

Fonix Hits Company Milestone — Over Two Million Speech Interface Solutions Deployed

SALT LAKE CITY, UT (October 25, 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, announces a new company milestone – over two million solutions based upon Fonix speech technologies have been deployed into the embedded devices and systems markets.

Fonix produces speech interface solutions utilizing the Company's proprietary neural network-based automatic speech recognition (ASR) and the highly reputable DECTalk text-to-speech (TTS). Device manufacturers and systems engineers incorporate these technologies into consumer products that are made more user-friendly and efficient by adding speech interfaces.

Fonix speech solutions have been incorporated into:

- Mobile phones and PDAs
- Videogame consoles
- Handheld electronic devices such as e-dictionaries and translators
- Auto attendant systems for small- to mid-size businesses
- Assistive devices for persons with visual and mobility impairments
- 511 traffic reporting systems
- Toys and household appliances
- Medical devices
- IVR systems
- Industrial data collection and inventory applications
- Mobile media players – Portable audio and video devices

“Fonix continues to deliver accurate ASR and intelligible TTS to our customers developing devices and systems that benefit from speech interfaces,” says Walt Nawrocki, Senior VP and GM, Fonix Speech. “We are seeing wider acceptance of speech technologies in a greater variety of markets, particularly as the computing power of devices and systems increases and manufacturers discover the convenience and ease of incorporating speech. The deployment of over two million Fonix solutions has us optimistic about market acceptance of speech tools as viable input/output interfaces.”

Visit www.fonix.com for more information, or call (801) 553-6600 and say “Sales.”

About Fonix

Fonix Corporation (OTC BB: FNIX), based in Salt Lake City, Utah, is an innovative speech recognition and text-to-speech technology company that provides value-added speech solutions through its wholly owned subsidiary, Fonix Speech, Inc., currently offering voice technology solutions for mobile/wireless devices; interactive videogames, toys and appliances; computer telephony systems; the assistive market and automotive telematics. Interactive speech technologies allow Fonix to provide customers with comprehensive cost-effective solutions to enhance and expand their communications needs.

Fonix Investor Contact: Michelle Aamodt, investorrelations@fonix.com

Fonix Speech Contact: Elizabeth Sweeten, mediainfo@fonix.com

Statements released by Fonix that are not purely historical are forward-looking within the meaning of the “Safe Harbor” provisions of the Private Securities Litigation Reform Act of 1995, including statements regarding the Company’s expectations, hopes, intentions and strategies for the future. Investors are cautioned that forward-looking statements involve risk and uncertainties that may affect the Company’s business prospects and performance. The Company’s actual results could differ materially from those in such forward-looking statements. Risk factors include general economic, competitive, governmental and technological factors as discussed in the Company’s filings with the SEC on Forms 10-K, 10-Q and 8-K. The Company does not undertake any responsibility to update the forward-looking statements contained in this release.