



FOR IMMEDIATE RELEASE

FRX Innovations Announces Shareholder Approval of Proposed Transaction

Vancouver, BC – December 27, 2024 – FRX Innovations Inc. (“**FRX Innovations**” or the “**Company**”) (TSXV: FRXI), is pleased to announce that its previously made public proposed sale (the “**Transaction**”) of the Company’s wholly-owned operating subsidiary, FRX Polymers, Inc., was approved by shareholders of the Company (“**Shareholders**”) at its annual and special meeting (the “**Meeting**”) of Shareholders held earlier today.

The closing of the Transaction remains subject to a number of customary conditions set out in the definitive stock purchase agreement dated as of November 27, 2024 (the “**Purchase Agreement**”) between the Company and FRX Acquisition, Inc., including with respect to the truth and accuracy of the parties’ representations and warranties and material compliance with their respective covenants. The Transaction also remains subject to the approval of the TSX Venture Exchange (the “**TSXV**”), and the approval of the Belgian Interfederal Screening Committee. The Company expects to close the Transaction in the first half of January 2025, subject to the satisfaction or waiver of the conditions set out in the Purchase Agreement and obtaining all necessary approvals.

Please refer to the Company’s news release dated November 27, 2024, notice of annual and special meeting of shareholders and accompanying management information circular dated November 29, 2024 (the “**Circular**”), news release dated December 6, 2024, providing Shareholders with updates to the Meeting and the Transaction, and links to the Circular, the Company’s audited annual financial statements for the year ended December 31, 2023 and accompanying management’s discussion and analysis related thereto, and material change report dated December 9, 2024 (the “**Material Change Report**”) for a comprehensive description of the Transaction, including the events leading up to the Transaction, and Purchase Agreement. Copies of the Purchase Agreement, Circular and Material Change Report are available under the Company’s profile on SEDAR+ at www.sedarplus.ca.

Voting Results

In order to be passed at the Meeting, the resolution approving the Transaction (the “**Transaction Resolution**”) required the approval of: (i) not less than two-thirds (66 2/3%) of the votes cast by Shareholders at the Meeting, and (ii) at least a simple majority of the votes cast by Shareholders after excluding the votes cast by “related parties” (“**Disinterested Shareholders**”) in accordance with Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transaction* and TSXV Policy 5.3 *Acquisitions and Dispositions of Non-Cash Assets*.

At the Meeting, 98.63% of the votes cast by all Shareholders and 97.82% of the votes cast by Disinterested Shareholders were in favour of the Transaction Resolution. Please see the Circular for the full text of the Transaction Resolution and a detailed description of the Transaction’s voting and approval requirements, including under the section titled “Proposed Transaction – Required Shareholder Approvals for the Proposed Transaction”.

At the Meeting, Shareholders also approved certain other matters submitted by the Company for consideration as set forth in the Circular, including but not limited to: (i) an amendment to the articles of the Company to change the name of the Company to “Fireside Diversified Corp.” (the “**Name Change**”), (ii) an amendment to the articles of the Company to consolidate the Company’s issued and outstanding common shares by a ratio of 10:1 (the

“Consolidation”), and (iii) the continuance of the Company from the jurisdiction of the *Canada Business Corporations Act* (“CBCA”) to the *Business Corporations Act* (British Columbia) (the “Continuance”). The Company expects to implement the Name Change, Consolidation and Continuance following closing of the Transaction.

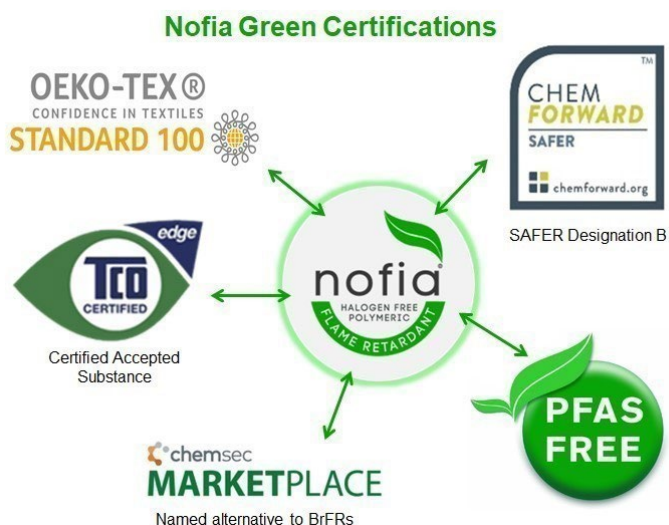
The resolution contained in the Circular (the “Delisting Resolution”) authorizing the delisting of the Company’s common shares from the TSXV (the “Delisting”) was also approved by a majority of votes cast at the Meeting by Shareholders after excluding the votes cast by promoters, directors and officers of the Company or other Insiders (as defined in TSXV Policy 1.1), including those who own greater than 10% of the outstanding common shares and their Associates and Affiliates (as such terms are defined in TSXV Policy 1.1). Implementation of the Delisting is conditional upon the board of directors of the Company (the “Board”), in its sole discretion, determining that such Delisting is in the best interests of the Corporation and Shareholders. At this time, the Board has not made any determination as to whether to proceed with the Delisting.

The ratification of the prior election of directors, fixing of the current number of directors at four and the election of each of Ekaterina Terskin, James Cassina and Marc Lebel as directors were also approved by Shareholders at the Meeting. Mark Lotz did not receive a sufficient number of votes to be re-elected as a director at the Meeting. As such, under the majority voting requirements of the CBCA, Mr. Lotz may remain in office until the earlier of (i) the 90th day after the day of the election; and (ii) the day on which his successor is appointed or elected.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release

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

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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 Transaction, the completion of the Transaction, meeting any necessary conditions to the Transaction, the completion of the Name Change, the completion of the Consolidation, the completion of the Continuance, and receipt of any necessary regulatory approvals relating to the Transaction, Name Change, Consolidation, and Continuance 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 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.

Forward-looking statements necessarily involve known and unknown risks and uncertainties, many of which are beyond the Company’s control. Such risks and uncertainties include but are not limited to: the risk that the Transaction may not be completed on a timely basis, or at all; risks that the conditions to the consummation of the Transaction may not be satisfied; the risk that the Transaction may involve unexpected costs, liabilities or delays; the risk that, prior to the completion of the Transaction, the Company’s business may experience significant disruptions, including loss of customers or employees, due to transaction-related uncertainty or other factors; the possible occurrence of an event, change or other circumstance that could result in termination of the Transaction; risks that the Transaction may have a negative impact on the market price and liquidity of the Company’s common shares; risks related to the diversion of management’s attention from the Company’s ongoing business operations; the timing of the completion of the Name Change, Consolidation and Continuance; and risks related to the Company’s strategy going forward. When relying on forward-looking statements to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Readers are cautioned that the foregoing list of factors is not exhaustive.

Details of additional risk factors relating to the Company and its business, generally, are discussed in the Company’s annual Management's Discussion & Analysis for the year ended December 31, 2023, a copy of which is available on the Company’s profile at www.sedarplus.ca. These statements speak only as of the date of this press release. Except as otherwise required by applicable securities statutes or regulation, the Company expressly disclaims any intent or obligation to update publicly forward-looking information, whether as a result of new information, future events or otherwise.

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

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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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#PFAS, #PFASfree, #ESG, #ForeverChemical, #SustainableFR, #FlameRetardant, #halogenfree,

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