

ASX: AJX

ASX/MEDIA RELEASE

20 April 2011

US\$129 MILLION BID TO US DEPARTMENT OF DEFENSE TEAMING WITH TENNIER INDUSTRIES INC. AND STEDFAST INC. PANTHER TACTICAL CHEM-BIO PROTECTION SUITS

Alexium International Group Limited of Perth, WA and Greer, South Carolina, (Alexium) has teamed with Tennier Industries, Inc. of Tennessee, USA and Stedfast Inc. of Quebec, Canada, to submit a US\$129Million bid to the US Department of Defense (DoD) to supply proprietary PANTHER Tactical Chemical Biological Protection Suits under the requirements of the Uniform Integrated Protection Ensemble Increment 1 (UIPE II) program.

Tennier Industries is a leading U.S. defence contractor, having supplied the DoD for over 30 years. Stedfast is a leading developer and supplier of innovative flexible protective materials with products sold throughout the world. Alexium is the exclusive supplier of the treated outer shell layer for the PANTHER Suit, Stedfast is providing the aerosol and vapor components and Tennier Industries is the prime contractor, garment manufacturer, and distributor.

The PANTHER Suit is designed to meet the UIPE I1 suit requirements for a single supplemental system that will provide enhanced individual protective capabilities to the warfighter through reduction of psychological, physiological and heat stress associated with garment thermal burden, weight and bulk. It is not intended to replace currently fielded Chemical-Biological (CB) protective garments but will provide an alternative lightweight capability for selected missions.

The PANTHER Suit is designed to provide protection from Chem Bio warfare agents and to include continued protection after exposure to Petroleum, Oils, Lubricants and other environmental contaminants. The PANTHER Suit is designed to be fully compatible with current and developmental DOD clothing and equipment including load-bearing equipment, helmets, gloves, footwear, body cooling systems, and protective masks of the Special Operations Forces (SOF) and the US Navy (USN).

Stefan Susta, Executive Director and COO of Alexium said, "We are pleased to be teamed with Tennier Industries and Stedfast to produce this state of the art product for the valuable UIPE tender. The PANTHER Suit offers liquid agent, aerosol, and vapor protection in a lightweight, breathable package that measures thermal burdens even lower than traditional combat uniforms. We are very pleased with the performance and believe the PANTHER Suit can find wide acceptance in the DoD Services and abroad."

While the PANTHER and PANTHER FR Suits were submitted for article tests to the DoD as part of the UIPE program, the regular and FR-rated version will also both be offered as an end item to other US agencies and foreign defense forces, subject to certifications and export regulations, as well as being offered to first responders and emergency services.

The PANTHER and PANTHER FR Suits were submitted by the Alexium, Tennier Industries, and Stedfast team to respond to the solicitation issued by the US Army Contracting Command-APG (SCRT), Natick Contracting Division, on behalf of the Joint Program Office for Chemical and Biological Defense, Joint Project Manager- Protection.

Over the next 6 months, the PANTHER and PANTHER FR suits will undergo extensive testing and design reviews by the DoD before a single or multiple contract awards are made. The contract will be an Indefinite Delivery/Indefinite Quantity (IDIQ) type in which delivery orders may be issued for a one year base period and four, one year option periods. The cumulative total of all delivery orders awarded to all awardees will not exceed \$129 million over the life of the contract. The US Government envisions that multiple awards will be made, but reserves the right to make no award or to make a single award, if in the best interest of the Government.

About Alexium

Alexium International Group Limited (ASX:AJX, Frankfurt: AX:AJX) holds proprietary patent applications for a process developed initially by the US Department of Defense, which allows for the surface modification and attachment of nano particles or multiple chemical functional groups to surfaces or substrates to provide functions such as water proofing, oil proofing, anti microbial, non-stick and UV protection. Applications under development include but are not limited to textiles, paints, packaging, glass and building materials.

For more information visit: www.alexiuminternational.com

About Tennier Industries Inc.

Tennier Industries is a leading U.S. military contractor for technically constructed performance uniform items, equipage and sleep systems.

Tennier Industries products are deployed in all mission-critical environments and are issued as fundamental gear in ensuring today's modern soldier's comfort and, in many cases, survival. Tennier Industries currently supplies gear for thousands of soldiers in the US Army, US Marine Corps, US Navy, US Air Force and US Coast Guard. Over the last 30 years, Tennier Industries has been consistently identified by the government as a "Best Value" supplier based on such parameters as superior quality, price, past performance and the ability to timely produce surge quantity requirements.

For more information visit: www.tennierindustries.com

About Stedfast, Inc.

Stedfast is a private 80-year-old company based in Granby, Quebec, Canada. Stedfast is an established leading developer and supplier of innovative flexible protective materials utilizing multiple coating and laminating technologies for specialized high value end uses. Stedfast has production facilities in the USA and Canada. Their product range is sold and marketed throughout the world.

For more information visit: www.stedfast.com

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