

CHEMICAL INNOVATIONS
ALEXIUM INTERNATIONAL GROUP LIMITED

**MULTI-YEAR SALES AGREEMENT WITH NEW GLOBAL BEDDING PRODUCER
FIRST COMMERCIAL USE OF ALEXIUM'S FIRE RETARDANT FOR PHASE CHANGE
MATERIALS**

Sales Commence Q2 2016

Highlights:

- **Alexium's flame retardant phase change material (PCM) to be exclusively used by leading global mattress ticking producer.**
- **Alexium deal breaks new ground in PCM bedding market, with estimated share for Alexium of more than \$5 million revenue per annum**
- **Multi-year production plan now being developed.**

Perth, Australia and Greer, South Carolina: Alexium International Group Limited ("Alexium," "the Company") (ASX:AJX, OTC QX:AXXIY) today announced it has signed a sales agreement with one of the largest global producers of mattress ticking to be the exclusive supplier of flame retardant (FR), cooling phase change material.

The Sales Agreement follows a six-month period of extensive testing and production trials. Sales commence second quarter calendar year (CY) 2016, and a multi-year production plan is now being developed.

"This is a breakthrough Sales Agreement in the phase change materials sector," said Nicholas Clark, CEO, Alexium, "and opens up the higher volume mid-priced bedding market as well as high-end bedding."

“Our share of the PCM bedding market is more than \$5 million annually,” said Clark, “and we expect this share to grow rapidly given the performance, cost and environmental benefits of our fire retardant PCM product. Alexium’s FR PCM technology provides bedding manufacturers with an exciting new product feature in a market where innovation is typically incremental. Our customers in this segment will now be able to significantly increase market share by offering what is a new and sought-after feature. We are well capitalized to meet this client’s expectations whilst maintaining our existing accounts”

“With this Sales Agreement, we have launched an entirely new FR product, and we’re already making significant inroads with scale-up trials with a number of other bedding manufacturers.”

The global bedding customer has plants in North America and Europe, and supplies most of the major manufacturers in the U.S. and abroad with fabrics used for mattress covers.

Phase Change Materials are used for a wide range of applications and makes materials cool to the touch. As the non-innerspring mattress market continues to grow, the use of PCM expands as well.

“Alexium was selected for this partnership due to our innovative technology and proven capability to meet customer’s needs,” said Dirk Van Hying, President, Alexium. “We have a significant competitive advantage in the PCM market with our ready-to-use chemistry solution and are pleased to have reached this first Sales Agreement in this valuable market segment.”

U.S. Contacts:

Nicholas (Nick) Clark
Chief Executive Officer
nclark@alexiuminternational.com

Melissa P. Kelly
Vice President, Corporate Communications
mkelly@alexiuminternational.com
U.S.: +1 864.603.1165 x303

U.S. Corporate Offices:

148 Milestone Way
Greenville, SC 29615
U.S.: +1 864.603.1165

1100 New York Avenue
Suite 710W
Washington DC 20001

U.S. R&D Center:

8 Distribution Court
Greer, SC 29650
U.S.: 864.416.1060

AB: 91 064 820 408

ASX: AJX

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 treatments are currently marketed for different fabric markets under the Alexiflam™, Ascalon™, Nycolon™, Nuvalon™, and Polytron™, Omnitron™ and Bactron™ trademarks. For additional information about Alexium, please visit www.alexiuminternational.com.