

Alexium announces A\$15.6 million Rights Issue to fully retire debt and support long term growth

Overview and key highlights

- 3:4 non-renounceable rights issue at 6 cents per share, to raise up to approximately A\$15.6 million gross proceeds
- Additional placement of minimum of A\$600,000 (subject to relevant shareholder approvals) contributed by Directors, key management and related parties
- Proceeds from the Rights Issue to fully retire the current debt facility and provide working capital to support long-term growth
- Capital raise restructures the Company's capital base and strengthens its balance sheet

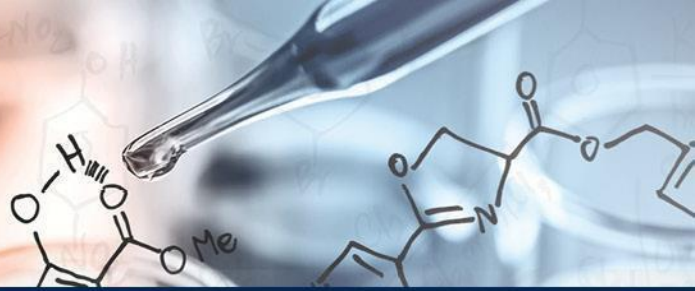
Perth (Australia), Greer (South Carolina, US) – 29 October 2019: Alexium International Group Limited (ASX: AJX) is pleased to announce its intention to undertake an equity raising of up to approximately A\$15.6 million (gross proceeds) via a non-renounceable pro-rata entitlement offer of fully paid ordinary shares (**Shares**), on the basis of 3 new Shares for every 4 Shares held by Eligible Shareholders registered at the Record Date at an issue price of 6 cents per Share (**Offer**).

In addition, demonstrating the confidence of the Board and management in the Company, Directors and key management, as well some ineligible shareholders under the Offer, will invest a minimum of A\$600,000 under a placement at 6 cents per share (**Placement**). The Placement will be subject to shareholder approval, and will not occur prior to the record date for the Offer, so participants in the Placement will not be entitled to participate in the Offer.

The Company intends to use the net proceeds from the Offer and the Placement to reduce, in full, the current debt facility. This will also eliminate monthly interest payments of approximately A\$145,000. The balance of the funds from the Offer and the Placement will be used to provide general working capital to support the Company's growth strategy.

Alexium CEO, Dr Robert Brookins, commented: *"Over the past six months, the Company has been successfully executing its growth strategy and has delivered on key milestones. However, the Company's current capital structure has held back progress. The Board and management have been working on the best solution to solve the current capital structure, and have determined that the best way forward is to retire the current debt through a Rights Issue that will be equitable to all shareholders. To support the capital raise, and reflecting our strong belief in the outlook for the Company as it executes its commercialisation strategy, the Board, Management, and related parties will contribute a minimum of A\$600,000 pending shareholder approval by way of participation in a placement to be completed after the Rights Issue."*

The Rights Issue Offer Document will shortly be sent to all eligible shareholders as at the Record Date. Option holders should note that in order to be able to participate in the Offer, they will need to exercise their options. Further details will be provided to option holders shortly.



Event	Date
Lodgement of Offer Document & Appendix 3B with ASX	Thursday, 31 October 2019
Notice sent to Optionholders	Friday, 1 November 2019
Notice sent to Shareholders	Friday, 1 November 2019
Ex date	Monday, 4 November 2019
Record Date for determining Entitlements	Tuesday, 5 November 2019
Offer Document despatched to Shareholders & Company announces despatch has been completed	Wednesday, 6 November 2019
Last day to extend Closing Date	Friday, 22 November 2019
Closing Date	Wednesday, 27 November 2019
Securities quoted on a deferred settlement basis	Thursday, 28 November 2019
ASX notified of under subscriptions	Monday, 2 December 2019
Issue date, despatch of holding statements and deferred settlement trading ends	Wednesday, 4 December 2019

The above timetable is indicative only and subject to change. Subject to the Listing Rules, the directors reserve the right to vary these dates, including the Closing Date, without prior notice. Any extension of the Closing Date will have a consequential effect on the anticipated date for issue of the new Shares. The directors also reserve the right not to proceed with the whole or part of the offers at any time prior to allotment. In that event, the relevant application monies will be returned without interest in accordance with the Corporations Act.

About Alexium International Group Limited

Alexium International Group Limited (ASX: AJX) 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. 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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