FORM 51-102F3
NATIONAL INSTRUMENT 51-102

MATERIAL CHANGE REPORT UNDER SECTION 7.1 OF NI 51-102

FILED VIA SEDAR

Item 1. Name and Address of Company

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

Item 2. Date of Material Change

A material change took place on December 28, 2012.

Item 3. News Release

On December 28, 2012 a news release in respect of the material change was released by telecopier through the facilities of Canada NewsWire.

Item 4. Summary of Material Change

The material change is fully described in the Company's press release which is attached as Schedule "A" and is incorporated herein.

Item 5. Full Description of Material Change

A full description of the material change is contained under Item 4.

Item 6. Reliance on Section 7.1(2) or (3) of National Instrument 51-102

The report is not being filed in reliance on section 7.1(2) or (3) of National Instrument 51-102.

Item 7. Omitted Information

No information has been omitted.

Item 8. Executive Officer

William J. Gastle, CEO
416-234-1624 ext. 230

Item 9. Date of Report

January 2, 2013

SCHEDULE "A"

Microbix Biosystems Inc.

265 Watline Avenue, Mississauga, Ontario L4Z 1P3

Tel: 416-234-1624 Fax: 416-234-1626

News Release

MICROBIX REPORTS 15% INCREASE IN VIROLOGY PRODUCT SALES IN 2012

Urokinase, Vaccine Venture, and LumiSort Update

TORONTO, December 28, 2012 -- Microbix Biosystems Inc. (TSX: MBX), a life sciences company commercializing novel virology, biologic and animal reproduction biotechnologies, today reported financial results for the fourth quarter of fiscal 2012. For the quarter ended September 30, 2012, Microbix reported revenue of $1,884,801, a 12% decrease from $2,137,782 for the same quarter in 2011. Full year revenues were $6,669,789, an increase of 7% compared to $6,228,292 in 2011, as a result of continued growth in customer demand. Total expenses for the quarter were $1,149,990 compared to $1,204,444 for the same quarter in 2011. Total expenses for the year were $5,391,611 compared to $5363,847 in 2011. The operating loss for the quarter was $549,043 compared to $457,497 for the same quarter last year, while the full year operating loss was $2,636,800 compared to $2,566,094 in 2011.

Vaughn C. Embro-Pantalony, President and Chief Executive Officer remarked, "I am very encouraged by the strong underlying growth in virology product sales of 15% in 2012. However, lower contract sales and higher expenses during the year resulted in a slight increase in operating losses compared to last year. Our objective in 2013 is to drive the Company towards profitability by continuing to grow revenues, carefully managing expenses, and concluding the partnering of LumiSort, our semen sexing technology, and the Vaccine venture incorporating VIRUSMAX™ our virus yield enhancement technology."

Embro-Pantalony also provided an update on the pipeline products, "In the fourth quarter we signed the urokinase license agreement with Zydus Cadila, and now a joint project team is finalizing our detailed plan to return the product to market within 36 months. We are in advanced discussions with potential investors interested in locating our influenza vaccine manufacturing venture to a new country; and we are also making good progress towards partnering the next phase of our LumiSort development program with initial funding commitments secured. I will provide further updates on both of these opportunities as matters progress."

Please visit www.sedar.com for recent Microbix Biosystems, Inc. filings on its pipeline products and financial information.

Financial Highlights

		3 months ended Sept 30		year ended Sept 30	
		2012	2011	2012	2011
Revenue	$	1,884,801	2,137,782	6,669,789	6,928,292
Net loss	$	(549,043)	(457,497)	(2,636,800)	(2,566,094)
Net loss per share	$	(0.01)	(0.01)	(0.04)	(0.05)
Cash Flow	$	(334,964)	108,783	103,187	108,784

About Microbix Biosystems

Microbix Biosystems Inc. specializes in the development of advanced biotechnologies, and markets virology and biological technologies worldwide. The Company owns intellectual property for a approved biopharmaceutical drug, a vaccine technology and an animal reproduction technology. Microbix supplies customers in the U.S., Europe, and Asia. Established in 1988, Microbix is headquartered in Toronto.

Disclaimer

This press release contains forward-looking statements which are subject to risks and uncertainties that could cause actual results to differ materially from those set forth in the forward-looking statements including the risks associated with development projects, operations in foreign jurisdictions, risks associated with engineering and construction generally, risks associated with production including control over costs, quality, quantity and timeliness of delivery of products, foreign currency and exchange rate risk, and risks of raising capital on acceptable terms or at all. These forward-looking statements represent the Companies' judgment as of the date of this press release. The Company disclaims any intent or obligation to update these forward-looking statements.

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For further information:

Visit www.microbix.com or contact: Vaughn C. Embro-Pantalony, CEO, (416) 234-1624 x 350; or James Long, CFO, (416) 234-1624 x 265.