

CONTACT: Fonix Corporation
Roger Dudley, Tel: 801-382-7997
Email: rdd@fonix.com

FOR IMMEDIATE RELEASE

FONIX TO SPIN-OFF SPEECH SUBSIDIARY

SpeechFX, Inc. (formerly known as Fonix Speech) files Form 10

LINDON, UT – July 7, 2011 – Fonix Corporation (FNXC.PK. “Fonix”) announces that its wholly-owned subsidiary, SpeechFX, Inc. (“SFX”), (formerly known as Fonix Speech Inc.), has filed with the United States Securities and Exchange Commission a Form 10 to spin-off SFX. SFX owns and operates all of the Fonix speech technology assets, including patents, trademarks, speech technology, products and customers.

Once the Form 10 is deemed effective by the SEC, Fonix will distribute approximately 75 million common shares of SFX to all equity holders of Fonix common and preferred stock on a fully diluted and as-converted basis. Fonix will distribute 0.0001073 shares of SFX common stock for each share of Fonix common stock outstanding, and for each common stock equivalent share underlying Fonix preferred stock outstanding, a ratio of one share of SFX common stock to every 9,316 shares of Fonix common stock

“The Fonix board of directors has determined in its best judgment that the Spin-off will highlight the value of the speech and voice recognition assets and business of SFX for the stockholders of Fonix” says, Roger D. Dudley, Chairman and CEO. “Considering the potential growth for our speech assets, we believe shareholders will benefit with separate quarterly financial statements, annual audits of SFX and future investment in SFX. Shareholders and SFX customers like SEGA, THQ, Ubisoft, Microsoft, Autodesk, Casio, Canon, Investec Besta will clearly see the business plan and operating results of SFX as a separate reporting company.”

The Form 10 recently filed with SEC reports audited financial statements for SFX for the periods ended December 31, 2009 and 2010, reviewed statements through March 31, 2011, and a pro forma statement assuming the Form 10 is declared effective.

The distribution date for the delivery of the SFX shares in the spin-off has not been determined, and is subject to the satisfaction of a number of conditions, including review of the Form 10 and comment thereon by the SEC, SFX responses to any such comments satisfactory to the SEC, the mailing of an information statement by SFX to all common and preferred shareholders of Fonix, describing the spin-off in detail, and the receipt of all government approvals and necessary consents.

About Fonix

Fonix Corporation (OTC BB: FNXC), based in Salt Lake City, Utah, currently operates through its wholly owned subsidiary, SpeechFX, Inc. (formerly known as Fonix Speech, Inc.), and G-Soft Limited and G-Soft Inc. Visit www.fonix.com for more information.

About Speech SpeechFX, Inc. (formerly known as Fonix Speech, Inc.)

An innovative voice recognition and text-to-speech technology company that provides speech interfaces for devices and systems. SpeechFX licenses its technology to major electronic manufacturers and software developers in the United States, Asia and Europe.

SFX provides video game developers and device manufacturers with cost-effective, embedded speech solutions to voice activate and enhance devices and systems. Visit www.speechfxinc.com for more information.

Investors and shareholders contact: ir@speechfxinc.com

About G-Soft Limited and G-Soft Inc.

G-Soft Limited (“G-Soft Ltd”) is a Hong Kong limited liability company established in 2008, owned by GS Acquisition Inc., a wholly-owned by Fonix Corporation. G-Soft Ltd.’s sole asset is 100% ownership of G-Soft Inc., a Chinese wholly owned foreign entity (WOFE). G-Soft Inc. is the sole shareholder of Shanghai Gaozhi Software Systems Limited.

Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. "Forward-looking statements" describe future expectations, plans, results, or strategies and are generally preceded by words such as "may," "future," "plan" or "planned," "will" or "should," "expected," "anticipates," "draft," "eventually," or "projected." Additionally, statements relating to the Company’s market position or strength, implementation of the Company’s plans or strategies, and comparisons with other companies in the same or similar industries could contain forward-looking statements. You are cautioned that such statements are subject to a multitude of risks and uncertainties that could cause future circumstances, events, or results to differ materially from those projected in the forward-looking statements, including the risks that actual results may differ materially from those projected in the forward-looking statements as a result of various factors. Renewable Fuel Corp expressly disclaims any obligation or intention to update or revise any forward-looking statement, as a result of developments occurring after the date such statement was first made.

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