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News Release

Microbix Confirms Ramp-up of Production

Bioreactor Capacity Increasing by 500%

TORONTO, November 27, 2017 - Microbix Biosystems Inc. (TSX: MBX), a developer and marketer of biological products and technologies, confirms its production ramp-up, with a 500% increase in bioreactor capacity and other processing upgrades.

Microbix' revenues are mainly from sales of its antigens as critical components for makers of tests that diagnose infectious diseases. Antigens are traditionally produced in thousands of "roller bottles," a method requiring considerable space, material and labour. Instead and in a significant advancement, Microbix has developed a production process using "bioreactors," a state-of-the-art technology that promises better process control and yield, with reduced space, material, and labour per unit of product.

Microbix is now scaling-up its largest-selling product into bioreactors, going from one production-oriented bioreactor to six and transferring the process from development to manufacturing. All six units have been delivered and will enter production in early 2018. A multi-month production cycle means that the full benefit of the bioreactors will be realized in the fiscal year ending September, 2019.

Additionally, Microbix is enhancing its downstream processing capacity, including a doubling of the power supply to its facility. Such modifications are also needed to support sales growth.

Collectively, these changes should enable Microbix to meet increasing demand for its products, by way of increased bioreactor capacity, enabling the reallocation of facility space to more production of other antigens and enhanced downstream processing capacity. These changes are intended to enable the double-digit sales growth now targeted by Microbix.

Phil Casselli, SVP of Sales and Business Development, commented on the significance of these changes, "Increasing our production capacity should enable us to fulfill our customers' growing need for high-quality antigens. We appreciate our customers' support during this transition."

Cameron Groome, CEO and President, provided perspectives for shareholders, "The use of bioreactors is necessary to increase sales and profitability and to realize the full potential of our antigens business. Our adoption of bioreactors for production and increasing our downstream processing capacity are evidence that our growth initiatives are fully underway."

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 expected productivity of its bioreactors, 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.

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