

IMAFLEX UPDATE

Montreal, October 18, 2012 - Imaflex Inc. (TSXV: IFX.A) Imaflex Inc. ("Imaflex" or the "Corporation") is pleased to provide its shareholders with the following updates:

Agricultural Film

Dr. Ralf Dujardin, portfolio manager for New Technology and Global Project Leader for Plastics at Bayer Innovation GmbH ("Bayer"), introduced the pesticide releasing fumigation films at the Florida Tomato Grower Conference held this September in Naples. This new revolutionary technology was developed in cooperation with Imaflex. The workshop held the day following this presentation was well attended by an enthusiastic and interested group of lead growers (who represent an industry account of more than \$2 billion in annual farm cash receipts worldwide); they were eager to obtain detailed information about the new technology's benefits as well as product samples to test the film under their established best agricultural practice.

Bayer and Imaflex have initiated Environmental Protection Agency ("EPA") registration process for their jointly developed herbicidal fumigation film portfolio, comprising of virtual impermeable key weed controlling fumigation films. This registration process is expected to be finalized no later than the 4th quarter of 2013, in time for the 2013 tomato fall production season.

Imaflex is currently conducting tests at a major U.S. university for its metalized version of the new herbicidal film. After only three months of testing, the results are exceeding the growers' expectations.

Bayer is the lead party in the management of the patent strategy related to the jointly owned new agricultural film portfolio. As such, it has informed Imaflex that it will proceed with patent filings in the top 20 high-value crop production areas in the world, thereby extending internationally the portfolio's patent protection which initially was limited to the U.S.

Imaflex is also taking steps to introduce the new virtual impermeable agricultural film in key Central American markets, which are the major supplier of safe to eat tropical fruits and high-value crops to the US markets.

Potential Acquisition

Finally, Imaflex is pursuing discussions for the acquisition of a company that will, if concluded, assist it in expanding its market share of a certain product portfolio. It is anticipated that the acquisition, if concluded, will be immediately accretive to Imaflex's earnings.

Share Reorganization

The TSX Venture Exchange (the "**Exchange**") has approved the proposed reorganization of the shares of the Corporation consisting in (i) the repeal of the Corporation's Class B shares (the "**Class B Shares**"), (ii) the amendment of the rights, privileges, restrictions and conditions of the Class A shares (the "**Class A Shares**"), which previously ranked after the Class B Shares in respect of the dividends and distribution, for standard common shares features, and (iii) the re-designation of the Class A Shares into "Common Shares" (the "**Reorganization**").

The Class B Shares were historically created for the purposes of the Corporation's qualifying transaction and the listing of its Class A Shares on the Exchange. Since then, the Class B Shares have all been converted into Class A Shares and there are no Class B Shares currently outstanding.

Therefore, further to the approval of the Reorganization by the Corporation's shareholders by way of special resolution at the annual and special meeting held on June 21, 2012, Imaflex has filed Articles of Amendment in order to simplify its share capital by the repeal of its Class B Shares.

In addition, as the previous share capital description provided that the Class A Shares ranked after the Class B Shares in respect of the dividends and distribution of assets, the rights, privileges, restrictions and conditions of the Class A Shares were amended in order to adopt standard features for common shares.

Finally, for practical purposes, the issued and outstanding Class A Shares were re-designated as "Common Shares". As a result of the Reorganization, the Issuer will henceforth have a single class of shares designated as "Common Shares". Effective at the opening of the market on October 19, 2012, the Class A Shares currently listed on the TSX Venture Exchange under the symbol IFX.A will commence trading as Common Shares under the new symbol of IFX (CUSIP 452435209 / ISIN CA4524352099).

A copy of the Certificate of Amendment, the Articles of Amendment and of the Corporation's new share capital description, are available on SEDAR at www.sedar.com.

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

Cautionary Statement on Forward Looking Information

Certain information included in this press release, including any information as to our future financial or operating performance and other statements that express management's expectations or estimates of future performance, constitute "forward-looking" statements within the meaning of Canadian securities laws. The words "expect", "believe", "will", "intend", "estimate" and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business,

economic and competitive uncertainties, risks and contingencies. The Corporation cautions the reader that such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of Imaflex to be materially different from the Corporation's estimated future results, performance or achievements expressed or implied by those forward-looking statements and that the forward-looking statements are not guarantees of future performance. These statements are also based on certain factors and assumptions. For more details on these estimates, risks, assumptions and factors, see the Corporation's most recent Management Discussion and Analysis filed on SEDAR. The Corporation disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, events or otherwise, except as expressly required by law. Readers are cautioned not to put undue reliance on these forward-looking statements.

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Additional information on Imaflex is available on the Company's website at www.imaflex.com and on SEDAR at www.sedar.com.