



ALEXIUM

CHEMICAL INNOVATIONS

ALEXIUM INTERNATIONAL GROUP LIMITED

ASX/Media Release

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ALEXIUM CLOSES PRODUCT SUPPLY AGREEMENT WITH UK FINISHER ESSEX FLAMEPROOFING (EUROFLAM)

- Alexium shipping 2.5 metric tonnes of chemicals for sale to Euroflam and other parties in the European Union introduced by Euroflam.
- Euroflam agrees to a Non-Exclusive Supply Agreement for further purchases to meet Euroflam's anticipated demand for Alexium's halogen-free flame retardant (FR) chemicals.
- Euroflam agrees to act as Alexium's commission agent for market introductions, marketing, and product branding in Europe.

Perth, WA and Greer, South Carolina, Alexium International Group Limited (Alexium) (ASX:AJX, AX:AJX, OTC QX:AXXIY) announced today the finalization of a Non-Exclusive Product Supply and Agency agreement with Essex Flameproofing Ltd. (Euroflam). Euroflam has paid an initial USD\$25,000 fee and will be receiving 2.5 metric tonnes of FR Chemicals. As a leading United Kingdom based FR commission finisher for the upholstery, furnishing, and contract fabrics market, Euroflam will also introduce Alexium treatments to a list of interested fabric producers, in addition to its own FR product treatment range. Euroflam will act on behalf of Alexium on a commission basis to market and manage larger projects to be completed at other FR commission finishing locations in the United Kingdom.

The initial fee includes the purchase of a small chemical supply as well as production inventory for further consumption, and third party production trials in the European Union. In addition to the initial quantity purchased by Essex, Alexium is shipping an additional two (2) metric tonnes of chemicals from the US this week, in anticipation of additional European (EU) demand over the coming months. In early summer, Alexium will also begin shipping product from an EU toll manufacturer for supply to the EU region.

Euroflam and Alexium have been collaborating over the last several months to establish benchmark performance on many fabrics used primarily for upholstery, furnishing, and the contract market. As a halogen-free solution, Alexium's FR treatments offer eco-friendly and cost effective solutions with exceptional performance. Used as impregnated or back-coated fabric treatments, Alexium and Euroflam have already identified a number of applications for production roll out.

Euroflam is excited to be the first company in the EU to use Alexium's FR products. "We anticipate the performance on the fabrics exhibited so far to quickly transition to production, offering our customers a new range of halogen-free FR treatment options on a wide range of upholstery, curtain and contract fabrics, and for military and work-wear apparel. Alexium's FR treatments fit a key market need and we look forward

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to working with Alexium as a long term partner. In addition to being a consumer, we appreciate the ability to act as Alexium's sales agents to facilitate compound orders to larger finishers, enabling them to process internally," remarked Alan Eyers, Operations Director at Euroflam.

The curtain fabrics market in the United Kingdom is approximately £542 million. A large portion of the upholstery and curtain markets require FR treatment for usage in hotels, nursing homes, hospitals, transportation, and public institutions. Beyond the United Kingdom market, Alexium is targeting fabric markets in the broader EU market. The European consumption of soft furnishings fabrics is significantly larger, with the upholstered furniture market alone being approximately EUR11.4 billion, with a large portion of these fabrics having to comply with fire protection laws and regulations.

"Euroflam's customers are seeking enhanced performance and safe chemical treatments. Our treatments are meeting their expectations, and we are preparing for further production runs to deliver test yardage. We are confident that this will lead to further sales orders, satisfying a growing demand for our FR chemical products," added Stefan Susta, Alexium's Chief Operating Officer.

"We are pleased to be working with an established and well-respected FR finisher in the United Kingdom. The European upholstery and furnishing market is an important entry market for Alexium, and Euroflam will help us address the market quickly. This agreement establishes a relationship that is synergistic for both parties; Essex will be able to offer their customers our latest FR chemical treatments, and Alexium will have another sales channel to increase sales revenues," added Nicholas Clark, Alexium's Chief Executive Officer.

For more information visit: www.alexiuminternational.com

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About Alexium

Alexium International Group Limited (ASX: AJX, AX:AJX OTC QX: AXXIY) holds proprietary patent applications for a process developed initially by the U.S. 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 fire retardancy, water proofing, oil proofing, and anti-microbial treatments. Applications under development include but are not limited to textiles, paints, and packaging, glass and building materials. Alexium's fire retardant chemical treatment are currently marketed for different fabric markets under the Ascalon™, Nycolon™, Nuvalon™, and Polytron™ trademarks.