



FOR IMMEDIATE RELEASE

FRX Innovations Provides Business Update Amid Positive Market Demand and Strategic Progress

Boston, MA – October 15, 2024: FRX Innovations Inc. (TSXV:FRXI) (FSE:W2A) (“FRX” or the “Company”), a leader in eco-friendly flame-retardant solutions, is pleased to provide an update on the Company’s recent business activities, market developments, and financial initiatives. Amid a challenging global capital market environment, FRX remains resilient and optimistic about its strategic prospects for growth. The Company continues to experience growing demand for its products, driven by its industry-leading innovation in sustainable flame-retardant solutions.

Capital Markets and Strategic Initiatives

FRX has been navigating a challenging capital market environment with a proactive and focused approach. The Company is engaged in ongoing negotiations with its key suppliers and creditors to improve liquidity and to strengthen its financial position. Additionally, the Company is evaluating a range of strategic options, including partnerships, joint ventures, and potential restructuring, to enhance long-term shareholder value.

The Company’s Board of Directors, led by a Special Committee of the Board, appointed last June, is continuing to evaluate strategic alternatives, including possible joint ventures, alliances, or the potential sale of the Company. These steps are aimed at accelerating the adoption of FRX’s Nofia® flame-retardant products across key markets. The Board is committed to advancing these efforts while maintaining focus on expanding FRX’s global presence and operational efficiency.

CEO Marc Lebel commented: "Despite the challenges we face in the capital markets, FRX continues to see robust demand for its Nofia® flame-retardant products. We are actively working with our strategic partners and evaluating all opportunities to strengthen our financial position and enhance value for shareholders. “

Distribution and Market Expansion

FRX is pleased to report an important development in the distribution of its Nofia® flame-retardant products in key global markets, particularly through a distribution partnership with a major global flame-retardant manufacturer. On October 8, 2024, FRX entered a 3-year distribution agreement with this strategic partner, designed to expand Nofia®’s market presence and availability in several key markets.

This partnership focuses on several high-growth sectors, including electric vehicles (EVs), textile coatings, printed circuit boards, and consumer electronics. Under the agreement, the strategic partner

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pre-funds inventory in four tranches, allowing FRX to build up stock levels and reduce lead times to fill sales orders. The strategic partnership is an important step in positioning FRX to meet the growing demand for its environmentally sustainable flame-retardant products while enhancing operational efficiency.

Furthermore, the collaboration aligns with global regulatory shifts toward the elimination of harmful chemicals such as brominated and PFAS (per- and polyfluoroalkyl substances) based flame retardants. FRX's Nofia® products, which are halogen-free, PFAS-free, and TPP-free, are recognized award winning and regulatory compliant alternatives to replace these harmful substances and meet the stringent requirements of industries and consumers seeking safer, eco-friendly product choices.

CEO Marc Lebel added: "This distribution agreement represents an important step as we scale our operations to meet the increasing demand for environmentally sustainable flame-retardant solutions."

Working Capital and Financial Support

In recognition of the Company's near-term working capital needs, FRX has received a short-term working capital injection from a group of long-term shareholders to support the Company's day-to-day operations while it continues to pursue strategic growth initiatives. Although this capital injection provides crucial short-term relief, FRX recognizes the need for further financial resources to sustain its long-term objectives.

Status of Financial Reporting Delays

The Company is actively working to complete its financial disclosure requirements and its reporting to regulators and shareholders alike. FRX remains committed to transparency and expects to provide a more detailed update on its strategic initiatives, financial status, and market developments in the coming weeks.

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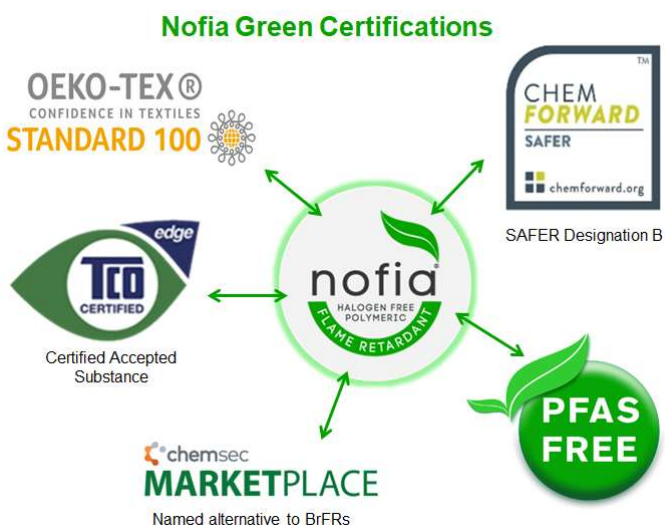
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About FRX Innovations (www.frx-innovations.com)

FRX Innovations is a global manufacturing company, producing a family of sustainable flame-retardant products that serve several large markets spanning textiles, electronics, automotive, electric vehicles (EV), and medical devices. FRX is led by a team of highly experienced business and technical professionals and is positioned to be a leader in the rapidly changing flame-retardant plastics and additives market in response to new legislation prohibiting Brominated and Perfluoro flame retardants found in a wide range of electronics and electrical products and restricting the use of melamine flame retardant chemicals found in furniture and mattress foam products.



NOFIA® is a registered trademark of FRX. NOFIA® products are manufactured at its manufacturing facility on the Port of Antwerp in Belgium, one of the world's largest chemical producing clusters. NOFIA Polyphosphonates are produced using sustainable green chemistry principles such as a solvent-free production process, no waste by-products, and near 100% atom efficiency, and are halogen, PFAS and melamine free. FRX's portfolio includes an extensive patent estate. FRX has been at the forefront of the ESG movement to a greener future. The company has been the recipient of numerous awards, including the EPA's Environmental Merit Award, the Belgium Business Award for the Environment, and the Flanders Investment of the Year Award. FRX has also been recognized six times on the Global Cleantech 100 list.

Cautionary Note Regarding Forward-Looking Statements and Reader Advisory

Certain statements contained in this news release, including, but not limited to, statements with respect to the Offering, the completion of the Offering, the size, amount and type of securities issued under the Offering, participation in the Offering by related parties and the amount of such participation, among other things, and statements which may contain words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates”, or similar expressions, and statements related to matters which are not historical facts, may constitute forward-looking information within the meaning of applicable securities laws. Such forward-looking statements, which reflect management’s expectations regarding the Company’s future growth, results of operations, performance, business prospects and opportunities, are

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based on certain factors and assumptions and involve known and unknown risks and uncertainties which may cause the actual results, performance, or achievements to be materially different from future results, performance, or achievements expressed or implied by such forward-looking statements.

These factors should be considered carefully, and readers should not place undue reliance on the Company's forward-looking statements. The Company believes that the expectations reflected in the forward-looking statements contained in this news release and the documents incorporated by reference herein are reasonable based on information available to it, but no assurance can be given that these expectations will prove to be correct.

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