INNOVATION FIRST UNLEASHES NEW HEXBUG® ROBOTIC SPECIES AND ENHANCED NANO HABITAT SETS FOR THE HOLIDAYS

Highly Anticipated HEXBUG Larva, HEXBUG Nano Habitat Sets and Collectible Limited Edition Nano Bugs Amass at Retailers Nationwide and HEXBUG.com

GREENVILLE, Texas – Aug. 2, 2011 – Today, Innovation First Labs, Inc., creator of the internationally recognized HEXBUG® Micro Robotic Creatures brand, revealed its exciting new back to school and holiday product line-up, designed to further unlock kids’ creative potential and reinforce learning through imaginative playtime. New fall and winter products include the Nano Hive Habitat Set for kids on the go, a slithering new HEXBUG Larva, the re-designed TIA Specialty Toy of the Year Nano Habitat Set featuring the Construct System, and two jaw-dropping limited edition HEXBUG Nano bugs outfitted for Halloween and the Holiday season with festive features and packaging.

“We are constantly developing fun and innovative ways for our customers to push their creative boundaries using HEXBUG products, and we fully intend on becoming an industry iconic brand and a staple kids toy for many years to come” said Chris Troyak, president of Innovation First Labs, Inc. “It is our customers passionate ingenuity that puts a healthy pressure on our engineers to design these playful new products that further stimulate open-ended creativity just in time for the back to school and holiday season.”

HEXBUG Micro Robotic Creatures and the collection of expandable and customizable HEXBUG Nano habitat sets ignite kids' interest in science and technology as well as foster their creativity to fuel hours of imaginative playtime. Starting mid-August through December a series of new mechanical robotic bugs, Nano habitat sets and accessories, and limited edition Nano bugs will scurry into specialty and major retailers nationwide including Walmart, Target, Toys"R"Us and RadioShack among others. These items will also be showcased at two influential mom blog events being held in San Diego, CA, coinciding with the BlogHer 2011 conference, on August 4 hosted by The Big Toy Book and on August 6 hosted by BSM Media.

New HEXBUG fall and winter 2011 products include:

- **HEXBUG Nano Hive Habitat Set** – For kids on the go, HEXBUG introduces the first transportable environment that enables HEXBUG Nano architects to customize the design within a Habitat Set system. Each Hive Habitat Set unfolds to feature a center ramp for the Nano to freely access multiple levels and a floor spotted with attachment points where kids can pop in their choice of new playground accessories. Kids can personalize their playground by repositioning the pegs and rotatable flags which direct the HEXBUG Nano toward ramps or other obstacles, including a seesaw and a merry-go-round, for the playfully energetic critters to explore. CPSIA approved for kids 3 and up; MSRP: $34.99; Available mid-August/September at retailers nationwide and online at www.hexbug.com.

- **HEXBUG Larva** – This captivating new addition to the HEXBUG family slithers forward on smooth surfaces using a slow, rhythmic flexing motion. Just like real larvae, each of these creepy crawlers reacts to its environment, instinctively changing direction upon sensing an object in its path and wriggling off to explore a clear, undisturbed path ahead – a behavior that is eerily
mesmerizing to watch and interact with. CPSIA approved for kids 8 and up; MSRP; $14.99; Available mid-August/September at retailers nationwide and online at www.hexbug.com.

- **New! HEXBUG Nano Habitat Set Featuring the Construct System** – Enhancing the HEXBUG Nano Habitat Set that received the TIA Specialty Toy of the Year Award in 2011, the new set is updated with the Construct Habitat System and now features new modular parts and accessories to extend creative playtime. The floor of each Hex Cell now comes spotted with attachment points where kids can insert the playground accessory of their choice including pegs, adjustable flags, a seesaw, a merry-go-round and vertical and horizontal rollers. The newly designed Hex Cells also come with removable walls so multiple cells can be connected to one another to create vast and diverse environments. CPSIA approved for kids 3 and up; MSRP: $29.99; Available this October at Target stores nationwide and online at www.hexbug.com.

- **Limited Edition HEXBUG Nano** – Following the success of the limited edition HEXBUG Nano Easter Egg sold exclusively at RadioShack, will be the release of two new limited edition holiday bugs. For Halloween, the new **Halloween Zombie Nano** will rise to the occasion from coffin-shaped packaging and a glow in the dark exoskeleton, to make sure kids are happily trick-or-shrieking. Then, just in time for tree trimming, the **Holiday Ornament Nano** will make its debut outfitted with reindeer antlers and packaged in a festive ornament. CPSIA approved for kids 3 and up; MSRP: $5.99. The Halloween Zombie Nano will be available this September at RadioShack stores nationwide, and the Holiday Ornament Nano will be available this November at Target and RadioShack stores nationwide.

**About HEXBUG and Innovation First:**

HEXBUG® is a product line developed by Innovation First Inc., and distributed and marketed by Innovation First Labs, Inc., both wholly owned subsidiaries of privately held Innovation First International, Inc. The company was founded on the belief that innovation very early in the design process is necessary to produce simple and elegant product designs. Innovation First began developing electronics for unmanned mobile ground robots and is now an industry leader in research and development for the hobby, competition, education and toy markets.

Innovation First International’s three main subsidiaries, VEX Robotics, Inc., Innovation First Labs, Inc. (makers of HEXBUG® Micro Robotic Creatures), and RackSolutions, Inc. span the education, consumer and business-to-business markets. The VEX® Robotics Design System is the leading platform for middle school and high school education and competitive robotics. Leveraging the company’s core competency in electrical and mechanical engineering, the RackSolutions® division works closely with all major computer OEMs to provide custom mounting solutions and industry-wide rack compatibility for data installations of all sizes.

In the 2009 the company added offices in Hong Kong, China and the United Kingdom to better serve the global marketplace. This network was expanded to Canada in 2010 with the addition of an office, warehouse and distribution center located in Toronto. With an advanced in-house metal fabrication plant, distribution center and corporate office located together in a 13-acre complex in Greenville, Texas, the company is poised to continue on a rapid growth path. Please visit www.innovationfirst.com for additional information.

###