

Form 51-102F3

Material Change Report

Item 1 Name and Address of Company

Microbix Biosystems Inc.
265 Watline Avenue, Mississauga, Ontario L4Z 1P3

Item 2 Date of Material Change

May 19, 2021

Item 3 News Release

The News Release attached hereto was released by GlobeNewswire, Toronto on May 19, 2021.

Item 4 Summary of Material Change

Microbix Announces Closing of Offering and Private Placement – \$6.9 Million of Gross Proceeds Received

Item 5 Full Description of Material Change

A full description of the material change is described in the attached News Release.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable

Item 7 Omitted Information

Not applicable

Item 8 Executive Officer

Jim Currie, CFO
Microbix Biosystems Inc.
jim.currie@microbix.com
905 361-8910

Item 9 Date of Report

May 19, 2021



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

News Release

Microbix Announces Closing of Offering and Private Placement \$6.9 Million of Gross Proceeds Received

- NOT FOR DISSEMINATION IN THE UNITED STATES OR THROUGH U.S. NEWSWIRE SERVICES -

MISSISSAUGA, May 19, 2021 – Microbix Biosystems Inc. (TSX: MBX, OTCQB: MBXBF, Microbix®), a life sciences innovator and exporter, announces it has closed its previously-announced bought-deal public offering (the “**Offering**”) and concurrent private placement (the “**Placement**”).

The co-lead bookrunners and underwriters of the Offering, iA Private Wealth Inc. and Bloom Burton Securities Inc. (the “**Underwriters**”), have purchased the full Offering, including all of the 15% overallotment option, for a total of 9,583,334 units (“**Units**”), at a price of \$0.60 per Unit for aggregate gross proceeds of \$5,750,000. The Company also closed its concurrent Placement of 1,916,666 Units for gross proceeds of \$1,150,000, also upsized by 15% from the previously announced \$1,000,000.

Each Unit is comprised of one common share of the Company (a “**Common Share**”) and one-half of one common share purchase warrant (each whole warrant being a “**Warrant**”). Each Warrant is exercisable to acquire one common share (a “**Warrant Share**”) for a period of 24 months following the closing date of the Offering at an exercise price of \$0.80 per Warrant Share, subject to adjustment in certain events.

The Company paid the Underwriters a cash commission equal to 7.0% of the gross proceeds of the Offering and has issued 670,833 underwriters’ warrants (the “**Underwriters’ Warrants**”). Each Underwriters’ Warrant is exercisable for one Common Share at \$0.60 per Common Share for a period of 24 months following the closing of the Offering. No underwriting fees or commissions were paid in relation to the Placement.

Gross proceeds from the Offering and the Placement totaled \$6,900,000. Net proceeds from the Offering and Placement are expected to be approximately \$6,150,000 after fees and expenses. The net proceeds from the Offering will be used primarily towards expansion-related initiatives, while those of the Placement will be directed to general corporate purposes.

Directors and officers of Microbix (collectively, the “**Insiders**”) participated in the Offering for 708,333 Units (\$425,000) and in the Placement for 685,000 Units (\$411,000). Participation of Insiders in the 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. Microbix 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 Placement by Insiders will not exceed 25% of the fair market value of its market capitalization. Microbix did not file a material change report at least 21 days prior to the completion of the Placement since the existence of any Placement or Insiders’ participation therein was not determined at that time.

