

FOR IMMEDIATE RELEASE: ASX | 19 April 2022

Facility for US\$3M/\$5M Line of Credit Finalized with Alterna CS

Highlights:

- US\$3.0M asset-based line of credit that can increase to US\$5.0M as the business grows, initial estimated availability of US\$1.1M
- Variable rate interest rate – initial facility interest rate of 8.5% p.a.
- The Facility borrowing base, which drives availability, is determined by a calculation of eligible accounts receivable and inventory items
- Facility is secured with working-capital related assets such as accounts receivable and inventory
- Three-year agreement which can be terminated by the Company with notice and payment of a sliding scale fee that decreases annually.

Sydney (Australia), Greer (South Carolina, US) – 19 April 2022: Alexium International Group Limited (ASX: AJX, “Company”) is pleased to announce that the Company has entered an asset-based line of credit with Alterna CS (“Facility”) to provide working capital funding to support the Company’s growth. The Facility is a three-year US\$3.0M asset-based line of credit which can be increased to US\$5.0M with the approval of Alterna CS as the Company grows. This Facility will support the Company’s growth initiatives for commercialisation of thermal management and flame retardant products in new end-product markets.

The Facility is an asset-based line of credit with the borrowing base consisting of eligible accounts receivable and inventory. The Facility’s funded annual interest rate is based on the Wall Street Journal published prime lending rate, currently 3.5%, plus a fixed portion of 5.0% for a total of 8.50%. The Facility interest rate adjusts with the movement of the published rate but can be no lower than a total of 8.25%. The Facility is secured with working-capital related assets such as account receivable and inventory. The total estimated borrowing base on accounts receivable and inventory at the end of March is US\$1.1M and this borrowing base is subject to change with the movement and eligible of both assets as defined in the agreement. The Company has committed to a first draw on the Facility of US\$0.3M and will maintain this minimum balance throughout the life of the Facility. The Facility terms include other fees that are customary for this type of Facility, such as a monthly monitoring fee and annual facility fee, combined these are considered de minimis. The Company can terminate the agreement with notice and the payment of an early termination fee that reduces on each anniversary.

Regarding the announcement, Chief Executive Officer Bob Brookins said, “Finalizing this facility is an important next step in the Company’s growth. With the commercialisation of new products like Eclipsys™, management of working capital has challenges during the ramp up stages, and this line of credit positions us well to do that.”



ALEXIUM

ABN: 91 064 820 408

US: 350 W Phillips Road
Greer, SC 29650 USA

AU: Level 7, 330 Collins Street
Melbourne, Victoria, 3000

About Alexium International Group Limited

Alexium International Group Limited (ASX: AJX) is a performance chemicals provider for advanced materials applications with a focus on flame retardancy and thermal management. The Company is driven by an innovation model for addressing market gaps with patent-protected technologies. These environmentally friendly solutions have applications for several industries and can be customized to meet customer needs. Key markets for Alexium are military uniforms, workwear, and bedding products. Alexium brands include Alexicool® and Alexiflam®. For additional information about Alexium, please visit www.alexiuminternational.com.

Authorised for release by Ms. Rosheen Garnon, Chair of the Board of Alexium International Group Limited.

For further information please contact:

Jason Lewis

ir@alexiuminternational.com

P: +1 864 254 9923