

Alexium signs MOU with ICL for the global distribution of Alexiflam NF

Highlights:

- Alexium has signed a Memorandum of Understanding with ICL, a global specialty minerals and chemicals company servicing key agricultural and industrial markets.
- ICL to be granted sole global marketing and sales rights for Alexiflam NF, the terms of which are subject to the final agreement.
- This MOU further progresses Alexium's strategy to increase global sales channels for its flame-retardant products.

Perth (Australia), Greer (South Carolina, US) – 4 April 2019 - Alexium International Group Limited (ASX: AJX, NASDAQ Designation: AXXIY) is pleased to announce the signing of a Memorandum of Understanding (MOU) with ICL (TASE/NYSE: ICL) regarding the future marketing, sales, and potential manufacture of Alexiflam NF by ICL, as Alexium increases the channels to market for its flame-retardant products.

The MOU establishes a framework for the potential commercialization of Alexiflam NF with ICL, including:

- Alexium retaining rights to sell Alexiflam NF into defined markets currently under development by Alexium.
- ICL being granted sole global marketing and sales rights for the Alexium NF product, the terms of which are subject to the final agreement.
- Both parties collaborating to assess the costs and address the practical details involved with the volume production of Alexiflam NF.

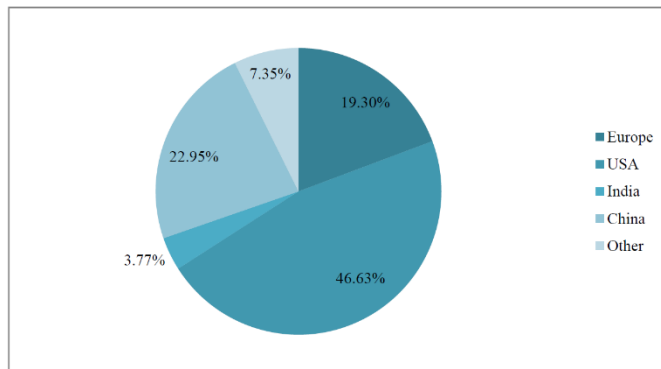
This MOU is the result of a long period of co-operation with ICL. In August 2014, both companies collaborated in a South Carolina/Israeli Collaborative Industry R&D Program initiated by the Governments of South Carolina and Israel. With this effort, Alexium and ICL worked on novel approaches to the flame retardation of nylon-based textiles.

Commenting on the enhanced relationship with ICL, Alexium CEO Dr. Bob Brookins said: "ICL is a global leader in the manufacture and sales of flame retardants with an extensive existing portfolio of FR products covering multiple applications. We are excited by the potential we see in leveraging Alexium's unique, proprietary chemistry for the FR treatment of cellulosic materials with the efficiencies afforded by ICL's unrivalled global manufacturing, marketing, and sales distribution infrastructure. Additionally, Alexiflam NF is a platform technology with applications beyond textiles including wood and adhesive applications, and partnering with ICL can accelerate these additional routes to market."

Alexiflam NF is a proprietary flame retardant developed by Alexium for cotton and cellulose-based textiles. Flame retardant cotton (FR cotton) is a prominent segment of the protective fabrics market with the QYR Chemical & Material Research Center assessing the global market size for FR cotton fabrics as 367 million square yards per annum. Global production by region is shown in the table to the right.

Based on regulatory compliance of Alexiflam NF, initial distribution efforts are expected to focus on European end markets followed by expansion into China and the US. Beyond these established markets, Alexium has identified unique opportunities for Alexiflam NF such as prospective applications in FR sock for bedding and FR treatment for fleece. Analyses of these markets were previously reviewed in the MD/CEO AGM presentation. Combining these opportunities with the established FR cotton market provides a diverse range of markets based on end-users and regions.

Global Revenue Market Share by Region (2015)



Source: QYR Chemical & Material Research Center, May 2016

About Alexium International Group Limited

Alexium International Group Limited (ASX: AJX, Nasdaq Designation: AXXIY) holds proprietary patent applications for novel technologies developed to provide flame retardancy for a wide range of materials. These environmentally friendly flame retardants have applications for several industries and can be customized. Further, Alexium develops proprietary products for advanced thermoregulation utilizing phase change materials. Alexium also holds patents for a process developed initially by the U.S. Department of Defense, which allows for the surface modification and attachment of nanoparticles or multiple chemical functional groups to surfaces or substrates to provide fire retardancy and various additional functionalities. Applications under development include but are not limited to textiles, packaging, electronics, and building materials. Alexium's chemical treatments are currently marketed as Alexicool® and Alexiflam®. For additional information about Alexium, please visit www.alexiuminternational.com.

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