

Chemical Innovations

ALEXIUM INTERNATIONAL GROUP LIMITED

ASX/Media Release

7th October 2014

ALEXIUM EXPANDS SALES INTO WOOL MARKETS

Perth, WA and Greer, South Carolina, Alexium International Group Limited (Alexium) (ASX:AJX, AX:AJX, OTC QX:AXXIY) announced today that it has received purchase orders for initial sales of Alexium chemistry into the flame retardant wool market.

Key Points:

- These sales are for a brand new, proprietary Alexium chemistry developed for wool markets and to be run in full-scale production trials with customers.
- The flame retardant wool industry (transportation, hospitality, commercial) accounts for more than ten million (10,000,000) yards of fabric consumption per year in the US alone
- Wool has been traditionally used in these sectors due to wool's natural resilience and base level of flame retardancy.
- The wool market is unique because wool based fabrics are typically installed in enclosed spaces and the toxicology of any treatments applied to these fabrics receives extra scrutiny. As a result, traditional halogen-based flame retardants are being forced out of this market.
- Alexium's new FR treatment for wool-based fabrics is poised to make significant inroads into this industry because of Alexium's ecologically-friendly chemical composition and effectiveness at low loadings, which translates into minimal change in other critical fabric properties.
- The FR wool market represents another potential multi-million-dollar annual opportunity for Alexium.

"Even as the FR market is moving away from traditional halogenated compounds, the FR wool market has clearly stated the need for eco-friendly alternatives," said Mark Valdario, Strategic Sales Specialist at Alexium, "In this evolving FR climate, this market is repeatedly saying, 'if you don't have an eco-friendly FR product, you don't have a FR product for wool based products."

Sales Process:

- Initial sales into the wool market are to push products into the scale-up phase of the end product development cycle.
- These trials will kick off a process where expanded testing is performed, the technology is proven on an increasingly wide set of fabrics in the customers' facility, and ultimately a full switch-over for our customers from any ecologically unfriendly chemistries they may be using.

"As with any customer, the first step has been to pass certain performance thresholds in the lab," stated Dr. Dirk Van Hyning, Head of Product Development and Commercial Transition. "Now that we have done that, we must confirm our results on our customers' full-scale equipment which is a critical stage in not only making a performance product, but making it repeatedly – day in, day out."

Alexium's Special Chemicals Capability

In discussing this new proprietary chemistry, Alexium's Head of Research and Development, Bob Brookins stated, "Over the past few years, our research has given us great insight for flame retardancy of textiles. With wool based materials, we have integrated different FR chemistries into a *new compound* that is not offered in the market. This new compound effectively provides exceptional FR performance and durability in a concentrated form.

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 AscalonTM, NuvalonTM, and PolytronTM, OmnitronTM and BactronTM trademarks.



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