on the parties.
 - b. The parties are waiving their right to seek remedies in court, including the right to a jury trial.
 - c. Pre-arbitration discovery is generally more limited and different from court proceedings.
 - d. The arbitrator's award is not required to include factual findings or legal reasoning and any party's right to appeal or to seek modification of rulings by arbitrators is strictly limited.
 - e. The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.
 - f. All controversies which may arise between the parties concerning this Agreement shall be determined by arbitration pursuant to the rules then pertaining to the Financial Industry Regulatory Authority. Judgment on any award of any such arbitration may be entered in the courts of the State of North Carolina sitting in Mecklenburg County and the United States District Court for the Western District of North Carolina sitting in Charlotte, and any state or appellate court therefrom, or in any other court having jurisdiction of the person or persons against whom such award is rendered. Any notice of such arbitration or for the confirmation of any award in any arbitration shall be sufficient if given in accordance with the provisions of this Agreement. The parties agree that the determination of the arbitrators shall be binding and conclusive upon them. The prevailing party, as determined by such arbitrators, in a legal proceeding shall be entitled to collect any costs, disbursements and reasonable attorney's fees from the other party. Prior to filing an arbitration, the parties hereby agree that they will attempt to resolve their differences first by submitting the matter for resolution to a mediator, acceptable to all parties, and whose expenses will be borne equally by all parties. The mediation will be held in the County of Mecklenburg, North Carolina, on an expedited basis. If the parties cannot successfully resolve their differences through mediation, the matter will be resolved by arbitration as provided above. The arbitration shall take place in Charlotte, North Carolina, on an expedited basis.

15. **Blue Sky Qualification.** The purchase of Shares under this Agreement is expressly conditioned upon the exemption from qualification of the offer and sale of the Shares from applicable federal and state securities laws. The Company shall not be required to qualify this transaction under the securities laws of any jurisdiction and, should qualification be necessary, the Company shall be released from any and all obligations to maintain its offer, and may rescind any sale contracted, in the jurisdiction.
16. **Use of Pronouns.** All pronouns and any variations thereof used herein shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons referred to may require.
17. **Confidentiality.** The Subscriber acknowledges and agrees that any information or data the Subscriber has acquired from or about the Company or may acquire in the future, not otherwise properly in the public domain, including, without limitation, the Disclosure Materials, was received in confidence. The Subscriber agrees not to divulge, communicate or disclose, except as may be required by law or for the performance of this Agreement, or use to the detriment of the Company or for the benefit of any other person, or misuse in any way, any confidential information of the Company, including any scientific, technical, trade or business secrets of the Company and any scientific, technical, trade or business materials that are treated by the Company as confidential or proprietary, including, but not limited to, internal personnel and financial information of the Company or its affiliates, the manner and methods of conducting the business of the Company or its affiliates and confidential information obtained by or given to the Company about or belonging to third parties. The Subscriber understands that the Company may rely on Subscriber's agreement of confidentiality to comply with the exemptive provisions of Regulation FD under the Securities Act of 1933 as set forth in Rule 100(a)(b)(2)(ii) of Regulation FD. In addition, the Subscriber acknowledges that it is aware that the United States securities laws generally prohibit any person who is in possession of material nonpublic information about a public company such as the Company from purchasing or selling securities of such company. The provisions of this Section 17 are in addition to and not in replacement of any other confidentiality agreement between the Company and the Subscriber.
18. **Price Protection.** If, during the period from the first Closing of the Offering until ninety (90) days after the date on which the Registration Statement (as defined in the Registration Rights Agreement) is declared effective by the SEC, the Company shall issue Additional Shares of Common Stock (as defined below) for a consideration per share, or with an exercise or conversion price per share, less than the Purchase Price (adjusted proportionately (or if it cannot be adjusted proportionately, then equitably) for any event described in clause (ii) of the following paragraph occurring after the first Closing of the Offering) (the "Lower Price"), the Subscriber shall be entitled to receive from the Company (for no additional consideration) additional Shares in an amount such that, when added to the number of Shares purchased by Subscriber under this Agreement, will equal the number of Shares that the Subscriber's Purchase Price for the Shares set forth on the Subscriber's signature page hereof would have purchased at the Lower Price.

“Additional Shares of Common Stock” shall mean all shares of Common Stock issued by the Company after the first Closing of the Offering (including without limitation any shares of Common Stock issuable upon conversion or exchange of any convertible securities or upon exercise of any option, warrant or other right, on an as-converted or as-exercised basis, as of the date of issuance of such security, option, warrant or right), other than: (i) shares of Common Stock issued or issuable upon conversion or exchange of any convertible securities or exercise of any options, warrants or other rights outstanding as of the initial Closing; (ii) shares of Common Stock issued or issuable by reason of a dividend, stock split, split-up or other distribution on shares of Common Stock relating to any recapitalization, reclassification or reorganization of the capital stock of the Company or otherwise, or any consolidation or merger of the Company with another corporation, or the sale of all or substantially all of its assets or other transaction effected in such a way that there is no change of control; (iii) shares of Common Stock issued in a firmly underwritten registered public offering under the Securities Act; (iv) shares of Common Stock issued or issuable pursuant to the acquisition of another entity or business by the Company by merger, purchase of substantially all of the assets or other reorganization or pursuant to a joint venture or technology license agreement, but not including a transaction in which the Company is issuing securities primarily for the purpose of raising capital or to an entity whose primary business is investing in securities; (v) shares of Common Stock issued or issuable to officers, directors and employees of, or consultants to, the Company pursuant to stock grants, option plans, purchase plans or other employee stock incentive programs or arrangements approved by the Board of Directors, or upon exercise of options or warrants granted to such parties pursuant to any such plan or arrangement; and (vi) securities issued to financial institutions, institutional investors or lessors in connection with credit arrangements, equipment financings, lease arrangements or similar transactions, in the aggregate not exceeding ten percent (10%) of the number of shares of Common Stock outstanding at any time, and in case of clauses (ii) through (vi) above, such issuance is approved by a majority of disinterested directors of the Company and includes no “death spiral” provision of any kind.

19. **Miscellaneous.**

- a. This Agreement, together with the Registration Rights Agreement and any confidentiality agreement between the Subscriber and the Company, constitute the entire agreement between the Subscriber and the Company with respect to the Offering and supersede all prior oral or written agreements and understandings, if any, relating to the subject matter hereof. The terms and provisions of this Agreement may be waived, or consent for the departure therefrom granted, only by a written document executed by the party entitled to the benefits of such terms or provisions.
- b. The representations and warranties of the Company and the Subscriber made in this Agreement shall survive the execution and delivery hereof and delivery of the Shares for a period of twelve (12) months following the Closing Date.
- c. Each of the parties hereto shall pay its own fees and expenses (including the fees of any attorneys, accountants, appraisers or others engaged by such party) in connection with this Agreement and the transactions contemplated hereby, whether or not the transactions contemplated hereby are consummated.

- d. This Agreement may be executed in one or more original or facsimile (including by an e-mail which contains a .pdf file of an executed signature page) counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same instrument and which shall be enforceable against the parties actually executing such counterparts. The exchange of copies of this Agreement and of signature pages by facsimile transmission or in .pdf format shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of the original Agreement for all purposes. Signatures of the parties transmitted by facsimile or by e-mail of a document in .pdf format shall be deemed to be their original signatures for all purposes.
 - e. Each provision of this Agreement shall be considered separable and, if for any reason any provision or provisions hereof are determined to be invalid or contrary to applicable law, such invalidity or illegality shall not impair the operation of or affect the remaining portions of this Agreement.
 - f. Paragraph titles are for descriptive purposes only and shall not control or alter the meaning of this Agreement as set forth in the text.
 - g. The Subscriber understands and acknowledges that there may be multiple Closings for the Offering.
 - h. The Subscriber hereby agrees to furnish the Company such other information as the Company may request prior to the Closing with respect to its subscription hereunder.
20. **Omnibus Signature Page.** This Agreement is intended to be read and construed in conjunction with the Registration Rights Agreement. Accordingly, pursuant to the terms and conditions of this Agreement and the Registration Rights Agreement, it is hereby agreed that the execution by the Subscriber of this Agreement, in the place set forth on the Omnibus Signature Page below, shall constitute agreement to be bound by the terms and conditions hereof and the terms and conditions of the Registration Rights Agreement, with the same effect as if each of such separate but related agreement were separately signed.
21. **Public Disclosure.** Neither the Subscriber nor any officer, manager, director, member, partner, stockholder, employee, affiliate, affiliated person or entity of the Subscriber shall make or issue any press releases or otherwise make any public statements or make any disclosures to any third person or entity with respect to the transactions contemplated herein and will not make or issue any press releases or otherwise make any public statements of any nature whatsoever with respect to the Company without the Company's express prior approval. The Company has the right to withhold such approval in its sole discretion.

22. **Potential Conflicts.** Legal counsel to the Company and any placement agents or brokers that may be retained by the Company in connection with the Offering, and/or their respective affiliates, principals, representatives or employees, may now or hereafter own stock of the Company or warrants to purchase Company stock.

[Signature page follows.]

IN WITNESS WHEREOF, the Company has duly executed this Subscription Agreement as of the ____ day of _____, 2016.

AKOUSTIS TECHNOLOGIES, INC.

By: _____
Name: Jeffrey B. Shealy
Title: Chief Executive Officer

**How to subscribe for Shares in the private offering of
Akoustis Technologies, Inc.:**

1. **Date and Fill** in the number of Shares being purchased and **complete and sign** the Omnibus Signature Page.
2. **Complete** the Investor Certification as instructed therein.
3. **Complete and sign** the Investor Profile.
4. **Complete and sign** the Anti-Money Laundering Information Form.
5. **Fax or email** all forms and then send all signed original documents to:

Akoustis Technologies, Inc.
9805 Northcross Center Court, Suite H
Huntersville, NC 28078
Facsimile Number: (704) 997-5734
Telephone Number: (704) 997-5735
Attn: Jeffrey B. Shealy
E-mail Address: jshealy@akoustis.com

6. **If you are paying the Purchase Price by check**, a certified or other bank check for the exact dollar amount of the Purchase Price for the number of Shares you are purchasing should be made payable to the order of **Akoustis Technologies, Inc.** and should be sent directly to Akoustis Technologies, Inc., 9805 Northcross Center Court, Suite H, Huntersville, North Carolina 28078, Attn: Cindy Payne.

Checks take up to 5 business days to clear. A check must be received by the Company at least 6 business days before the Closing Date.

7. **If you are paying the Purchase Price by wire transfer**, you should send a wire transfer for the exact dollar amount of the Purchase Price for the number of Shares you are purchasing according to the following instructions:

Bank:	Bank of America 9611 Holly Point Drive, Huntersville, NC 28078
ABA Routing #:	026009593
SWIFT CODE:	BOFAUS3N
Account Name:	Akoustis Technologies, Inc.
Account #:	237033644565
Reference:	“Akoustis Private Offering – <i>[INSERT SUBSCRIBER'S NAME]</i> ”
Contact:	Morgan Temple Vice President, Small Business Banker 704-914-5495

Thank you for your interest,

Akoustis Technologies, Inc.

Akoustis Technologies, Inc.
 OMNIBUS SIGNATURE PAGE TO
 SUBSCRIPTION AGREEMENT AND REGISTRATION RIGHTS AGREEMENT

The undersigned, desiring to: (i) enter into the Subscription Agreement, dated as of _____, ¹ 2016 (the "Subscription Agreement"), between the undersigned, **Akoustis Technologies, Inc.**, a Nevada corporation (the "Company"), and the other parties thereto, in or substantially in the form furnished to the undersigned, (ii) enter into the Registration Rights Agreement (the "Registration Rights Agreement"), among the undersigned, the Company and the other parties thereto, in or substantially in the form furnished to the undersigned and (iii) purchase the Shares as set forth in the Subscription Agreement and below, hereby agrees to purchase such Shares from the Company and further agrees to join the Subscription Agreement and the Registration Rights Agreement as a party thereto, with all the rights and privileges appertaining thereto, and to be bound in all respects by the terms and conditions thereof. The undersigned specifically acknowledges having read the representations section in the Subscription Agreement entitled "Representations and Warranties of the Subscriber" and hereby represents that the statements contained therein are complete and accurate with respect to the undersigned as a Subscriber.

IN WITNESS WHEREOF, the Subscriber hereby executes this Subscription Agreement and the Registration Rights Agreement.

Dated: _____, 2016

_____ X	\$5.00	=	\$ _____
Number of Shares	Purchase Price per Share		Total Purchase Price

SUBSCRIBER (individual)

SUBSCRIBER (entity)

Signature

Name of Entity

Print Name

Signature

Signature (if Joint Tenants or Tenants in Common)

Print Name: _____

Title: _____

Address of Principal Residence:

Address of Executive Offices:

Social Security Number(s):

IRS Tax Identification Number:

Telephone Number:

Telephone Number:

Facsimile Number:

Facsimile Number:

E-mail Address:

E-mail Address:

¹ Will reflect the Closing Date. Not to be completed by Subscriber.

Akoustis Technologies, Inc.
INVESTOR CERTIFICATION

Initial _____ I am an accredited investor, as indicated in the Accredited Investor Certification below. (If this option is selected, complete and return the **Accredited Investor Certification** below by initialing all that apply. If none apply, you are an unaccredited investor.)

Initial _____ I am an unaccredited investor with such knowledge and experience in financial and business matters that I am capable of evaluating the merits and risks of the Offering. (If this option is selected, you will need to complete and return an Investor **Questionnaire**, to be provided by the Company.)

Initial _____ I am an unaccredited investor, and my purchaser representative has such knowledge and experience in financial and business matters that my purchaser representative is capable of evaluating the merits and risks of the Offering. (If this option is selected, you will need to complete an **Investor Acknowledgment** and your purchaser representative will need to complete a **Purchaser Representative Questionnaire**, both as to be provided by the Company.)

ACCREDITED INVESTOR CERTIFICATION

For Individual Investors Only
(all Individual Investors must INITIAL where appropriate):

Initial _____ I have a net worth of at least US\$1 million either individually or through aggregating my individual holdings and those in which I have a joint, community property or other similar shared ownership interest with my spouse. *(For purposes of calculating your net worth under this paragraph, (a) your primary residence shall not be included as an asset; (b) indebtedness secured by your primary residence, up to the estimated fair market value of your primary residence at the time of your purchase of the securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of your purchase of the securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of your primary residence, the amount of such excess shall be included as a liability); and (c) indebtedness that is secured by your primary residence in excess of the estimated fair market value of your primary residence at the time of your purchase of the securities shall be included as a liability.)*

Initial _____ I have had an annual gross income for the past two years of at least US\$200,000 (or US\$300,000 jointly with my spouse) and expect my income (or joint income, as appropriate) to reach the same level in the current year.

Initial _____ I am a director or executive officer of Akoustis Technologies, Inc.

For Non-Individual Investors (Entities)
(all Non-Individual Investors must *INITIAL* where appropriate):

- Initial** _____ The investor certifies that it is a partnership, corporation, limited liability company or business trust that is 100% owned by persons who meet at least one of the criteria for Individual Investors set forth above (in which case each such person must complete the Accreditor Investor Certification for Individuals above as well the remainder of this questionnaire).
- Initial** _____ The investor certifies that it is a partnership, corporation, limited liability company or business trust that has total assets of at least US\$5 million and was not formed for the purpose of investing in the Company.
- Initial** _____ The investor certifies that it is an employee benefit plan whose investment decision is made by a plan fiduciary (as defined in ERISA §3(21)) that is a bank, savings and loan association, insurance company or registered investment advisor.
- Initial** _____ The investor certifies that it is an employee benefit plan whose total assets exceed US\$5,000,000 as of the date of this Agreement.
- Initial** _____ The undersigned certifies that it is a self-directed employee benefit plan whose investment decisions are made solely by persons who meet at least one of the criteria for Individual Investors.
- Initial** _____ The investor certifies that it is a U.S. bank, U.S. savings and loan association or other similar U.S. institution acting in its individual or fiduciary capacity.
- Initial** _____ The undersigned certifies that it is a broker-dealer registered pursuant to §15 of the Securities Exchange Act of 1934.
- Initial** _____ The investor certifies that it is an organization described in §501(c)(3) of the Internal Revenue Code with total assets exceeding US\$5,000,000 and not formed for the specific purpose of investing in the Company.
- Initial** _____ The investor certifies that it is a trust with total assets of at least US\$5,000,000, not formed for the specific purpose of investing in the Company, and whose purchase is directed by a person with such knowledge and experience in financial and business matters that such person is capable of evaluating the merits and risks of the prospective investment.
- Initial** _____ The investor certifies that it is a plan established and maintained by a state or its political subdivisions, or any agency or instrumentality thereof, for the benefit of its employees, and which has total assets in excess of US\$5,000,000.
- Initial** _____ The investor certifies that it is an insurance company as defined in §2(13) of the Securities Act of 1933, or a registered investment company.

Akoustis Technologies, Inc.
Investor Profile
(Must be completed by Investor)

Section A - Personal Investor Information

Investor Name(s): _____

Individual executing Profile or Trustee: _____

Social Security Numbers / Federal I.D. Number: _____

Date of Birth: _____ Marital Status: _____

Joint Party Date of Birth: _____ Investment Experience (Years): _____

Annual Income: _____ Liquid Net Worth: _____

Net Worth*: _____

Tax Bracket: _____ 15% or below _____ 25% - 27.5% _____ Over 27.5%

Home Street Address: _____

Home City, State & Zip Code: _____

Home Phone: _____ Home Fax: _____ Home Email: _____

Employer: _____

Employer Street Address: _____

Employer City, State & Zip Code: _____

Bus. Phone: _____ Bus. Fax: _____ Bus. Email: _____

Type of Business: _____

Outside Broker/Dealer: _____

Section B – Certificate Delivery Instructions

- Please deliver certificate to the Employer Address listed in Section A.
- Please deliver certificate to the Home Address listed in Section A.
- Please deliver certificate to the following address: _____

Section C – Form of Payment –Wire Transfer

- Check payable to **Akoustis Technologies, Inc.**
- Wire funds from my outside account according to Section 2(b) of the Subscription Agreement.
- The funds for this investment are rolled over, tax deferred from _____ within the allowed 60-day window.

Please check if you are a FINRA member or affiliate of a FINRA member firm: _____

Investor Signature

Date

*** For purposes of calculating your net worth in this form, (a) your primary residence shall not be included as an asset; (b) indebtedness secured by your primary residence, up to the estimated fair market value of your primary residence at the time of your purchase of the securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of your purchase of the securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of your primary residence, the amount of such excess shall be included as a liability); and (c) indebtedness that is secured by your primary residence in excess of the estimated fair market value of your primary residence at the time of your purchase of the securities shall be included as a liability.**

ANTI-MONEY LAUNDERING REQUIREMENTS

The USA PATRIOT Act

The USA PATRIOT Act is designed to detect, deter, and punish terrorists in the United States and abroad. The Act imposes new anti-money laundering requirements on brokerage firms and financial institutions. Since April 24, 2002 all brokerage firms have been required to have new, comprehensive anti-money laundering programs.

To help you understand these efforts, we want to provide you with some information about money laundering and our steps to implement the USA PATRIOT Act.

What is money laundering?

Money laundering is the process of disguising illegally obtained money so that the funds appear to come from legitimate sources or activities. Money laundering occurs in connection with a wide variety of crimes, including illegal arms sales, drug trafficking, robbery, fraud, racketeering, and terrorism.

How big is the problem and why is it important?

The use of the U.S. financial system by criminals to facilitate terrorism or other crimes could well taint our financial markets. According to the U.S. State Department, one recent estimate puts the amount of worldwide money laundering activity at \$1 trillion a year.

What are we required to do to eliminate money laundering?

Under rules required by the USA PATRIOT Act, our anti-money laundering program must designate a special compliance officer, set up employee training, conduct independent audits, and establish policies and procedures to detect and report suspicious transaction and ensure compliance with such laws. As part of our required program, we may ask you to provide various identification documents or other information. Until you provide the information or documents we need, we may not be able to effect any transactions for you.

ANTI-MONEY LAUNDERING INFORMATION FORM

The following is required in accordance with the AML provision of the USA PATRIOT ACT.
(Please fill out and return with requested documentation.)

INVESTOR NAME: _____

LEGAL ADDRESS: _____

**SSN# or TAX ID#
OF INVESTOR:** _____

YEARLY INCOME: _____

NET WORTH: _____ *

* For purposes of calculating your net worth in this form, (a) your primary residence shall not be included as an asset; (b) indebtedness secured by your primary residence, up to the estimated fair market value of your primary residence at the time of your purchase of the securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of your purchase of the securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of your primary residence, the amount of such excess shall be included as a liability); and (c) indebtedness that is secured by your primary residence in excess of the estimated fair market value of your primary residence at the time of your purchase of the securities shall be included as a liability.

INVESTMENT OBJECTIVE(S) (FOR ALL INVESTORS): _____

ADDRESS OF BUSINESS OR OF EMPLOYER: _____

FOR INVESTORS WHO ARE INDIVIDUALS: AGE: _____

FOR INVESTORS WHO ARE INDIVIDUALS: OCCUPATION: _____

FOR INVESTORS WHO ARE ENTITIES: TYPE OF BUSINESS: _____

IDENTIFICATION & DOCUMENTATION AND SOURCE OF FUNDS:

1. Please submit a copy of non-expired identification for the authorized signatory(ies) on the investment documents, showing name, date of birth, address and signature. **The address shown on the identification document MUST match the Investor's address shown on the Investor Signature Page.**

Current Driver's License or Valid Passport or Identity Card
(Circle one or more)

2. If the Investor is a corporation, limited liability company, trust or other type of entity, please submit the following requisite documents: (i) Articles of Incorporation, By-Laws, Certificate of Formation, Operating Agreement, Trust or other similar documents for the type of entity; and (ii) Corporate Resolution or power of attorney or other similar document granting authority to signatory(ies) and designating that they are permitted to make the proposed investment.

3. Please advise where the funds were derived from to make the proposed investment:

Investments Savings Proceeds of Sale Other _____
(Circle one or more)

Signature: _____

Print Name: _____

Title (if applicable): _____

Date: _____

Schedule 3

None

Schedule 4a

Subsidiaries

Akoustis, Inc., a Delaware corporation

Schedule 4c

Capitalization

(ii) **Options, Warrants, etc.**

As of September 30, 2016, the Company had options to purchase 160,000 shares of common stock issued and outstanding and warrants to purchase 471,697 shares of common stock issued and outstanding.

(iv) **Registration rights**

Pursuant to that certain registration rights agreement (the “2015 Registration Rights Agreement”) entered into by the Company and the subscribers in the private placement offering of Common Stock conducted by the Company in May and June 2015 (the “2015 Offering”), the Company is required to maintain the effectiveness of the Registration Statement on Form S-1 declared effective by the Securities and Exchange Commission on October 20, 2015 for a period of twenty-four (24) months. In addition, the 2015 Registration Rights Agreement provides for customary piggyback registration rights. A copy of the 2015 Registration Rights Agreement is filed as Exhibit 10.9 to the Current Report on Form 8-K filed by the Company with the SEC on May 29, 2015, the text of which is incorporated herein by reference.

Pursuant to that certain registration rights agreement (the “2016 Registration Rights Agreement”) entered into by the Company and the subscribers in the private placement of Common Stock conducted by the Company in March and April 2016 (the “2016 Offering”), the Company is required to maintain the effectiveness of the Registration Statement on Form S-1 declared effective by the Securities and Exchange Commission on July 22, 2016 for a period of twenty-four (24) months. In addition, the 2016 Registration Rights Agreement provides for customer piggyback registration rights. A copy of the 2016 Registration Rights Agreement is filed as Exhibit 10.1 to the Current Report on Form 8-K filed by the Company with the SEC on March 11, 2016, the text of which is incorporated herein by reference.

Schedule 4e

Consents

None

Schedule 4f

Litigation

None

Schedule 4k

Intellectual Property Rights

No exceptions.

Schedule 4n

Title

No exceptions

Schedule 4g

Rights of First Refusal

None

Schedule 4t

Brokers' Fees

See Schedule 3.

EXHIBIT A

Form of Registration Rights Agreement

SUBSCRIPTION AGREEMENT

This Subscription Agreement (this "Agreement") has been executed by the subscriber set forth on the signature page hereof (the "Subscriber") in connection with the private placement offering (the "Offering") by **Akoustis Technologies, Inc.**, a Delaware corporation (the "Company") of up to 2,000,000 shares (the "Shares") of the Company's common stock, par value \$0.001 per share ("Common Stock"), at a purchase price of \$5.00 per Share (the "Purchase Price"). This subscription is being submitted to you in accordance with and subject to the terms and conditions described in this Agreement.

The Shares being subscribed for pursuant to this Agreement have not been registered under the Securities Act of 1933, as amended (the "Securities Act"). The Offering is being made on a reasonable best efforts basis to "accredited investors," as defined in Regulation D under the Securities Act, and may be made also to unaccredited investors in compliance with Rule 506(b) of Regulation D, as determined by the Company's Board of Directors.

The undersigned acknowledges receipt of a copy of the Registration Rights Agreement, substantially in the form of Exhibit A hereto (the "Registration Rights Agreement").

Each closing of the Offering (a "Closing," and the date on which such Closing occurs hereinafter referred to as the "Closing Date") shall take place at the offices of the Company.

The Company may conduct one or more Closings for the sale of the Shares until the termination of the Offering.

Any term sheet, disclosure schedule or other information document, delivered to the Subscriber prior to Subscriber's execution of this Agreement, and any such document delivered to the Subscriber after Subscriber's execution of this Agreement and prior to the Closing of the Subscriber's subscription hereunder are collectively referred to as the "Disclosure Materials."

1. **Subscription.** The undersigned Subscriber hereby subscribes to purchase the number of Shares set forth on the Omnibus Signature Page attached hereto, for the aggregate Purchase Price as set forth on such Omnibus Signature Page, subject to the terms and conditions of this Agreement and on the basis of the representations, warranties, covenants and agreements contained herein.
 2. **Subscription Procedure.** To complete a subscription for the Shares, the Subscriber must fully comply with the subscription procedure provided in paragraphs a. through c. of this Section on or before the Closing Date.
 - a. **Subscription Documents.** On or before the Closing Date, the Subscriber shall review, complete and execute the Omnibus Signature Page to this Agreement and the Registration Rights Agreement, the Investor Profile, Anti-Money Laundering Form and Investor Certification, attached hereto following the Omnibus Signature Page (collectively, the "Subscription Documents"), and deliver the Subscription Documents to the Company at the address set forth under the caption "*How to subscribe for Shares in the private offering of Akoustis Technologies, Inc.*" below. Executed documents may be delivered to the Company by facsimile or .pdf sent by electronic mail (e-mail), if the Subscriber delivers the original copies of the documents to the Company as soon as practicable thereafter.
-

- b. **Purchase Price.** Simultaneously with the delivery of the Subscription Documents to the Company as provided herein, and in any event on or prior to the Closing Date, the Subscriber shall deliver to the Company the full Purchase Price by certified or other bank check or by wire transfer of immediately available funds, pursuant to the instructions set forth under the caption “*How to subscribe for Shares in the private offering of Akoustis Technologies, Inc.*” below. Such funds will be held for the Purchaser’s benefit and will be returned promptly, without interest or offset, if this Subscription Agreement is not accepted by the Company or the Offering is terminated pursuant to its terms by the Company prior to the Closing as defined herein.
- c. **Company Discretion.** The Subscriber understands and agrees that the Company in its sole discretion reserves the right to accept or reject this or any other subscription for Shares, in whole or in part, notwithstanding prior receipt by the Subscriber of notice of acceptance of this subscription. The Company shall have no obligation hereunder until the Company shall execute and deliver to the Subscriber an executed copy of this Agreement. If this subscription is rejected in whole, or the Offering is terminated, all funds received from the Subscriber will be returned without interest or offset, and this Agreement shall thereafter be of no further force or effect. If this subscription is rejected in part, the funds for the rejected portion of this subscription will be returned without interest or offset, and this Agreement will continue in full force and effect to the extent this subscription was accepted.
3. **Placement Agents or Brokers.** Except as set forth on Schedule 3, the Company has not engaged any placement agents or brokers, or agreed to compensate any placement agents or brokers. The Company may engage one or more placement agents or brokers in connection with the Offering. Placement agents or brokers, if any, will be engaged on a reasonable best efforts basis. In the event the Company engages any placement agents or brokers not currently set forth on Schedule 3, the Company may pay such placement agent(s) or broker(s): (i) a total of cash commission not to exceed 10% of the gross funds raised by such placement agents(s) or broker(s); and (ii) warrants to purchase a number of shares of Common Stock not to exceed 10% of the number of shares sold in the offering to investors introduced to the Company by such placement agent(s) or broker(s). In addition, the Company may pay a lead placement agent, if any, additional compensation consisting of (x) cash commissions not to exceed 1% of gross funds raised in the Offering by all the placement agents for which the lead placement agent serves as lead and (y) warrants not to exceed 1% of gross funds raised in the Offering by all the placement agents for which the lead placement agent serves as lead.
4. **Representations and Warranties of the Company.** The Company hereby represents and warrants to the Subscriber, as of the Closing Date (unless otherwise specified), the following:

- a. Organization and Qualification. The Company and each of its subsidiaries is a corporation or other business entity duly organized and validly existing in good standing under the laws of the jurisdiction of its formation, and has the requisite corporate power to own its properties and to carry on its business as now being conducted. The Company and each of its subsidiaries is duly qualified as a foreign corporation to do business and is in good standing in every jurisdiction in which the nature of the business conducted by it makes such qualification necessary, except to the extent that the failure to be so qualified or be in good standing would not have a material adverse effect on the assets, business, condition (financial or otherwise), results of operations or future prospects of the Company and its subsidiaries taken as a whole (a “*Material Adverse Effect*”). Each subsidiary of the Company is identified on **Schedule 4a** attached hereto.
- b. Authorization, Enforcement, Compliance with Other Instruments. (i) The Company has the requisite corporate power and authority to enter into and perform its obligations under this Agreement, the Registration Rights Agreement and each of the other agreements and documents that are exhibits hereto or thereto or are contemplated hereby or thereby or necessary or desirable to effect the transactions contemplated hereby or thereby (the “*Transaction Documents*”) and to issue the Shares, in accordance with the terms hereof and thereof, (ii) the execution and delivery by the Company of each of the Transaction Documents and the consummation by it of the transactions contemplated hereby and thereby, including, without limitation, the issuance of the Shares, have been, or will be at the time of execution of such Transaction Document, duly authorized by the Company’s Board of Directors, and no further consent or authorization is, or will be at the time of execution of such Transaction Document, required by the Company, its respective Board of Directors or its stockholders, (iii) each of the Transaction Documents will be duly executed and delivered by the Company, (iv) the Transaction Documents when executed will constitute the valid and binding obligations of the Company enforceable against the Company in accordance with their terms, except as such enforceability may be limited by general principles of equity or applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally, the enforcement of creditors’ rights and remedies.
- c. Capitalization. The authorized capital stock of the Company consists of 45,000,000 shares of Common Stock and 5,000,000 shares of preferred stock. As of the date of this Agreement, the Company has 16,158,981 shares of Common Stock and no preferred stock issued and outstanding. All of the outstanding shares of Common Stock and of the stock of each of the Company’s subsidiaries have been duly authorized, validly issued and are fully paid and nonassessable. Except as set forth on **Schedule 4c** attached hereto: (i) no shares of capital stock of the Company or any of its subsidiaries are (and the Shares will not be) subject to preemptive rights (other than pursuant to Section 18 of this agreement) or any other similar rights or any liens or encumbrances suffered or permitted by the Company; (ii) there are no outstanding options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, any shares of capital stock of the Company or any of its subsidiaries, or contracts, commitments, understandings or arrangements by which the Company or any of its subsidiaries is or may become bound to issue additional shares of capital stock of the Company or any of its subsidiaries, (iii) there are no outstanding debt securities of the Company or its subsidiaries, (iv) there are no agreements or arrangements under which the Company or any of its subsidiaries is obligated to register the sale of any of their securities under the Securities Act (other than pursuant to the Registration Rights Agreement), (v) there are no registration statements that have been filed but are not yet effective relating to securities of the Company, or any outstanding comment letters from the SEC or any other regulatory agency; (vi) there are no securities or instruments containing anti-dilution or similar provisions, including the right to adjust the exercise, exchange or reset price under such securities, that will be triggered by the issuance of the Shares as described in this Agreement; and (vii) no co-sale rights, rights of first refusal or other similar rights exist with respect to the Shares or the issuance and sale thereof. Upon request, the Company will make available to the Subscriber true and correct copies of the Company’s Certificate of Incorporation, as in effect on the date hereof (the “*Charter*”), and the Company’s By-laws, as in effect on the date hereof (the “*By-laws*”), and the terms of all securities exercisable for Common Stock and the material rights of the holders thereof in respect thereto.

- d. Issuance of Shares. The Shares are duly authorized and, upon issuance in accordance with the terms hereof, shall be duly issued, fully paid and nonassessable, and are free from all taxes, liens and charges with respect to the issue thereof.
- e. No Conflicts. The execution, delivery and performance of each of the Transaction Documents by the Company, and the consummation by the Company of the transactions contemplated hereby and thereby will not (i) result in a violation of the Charter or the By-laws (or equivalent constitutive document) of the Company or any of its subsidiaries or (ii) violate or conflict with, or result in a breach of any provision of, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Company or any subsidiary is a party, except for those which would not reasonably be expected to have a Material Adverse Effect, or (iii) result in a material violation of any law, rule, regulation, order, judgment or decree (including U.S. federal and state securities laws and regulations) applicable to the Company or any subsidiary or by which any property or asset of the Company or any subsidiary is bound or affected. Neither the Company nor any subsidiary is in violation of any term of or in default under its Charter or By-laws. Except for those violations or defaults which would not reasonably be expected to have a Material Adverse Effect, neither the Company nor any subsidiary is in violation of any term of or in default under any material contract, agreement, mortgage, indebtedness, indenture, instrument, judgment, decree or order or any statute, rule or regulation applicable to the Company or any subsidiary. The business of the Company and its subsidiaries is not being conducted, and shall not be conducted in violation of any law, ordinance, or regulation of any governmental entity, except for any violation which would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. Except as specifically contemplated by this Agreement and as required under the Securities Act and any applicable state securities laws, neither the Company nor any of its subsidiaries is required to obtain any consent, authorization or order of, or make any filing or registration with, any court or governmental agency in order for it to execute, deliver or perform any of its obligations under or contemplated by this Agreement or the other Transaction Documents in accordance with the terms hereof or thereof. Except as set forth on Schedule 3 or Schedule 4e, neither the execution and delivery by the Company of the Transaction Documents, nor the consummation by the Company of the transactions contemplated hereby or thereby, will require any notice, consent or waiver under any contract or instrument to which the Company or any subsidiary is a party or by which the Company or any subsidiary is bound or to which any of their assets is subject. All consents, authorizations, orders, filings and registrations which the Company or any of its subsidiaries is required to obtain pursuant to the preceding two sentences have been or will be obtained or effected on or prior to the Closing. The Company is unaware of any facts or circumstance, which might give rise to any of the foregoing.

- f. Absence of Litigation. Except as set forth on **Schedule 4f**, there is no action, suit, claim, inquiry, notice of violation, proceeding or investigation before or by any court, public board, governmental or administrative agency, self-regulatory organization or body now pending or, to the knowledge of the Company, threatened, against or affecting the Company or any of its subsidiaries.
- g. Acknowledgment Regarding Subscriber's Purchase of the Shares. The Company acknowledges and agrees that each Subscriber is acting solely in the capacity of an arm's length purchaser with respect to the Transaction Documents and the transactions contemplated hereby and thereby.
- h. No General Solicitation. Neither the Company, nor any of its affiliates, nor, to the knowledge of the Company, any person acting on its or their behalf, has engaged in any form of general solicitation or general advertising (within the meaning of Regulation D) in connection with the offer or sale of the Shares.
- i. No Integrated Offering. Neither the Company, nor any of its affiliates, nor to the knowledge of the Company, any person acting on its or their behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would require registration of the Shares under the Securities Act or cause this offering of the Shares to be integrated with prior offerings by the Company for purposes of the Securities Act.
- j. Employee Relations. Neither the Company nor any of its subsidiaries is involved in any labor dispute nor, to the knowledge of the Company, is any such dispute threatened. Neither the Company nor any subsidiary is party to any collective bargaining agreement. The Company's and/or its subsidiaries' employees are not members of any union, and the Company believes that its and its subsidiaries' relationship with their respective employees is good.

- k. Intellectual Property Rights. Except as set forth on Schedule 4k, the Company and its subsidiaries own or possess sufficient rights to all patents, trademarks, domain names (whether or not registered) and any patentable improvements or copyrightable derivative works thereof, websites and intellectual property rights relating thereto, service marks, trade names, copyrights, licenses and authorizations, and all rights with respect to the foregoing, which are necessary for the conduct of its business as now conducted without any conflict with the rights of others except for such conflicts that would not result in a Material Adverse Effect. Neither the Company nor any subsidiary has received any notice of infringement of, or conflict with, the asserted rights of others with respect to any intellectual property that it utilizes.
- l. Environmental Laws.
- (i) The Company and each subsidiary has complied with all applicable Environmental Laws (as defined below), except for violations of Environmental Laws that, individually or in the aggregate, have not had and would not reasonably be expected to have a Material Adverse Effect. There is no pending or, to the knowledge of the Company, threatened civil or criminal litigation, written notice of violation, formal administrative proceeding, or investigation, inquiry or information request, relating to any Environmental Law involving the Company or any subsidiary, except for litigation, notices of violations, formal administrative proceedings or investigations, inquiries or information requests that, individually or in the aggregate, have not had and would not reasonably be expected to have a Material Adverse Effect. For purposes of this Agreement, “Environmental Law” means any national, state, provincial or local law, statute, rule or regulation or the common law relating to the environment or occupational health and safety, including without limitation any statute, regulation, administrative decision or order pertaining to (i) treatment, storage, disposal, generation and transportation of industrial, toxic or hazardous materials or substances or solid or hazardous waste; (ii) air, water and noise pollution; (iii) groundwater and soil contamination; (iv) the release or threatened release into the environment of industrial, toxic or hazardous materials or substances, or solid or hazardous waste, including without limitation emissions, discharges, injections, spills, escapes or dumping of pollutants, contaminants or chemicals; (v) the protection of wild life, marine life and wetlands, including without limitation all endangered and threatened species; (vi) storage tanks, vessels, containers, abandoned or discarded barrels, and other closed receptacles; (vii) health and safety of employees and other persons; and (viii) manufacturing, processing, using, distributing, treating, storing, disposing, transporting or handling of materials regulated under any law as pollutants, contaminants, toxic or hazardous materials or substances or oil or petroleum products or solid or hazardous waste. As used above, the terms “release” and “environment” shall have the meaning set forth in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended.

- (ii) The Company and its subsidiaries (i) have received all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses except to the extent that the failure to have such permits, licenses or other approvals would not have a Material Adverse Effect and (ii) are in compliance, in all material respects, with all terms and conditions of any such permit, license or approval.
- m. Permits; FCC Compliance. The Company and its subsidiaries have all authorizations, approvals, clearances, licenses, permits, certificates or exemptions (including manufacturing approvals and authorizations, pricing and reimbursement approvals, labeling approvals, registration notifications or their foreign equivalent) issued by any regulatory authority or governmental agency (collectively, "*Permits*") required to conduct their respective businesses as currently conducted except to the extent that the failure to have such Permits would not have a Material Adverse Effect. The conduct of business by the Company complies, and at all times has substantially complied, in all material respects with the Telecommunications Act of 1996 and similar federal, state and foreign laws applicable to the evaluation, testing, manufacturing, distribution, advertising and marketing of each of the Company's products, in whatever stage of development or commercialization except to the extent that the failure to so comply would not have a Material Adverse Effect. To the knowledge of the Company, as of the date hereof, neither the Federal Communications Commission (the "*FCC*") nor any comparable regulatory authority or governmental agency is considering limiting, suspending or revoking any such Permit or changing the marketing classification or labeling of the products of the Company or any of its subsidiaries. To the knowledge of the Company, there is no false or misleading information or material omission in any product application or other submission by the Company or any of its subsidiaries to the FCC or any comparable regulatory authority or governmental agency. The Company or its subsidiaries have fulfilled and performed in all material respects their obligations under each Permit, and, as of the date hereof, to the knowledge of the Company, no event has occurred or condition or state of facts exists which would constitute a breach or default or would cause revocation or termination of any such Permit except to the extent that such breach, default, revocation or termination would not have a Material Adverse Effect. To the knowledge of the Company, any third party that is a manufacturer or contractor for the Company or any of its subsidiaries is in compliance in all material respects with all Permits insofar as they pertain to the manufacture of product components or products for the Company. The Company and its subsidiaries have not received any notice of adverse finding, warning letter, notice of violation, notice of action or any other notice from the FCC or other governmental agency alleging or asserting noncompliance with any applicable laws or Permits. The Company and its subsidiaries have made all notifications, submissions and reports required by applicable federal, state and foreign laws, except to the extent that the failure to make such notifications, submission or reports would not have a Material Adverse Effect.

- n. Title. Neither the Company nor any of its subsidiaries owns any real property. Except as set forth on **Schedule 4n**, each of the Company and its subsidiaries has good and marketable title to all of its personal property and assets, free and clear of any material restriction, mortgage, deed of trust, pledge, lien, security interest or other charge, claim or encumbrance which would have a Material Adverse Effect. Except as set forth on **Schedule 4n**, with respect to properties and assets it leases, each of the Company and its subsidiaries is in material compliance with such leases and holds a valid leasehold interest free of any liens, claims or encumbrances which would have a Material Adverse Effect.
- o. No Material Breaches. Neither the Company nor any subsidiary is in breach of any contract or agreement which breach has had, or could reasonably be expected to have, a Material Adverse Effect.
- p. Certain Transactions. Except for arm's length transactions pursuant to which the Company or any subsidiary makes payments in the ordinary course of business upon terms no less favorable than it could obtain from third parties, none of the officers, directors, or employees of the Company or any subsidiary is presently a party to any transaction with the Company or any subsidiary (other than for services as employees, officers and directors), including any contract, agreement or other arrangement providing for the furnishing of services to or by, providing for rental of real or personal property to or from, or otherwise requiring payments to or from any officer, director or such employee or, to the knowledge of the Company, any corporation, partnership, trust or other entity in which any officer, director, or any such employee has a substantial interest or is an officer, director, trustee or partner.
- q. Rights of First Refusal. Except as set forth on **Schedule 4q**, the Company is not obligated to offer the securities offered hereunder on a right of first refusal basis or otherwise to any third parties including, but not limited to, current or former stockholders of the Company, underwriters, brokers, agents or other third parties.
- r. Insurance. The Company has insurance policies of the type and in amounts customarily carried by organizations conducting businesses or owning assets similar to those of the Company and its subsidiaries. There is no material claim pending under any such policy as to which coverage has been questioned, denied or disputed by the underwriter of such policy.
- s. SEC Reports. The Company has filed all reports, schedules, forms, statements and other documents required to be filed by it with the SEC under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including pursuant to Section 13(a) or 15(d) thereof (or that it would be required to be filed by it if it were subject to the reporting requirements of such sections), for the two years preceding the date hereof (or such shorter period since the Company was first required by law or regulation to file such material).

- t. Brokers' Fees. Except as set forth on **Schedule 4t**, the Company does not have any liability or obligation to pay any fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement, except for the payment of fees to any Placement Agents or brokers that have been or may be retained by the Company as described in Section 3 above.
 - u. Disclosure Materials. The Disclosure Materials taken as a whole do not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.
 - v. Reliance. The Company acknowledges that the Subscriber is relying on the representations and warranties made by the Company hereunder and that such representations and warranties are a material inducement to the Subscriber purchasing the Shares. The Company further acknowledges that without such representations and warranties of the Company made hereunder, the Subscribers would not enter into this Agreement.
5. **Representations, Warranties and Agreements of the Subscriber**. The Subscriber represents and warrants to, and agrees with, the Company the following:
- a. The Subscriber, either alone or with the Subscriber's purchaser representative(s), has the knowledge and experience in financial and business matters necessary to evaluate the merits and risks of its prospective investment in the Company, and has carefully reviewed and understands the risks of, and other considerations relating to, the purchase of Shares and the tax consequences of the investment, and has the ability to bear the economic risks of the investment. The Subscriber can afford the loss of its entire investment.
 - b. The Subscriber is acquiring the Shares for investment for its own account and not with the view to, or for resale in connection with, any distribution thereof. The Subscriber understands and acknowledges that the Shares have not been registered under the Securities Act or any state securities laws, by reason of a specific exemption from the registration provisions of the Securities Act and applicable state securities laws, which depends upon, among other things, the bona fide nature of the investment intent as expressed herein. The Subscriber further represents that it does not have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participation to any third person with respect to any of the Shares. The Subscriber understands and acknowledges that the offering of the Shares pursuant to this Agreement will not be registered under the Securities Act nor under the state securities laws on the ground that the sale provided for in this Agreement and the issuance of securities hereunder is exempt from the registration requirements of the Securities Act and any applicable state securities laws.

- c. The Subscriber acknowledges that the Subscriber has completed the attached **Investor Certification** and that the information contained therein is complete and accurate as of the date thereof and is hereby affirmed as of the date hereof. Any information that has been furnished or that will be furnished by the undersigned to evidence its status as an accredited or unaccredited investor is accurate and complete, and does not contain any misrepresentation or omission. The Subscriber shall submit to the Company such further assurances of such status as may be reasonably requested by the Company. The Subscriber resides in the jurisdiction set forth on the Subscriber's Omnibus Signature Page affixed hereto.
- d. The Subscriber (i) if a natural person, represents that he or she is the greater of (A) 21 years of age or (B) the age of legal majority in his or her jurisdiction of residence, and has full power and authority to execute and deliver this Agreement and all other related agreements or certificates and to carry out the provisions hereof and thereof; (ii) if a corporation, partnership, or limited liability company or partnership, or association, joint stock company, trust, unincorporated organization or other entity, represents that such entity was not formed for the specific purpose of acquiring the Shares, such entity is duly organized, validly existing and in good standing under the laws of the state or jurisdiction of its organization, the consummation of the transactions contemplated hereby is authorized by, and will not result in a violation of state law or its charter or other organizational documents, such entity has full power and authority to execute and deliver this Agreement and all other related agreements or certificates and to carry out the provisions hereof and thereof and to purchase and hold the Shares, the execution and delivery of this Agreement has been duly authorized by all necessary action, this Agreement has been duly executed and delivered on behalf of such entity and is a legal, valid and binding obligation of such entity; or (iii) if executing this Agreement in a representative or fiduciary capacity, represents that it has full power and authority to execute and deliver this Agreement in such capacity and on behalf of the subscribing individual, ward, partnership, trust, estate, corporation, or limited liability company or partnership, or other entity for whom the Subscriber is executing this Agreement, and such individual, partnership, ward, trust, estate, corporation, or limited liability company or partnership, or other entity has full right and power to perform pursuant to this Agreement and make an investment in the Company, and represents that this Agreement constitutes a legal, valid and binding obligation of such entity. The execution and delivery of this Agreement will not violate or be in conflict with any order, judgment, injunction, agreement or controlling document to which the Subscriber is a party or by which it is bound.

- e. The Subscriber understands that the Shares are being offered and sold to it in reliance on specific exemptions from the registration requirements of United States federal and state securities laws and that the Company is relying in part upon the truth and accuracy of, and such Subscriber's compliance with, the representations, warranties, agreements, acknowledgments and understandings of such Subscriber set forth herein in order to determine the availability of such exemptions and the eligibility of such Subscriber to acquire such securities. The Subscriber further acknowledges and understands that the Company is relying on the representations and warranties made by the Subscriber hereunder and that such representations and warranties are a material inducement to the Company to sell the Shares to the Subscriber. The Subscriber further acknowledges that without such representations and warranties of the Subscriber made hereunder, the Company would not enter into this Agreement with the Subscriber.
- f. The Subscriber understands that no public market now exists, and there may never be a public market for, the Shares, that only a limited public market for the Company's Common Stock exists and that there can be no assurance that an active public market for the Common Stock will exist or continue to exist.
- g. The Subscriber has received and reviewed information about the Company, including the Disclosure Materials, and has had an opportunity to discuss the Company's business, management and financial affairs with the Company's management. The Subscriber has had an opportunity to ask questions and receive answers concerning the terms and conditions of the Offering and to obtain any additional information necessary to verify the accuracy of the Disclosure Materials. The Subscriber understands that such discussions, as well as any Disclosure Materials provided by the Company, were intended to describe the aspects of the Company's business and prospects which the Company believes to be material, but were not necessarily a thorough or exhaustive description, and except as expressly set forth in this Agreement, the Company makes no representation or warranty with respect to the completeness of such information and makes no representation or warranty of any kind with respect to any information provided by any entity other than the Company. Some of such information may include projections as to the future performance of the Company, which projections may not be realized, may be based on assumptions which may not be correct and may be subject to numerous factors beyond the Company's control. Additionally, the Subscriber understands and represents that it is purchasing the Shares notwithstanding the fact that the Company may disclose in the future certain material information the Subscriber has not received, including (without limitation) financial statements of the Company for the current or prior fiscal periods, and any subsequent period financial statements that will be filed with the SEC, that it is not relying on any such information in connection with its purchase of the Shares and that it waives any right of action with respect to the nondisclosure to it prior to its purchase of the Shares of any such information. Each Subscriber has sought such accounting, legal and tax advice as it has considered necessary to make an informed investment decision with respect to its acquisition of the Shares.

- h. The Subscriber acknowledges that none of the Company or any Placement Agents or brokers that may be retained by the Company in connection with the Offering is acting as a financial advisor or fiduciary of the Subscriber (or in any similar capacity) with respect to the Transaction Documents and the transactions contemplated hereby and thereby, and no investment advice has been given by the Company or any Placement Agents or brokers that may be retained by the Company or any of its representatives or agents in connection with the Transaction Documents and the transactions contemplated hereby and thereby. The Subscriber further represents to the Company that the Subscriber's decision to enter into the Transaction Documents has been based solely on the independent evaluation by the Subscriber and its representatives.
- i. As of the Closing, all actions on the part of Subscriber, and its officers, directors and partners, if applicable, necessary for the authorization, execution and delivery of this Agreement and the Registration Rights Agreement and the performance of all obligations of the Subscriber hereunder and thereunder shall have been taken, and this Agreement and the Registration Rights Agreement, assuming due execution by the parties hereto and thereto, constitute valid and legally binding obligations of the Subscriber, enforceable in accordance with their respective terms, subject to: (i) judicial principles limiting the availability of specific performance, injunctive relief, and other equitable remedies and (ii) bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect generally relating to or affecting creditors' rights.
- j. Subscriber represents that neither it nor, to its knowledge, any person or entity controlling, controlled by or under common control with it, nor any person having a beneficial interest in it, nor any person on whose behalf the Subscriber is acting: (i) is a person listed in the Annex to Executive Order No. 13224 (2001) issued by the President of the United States (Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism); (ii) is named on the List of Specially Designated Nationals and Blocked Persons maintained by the U.S. Office of Foreign Assets Control; (iii) is a non-U.S. shell bank or is providing banking services indirectly to a non-U.S. shell bank; (iv) is a senior non-U.S. political figure or an immediate family member or close associate of such figure; or (v) is otherwise prohibited from investing in the Company pursuant to applicable U.S. anti-money laundering, anti-terrorist and asset control laws, regulations, rules or orders (categories (i) through (v), each a "Prohibited Subscriber"). The Subscriber agrees to provide the Company, promptly upon request, all information that the Company reasonably deems necessary or appropriate to comply with applicable U.S. anti-money laundering, anti-terrorist and asset control laws, regulations, rules and orders. The Subscriber consents to the disclosure to U.S. regulators and law enforcement authorities by the Company and its affiliates and agents of such information about the Subscriber as the Company reasonably deems necessary or appropriate to comply with applicable U.S. anti-money laundering, anti-terrorist and asset control laws, regulations, rules and orders. If the Subscriber is a financial institution that is subject to the USA Patriot Act, the Subscriber represents that it has met all of its obligations under the USA Patriot Act. The Subscriber acknowledges that if, following its investment in the Company, the Company reasonably believes that the Subscriber is a Prohibited Subscriber or is otherwise engaged in suspicious activity or refuses to promptly provide information that the Company requests, the Company has the right or may be obligated to prohibit additional investments, segregate the assets constituting the investment in accordance with applicable regulations or immediately require the Subscriber to transfer the Shares. The Subscriber further acknowledges that the Subscriber will have no claim against the Company or any of its affiliates or agents for any form of damages as a result of any of the foregoing actions.

If the Subscriber is affiliated with a non-U.S. banking institution (a "*Foreign Bank*"), or if the Subscriber receives deposits from, makes payments on behalf of, or handles other financial transactions related to a Foreign Bank, the Subscriber represents and warrants to the Company that: (1) the Foreign Bank has a fixed address, other than solely an electronic address, in a country in which the Foreign Bank is authorized to conduct banking activities; (2) the Foreign Bank maintains operating records related to its banking activities; (3) the Foreign Bank is subject to inspection by the banking authority that licensed the Foreign Bank to conduct banking activities; and (4) the Foreign Bank does not provide banking services to any other Foreign Bank that does not have a physical presence in any country and that is not a regulated affiliate.

- k. The Subscriber or its duly authorized representative realizes that because of the inherently speculative nature of businesses of the kind conducted and contemplated by the Company, the Company's financial results may be expected to fluctuate from month to month and from period to period and will, generally, involve a high degree of financial and market risk that could result in substantial or, at times, even total losses for investors in securities of the Company.
- l. The Subscriber has adequate means of providing for its current and anticipated financial needs and contingencies, is able to bear the economic risk for an indefinite period of time and has no need for liquidity of the investment in the Shares and could afford complete loss of such investment.
- m. The Subscriber is not subscribing for Shares as a result of or subsequent to any advertisement, article, notice or other communication, published in any newspaper, magazine or similar media or broadcast over television, radio, or the internet, or presented at any seminar or meeting, or any solicitation of a subscription by a person not previously known to the Subscriber in connection with investments in securities generally.
- n. The Subscriber acknowledges that no U.S. federal or state agency or any other government or governmental agency has passed upon the Shares or made any finding or determination as to the fairness, suitability or wisdom of any investments therein.
- o. The Subscriber agrees to be bound by all of the terms and conditions of the Registration Rights Agreement and to perform all obligations thereby imposed upon it.

- p. All of the information that the Subscriber has heretofore furnished or which is set forth herein is true, correct and complete as of the date of this Agreement, and, if there should be any material change in such information prior to the Closing Date, the Subscriber will immediately furnish revised or corrected information to the Company.
- q. **(For ERISA plans only)** The fiduciary of the Employee Retirement Income Security Act of 1974 (“ERISA”) plan (the “Plan”) represents that such fiduciary has been informed of and understands the Company’s investment objectives, policies and strategies, and that the decision to invest “plan assets” (as such term is defined in ERISA) in the Company is consistent with the provisions of ERISA that require diversification of plan assets and impose other fiduciary responsibilities. The Subscriber fiduciary or Plan (a) is responsible for the decision to invest in the Company; (b) is independent of the Company or any of its affiliates; (c) is qualified to make such investment decision; and (d) in making such decision, the Purchaser fiduciary or Plan has not relied primarily on any advice or recommendation of the Company or any of its affiliates.

6. **Transfer Restrictions.** The Subscriber acknowledges and agrees as follows:

- a. The Shares have not been registered for sale under the Securities Act, in reliance on the private offering exemption in Regulation D thereunder; other than as expressly provide in the Registration Rights Agreement, the Company does not currently intend to register the Shares under the Securities Act at any time in the future; and the undersigned will not immediately be entitled to the benefits of Rule 144 with respect to the Shares.
- b. The Subscriber understands that there are substantial restrictions on the transferability of the Shares that the certificates representing the Shares shall bear a restrictive legend in substantially the following form (and a stop-transfer order may be placed against transfer of such certificates or other instruments):

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY STATE SECURITIES LAWS, AND NEITHER SUCH SECURITIES NOR ANY INTEREST THEREIN MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR OTHERWISE TRANSFERRED UNLESS (1) A REGISTRATION STATEMENT WITH RESPECT THERETO IS EFFECTIVE UNDER THE SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR (2) AN EXEMPTION FROM SUCH REGISTRATION EXISTS AND THE COMPANY RECEIVES AN OPINION OF COUNSEL TO THE HOLDER OF SUCH SECURITIES, WHICH COUNSEL AND OPINION ARE SATISFACTORY TO THE COMPANY, THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR TRANSFERRED IN THE MANNER CONTEMPLATED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR APPLICABLE STATE SECURITIES LAWS. HEDGING TRANSACTIONS INVOLVING THESE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.

The legend set forth above shall be removed and the Company shall issue a certificate without such legend to the holder of the Shares upon which it is stamped, if (a) such Shares are sold pursuant to a registration statement under the Securities Act, or (b) such holder delivers to the Company an opinion of counsel, reasonably acceptable to the Company, that a disposition of the Shares is being made pursuant to an exemption from such registration and that the Shares, after such transfer, shall no longer be “restricted securities” within the meaning of Rule 144.

- c. **Each Subscriber understands that until May 22, 2015, the Company was a “shell company” as defined in Rule 12b-2 under the Exchange Act. Pursuant to Rule 144(i), securities issued by a current or former shell company (that is, the Shares) that otherwise meet the holding period and other requirements of Rule 144 nevertheless cannot be sold in reliance on Rule 144 until one year after the Company (a) is no longer a shell company; and (b) has filed current “Form 10 information” (as defined in Rule 144(i)) with the SEC reflecting that it is no longer a shell company, and provided that at the time of a proposed sale pursuant to Rule 144, the Company is subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act and has filed all reports and other materials required to be filed by Section 13 or 15(d) of the Exchange Act, as applicable, during the preceding 12 months (or for such shorter period that the issuer was required to file such reports and materials), other than Form 8-K reports. As a result, the restrictive legends on certificates for the Shares cannot be removed except in connection with an actual sale meeting the foregoing requirements or pursuant to an effective registration statement.**

7. **Indemnification.**

- a. The Subscriber agrees to indemnify and hold harmless the Company and any other broker, agent or finder engaged by the Company for the Offering, and their respective officers, directors, shareholders, members, partners, employees and agents, (and any other persons with a functionally equivalent role of a person holding such titles notwithstanding a lack of such title or any other title), each person who controls such indemnified person (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, shareholders, agents, members, partners or employees (and any other persons with a functionally equivalent role of a person holding such titles notwithstanding a lack of such title or any other title) of such controlling person, from and against all losses, liabilities, claims, damages, costs, fees and expenses whatsoever (including, but not limited to, any and all expenses incurred in investigating, preparing or defending against any litigation commenced or threatened) based upon or arising out of the Subscriber’s actual or alleged false acknowledgment, representation or warranty, or misrepresentation or omission to state a material fact, or breach by the Subscriber of any covenant or agreement made by the Subscriber, contained herein or in any other document delivered by the Subscriber in connection with this Agreement. The liability of the Subscriber under this paragraph shall not exceed the aggregate Purchase Price paid by the Subscriber for Shares hereunder.

- b. The Company agrees to indemnify and hold harmless the Subscriber from and against all losses, liabilities, claims, damages, costs, fees and expenses whatsoever (including, but not limited to, any and all expenses incurred in investigating, preparing or defending against any litigation commenced or threatened) based upon or arising out of the Company's actual or alleged false acknowledgment, representation or warranty, or misrepresentation or omission to state a material fact, or breach by the Company of any covenant or agreement made by the Company, contained herein or in any other any other Disclosure Materials. The liability of the Company under this paragraph shall not exceed the total Purchase Price paid by the Subscriber hereunder.
- c. Promptly after receipt by an indemnified party under this Section 7 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section 7, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party will not relieve it from any liability which it may have to any indemnified party otherwise than under this Section 7. In case any such action is brought against any indemnified party, and it notifies the indemnifying party of the commencement thereof, the indemnifying party will be entitled to participate therein, and to the extent that it may elect by written notice delivered to the indemnified party promptly after receiving the aforesaid notice from such indemnified party, to assume the defense thereof, with counsel satisfactory to such indemnified party; provided, however, if the defendants in any such action include both the indemnified party and the indemnifying party and either (i) the indemnifying party or parties and the indemnified party or parties mutually agree or (ii) representation of both the indemnifying party or parties and the indemnified party or parties by the same counsel is inappropriate under applicable standards of professional conduct due to actual or potential differing interests between them, the indemnified party or parties shall have the right to select separate counsel to assume such legal defenses and to otherwise participate in the defense of such action on behalf of such indemnified party or parties. Upon receipt of notice from the indemnifying party to such indemnified party of its election so to assume the defense of such action and approval by the indemnified party of counsel, the indemnifying party will not be liable to such indemnified party under this Section 7 for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof unless (i) the indemnified party shall have employed counsel in connection with the assumption of legal defenses in accordance with the proviso to the next preceding sentence (it being understood, however, that the indemnifying party shall not be liable for the expenses of more than one separate counsel in such circumstance), (ii) the indemnifying party shall not have employed counsel satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of commencement of the action or (iii) the indemnifying party has authorized the employment of counsel for the indemnified party at the expense of the indemnifying party. No indemnifying party shall (i) without the prior written consent of the indemnified parties (which consent shall not be unreasonably withheld), settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent includes an unconditional release of each indemnified party from all liability arising out of such claim, action, suit or proceeding, or (ii) be liable for any settlement of any such action effected without its written consent (which consent shall not be unreasonably withheld), but if settled with its written consent or if there be a final judgment of the plaintiff in any such action, the indemnifying party agrees to indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment.

8. **Revocability; Binding Effect.** The subscription hereunder may be revoked prior to the Closing thereon, provided that written notice of revocation is sent and is received by the Company at least three business days prior to the Closing on such subscription. The Subscriber hereby acknowledges and agrees that this Agreement shall survive the death or disability of the Subscriber and shall be binding upon and inure to the benefit of the parties and their heirs, executors, administrators, successors, legal representatives and permitted assigns. If the Subscriber is more than one person, the obligations of the Subscriber hereunder shall be joint and several and the agreements, representations, warranties and acknowledgments herein shall be deemed to be made by and be binding upon each such person and such person's heirs, executors, administrators, successors, legal representatives and permitted assigns.
9. **Modification.** This Agreement shall not be modified or waived except by an instrument in writing signed by the party against whom any such modification or waiver is sought to be enforced.
10. **Modifications to the Registration Rights Agreement.** The Company may, at any time prior to the initial Closing, amend the Registration Rights Agreement if necessary to make an immaterial clarification of any provision therein, without first providing notice or obtaining prior consent of the Subscriber. Upon consummation of the reincorporation of the Company from the State of Nevada to the State of Delaware, the Company shall amend the Registration Rights Agreement to properly identify the Company as a Delaware corporation. **Notices.** Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be mailed by certified mail, return receipt requested, or delivered against receipt to the party to whom it is to be given (a) if to the Company, at the address set forth above or (b) if to the Subscriber, at the address set forth on the Omnibus Signature Page hereof (or, in either case, to such other address as the party shall have furnished in writing in accordance with the provisions of this Section). Any notice or other communication given by certified mail shall be deemed given at the time of certification thereof, except for a notice changing a party's address which shall be deemed given at the time of receipt thereof.

11. **Assignability.** This Agreement and the rights, interests and obligations hereunder are not transferable or assignable by the Subscriber, and the transfer or assignment of the Shares shall be made only in accordance with all applicable laws.
12. **Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without reference to the principles thereof relating to the conflict of laws.
13. **Arbitration.** The parties agree to submit all controversies to arbitration in accordance with the provisions set forth below and understand that:
 - a. Arbitration shall be final and binding on the parties.
 - b. The parties are waiving their right to seek remedies in court, including the right to a jury trial.
 - c. Pre-arbitration discovery is generally more limited and different from court proceedings.
 - d. The arbitrator's award is not required to include factual findings or legal reasoning and any party's right to appeal or to seek modification of rulings by arbitrators is strictly limited.
 - e. The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.
 - f. All controversies which may arise between the parties concerning this Agreement shall be determined by arbitration pursuant to the rules then pertaining to the Financial Industry Regulatory Authority. Judgment on any award of any such arbitration may be entered in the courts of the State of North Carolina sitting in Mecklenburg County and the United States District Court for the Western District of North Carolina sitting in Charlotte, and any state or appellate court therefrom, or in any other court having jurisdiction of the person or persons against whom such award is rendered. Any notice of such arbitration or for the confirmation of any award in any arbitration shall be sufficient if given in accordance with the provisions of this Agreement. The parties agree that the determination of the arbitrators shall be binding and conclusive upon them. The prevailing party, as determined by such arbitrators, in a legal proceeding shall be entitled to collect any costs, disbursements and reasonable attorney's fees from the other party. Prior to filing an arbitration, the parties hereby agree that they will attempt to resolve their differences first by submitting the matter for resolution to a mediator, acceptable to all parties, and whose expenses will be borne equally by all parties. The mediation will be held in the County of Mecklenburg, North Carolina, on an expedited basis. If the parties cannot successfully resolve their differences through mediation, the matter will be resolved by arbitration as provided above. The arbitration shall take place in Charlotte, North Carolina, on an expedited basis.

14. **Blue Sky Qualification.** The purchase of Shares under this Agreement is expressly conditioned upon the exemption from qualification of the offer and sale of the Shares from applicable federal and state securities laws. The Company shall not be required to qualify this transaction under the securities laws of any jurisdiction and, should qualification be necessary, the Company shall be released from any and all obligations to maintain its offer, and may rescind any sale contracted, in the jurisdiction.
15. **Use of Pronouns.** All pronouns and any variations thereof used herein shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons referred to may require.
16. **Confidentiality.** The Subscriber acknowledges and agrees that any information or data the Subscriber has acquired from or about the Company or may acquire in the future, not otherwise properly in the public domain, including, without limitation, the Disclosure Materials, was received in confidence. The Subscriber agrees not to divulge, communicate or disclose, except as may be required by law or for the performance of this Agreement, or use to the detriment of the Company or for the benefit of any other person, or misuse in any way, any confidential information of the Company, including any scientific, technical, trade or business secrets of the Company and any scientific, technical, trade or business materials that are treated by the Company as confidential or proprietary, including, but not limited to, internal personnel and financial information of the Company or its affiliates, the manner and methods of conducting the business of the Company or its affiliates and confidential information obtained by or given to the Company about or belonging to third parties. The Subscriber understands that the Company may rely on Subscriber's agreement of confidentiality to comply with the exemptive provisions of Regulation FD under the Securities Act of 1933 as set forth in Rule 100(a)(b)(2)(ii) of Regulation FD. In addition, the Subscriber acknowledges that it is aware that the United States securities laws generally prohibit any person who is in possession of material nonpublic information about a public company such as the Company from purchasing or selling securities of such company. The provisions of this Section 17 are in addition to and not in replacement of any other confidentiality agreement between the Company and the Subscriber.
17. **Price Protection.** If, during the period from the first Closing of the Offering until ninety (90) days after the date on which the Registration Statement (as defined in the Registration Rights Agreement) is declared effective by the SEC, the Company shall issue Additional Shares of Common Stock (as defined below) for a consideration per share, or with an exercise or conversion price per share, less than the Purchase Price (adjusted proportionately (or if it cannot be adjusted proportionately, then equitably) for any event described in clause (ii) of the following paragraph occurring after the first Closing of the Offering) (the "*Lower Price*"), the Subscriber shall be entitled to receive from the Company (for no additional consideration) additional Shares in an amount such that, when added to the number of Shares purchased by Subscriber under this Agreement, will equal the number of Shares that the Subscriber's Purchase Price for the Shares set forth on the Subscriber's signature page hereof would have purchased at the Lower Price.

“Additional Shares of Common Stock” shall mean all shares of Common Stock issued by the Company after the first Closing of the Offering (including without limitation any shares of Common Stock issuable upon conversion or exchange of any convertible securities or upon exercise of any option, warrant or other right, on an as-converted or as-exercised basis, as of the date of issuance of such security, option, warrant or right), other than: (i) shares of Common Stock issued or issuable upon conversion or exchange of any convertible securities or exercise of any options, warrants or other rights outstanding as of the initial Closing; (ii) shares of Common Stock issued or issuable by reason of a dividend, stock split, split-up or other distribution on shares of Common Stock relating to any recapitalization, reclassification or reorganization of the capital stock of the Company or otherwise, or any consolidation or merger of the Company with another corporation, or the sale of all or substantially all of its assets or other transaction effected in such a way that there is no change of control; (iii) shares of Common Stock issued in a firmly underwritten registered public offering under the Securities Act; (iv) shares of Common Stock issued or issuable pursuant to the acquisition of another entity or business by the Company by merger, purchase of substantially all of the assets or other reorganization or pursuant to a joint venture or technology license agreement, but not including a transaction in which the Company is issuing securities primarily for the purpose of raising capital or to an entity whose primary business is investing in securities; (v) shares of Common Stock issued or issuable to officers, directors and employees of, or consultants to, the Company pursuant to stock grants, option plans, purchase plans or other employee stock incentive programs or arrangements approved by the Board of Directors, or upon exercise of options or warrants granted to such parties pursuant to any such plan or arrangement; and (vi) securities issued to financial institutions, institutional investors or lessors in connection with credit arrangements, equipment financings, lease arrangements or similar transactions, in the aggregate not exceeding ten percent (10%) of the number of shares of Common Stock outstanding at any time, and in case of clauses (ii) through (vi) above, such issuance is approved by a majority of disinterested directors of the Company and includes no “death spiral” provision of any kind.

18. **Miscellaneous.**

- a. This Agreement, together with the Registration Rights Agreement and any confidentiality agreement between the Subscriber and the Company, constitute the entire agreement between the Subscriber and the Company with respect to the Offering and supersede all prior oral or written agreements and understandings, if any, relating to the subject matter hereof. The terms and provisions of this Agreement may be waived, or consent for the departure therefrom granted, only by a written document executed by the party entitled to the benefits of such terms or provisions.
- b. The representations and warranties of the Company and the Subscriber made in this Agreement shall survive the execution and delivery hereof and delivery of the Shares for a period of twelve (12) months following the Closing Date.

- c. Each of the parties hereto shall pay its own fees and expenses (including the fees of any attorneys, accountants, appraisers or others engaged by such party) in connection with this Agreement and the transactions contemplated hereby, whether or not the transactions contemplated hereby are consummated.
 - d. This Agreement may be executed in one or more original or facsimile (including by an e-mail which contains a .pdf file of an executed signature page) counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same instrument and which shall be enforceable against the parties actually executing such counterparts. The exchange of copies of this Agreement and of signature pages by facsimile transmission or in .pdf format shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of the original Agreement for all purposes. Signatures of the parties transmitted by facsimile or by e-mail of a document in .pdf format shall be deemed to be their original signatures for all purposes.
 - e. Each provision of this Agreement shall be considered separable and, if for any reason any provision or provisions hereof are determined to be invalid or contrary to applicable law, such invalidity or illegality shall not impair the operation of or affect the remaining portions of this Agreement.
 - f. Paragraph titles are for descriptive purposes only and shall not control or alter the meaning of this Agreement as set forth in the text.
 - g. The Subscriber understands and acknowledges that there may be multiple Closings for the Offering.
 - h. The Subscriber hereby agrees to furnish the Company such other information as the Company may request prior to the Closing with respect to its subscription hereunder.
19. **Omnibus Signature Page.** This Agreement is intended to be read and construed in conjunction with the Registration Rights Agreement. Accordingly, pursuant to the terms and conditions of this Agreement and the Registration Rights Agreement, it is hereby agreed that the execution by the Subscriber of this Agreement, in the place set forth on the Omnibus Signature Page below, shall constitute agreement to be bound by the terms and conditions hereof and the terms and conditions of the Registration Rights Agreement, with the same effect as if each of such separate but related agreement were separately signed.
20. **Public Disclosure.** Neither the Subscriber nor any officer, manager, director, member, partner, stockholder, employee, affiliate, affiliated person or entity of the Subscriber shall make or issue any press releases or otherwise make any public statements or make any disclosures to any third person or entity with respect to the transactions contemplated herein and will not make or issue any press releases or otherwise make any public statements of any nature whatsoever with respect to the Company without the Company's express prior approval. The Company has the right to withhold such approval in its sole discretion.

21. **Potential Conflicts.** Legal counsel to the Company and any placement agents or brokers that may be retained by the Company in connection with the Offering, and/or their respective affiliates, principals, representatives or employees, may now or hereafter own stock of the Company or warrants to purchase Company stock.

[Signature page follows.]

IN WITNESS WHEREOF, the Company has duly executed this Subscription Agreement as of the ____ day of _____, 2016.

AKOUSTIS TECHNOLOGIES, INC.

By: _____
Name: Jeffrey B. Shealy
Title: Chief Executive Officer

**How to subscribe for Shares in the private offering of
Akoustis Technologies, Inc.:**

1. **Date and Fill** in the number of Shares being purchased and **complete and sign** the Omnibus Signature Page.
2. **Complete** the Investor Certification as instructed therein.
3. **Complete and sign** the Investor Profile.
4. **Complete and sign** the Anti-Money Laundering Information Form.
5. **Fax or email** all forms and then send all signed original documents to:

Akoustis Technologies, Inc.
9805 Northcross Center Court, Suite H
Huntersville, NC 28078
Facsimile Number: (704) 997-5734
Telephone Number: (704) 997-5735
Attn: Cindy C. Payne
E-mail Address: cpayne@akoustis.com

6. **If you are paying the Purchase Price by check**, a certified or other bank check for the exact dollar amount of the Purchase Price for the number of Shares you are purchasing should be made payable to the order of **Akoustis Technologies, Inc.** and should be sent directly to Akoustis Technologies, Inc., 9805 Northcross Center Court, Suite H, Huntersville, North Carolina 28078, Attn: Cindy Payne.

Checks take up to 5 business days to clear. A check must be received by the Company at least 6 business days before the Closing Date.

7. **If you are paying the Purchase Price by wire transfer**, you should send a wire transfer for the exact dollar amount of the Purchase Price for the number of Shares you are purchasing according to the following instructions:

Bank:	Bank of America 9611 Holly Point Drive, Huntersville, NC 28078
ABA Routing #:	026009593
SWIFT CODE:	BOFAUS3N
Account Name:	Akoustis Technologies, Inc.
Account #:	237033644565
Reference:	“Akoustis Private Offering – <i>[INSERT SUBSCRIBER'S NAME]</i> ”

Contact:

Morgan Temple
Vice President, Small Business Banker
704-914-5495

Thank you for your interest,
Akoustis Technologies, Inc.

Akoustis Technologies, Inc.
 OMNIBUS SIGNATURE PAGE TO
 SUBSCRIPTION AGREEMENT AND REGISTRATION RIGHTS AGREEMENT

The undersigned, desiring to: (i) enter into the Subscription Agreement, dated as of _____, ¹ 2016 (the "Subscription Agreement"), between the undersigned, **Akoustis Technologies, Inc.**, a Delaware corporation (the "Company"), and the other parties thereto, in or substantially in the form furnished to the undersigned, (ii) enter into the Registration Rights Agreement (the "Registration Rights Agreement"), among the undersigned, the Company and the other parties thereto, in or substantially in the form furnished to the undersigned and (iii) purchase the Shares as set forth in the Subscription Agreement and below, hereby agrees to purchase such Shares from the Company and further agrees to join the Subscription Agreement and the Registration Rights Agreement as a party thereto, with all the rights and privileges appertaining thereto, and to be bound in all respects by the terms and conditions thereof. The undersigned specifically acknowledges having read the representations section in the Subscription Agreement entitled "Representations and Warranties of the Subscriber" and hereby represents that the statements contained therein are complete and accurate with respect to the undersigned as a Subscriber.

IN WITNESS WHEREOF, the Subscriber hereby executes this Subscription Agreement and the Registration Rights Agreement.

Dated: _____, 2016

_____ X Number of Shares	\$5.00 _____ = Purchase Price per Share	\$ _____ Total Purchase Price
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SUBSCRIBER (individual)

SUBSCRIBER (entity)

 Signature

 Name of Entity

 Print Name

 Signature

 Signature (if Joint Tenants or Tenants in Common)

Print Name: _____

Title: _____

Address of Principal Residence:

Address of Executive Offices:

¹ Will reflect the Closing Date. Not to be completed by Subscriber.

Social Security Number(s):

Telephone Number:

Facsimile Number:

E-mail Address:

IRS Tax Identification Number:

Telephone Number:

Facsimile Number:

E-mail Address:

Akoustis Technologies, Inc.
INVESTOR CERTIFICATION

Initial _____ I am an accredited investor, as indicated in the Accredited Investor Certification below. (If this option is selected, complete and return the **Accredited Investor Certification** below by initialing all that apply. If none apply, you are an unaccredited investor.)

Initial _____ I am an unaccredited investor with such knowledge and experience in financial and business matters that I am capable of evaluating the merits and risks of the Offering. (If this option is selected, you will need to complete and return an **Investor Questionnaire**, to be provided by the Company.)

Initial _____ I am an unaccredited investor, and my purchaser representative has such knowledge and experience in financial and business matters that my purchaser representative is capable of evaluating the merits and risks of the Offering. (If this option is selected, you will need to complete an **Investor Acknowledgment** and your purchaser representative will need to complete a **Purchaser Representative Questionnaire**, both as to be provided by the Company.

ACCREDITED INVESTOR CERTIFICATION

For Individual Investors Only
(all Individual Investors must INITIAL where appropriate):

Initial _____ I have a net worth of at least US\$1 million either individually or through aggregating my individual holdings and those in which I have a joint, community property or other similar shared ownership interest with my spouse. *(For purposes of calculating your net worth under this paragraph, (a) your primary residence shall not be included as an asset; (b) indebtedness secured by your primary residence, up to the estimated fair market value of your primary residence at the time of your purchase of the securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of your purchase of the securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of your primary residence, the amount of such excess shall be included as a liability); and (c) indebtedness that is secured by your primary residence in excess of the estimated fair market value of your primary residence at the time of your purchase of the securities shall be included as a liability.)*

Initial _____ I have had an annual gross income for the past two years of at least US\$200,000 (or US\$300,000 jointly with my spouse) and expect my income (or joint income, as appropriate) to reach the same level in the current year.

Initial _____ I am a director or executive officer of Akoustis Technologies, Inc.

For Non-Individual Investors (Entities)
(all Non-Individual Investors must INITIAL where appropriate):

- Initial** _____ The investor certifies that it is a partnership, corporation, limited liability company or business trust that is 100% owned by persons who meet at least one of the criteria for Individual Investors set forth above (in which case each such person must complete the Accreditor Investor Certification for Individuals above as well the remainder of this questionnaire).
- Initial** _____ The investor certifies that it is a partnership, corporation, limited liability company or business trust that has total assets of at least US\$5 million and was not formed for the purpose of investing in the Company.
- Initial** _____ The investor certifies that it is an employee benefit plan whose investment decision is made by a plan fiduciary (as defined in ERISA §3(21)) that is a bank, savings and loan association, insurance company or registered investment advisor.
- Initial** _____ The investor certifies that it is an employee benefit plan whose total assets exceed US\$5,000,000 as of the date of this Agreement.
- Initial** _____ The undersigned certifies that it is a self-directed employee benefit plan whose investment decisions are made solely by persons who meet at least one of the criteria for Individual Investors.
- Initial** _____ The investor certifies that it is a U.S. bank, U.S. savings and loan association or other similar U.S. institution acting in its individual or fiduciary capacity.
- Initial** _____ The undersigned certifies that it is a broker-dealer registered pursuant to §15 of the Securities Exchange Act of 1934.
- Initial** _____ The investor certifies that it is an organization described in §501(c)(3) of the Internal Revenue Code with total assets exceeding US\$5,000,000 and not formed for the specific purpose of investing in the Company.
- Initial** _____ The investor certifies that it is a trust with total assets of at least US\$5,000,000, not formed for the specific purpose of investing in the Company, and whose purchase is directed by a person with such knowledge and experience in financial and business matters that such person is capable of evaluating the merits and risks of the prospective investment.
- Initial** _____ The investor certifies that it is a plan established and maintained by a state or its political subdivisions, or any agency or instrumentality thereof, for the benefit of its employees, and which has total assets in excess of US\$5,000,000.
- Initial** _____ The investor certifies that it is an insurance company as defined in §2(13) of the Securities Act of 1933, or a registered investment company.

Akoustis Technologies, Inc.
Investor Profile
(Must be completed by Investor)
Section A - Personal Investor Information

Investor Name(s): _____

Individual executing Profile or Trustee: _____

Social Security Numbers / Federal I.D. Number: _____

Date of Birth: _____ Marital Status: _____

Joint Party Date of Birth: _____ Investment Experience(Years): _____

Annual Income: _____ Liquid Net Worth: _____

Net Worth*:

Tax Bracket: ___ 15% or below ___ 25% - 27.5% ___ Over 27.5%

Home Street Address: _____

Home City, State & Zip Code: _____

Home Phone: _____ Home Fax: _____ Home Email: _____

Employer: _____

Employer Street Address: _____

Employer City, State & Zip Code: _____

Bus. Phone: _____ Bus. Fax: _____ Bus. Email: _____

Type of Business: _____

Outside Broker/Dealer: _____

Section B – Certificate Delivery Instructions

- Please deliver certificate to the Employer Address listed in Section A.
- Please deliver certificate to the Home Address listed in Section A.
- Please deliver certificate to the following address:

Section C – Form of Payment –Wire Transfer

- Check payable to **Akoustis Technologies, Inc.**
- Wire funds from my outside account according to Section 2(b) of the Subscription Agreement.
- The funds for this investment are rolled over, tax deferred from _____ within the allowed 60-day window.

Please check if you are a FINRA member or affiliate of a FINRA member firm: _____

Investor Signature _____ **Date** _____

*** For purposes of calculating your net worth in this form, (a) your primary residence shall not be included as an asset; (b) indebtedness secured by your primary residence, up to the estimated fair market value of your primary residence at the time of your purchase of the securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of your purchase of the securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of your primary residence, the amount of such excess shall be included as a liability); and (c) indebtedness that is secured by your primary residence in excess of the estimated fair market value of your primary residence at the time of your purchase of the securities shall be included as a liability.**

ANTI-MONEY LAUNDERING REQUIREMENTS

The USA PATRIOT Act

The USA PATRIOT Act is designed to detect, deter, and punish terrorists in the United States and abroad. The Act imposes new anti-money laundering requirements on brokerage firms and financial institutions. Since April 24, 2002 all brokerage firms have been required to have new, comprehensive anti-money laundering programs.

To help you understand these efforts, we want to provide you with some information about money laundering and our steps to implement the USA PATRIOT Act.

What is money laundering?

Money laundering is the process of disguising illegally obtained money so that the funds appear to come from legitimate sources or activities. Money laundering occurs in connection with a wide variety of crimes, including illegal arms sales, drug trafficking, robbery, fraud, racketeering, and terrorism.

How big is the problem and why is it important?

The use of the U.S. financial system by criminals to facilitate terrorism or other crimes could well taint our financial markets. According to the U.S. State Department, one recent estimate puts the amount of worldwide money laundering activity at \$1 trillion a year.

What are we required to do to eliminate money laundering?

Under rules required by the USA PATRIOT Act, our anti-money laundering program must designate a special compliance officer, set up employee training, conduct independent audits, and establish policies and procedures to detect and report suspicious transaction and ensure compliance with such laws. As part of our required program, we may ask you to provide various identification documents or other information. Until you provide the information or documents we need, we may not be able to effect any transactions for you.

ANTI-MONEY LAUNDERING INFORMATION FORM

The following is required in accordance with the AML provision of the USA PATRIOT ACT.
(Please fill out and return with requested documentation.)

INVESTOR NAME: _____

LEGAL ADDRESS: _____

**SSN# or TAX ID#
OF INVESTOR:** _____

YEARLY INCOME: _____

NET WORTH: _____

* For purposes of calculating your net worth in this form, (a) your primary residence shall not be included as an asset; (b) indebtedness secured by your primary residence, up to the estimated fair market value of your primary residence at the time of your purchase of the securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of your purchase of the securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of your primary residence, the amount of such excess shall be included as a liability); and (c) indebtedness that is secured by your primary residence in excess of the estimated fair market value of your primary residence at the time of your purchase of the securities shall be included as a liability.

INVESTMENT OBJECTIVE(S) (FOR ALL INVESTORS): _____

ADDRESS OF BUSINESS OR OF EMPLOYER: _____

FOR INVESTORS WHO ARE INDIVIDUALS: AGE: _____

FOR INVESTORS WHO ARE INDIVIDUALS: OCCUPATION: _____

FOR INVESTORS WHO ARE ENTITIES: TYPE OF BUSINESS: _____

Schedule 3

Drexel Hamilton, LLC (“Drexel Hamilton”), Northland Capital Markets (“Northland”), Joseph Gunnar & Co., LLC (“Joseph Gunnar”), and Katalyst Securities, LLC have been engaged by the Company as placement agents in connection with the Offering. Each of these placement agents is entitled to the following compensation based on the amount of gross proceeds raised by the respective placement agent:

- 8% cash commissions for gross proceeds of up to \$3 million or;
- 10% cash commissions for gross proceeds above \$3 million; and
- 10% warrant commissions.

Drexel Hamilton has been engaged to serve as lead placement agent for Northland and Joseph Gunnar. In addition to the compensation described above, Drexel Hamilton, as lead placement agent, is entitled to the following compensation based on the amount of gross proceeds raised by Drexel Hamilton, Northland, and Joseph Gunnar:

- 1% cash commissions; and
- 1% warrant commissions.

Schedule 4a

Subsidiaries

Akoustis, Inc., a Delaware corporation

Schedule 4c

Capitalization

(ii) **Options, Warrants, etc.**

As of November 22, 2016, the Company had options to purchase 160,000 shares of common stock issued and outstanding and warrants to purchase 471,697 shares of common stock issued and outstanding.

(iv) **Registration rights**

Pursuant to that certain registration rights agreement (the “2015 Registration Rights Agreement”) entered into by the Company and the subscribers in the private placement offering of Common Stock conducted by the Company in May and June 2015 (the “2015 Offering”), the Company is required to maintain the effectiveness of the Registration Statement on Form S-1 declared effective by the Securities and Exchange Commission on October 20, 2015 for a period of twenty-four (24) months. In addition, the 2015 Registration Rights Agreement provides for customary piggyback registration rights. A copy of the 2015 Registration Rights Agreement is filed as Exhibit 10.9 to the Current Report on Form 8-K filed by the Company with the SEC on May 29, 2015, the text of which is incorporated herein by reference.

Pursuant to that certain registration rights agreement (the “2016 Registration Rights Agreement”) entered into by the Company and the subscribers in the private placement of Common Stock conducted by the Company in March and April 2016 (the “2016 Offering”), the Company is required to maintain the effectiveness of the Registration Statement on Form S-1 declared effective by the Securities and Exchange Commission on July 22, 2016 for a period of twenty-four (24) months. In addition, the 2016 Registration Rights Agreement provides for customer piggyback registration rights. A copy of the 2016 Registration Rights Agreement is filed as Exhibit 10.1 to the Current Report on Form 8-K filed by the Company with the SEC on March 11, 2016, the text of which is incorporated herein by reference.

Schedule 4e

Consents

None

Schedule 4f

Litigation

None

Schedule 4k

Intellectual Property Rights

No exceptions.

Schedule 4n

Title

No exceptions

Schedule 4g

Rights of First Refusal

None

Schedule 4t

Brokers' Fees

See Schedule 3.

EXHIBIT A

Form of Registration Rights Agreement

PLACEMENT AGENCY AGREEMENT

December 8, 2016

Katalyst Securities LLC

Mr. Michael A. Silverman

1330 Avenue of the Americas, 14th Floor
New York, New York 10019

Re: Akoustis Technologies, Inc.

Dear Mr. Silverman:

This Placement Agency Agreement (“Agreement”) sets forth the terms upon which Katalyst Securities LLC (“Katalyst”), registered broker-dealer and member of the Financial Industry Regulatory Authority (“FINRA”), (hereinafter referred to as the “Placement Agent”), shall be engaged by Akoustis Technologies, Inc., a publicly traded Nevada corporation (hereinafter referred to as the “Company”), to act as a non-exclusive Placement Agent in connection with the private placement (the “Offering”) of the securities of the Company referred to below (the “Securities”). The initial closing of the Offering will be conditioned upon and acceptance of subscriptions for the Minimum Offering Amount (as defined below).

1. Appointment of Placement Agent.

A. Appointment As Non-Exclusive Agent.

(a) On the basis of the written and documented representations and warranties of the Company provided herein, and subject to the terms and conditions set forth herein, the Placement Agent is hereby appointed as a non-exclusive Placement Agent of the Company during the Offering Period (as defined in Section 1(b) below) to assist the Company in finding qualified subscribers for the Offering. The Placement Agent may sell the Securities through other broker-dealers who are FINRA members (collectively, the “Sub Agents”) and may reallocate all or a portion of the Brokers’ Fees (as defined in Section 2(a), 2(b) and 2(d) below) it receives to such other Sub Agents or pay a finders or consultant fee as allowed by applicable law. On the basis of such representations and warranties and subject to such terms and conditions, the Placement Agent hereby accepts such appointment and agrees to perform the services hereunder diligently and in good faith and in a professional and businesslike manner and in compliance with applicable law and to use its reasonable best efforts to assist the Company in finding subscribers of the Securities who qualify as “accredited investors,” as such term is defined in Rule 501 of Regulation D. The Placement Agent has no obligation to purchase any of the Securities or sell any Securities. Unless sooner terminated in accordance with this Agreement, the engagement of the Placement Agent hereunder shall continue until the later of the Termination Date or the Final Closing (as defined below). The Offering will raise a minimum of gross proceeds of five hundred thousand dollars (\$500,000) (the “Minimum Offering Amount”) and a maximum of gross proceeds of ten million dollars (\$10,000,000) (the “Maximum Offering Amount”) through the sale of shares of common stock, par value \$0.001 per share, of the Company (the “Common Stock”), at the Purchase Price of \$5.00 per share (the “Offering Price”). The minimum subscription is twenty five thousand dollars (\$25,000) (5,000 shares), provided, however, that subscriptions in lesser amounts may be accepted by the Company in its sole discretion.

(b) Placement of the Securities by the Placement Agent will be made on a reasonable best efforts basis. The Company agrees and acknowledges that the Placement Agent is not acting as an underwriter with respect to the Offering and the Company shall determine the purchasers in the Offering in its sole discretion. The Shares will be offered by the Company to potential subscribers, which may include related parties of the Placement Agent or the Company, commencing on December 2, 2016 through January 9, 2017 (the "Initial Offering Period"), which date may be extended by the Company in its sole discretion (this additional period, if any, and the Initial Offering Period shall be referred to as the "Offering Period"). The date on which the Offering is terminated shall be referred to as the "Termination Date". The closing of the Offering may be held up to ten days after the Termination Date.

(c) The Company shall only offer securities to and accept subscriptions from or sell Securities to, persons or entities that qualify as (or are reasonably believed to be) "accredited investors," as such term is defined in Rule 501(a) of Regulation D ("Regulation D") as promulgated by the United States Securities and Exchange Commission (the "SEC") under Section 4(a)(2) of the Securities Act of 1933, as amended (the "Act").

(d) The offering of Securities will be made by the Placement Agent on behalf of the Company solely pursuant to the Company's standard subscription agreement and the exhibits to the Subscription Agreement (collectively, the "Subscription Agreement"), including, but not limited to, and to the extent applicable, a Registration Rights Agreement and any documents, agreements, supplements and additions thereto (collectively, the "Subscription Documents"), which at all times will be in form and substance reasonably acceptable to the Company and contain such legends and other information as the Company may, from time to time, deem necessary and desirable to be set forth therein.

(e) With respect to the Offering, the Company shall provide the Placement Agent, on terms set forth herein, the right to offer and sell all of the available Securities being offered during the Offering Period, to any prospective subscriber as set forth in Section 1(c) above and to certain institutional investors. It is understood that no sale shall be regarded as effective unless and until accepted by the Company. The Company may, in its sole discretion, accept or reject, in whole or in part, any prospective investment in the Securities or allot to any prospective subscriber less than the number of Securities that such subscriber desires to purchase. Purchases of Securities may be made by the Placement Agent and its selected sub-dealers and their respective officers, directors, employees and affiliates and by the officers, directors, employees and affiliates of the Company for the Offering and such purchases will be made by the Placement Agent and its selected sub-dealers and their respective officers, directors, employees and affiliates and by the officers, directors, employees and affiliates of the Company based solely upon the same information that is provided to the investors in the Offering.

B. Representations, Warranties and Covenants.

(a) The Company represents and warrants to the Placement Agent that all Subscription Documents will be materially complete and correct. The Company further represents and warrants that any projections provided by it to the Placement Agent will have been prepared in good faith and will be based upon assumptions, which, in light of the circumstances under which they are made, are reasonable. The Company recognizes and confirms that the Placement Agent (i) will use and rely primarily on the Subscription Documents and on information available from generally recognized public sources in performing the services contemplated by this Agreement without having independently verified the same; (ii) is authorized to transmit to any prospective investor the Subscription Documents and other legal documentation supplied to the Placement Agent for transmission to parties that have entered into a customary form of confidentiality agreement by or on behalf of the Company; (iii) does not assume responsibility for the accuracy or completeness of the Subscription Documents and such other information; (iv) will not make an appraisal of the Company; and (v) retains the right to continue to perform due diligence during the course of its engagement under this Agreement to the extent that it is reasonably necessary for it to perform the services contemplated hereby (it being understood that the Placement Agent will not be authorized to act as an initial purchaser or underwriter but will merely be acting as a placement agent without underwriter liability under the Securities Act of 1933).

(b) The Subscription Documents have been and/or will be prepared by the Company, in conformity with all materially applicable laws, and in compliance with Regulation D and/or Section 4(a)(2) of the Act and the requirements of all other rules and regulations (the “Regulations”) of the SEC relating to offerings of the type contemplated by the Offering, and the applicable securities laws and the rules and regulations of those jurisdictions wherein the Placement Agent notifies the Company that the Securities are to be offered and sold (including U.S. states). The Securities will be offered and sold pursuant to the registration exemption provided by Regulation D and/or Section 4(a)(2) of the Act as a transaction not involving a public offering and the requirements of any other applicable state securities laws and the respective rules and regulations thereunder in those United States jurisdictions in which the Placement Agent notifies the Company that the Securities are being offered for sale.

(c) There is no fact which the Company has not disclosed in the Subscription Documents or which is not disclosed in the filings (the “SEC Filings”) that the Company makes with the SEC and of which the Company is aware that materially adversely affects or that could reasonably be expected to have a material adverse effect on the (i) assets, liabilities, results of operations, condition (financial or otherwise), business or business prospects of the Company or (ii) ability of the Company to perform its obligations under this Agreement and the other Subscription Documents (the “Company Material Adverse Effect”).

(d) The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Nevada and is qualified and in good standing as a foreign corporation in each jurisdiction in which the nature of the business conducted by the Company or the property owned or leased by the Company requires such qualification, except to the extent that the failure to be so qualified or be in good standing would not have a Company Material Adverse Effect. The Company has all requisite corporate power and authority to conduct its business as presently conducted and as proposed to be conducted (as described in the Subscription Documents and/or the SEC Filings), has all the necessary and requisite documents and approvals from all state authorities, has all requisite corporate power and authority to enter into and perform its obligations under this Agreement, the Securities Purchase Agreement substantially in the form made part of the Subscription Documents (the “Securities Purchase Agreement”), the Registration Rights Agreement substantially in the form made part of the Subscription Documents (the “Registration Rights Agreement”), and the other agreements, if any, contemplated by the Offering (this Agreement, Securities Purchase Agreement, the Registration Rights Agreement and the other agreements contemplated hereby that the Company is required to execute and deliver are collectively referred to herein as the “Company Transaction Documents”) and subject to necessary Board and stockholder approvals, to issue, sell and deliver the Shares and the shares of Common Stock issuable upon exercise of the Brokers’ Warrant (as hereinafter defined) (the shares of Common Stock issuable upon exercise of the Brokers’ Warrant referred to as the “Brokers’ Warrant Shares”) and to make the representations in this Agreement accurate and not misleading. Prior to the First Closing, as defined under Section 3(e), each of the Company Transaction Documents and the Offering will have been duly authorized. This Agreement has been duly authorized, executed and delivered and constitutes, and each of the other Company Transaction Documents, upon due execution and delivery, will constitute, valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms (i) except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect related to laws affecting creditors’ rights generally, including the effect of statutory and other laws regarding fraudulent conveyances and preferential transfers, and except that no representation is made herein regarding the enforceability of the Company’s obligations to provide indemnification and contribution remedies under the securities laws and (ii) subject to the limitations imposed by general equitable principles (regardless of whether such enforceability is considered in a proceeding at law or in equity).

(e) The Articles of Incorporation and By-laws of the Company are true, correct and complete copies of the certificate of incorporation and bylaws of the Company, as in effect on the date hereof. The Company is not: (i) in violation of its Articles of Incorporation or By-Laws; (ii) in default of any contract, indenture, mortgage, deed of trust, note, loan agreement, security agreement, lease, alliance agreement, joint venture agreement or other agreement, license, permit, consent, approval or instrument to which the Company is a party or by which it is or may be bound or to which any of its assets may be subject, the default of which could reasonably be expected to have a Company Material Adverse Effect; (iii) in violation of any statute, rule or regulation applicable to the Company, the violation of which would have a Company Material Adverse Effect; or (iv) in violation of any judgment, decree or order of any court or governmental body having jurisdiction over the Company and specifically naming the Company, which violation or violations individually, or in the aggregate, could reasonably be expected to have a Company Material Adverse Effect.

(f) Immediately prior to the First Closing, the Shares, the Brokers' Warrant and the Brokers' Warrant Shares will have been duly authorized and, when issued and delivered against payment therefor as provided in the Company Transaction Documents, will be validly issued, fully paid and nonassessable. No holder of any of the Shares or Brokers' Warrant Shares will be subject to personal liability solely by reason of being such a holder, and except as described in the Subscription Documents, none of the Shares, Brokers' Warrant or Brokers' Warrant Shares will be subject to preemptive or similar rights of any stockholder or security holder of the Company or an adjustment under the antidilution or exercise rights of any holders of any outstanding shares of capital stock, options, warrants or other rights to acquire any securities of the Company. Immediately prior to the Closing, a sufficient number of authorized but unissued shares of Common Stock will have been reserved for issuance upon the exercise of the Brokers' Warrants.

(g) No consent, authorization or filing of or with any court or governmental authority is required in connection with the issuance or the consummation of the transactions contemplated herein or in the other Company Transaction Documents, except for required filings with the SEC and the applicable state securities commissions relating specifically to the Offering (all of which filings will be duly made by, or on behalf of, the Company), and those which are required to be made after the Closing (all of which will be duly made on a timely basis).

(h) Neither the sale of the Securities by the Company nor its use of the proceeds thereof will violate the Trading with the Enemy Act, as amended, nor any of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto. Without limiting the foregoing, the Company is not (a) a person whose property or interests in property are blocked pursuant to Section 1 of Executive Order 13224 of September 23, 2001 Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism (66 Fed. Reg. 49079 (2001)) or (b) a person who engages in any dealings or transactions, or be otherwise associated, with any such person. The Company and its subsidiaries, if any, are in compliance, in all material respects, with the USA Patriot Act of 2001 (signed into law October 26, 2001). Each of the Company, its affiliates and any of their respective officers, directors, supervisors, managers, agents, or employees, has not violated, its participation in the offering will not violate, and the Company has instituted and maintains policies and procedures designed to ensure continued compliance with, each of the following laws: (a) anti-bribery laws, including but not limited to, any applicable law, rule, or regulation of any locality, including but not limited to any law, rule, or regulation promulgated to implement the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, signed December 17, 1997, including the U.S. Foreign Corrupt Practices Act of 1977, as amended, or any other law, rule or regulation of similar purposes and scope, (b) anti-money laundering laws, including but not limited to, applicable federal, state, international, foreign or other laws, regulations or government guidance regarding anti-money laundering, including, without limitation, Title 18 U.S. Code section 1956 and 1957, the Bank Secrecy Act, and international anti-money laundering principles or procedures by an intergovernmental group or organization, such as the Financial Action Task Force on Money Laundering, of which the United States is a member and with which designation the United States representative to the group or organization continues to concur, all as amended, and any Executive order, directive, or regulation pursuant to the authority of any of the foregoing, or any orders or licenses issued thereunder or (c) laws and regulations imposing U.S. economic sanctions measures, including, but not limited to, the International Emergency Economic Powers Act, the United Nations Participation Act and the Syria Accountability and Lebanese Sovereignty Act, all as amended, and any Executive Order, directive, or regulation pursuant to the authority of any of the foregoing, including the regulations of the United States Treasury Department set forth under 31 CFR, Subtitle B, Chapter V, as amended, or any orders or licenses issued thereunder. Neither the Company nor any director, officer, agent, employee or other person acting on behalf of the Company has, in the course of its actions for, or on behalf of, the Company (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity; (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; or (iii) made any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment to any foreign or domestic government official or employee.

(i) The authorized capital stock of the Company as of the Closing will be set forth in the Securities Purchase Agreement. All issued and outstanding shares of capital stock have been duly authorized and validly issued, are fully paid and nonassessable, were not issued in violation of any preemptive rights or similar rights to subscribe for or purchase securities, and, except as disclosed in the Company's SEC Filings, have been issued and sold in compliance with the registration requirements of federal and state securities laws or the applicable statutes of limitation have expired. Except as set forth in the Securities Purchase Agreement and the Company's SEC Filings, there are no (i) outstanding rights (including, without limitation, preemptive rights), warrants or options to acquire, or instruments convertible into or exchangeable for, any unissued shares of capital stock or other equity interest in the Company, or any contract, commitment, agreement, understanding or arrangement of any kind to which the Company or its subsidiaries is a party and relating to the issuance or sale of any capital stock or convertible or exchangeable security of the Company; or (ii) obligations of the Company to purchase redeem or otherwise acquire any of its outstanding capital stock or any interest therein or to pay any dividend or make any other distribution in respect thereof.

(j) None of Company, any of its predecessors, any affiliated issuer, any director, executive officer, other officer of the Company participating in the Offering, any beneficial owner of 20% or more of the Company's outstanding voting equity securities, calculated on the basis of voting power, nor any promoter (as that term is defined in Rule 405 under the Securities Act) connected with the Company in any capacity at the time of sale (each, an "Issuer Covered Person" and, together, "Issuer Covered Persons") is subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i)-(viii) under the Securities Act (a "Disqualification Event"), except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3) or has been involved in any matter which would be a Disqualification Event except for the fact that it occurred before September 23, 2013. The Company has exercised reasonable care to determine whether any Issuer Covered Person is subject to a Disqualification Event. The Company has complied, to the extent applicable, with its disclosure obligations under Rule 506(e), and has furnished to the Placement Agents a copy of any disclosures provided thereunder.

(k) The Company is not aware of any person (other than any Issuer Covered Person or Placement Agent Covered Person (as defined below) that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the sale of any the Securities. For purposes of this subsection “Placement Agent Covered Person” shall mean Katalyst Securities LLC, or any of its directors, executive officers, general partners, managing members or other officers participating in the Offering.

(l) The Company will notify the Placement Agent in writing, prior to the Closing Date of (i) any Disqualification Event relating to any Issuer Covered Person and (ii) any event that would, with the passage of time, become a Disqualification Event relating to any Issuer Covered Person.

(m) The Company is in compliance in all material respects with any and all applicable requirements of the Sarbanes-Oxley Act of 2002 that are effective as of the date hereof, and any and all applicable rules and regulations promulgated by the SEC thereunder that are effective as of the date hereof.

(n) The Company acknowledges that the Placement Agent, any sub agents, legal counsel to the Company and/or their respective affiliates, principles, representatives or employees may now or hereafter own shares of the Company.

C. Representations, Warranties and Covenants of Katalyst.

The Placement Agent hereby represents and warrants to the Company that the following representations and warranties are true and correct as of the date of this Agreement:

(a) The Placement Agent represents that neither it, nor to its knowledge any of its Sub-Agents or any of its or their respective directors, executive officers, general partners, managing members or other officers participating in the Offering (each, a “Katalyst Covered Person” and, together, “Katalyst Covered Persons”), is subject to any of the “Bad Actor” disqualifications described in Rule 506(d)(1)(i) to (viii) under the Securities Act (a “Disqualification Event”) or has been involved in any matter which would be a Disqualification Event except for the fact that it occurred before September 23, 2013.

(b) The Placement Agent will notify the Company promptly in writing of any Disqualification Event relating to any Katalyst Covered Person not previously disclosed to the Company in accordance with section 1C(a) above.

2. Placement Agent Compensation.

(a) In connection with the Offering, the Company will pay a cash fee (the “Broker Cash Fee”) to the Placement Agent at each Closing equal to (i) 8% of each Closing’s gross proceeds of an amount up to \$3,000,000 from any sale of Securities in the Offering during the Term to investors first contacted by the Placement Agent in connection with the Offering, or (ii) if gross proceeds exceed \$3,000,000, then 10% of each Closing’s gross proceeds for amounts from the sale of Securities in the Offering during the Term to investors first contacted by the Placement Agent in connection with the Offering. The Broker Cash Fee shall be paid to the Placement Agent in cash by wire transfer from the escrow account established for the Offering, and as a condition to closing, simultaneous with the distribution of funds to the Company.

(b) Also, at each Closing, the Company will deliver to the Placement Agent (or its designees), warrants to purchase shares of the Company's Common Stock, equal, in the aggregate, to 10% of the number of Securities sold in the Offering on which the Placement Agent receives compensation pursuant to Section 2(a), which warrants shall have an initial exercise price equal to the price per share of the Securities ("Brokers' Warrants"). The Brokers' Warrants will be issued on the Company's standard warrant documents at the time of issuance and shall have a term of five-years, and contain cashless exercise provisions and piggyback registration rights, providing the Placement Agent with the right to purchase one share of the Company's common stock per warrant with an exercise price equal to the exercise price received by participating investors in the transaction. The warrants and the shares issuable upon exercise of the warrants may constitute restricted shares and may contain restrictive legends indicating such restrictions; provided, however, that the warrants and shares issuable shall contain piggyback registration rights requiring their inclusion with any registration statement filed by the Company. In the event no registration statement is filed, the Company's counsel shall be responsible for drafting and executing the Rule 144 comfort letter (and any other required paperwork as required by the transfer agent), at the Company's expense, providing for the sale of such underlying shares. To the extent permitted by applicable laws, all warrants shall permit unencumbered transfer to the Placement Agent's employees and affiliates and the warrants may be issued directly to the Placement Agent's employees and affiliates at the Placement Agent's request. The Broker Cash Fee and the Brokers' Warrant are sometimes referred to collectively as the "Brokers' Fees"). The Brokers' Warrant issued by the Company to each Placement Agent for participating in this Offering shall be identical in all terms.

(c) To the extent there is more than one Closing, payment of the proportional amount of the Broker Cash Fees will be made out of the gross proceeds from any sale of Securities sold at each Closing and the Company will issue to the Placement Agent the corresponding number of Brokers' Warrants. All cash compensation and warrants under this Agreement shall be paid directly by the Company to and in the name provided to the Company by the Placement Agent.

(d) Provided that an Offering is consummated during the Offering Period, the Placement Agent shall be entitled to the Broker Cash Fee and Brokers' Warrants, calculated in the manner provided in this Section 2 with respect to any subsequent public or private offering or other financing or capital-raising transaction of any kind ("Subsequent Financing") to the extent that such financing or capital is provided the Company, or to any Company Affiliate (as defined below), by either (i) investors whom the Placement Agent had Introduced (as defined below), directly or indirectly, to the Company during the Offering Period if such Subsequent Financing is consummated at any time within the three (3) month period following the earlier of expiration or termination of this Agreement or the closing of the Offering, if an Offering is consummated, or (ii) investors whom the Placement Agent had Introduced, directly or indirectly, to the Company during the Offering Period and who actually participated in the Offering, if such Subsequent Financing is consummated at any time within the six (6) month period following the earlier of expiration or termination of this Agreement or the closing of the Offering. Within five (5) business days of the closing of the Offering, Katalyst shall provide to the Company a list of investors, in the form of an Annex A to this Agreement, who either (i) participated in the Offering or (ii) were Introduced to the Company by the Placement Agent. A "Company Affiliate" shall mean any individual or entity controlling, controlled by or under common control with such entity and any officer, director, employee, stockholder, partner, member or agent of such entity. "Introduced" shall mean that the Company was made known to an investor for the first time and such investor met with the Company and/or had a conversation with the Company either in person or via telephone regarding the Offering.

3. Subscription and Closing Procedures.

(a) The Company shall cause to be delivered to the Placement Agent copies of the Subscription Documents and has consented, and hereby consents, to the use of such copies for the purposes permitted by the Act and applicable securities laws and in accordance with the terms and conditions of this Agreement, and hereby authorizes the Placement Agent and its agents and employees to use the Subscription Documents in connection with the sale of the Securities until the earlier of (i) the Termination Date or (ii) the Final Closing, and no person or entity is or will be authorized to give any information or make any representations other than those contained in the Subscription Documents or to use any offering materials other than those contained in the Subscription Documents in connection with the sale of the Securities, unless the Company first provides the Placement Agent with notification of such information, representations or offering materials.

(b) The Company shall make available to the Placement Agent and its representatives such information, including, but not limited to, financial information, and other information regarding the Company (the "Information"), as may be reasonably requested in making a reasonable investigation of the Company and its affairs. The Company shall provide access to the officers, directors, employees, independent accountants, legal counsel and other advisors and consultants of the Company as shall be reasonably requested by the Placement Agent. The Company recognizes and agrees that the Placement Agent (i) will use and rely primarily on the Information and generally available information from recognized public sources in performing the services contemplated by this Agreement without independently verifying the Information or such other information, (ii) does not assume responsibility for the accuracy of the Information or such other information, and (iii) will not make an appraisal of any assets or liabilities owned or controlled by the Company or its market competitors.

(c) Each prospective purchaser will be required to complete and execute the Subscription Documents, Anti-Money Laundering Form, Accredited Investor Certification and other documents which will be forwarded or delivered to the Placement Agent at the Placement Agent's offices at the address set forth in Section 12 hereof or to an address identified in the Subscription Documents.

(d) Simultaneously with the delivery to the Placement Agent of the Subscription Documents, the subscriber's check or other good funds will be forwarded directly by the subscriber to the escrow agent and deposited into a non interest bearing escrow account (the "Escrow Account") established for such purpose (the "Escrow Agent"). All such funds for subscriptions will be held in the Escrow Account pursuant to the terms of an escrow agreement among the Company, the Placement Agent and the Escrow Agent. The Company will pay all fees related to the establishment and maintenance of the Escrow Account. Subject to the receipt of subscriptions for the amount for Closing, the Company will either accept or reject, for any or no reason, the Subscription Documents in a timely fashion and at each Closing will countersign the Subscription Documents and provide duplicate copies of such documents to the Placement Agent for distribution to the subscribers. The Company will give notice to the Placement Agent of its acceptance of each subscription. The Company, or the Placement Agent on the Company's behalf, will promptly return to subscribers incomplete, improperly completed, improperly executed and rejected subscriptions and give written notice thereof to the Placement Agent upon such return.

(e) If subscriptions for at least the Minimum Offering Amount for Closing have been accepted prior to the Termination Date, the funds therefor have been collected by the Escrow Agent and all of the conditions set forth elsewhere in this Agreement are fulfilled, a closing shall be held promptly with respect to the Securities sold (the "First Closing"). Thereafter, the remaining Securities will continue to be offered and sold until the earlier of the Termination Date or the date that additional subscription amounts up to the Maximum Offering amount have been collected by the Escrow Agent. Additional Closings (each a "Closing", collectively "Closings") may from time to time be conducted at times mutually agreed to between the Company and the Placement Agent with respect to additional Securities sold, with the final closing ("Final Closing") to occur within 10 days after the earlier of the Termination Date and the date on which the Maximum Offering Amount has been subscribed for. Delivery of payment for the accepted subscriptions for the Securities from the funds held in the Escrow Account will be made at each Closing at the Placement Agent's offices against delivery of the Securities by the Company at the address set forth in Section 10 hereof (or at such other place as may be mutually agreed upon between the Company and the Placement Agent), net of amounts agreed upon by the parties herein, including, the blue sky counsel as of such Closing. Executed certificates for the shares of Common Stock and the Brokers' Warrants will be in such authorized denominations and registered in such names as the Placement Agent may request on or before the date of each Closing ("Closing Date"). The certificates will be forwarded to the subscriber directly by the stock transfer agent as soon as practicable following each Closing. At each Closing, the Company will (i) deliver irrevocable issuance instruction to its stock transfer agent for the issuance of certificates representing the shares of Common Stock being sold, and (ii) issue and deliver the applicable Brokers' Warrants.

(f) If Subscription Documents for the Minimum Offering Amount for Closing have not been received and accepted by the Company on or before the Termination Date for any reason, the Offering will be terminated, no Securities will be sold, and the Escrow Agent will, at the request of the Placement Agent, cause all monies received from subscribers for the Securities to be promptly returned to such subscribers without interest, penalty, expense or deduction.

4. Further Covenants.

The Company hereby covenants and agrees that:

(a) The Company shall comply with the Act, the Exchange Act of 1934, as amended, the rules and regulations thereunder, all applicable state securities laws and the rules and regulations thereunder in the states in which the Company's blue sky counsel has advised the Placement Agent and/or the Company that the Securities are qualified or registered for sale or exempt from such qualification or registration, so as to permit the continuance of the sales of the Securities.

(b) The Company, at its own cost and expense, shall use reasonable best efforts to qualify the Securities for sale under the securities laws of such jurisdictions in the United States as may be mutually agreed to by the Company and the Placement Agent, and the Company will make or cause to be made such applications and furnish information as may be required for such purposes, provided that the Company will not be required to qualify as a foreign corporation in any jurisdiction or execute a general consent to service of process.

(c) The Company shall place a legend on the certificates representing the shares of the Common Stock and the Brokers' Warrants that the securities evidenced thereby have not been registered under the Act or applicable state securities laws, setting forth or referring to the applicable restrictions on transferability and sale of such securities under the Act and applicable state laws.

(d) The Company shall apply the net proceeds from the sale of the Securities for the purposes set forth in the Subscription Documents.

(e) During the Offering Period, the Company shall afford each prospective purchaser of Securities the opportunity to ask questions of and receive answers from an officer of the Company concerning the terms and conditions of the Offering and the opportunity to obtain such other additional information necessary to verify the accuracy of the Subscription Documents to the extent the Company possesses such information or can acquire it without unreasonable expense.

(f) Whether or not the transactions contemplated hereby are consummated, or this Agreement is terminated, the Company shall pay all reasonable expenses incurred in connection with the preparation and printing of all necessary offering documents and instruments related to the Offering and the issuance of the Common Stock and the Brokers' Warrants and will also pay for the Company's expenses for accounting fees, legal fees, printing costs, and other costs involved with the Offering. The Company will provide at its own expense such quantities of the Subscription Documents and other documents and instruments relating to the Offering as the Placement Agent may reasonably request. The Company will pay at its own expense in connection with the creation, authorization, issuance, transfer and delivery of the Securities, including, without limitation, fees and expenses of any transfer agent or registrar; the fees and expenses of the Escrow Agent; all fees and expenses of legal, accounting and other advisers to the Company; the registration or qualification of the Securities for offer and sale under the securities or blue sky laws of such jurisdictions, payable within five (5) days of being invoiced. The Company will pay all such amounts, unless previously paid, at the First Closing, or, if there is no Closing, within ten (10) days after written request therefor following the Termination Date. In addition to any fees payable to the Placement Agent hereunder, the Company hereby agrees to promptly reimburse Catalyst for its non-accountable legal counsel fees ("Placement Agent Counsel Fee") in the amount of Ten Thousand Dollars (\$10,000) provided that the Placement Agent participates in the Offering and the Company receives gross proceeds of at least \$100,000 from offers and sales of securities placed by the Placement Agent under this Agreement, paid directly from the escrow account at the time of the first Closing from gross proceeds raised by the Placement Agent. If there is no Closing of the Offering that the Placement Agent participates in, then the Company agrees to pay the Placement Agent Counsel Fee within five (5) days of written request to the Company by wire transfer to the provided banking coordinates. The Placement Agent will be responsible for its own out-of-pocket expenses incurred in performing the services described herein, unless the Company agrees. This reimbursement obligation is in addition to the reimbursement of fees and expenses relating to attendance by the Placement Agent at proceedings or to indemnification and contribution as contemplated elsewhere in this agreement. In the event the Placement Agent's personnel must attend or participate in judicial or other proceedings to which we are not a party relating to the subject matter of this agreement, the Company shall pay the Placement Agent an additional per diem payment, per person, at its customary rates, together with reimbursement of all out-of-pocket expenses and disbursements, including reasonable attorneys' fees and disbursements incurred by it in respect of its preparation for and participation in such proceedings. The Placement Agent's legal counsel fees do not include the registration legal fees and expenses for the blue sky and other regulatory filings to be made in connection with the Offering(s).

(g) On each Closing Date, the Company permits the Placement Agent to rely on any representations and warranties made by the Company to the investors and will cause its counsel to permit the Placement Agent to rely upon any opinion furnished to the investors in the Private Placement.

(h) The Company will comply with all of its obligations and covenants set forth in its agreements with the investors in the Offering. If not filed on EDGAR, the Company will promptly deliver to the Placement Agent copies of any and all filings with the SEC and each amendment or supplement thereto, as well as all prospectuses and free writing prospectuses, prior to the closing of the Offering and six months thereafter. The Placement Agent is authorized on behalf of the Company to use and distribute copies of any Subscription Documents, including Company's SEC Filings in connection with the sale of the Securities as, and to the extent, permitted by federal and applicable state securities laws. The Company acknowledges and agrees that the Placement Agent will be relying, without assuming responsibility for independent verification, on the accuracy and completeness of all financial and other information that is and will be furnished to them by the Company and the Company will be liable for any material misstatements or omissions contained therein.

(i) Except with the prior written consent of the Placement Agent, the Company shall not, at any time prior to the earlier of the Final Closing or the Termination Date, except as contemplated by the Subscription Documents (i) engage in or commit to engage in any transaction outside the ordinary course of business as described in the Subscription Documents, (ii) issue, agree to issue or set aside for issuance any securities (debt or equity) or any rights to acquire any such securities, (iii) incur, outside the ordinary course of business, any material indebtedness, (iv) dispose of any material assets, (v) make any material acquisition or (vi) change its business or operations in any material respect.

5. Conditions of Placement Agent's Obligations.

The obligations of the Placement Agent hereunder to affect a Closing are subject to the fulfillment, at or before each Closing, of the following additional conditions:

- (a) Each of the representations and warranties made by the Company shall be true and correct on each Closing Date.
- (b) The Company shall have performed and complied in all material respects with all agreements, covenants and conditions required to be performed and complied with by it at or before the Closing.
- (c) The Subscription Documents do not, and as of the date of any amendment or supplement thereto will not, include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.
- (d) No order suspending the use of the Subscription Documents or enjoining the Offering or sale of the Securities shall have been issued, and no proceedings for that purpose or a similar purpose shall have been initiated or pending, or, to the best of the Company's knowledge, be contemplated or threatened.
- (e) No holder of any of the Securities from the Offering will be subject to personal liability solely by reason of being such a holder, and except as described in the Subscription Documents, none of the Company's shares of Common Stock and Brokers' Warrant Shares will be subject to preemptive or similar rights of any stockholder or security holder of the Company, or an adjustment under the antidilution or exercise rights of any holders of any outstanding shares of capital stock, membership units, options, warrants or other rights to acquire any securities of the Company.
- (f) There shall have been no material adverse change nor development involving a prospective change in the financial condition, operations or projects of the Company, except where such change would not have a Company Material Adverse Effect on the business activities, financial or otherwise, results of operations or prospects of the Company, taken individually or in the aggregate.
- (g) At each Closing, the Company shall have (i) paid to the Placement Agent the Broker Cash Fee in respect of all Securities sold at such Closing, (ii) executed and delivered to the Placement Agent the Brokers' Warrants in respect of all Securities sold at such Closing, and (iii) paid all fees, costs and expenses as set forth in Section 4(f) hereof.
- (h) There shall have been delivered to the Placement Agent a signed opinion of counsel to the Company, containing such legal opinions as are customarily delivered in similar transactions, dated as of the initial Closing Date.
- (i) All proceedings taken at or prior to the Closing in connection with the authorization, issuance and sale of the Common Stock and the Brokers' Warrants will be reasonably satisfactory in form and substance to the Placement Agent, and the Placement Agent shall have been furnished with all such documents, certificates and opinions as it may reasonably request upon reasonable prior notice in connection with the transactions contemplated hereby.

(j) If in connection with the Offering, the Placement Agent determines that they or the Company would be required to make a filing with the FINRA to enable the Placement Agent to act as agent in the Offering, the Company will do the following: The Company will reasonably cooperate with the Placement Agent with respect to all FINRA filings that the Company or the Placement Agent may be required to make and provide all information and documentation necessary to make the filings in a timely manner.

(k) The Company agrees and understands that this Agreement in no way constitutes a guarantee that the Offering will be successful. The Company acknowledges that the Company is ultimately responsible for the successful completion of a transaction.

6. Conditions of the Company's Obligations.

The obligations of the Company hereunder are subject to the satisfaction of each of the following conditions:

(a) The satisfaction or waiver of all conditions to Closing as set forth herein.

(b) As of each Closing, each of the representations and warranties made by Placement Agent herein being true and correct as of the Closing Date for such Closing.

(c) At each Closing, the Company shall have received the proceeds from the sale of the Securities that are part of such Closing less applicable Broker Fees and other deductions contemplated by this Agreement.

(d) At each Closing, the Company shall have received a copy of Subscription Documents signed by investors delivered by the Placement Agent.

7. Indemnification.

(a) The Company will: (i) indemnify and hold harmless the Placement Agent, its agents and its officers, directors, employees, agents, selected dealers and each person, if any, who controls the Placement Agent within the meaning of the Act and such agents (each an "Indemnitee" or a "Placement Agent Party") against, and pay or reimburse each Indemnitee for, any and all losses, claims, damages, liabilities or expenses whatsoever (or actions or proceedings or investigations in respect thereof (collectively, "Proceedings")), joint or several (which will, for all purposes of this Agreement, include, but not be limited to, all reasonable costs of defense and investigation and all reasonable attorneys' fees, including appeals), to which any Indemnitee may become subject (a) under the Act or otherwise, in connection with the offer and sale of the Securities and (b) as a result of the breach of any representation, warranty or covenant made by the Company herein or the failure of the Company to perform its obligations under the Agreement, regardless of whether such losses, claims, damages, liabilities or expenses shall result from any claim by any Indemnitee or by any third party; and (ii) reimburse each Indemnitee for any legal or other expenses reasonably incurred in connection with investigating or defending against any such loss, claim, action, proceeding or investigation; provided, however, the Company will not be liable in any such case to the extent that any such claim, damage or liability of the Placement Agent is to have resulted from the gross negligence or willful misconduct of the Placement Agent or its officers, employees or agents. In addition to the foregoing agreement to indemnify and reimburse, the Company will indemnify and hold harmless each Indemnitee against any and all losses, claims, damages, liabilities or expenses whatsoever (or actions or proceedings or investigations in respect thereof), joint or several (which shall, for all purposes of this Agreement, include, but not be limited to, all reasonable costs of defense and investigation and all reasonable attorneys' fees, including appeals) to which any Indemnitee may become subject insofar as such costs, expenses, losses, claims, damages or liabilities arise out of or are based upon the claim of any person or entity that he or it is entitled to broker's or finder's fees from any Indemnitee in connection with the Offering as a result of the Company obligating itself or any Indemnitee to pay such a fee, other than fees due to the Placement Agent, its dealers, sub-agents or finders. The foregoing indemnity agreements will be in addition to any liability the Company may otherwise have. The Indemnitees are intended third party beneficiaries of this provision.

(b) Promptly after receipt by an indemnified party under this Section 7 of notice of the commencement of any action, claim, proceeding or investigation (the "Action"), such indemnified party, if a claim in respect thereof is to be made against the indemnifying party under this Section 7, will notify the indemnifying party of the commencement thereof, but the omission to so notify the indemnifying party will not relieve it from any liability that it may have to any indemnified party under this Section 7 unless the indemnifying party has been substantially prejudiced by such omission. The indemnifying party will be entitled to participate in and, to the extent that it may wish, jointly with any other indemnifying party, to assume the defense thereof subject to the provisions herein stated, with counsel reasonably satisfactory to such indemnified party. The indemnified party will have the right to employ separate counsel in any such Action and to participate in the defense thereof, but the fees and expenses of such counsel will not be at the expense of the indemnifying party if the indemnifying party has assumed the defense of the Action with counsel reasonably satisfactory to the indemnified party, provided, however, that if the indemnified party shall be requested by the indemnifying party to participate in the defense thereof or shall have concluded in good faith and specifically notified the indemnifying party either that there may be specific defenses available to it that are different from or additional to those available to the indemnifying party or that such Action involves or could have a material adverse effect upon it with respect to matters beyond the scope of the indemnity agreements contained in this Agreement, then the counsel representing it, to the extent made necessary by such defenses, shall have the right to direct such defenses of such Action on its behalf and in such case the reasonable fees and expenses of such counsel in connection with any such participation or defenses shall be paid by the indemnifying party. No settlement of any Action against an indemnified party will be made without the consent of the indemnifying party and the indemnified party, which consent shall not be unreasonably withheld or delayed in light of all factors of importance to such party, and no indemnifying party shall be liable to indemnify any person for any settlement of any such claim effected without such indemnifying party's consent. Notwithstanding the immediately preceding sentence, if at any time an indemnified party requests the indemnifying party to reimburse the indemnified party for legal or other expenses in connection with investigating, responding to or defending any Proceedings as contemplated by this indemnity agreement, the indemnifying party will be liable for any settlement of any Proceedings effected without its written consent if (i) the proposed settlement is entered into more than 30 days after receipt by the indemnifying party of the request for reimbursement, (ii) the indemnifying party has not reimbursed the indemnified party within 30 days of such request for reimbursement, (iii) the indemnified party delivered written notice to the indemnifying party of its intention to settle and the failure to pay within such 30 day period, and (iv) the indemnifying party does not, within 15 days of receipt of the notice of the intention to settle and failure to pay, reimburse the indemnified party for such legal or other expenses and object to the indemnified party's seeking to settle such Proceedings.

8. Termination.

(a) The Offering may be terminated by the Placement Agent at any time prior to the expiration of the Offering Period in the event that: (i) any of the representations, warranties or covenants of the Company contained herein or in the Subscription Documents shall prove to have been false or misleading in any material respect when actually made; (ii) the Company shall have failed to perform any of its material obligations hereunder or under any other Company Transaction Document or any other transaction document; (iii) there shall occur any event, within the control of the Company that is reasonably likely to materially and adversely affect the transactions contemplated hereunder or the ability of the Company to perform hereunder; or (iv) the Placement Agent determines that it is reasonably likely that any of the conditions to Closing to be fulfilled by the Company set forth herein will not, or cannot, be satisfied.

(b) This Offering may be terminated by the Company at any time prior to the Termination Date in the event that (i) the Placement Agent shall have failed to perform any of its material obligations hereunder or (ii) on account of the Placement Agent's fraud, illegal or willful misconduct or gross negligence. In the event of any termination by the Company, the Placement Agent shall be entitled to receive, on the Termination Date, all unpaid Broker Fees earned or accrued through the Termination Date and reimbursement of all expenses as provided for in this Agreement, but shall be entitled to no other amounts whatsoever except as may be due under any indemnity or contribution obligation for provided herein, at law or otherwise. On such Termination Date, the Company shall pay the Placement Agent's counsels fees in connection with the Offering, as provided for herein.

(c) This Offering may be terminated upon mutual agreement of the Company and the Placement Agent at any time prior to the expiration of the Offering Period.

(d) Except as otherwise provided above, before any termination by the Placement Agent under Section 8(a) or by the Company under Section 8(b) shall become effective, the terminating party shall give ten (10) day prior written notice to the other party of its intention to terminate the Offering (the "Termination Notice"). The Termination Notice shall specify the grounds for the proposed termination. If the specified grounds for termination, or their resulting adverse effect on the transactions contemplated hereby, are curable, then the other party shall have five (5) business days, or any extensions agreed to by the Parties in writing, from the Termination Notice within which to remove such grounds or to eliminate all of their material adverse effects on the transactions contemplated hereby; otherwise, the Offering shall terminate.

(e) Upon any termination pursuant to this Section 8, the Placement Agent and the Company will instruct the Escrow Agent to cause all monies received with respect to the subscriptions for Securities not accepted by the Company to be promptly returned to such subscribers without interest, penalty or deduction.

9. Survival.

(a) The obligations of the parties to pay any costs and expenses hereunder and to provide indemnification and contribution as provided herein shall survive any termination hereunder. In addition, the provisions of Sections 2, and 7 through 19 shall survive the sale of the Securities or any termination of the Offering hereunder.

(b) The respective indemnities, covenants, representations, warranties and other statements of the Company and the Placement Agent set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation made by or on behalf of, and regardless of any access to information by the Company or the Placement Agent, or any of its officers or directors or any controlling person thereof, and will survive the sale of the Securities or any termination of the Offering hereunder.

10. Notices.

All notice and other communications hereunder will be in writing and shall be deemed effectively given to a party by (a) personal delivery; (b) upon deposit with the United States Post Office, by certified mail, return receipt requested, first-class mail, postage prepaid; (c) delivered by hand or by messenger or overnight courier, addressee signature required, to the addresses below or at such other address and/or to such other persons as shall have been furnished by the parties:

If to the Company: Akoustis Technologies, Inc.
9805 Northcross Center Court, Suite H
Huntersville, North Carolina 28078
Attention: Jeffrey B. Shealy, CEO

If to Katalyst Securities LLC. Katalyst Securities, LLC
1330 Avenue of the Americas, 14th Floor
New York, NY 10019
Attention: Michael Silverman
Managing Director

With a copy to: Barbara J. Glenns, Esq.
(which shall not constitute notice) Law Office of Barbara J. Glenns, Esq.
30 Waterside Plaza, Suite 25G
New York, NY 10010

11. Governing Law, Jurisdiction.

This Agreement shall be deemed to have been made and delivered in New York City and shall be governed as to validity, interpretation, construction, effect and in all other respects by the internal laws of the State of New York without regard to principles of conflicts of law thereof.

THE PARTIES HERETO AGREE TO SUBMIT ALL CONTROVERSIES TO THE EXCLUSIVE JURISDICTION OF FINRA ARBITRATION IN ACCORDANCE WITH THE PROVISIONS SET FORTH BELOW AND UNDERSTAND THAT (A) ARBITRATION IS FINAL AND BINDING ON THE PARTIES, (B) THE PARTIES ARE WAIVING THEIR RIGHTS TO SEEK REMEDIES IN COURT, INCLUDING THE RIGHT TO A JURY TRIAL, (C) PRE-ARBITRATION DISCOVERY IS GENERALLY MORE LIMITED AND DIFFERENT FROM COURT PROCEEDINGS, (D) THE ARBITRATOR'S AWARD IS NOT REQUIRED TO INCLUDE FACTUAL FINDINGS OR LEGAL REASONING AND ANY PARTY'S RIGHT TO APPEAL OR TO SEEK MODIFICATION OF RULES BY ARBITRATORS IS STRICTLY LIMITED, (E) THE PANEL OF FINRA ARBITRATORS WILL TYPICALLY INCLUDE A MINORITY OF ARBITRATORS WHO WERE OR ARE AFFILIATED WITH THE SECURITIES INDUSTRY, AND (F) ALL CONTROVERSIES WHICH MAY ARISE BETWEEN THE PARTIES CONCERNING THIS AGREEMENT SHALL BE DETERMINED BY ARBITRATION PURSUANT TO THE RULES THEN PERTAINING TO FINRA. ALL QUESTIONS CONCERNING THE CONSTRUCTION, VALIDITY, ENFORCEMENT AND INTERPRETATION OF THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. JUDGMENT ON ANY AWARD OF ANY SUCH ARBITRATION MAY BE ENTERED IN THE SUPREME COURT OF THE STATE OF NEW YORK OR IN ANY OTHER COURT HAVING JURISDICTION OVER THE PERSON OR PERSONS AGAINST WHOM SUCH AWARD IS RENDERED. THE PARTIES AGREE THAT THE DETERMINATION OF THE ARBITRATORS SHALL BE BINDING AND CONCLUSIVE UPON THEM. THE PREVAILING PARTY, AS DETERMINED BY SUCH ARBITRATORS, IN A LEGAL PROCEEDING SHALL BE ENTITLED TO COLLECT ANY COSTS, DISBURSEMENTS AND REASONABLE ATTORNEY'S FEES FROM THE OTHER PARTY. PRIOR TO FILING AN ARBITRATION, THE PARTIES HEREBY AGREE THAT THEY WILL ATTEMPT TO RESOLVE THEIR DIFFERENCES FIRST BY SUBMITTING THE MATTER FOR RESOLUTION TO A MEDIATOR, ACCEPTABLE TO ALL PARTIES, AND WHOSE EXPENSES WILL BE BORNE EQUALLY BY ALL PARTIES. THE MEDIATION WILL BE HELD IN THE COUNTY OF NEW YORK, STATE OF NEW YORK, ON AN EXPEDITED BASIS. IF THE PARTIES CANNOT SUCCESSFULLY RESOLVE THEIR DIFFERENCES THROUGH MEDIATION, THE MATTER WILL BE RESOLVED BY ARBITRATION. THE ARBITRATION SHALL TAKE PLACE IN THE COUNTY OF NEW YORK, THE STATE OF NEW YORK, ON AN EXPEDITED BASIS.

12. Miscellaneous.

(a) No provision of this Agreement may be changed or terminated except by a writing signed by the party or parties to be charged therewith. Unless expressly so provided, no party to this Agreement will be liable for the performance of any other party's obligations hereunder. Either party hereto may waive compliance by the other with any of the terms, provisions and conditions set forth herein; provided, however, that any such waiver shall be in writing specifically setting forth those provisions waived thereby. No such waiver shall be deemed to constitute or imply waiver of any other term, provision or condition of this Agreement. Neither party may assign its rights or obligations under this Agreement to any other person or entity without the prior written consent of the other party.

(b) Each party shall, without payment of any additional consideration by any other party, at any time on or after the date of any Closings, take such further action and execute such other and further documents and instruments as the other party may reasonably request in order to provide the other party with the benefits of this Agreement.

(c) The Parties to this Agreement each hereby confirm that they will cooperate with each other to the extent that it may become necessary to enter into any revisions or amendments to this Agreement, in the future to conform to any federal or state regulations as long as such revisions or amendments do not materially alter the obligations or benefits of either party under this Agreement.

13. Entire Agreement; Severability.

This Agreement together with any other agreement referred to herein supersedes all prior understandings and written or oral agreements between the parties with respect to the Offering and the subject matter hereof. If any portion of this Agreement shall be held invalid or unenforceable, then so far as is reasonable and possible (i) the remainder of this Agreement shall be considered valid and enforceable and (ii) effect shall be given to the intent manifested by the portion held invalid or unenforceable.

14. Counterparts.

This Agreement may be executed in multiple counterparts, each of which may be executed by less than all of the parties and shall be deemed to be an original instrument which shall be enforceable against the parties actually executing such counterparts and all of which together shall constitute one and the same instrument. The exchange of copies of this Agreement and of signature pages by facsimile transmission or in pdf format shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of the original Agreement for all purposes. Signatures of the parties transmitted by facsimile or in pdf format shall be deemed to be their original signatures for all purposes.

15. Announcement of Offering.

The Placement Agent may, subsequent to the closing of the Offering, publicize their involvement with the Company, provided that the Placement Agent receives the written consent of the Company in advance, such consent not to be unreasonably withheld, for the use of the Company's name or logo and the text of the intended publication by Placement Agent.

16. Advice to the Board.

The Company acknowledges that any advice given by the Placement Agent to the Company is solely for benefit and use of the Company's board of directors and officers, who will make all decisions regarding whether and how to pursue any opportunity or transaction, including any potential Offering. The Company's board of directors and management may consider such advice, but will also base their decisions on the advice of legal, tax and other business advisors and other factors which they consider appropriate. Accordingly, as an independent contractor, the Placement Agent will not assume the responsibilities of a fiduciary to the Company or its stockholders in connection with the performance of the services. Any advice provided may not be used, reproduced, disseminated, quoted or referred to without prior written consent of the providing party. The Placement Agent does not provide accounting, tax or legal advice. The Company is a sophisticated business enterprise that has retained the Placement Agent for the limited purposes set forth in this Agreement. The parties acknowledge and agree that their respective rights and obligations are contractual in nature. Each party disclaims an intention to impose fiduciary obligations on the other by virtue of the engagement contemplated by this Agreement.

17. Other Investment Banking Services.

The Company acknowledges that the Placement Agent and its affiliates are securities firms engaged in securities trading and brokerage activities and providing investment banking and financial advisory services. In the ordinary course of business, the Placement Agent and its affiliates may at any time hold long or short positions, and may trade or otherwise effect transactions, for their own account or the accounts of customers, in the Company's debt or equity securities, the Company Affiliates or other entities that may be involved in the transactions contemplated by this Agreement. In addition, the Placement Agent and its affiliates may from time to time perform various investment banking and financial advisory services for other clients and customers who may have conflicting interests with respect to the Company or the Offering. The Company also acknowledges that the Placement Agent and its affiliates have no obligation to use in connection with this engagement or to furnish the Company, confidential information obtained from other companies. Furthermore, the Company acknowledges the Placement Agent may have fiduciary or other relationships whereby it or its affiliates may exercise voting power over securities of various persons, which securities may from time to time include securities of the Company or others with interests in respect of any Offering. The Company acknowledges that the Placement Agent or such affiliates may exercise such powers and otherwise perform our functions in connection with such fiduciary or other relationships without regard to the Placement Agent's relationship to the Company hereunder.

18. Research Matters.

By entering into this Agreement or serving as a placement agent in the Offering, the Placement Agent does not provide any promise, either explicitly or implicitly, of favorable or continued research coverage of the Company and the Company hereby acknowledges and agrees that the Placement Agent's selection as a placement agent for the Offering was in no way conditioned, explicitly or implicitly, on the Placement Agent providing favorable or any research coverage of the Company. In accordance with FINRA Rule 2711(e), the parties acknowledge and agree that the Placement Agent has not directly or indirectly offered favorable research, a specific rating or a specific price target, or threatened to change research, a rating or a price target, to the Company or inducement for the receipt of business or compensation.

19. Successors.

This Agreement shall inure to the benefit of and be binding upon the successors of the Placement Agent and of the Company (including any party that acquires the Company or all or substantially all of its assets or merges with the Company). Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person or corporation, other than the parties hereto and parties expressly referred to herein, any legal or equitable right, remedy or claim under or in respect to this Agreement or any provision hereof. The term “successors” shall not include any purchaser of the Securities merely by reason of such purchase. No subrogee of a benefited party shall be entitled to any benefits hereunder. Each party hereto disclaims any an intention to impose any fiduciary obligation on any other party by virtue of the arrangements contemplated by this Agreement.

[Signatures on following page.]

If the foregoing is in accordance with your understanding of the agreement among the Company and the Placement Agent, kindly sign and return this Agreement, whereupon it will become a binding agreement as provided herein, between the Company and the Placement Agent in accordance with its terms.

This Agreement contains a pre-dispute arbitration provision in Section 11.

AKOUSTIS TECHNOLOGIES, INC.

By: /s/ Jeffrey B. Shealy

Jeffrey B. Shealy

Chief Executive Officer

KATALYST SECURITIES LLC

By: /s/ Michael Silverman

Michael A. Silverman

Managing Director



December 12, 2016

Akoustis Technologies, Inc.
9805 Northcross Center Court
Suite H
Huntersville, NC 28078

Attn: Mr. Jeffrey Shealy
President & Chief Executive Officer

**ENGAGEMENT AGREEMENT PROVIDING FOR
INVESTMENT BANKING SERVICES**

Dear Mr. Shealy:

This letter agreement (this "Agreement") is to confirm the engagement by Akoustis Technologies, Inc. and its subsidiaries and affiliates (the "Company" or "you") of Drexel Hamilton, LLC ("Drexel Hamilton") as its non-exclusive financial advisor and lead placement agent in connection with an institutional equity capital raise(s) ("each a Transaction" and each an "Offering") to include other broker dealers mutually acceptable to the Company and Drexel Hamilton ("Assisting BDs").

The Offering will raise a minimum of gross proceeds of five hundred thousand dollars (\$500,000) (the "Minimum Offering Amount") and a maximum of gross proceeds of ten million dollars (\$10,000,000) (the "Maximum Offering Amount") through the sale of shares of common stock, par value \$0.001 per share, of the Company (the "Common Stock"), at the Purchase Price of \$5.00 per share (the "Offering Price"). The minimum subscription is twenty- five thousand dollars (\$25,000) or five thousand shares (5,000), provided, however, that subscriptions in lesser amounts may be accepted by the Company in its sole discretion.

Placement of the Securities by the Placement Agent will be made on a reasonable best efforts basis. The Company agrees and acknowledges that the Placement Agent is not acting as an underwriter with respect to the Offering and the Company shall determine the purchasers in the Offering in its sole discretion. The Shares will be offered by the Company to potential subscribers, which may include related parties of the Placement Agent or the Company, commencing on December 12, 2016 through January 9, 2017 (the "Initial Offering Period"), which date may be extended by the Company in its sole discretion (this additional period, if any, and the Initial Offering Period shall be referred to as the "Offering Period"). The date on which the Offering is terminated shall be referred to as the "Termination Date". The closing of the Offering may be held up to ten days after the Termination Date.

Accordingly, the parties hereto agree as follows:

Section 1. Engagement of Drexel Hamilton. Drexel Hamilton's services under this Agreement will, to the extent requested and appropriate, consist of:

- (a) advising you concerning the negotiations, structure, price and other terms and conditions of a Transaction;
- (b) coordinating the Transaction efforts with the Assisting BDs; including the negotiation and resolution of any dispute that may arise over who introduced any investor participating in the Offering between (i) Drexel and any one or more Assisting BDs or (ii) any two or more Assisting BDs, whereby Drexel shall ensure that the Company does not pay more than the agreed upon Transaction Fee (as defined in Section 2 below) of such total investment made by such investor; identifying and introducing potential investors and credit enhancement providers to the Company in respect of a Transaction. "Introduced Investors" shall mean a list of investors, where the Offering was made known to each listed investor.
- (c) assisting with due diligence performed by Investors in respect of a Transaction; and
- (d) taking such actions on your behalf as may be appropriate in Drexel Hamilton's reasonable judgment with your prior consent.

Any and all work product created by Drexel Hamilton, including but not limited to teasers, presentations, confidential information memoranda, operating and valuation models, and target investor lists shall not be distributed to any third party without the Company receiving express written consent of Drexel Hamilton prior to such distribution.

The Company acknowledges that Drexel Hamilton and its affiliates are in the business of providing investment banking services (of all types contemplated by this agreement) to others. Nothing herein contained shall be construed to limit or restrict Drexel Hamilton or its affiliates in conducting such business with respect to others or in rendering such advice to others.

Section 2. Compensation. As consideration for Drexel Hamilton's agreement to perform the services described in this Agreement, the Company agrees to pay Drexel Hamilton the following fees on the closing date of each Transaction ("Transaction Fees"):

A. Cash Success Fees:

- i. *For gross proceeds of less than \$3,000,000 from Drexel Hamilton Introduced*: 8.0% of the gross proceeds paid or payable for equity or equity-linked securities issued by the Company, or

ii. *In the event Drexel Hamilton places \$3,000,000 or more with Drexel Hamilton Introduced Investors:* 10.0% of the entire gross proceeds paid or payable for equity or equity-linked securities issued by the Company,

B. Warrant Success Fees:

i. 10.0% of the gross proceeds paid or payable for equity or equity-linked securities issued by the Company to Drexel Hamilton Introduced Investors;

The Warrant Success Fee warrants shall have a term of five-years, and contain cashless exercise provisions and piggyback registration rights, providing Drexel with the right to purchase one share of the Company's common stock per warrant with an exercise price 5.00. At Drexel's option and upon Drexel's written instructions to the Company, the Company shall issue all or a portion of any warrants due to Drexel under this Agreement directly to specified Drexel employees. The warrants and the shares issuable upon exercise of the warrants may constitute restricted shares and may contain restrictive legends indicating such restrictions; provided, however, that the warrants and shares issuable shall contain piggyback registration rights requiring their inclusion with any registration statement filed by the Company. In the event no registration statement is filed, the Company's counsel shall be responsible for drafting and executing the Rule 144 comfort letter (and any other required paperwork as required by the transfer agent), at the Company's expense, providing for the sale of such underlying shares.

C. Lead Placement Management Fees:

i. A cash lead placement agent management fee equal to 1.0% of the gross proceeds paid or payable for equity or equity-linked securities issued by the Company to all Drexel Hamilton Introduced Investors participating in the Transaction and to all Introduced Investors introduced by the Assisting BDs managed by Drexel Hamilton during the offering (the "Lead PA Cash Fee").

ii. A warrant lead placement agent management fee equal to 1.0% of the gross proceeds paid or payable for equity or equity-linked securities issued by the Company to all Drexel Hamilton Introduced Investors and to Introduced Investors introduced by the Assisting BDs (the "Lead PA Warrant Fee").

iii. The calculation of the Lead PA Cash Fee and the Lead PA Warrant Fee shall not include any participating Katalyst Securities investors or any Company investors that have already invested in this round of financing or that invest directly during the Term with the Company.

It is agreed and understood that Drexel Hamilton will, at closing, be compensated directly from closing escrow via wire transfer. You agree that, once paid, the fees or any part thereof payable hereunder will not be refundable, absent a finding of fraud or willful misconduct in relation to this Agreement by Drexel Hamilton by a court or tribunal or competent jurisdiction, and such fees shall not be subject to reduction by way of setoff or counterclaim absent a finding of fraud or willful misconduct in relation to this Agreement by Drexel Hamilton by a court or tribunal or competent jurisdiction.

The Company agrees that it shall not enter into any agreement with a Drexel Hamilton Introduced Investor that (i) does not require Drexel Hamilton to be paid its Transaction Fees in full on the closing date of the initial Transaction and any subsequent Transactions in strict accordance with provision contained in this Agreement and (ii) materially conflicts with the provisions of this Agreement. The Company may, in its sole discretion, accept or reject, in whole or in part, any prospective investment in the Transaction or allot to any prospective subscriber less than the number of securities such subscriber wishes to purchase.

Section 3. Expenses; Payments. Whether or not any Transaction is consummated or this Agreement is terminated or expires, the Company agrees, upon request, but no less frequently than monthly, to reimburse Drexel Hamilton promptly for all reasonable and documented out-of-pocket costs and expenses (including, without limitation, the reasonable fees, disbursements and other charges of counsel) incurred in connection with the preparation of documents or other matters relating to the Transaction, provided that Drexel Hamilton shall seek prior written approval from the Company for all expenses in aggregate in excess of \$10,000.

All fees and expenses payable under this agreement are payable in U.S. dollars in immediately available funds. All fees, expenses and other payments under this agreement shall be paid without giving effect to any withholding or deduction of any tax or similar governmental assessment.

Section 4. Information. You agree that you will not and will cause your affiliates not to disclose this Agreement, the contents hereof or the activities of Drexel Hamilton pursuant hereto, directly or indirectly, to any person without the prior written approval of Drexel Hamilton, except that the Company may disclose this Agreement and the contents hereof (i) to its directors, officers, members, direct or indirect equity holders, counsel and professional advisors, in each case on a "need-to-know" basis (in which case the Company will (x) inform any such persons of the confidentiality obligations contained herein and (y) remain responsible for any breaches of any such obligations by any such persons) and (ii) other than to the extent covered by the preceding clause (i), as required by applicable law or regulation or compulsory legal, judicial, administrative or regulatory process (in which case the Company will inform any such persons of the confidentiality obligations contained herein). The obligations of the Company pursuant to this paragraph shall survive any expiration or termination of this agreement or Drexel Hamilton's engagement hereunder. Notwithstanding anything to the contrary contained in this Agreement, the Company (and each employee, representative or other agent of the Company) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transactions contemplated by this Agreement and all materials of any kind (including opinions or other tax analyses) that are provided to the Company relating to such tax treatment and structure.

In connection with Drexel Hamilton's engagement, the Company will actively assist Drexel Hamilton in achieving a placement of the Transaction that is reasonably satisfactory to the Company in the Company's sole discretion. Such assistance shall include (a) furnishing to, or causing to be furnished to, Drexel Hamilton such information concerning the Company that Drexel Hamilton and the Company may reasonably deem necessary or appropriate to complete such distribution (including, but not limited to, financial projections) (the "Information"); (b) making reasonably available your officers, directors, employees, accountants, counsel and other representatives (collectively, the "Representatives"); (c) using commercially reasonable efforts to ensure that the distribution efforts of Drexel Hamilton benefit materially from your existing investor relationships and your existing banking relationships (without jeopardizing the anticipated financial benefits of identifying new investors); and (d) otherwise reasonably assisting Drexel Hamilton in its distribution efforts, including by making presentations regarding the business and affairs of the Company and its subsidiaries, as appropriate, at one or more one-on-one meetings of prospective Investors that have agreed to mutually acceptable confidentiality arrangements. In performing its services hereunder, Drexel Hamilton shall be entitled to rely upon and shall not be responsible for the accuracy or completeness of information supplied to it by the Company or any of its Representatives and shall not be responsible for conducting any appraisal of assets or liabilities.

The Company represents and warrants to Drexel Hamilton that all Information relating to the Company or which the Company provides in writing (collectively, the "Materials") will be materially complete and correct. The Company further represents and warrants that any projections provided by it to Drexel Hamilton will have been prepared in good faith and will be based upon assumptions, which, in light of the circumstances under which they are made, are reasonable. The Company recognizes and confirms that Drexel Hamilton (i) will use and rely primarily on the Materials and on information available from generally recognized public sources in performing the services contemplated by this Agreement without having independently verified the same; (ii) is authorized to transmit to any prospective investor the Materials and other legal documentation supplied to Drexel Hamilton for transmission to parties that have entered into a customary form of confidentiality agreement (including a "click-through" on a secure website) by or on behalf of the Company; (iii) does not assume responsibility for the accuracy or completeness of the Materials and such other information; (iv) will not make an appraisal of the Company; and (v) retains the right to continue to perform due diligence during the course of its engagement hereunder to the extent that it is reasonably necessary for it to perform the services contemplated hereby (it being understood that Drexel Hamilton will not be authorized to act as an initial purchaser or underwriter but will merely be acting as a placement agent without underwriter liability under the Securities Act of 1933).

In connection with Drexel Hamilton's engagement, for all Transactions reasonably satisfactory to the Company (in the sole discretion of the Company), it is understood and agreed that Drexel Hamilton will manage and control all aspects of the placement of any Transaction in consultation with you, including decisions as to the selection of prospective Investors, when commitments will be accepted and the final allocations of the commitments among the Investors (which shall be done solely with the Company's approval). It is understood that no Investor investing in any Transaction will receive compensation from you in order to obtain its commitment, except as contemplated herein, including upfront fees paid to all Investors to ensure a successful placement of any Transaction, or as otherwise directed by Drexel Hamilton.

Section 5. Public Announcements. The Company acknowledges that Drexel Hamilton may, at its option and expense and after the Closing Date or the consummation of any Transaction, place announcements and advertisements describing Drexel Hamilton's role in such transaction and such other information as is publicly disclosed (which may include the reproduction of the Company's logo and a hyperlink to the Company's website on Drexel Hamilton's website) provided that the Placement Agent receives the written consent of the Company in advance, such consent not to be unreasonably withheld. Furthermore, if requested by Drexel Hamilton, the Company shall include a mutually acceptable reference to Drexel Hamilton in any press release or other public announcement made by the Company regarding the matters described in this agreement.

Section 6. Indemnity. Since Drexel Hamilton will be acting on behalf of the Company in connection with this engagement, the Company and Drexel Hamilton agree to the indemnity provisions and other matters set forth in Annex B, which is incorporated by reference into this agreement and is an integral part hereof. The obligations of the Company pursuant to Annex B shall survive any expiration or termination of this agreement or Drexel Hamilton's engagement hereunder.

Section 7. Term and Termination. Unless otherwise agreed to in writing by the parties hereto, this Agreement shall terminate upon the first to occur of: (i) the six (6) month anniversary of the date hereof; (ii) the Final Closing; or (iii) an Early Termination as defined in the Section 7 below (the "Term"). Drexel Hamilton's engagement hereunder may be terminated by either Drexel Hamilton or the Company at any time upon thirty (30) days' prior written notice thereof to the other Party. Upon any termination of this Agreement, the obligations of the parties hereunder shall terminate, except for their obligations under Section 4 (with respect to confidentiality), this Section 7, any outstanding obligations under Section 2 and Sections 3, 4, 6, 8-13. If within the three (3) months following the termination of this Agreement by the Company, the Company or any of its subsidiaries or affiliates consummates any Transaction with a Drexel Hamilton Introduced Investor as included on Annex A as amended from time to time in writing, including email, Drexel Hamilton shall be entitled to payment in full of the applicable fees and the benefit of the other provisions described in Section 2 of this Agreement with respect to such transaction or transactions. If within the six (6) months following the termination of this Agreement by the Company if the Company or any of its subsidiaries or affiliates consummates any Transaction with a Drexel Hamilton Introduced Investor who actually participates in the Transaction, as included on Annex A, contemplated by this Agreement, Drexel Hamilton shall be entitled to payment in full of the applicable fees and the benefit of the other provisions described in Section 2 of this Agreement with respect to such transaction or transactions. The three (3) and six (6) month periods referred to in the preceding two sentences shall collectively be referred to as the "Tail Period" in this Agreement. Drexel Hamilton will provide the Company with a completed Annex A for Drexel Hamilton and for each Assisting BD within five (5) days of the Final Closing. Placement Agent agrees and acknowledges that the Company will have final approval on Annex A submitted by Drexel Hamilton and on the Annex A submitted by Drexel Hamilton for each Assisting BD.

Section 8. Late Payment Fee. Any amounts due Drexel Hamilton pursuant to this Agreement that are not paid on the due date specified herein shall accrue interest thereon at the rate of 1.5% per month, compounded monthly until paid in-full.

Section 9. Non-Circumvention. During the term of this Agreement and for the Tail Period, unless otherwise authorized by Drexel Hamilton in a specific written consent, the Company will not, and Company will cause each of its affiliates and representatives not to initiate, maintain contact to discuss or attempt to enter into (i) a Transaction with any Drexel Hamilton Introduced Investor without the active ongoing involvement of Drexel Hamilton and (ii) any other transaction not contemplated in this Agreement with a Drexel Hamilton Introduced Investor without first entering into a compensation agreement with Drexel Hamilton in respect of any such transactions.

Section 10. Required Notices and Disclosures. The Company shall provide written notice and disclosure to Drexel Hamilton during the term of this Agreement and for the Tail Period with respect to any of the following events as follows:

(a) within three (3) days of the receipt of a term sheet or commitment letter by the Company from a party with respect to any Transaction or from any Drexel Hamilton Introduced Investor with respect to any other transaction not contemplated under this Agreement. Such notice will include a copy of such term sheet or commitment letter; and

(b) no less than five (5) days prior to the expected receipt of funds by the Company or the closing of any transaction with a Drexel Hamilton Introduced Investor so that Drexel Hamilton can prepare and deliver an invoice for payment to the Company. Such notice will include the amount and expected date of receipt of funds to be received on account of a transaction.

All notices to Drexel Hamilton hereunder shall be in writing (including facsimile transmission) and shall be sent to:

Jason Diamond
Drexel Hamilton, LLC
789 N. Water Street, Suite 400
Milwaukee, WI 53202
jdiamond@drexelhamilton.com

Section 11. Acknowledgements. The Company acknowledges that Drexel Hamilton and its affiliates are involved in a wide range of banking, investment banking, private banking, private equity, asset management and other investment and financial businesses and services, both for its own account and for the accounts of clients and customers. Drexel Hamilton and its affiliates provide a full range of securities services, including securities trading and brokerage activities. Drexel Hamilton and its affiliates may acquire, hold or sell, for its own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of the Company and any other company that may be involved in the transactions and other matters contemplated by this Agreement, as well as provide investment banking and other financial services to such companies. Drexel Hamilton and its affiliates may have interests, or be engaged in a broad range of transactions involving interests, that differ from those of the Company. The Company acknowledges and agrees that Drexel Hamilton has no obligation to disclose such interests or transactions (or information relating thereto) to the Company.

The Company expressly acknowledges and agrees that Drexel Hamilton's obligations hereunder are on a reasonable best efforts basis only and that the execution of this Agreement does not constitute a commitment by Drexel Hamilton and its affiliates to purchase any portion of any Transaction and does not ensure the successful placement of any Transaction or any portion thereof or the success of Drexel Hamilton or its affiliates with respect to securing any other financing on behalf of the Company.

The Company further acknowledges and agrees that Drexel Hamilton has been retained solely to provide the services set forth in this Agreement and that no fiduciary or agency relationship between the Company and Drexel Hamilton has been created in respect of Drexel Hamilton's engagement hereunder, regardless of whether Drexel Hamilton has advised or is advising the Company on other matters. In connection with this engagement, Drexel Hamilton is acting as an independent contractor, with obligations owing solely to the Company and not in any other capacity.

The Company understands that Drexel Hamilton is not undertaking to provide any legal, accounting or tax advice in connection with this agreement. Drexel Hamilton shall not be responsible for the underlying business decision of the Company to effect the transactions contemplated by this Agreement or for the advice or services provided by any of the Company's other advisors or contractors.

Section 12. Miscellaneous. This Agreement shall be binding upon and inure to the benefit of the Company, Drexel Hamilton and their respective successors. Except as contemplated by Annex B, this agreement is not intended to confer rights upon any persons not a party hereto (including security holders, employees or creditors of the Company). This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements, both written and oral, with respect to the subject matter hereof, and no modification of this Agreement or waiver of the terms and conditions contained herein shall be binding upon the parties hereto unless approved in writing by each party. If any term, provision, covenant or restriction herein (including Annex B) is held by a court of competent jurisdiction to be invalid, void or unenforceable or against public policy, the remainder of the terms, provisions and restrictions contained herein shall remain in full force and effect and shall in no way be modified or invalidated.

This Agreement may be executed in counterparts, each of which will be deemed to be an original, but all of which taken together will constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or by electronic “.pdf” transmission shall be effective as delivery of a manually signed counterpart.

Section 13. Governing Law; Waiver of Jury Trial. All aspects of the relationship created by this agreement or the engagement hereunder, any other agreements relating to the engagement hereunder and all claims or causes of action (whether in contract, tort or otherwise) that may be based upon, arise out of or relate to this agreement or the engagement hereunder shall be governed by and construed in accordance with the laws of the State of New York, applicable to contracts made and to be performed therein and, in connection therewith. The parties consent to the exclusive jurisdiction of the courts located in New York County, New York, in connection with any claim or dispute relating to this Agreement or any services or advice provided hereunder. The prevailing party in any such litigation shall be entitled to recover its attorney’s fees and costs. Notwithstanding the foregoing, solely for purposes of enforcing the Company’s obligations under Annex B, the Company consents to personal jurisdiction, service and venue in any court proceeding in which any claim or cause of action relating to or arising out of this agreement or the engagement hereunder is brought by or against any Indemnified Person. Drexel Hamilton AND THE COMPANY EACH HEREBY AGREES TO WAIVE ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY CLAIM, COUNTER CLAIM OR ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE ENGAGEMENT HEREUNDER.

(the rest of page intentionally blank – signature page follows)

We are delighted to accept this engagement and look forward to working with you on this assignment. Please confirm your agreement with the foregoing by signing and returning to us the enclosed copy of this agreement.

Very truly yours,

DREXEL HAMILTON, LLC

By: /s/ Jason Diamond

Name: Jason Diamond

Title: Head of Investment Banking

Accepted and agreed to as of the date first written above:

AKOUSTIS TECHNOLOGIES, INC.

By: /s/ Jeffrey B. Shealy

Name: Jeffrey Shealy

Title: President & Chief Executive Officer

ANNEX A – Drexel Hamilton Introduced Investors

ANNEX B

In further consideration of the agreements contained in the Agreement of which this Annex B is a part, the Company agrees to indemnify and hold harmless Drexel Hamilton, its affiliates, the respective members, directors, officers, partners, agents and employees of Drexel Hamilton, and any person controlling Drexel Hamilton or any of its affiliates (collectively, "Indemnified Persons") from and against, and the Company agrees that no Indemnified Person shall have any liability to the Company or its owners, parents, affiliates, security holders or creditors for, any losses, claims, damages or liabilities (including actions or proceedings in respect thereof) (collectively, "Liabilities") (A) related to or arising out of (i) the Company's actions or failures to act (including statements or omissions made or information provided by the Company or its agents) in connection with the Transaction or (ii) actions or failures to act by an Indemnified Person with the Company's consent or in reliance on the Company's actions or failures to act in connection with the Transaction or (B) otherwise related to or arising out of the Agreement, Drexel Hamilton's performance thereof or any other services Drexel Hamilton is asked to provide to the Company (in each case, including related activities prior to the date hereof), except that this clause (B) shall not apply to any Liabilities to the extent that they are finally determined by a court of competent jurisdiction to have resulted primarily from the gross negligence, fraud or willful misconduct of such Indemnified Person.

If such indemnification is for any reason not available or insufficient to hold an Indemnified Person harmless, the Company agrees to contribute to the Liabilities involved in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and by Drexel Hamilton, on the other hand, in respect of the Agreement or, if such allocation is determined by a court of competent jurisdiction to be unavailable, in such proportion as is appropriate to reflect other equitable considerations such as the relative fault of the Company on the one hand and of Drexel Hamilton on the other hand; provided, however, that, to the extent permitted by applicable law, the Indemnified Persons shall not be responsible for expenses and Liabilities which in the aggregate are in excess of the amount of all fees actually received by Drexel Hamilton from the Company pursuant to the Agreement. Relative benefits to the Company, on the one hand, and Drexel Hamilton, on the other hand, in respect of the Agreement shall be deemed to be in the same proportion as (i) the total value received or proposed to be received by the Indemnifying Parties in connection with any financing contemplated by the Agreement, bears to (ii) all fees actually received by or committed to Drexel Hamilton in connection with the Agreement.

The Company will not permit any settlement or compromise to include, or consent to the entry of any judgment that includes, a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of an Indemnified Person, without such Indemnified Person's prior written consent, which shall not be unreasonably delayed, conditioned or withheld. If any Indemnified Person becomes involved in any capacity in any action, claim, suit, investigation or proceeding, actual or threatened, brought by or against any person, including stockholders of the Company, in connection with or as a result of the engagement or any matter referred to in the engagement the Company also agrees to reimburse such Indemnified Persons for their reasonable and documented out-of-pocket expenses (including, without limitation, reasonable legal fees and other costs and expenses incurred in connection with investigating, preparing for and responding to third party subpoenas or enforcing the engagement) as such expenses are incurred. The Company's obligations pursuant to this Annex B shall inure to the benefit of any successors, assigns, heirs and personal representatives of each Indemnified Person and are in addition to any rights that each Indemnified Person may have at common law or otherwise.

ANNEX C

BAD ACTOR DISQUALIFICATION QUESTIONNAIRE

Instructions: On September 23, 2013, the Commission issued a rule disqualifying securities offerings involving certain “felons and other ‘bad actors’” from reliance on Rule 506 of Regulation D promulgated under the 1933 Act went into effect. The new rule triggers disclosure of bad actors and bad acts that occurred on or prior to September 23, 2013, and provides that bad actors/bad acts occurring after September 23, 2013 cause the disqualification from reliance on Rule 506. In order to confirm that the Company remains eligible to rely on Rule 506 and to comply with the related disclosure requirements, each director, executive officer, general partner or managing member of the company, or beneficial owner of 20% or more of the company’s outstanding voting equity securities, is required to complete and execute this Bad Actor Disqualification Questionnaire (this “Questionnaire”).

If you are a person described in clauses (a) or (b) above, you need to complete this Questionnaire. Please answer “Yes” or “No” with respect to each of the items set forth below. If you answer “Yes” to any of the following, please provide a detailed written description of all relevant facts and circumstances relating the applicable event, conviction, order, proceeding or action.

- (1) Have you been convicted, within the prior ten years, of any felony or misdemeanor: (A) in connection with the purchase or sale of any security; (B) involving the making of any false filing with the SEC; or (C) arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment advisor or paid solicitor of purchasers of securities? Yes No
- (2) Are you subject to any order, judgment or decree of any court of competent jurisdiction, entered within the prior five years, that restrains or enjoins you from engaging or continuing to engage in any conduct or practice: (A) in connection with the purchase or sale of any security; (B) involving the making of any false filing with the SEC; or (C) arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment advisor or paid solicitor of purchasers of securities? Yes No

- (3) Are you subject to a final order of a U.S. state securities commission (or an agency or officer of a U.S. state performing like functions); a U.S. state authority that supervises or examines banks, savings associations, or credit unions; a U.S. state insurance commission (or an agency or officer of a state performing like functions); an appropriate U.S. federal banking agency; the U.S. Commodity Futures Trading Commission (the “CFTC”); or the U.S. National Credit Union Administration that: (A) bars you from: (1) association with an entity regulated by such commission, authority, agency, or officer; (2) engaging in the business of securities, insurance or banking; or (3) engaging in savings association or credit union activities; or (B) constitutes a final order based on a violation of any law or regulation that prohibits fraudulent, manipulative, or deceptive conduct entered within the last ten years? Yes No
- (4) Are you subject to an order of the SEC entered pursuant to section 15(b) or 15B(c) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or section 203(e) or (f) of the Investment Advisers Act of 1940, as amended (the “Advisers Act”), that (A) suspends or revokes your registration as a broker, dealer, municipal securities dealer or investment adviser; (B) places limitations on your activities, functions or operations; or (C) bars you from being associated with any entity or from participating in the offering of any penny stock? Yes No
- (5) Are you subject to any order of the SEC entered within the last five years that orders you to cease and desist from committing or causing a violation or future violation of: (A) any scienter-based anti-fraud provision of the federal securities laws, including without limitation section 17(a)(1) of the 1933 Act, section 10(b) of the Exchange Act, and 17 CFR 240.10b-5, section 15(c)(1) of the Exchange Act and section 206(1) of the Advisers Act, or any other rule or regulation thereunder; or (B) Section 5 of the 1933? Yes No
- (6) Are you suspended or expelled from membership in, or suspended or barred from association with a member of, a registered national securities exchange or a registered national or affiliated securities association for any act or omission to act constituting conduct inconsistent with just and equitable principles of trade? Yes No

- (7) Have you filed (as a registrant or issuer), or were you an underwriter or were you named as an underwriter in, any registration statement or Regulation A offering statement filed with the SEC that, within the prior five years, was the subject of a refusal order, stop order, or order suspending the Regulation A exemption, or are you the subject of an investigation or proceeding to determine whether a stop order or suspension order should be issued? Yes No
- (8) Are you subject to a United States Postal Service false representation order entered within the last five years, or are you subject to a temporary restraining order or preliminary injunction with respect to conduct alleged by the United States Postal Services to constitute a scheme or device for obtaining money or property through the mail by means of false representations? Yes No
- (9) To the best of your knowledge, are you now the subject of any action, regulatory complaint, proceeding or other event that could result in a “yes” answer to any part of items 1-8 above? Yes No

You hereby certify, represent and warrant that each of the above statements is true and correct and agree to immediately notify the company if such information becomes inaccurate in any respect. You further agree to immediately notify the company of any action, proceeding, investigation, event, action or development that could result in a “Yes” answer to any of the statements set forth above.

By: _____

Name: _____

Date: _____



Highly Confidential

December 19, 2016

Akoustis Technologies, Inc.
9805 Northcross Center Court
Suite H
Huntersville, NC 28078

Attn: Mr. Jeffrey Shealy
President & Chief Executive Officer

**ENGAGEMENT AGREEMENT PROVIDING FOR
INVESTMENT BANKING SERVICES**

Dear Mr. Shealy:

This letter agreement (this "Agreement") is to confirm the engagement by Akoustis Technologies, Inc. and its subsidiaries and affiliates (the "Company" or "you") of Northland Securities, Inc. ("Northland") as its non-exclusive financial advisor in connection with an institutional equity capital raise(s) ("each a Transaction" and each an "Offering").

The Offering will raise a minimum of gross proceeds of five hundred thousand dollars (\$500,000) (the "Minimum Offering Amount") and a maximum of gross proceeds of ten million dollars (\$10,000,000) (the "Maximum Offering Amount") through the sale of shares of common stock, par value \$0.001 per share, of the Company (the "Common Stock"), at the Purchase Price of \$5.00 per share (the "Offering Price"). The minimum subscription is twenty- five thousand dollars (\$25,000) or five thousand shares (5,000), provided, however, that subscriptions in lesser amounts may be accepted by the Company in its sole discretion.

Placement of the Securities by Northland will be made on a reasonable best efforts basis. The Company agrees and acknowledges that Northland is not acting as an underwriter with respect to the Offering and the Company shall determine the purchasers in the Offering in its sole discretion. The Shares will be offered by the Company to potential subscribers, which may include related parties of Northland or the Company, commencing on December 12, 2016 through January 9, 2017 (the "Initial Offering Period"), which date may be extended by the Company in its sole discretion (this additional period, if any, and the Initial Offering Period shall be referred to as the "Offering Period"). The date on which the Offering is terminated shall be referred to as the "Termination Date". The closing of the Offering may be held up to ten days after the Termination Date.

Accordingly, the parties hereto agree as follows:

Section 1. Engagement of Northland. Northland's services under this Agreement will, to the extent requested and appropriate, consist of:

- (a) advising you concerning the negotiations, structure, price and other terms and conditions of a Transaction;
-

- (b) Identifying and introducing potential investors and credit enhancement providers to the Company in respect of a Transaction. “Introduced Investors” shall mean a list of investors, where the Offering was made known to each listed investor.
- (c) assisting with due diligence performed by Investors in respect of a Transaction; and
- (d) taking such actions on your behalf as may be appropriate in Northland’s reasonable judgment with your prior consent.

Any and all work product created by Northland, including but not limited to teasers, presentations, confidential information memoranda, operating and valuation models, and target investor lists shall not be distributed to any third party without the Company receiving express written consent of Northland prior to such distribution.

The Company acknowledges that Northland and its affiliates are in the business of providing investment banking services (of all types contemplated by this agreement) to others. Nothing herein contained shall be construed to limit or restrict Northland or its affiliates in conducting such business with respect to others or in rendering such advice to others.

Section 2. Compensation. As consideration for Northland’s agreement to perform the services described in this Agreement, the Company agrees to pay Northland the following fees on the closing date of each Transaction (“Transaction Fees”):

A. Cash Success Fees:

- i. *For gross proceeds of less than \$3,000,000 from Northland Introduced*: 8.0% of the gross proceeds paid or payable for equity or equity-linked securities issued by the Company, or
- ii. *In the event Northland places \$3,000,000 or more with Northland Introduced Investors*: 10.0% of the entire gross proceeds paid or payable for equity or equity-linked securities issued by the Company,

B. Warrant Success Fees:

- i. 10.0% of the gross proceeds paid or payable for equity or equity-linked securities issued by the Company to Northland Introduced Investors;

The Warrant Success Fee warrants shall have a term of five-years, and contain cashless exercise provisions and piggyback registration rights, providing Northland with the right to purchase one share of the Company’s common stock per warrant with an exercise price \$5.00. At Northland’s option and upon Northland’s written instructions to the Company, the Company shall issue all or a portion of any warrants due to Northland under this Agreement directly to specified Northland employees. The warrants and the shares issuable upon exercise of the warrants may constitute restricted shares and may contain restrictive legends indicating such restrictions; provided, however, that the warrants and shares issuable shall contain piggyback registration rights requiring their inclusion with any registration statement filed by the Company. In the event no registration statement is filed, the Company’s counsel shall be responsible for drafting and executing the Rule 144 comfort letter (and any other required paperwork as required by the transfer agent), at the Company’s expense, providing for the sale of such underlying shares.

The Company agrees that it shall not enter into any agreement with a Northland Introduced Investor that (i) does not require Northland to be paid its Transaction Fees in full on the closing date of the initial Transaction and any subsequent Transactions in strict accordance with provision contained in this Agreement and (ii) materially conflicts with the provisions of this Agreement. The Company may, in its sole discretion, accept or reject, in whole or in part, any prospective investment in the Transaction or allot to any prospective subscriber less than the number of securities such subscriber wishes to purchase.

Section 3. Expenses; Payments. Whether or not any Transaction is consummated or this Agreement is terminated or expires, the Company agrees, upon request, but no less frequently than monthly, to reimburse Northland promptly for all reasonable and documented out-of-pocket costs and expenses (including, without limitation, the reasonable fees, disbursements and other charges of counsel) incurred in connection with the preparation of documents or other matters relating to the Transaction, provided that Northland shall seek prior written approval from the Company for all expenses in aggregate in excess of \$10,000.

All fees and expenses payable under this agreement are payable in U.S. dollars in immediately available funds. All fees, expenses and other payments under this agreement shall be paid without giving effect to any withholding or deduction of any tax or similar governmental assessment.

Section 4. Information. You agree that you will not and will cause your affiliates not to disclose this Agreement, the contents hereof or the activities of Northland pursuant hereto, directly or indirectly, to any person without the prior written approval of Northland, except that the Company may disclose this Agreement and the contents hereof (i) to its directors, officers, members, direct or indirect equity holders, counsel and professional advisors, in each case on a “need-to-know” basis (in which case the Company will (x) inform any such persons of the confidentiality obligations contained herein and (y) remain responsible for any breaches of any such obligations by any such persons) and (ii) other than to the extent covered by the preceding clause (i), as required by applicable law or regulation or compulsory legal, judicial, administrative or regulatory process (in which case the Company will inform any such persons of the confidentiality obligations contained herein). The obligations of the Company pursuant to this paragraph shall survive any expiration or termination of this agreement or Northland’s engagement hereunder. Notwithstanding anything to the contrary contained in this Agreement, the Company (and each employee, representative or other agent of the Company) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transactions contemplated by this Agreement and all materials of any kind (including opinions or other tax analyses) that are provided to the Company relating to such tax treatment and structure.

In connection with Northland’s engagement, the Company will actively assist Northland in achieving a placement of the Transaction that is reasonably satisfactory to the Company in the Company’s sole discretion. Such assistance shall include (a) furnishing to, or causing to be furnished to, Northland such information concerning the Company that Northland and the Company may reasonably deem necessary or appropriate to complete such distribution (including, but not limited to, financial projections) (the “Information”); (b) making reasonably available your officers, directors, employees, accountants, counsel and other representatives (collectively, the “Representatives”); (c) using commercially reasonable efforts to ensure that the distribution efforts of Northland benefit materially from your existing investor relationships and your existing banking relationships (without jeopardizing the anticipated financial benefits of identifying new investors); and (d) otherwise reasonably assisting Northland in its distribution efforts, including by making presentations regarding the business and affairs of the Company and its subsidiaries, as appropriate, at one or more one-on-one meetings of prospective Investors that have agreed to mutually acceptable confidentiality arrangements. In performing its services hereunder, Northland shall be entitled to rely upon and shall not be responsible for the accuracy or completeness of information supplied to it by the Company or any of its Representatives and shall not be responsible for conducting any appraisal of assets or liabilities.

Division of Northland Securities, Inc., Member FINRA and SIPC

Main 612-851-5900 | Toll Free 800-851-2920
45 South 7th Street, Suite 2000 | Minneapolis, MN 55402

NorthlandSecurities.com | *Member FINRA and SIPC*

The Company represents and warrants to Northland that all Information relating to the Company or which the Company provides in writing (collectively, the “Materials”) will be materially complete and correct. The Company further represents and warrants that any projections provided by it to Northland will have been prepared in good faith and will be based upon assumptions, which, in light of the circumstances under which they are made, are reasonable. The Company recognizes and confirms that Northland (i) will use and rely primarily on the Materials and on information available from generally recognized public sources in performing the services contemplated by this Agreement without having independently verified the same; (ii) is authorized to transmit to any prospective investor the Materials and other legal documentation supplied to Northland for transmission to parties that have entered into a customary form of confidentiality agreement (including a “click-through” on a secure website) by or on behalf of the Company; (iii) does not assume responsibility for the accuracy or completeness of the Materials and such other information; (iv) will not make an appraisal of the Company; and (v) retains the right to continue to perform due diligence during the course of its engagement hereunder to the extent that it is reasonably necessary for it to perform the services contemplated hereby (it being understood that Northland will not be authorized to act as an initial purchaser or underwriter but will merely be acting as a placement agent without underwriter liability under the Securities Act of 1933).

In connection with Northland's engagement, for all Transactions reasonably satisfactory to the Company (in the sole discretion of the Company), it is understood and agreed that Northland will manage and control all aspects of the placement of any Transaction in consultation with you, including decisions as to the selection of prospective Investors, when commitments will be accepted and the final allocations of the commitments among the Investors (which shall be done solely with the Company's approval). It is understood that no Investor investing in any Transaction will receive compensation from you in order to obtain its commitment, except as contemplated herein, including upfront fees paid to all Investors to ensure a successful placement of any Transaction, or as otherwise directed by Northland.

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Section 6. Indemnity. Since Northland will be acting on behalf of the Company in connection with this engagement, the Company and Northland agree to the indemnity provisions and other matters set forth in Annex B, which is incorporated by reference into this agreement and is an integral part hereof. The obligations of the Company pursuant to Annex B shall survive any expiration or termination of this agreement or Northland's engagement hereunder.

Division of Northland Securities, Inc., Member FINRA and SIPC

Main 612-851-5900 | Toll Free 800-851-2920
45 South 7th Street, Suite 2000 | Minneapolis, MN 55402

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Section 7. Term and Termination. Unless otherwise agreed to in writing by the parties hereto, this Agreement shall terminate upon the first to occur of: (i) the six (6) month anniversary of the date hereof; (ii) the Final Closing; or (iii) an Early Termination as defined in the Section 7 below (the "Term"). Northland's engagement hereunder may be terminated by either Northland or the Company at any time upon thirty (30) days' prior written notice thereof to the other Party. Upon any termination of this Agreement, the obligations of the parties hereunder shall terminate, except for their obligations under Section 4 (with respect to confidentiality), this Section 7, any outstanding obligations under Section 2 and Sections 3, 4, 6, 8-13. If within the three (3) months following the termination of this Agreement by the Company, the Company or any of its subsidiaries or affiliates consummates any Transaction with a Northland Introduced Investor as included on Annex A as amended from time to time in writing, including email, Northland shall be entitled to payment in full of the applicable fees and the benefit of the other provisions described in Section 2 of this Agreement with respect to such transaction or transactions. If within the six (6) months following the termination of this Agreement by the Company if the Company or any of its subsidiaries or affiliates consummates any Transaction with a Northland Introduced Investor who actually participates in the Transaction, as included on Annex A, contemplated by this Agreement, Northland shall be entitled to payment in full of the applicable fees and the benefit of the other provisions described in Section 2 of this Agreement with respect to such transaction or transactions. The three (3) and six (6) month periods referred to in the preceding two sentences shall collectively be referred to as the "Tail Period" in this Agreement. Northland will provide the Company with a completed Annex A within five (5) days of the Final Closing. Northland agrees and acknowledges that the Company will have final approval on Annex A submitted by Northland..

Section 8. Late Payment Fee. Any amounts due Northland pursuant to this Agreement that are not paid on the due date specified herein shall accrue interest thereon at the rate of 1.5% per month, compounded monthly until paid in-full.

Section 9. Non-Circumvention. During the term of this Agreement and for the Tail Period, unless otherwise authorized by Northland in a specific written consent, the Company will not, and Company will cause each of its affiliates and representatives not to initiate, maintain contact to discuss or attempt to enter into (i) a Transaction with any Northland Introduced Investor without the active ongoing involvement of Northland and (ii) any other transaction not contemplated in this Agreement with a Northland Introduced Investor without first entering into a compensation agreement with Northland in respect of any such transactions.

Section 10. Required Notices and Disclosures. The Company shall provide written notice and disclosure to Northland during the term of this Agreement and for the Tail Period with respect to any of the following events as follows:

(a) within three (3) days of the receipt of a term sheet or commitment letter by the Company from a party with respect to any Transaction or from any Northland Introduced Investor with respect to any other transaction not contemplated under this Agreement. Such notice will include a copy of such term sheet or commitment letter; and

(b) no less than five (5) days prior to the expected receipt of funds by the Company or the closing of any transaction with a Northland Introduced Investor so that Northland can prepare and deliver an invoice for payment to the Company. Such notice will include the amount and expected date of receipt of funds to be received on account of a transaction.

All notices to Northland hereunder shall be in writing (including facsimile transmission) and shall be sent to:

Jeff Peterson
Northland Securities, Inc.
45 South 7th Street, Suite 2000
Minneapolis, MN 55402
jpeterson@northlandcapitalmarkets.com

Section 11. Acknowledgements. The Company acknowledges that Northland and its affiliates are involved in a wide range of banking, investment banking, private banking, private equity, asset management and other investment and financial businesses and services, both for its own account and for the accounts of clients and customers. Northland and its affiliates provide a full range of securities services, including securities trading and brokerage activities. Northland and its affiliates may acquire, hold or sell, for its own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of the Company and any other company that may be involved in the transactions and other matters contemplated by this Agreement, as well as provide investment banking and other financial services to such companies. Northland and its affiliates may have interests, or be engaged in a broad range of transactions involving interests, that differ from those of the Company. The Company acknowledges and agrees that Northland has no obligation to disclose such interests or transactions (or information relating thereto) to the Company.

The Company expressly acknowledges and agrees that Northland's obligations hereunder are on a reasonable best efforts basis only and that the execution of this Agreement does not constitute a commitment by Northland and its affiliates to purchase any portion of any Transaction and does not ensure the successful placement of any Transaction or any portion thereof or the success of Northland or its affiliates with respect to securing any other financing on behalf of the Company.

The Company further acknowledges and agrees that Northland has been retained solely to provide the services set forth in this Agreement and that no fiduciary or agency relationship between the Company and Northland has been created in respect of Northland's engagement hereunder, regardless of whether Northland has advised or is advising the Company on other matters. In connection with this engagement, Northland is acting as an independent contractor, with obligations owing solely to the Company and not in any other capacity.

The Company understands that Northland is not undertaking to provide any legal, accounting or tax advice in connection with this agreement. Northland shall not be responsible for the underlying business decision of the Company to effect the transactions contemplated by this Agreement or for the advice or services provided by any of the Company's other advisors or contractors.

Section 12. Miscellaneous. This Agreement shall be binding upon and inure to the benefit of the Company, Northland and their respective successors. Except as contemplated by Annex B, this agreement is not intended to confer rights upon any persons not a party hereto (including security holders, employees or creditors of the Company). This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements, both written and oral, with respect to the subject matter hereof, and no modification of this Agreement or waiver of the terms and conditions contained herein shall be binding upon the parties hereto unless approved in writing by each party. If any term, provision, covenant or restriction herein (including Annex B) is held by a court of competent jurisdiction to be invalid, void or unenforceable or against public policy, the remainder of the terms, provisions and restrictions contained herein shall remain in full force and effect and shall in no way be modified or invalidated.

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This Agreement may be executed in counterparts, each of which will be deemed to be an original, but all of which taken together will constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or by electronic “.pdf” transmission shall be effective as delivery of a manually signed counterpart.

Section 13. Governing Law; Waiver of Jury Trial. All aspects of the relationship created by this agreement or the engagement hereunder, any other agreements relating to the engagement hereunder and all claims or causes of action (whether in contract, tort or otherwise) that may be based upon, arise out of or relate to this agreement or the engagement hereunder shall be governed by and construed in accordance with the laws of the State of New York, applicable to contracts made and to be performed therein and, in connection therewith. The parties consent to the exclusive jurisdiction of the courts located in New York County, New York, in connection with any claim or dispute relating to this Agreement or any services or advice provided hereunder. The prevailing party in any such litigation shall be entitled to recover its attorney’s fees and costs. Notwithstanding the foregoing, solely for purposes of enforcing the Company’s obligations under Annex B, the Company consents to personal jurisdiction, service and venue in any court proceeding in which any claim or cause of action relating to or arising out of this agreement or the engagement hereunder is brought by or against any Indemnified Person. Northland AND THE COMPANY EACH HEREBY AGREES TO WAIVE ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY CLAIM, COUNTER CLAIM OR ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE ENGAGEMENT HEREUNDER.

(the rest of page intentionally blank – signature page follows)

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We are delighted to accept this engagement and look forward to working with you on this assignment. Please confirm your agreement with the foregoing by signing and returning to us the enclosed copy of this agreement.

Very truly yours,

NORTHLAND SECURITIES, INC

By: /s/ Jeffrey Peterson

Name: Jeff Peterson

Title: Head of Investment Banking

Accepted and agreed to as of the date first written above:

AKOUSTIS TECHNOLOGIES, INC.

By: /s/ Jeffrey B. Shealy

Name: Jeffrey Shealy

Title: President & Chief Executive Officer

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ANNEX A – Northland Introduced Investors

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ANNEX B

In further consideration of the agreements contained in the Agreement of which this Annex B is a part, the Company agrees to indemnify and hold harmless Northland, its affiliates, the respective members, directors, officers, partners, agents and employees of Northland, and any person controlling Northland or any of its affiliates (collectively, "Indemnified Persons") from and against, and the Company agrees that no Indemnified Person shall have any liability to the Company or its owners, parents, affiliates, security holders or creditors for, any losses, claims, damages or liabilities (including actions or proceedings in respect thereof) (collectively, "Liabilities") (A) related to or arising out of (i) the Company's actions or failures to act (including statements or omissions made or information provided by the Company or its agents) in connection with the Transaction or (ii) actions or failures to act by an Indemnified Person with the Company's consent or in reliance on the Company's actions or failures to act in connection with the Transaction or (B) otherwise related to or arising out of the Agreement, Northland's performance thereof or any other services Northland is asked to provide to the Company (in each case, including related activities prior to the date hereof), except that this clause (B) shall not apply to any Liabilities to the extent that they are finally determined by a court of competent jurisdiction to have resulted primarily from the gross negligence, fraud or willful misconduct of such Indemnified Person.

If such indemnification is for any reason not available or insufficient to hold an Indemnified Person harmless, the Company agrees to contribute to the Liabilities involved in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and by Northland, on the other hand, in respect of the Agreement or, if such allocation is determined by a court of competent jurisdiction to be unavailable, in such proportion as is appropriate to reflect other equitable considerations such as the relative fault of the Company on the one hand and of Northland on the other hand; provided, however, that, to the extent permitted by applicable law, the Indemnified Persons shall not be responsible for expenses and Liabilities which in the aggregate are in excess of the amount of all fees actually received by Northland from the Company pursuant to the Agreement. Relative benefits to the Company, on the one hand, and Northland, on the other hand, in respect of the Agreement shall be deemed to be in the same proportion as (i) the total value received or proposed to be received by the Indemnifying Parties in connection with any financing contemplated by the Agreement, bears to (ii) all fees actually received by or committed to Northland in connection with the Agreement.

The Company will not permit any settlement or compromise to include, or consent to the entry of any judgment that includes, a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of an Indemnified Person, without such Indemnified Person's prior written consent, which shall not be unreasonably delayed, conditioned or withheld. If any Indemnified Person becomes involved in any capacity in any action, claim, suit, investigation or proceeding, actual or threatened, brought by or against any person, including stockholders of the Company, in connection with or as a result of the engagement or any matter referred to in the engagement the Company also agrees to reimburse such Indemnified Persons for their reasonable and documented out-of-pocket expenses (including, without limitation, reasonable legal fees and other costs and expenses incurred in connection with investigating, preparing for and responding to third party subpoenas or enforcing the engagement) as such expenses are incurred. The Company's obligations pursuant to this Annex B shall inure to the benefit of any successors, assigns, heirs and personal representatives of each Indemnified Person and are in addition to any rights that each Indemnified Person may have at common law or otherwise.

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ANNEX C

BAD ACTOR DISQUALIFICATION QUESTIONNAIRE

Instructions: On September 23, 2013, the Commission issued a rule disqualifying securities offerings involving certain “felons and other ‘bad actors’” from reliance on Rule 506 of Regulation D promulgated under the 1933 Act went into effect. The new rule triggers disclosure of bad actors and bad acts that occurred on or prior to September 23, 2013, and provides that bad actors/bad acts occurring after September 23, 2013 cause the disqualification from reliance on Rule 506. In order to confirm that the Company remains eligible to rely on Rule 506 and to comply with the related disclosure requirements, each director, executive officer, general partner or managing member of the company, or beneficial owner of 20% or more of the company’s outstanding voting equity securities, is required to complete and execute this Bad Actor Disqualification Questionnaire (this “Questionnaire”).

If you are a person described in clauses (a) or (b) above, you need to complete this Questionnaire. Please answer “Yes” or “No” with respect to each of the items set forth below. If you answer “Yes” to any of the following, please provide a detailed written description of all relevant facts and circumstances relating the applicable event, conviction, order, proceeding or action.

- (1) Have you been convicted, within the prior ten years, of any felony or misdemeanor: (A) in connection with the purchase or sale of any security; (B) involving the making of any false filing with the SEC; or (C) arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment advisor or paid solicitor of purchasers of securities? Yes No

- (2) Are you subject to any order, judgment or decree of any court of competent jurisdiction, entered within the prior five years, that restrains or enjoins you from engaging or continuing to engage in any conduct or practice: (A) in connection with the purchase or sale of any security; (B) involving the making of any false filing with the SEC; or (C) arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment advisor or paid solicitor of purchasers of securities? Yes No

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- (3) Are you subject to a final order of a U.S. state securities commission (or an agency or officer of a U.S. state performing like functions); a U.S. state authority that supervises or examines banks, savings associations, or credit unions; a U.S. state insurance commission (or an agency or officer of a state performing like functions); an appropriate U.S. federal banking agency; the U.S. Commodity Futures Trading Commission (the “CFTC”); or the U.S. National Credit Union Administration that: (A) bars you from: (1) association with an entity regulated by such commission, authority, agency, or officer; (2) engaging in the business of securities, insurance or banking; or (3) engaging in savings association or credit union activities; or (B) constitutes a final order based on a violation of any law or regulation that prohibits fraudulent, manipulative, or deceptive conduct entered within the last ten years? Yes No
- (4) Are you subject to an order of the SEC entered pursuant to section 15(b) or 15B(c) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or section 203(e) or (f) of the Investment Advisers Act of 1940, as amended (the “Advisers Act”), that (A) suspends or revokes your registration as a broker, dealer, municipal securities dealer or investment adviser; (B) places limitations on your activities, functions or operations; or (C) bars you from being associated with any entity or from participating in the offering of any penny stock? Yes No
- (5) Are you subject to any order of the SEC entered within the last five years that orders you to cease and desist from committing or causing a violation or future violation of: (A) any scienter-based anti-fraud provision of the federal securities laws, including without limitation section 17(a)(1) of the 1933 Act, section 10(b) of the Exchange Act, and 17 CFR 240.10b-5, section 15(c)(1) of the Exchange Act and section 206(1) of the Advisers Act, or any other rule or regulation thereunder; or (B) Section 5 of the 1933? Yes No
- (6) Are you suspended or expelled from membership in, or suspended or barred from association with a member of, a registered national securities exchange or a registered national or affiliated securities association for any act or omission to act constituting conduct inconsistent with just and equitable principles of trade? Yes No
- (7) Have you filed (as a registrant or issuer), or were you an underwriter or were you named as an underwriter in, any registration statement or Regulation A offering statement filed with the SEC that, within the prior five years, was the subject of a refusal order, stop order, or order suspending the Regulation A exemption, or are you the subject of an investigation or proceeding to determine whether a stop order or suspension order should be issued? Yes No
- (8) Are you subject to a United States Postal Service false representation order entered within the last five years, or are you subject to a temporary restraining order or preliminary injunction with respect to conduct alleged by the United States Postal Services to constitute a scheme or device for obtaining money or property through the mail by means of false representations? Yes No

- (9) To the best of your knowledge, are you now the subject of any action, regulatory complaint, proceeding or other event that could result in a “yes” answer to any part of items 1-8 above? Yes No

You hereby certify, represent and warrant that each of the above statements is true and correct and agree to immediately notify the company if such information becomes inaccurate in any respect. You further agree to immediately notify the company of any action, proceeding, investigation, event, action or development that could result in a “Yes” answer to any of the statements set forth above.

By: _____

Name: _____

Date: _____

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Highly Confidential

December 14, 2016

Akoustis Technologies, Inc.
9805 Northcross Center Court
Suite H
Huntersville, NC 28078

Attn: Mr. Jeffrey Shealy
President & Chief Executive Officer

**ENGAGEMENT AGREEMENT PROVIDING FOR
INVESTMENT BANKING SERVICES**

Dear Mr. Shealy:

This letter agreement (this "Agreement") is to confirm the engagement by Akoustis Technologies, Inc. and its subsidiaries and affiliates (the "Company" or "you") of Joseph Gunnar & Co., LLC ("Joseph Gunnar") as its non-exclusive financial advisor and placement agent in connection with an institutional equity capital raise(s) ("each a Transaction" and each an "Offering").

The Offering will raise a minimum of gross proceeds of five hundred thousand dollars (\$500,000) (the "Minimum Offering Amount") and a maximum of gross proceeds of ten million dollars (\$10,000,000) (the "Maximum Offering Amount") through the sale of shares of common stock, par value \$0.001 per share, of the Company (the "Common Stock"), at the Purchase Price of \$5.00 per share (the "Offering Price"). The minimum subscription is twenty- five thousand dollars (\$25,000) or five thousand shares (5,000), provided, however, that subscriptions in lesser amounts may be accepted by the Company in its sole discretion.

Placement of the Securities by the Joseph Gunnar will be made on a reasonable best efforts basis. The Company agrees and acknowledges that Joseph Gunnar is not acting as an underwriter with respect to the Offering and the Company shall determine the purchasers in the Offering in its sole discretion. The Shares will be offered by the Company to potential subscribers, which may include related parties of the Joseph Gunnar or the Company, commencing on December 12, 2016 through January 9, 2017 (the "Initial Offering Period"), which date may be extended by the Company in its sole discretion (this additional period, if any, and the Initial Offering Period shall be referred to as the "Offering Period"). The date on which the Offering is terminated shall be referred to as the "Termination Date". The closing of the Offering may be held up to ten days after the Termination Date.

30 Broad Street, 11th Floor • New York, NY 10004
Tel: 212.440.9600 • 888.248.6627 • Fax: 212.440.9634

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Accordingly, the parties hereto agree as follows:

Section 1. Engagement of Joseph Gunnar. Joseph Gunnar's services under this Agreement will, to the extent requested and appropriate, consist of:

- (a) advising you concerning the negotiations, structure, price and other terms and conditions of a Transaction;
- (b) identifying and introducing potential investors and credit enhancement providers to the Company in respect of a Transaction. "Introduced Investors" shall mean a list of investors, where the Offering was made known to each listed investor.
- (c) assisting with due diligence performed by Investors in respect of a Transaction; and
- (d) taking such actions on your behalf as may be appropriate in Joseph Gunnar's reasonable judgment with your prior consent.

Any and all work product created by Joseph Gunnar, including but not limited to teasers, presentations, confidential information memoranda, operating and valuation models, and target investor lists shall not be distributed to any third party without the Company receiving express written consent of Joseph Gunnar prior to such distribution.

The Company acknowledges that Joseph Gunnar and its affiliates are in the business of providing investment banking services (of all types contemplated by this agreement) to others. Nothing herein contained shall be construed to limit or restrict Joseph Gunnar or its affiliates in conducting such business with respect to others or in rendering such advice to others.

Section 2. Compensation. As consideration for Joseph Gunnar's agreement to perform the services described in this Agreement, the Company agrees to pay Joseph Gunnar the following fees on the closing date of each Transaction ("Transaction Fees"):

A. Cash Success Fees:

- i. *For gross proceeds of less than \$3,000,000 from Joseph Gunnar Introduced: 8.0% of the gross proceeds paid or payable for equity or equity-linked securities issued by the Company, or*
- ii. *In the event Joseph Gunnar places \$3,000,000 or more with Joseph Gunnar Introduced Investors: 10.0% of the entire gross proceeds paid or payable for equity or equity-linked securities issued by the Company,*

B. Warrant Success Fees:

- i. 10.0% of the gross proceeds paid or payable for equity or equity-linked securities issued by the Company to Joseph Gunnar Introduced Investors;

The Warrant Success Fee warrants shall have a term of five-years, and contain cashless exercise provisions and piggyback registration rights, providing Joseph Gunnar with the right to purchase one share of the Company's common stock per warrant with an exercise price of \$5.00. At Joseph Gunnar's option and upon Joseph Gunnar's written instructions to the Company, the Company shall issue all or a portion of any warrants due to Joseph Gunnar under this Agreement directly to specified Joseph Gunnar employees. The warrants and the shares issuable upon exercise of the warrants may constitute restricted shares and may contain restrictive legends indicating such restrictions; provided, however, that the warrants and shares issuable shall contain piggyback registration rights requiring their inclusion with any registration statement filed by the Company. In the event no registration statement is filed, the Company's counsel shall be responsible for drafting and executing the Rule 144 comfort letter (and any other required paperwork as required by the transfer agent), at the Company's expense, providing for the sale of such underlying shares.

It is agreed and understood that Joseph Gunnar will, at closing, be compensated directly from closing escrow via wire transfer. You agree that, once paid, the fees or any part thereof payable hereunder will not be refundable, absent a finding of fraud or willful misconduct in relation to this Agreement by Joseph Gunnar by a court or tribunal or competent jurisdiction, and such fees shall not be subject to reduction by way of setoff or counterclaim absent a finding of fraud or willful misconduct in relation to this Agreement by Joseph Gunnar by a court or tribunal or competent jurisdiction.

The Company agrees that it shall not enter into any agreement with a Joseph Gunnar Introduced Investor that (i) does not require Joseph Gunnar to be paid its Transaction Fees in full on the closing date of the initial Transaction and any subsequent Transactions in strict accordance with provision contained in this Agreement and (ii) materially conflicts with the provisions of this Agreement. The Company may, in its sole discretion, accept or reject, in whole or in part, any prospective investment in the Transaction or allot to any prospective subscriber less than the number of securities such subscriber wishes to purchase.

Section 3. Expenses; Payments. Whether or not any Transaction is consummated or this Agreement is terminated or expires, the Company agrees, upon request, but no less frequently than monthly, to reimburse Joseph Gunnar promptly for all reasonable and documented out-of-pocket costs and expenses (including, without limitation, the reasonable fees, disbursements and other charges of counsel) incurred in connection with the preparation of documents or other matters relating to the Transaction, provided that Joseph Gunnar shall seek prior written approval from the Company for all expenses in aggregate in excess of \$10,000.

All fees and expenses payable under this agreement are payable in U.S. dollars in immediately available funds. All fees, expenses and other payments under this agreement shall be paid without giving effect to any withholding or deduction of any tax or similar governmental assessment.

Section 4. Information. You agree that you will not and will cause your affiliates not to disclose this Agreement, the contents hereof or the activities of Joseph Gunnar pursuant hereto, directly or indirectly, to any person without the prior written approval of Joseph Gunnar, except that the Company may disclose this Agreement and the contents hereof (i) to its directors, officers, members, direct or indirect equity holders, counsel and professional advisors, in each case on a “need-to-know” basis (in which case the Company will (x) inform any such persons of the confidentiality obligations contained herein and (y) remain responsible for any breaches of any such obligations by any such persons) and (ii) other than to the extent covered by the preceding clause (i), as required by applicable law or regulation or compulsory legal, judicial, administrative or regulatory process (in which case the Company will inform any such persons of the confidentiality obligations contained herein). The obligations of the Company pursuant to this paragraph shall survive any expiration or termination of this agreement or Joseph Gunnar’s engagement hereunder. Notwithstanding anything to the contrary contained in this Agreement, the Company (and each employee, representative or other agent of the Company) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transactions contemplated by this Agreement and all materials of any kind (including opinions or other tax analyses) that are provided to the Company relating to such tax treatment and structure.

In connection with Joseph Gunnar’s engagement, the Company will actively assist Joseph Gunnar in achieving a placement of the Transaction that is reasonably satisfactory to the Company in the Company’s sole discretion. Such assistance shall include (a) furnishing to, or causing to be furnished to, Joseph Gunnar such information concerning the Company that Joseph Gunnar and the Company may reasonably deem necessary or appropriate to complete such distribution (including, but not limited to, financial projections) (the “Information”); (b) making reasonably available your officers, directors, employees, accountants, counsel and other representatives (collectively, the “Representatives”); (c) using commercially reasonable efforts to ensure that the distribution efforts of Joseph Gunnar benefit materially from your existing investor relationships and your existing banking relationships (without jeopardizing the anticipated financial benefits of identifying new investors); and (d) otherwise reasonably assisting Joseph Gunnar in its distribution efforts, including by making presentations regarding the business and affairs of the Company and its subsidiaries, as appropriate, at one or more one-on-one meetings of prospective Investors that have agreed to mutually acceptable confidentiality arrangements. In performing its services hereunder, Joseph Gunnar shall be entitled to rely upon and shall not be responsible for the accuracy or completeness of information supplied to it by the Company or any of its Representatives and shall not be responsible for conducting any appraisal of assets or liabilities.

The Company represents and warrants to Joseph Gunnar that all Information relating to the Company or which the Company provides in writing (collectively, the “Materials”) will be materially complete and correct. The Company further represents and warrants that any projections provided by it to Joseph Gunnar will have been prepared in good faith and will be based upon assumptions, which, in light of the circumstances under which they are made, are reasonable. The Company recognizes and confirms that Joseph Gunnar (i) will use and rely primarily on the Materials and on information available from generally recognized public sources in performing the services contemplated by this Agreement without having independently verified the same; (ii) is authorized to transmit to any prospective investor the Materials and other legal documentation supplied to Joseph Gunnar for transmission to parties that have entered into a customary form of confidentiality agreement (including a “click-through” on a secure website) by or on behalf of the Company; (iii) does not assume responsibility for the accuracy or completeness of the Materials and such other information; (iv) will not make an appraisal of the Company; and (v) retains the right to continue to perform due diligence during the course of its engagement hereunder to the extent that it is reasonably necessary for it to perform the services contemplated hereby (it being understood that Joseph Gunnar will not be authorized to act as an initial purchaser or underwriter but will merely be acting as a placement agent without underwriter liability under the Securities Act of 1933).

In connection with Joseph Gunnar's engagement, for all Transactions reasonably satisfactory to the Company (in the sole discretion of the Company), it is understood and agreed that Joseph Gunnar will manage and control all aspects of the placement of any Transaction in consultation with you, including decisions as to the selection of prospective Investors, when commitments will be accepted and the final allocations of the commitments among the Investors (which shall be done solely with the Company's approval). It is understood that no Investor investing in any Transaction will receive compensation from you in order to obtain its commitment, except as contemplated herein, including upfront fees paid to all Investors to ensure a successful placement of any Transaction, or as otherwise directed by Joseph Gunnar.

Section 5. Public Announcements. The Company acknowledges that Joseph Gunnar may, at its option and expense and after the Closing Date or the consummation of any Transaction, place announcements and advertisements describing Joseph Gunnar's role in such transaction and such other information as is publicly disclosed (which may include the reproduction of the Company's logo and a hyperlink to the Company's website on Joseph Gunnar's website). Furthermore, if requested by Joseph Gunnar, the Company shall include a mutually acceptable reference to Joseph Gunnar in any press release or other public announcement made by the Company regarding the matters described in this agreement.

Section 6. Indemnity. Since Joseph Gunnar will be acting on behalf of the Company in connection with this engagement, the Company and Joseph Gunnar agree to the indemnity provisions and other matters set forth in Annex B, which is incorporated by reference into this agreement and is an integral part hereof. The obligations of the Company pursuant to Annex B shall survive any expiration or termination of this agreement or Joseph Gunnar's engagement hereunder.

Section 7. Term and Termination. Unless otherwise agreed to in writing by the parties hereto, this Agreement shall terminate upon the first to occur of: (i) the six (6) month anniversary of the date hereof; (ii) the Final Closing; or (iii) an Early Termination as defined in the Section 7 below (the "Term"). Joseph Gunnar's engagement hereunder may be terminated by either Joseph Gunnar or the Company at any time upon thirty (30) days' prior written notice thereof to the other Party. Upon any termination of this Agreement, the obligations of the parties hereunder shall terminate, except for their obligations under Section 4 (with respect to confidentiality), this Section 7, any outstanding obligations under Section 2 and Sections 3, 4, 6, 8-13. If within the three (3) months following the termination of this Agreement by the Company, the Company or any of its subsidiaries or affiliates consummates any Transaction with a Joseph Gunnar Introduced Investor as included on Annex A as amended from time to time in writing, including email, Joseph Gunnar shall be entitled to payment in full of the applicable fees and the benefit of the other provisions described in Section 2 of this Agreement with respect to such transaction or transactions. If within the six (6) months following the termination of this Agreement by the Company if the Company or any of its subsidiaries or affiliates consummates any Transaction with a Joseph Gunnar Introduced Investor who actually participates in the Transaction, as included on Annex A, contemplated by this Agreement, Joseph Gunnar shall be entitled to payment in full of the applicable fees and the benefit of the other provisions described in Section 2 of this Agreement with respect to such transaction or transactions. The three (3) and six (6) month periods referred to in the preceding two sentences shall collectively be referred to as the "Tail Period" in this Agreement. Joseph Gunnar will provide the Company with a completed Annex A for Joseph Gunnar within five (5) days of the Final Closing. Joseph Gunnar agrees and acknowledges that the Company will have final approval on Annex A submitted by Joseph Gunnar.

Section 8. Late Payment Fee. Any amounts due Joseph Gunnar pursuant to this Agreement that are not paid on the due date specified herein shall accrue interest thereon at the rate of 1.5% per month, compounded monthly until paid in-full.

Section 9. Non-Circumvention. During the term of this Agreement and for the Tail Period, unless otherwise authorized by Joseph Gunnar in a specific written consent, the Company will not, and Company will cause each of its affiliates and representatives not to initiate, maintain contact to discuss or attempt to enter into or enter into (i) a Transaction with any Joseph Gunnar Introduced Investor without the active ongoing involvement of Joseph Gunnar and (ii) any other transaction not contemplated in this Agreement with a Joseph Gunnar Introduced Investor without first entering into a compensation agreement with Joseph Gunnar in respect of any such transactions.

Section 10. Required Notices and Disclosures. The Company shall provide written notice and disclosure to Joseph Gunnar during the term of this Agreement and for the Tail Period with respect to any of the following events as follows:

(a) within three (3) days of the receipt of a term sheet or commitment letter by the Company from a party with respect to any Transaction or from any Joseph Gunnar Introduced Investor with respect to any other transaction not contemplated under this Agreement. Such notice will include a copy of such term sheet or commitment letter; and

(b) no less than five (5) days prior to the expected receipt of funds by the Company or the closing of any transaction with a Joseph Gunnar Introduced Investor so that Joseph Gunnar can prepare and deliver an invoice for payment to the Company. Such notice will include the amount and expected date of receipt of funds to be received on account of a transaction.

All notices to Joseph Gunnar hereunder shall be in writing (including facsimile transmission) and shall be sent to:

Eric Lord
Joseph Gunnar & Co., LLC
30 Broad Street, 11th Fl
New York, NY 10004
elord@jgunnar.com

Section 11. Acknowledgements. The Company acknowledges that Joseph Gunnar and its affiliates are involved in a wide range of banking, investment banking, private banking, private equity, asset management and other investment and financial businesses and services, both for its own account and for the accounts of clients and customers. Joseph Gunnar and its affiliates provide a full range of securities services, including securities trading and brokerage activities. Joseph Gunnar and its affiliates may acquire, hold or sell, for its own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of the Company and any other company that may be involved in the transactions and other matters contemplated by this Agreement, as well as provide investment banking and other financial services to such companies. Joseph Gunnar and its affiliates may have interests, or be engaged in a broad range of transactions involving interests, that differ from those of the Company. The Company acknowledges and agrees that Joseph Gunnar has no obligation to disclose such interests or transactions (or information relating thereto) to the Company.

The Company expressly acknowledges and agrees that Joseph Gunnar's obligations hereunder are on a reasonable best efforts basis only and that the execution of this Agreement does not constitute a commitment by Joseph Gunnar and its affiliates to purchase any portion of any Transaction and does not ensure the successful placement of any Transaction or any portion thereof or the success of Joseph Gunnar or its affiliates with respect to securing any other financing on behalf of the Company.

The Company further acknowledges and agrees that Joseph Gunnar has been retained solely to provide the services set forth in this Agreement and that no fiduciary or agency relationship between the Company and Joseph Gunnar has been created in respect of Joseph Gunnar's engagement hereunder, regardless of whether Joseph Gunnar has advised or is advising the Company on other matters. In connection with this engagement, Joseph Gunnar is acting as an independent contractor, with obligations owing solely to the Company and not in any other capacity.

The Company understands that Joseph Gunnar is not undertaking to provide any legal, accounting or tax advice in connection with this agreement. Joseph Gunnar shall not be responsible for the underlying business decision of the Company to effect the transactions contemplated by this Agreement or for the advice or services provided by any of the Company's other advisors or contractors.

Section 12. Miscellaneous. This Agreement shall be binding upon and inure to the benefit of the Company, Joseph Gunnar and their respective successors. Except as contemplated by Annex B, this agreement is not intended to confer rights upon any persons not a party hereto (including security holders, employees or creditors of the Company). This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements, both written and oral, with respect to the subject matter hereof, and no modification of this Agreement or waiver of the terms and conditions contained herein shall be binding upon the parties hereto unless approved in writing by each party. If any term, provision, covenant or restriction herein (including Annex B) is held by a court of competent jurisdiction to be invalid, void or unenforceable or against public policy, the remainder of the terms, provisions and restrictions contained herein shall remain in full force and effect and shall in no way be modified or invalidated.

This Agreement may be executed in counterparts, each of which will be deemed to be an original, but all of which taken together will constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or by electronic ".pdf" transmission shall be effective as delivery of a manually signed counterpart.

Section 13. Governing Law; Waiver of Jury Trial. All aspects of the relationship created by this agreement or the engagement hereunder, any other agreements relating to the engagement hereunder and all claims or causes of action (whether in contract, tort or otherwise) that may be based upon, arise out of or relate to this agreement or the engagement hereunder shall be governed by and construed in accordance with the laws of the State of New York, applicable to contracts made and to be performed therein and, in connection therewith. The parties consent to the exclusive jurisdiction of the courts located in New York County, New York, in connection with any claim or dispute relating to this Agreement or any services or advice provided hereunder. The prevailing party in any such litigation shall be entitled to recover its attorney's fees and costs. Notwithstanding the foregoing, solely for purposes of enforcing the Company's obligations under Annex B, the Company consents to personal jurisdiction, service and venue in any court proceeding in which any claim or cause of action relating to or arising out of this agreement or the engagement hereunder is brought by or against any Indemnified Person. Joseph Gunnar AND THE COMPANY EACH HEREBY AGREES TO WAIVE ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY CLAIM, COUNTER CLAIM OR ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE ENGAGEMENT HEREUNDER.

(the rest of page intentionally blank – signature page follows)

Highly Confidential

We are delighted to accept this engagement and look forward to working with you on this assignment. Please confirm your agreement with the foregoing by signing and returning to us the enclosed copy of this agreement.

Very truly yours,

JOSEPH GUNNAR & CO., LLC

By: /s/ Eric Lord

Name: Eric Lord

Title: Head of Investment Banking/Underwritings

Accepted and agreed to as of the date first written above:

AKOUSTIS TECHNOLOGIES, INC.

By: /s/ Jeffery B. Shealy

Name: Jeffrey Shealy

Title: President & Chief Executive Officer

ANNEX A – Joseph Gunnar Introduced Investors

ANNEX B

In further consideration of the agreements contained in the Agreement of which this Annex B is a part, the Company agrees to indemnify and hold harmless Joseph Gunnar, its affiliates, the respective members, directors, officers, partners, agents and employees of Joseph Gunnar, and any person controlling Joseph Gunnar or any of its affiliates (collectively, "Indemnified Persons") from and against, and the Company agrees that no Indemnified Person shall have any liability to the Company or its owners, parents, affiliates, security holders or creditors for, any losses, claims, damages or liabilities (including actions or proceedings in respect thereof) (collectively, "Liabilities") (A) related to or arising out of (i) the Company's actions or failures to act (including statements or omissions made or information provided by the Company or its agents) in connection with the Transaction or (ii) actions or failures to act by an Indemnified Person with the Company's consent or in reliance on the Company's actions or failures to act in connection with the Transaction or (B) otherwise related to or arising out of the Agreement, Joseph Gunnar's performance thereof or any other services Joseph Gunnar is asked to provide to the Company (in each case, including related activities prior to the date hereof), except that this clause (B) shall not apply to any Liabilities to the extent that they are finally determined by a court of competent jurisdiction to have resulted primarily from the gross negligence, fraud or willful misconduct of such Indemnified Person.

If such indemnification is for any reason not available or insufficient to hold an Indemnified Person harmless, the Company agrees to contribute to the Liabilities involved in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and by Joseph Gunnar, on the other hand, in respect of the Agreement or, if such allocation is determined by a court of competent jurisdiction to be unavailable, in such proportion as is appropriate to reflect other equitable considerations such as the relative fault of the Company on the one hand and of Joseph Gunnar on the other hand; provided, however, that, to the extent permitted by applicable law, the Indemnified Persons shall not be responsible for expenses and Liabilities which in the aggregate are in excess of the amount of all fees actually received by Joseph Gunnar from the Company pursuant to the Agreement. Relative benefits to the Company, on the one hand, and Joseph Gunnar, on the other hand, in respect of the Agreement shall be deemed to be in the same proportion as (i) the total value received or proposed to be received by the Indemnifying Parties in connection with any financing contemplated by the Agreement, bears to (ii) all fees actually received by or committed to Joseph Gunnar in connection with the Agreement.

The Company will not permit any settlement or compromise to include, or consent to the entry of any judgment that includes, a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of an Indemnified Person, without such Indemnified Person's prior written consent, which shall not be unreasonably delayed, conditioned or withheld. If any Indemnified Person becomes involved in any capacity in any action, claim, suit, investigation or proceeding, actual or threatened, brought by or against any person, including stockholders of the Company, in connection with or as a result of the engagement or any matter referred to in the engagement the Company also agrees to reimburse such Indemnified Persons for their reasonable and documented out-of-pocket expenses (including, without limitation, reasonable legal fees and other costs and expenses incurred in connection with investigating, preparing for and responding to third party subpoenas or enforcing the engagement) as such expenses are incurred. The Company's obligations pursuant to this Annex B shall inure to the benefit of any successors, assigns, heirs and personal representatives of each Indemnified Person and are in addition to any rights that each Indemnified Person may have at common law or otherwise.

ANNEX C

BAD ACTOR DISQUALIFICATION QUESTIONNAIRE

Instructions: On September 23, 2013, the Commission issued a rule disqualifying securities offerings involving certain “felons and other ‘bad actors’” from reliance on Rule 506 of Regulation D promulgated under the 1933 Act went into effect. The new rule triggers disclosure of bad actors and bad acts that occurred on or prior to September 23, 2013, and provides that bad actors/bad acts occurring after September 23, 2013 cause the disqualification from reliance on Rule 506. In order to confirm that the Company remains eligible to rely on Rule 506 and to comply with the related disclosure requirements, each director, executive officer, general partner or managing member of the company, or beneficial owner of 20% or more of the company’s outstanding voting equity securities, is required to complete and execute this Bad Actor Disqualification Questionnaire (this “Questionnaire”).

If you are a person described in clauses (a) or (b) above, you need to complete this Questionnaire. Please answer “Yes” or “No” with respect to each of the items set forth below. If you answer “Yes” to any of the following, please provide a detailed written description of all relevant facts and circumstances relating the applicable event, conviction, order, proceeding or action.

- (1) Have you been convicted, within the prior ten years, of any felony or misdemeanor: (A) in connection with the purchase or sale of any security; (B) involving the making of any false filing with the SEC; or (C) arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment advisor or paid solicitor of purchasers of securities? Yes No
- (2) Are you subject to any order, judgment or decree of any court of competent jurisdiction, entered within the prior five years, that restrains or enjoins you from engaging or continuing to engage in any conduct or practice: (A) in connection with the purchase or sale of any security; (B) involving the making of any false filing with the SEC; or (C) arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment advisor or paid solicitor of purchasers of securities? Yes No

- (3) Are you subject to a final order of a U.S. state securities commission (or an agency or officer of a U.S. state performing like functions); a U.S. state authority that supervises or examines banks, savings associations, or credit unions; a U.S. state insurance commission (or an agency or officer of a state performing like functions); an appropriate U.S. federal banking agency; the U.S. Commodity Futures Trading Commission (the “CFTC”); or the U.S. National Credit Union Administration that: (A) bars you from: (1) association with an entity regulated by such commission, authority, agency, or officer; (2) engaging in the business of securities, insurance or banking; or (3) engaging in savings association or credit union activities; or (B) constitutes a final order based on a violation of any law or regulation that prohibits fraudulent, manipulative, or deceptive conduct entered within the last ten years? Yes No
- (4) Are you subject to an order of the SEC entered pursuant to section 15(b) or 15B(c) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or section 203(e) or (f) of the Investment Advisers Act of 1940, as amended (the “Advisers Act”), that (A) suspends or revokes your registration as a broker, dealer, municipal securities dealer or investment adviser; (B) places limitations on your activities, functions or operations; or (C) bars you from being associated with any entity or from participating in the offering of any penny stock? Yes No
- (5) Are you subject to any order of the SEC entered within the last five years that orders you to cease and desist from committing or causing a violation or future violation of: (A) any scienter-based anti-fraud provision of the federal securities laws, including without limitation section 17(a)(1) of the 1933 Act, section 10(b) of the Exchange Act, and 17 CFR 240.10b-5, section 15(c)(1) of the Exchange Act and section 206(1) of the Advisers Act, or any other rule or regulation thereunder; or (B) Section 5 of the 1933? Yes No
- (6) Are you suspended or expelled from membership in, or suspended or barred from association with a member of, a registered national securities exchange or a registered national or affiliated securities association for any act or omission to act constituting conduct inconsistent with just and equitable principles of trade? Yes No

- (7) Have you filed (as a registrant or issuer), or were you an underwriter or were you named as an underwriter Yes No in, any registration statement or Regulation A offering statement filed with the SEC that, within the prior five years, was the subject of a refusal order, stop order, or order suspending the Regulation A exemption, or are you the subject of an investigation or proceeding to determine whether a stop order or suspension order should be issued?
- (8) Are you subject to a United States Postal Service false representation order entered within the last five Yes No years, or are you subject to a temporary restraining order or preliminary injunction with respect to conduct alleged by the United States Postal Services to constitute a scheme or device for obtaining money or property through the mail by means of false representations?
- (9) To the best of your knowledge, are you now the subject of any action, regulatory complaint, proceeding Yes No or other event that could result in a “yes” answer to any part of items 1-8 above?

You hereby certify, represent and warrant that each of the above statements is true and correct and agree to immediately notify the company if such information becomes inaccurate in any respect. You further agree to immediately notify the company of any action, proceeding, investigation, event, action or development that could result in a “Yes” answer to any of the statements set forth above.

By: _____

Name: _____

Date: _____

FORM OF AMENDED AND RESTATED BROKERS WARRANT

AMENDED AND RESTATED WARRANT

NEITHER THE SECURITIES REPRESENTED HEREBY NOR THE SECURITIES ISSUABLE UPON EXERCISE OF THESE SECURITIES HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “*SECURITIES ACT*”), OR UNDER THE SECURITIES LAWS OF ANY STATES. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. UNLESS SOLD PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER TO THE EFFECT THAT ANY PROPOSED TRANSFER OR RESALE IS IN COMPLIANCE WITH THE SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

[_____] , INC.

WARRANT

Warrant No. _____

Original Issue Date:
[_____] [____], 2016

Amendment Date:
[_____] [____], 2016

[_____] , Inc., a Nevada corporation (the “*Company*”), hereby certifies that, for value received, Northland Securities, Inc. or its registered assigns (the “*Holder*”), is entitled to purchase from the Company up to a total of [_____] shares of Common Stock (each such share, a “*Warrant Share*” and all such shares, the “*Warrant Shares*”), at any time and from time to time from and after the Amendment Date and through and including [_____] , 2021 (the “*Expiration Date*”). This Amended and Restated Warrant (the “*Warrant*”) amends and restates the warrant originally issued to the Holder on [_____] [____], 201[____] (the “*Prior Warrant*”). The Prior Warrant is superseded and replaced by this Warrant in all respects, *provided, however*, that the Warrant Shares underlying this Warrant only include the portion of the Prior Warrant not exercised prior to the Amendment Date. This Warrant shall be subject to the following terms and conditions:

Placement Agency Agreement (PIPE)

Attachment I

1. Definitions. As used in this Warrant, the following terms shall have the respective definitions set forth in this Section 1. Capitalized terms that are used and not defined in this Warrant that are defined in the Agreement (as defined below) shall have the respective definitions set forth in the Agreement.

“*Brokers Warrants*” means warrants, including this Warrant, to purchase shares of Common Stock, which warrants were issued pursuant to the Agreement.

“*Closing Price*” means, for any date of determination, the price determined by the first of the following clauses that applies: (i) if the Common Stock is then listed or quoted on a Trading Market, the closing bid price per share of the Common Stock for such date (or the nearest preceding date) on such market; (ii) if prices for the Common Stock are then quoted on the OTC Bulletin Board, the closing bid price per share of the Common Stock for such date (or the nearest preceding date) so quoted; (iii) if prices for the Common Stock are then reported in the OTC Markets, the most recent bid price per share of the Common Stock so reported; or (iv) in all other cases, the fair market value of a share of Common Stock as determined by an independent qualified appraiser selected in good faith and paid for by the Company.

“*Common Stock*” means the common stock of the Company, par value \$0.001 per share, and any securities into which such common stock may hereafter be reclassified.

“*Exercise Price*” means \$1.60, subject to adjustment in accordance with Section 9.

“*Agreement*” means the Placement Agency Agreement, dated [_____], 2016, to which the Company and the Holder are parties.

“*Fundamental Transaction*” means any of the following: (i) the Company effects any merger or consolidation of the Company with or into another person, (ii) the Company effects any sale of all or substantially all of its assets in one or a series of related transactions, (iii) any tender offer or exchange offer (whether by the Company or another person) is completed pursuant to which holders of Common Stock are permitted to tender or exchange their shares for other securities, cash or property, or (iv) the Company effects any reclassification of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property.

“*Original Issue Date*” means the Original Issue Date first set forth on the first page of this Warrant or its predecessor instrument.

“*Amendment Date*” means the Amendment Date first set forth on the first page of this Warrant.

“*Registration Rights Agreement*” means the Registration Rights Agreement, dated [_____], 2016, to which the Company and the Holder are parties.

“*Trading Day*” means (i) a day on which the Common Stock is traded on a Trading Market (other than the OTC Bulletin Board), or (ii) if the Common Stock is not listed on a Trading Market (other than the OTC Bulletin Board), a day on which the Common Stock is traded in the over-the-counter market, as reported by the OTC Bulletin Board, or (iii) if the Common Stock is not quoted on any Trading Market, a day on which the Common Stock is quoted in the over-the-counter market as reported by the OTC Markets (or any similar organization or agency succeeding to its functions of reporting prices); provided, that in the event that the Common Stock is not listed or quoted as set forth in clauses (i), (ii) and (iii) hereof, then Trading Day shall mean a Business Day.

“*Trading Market*” means whichever of the New York Stock Exchange, NYSE MKT, the NASDAQ Global Select Market, the NASDAQ Global Market, the NASDAQ Capital Market or the OTC Bulletin Board on which the Common Stock is listed or quoted for trading on the date in question.

2. Registration of Warrant. The Company shall register this Warrant upon records to be maintained by the Company for that purpose (the “*Warrant Register*”), in the name of the record Holder hereof from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.

3. Registration of Transfers. The Company shall register the transfer of any portion of this Warrant in the Warrant Register, upon surrender of this Warrant, with the Form of Assignment attached hereto duly completed and signed, to the Company at its address specified herein. Upon any such registration or transfer, a new Warrant to purchase Common Stock, in substantially the form of this Warrant (any such new Warrant, a “*New Warrant*”), evidencing the portion of this Warrant so transferred shall be issued to the transferee and a New Warrant evidencing the remaining portion of this Warrant not so transferred, if any, shall be issued to the transferring Holder. The acceptance of the New Warrant by the transferee thereof shall be deemed the acceptance by such transferee of all of the rights and obligations of a holder of a Warrant.

4. Exercise and Duration of Warrants.

(a) This Warrant shall be exercisable by the registered Holder in whole at any time and in part from time to time from the Amendment Date through and including the Expiration Date. At 5:30 p.m., Central time on the Expiration Date, the portion of this Warrant not exercised prior thereto shall be and become void and of no value. The Company may not call or redeem any portion of this Warrant without the prior written consent of the affected Holder.

(b) Notwithstanding anything to the contrary contained herein, the number of Warrant Shares that may be acquired by the Holder upon any exercise of this Warrant (or otherwise in respect hereof) shall be limited to the extent necessary to insure that, following such exercise (or other issuance), the total number of shares of Common Stock then beneficially owned by such Holder and its affiliates (as defined under Rule 144, “*Affiliates*”) and any other persons whose beneficial ownership of Common Stock would be aggregated with the Holder’s for purposes of Section 13(d) of the Exchange Act, does not exceed 4.999% of the total number of issued and outstanding shares of Common Stock (including for such purpose the shares of Common Stock issuable upon such exercise). For such purposes, beneficial ownership shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. This provision shall not restrict the number of shares of Common Stock which a Holder may receive or beneficially own in order to determine the amount of securities or other consideration that such Holder may receive in the event of a Fundamental Transaction as contemplated in Section 9 of this Warrant. By written notice to the Company, the Holder may waive the provisions of this Section 4(b) but any such waiver will not be effective until the 61st day after delivery of such notice, nor will any such waiver effect any other Holder.

Notwithstanding anything to the contrary contained herein, the number of Warrant Shares that may be acquired by the Holder upon any exercise of this Warrant (or otherwise in respect hereof) shall be limited to the extent necessary to insure that, following such exercise (or other issuance), the total number of shares of Common Stock then beneficially owned by such Holder and its Affiliates and any other persons whose beneficial ownership of Common Stock would be aggregated with the Holder’s for purposes of Section 13(d) of the Exchange Act, does not exceed 9.999% of the total number of issued and outstanding shares of Common Stock (including for such purpose the shares of Common Stock issuable upon such exercise). For such purposes, beneficial ownership shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. This provision shall not restrict the number of shares of Common Stock which a Holder may receive or beneficially own in order to determine the amount of securities or other consideration that such Holder may receive in the event of a Fundamental Transaction as contemplated in Section 9 of this Warrant. This restriction may not be waived.

5. Delivery of Warrant Shares.

(a) To effect exercises hereunder, the Holder shall not be required to physically surrender this Warrant unless the aggregate Warrant Shares represented by this Warrant are being exercised. Upon delivery of the Exercise Notice (in the form attached hereto) to the Company (with the attached Warrant Shares Exercise Log) at its address for notice set forth herein and upon payment of the Exercise Price multiplied by the number of Warrant Shares that the Holder intends to purchase hereunder, the Company shall promptly (but in no event later than three Trading Days after the Date of Exercise (as defined herein)) issue and deliver to the Holder, a certificate for the Warrant Shares issuable upon such exercise, which, unless otherwise required by applicable law, shall be free of restrictive legends. The Company shall, upon request of the Holder and subsequent to the date on which a registration statement covering the resale of the Warrant Shares has been declared effective by the Securities and Exchange Commission, use its reasonable best efforts to deliver Warrant Shares hereunder electronically through the Depository Trust Corporation or another established clearing corporation performing similar functions, if available, provided, that, the Company may, but will not be required to change its transfer agent if its current transfer agent cannot deliver Warrant Shares electronically through the Depository Trust Corporation. A “*Date of Exercise*” means the date on which the Holder shall have delivered to the Company: (i) the Exercise Notice (with the Warrant Exercise Log attached to it), appropriately completed and duly signed and (ii) if such Holder is not utilizing the cashless exercise provisions set forth in this Warrant, payment of the Exercise Price for the number of Warrant Shares so indicated by the Holder to be purchased.

(b) If by the third Trading Day after a Date of Exercise the Company fails to deliver the required number of Warrant Shares in the manner required pursuant to Section 5(a), then the Holder will have the right to rescind such exercise.

(c) If by the third Trading Day after a Date of Exercise the Company fails to deliver the required number of Warrant Shares in the manner required pursuant to Section 5(a), and if after such third Trading Day and prior to the receipt of such Warrant Shares, the Holder purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by the Holder of the Warrant Shares which the Holder anticipated receiving upon such exercise (a “*Buy-In*”), then the Company shall (1) pay in cash to the Holder the amount by which (x) the Holder’s total purchase price (including brokerage commissions, if any) for the shares of Common Stock so purchased exceeds (y) the amount obtained by multiplying (A) the number of Warrant Shares that the Company was required to deliver to the Holder in connection with the exercise at issue by (B) the closing bid price of the Common Stock at the time of the obligation giving rise to such purchase obligation and (2) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of Warrant Shares for which such exercise was not honored or deliver to the Holder the number of shares of Common Stock that would have been issued had the Company timely complied with its exercise and delivery obligations hereunder. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In.

(d) The Company's obligations to issue and deliver Warrant Shares in accordance with the terms hereof are absolute and unconditional, irrespective of any action or inaction by the Holder to enforce the same, any waiver or consent with respect to any provision hereof, the recovery of any judgment against any person or any action to enforce the same, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by the Holder or any other person of any obligation to the Company or any violation or alleged violation of law by the Holder or any other person, and irrespective of any other circumstance which might otherwise limit such obligation of the Company to the Holder in connection with the issuance of Warrant Shares. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver certificates representing Warrant Shares upon exercise of the Warrant as required pursuant to the terms hereof.

6. **Charges, Taxes and Expenses.** Issuance and delivery of Warrant Shares upon exercise of this Warrant shall be made without charge to the Holder for any issue or transfer tax, withholding tax, transfer agent fee or other incidental tax or expense in respect of the issuance of such certificates, all of which taxes and expenses shall be paid by the Company; provided, however, that the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the registration of any certificates for Warrant Shares or Warrants in a name other than that of the Holder. The Holder shall be responsible for all other tax liability that may arise as a result of holding or transferring this Warrant or receiving Warrant Shares upon exercise hereof.

7. **Replacement of Warrant.** If this Warrant is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation hereof, or in lieu of and substitution for this Warrant, a New Warrant, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction and customary and reasonable indemnity (which shall not include a surety bond), if requested. Applicants for a New Warrant under such circumstances shall also comply with such other reasonable regulations and procedures and pay such other reasonable third-party costs as the Company may prescribe. If a New Warrant is requested as a result of a mutilation of this Warrant, then the Holder shall deliver such mutilated Warrant to the Company as a condition precedent to the Company's obligation to issue the New Warrant.

8. **Reservation of Warrant Shares.** The Company covenants that it will at all times reserve and keep available out of the aggregate of its authorized but unissued and otherwise unreserved Common Stock, solely for the purpose of enabling it to issue Warrant Shares upon exercise of this Warrant as herein provided, the number of Warrant Shares which are then issuable and deliverable upon the exercise of this entire Warrant, free from preemptive rights or any other contingent purchase rights of Persons other than the Holder (taking into account the adjustments and restrictions of Section 9). The Company covenants that all Warrant Shares so issuable and deliverable shall, upon issuance and the payment of the applicable Exercise Price in accordance with the terms hereof, be duly and validly authorized, issued and fully paid and nonassessable.

9. **Certain Adjustments.** The Exercise Price and number of Warrant Shares issuable upon exercise of this Warrant are subject to adjustment from time to time as set forth in this Section 9.

(a) **Stock Dividends and Splits.** If the Company, at any time while this Warrant is outstanding, (i) pays a stock dividend on its Common Stock or otherwise makes a distribution on any class of capital stock that is payable in shares of Common Stock, (ii) subdivides outstanding shares of Common Stock into a larger number of shares, or (iii) combines outstanding shares of Common Stock into a smaller number of shares, then in each such case the Exercise Price shall be adjusted to equal the product obtained by multiplying the then-current Exercise Price by a fraction of which the numerator shall be the number of shares of Common Stock outstanding immediately before such event and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event. Any adjustment made pursuant to clause (i) of this paragraph shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution, and any adjustment pursuant to clause (ii) or (iii) of this paragraph shall become effective immediately after the effective date of such subdivision or combination.

(b) Fundamental Transactions. If, at any time while this Warrant is outstanding there is a Fundamental Transaction, then the Holder shall have the right thereafter to receive, upon exercise of this Warrant, the same amount and kind of securities, cash or property as it would have been entitled to receive upon the occurrence of such Fundamental Transaction if it had been, immediately prior to such Fundamental Transaction, the holder of the number of Warrant Shares then issuable upon exercise in full of this Warrant (the “*Alternate Consideration*”). For purposes of any such exercise, the determination of the Exercise Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Company shall apportion the Exercise Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Consideration it receives upon any exercise of this Warrant following such Fundamental Transaction. At the Holder’s option and request, any successor to the Company or surviving entity in such Fundamental Transaction shall, either (1) issue to the Holder a new warrant substantially in the form of this Warrant and consistent with the foregoing provisions and evidencing the Holder’s right to purchase the Alternate Consideration for the aggregate Exercise Price upon exercise thereof, or (2) purchase the Warrant from the Holder for a purchase price, payable in cash within five Trading Days after such request (or, if later, on the effective date of the Fundamental Transaction), equal to the Black Scholes value of the remaining unexercised portion of this Warrant on the date of such request. The terms of any agreement pursuant to which a Fundamental Transaction is effected shall include terms requiring any such successor or surviving entity to comply with the provisions of this paragraph (b) and insuring that the Warrant (or any such replacement security) will be similarly adjusted upon any subsequent transaction analogous to a Fundamental Transaction. **Notwithstanding the foregoing, the Warrant holder will not be entitled to exchange these warrants for cash in any Fundamental Transaction that is not approved by the Company’s board of directors or that occurs in a transaction or as a result of an event that was not within the Company’s sole control.**

(c) Number of Warrant Shares. Simultaneously with any adjustment to the Exercise Price pursuant to this Section 9, the number of Warrant Shares that may be purchased upon exercise of this Warrant shall be increased or decreased proportionately, so that after such adjustment the aggregate Exercise Price payable hereunder for the adjusted number of Warrant Shares shall be the same as the aggregate Exercise Price in effect immediately prior to such adjustment.

(e) Calculations. All calculations under this Section 9 shall be made to the nearest cent or the nearest 1/100th of a share, as applicable. The number of shares of Common Stock outstanding at any given time shall not include shares owned or held by or for the account of the Company, and the disposition of any such shares shall be considered an issue or sale of Common Stock.

(f) Notice of Adjustments. Upon the occurrence of each adjustment pursuant to this Section 9, the Company at its expense will promptly compute such adjustment in accordance with the terms of this Warrant and prepare a certificate setting forth such adjustment, including a statement of the adjusted Exercise Price and adjusted number or type of Warrant Shares or other securities issuable upon exercise of this Warrant (as applicable), describing the transactions giving rise to such adjustments and showing in detail the facts upon which such adjustment is based. Upon written request, the Company will promptly deliver a copy of each such certificate to the Holder and to the Company's Transfer Agent.

10. Payment of Exercise Price. The Holder may pay the Exercise Price in one of the following manners:

(a) Cash Exercise. The Holder may deliver immediately available funds; or

(b) Cashless Exercise. Pursuant to a Company Exercise, or if an Exercise Notice is delivered at a time when a registration statement permitting the Holder to resell the Warrant Shares is not then effective or the prospectus forming a part thereof is not then available to the Holder for the resale of the Warrant Shares, then the Holder may notify the Company in an Exercise Notice of its election to utilize a cashless exercise, in which event the Company shall issue to the Holder the number of Warrant Shares determined as follows:

$$X = Y [(A-B)/A]$$

where:

X = the number of Warrant Shares to be issued to the Holder.

Y = the number of Warrant Shares with respect to which this Warrant is being exercised.

A = the average of the Closing Prices for the five Trading Days immediately prior to (but not including) the Exercise Date.

B = the Exercise Price.

For purposes of Rule 144 promulgated under the Securities Act, it is intended, understood and acknowledged that the Warrant Shares issued in a cashless exercise transaction shall be deemed to have been acquired by the Holder, and the holding period for the Warrant Shares shall be deemed to have commenced, on the date this Warrant was originally issued.

11. No Fractional Shares. No fractional shares of Warrant Shares will be issued in connection with any exercise of this Warrant. In lieu of any fractional shares which would, otherwise be issuable, the Company shall pay cash equal to the product of such fraction multiplied by the Closing Price of one Warrant Share on the date of exercise.

12. Notices. Any and all notices or other communications or deliveries hereunder (including, without limitation, any Exercise Notice) shall be in writing and shall be deemed given and effective if provided pursuant to the Agreement. In case any time: (1) the Company shall declare any cash dividend on its capital stock; (2) the Company shall pay any dividend payable in stock upon its capital stock or make any distribution to the holders of its capital stock; (3) the Company shall offer for subscription pro rata to the holders of its capital stock any additional shares of stock of any class or other rights; (4) there shall be any capital reorganization, or reclassification of the capital stock of the Company, or consolidation or merger of the Company with, or sale of all or substantially all of its assets to, another corporation; or (5) there shall be a voluntary or involuntary dissolution, liquidation or winding up of the Company; then, in any one or more of said cases, the Company shall give prompt written notice to the Holder. Such notice shall also specify the date as of which the holders of capital stock of record shall participate in such dividend, distribution or subscription rights, or shall be entitled to exchange their capital stock for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation or winding up, or conversion or redemption, as the case may be. Such written notice shall be given at least 20 days prior to the action in question and not less than 20 days prior to the record date or the date on which the Company's transfer books are closed in respect thereto.

13. Registration Rights. The Holder shall be entitled to the registration rights set forth in the Registration Rights Agreement.

14. Lock Up. In accordance with FINRA Rule 5110(g), this Warrant shall not be sold during the Private Placement, or sold, transferred, assigned, pledged, or hypothecated, or be the subject of any hedging, short sale, derivative, put, or call transaction that would result in the effective economic disposition of this Warrant or the Warrant Shares, by any person for a period of 180 days immediately following the date of effectiveness or commencement of sales of the Private Placement, except as provided in paragraph (g)(2) of FINRA Rule 5110.

16. Miscellaneous.

(a) This Warrant shall be binding on and inure to the benefit of the parties hereto and their respective successors and assigns. Subject to the preceding sentence, nothing in this Warrant shall be construed to give to any Person other than the Company and the Holder any legal or equitable right, remedy or cause of action under this Warrant.

(b) This Warrant may be amended from time to time with the prior written consent of holders of Brokers Warrants exercisable for a majority of the shares of Common Stock then issuable upon exercise of Brokers Warrants then outstanding; *provided, however,* that the consent of the Holder shall be required for any amendment of this Warrant that would (i) increase the Exercise Price or decrease the number of Warrant Shares purchasable upon exercise of this Warrant, except that such consent shall not be required for any adjustment to the Exercise Price or the number of Warrant Shares purchasable if made pursuant to the provisions of Section 9, (ii) alter the Company's obligation to issue Warrant Shares upon exercise of this Warrant (other than pursuant to adjustments otherwise provided for in this Warrant, including the adjustments provided for in Section 9), (iii) change the Expiration Date of the Warrant to an earlier date, (iv) waive the application of the adjustments provisions contained in Section 9 in connection with any events to which such provisions apply or otherwise modify the adjustment provisions contained in Section 9 in a manner that would have an adverse economic impact on the Holder, or (v) treat the Holder differently in an adverse way from any other holders of Brokers Warrants.

(c) All questions concerning the construction, validity, enforcement and interpretation of this Warrant shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof.

(d) The headings herein are for convenience only, do not constitute a part of this Warrant and shall not be deemed to limit or affect any of the provisions hereof.

(e) In case any one or more of the provisions of this Warrant shall be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Warrant shall not in any way be affected or impaired thereby and the parties will attempt in good faith to agree upon a valid and enforceable provision which shall be a commercially reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Warrant.

(f) Prior to exercise of this Warrant, the Holder hereof shall not, by reason of by being a Holder, be entitled to any rights of a stockholder with respect to the Warrant Shares.

[Remainder of page intentionally left blank, signature page follows]

In witness whereof, the Company has caused this Warrant to be duly executed by its authorized officer as of the date first indicated above.

AKOUSTIS TECHNOLOGIES, INC.

By: _____

Name: _____

Title: _____

EXERCISE NOTICE

The undersigned Holder hereby irrevocably elects to purchase _____ shares of Common Stock pursuant to the attached Warrant. Capitalized terms used herein and not otherwise defined have the respective meanings set forth in the Warrant.

(1) The undersigned Holder hereby exercises its right to purchase _____ Warrant Shares pursuant to the Warrant.

(2) The Holder intends that payment of the Exercise Price shall be made as (check one):

- "Cash Exercise" under Section 10
- "Cashless Exercise" under Section 10

(3) If the Holder has elected a Cash Exercise, the Holder shall pay the sum of \$_____ to the Company in accordance with the terms of the Warrant.

(4) Pursuant to this Exercise Notice, the Company shall deliver to the Holder _____ Warrant Shares in accordance with the terms of the Warrant.

Dated _____, _____

Name of Holder:

(Print)

By: _____

Title: _____

(Signature must conform in all respects to name of holder as specified on the face of the Warrant)

Warrant Shares Exercise Log

<u>Date</u>	<u>Number of Warrant Shares Available to be Exercised</u>	<u>Number of Warrant Shares Exercised</u>	<u>Number of Warrant Shares Remaining to be Exercised</u>
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Placement Agency Agreement (PIPE)

Attachment I

FORM OF ASSIGNMENT

[To be completed and signed only upon transfer of Warrant]

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____ the right represented by the attached Warrant to purchase _____ shares of Common Stock to which such Warrant relates and appoints _____ attorney to transfer said right on the books of the Company with full power of substitution in the premises.

Dated: _____, _____

(Signature must conform in all respects to name of holder as specified on the face of the Warrant)

Address of Transferee

Attest: _____

February 14, 2017

Akoustis Technologies, Inc.
9805 Northcross Center Court, Suite H
Huntersville, NC 28078

Ladies and Gentlemen:

We are providing this letter for your inclusion as an exhibit to your Form 10-Q filing pursuant to Item 601 of Regulation S-K.

We have been furnished with a copy of the quarterly report on Form 10-Q of Akoustis Technologies, Inc. (the Company) for the three and six months ended December 31, 2016, and have read the Company's statements contained in Note 3 to the condensed consolidated financial statements included therein. As stated in Note 3, the Company changed its accounting policy for the recognition of government grants. In accordance with your request, we have reviewed and discussed with Company officials the circumstances, judgments and conclusions upon which the decision to make this change in the method of accounting was based.

We have not audited any financial statements of the Company as of any date or for any period subsequent to June 30, 2016, nor have we audited the information set forth in the aforementioned Note 3 to the condensed consolidated financial statements; accordingly, we do not express an opinion concerning the factual information contained therein.

With regard to the aforementioned accounting change, authoritative criteria have not been established for evaluating the preferability of one acceptable method of accounting over another acceptable method. However, for purposes of the Company's compliance with the requirements of the Securities and Exchange Commission, we are furnishing this letter.

Based on our review and discussion, with reliance on management's stated reasons and judgements, we concur that the newly adopted method of accounting is preferable in the Company's circumstances.

Very truly yours,

/s/ Marcum LLP

Marcum LLP
New York, NY

**CERTIFICATION PURSUANT TO RULE 13A-14(a) OR 15D-14(a)
OF THE SECURITIES EXCHANGE ACT OF 1934**

I, Jeffrey B. Shealy, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Akoustis Technologies, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 14, 2017

/s/ Jeffrey B. Shealy

Jeffrey B. Shealy

President and Chief Executive Officer (principal executive officer)

**CERTIFICATION PURSUANT TO RULE 13A-14(a) OR 15D-14(a)
OF THE SECURITIES EXCHANGE ACT OF 1934**

I, Cindy C. Payne, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Akoustis Technologies, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 14, 2017

/s/Cindy C. Payne

Cindy C. Payne

Chief Financial Officer

(principal financial officer and principal accounting officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Akoustis Technologies, Inc. (the "Company") on Form 10-Q for the quarterly period ended December 31, 2016, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jeffrey B. Shealy, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that;

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Jeffrey B. Shealy

Name: Jeffrey B. Shealy
Title: President and Chief Executive Officer
(principal executive officer)
Date: February 14, 2017

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Akoustis Technologies, Inc. (the "Company") on Form 10-Q for the quarterly period ended December 31, 2016, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Cindy C. Payne, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that;

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Cindy C. Payne

Name: Cindy C. Payne
Title: Chief Financial Officer
(principal financial officer and principal accounting officer)
Date: February 14, 2017

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.
