



FORM 51-102F3  
MATERIAL CHANGE REPORT UNDER SECTION 7.1 OF NI 51-102

- Item 1. Name and Address of Company**  
Microbix Biosystems Inc.  
265 Watline Avenue  
Mississauga, ON  
L4Z 1P3
- Item 2. Date of Material Change**  
The material change took place on October 27<sup>th</sup>, 2017.
- Item 3. News Release**  
On October 27<sup>th</sup>, 2017, a News Release in respect of the material change was released through Marketwired, Toronto.
- Item 4. Summary of Material Change**  
Microbix Completes Second Tranche of Brokered Private Placement – Tranche Gross Proceeds of \$1,164,640, Total Proceeds of \$3,500,000
- Item 5. Full Description of Material Change**  
A full description of the material change is in the attached News Release.
- Item 6. Reliance on Section 7.1(2) of National Instrument 51-102**  
Confidentiality is not requested.
- Item 7. Omitted Information**  
No information has been omitted in respect of the material change.
- Item 8. Executive Officer**  
Cameron L. Groome, President & Chief Executive Officer  
Microbix Biosystems Inc.  
tel: 905 361-8910  
fax: 905 361-8911
- Item 9. Date of Report**  
October 27<sup>th</sup>, 2017



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265 Watline Avenue, Mississauga, Ontario L4Z 1P3  
Tel: 905-361-8910 Fax: 905-361-8911

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## News Release

### **Microbix Completes Second Tranche of Brokered Private Placement Tranche Gross Proceeds of \$1,164,640, Total Proceeds of \$3,500,000**

**TORONTO, October 27, 2017** - Microbix Biosystems Inc. (TSX: MBX) ("Microbix" or the "Company"), a developer and marketer of biological products and technologies, announces that it has completed a second and final tranche of the brokered private placement financing announced on October 19, 2017. An aggregate of 7,784,500 Units were issued in the first tranche for gross proceeds of \$2.33 million. Microbix has now closed a second tranche of private placement financing for further gross proceeds of \$1.17 million, resulting in the issue of 3,882,133 more Units at a price of \$0.30 per Unit.

Each Unit consists of one common share ("Common Share") of Microbix and one-half of one warrant to purchase one Common Share. Each whole warrant ("Warrant") entitles the holder to purchase one additional Common Share at a price of \$0.36 for three years.

The proceeds of the private placement will be used to fund upgrades to production facilities such as additional bioreactor equipment, support the commercialization of quality assurance or proficiency control products and provide further working capital.

Cameron Groome, President and CEO of Microbix, commented "These proceeds will support our initiatives to build sales, enhance earnings and increase shareholder value."

Dominick Capital Corporation ("Dominick") acted as lead agent in connection with the private placement. Dominick and its selling group members received cash commission of \$73,054.80 and an aggregate of 243,516 agent warrants (the "Agent Warrants") in connection with second tranche of the private placement. Each Agent Warrant entitles the holder to purchase one Common Share at a price of \$0.335 per Common Share for two years.

All securities issued under the private placement will be subject to a hold period expiring four months and one day from the date of closing. The private placement was carried out pursuant to prospectus exemptions and is subject to final acceptance by the TSX.

A Company insider ("Insider") subscribed for an aggregate of 333,334 Units of this second tranche, for gross proceeds of \$100,000. The participation of Insiders in the private placement constitutes a "related party transaction" within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101") and the policies of the TSX. The Company is relying on the exemptions from the formal valuation and minority approval requirements contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 on the basis that participation in the private placement by Insider will not exceed 25% of the fair market value of the Company's market capitalization. The Company did not file a material change report at least 21 days prior to the completion of the private placement since the existence of any placement or Insider's participation therein was not determined at that time.

## **About Microbix**

Microbix Biosystems Inc. develops and commercializes proprietary biological and technology solutions for human health and wellbeing. Microbix manufactures a wide range of critical biological materials for the global diagnostics industry, notably antigens used in immunoassays or quality assurance and proficiency testing controls. The Company also applies its biological expertise to develop other innovative and proprietary technologies and products. Its development pipeline currently includes two such proprietary products: (1) Kinlytic® Urokinase, a biologic thrombolytic drug used to treat blood clots, and (2) LumiSort™, a technology for ultra-rapid and efficient sorting of somatic cells that can be used to enrich cell populations of interest, such as in sexing semen. Established in 1988, Microbix is a publicly traded company listed on the Toronto Stock Exchange and is based in Mississauga, Ontario, Canada.

## **Forward-Looking Information**

This news release includes “forward-looking information,” as such term is defined in applicable securities laws. Forward-looking information includes, without limitation, the planned uses of proceeds of the described private placement, trends in product demand or planned capacity increases or projects, financial results and stability, Microbix’ biologicals business and its new product lines, operations in foreign jurisdictions, engineering and construction generally, production (including control over costs, quality, quantity and timeliness of delivery of products), foreign currency and exchange rates, maintaining adequate working capital and raising further capital on acceptable terms or at all, and other similar statements concerning anticipated future events, conditions or results that are not historical facts. These statements reflect management’s current estimates, beliefs, intentions and expectations; they are not guarantees of future performance. The Company cautions that all forward looking information is inherently uncertain and that actual performance may be affected by a number of material factors, many of which are beyond the Company’s control. Accordingly, actual future events, conditions and results may differ materially from the estimates, beliefs, intentions and expectations expressed or implied in the forward-looking information. All statements are made as of the date of this news release and represent the Company’s judgement as of the date of this new release, and the Company is under no obligation to update or alter any forward-looking information.

For further information, please contact:

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