

FONIX SPEECH JOINS THE UNREAL® ENGINE 3

Fonix VoiceIn to be integrated with Unreal Engine 3

SALT LAKE CITY, UT (October 2, 2006) Fonix Speech, Inc., a wholly owned subsidiary of Fonix Corporation (OTC BB: FNIX) specializing in embedded speech interfaces for mobile devices, handheld electronic products, and systems and processors, joined Epic Games' Integrated Partners Program (IPP) for Unreal® Engine 3 (UE3). Fonix VoiceIn® Game Edition has been fully integrated into Unreal Engine 3 and is now available for licensing directly from Fonix Speech.

“We’re pleased to have Fonix join our Integrated Partners Program as it enables us to provide Unreal Engine 3 licensees with access to complementary technology that helps them deliver great content. Our licensees can be safe in the knowledge that Fonix has fully integrated VoiceIn and provides direct support for its use within Unreal Engine 3,” said Mark Rein, Vice President, Epic Games, Inc.

Epic Games has established the Integrated Partners Program for the purposes of having a formal business relationship with selected companies making cross-platform technologies that integrate with, and are complementary to, Unreal® Engine 3. Under the IPP program, Epic provides continuous Unreal Engine 3 source code access and full technical support to IPP members. Companies who join the IPP agree to provide a high level of technical support for UE3 licensees through Epic’s established support channels, keep their implementations up-to-date with the latest UE3 versions, and work with Epic on potential promotional and co-marketing efforts. The IPP program will make it easier for Unreal Engine 3 licensees to incorporate third party middleware solutions from IPP vendors into their games.

“The IPP is a great opportunity for Fonix,” says Tim K. Hong, Vice President, Fonix Games. “It allows us to market our voice recognition software and integration code directly to videogame developers who have licensed Epic’s Unreal Engine. Epic is currently one of the most respected middleware providers in the game industry, and joining the IPP allows Fonix to introduce our

voice recognition technologies to the best developers in the business working on the latest cutting-edge games.”

For more information about Fonix VoiceIn for videogames, visit www.fonix.com, call 801-553-6600 and say “Sales,” or email games@fonix.com.

About Unreal Engine 3

The award-winning Unreal Engine is known for cutting-edge graphics and a best-of-breed toolset. Unreal Engine 3 is expected to maintain those features while adding massive world support, multi-processor support, next-generation console optimizations, and one of the most mature tool pipelines in the industry. Unreal Engine 3’s new toolset is designed specifically to accelerate developers’ productivity for ultra-complex, next-generation content. Additional information on Unreal Engine can be obtained at www.unrealtechnology.com

At E3 2006 due to the enormous success of Bioshock, Mass Effect and Gears of War, Unreal Engine 3 games scooped overall ‘Best in Show’ Awards from Gamespy, Gamespot, Voodoo Extreme. These games and the others also scooped the top awards, and most runner up places in each of their individual genre categories given by these panels and also those given by IGN, 1Up and GameTrailers. Unreal Engine 3 also is the winner of the ‘Best Game Engine’ award in both the 2005 and 2006 Game Developer ‘Frontline Awards’.

About Epic Games

Epic Games Inc., based in Raleigh, NC and established in 1991, is a developer of cutting-edge computer and video games. The company is best known as the creator of hit PC 3D action games Unreal and Unreal Tournament, both award-winning blockbuster hits having each sold more than one million copies. Epic is also responsible for the Unreal Engine, which is the underlying technology for a wide range of games including 2002 Console Game of the Year winner, Tom Clancy’s Splinter Cell™ from Ubi Soft; PC Gamer’s 2000 Game of the Year, Deus Ex from Ion Storm/Eidos; America's Army: Special Forces, from the United States Army, and Harry Potter and the Sorcerer’s Stone (PC) from Electronic Arts. Additional information can be obtained through Epic’s website at www.epicgames.com

About Fonix VoiceIn® Game Edition

As videogames become increasingly more complicated to design and make, game developers are looking for ways to spend less time writing code and more time being creative. Fonix VoiceIn® allows game developers to add voice interfaces without needing to develop specific expertise in voice recognition. Fonix’s simple, cross platform tools make it easy for any game developer to implement the technology on Xbox®, Xbox 360™, PlayStation®2 and PC games. The result is an interesting new videogame interface on the cutting-edge of innovation.