NEXE Provides Update on Key Company Milestones

VANCOUVER, BRITISH COLUMBIA – October 1, 2021 – NEXE Innovations Inc. (TSXV:NEXE) ("NEXE" or the "Company"), a leader in plant-based materials manufacturing, is pleased to provide shareholders with an update of operational highlights since its go-public transaction on December 18, 2020, including the close of a C$34.5M bought-deal financing.

Highlights:

Financial

- Raised in excess of C$50M of capital since initial public offering
- Received support and validation from the federal and provincial governments in the form of grants and awards including C$1M from Innovative Solutions Canada and C$300k from Innovate BC
- Received eligibility for trading with the U.S. Depository Trust Company (DTC)

Sales and Product

- Commercialized NEXE's proprietary, fully compostable pods via the Company's in-house XOMA Superfoods product lineup and online store with multiple SKUs for use with Keurig® brewing systems
- Commercialized NEXE's proprietary, fully-compostable pods for use with Nespresso® OriginalLine machines
- Investment in compounding and injection molding allows NEXE to rapidly develop new packaging concepts
- Initiated a plan to expand online sales channels
- Since Dec 18, 2020, NEXE has filed 6 Utility Patent Applications in both the US and PCT (Patent Cooperation Treaty) and 16 additional Provisional Patent Applications.

Operational

- Took delivery of key equipment for the commercialization of fully compostable pods for both the Keurig® style and Nespresso® style pods
- Developed initial infrastructure for full in-house vertical integration and a "Made in North America" manufacturing strategy
- Doubled footprint in Surrey to 20,000 square feet
- Added several key team members with strong consumer packaged goods (CPG) backgrounds.

Product Update:

- **XOMA Superfoods**: Xoma launched in April of this year and now offers four popular SKUs. The product is sold in NEXE's compostable pods, compatible with Keurig® Brewing Systems single-serve machines. The launch was met with positive media feedback. There are additional SKUs planned to launch this quarter to expand the superfoods line
- **NEXE Coffee**: NEXE's espresso pods for Nespresso® OriginalLine machines launched in July and have put the Company in a strong position to gain greater market share in the single-serve beverage space.

"Our promotion and brand awareness strategy will be similar to what other large single-serve conglomerates have successfully done to drive sales," said Ash Guglani President of NEXE. "We are leading with our own proprietary brands, and are currently in discussions to strategically offer capacity to select well-known coffee roasters in North America. We are in a strong position to serve this market with our ability to provide compostable pods that can be used in both Keurig® Brewing Systems as well as Nespresso® OriginalLine machines, the two most popular single-serve machines in the world."

Marketing and Distribution Update:

The Company is focused on complementing its success with its online store and growing its direct-to-consumer sales through popular eCommerce platforms. The Company also has plans to offer its NEXE Coffee through Grocery retail/e-retail across North America.

NEXE is heavily focused on building a strong marketing foundation prior to launching NEXE Coffee in Keurig®-style pods in the U.S. and Canada.

"We are in discussions with top-tier marketing firms and aligning this with our in-house expertise to develop an integrated digital media strategy to drive new product trials, brand awareness and brand loyalty," added Ash Guglani. "A key component of this messaging will be educating consumers on the environmental realities of single-serve coffee pods, and the benefit of how a product like NEXE can solve these issues."

The strategy will also leverage brand partnerships, user-generated content, trade and consumer shows and other proven strategies to drive retail success.

"The success of our marketing programs will be supported by strong pricing models, team cohesion and deep-rooted relationships with all partners at all levels of the business. This will be crucial to enable the success of NEXE as we truly rise to challenge the status quo," added Guglani.

The distribution strategy consists of a two-phased launch into natural/specialty retail, as well as conventional retail and e-retail channels.

Manufacturing and Operational Update:

The Company has allocated the necessary capital to bring its equipment needs in-house with the objective of providing it with full control over the design, manufacture, timelines, and operational functions of NEXE's growing pod product lineup. These moves will accelerate ongoing R&D initiatives and reduce operational costs such as shipping, while eliminating bottlenecks related to delivery time.

"We are working toward receiving the first of two customized and automated filter forming, dosing, and sealing lines for the Keurig® capsules. Nexe Coffee will launch its new coffee in the Nexe Pod that enables the highest grammage and extraction in the space. Not only are our capsules fully compostable but the proprietary filter assembly will showcase our ground-breaking innovation. This line will open up opportunities to significantly scale our business not just with our own proprietary brands but to launch new brand partnerships," added CEO Darren Footz.

Each scaled manufacturing line will be designed to add a capacity of approximately 50 million pods per year. NEXE is in active discussions with some of its partners to order multiple production lines for both the Keurig and Nespresso® OriginalLine formats. Further updates will be provided on this as key pieces of equipment are tested and commissioned at site.

Despite global supply chain disruptions affecting a multitude of industries, NEXE is confident that our partners can deliver on time and on budget to secure long-lead items required for these machines. Bringing manufacturing in-house is a key strategic move that will help NEXE avoid challenges associated with global supply chain disruptions.

Intellectual Property Update:

This vertical integration strategy is designed to protect NEXE's expanding IP portfolio. Since December 18, 2020 the Company has filed 6 Utility Patent Applications in both the US and PCT (Patent Cooperation Treaty) and 16 additional Provisional Patent Applications. As NEXE expands the number of products under development beyond single-serve pods, the Company will also look to commercialize these additional products with best-of-breed partners that have the expertise, distribution and sales channels to quickly enter each market. In this situation, NEXE will establish ongoing licensing and royalty revenue streams to monetize its IP.

Team Update:

The Company has added multiple key team members with robust Consumer Packaged Goods (CPG) experience to drive future growth for the Company. NEXE intends to continue to grow its marketing and sales teams as manufacturing capacity increases over the next quarter. The team is pleased to welcome:

- **Mark Holman, VP Operations**: Mr. Mark Holman has more than 35 years of experience in Senior Engineering and Operations roles in the CPG industry. His extensive knowledge and work experience at companies such as Coca-Cola Canada Ltd., SC Johnson & Son, and Nestle USA provides the necessary leadership attributes for growing capacity at NEXE.

- **Scott Naccarato, Director of Retail Sales**: Scott is a CPG expert who has been in the industry for over 12 years. In his former roles at Nutiva, Scott assisted in pioneering the Organic MCT Oil category and played a major role in category growth of Organic Coconut Oil and other healthy fats, plant-based proteins and nutraceuticals. He has cultivated many valuable relationships, held senior executive roles at rapidly growing companies and his data-oriented approach to revenue generation has led to sustained double digit year-over-year growth for all brands he has been a part of.

- **Joe Canning, Plant Manager**: Joe Canning has spent more than 18 years in senior management roles for a variety of manufacturing and service organizations. Joe specializes in the development and management of operational systems for improved company performance. He began his career in the Canadian Armed Forces where he graduated from the CAF School of Communications and Electronics Engineering with a specialization in telecommunications and cryptography, and served for 10 years in a variety of operations.

"We are capitalized to execute on our compostable coffee pod sales, to expand our manufacturing capacity, to attract the best talent to the Company, and to take advantage of strategic partnerships and M&A opportunities as they arise. We are now positioned to become a global leader in developing disruptive sustainable innovations to replace plastic waste," added Guglani. These funds will allow NEXE to accelerate its plans for growth as well as provide confidence in the company's financial position, regardless of market conditions or global events.

Investor Relations Update:

The Company announces that it has engaged 1239649 B.C. Ltd. (Kelsey Letham), Proactive Investors North America Inc. ("Proactive") and John Martin to provide investor relations services for the Company.

Kelsey Letham has worked in the financial services and wealth management industry for over fifteen years, starting as an investment advisor, and advancing to be VP Regional Sales of a global investment firm. Pursuant to a corporate communications agreement, Ms. Letham will provide corporate and shareholder communication services for the Company. The agreement is month to month, terminable on one month's notice, at a cost of C$7,500 plus GST per month. Ms. Letham operates through 1239649 B.C. Ltd., a private company incorporated under the laws of British Columbia. Neither Ms. Letham nor 1239649 B.C. Ltd. own any securities, directly or indirectly, of the Company.

Proactive is a leading multimedia news organization, investor portal and events management company based in Vancouver, B.C. Proactive operates financial websites in multiple languages providing breaking news and commentary on hundreds of listed companies in addition to organizing investor forums in major financial centers. Pursuant to an investor relations agreement entered into with Proactive in late 2020, Proactive received a cash fee of C$40,000 for 12 months of digital media services, including editorial coverage, interviews articles and social media content, with the objective being to enhance the Company's visibility within the global investment community. Neither Proactive nor its control persons own any securities, directly or indirectly, of the Company.

John Martin has worked in the public markets for over 25 years. He was previously President of Fibera AG, an Investor/Public Relations company, and more recently Manager of Investor Relations for Patriot One Technologies. Mr. Martin is based in Vancouver, B.C. Pursuant to an agreement, Mr. Martin will provide investor relations and shareholder communication services to the Company. The agreement is month to month, terminable on one month's notice, at a cost of C$7,500 plus GST per month. Mr. Martin does not own any securities, directly or indirectly, of the Company.

The engagement of Ms. Letham, Proactive and John Martin is subject to the approval of the TSX Venture Exchange.

About XOMA Superfoods

XOMA Operations Inc. is a subsidiary of NEXE Innovations Inc. XOMA Superfoods produces and distributes high-quality coffee and superfood creamers packaged exclusively in single-serve, fully compostable, plant-based Keurig® compatible pods.

Order XOMA in Canada: xoma.ca
Order XOMA in the U.S.: xomasuperfoods.com

xoma.ca
instagram.com/xomasuperfoods/

About NEXE Coffee

NEXE Coffee is a subsidiary of NEXE Innovations, a world leader in sustainable, plant-based material manufacturing based in Surrey, B.C., Canada. NEXE Coffee produces and distributes high-quality coffee packaged in single-serve, full compostable, plant-based Nespresso® OriginalLine compatible pods.

Order in Canada and the U.S.: www.nexecoffee.com

nexecoffee.com
Instagram.com/nexe.coffee/

About NEXE Innovations Inc.

NEXE Innovations Inc. is a leader in plant-based compostable technology and advanced materials manufacturing based in British Columbia, Canada. The company has developed one of the only patented, fully compostable, plant-based, single-serve coffee pods for use in leading single-serve coffee machines. The proprietary NEXE pod is designed to reduce the significant environmental impact caused by single-serve pods, >40 billion of which are discarded every year. With over C$60M raised to date from equity and government funding and over five years of R&D, NEXE is well-positioned to meet the growing demand for environmentally friendly and sustainable products in the single-serve coffee sector and beyond.

For additional information, please contact:
Ash Guglani, President and director
Kelsey Letham, Investor Relations at 604-359-4731
or visit: nexeinnovations.com

Social Media

https://twitter.com/nexeinnovations
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Cautionary Note Regarding Forward-Looking Statements

Certain statements in this release are forward-looking statements or information, which include the proposed use of proceeds, commercialization of the NEXE pods, including the NEXE Nespresso Compatible Pod, increase production capacity, demand and/or sales of its products, other environmentally friendly compostable packaging opportunities, development of technologies, the potential of the Company's technology, future plans, regulatory approvals and other matters. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such information can generally be identified by the use of forwarding-looking wording such as "may", "expect", "estimate", "anticipate", "intend", "believe" and "continue" or the negative thereof or similar variations. The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company, including but not limited to, business, economic and capital market conditions, the ability to manage operating expenses, consumer demand for and sentiment towards the Company's products, single use beverage pods, and compostable products, security threats, and dependence on key personnel. Such statements and information are based on reasonable assumptions and currently available information regarding present and future business strategies and the environment in which the Company will operate in the future, including the demand for its products, anticipated costs, and the ability to achieve goals. Factors that could cause the actual results to differ materially from those in forward-looking statements include, failure to obtain regulatory approval, the continued availability of capital and financing, equipment failures, litigation, increase in operating costs, the impact of Covid-19 or other viruses and diseases on the Company's ability to operate, competition, failure of counterparties to perform their contractual obligations, government regulations, loss of key employees and consultants, and general economic, market or business conditions. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The reader is cautioned not to place undue importance or reliance on any forward-looking information. The forward-looking statements contained in this news release are made as of the date of this news release. Except as required by law, the Company disclaims any intention and assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.