



Safer World.  
Cleaner Future.



INVESTOR  
PRESENTATION

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SEPTEMBER 2022

TSX:FRXI

# Disclaimer



## Cautionary Note and Disclaimer Regarding Forward-Looking Statements

Certain information contained in this presentation are not statements of historical fact and are “forward-looking” statements. Forward-looking statements relate to future events or future performance and reflect Company management’s expectations or beliefs regarding future events and include, but are not limited to, statements regarding the Company’s expectations and timing with respect to future sales and financial results. Forward- looking statements may, in some instances, but not always, be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "outlook", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology. By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. In making the forward-looking statements in this presentation, the Company has applied certain factors and assumptions that are based on information currently available to the Company as well as the Company’s current beliefs, assumptions, and expectations. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended, many of which are beyond the Company’s ability to control or predict. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and all forward-looking statements in this presentation are qualified by these cautionary statements.

# Who We Are

Leading global manufacturer of environmentally sustainable flame retardant solutions built on over US\$ 120MM of investment

## Product

- ✓ Award-winning Nofia® technology
- ✓ Polymeric, halogen-free solution
- ✓ World-leading sustainability certifications
- ✓ Secured by 70+ patents

## Delivering

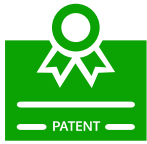
- ✓ Strong performance
- ✓ Non-toxic
- ✓ Non-leaching
- ✓ Green, clean & efficient
- ✓ Superior mechanical & electric properties

## Key Markets

- ✓ Electrical
- ✓ Electronics
- ✓ Automotive
- ✓ Electric Vehicles
- ✓ Transportation
- ✓ Building & Construction
- ✓ Fiber & Textiles
- ✓ Medical Devices

**Resulting in Excellent Flame Retardant Properties Without Compromising Safety, Health or the Environment**

# Why Invest, Why NOW



Green Technology  
with 70+ Patents



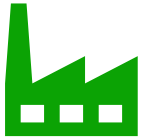
Strong Regulatory  
Tail Winds



Leading Brands in  
Multiple Lucrative  
Verticals



Sticky & Diverse  
Global Customer  
Base



Robust Cash  
Flow Potential



US\$ 35MM –  
expandable to  
US\$ 80MM Plant



Supply Chain  
Multisourcing



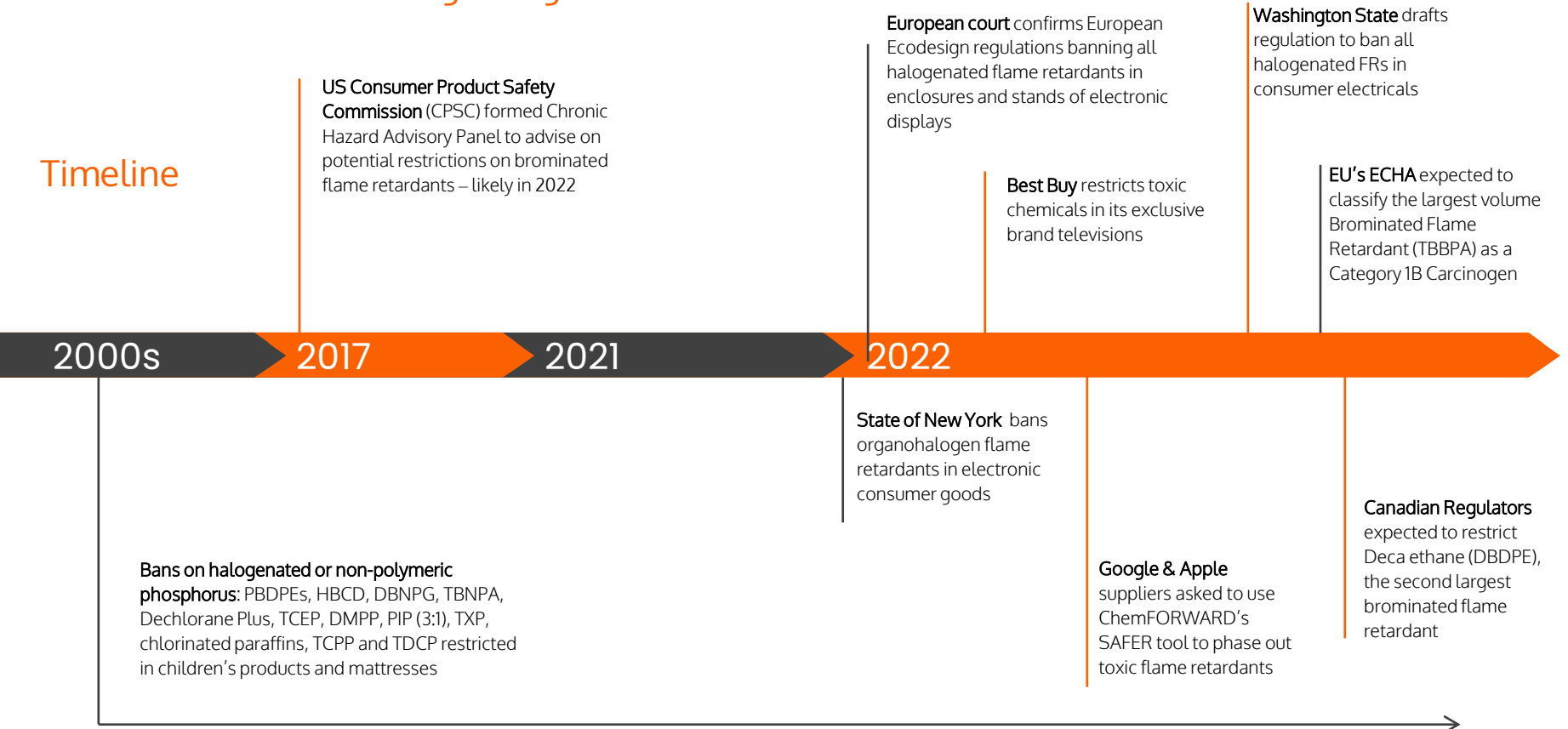
Blue-Chip  
Shareholders

# Regulatory Tailwinds Accelerating Nofia® Adoption



## Green solutions overtaking halogen

### Timeline

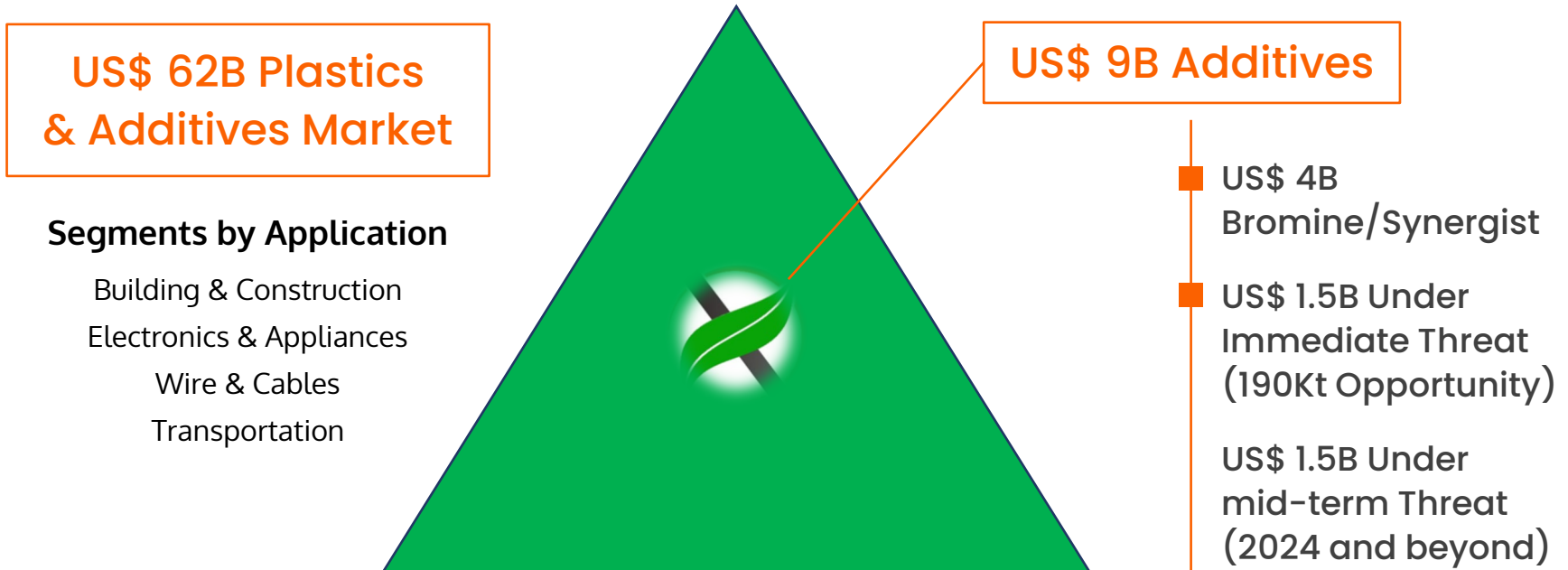


Regulatory Actions Are Driving Demand For Accredited Green Flame Retardant Alternative Products Such As Nofia®

# Growing Market by Segment & Type

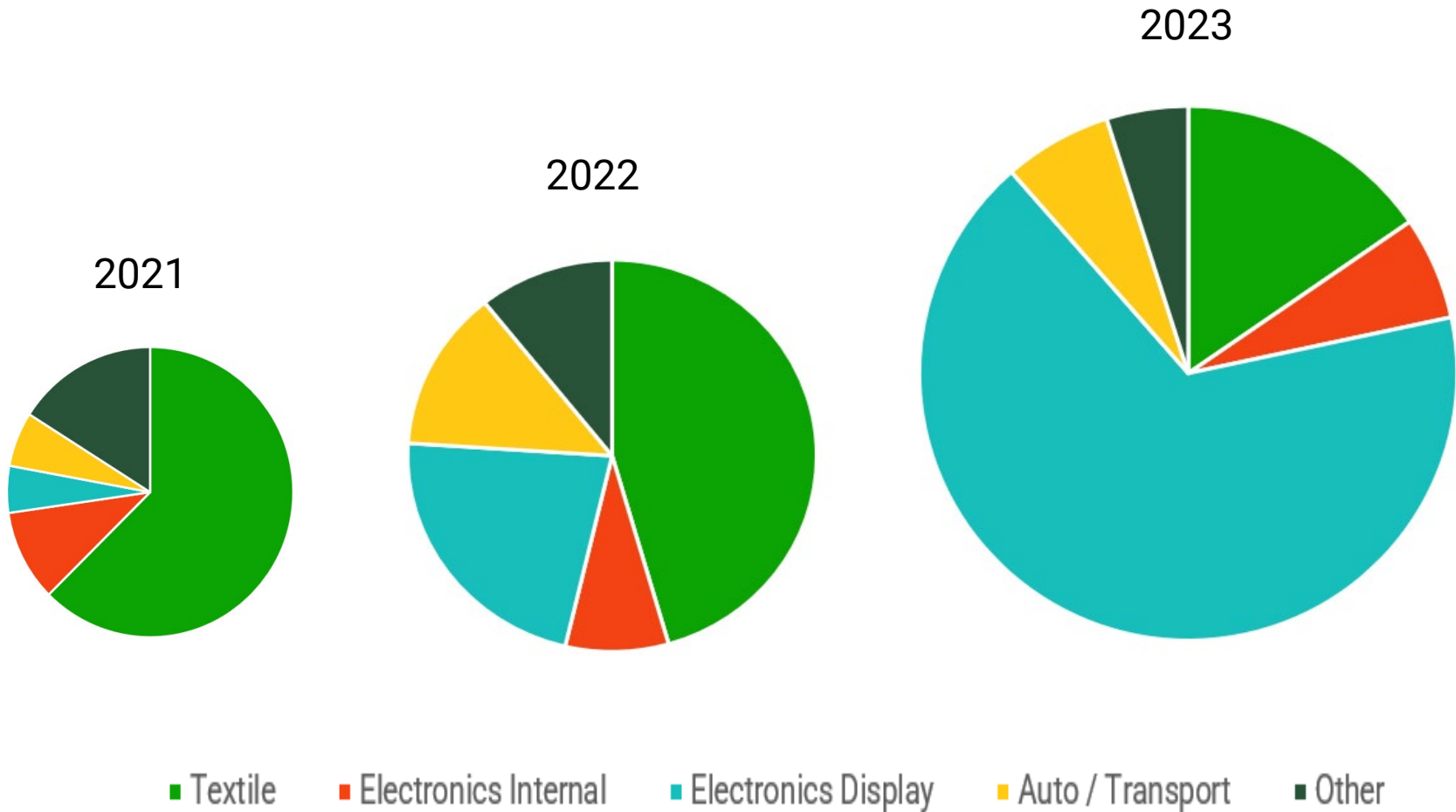
Nofia® capturing market share as legacy flame retardants face increased regulatory oversight.

## Segment by Type



# Sales by Segment - Rapidly Growing Verticals

End-use applications are evolving, creating growing market opportunities across multiple sectors.



# Delivering Added-Value Properties Beyond Flame Retardancy

## Core applications for Nofia®

	FIBERS	FILMS	FOAMS	ELECTRONICS
Addressable Market (US\$) <sup>1</sup>	US\$150MM	US\$ 500MM	US\$ 700MM	US\$ 1.2B
Select Applications				
Existing Customers	<ul style="list-style-type: none"> <li>World's largest PET fiber producer</li> </ul>	<ul style="list-style-type: none"> <li>Leading global film producers</li> </ul>	<ul style="list-style-type: none"> <li>Several world leading urethane foam producers</li> </ul>	<ul style="list-style-type: none"> <li>World's top 2 Copper Clad Laminate producers</li> </ul>
Value Proposition	<ul style="list-style-type: none"> <li>Processability</li> <li>35% productivity gain</li> <li>High Strength</li> <li>Recycle feedstock</li> </ul>	<ul style="list-style-type: none"> <li>Processability</li> <li>Fire retardant and transparency</li> <li>High strength</li> </ul>	<ul style="list-style-type: none"> <li>Automotive interior foam</li> <li>Low volatiles</li> <li>Low odor</li> </ul>	<ul style="list-style-type: none"> <li>Faster download speeds</li> <li>Low cost</li> <li>Improved reliability</li> </ul>



# Growing Number of Applications & Customers

## New applications for Nofia®

### Electric Vehicles

Pouch battery/fire barrier encapsulation / Wire & Cable Conduits



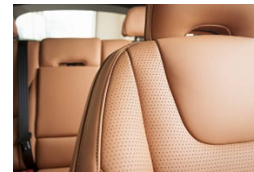
### Electrical & Electronic Housings

Automotive displays, Television Housings, laptop/ cell phone enclosures



### Eco-Friendly Coatings

Synthetic leather, fabrics, tents, professional and military uniforms



### Structural Panels & Transportation Sheets

Aviation cabins, cruise ships, high-speed trains



# 2022 Global Product Launches with Nofia®-Based Formulations

- **Global Leader in EV Market** migrating to this battery technology
- **Lithium Battery Housing for Outdoor Mobility & Power Tools** Nofia® containing formulation selected as the housing for the next generation high-performance Lithium Iron Phosphate Batteries
- **Leading EU Li Battery producer for Recreational Vehicles, Golf Carts, Leisure Boats, Power Sports Industrial Handling Equipment and Power Tool applications** adopted a Nofia®-based plastic as the containment box to protect the lithium battery.



## Addressable Market (Estimated)

**Power Tool Battery  
Market: 100,000,000  
units per year<sup>1</sup>**

Value of Nofia per power tool battery: US \$0.25/battery

**Mobility Vehicles  
Market: 5,000,000  
units per year<sup>1</sup>**

Value of Nofia per Mobility Vehicle: US \$2/battery

Commercial shipments have begun

# 2022 Projected Global Product Launches with Nofia®-Based Formulations

- **US Army soldier combat uniform – First in Class**
- Following a highly competitive selection and qualification process, the US Army (~337,000 active and ~185,000 reserves) selected Nofia® for its novel flame retardancy properties. Adoption by other branches of US military (1.4M active and 830k reservists) is ongoing.
  - ✓ First delivery – Q4 2021
  - ✓ Sticky Customer – military specs (MIL-SPEC) established over half dozen years
  - ✓ 3 uniforms per serviceman at full roll-out
  - ✓ US\$ 0.5MM – First-year revenue (est.)
  - ✓ Recurring Annual Revenue – thereafter



# 2H 2022 and Beyond Projected Global Product Launches with Nofia®-Based Formulations



- **Global Tech Giant** in qualification of Nofia® as its exclusive recyclable product solution for its smart speaker
  - ✓ Shipments expected by Q4 2022
  - ✓ Recurring Annual Revenue potential: US\$ 3.5MM; ~10% of FRX current production capacity
  
- **Top 10 Medical Device Company** has approved Nofia® for their flagship MRI machines.
  - ✓ Shipments expected by Q4 2022
  - ✓ Recurring Annual Revenue potential: US\$ 10MM; ~30% of FRX current production capacity



# 2H 2022 and Beyond Projected Global Product Launches with Nofia®-Based Formulations

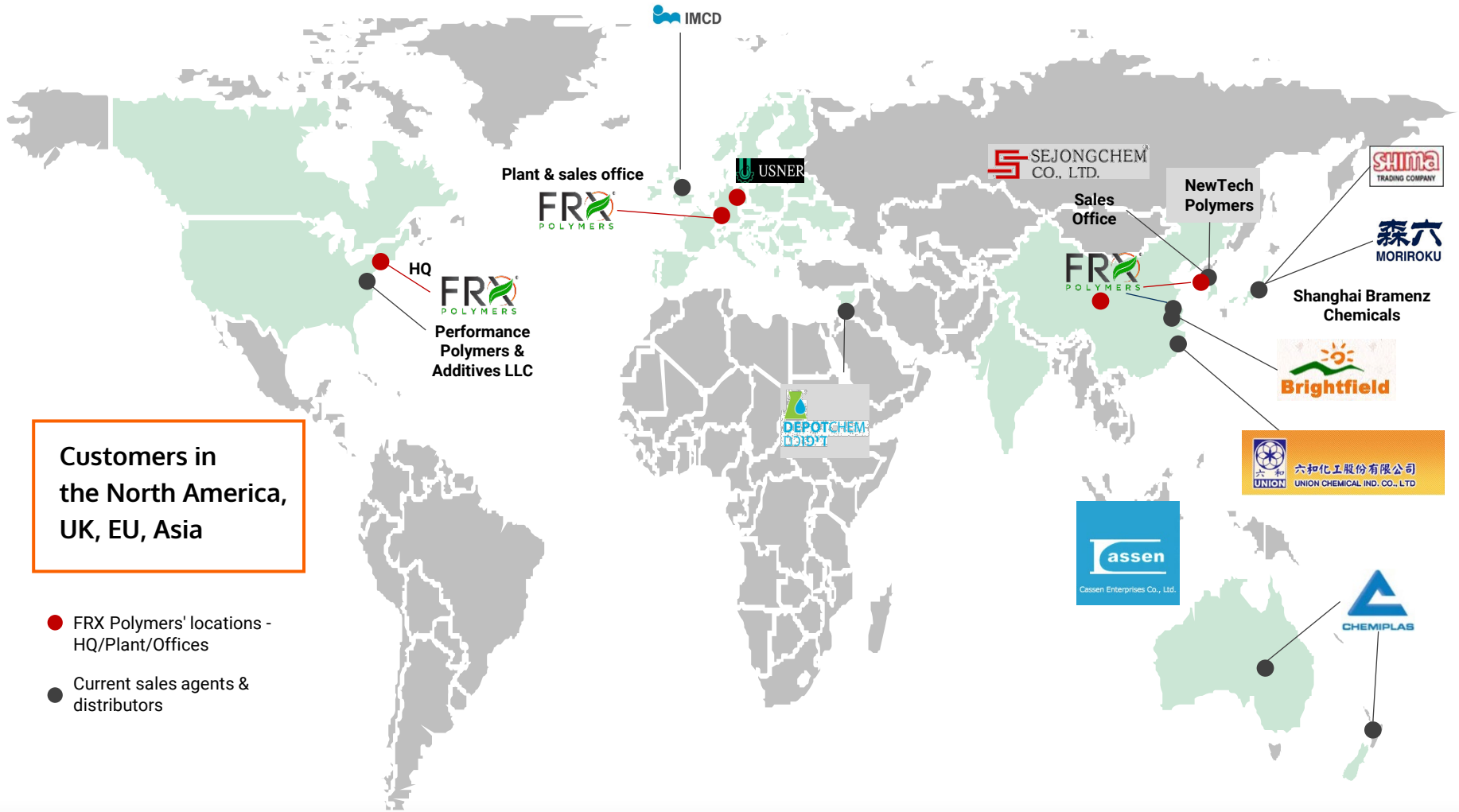
- **Largest Chemical company** has selected NOFIA® for three new product launches.
  - ✓ Short Circuit Television Monitoring Systems
  - ✓ Automotive interior (high gloss dashboards)
  - ✓ High-end Vape Pens



- Revenue potential: US\$ 2.5MM in first-year; ~7% of FRX current production capacity
- Commercial ramp up – by Q4 2022
- Other applications being qualified.

# Global Footprint

Established Platform for Accelerated Market Penetration in a Variety of Markets



Customers in the North America, UK, EU, Asia

- FRX Polymers' locations - HQ/Plant/Offices
- Current sales agents & distributors

# Capitalization Table Summary

	Shares
FRX Legacy Shareholders	65,627,293
FRX New Shareholders	14,376,022
<b>Basic Shares Outstanding</b>	<b>80,003,315</b>
QT Financing Warrants	3,436,515
Banker & CPC Warrants	1,025,351
Legacy Options	1,588,705
<b>Fully Diluted Shares Outstanding</b>	<b>86,053,885</b>
<b>Long Term Debt (US\$)</b>	<b>12,500,000</b>

# Strong Investor Base





# Management



**Marc-Andre Lebel**  
President & CEO

Marc Lebel is the founding Chief Executive Officer of FRX Polymers. He brings over 25 years of product and business development, operations, and sales and marketing experience to FRX Polymers. Previously, he held senior executive positions at Triton Systems and Aspen Aerogels as Executive VP and VP of Sales and Marketing respectively. He was the Global Business Group Director for a \$250M division of Cabot Corp. and was the founding CEO of DSM Thermoplastic Elastomers, a company he grew for the then \$8B Dutch parent company, DSM. Mr. Lebel studied chemical engineering at the University of Ottawa and attended company sponsored executive business courses at Harvard Business School and IMD.



**Mark Lotz**  
Chief Financial Officer

Mark Lotz joined FRX Polymers in 2021. Mr. Lotz was the CEO of Gateway Securities and CFO Golden Capital in Vancouver. He has extensive public markets experience with public issuers including Fobi AI Inc., Global Crossing Airlines, TrackX Holdings, Candente Copper Corp. Prophecy Coal. Previously, Mark was a Financial and Sales Examiner with the Vancouver Stock Exchange and brings with him 25 years of public practice experience tax and expert witness in complex securities transactions.



**Dr. Mike Goode**  
Chief Commercial Leader

Mike Goode joined FRX Polymers in 2021. Most recently, Mike was the VP Sales and Marketing, Americas, at ICL and held positions as the VP Marketing, and VP Technology for Polymer Additives at Chemtura. Dr. Goode brings with him 28 years commercial and technical experience with phosphorus-based flame retardant / fire resistant products, including Business Director at Great Lakes Chemical Corp. Dr. Goode holds a Bachelors, Masters and Doctorate in Chemistry from Oxford University, UK.

# Board of Directors



## **Ross Haghightat**

Chairman of the Board

With over 30 years in the field of innovation and strategic reform, Ross has been a part of 12 start-ups, including 5 public offerings globally, having participated as founder or co-founder of most. These entities have raised in excess of \$1 billion from private and professional institutions and have created over \$4B in shareholder returns. He is currently the Chairman of Triton Systems, CEO of BIOS (Nasdaq: BIOS), serves on the boards of Chinook Therapeutics (Nasdaq: KDNY), Fluence Corporation (ASX: FLC) and AngelMedical Systems and Electriq Global. He has participated in ventures spanning; telecommunications, immuno therapy, medical diagnostics, specialty chemicals (FRX Innovations); and energy efficient water treatment .

## **James Cassina**

Director

Mr. Cassina is the CEO, CFO, Secretary and Director of Good2GoRTO Corp. and Good2Go4 Corp., and was CEO, CFO and CEO, CFO, Secretary and Director of Good2Go Corp. (currently known as NowVertical Group Inc.) and Good2Go2 Corp. (currently known as LevelJump Healthcare Corp.), both TSXV listed capital pool companies that completed their qualifying transaction in 2020 and 2021. Mr. Cassina is a businessman experienced in many aspects of the business and development of public companies including company formation to growth and expansion, mergers and acquisitions, and corporate financing.

## **Frank Hallam**

Director

Frank R. Hallam is a CPA and CA and was formerly an auditor in the public mining practice of Cooper & Lybrand (now PricewaterhouseCoopers). Mr. Hallam has over 27 years of experience in the mining, minerals and petroleum industry as an operator, principal and founder of several NYSE, TSX and TSX-V corporations. His experience base includes both equity and debt financing and the execution of exploration and development programs in Canada, the USA, Mexico and South Africa. Significant business partners have included Anglo American Platinum Ltd, Barrick Gold Corporation, Newmont Mining Corporation, Industrias Penoles SAB de CV, JCL Ltd and Impala Platinum Ltd.

## **Marc Lebel P.Eng.**

Director & CEO

Marc Lebel is the founding Chief Executive Officer of FRX Polymers. He brings over 25 years of product and business development, operations, and sales and marketing experience to FRX Polymers. Previously, he held senior executive positions at Triton Systems and Aspen Aerogels as Executive VP and VP of Sales and Marketing respectively. He was the Global Business Group Director for a \$250M division of Cabot Corp. and was the founding CEO of DSM Thermoplastic Elastomers, a company he grew for the then \$8B Dutch parent company, DSM. Mr. Lebel studied chemical engineering at the University of Ottawa and attended company sponsored executive business courses at Harvard Business School and IMD.

# Board of Directors



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## **Bernhard Mohr** **PhD**

Director

Bernhard Mohr is Managing Director of Evonik Venture Capital. He has more than 25 years of professional experience in the chemical and venture capital industry. Prior to joining Evonik, he was working for BASF where he held international positions in venture capital, strategic marketing, corporate development, controlling and research & development. He holds master degrees in chemistry from the Universities of Stuttgart/Germany and Cincinnati/USA and earned his doctoral degree at the Max-Planck-Institute for Polymer Research in Mainz/Germany.

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## **Ekaterina Terskin**

Director

Ekaterina Terskin is Vice President for CITIC Capital Holdings Limited's ESG Group, having joined CITIC Capital in 2012. Ekaterina has served on boards and committees of several technology companies and has led investments into numerous early and growth stage businesses delivering sustainable alternatives to traditional industries such as chemicals, logistics, and waste treatment. Ekaterina received a B.Com. in Honors Economics & Finance from McGill University in Montreal and is a CFA charter holder.

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## **Fanglu Wang**

Director

Fanglu Wang is CITIC Capital's Senior Managing Director serving as Chief Investment Officer of CITIC Kazyna Investment Fund. He has 20 years of experience in capital markets, corporate finance, financial engineering and risk management. He has led several major capital raising transactions for the China Ministry of Finance and other major corporations. Mr. Wang was the former Head of Product Marketing and Sales for China at HSBC, a Director in Investment Banking and Debt Capital Markets at Merrill Lynch Asia, a Vice President at Citibank Hong Kong and an Executive Director at Sakura Global Capital.



Thank You!



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# Why is the Market Adopting Nofia®?

## STRONG PERFORMANCE

- Strong performance based on polymeric properties:
  - ✓ Permanent and will not migrate out
  - ✓ Minimal impact on host plastic properties
  - ✓ Used with existing plastic processing methods
- Further enabled by additional formulation properties:
  - ✓ Non-halogen flame retardant
  - ✓ Excellent flame retardant properties
  - ✓ Melt processable, transparent, and clear
  - ✓ Superior electric properties



## AWARD WINNING GREEN SOLUTION

- Non-toxic:** unique family of flame retardants with a favourable toxicological profile
- Non-leaching:** large molecules trapped in plastic and will not leach into the environment
- Clean and efficient manufacturing technology delivering:
  - ✓ High atom efficiency on key monomer and polymer processes
  - ✓ No waste generation in polymer process
  - ✓ Solvent-less and washing-less polymerization process

- Delivers performance properties beyond FR
  - ✓ In printed circuit boards: near order of magnitude improvement in electrical properties leading faster download speeds and lower energy usage
  - ✓ In Polyurethane foam: delivers high heat stability (150°C) without use of graphite
  - ✓ In biaxially oriented polyester film: world's first fully transparent solution

- Highly competitive pricing
- Stable and reliable producer
  - ✓ Reaction scheme has built-in natural hedge against fluctuating world oil prices
  - ✓ Plant co-located on plant site that produces 2 of 3 key monomers required by FRX Polymers which has led to long term supply contracts at world prices
  - ✓ Long-term raw material supply contract on Phosphorus-based monomer

## HIGH VALUE-ADDED

## COST EFFECTIVENESS

# Plant & Production

FRX's Production Facility has Capacity to Generate US\$ 35MM of Revenue;  
Expandable to Accommodate US\$ 80MM of Revenue

## Facility Construction



- Build Time: 13 months
- Cost: US\$29M

## Facility Operation



- Current capacity: 3,500t P/A
- 2 reactor facility built on 6 levels, with flexibility of production
- Scope to increase plant capacity to 8,000t P/A through debottlenecking (cost: ~US\$12M)
- Employees: 12 FTEs on site across production, quality control and engineering

## Sight Location



- Located on the chemical site of Covestro in Port of Antwerp Belgium
- 30 year lease, 20 year renewal option
- Special service agreements on right to build contract, right of preference for adjacent plot of land, firefighting services, IT services and utilities

FRX's State-of-the-Art Facility is in Commercial Production

# Forecast Assumptions



1. FRXI is a business with very sticky revenue. The sticky nature of its business stems from the way in which FRX conducts its business development activities. We focus on applications where Nofia® delivers secondary properties which are as important as the product's primary property of Flame Retardancy. As a result, FRXI assumes that business developed in 2021 will form the base of its business for 2022. Customers who started buying FRX Polymers products in 2021, will be buying for the whole of 2022 which will create growth.
2. FRX Polymers has never lost a customer since it started its commercial activities and expects this to continue.
3. In addition, due to FRXI's initiatives to expand its sales activities into new applications areas such as high gloss automotive interiors, printed circuit board laminates, low TVOC foams, recycled Polyester and polycarbonate, etc., this will have the effect of diversifying FRX Polymers in new markets and applications which will give the company an improved sales portfolio making it less susceptible to a downturn in any specific market.
4. FRX Polymers sales pipeline is rich with projects currently in the development phase. FRX Polymers is working on significant new opportunities that will create growth in later years. FRXI has assumed that five of these opportunities will commercialize in the later part of 2022 and that combined, these new projects will generate \$US1MM in total. This reoccurring revenue and is expected to grow in 2023.
5. In addition to FRX Polymers own market and applications development activities, recent regulatory actions by global government regulatory bodies to ban toxic flame retardant chemicals have created tailwinds for accredited products such as Nofia®.