

## IBEX REPORTS FISCAL 2007 FINANCIAL RESULTS

**MONTREAL, Quebec – October 4, 2007** – IBEX Technologies Inc. (TSX: IBT), reported today its financial results for the fourth quarter and fiscal year ended July 31, 2007.

During fiscal year ended July 31, 2007 and up to the date of this release, the IBEX activities include the following developments:

- The Company achieved record high sales of \$2,024,000 representing a year-over-year increase of 3 percent in total reported sales revenue for fiscal year ended July 31, 2007. In real terms (US\$) sales were up 6%.
- As announced on May 16, 2007, the Company implemented a restructuring plan aimed at conserving cash and creating a cash positive business. In order to accomplish this goal IBEX has eliminated all programs not essential to the sale and marketing of its specialty glycobiology enzymes and arthritis assays. The write-down of assets associated with these programs and the accompanying net loss is more fully described below.
- As announced on May 7, 2007, IBEX terminated its previously-announced proposed acquisition of 100% of the shares of Garvinci Inc. due to material adverse changes in Garvinci's business.
- On September 7, 2007, the TSX advised IBEX that it was reviewing the eligibility of IBEX for continued listing on the TSX as its listed securities did not maintain a market value of at least three million dollars over a period of 30 consecutive trading days. IBEX has been granted 120 days to regain compliance with TSX listing requirements. IBEX is taking steps to ensure that should it not meet the requirements for continued listing, its shares will be tradable on an alternative exchange.
- The Company has commenced marketing an improved version of its current C2C arthritis assay. This assay is more cost-effective to produce and will provide the end-user greater precision and ease of use.
- The Company commenced marketing of its new Urine C2C ELISA assay.
- The Company commenced marketing its new CP II ELISA assay with pre-coated plates.
- As part of its re-focusing program, the Company decided to out license its kallikrein patent portfolio.

IBEX incurred a total cash outlay of \$3.0 million over the twelve-month period ended July 31, 2007 which includes \$1.4 million in connection with the abandoned proposed Garvinci transaction. At July 31, 2007, the Company's cash and cash equivalents and marketable securities totaled \$1.44 million, and its net working capital was \$1.40 million. Following the completion of the restructuring at the end of October 2007, IBEX expects to have cash of approximately \$1 million and generate a positive cash flow on a quarter to quarter basis.

### Financial Results

Solely for the convenience of the reader, selected financial results expressed in Canadian dollars on the financial statements, have been translated into U.S. dollars at the July 31, 2007 month-end rate C\$1.00 = US\$ 0.9374. This translation should not be construed as an application of the recommendations relating to the accounting for foreign currency translation, but rather as supplemental information for the reader.



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Revenue for the fourth quarter of fiscal 2007 increased to \$569,512 (US\$534,000) from \$452,730 in the fourth quarter of fiscal 2006 representing an increase in sales of 26% mainly due to the strong performance of the glycobiology enzymes.

Net loss for the fourth quarter of 2007 was \$5.5 million (US\$5.2 million) or (\$0.24) per share, compared with a net loss of \$626,000 or (\$0.03) per share in the same period a year ago.

Revenue for the fiscal year ended July 31, 2007 increased to \$2,023,624 (US\$1.9 million) compared to \$1,966,888 in fiscal 2006 representing a year-over-year increase of 3 percent. Excluding the exchange loss on converting U.S. denominated sales revenues to Canadian dollars, the year-over-year sales revenue increase is 6 percent.

Net loss for fiscal 2007 was \$7.4 million (US\$6.9 million) or (\$0.32) per share, compared to a net loss of \$2.9 million or (\$0.12) per share in 2006. The Company's increased net loss for fiscal 2007 is primarily attributable to the write-down of \$3.8 million in identifiable intangible assets and severance expenses following its restructuring plan in the fourth quarter of fiscal 2007 and \$1.1 million for a loan receivable attributable to the abandoned Garvinci transaction, partially offset by decreased research and development expenses.

Selling, general and administrative expenses and cost of goods sold for fiscal 2007 increased to \$3.5 million (US\$3.25 million) from \$2.7 million in fiscal 2006.

Research and development expenses for the year ended July 31, 2007 totaled \$1.3 million, (US\$1.2 million) compared to \$2.1 million in fiscal year 2006, as a result of the previously announced decision in June 2006 not to further pursue the kallikrein therapeutic program.

**Financial Summary** (*\$000s, except per share and share amounts*)

Fiscal years ended July 31,	<u>2007</u>	<u>2006</u>
Revenues	\$2,024	\$1,967
Net loss	\$(7,410)	\$(2,880)
Loss per share	\$(0.32)	\$(0.12)
Cash, cash equivalents and marketable securities	\$1,448	\$4,491
Number of shares outstanding	24,703,244	23,070,058

**About IBEX**

IBEX is a biopharmaceutical company manufacturing and selling proprietary enzymes and arthritis assays.

IBEX enzymes (heparinases and chondroitinases) are used as research reagents. Heparinase I, the most important of these enzymes is used in many leading hemostasis monitoring devices.

The Company's arthritis assays are used in pharmaceutical research. These assays are based on the discovery of a number of specific molecular biomarkers associated with collagen synthesis and degradation.

For more information, please visit the Company's web site at [www.ibex.ca](http://www.ibex.ca).



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### **Safe Harbor Statement**

*All of the statements contained in this news release, other than statements of fact that are independently verifiable at the date hereof, are forward-looking statements. Such statements, based as they are on the current expectations of management, inherently involve numerous risks and uncertainties, known and unknown. Some examples of known risks are: the impact of general economic conditions, general conditions in the pharmaceutical industry, changes in the regulatory environment in the jurisdictions in which IBEX does business, stock market volatility, fluctuations in costs, and changes to the competitive environment due to consolidation or otherwise. Consequently, actual future results may differ materially from the anticipated results expressed in the forward-looking statements. IBEX disclaims any intention or obligation to update these statements.*

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